33RD ANNUAL REPORT

2019-20

ALOK
INDUSTRIES LIMITED
TM INNOVATIVE TEXTILE SOLUTIONS

Contents

ANNUAL GENERAL MEETING

DATE
Tuesday, December 29, 2020

TIME
12.30 p.m.

VENUE
Alok Public School, Alok City,
Silvassa-Khanvel Road, Silvassa – 396230,
Union Territory of Dadra and Nagar Haveli

Board of Directors and Corporate Information

Board of Directors (w.e.f. 14.09.2020)

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

Rahul Dutt
(Independent Director)

Mumtaz Bandukwala
(Independent Director)

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

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

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

Samir Chawla
(Nominee Director (Non-Executive) representing JM Financial Asset Reconstruction Company Limited)

Bankers

HDFC Bank Limited
ICICI Bank Limited
State Bank of India

Statutory Auditors

S R B C & CO LLP.
Chartered Accountants

Internal Auditors

Bhandarkar & Co.
Chartered Accountants

Devdhar Joglekar & Srinivasan.
Chartered Accountants

HPVS & Associates,
Chartered Accountants

Legal Advisors

INDUSLAW

Listing & Code

BSE Limited (521070)
National Stock Exchange of India Limited (ALOKINDS)

Manager

Sunil O. Khandelwal

Chief Financial Officer

Bijay Agrawal

Company Secretary

K. H. Gopal

Registered Office:

17/5/1, 521/1, Village Rakholi/ Saily,
Silvassa, The Union Territory of
Dadra and Nagar Haveli-396 230
Tel No. 0260-6637000
Fax No. 0260-2645289

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

Corporate Identity Number

L17110DN1986PLC000334

Other Details

Demat ISIN Number in NSDL & CSDL, Equity Shares: INE 270A01029
Website Address: www.alokind.com
E-mail Address: info@alokind.com

Directors’ Report to the Shareholders

To the Members,

The Reconstituted Board of the Company (as defined elsewhere in this Report) presents to the Members the 33rd Annual Report of the Company, which includes the Directors’ Report (“**Annual Report**”).

In accordance with the application made by State Bank of India, the Hon’ble National Company Law Tribunal, Ahmedabad bench (“**Adjudicating Authority**”), vide its order dated 18 July 2017 had ordered the commencement of the corporate insolvency resolution (“**CIR**”) process in respect of the corporate debtor, i.e., Alok Industries Limited (“**Company**”) under the provisions of the Insolvency and Bankruptcy Code, 2016 (the “**Code**”). An Interim Resolution Professional (**“IRP”**) was appointed to manage the affairs of the Company who was later confirmed to be the Resolution Professional (**“RP”**). Upon appointment of the IRP / RP, the powers of the Board of Directors were suspended.

Pursuant to its order dated 08 March 2019 (“**NCLT Order**”), the Adjudicating Authority approved the resolution plan (“**Approved Resolution Plan**”) submitted by JM Financial Asset Reconstruction Company Limited (“**JMFARC**”), JMFARC – March 2018 – Trust (“**ARC Trust**”) and Reliance Industries Limited (“**RIL**”) (“**Resolution Applicants**”) for the Company under Section 31 of the Code. In accordance with the provisions of the Code and the NCLT order, the Approved Resolution Plan is binding on the corporate debtor and its employees, members, creditors, guarantors and other stakeholders involved in the resolution plan.

As per the Approved Resolution Plan, during the period between the NCLT Approval Date (as defined in the Approved Resolution Plan) and the Closing Date (as defined in the Approved Resolution Plan) (“Interim Period”), a monitoring committee was constituted (“Monitoring Committee”) which during the period following the date of approval from Competition Commission of India(“CCI”) and until the Closing Date, comprising of 4 (Four) representatives of the Financial Creditors, 2 (Two) representatives of the Resolution Applicants and the Erstwhile Resolution Professional managed the affairs of the Company as a going concern and supervised the implementation of the Resolution Plan. The powers of the Board of Directors continued to remain suspended as per the terms of the Approved Resolution Plan. Accordingly the Monitoring Committee was in office for the entire period to which this report primarily pertains. During the CIR Process (i.e. between 18 July 2017 and 08 March 2019), the RP was entrusted with the management of the affairs of the Company. The mandate of the Monitoring Committee was to manage the affairs of the Company as a going concern and supervise the implementation of the Resolution Plan. The Monitoring Committee, at their Closing Meeting held on 14th September 2020, inter-alia, reconstituted the Board of Directors of the Company (“**Reconstituted Board**”) and upon conclusion of this Meeting, the Monitoring Committee stood dissolved.

The Reconstituted Board of Directors of the Company is submitting this Report 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 (**“SEBI LODR Regulations**”). The Reconstituted Board is not to be considered responsible to discharge fiduciary duties with respect to the oversight on financial and operational health of the Company and performance of the management for the period prior to its reconstitution.

This Report was discussed in a meeting held with the Key Management Persons and thereafter taken on record by the Reconstituted Board.

1. FINANCIAL RESULTS:

(₹in crore)

Particulars	Standalone		Consolidated	
	31.03.2020	31.03.2019	**31.03.2020**	31.03.2019
Revenue from operations	3,166.34	3,128.76	3,328.78	3,352.24
Operating Profit / (Loss) before Interest, Depreciation and Taxes	(202.07)	(72.80)	(88.17)	(110.64)
Minority Interest and Share in Profit of Associates	-	-	(0.99)	(1.02)
Profit / (Loss) exceptional items and taxes	(830.09)	(4,763.97)	(744.63)	(4,969.91)
Exception Item	2,052.55	7,045.19	2,052.55	7,045.19
Profit / (Loss) Before Tax (after exceptional items)	1,222.46	2,281.22	1,307.92	2,075.28
Tax Expenses (including Deferred Tax)	(0.73)	(0.91)	(2.31)	(0.88)
Profit after Tax	1,223.19	2,282.13	1,310.23	2,076.16
Other Comprehensive Income	1.37	1.69	(296.68)	(149.82)
Total Comprehensive Income	**1,224.55**	**2,283.82**	**1,013.55**	**1,926.34**

Results of Operations and the State of Company's Affairs

The Highlights of the Company's Performance (Standalone) for the Year Ended March 31, 2020 are as Under:

- The overall operations of the company continued to run at average of about 30% due to working capital constraints.
- Total sales of the Company increased by 1.20% to ₹ 3,166.34 crore from ₹ 3,128.76 crore in the previous year:
- ■ Domestic sales increased by 3.2% to ₹ 2,385.97 crore from ₹ 2312.76 crore in the previous year
- ■ Export sales decreased by 4.4% to ₹ 780.38 crore from ₹ 816.00 crore in previous year
- Operating EBITDA (before exceptional items) was loss of ₹ 202.07 crore as compared to EBITDA loss (before exceptional items) of ₹ 72.80 crore in the previous year.
- Operating Profit Before Tax (PBT) (before exceptional items) was loss of ₹ 830.09 crore as compared to PBT (before exceptional items) loss of ₹ 4,763.96 crore in the previous year.
- The reported Profit After Tax (after exceptional item) for the year was ₹ 1,224.55 crore as compared to Profit After Tax (after exceptional item) of ₹ 2,283.82 crore.

Financial Performance Review and Analysis (Consolidated)

- The Company achieved a consolidated revenue of 3,328.78 crore marginally lower by 0.7% as compared to consolidated revenue of ₹ 3,352.24 crore in the previous year
- Operating EBITDA (before exceptional items) was loss of ₹ 88.17 crore as compared to EBITDA loss (before exceptional items) of ₹ 110.64 crore in the previous year.
- Operating Profit Before Tax (PBT) (before exceptional items) was loss of ₹ 743.64 crore as compared to PBT (before exceptional items) loss of ₹ 4,968.89 crore in the previous year.
- The reported Consolidated Profit After Tax (after exceptional item) for the year was ₹ 1,013.55 crore as compared to Profit After Tax (after exceptional item) of ₹ 1,926.34 crore in the previous year.

2. EFFECTS OF IMPLEMENTATION OF RESOLUTION PLAN

Pursuant to the CIRP Process and implementation of the Resolution Plan, there has been a gain by way of exceptional items of ₹ 2052.55 crore on account of the following:

a. Extinguishment of dues of operational creditors – ₹ 938.97 crore

b. Extinguishment of dues of financial creditors – ₹ 1093.52 crore

c. Extinguishment of other current and non-current liability – ₹ 20.06 crore

3. EXCEPTIONAL ITEMS RECOGNIZED IN PREVIOUS YEAR FINANCIAL STATEMENTS:

Exceptional Item for the year 2018-19 was ₹7,045.19 crore, mainly related to the reversal of entire interest provision made by the Company from July 18, 2017 till March 08, 2019, the date of the Hon'ble NCLT Court Order approving the Resolution Plan.

Exceptional Item for the year 2019-20 was ₹2052.55 crore being extinguishment of dues of Operational Creditors, write-back of non-assignable loans of financial creditors and extinguishment of other Current and Non-Current Liability.

4. COMPANY'S PERFORMANCE:

The total sales of the Company for the year under review amounted to ₹3166.34 crores (including exports together with export incentives of ₹780.38 crores).

The loss before tax and exceptional item was ₹830.09 crores mainly due to sub-optimum level of manufacturing operations, lower profitability, provision for doubtful debts and advances, interest burden and depreciation. The Profit after Tax of ₹1224.55 crore is due to exceptional item of ₹ 2052.55 crore as mentioned above.

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

5. DIVIDEND:

There is no recommendation of dividend on preference shares and equity shares of the Company for the financial year under review.

6. TRANSFER TO RESERVES:

No amount has been transferred to Reserves for the financial year under review.

7. EROSION OF NETWORTH

Net worth as at 31st March, 2020 was negative at ₹10,688.68 crore. Accumulated losses have resulted in the erosion of over 266% of peak net worth of ₹6,429.89 crores during the immediately preceding four financial years. A Resolution Plan has been approved by the Adjudicating Authority with effect from 08 March, 2019, as stated above, and the new management has stated in the Approved Resolution Plan that it would be their endeavor to turn around the company's operations.

8. MATERIAL DEVELOPMENTS DURING THE FINANCIAL YEAR:

Pursuant to the Approved Resolution Plan, the following key changes have taken place:

(i) **Reduction of Face Value of the Equity Shares of the Company:**

The existing Paid Up Equity Capital of the Company stands reduced by reducing the face value of the Equity Shares from ₹1377,31,78,950 divided into 137,73,17,895 Equity Shares of ₹10 each fully paid up to ₹137,73,17,895 divided into 137,73,17,895 Equity Shares of Re.1 each fully paid.

(ii) **Reclassification of Authorized Share Capital of the Company:**

The Authorised Share Capital of the Company has been reclassified from ₹ 4000,00,00,000/- (Rupees Four Thousand Crore only) comprising 400,00,00,000 (Four Hundred Crore) Equity Shares of ₹10 (Rupees Ten) each to ₹3500,00,00,000/- (Rupees Three Thousand Five Hundred Crore only) comprising 3500,00,00,000 (Three Thousand Five Hundred Crore) Equity Shares of Re.1/- (Rupee One) each and 500,00,00,000 (Five Hundred Crore) Preference Shares of Re.1 (Rupee One) each.

(iii) **Allotment of Equity Shares and Optionally Convertible Preference Shares to RIL:**

83,33,33,333 equity shares at ₹3/- per share and 250,00,00,000 - 9% Optionally Convertible Preference Shares at Re.1/-per share aggregating to ₹499,99,99,999/- (Rupees Four Hundred Ninety Nine Crore Ninety Nine Lacs Ninety Nine Thousand Nine Hundred Ninety Nine only) has been allotted on preferential basis for cash to RIL in accordance with the Approved Resolution Plan. There has been no variation in the use of funds so raised.

(iv) **Payment of dues to eligible Financial Creditors**

Upfront payment towards settlement of the debts of eligible financial creditors as also payment towards assignment of the debt has been made.

(v) **Assignment of the balance Outstanding Debts by Financial Creditors to JMFARC.**

In accordance with the Approved Resolution Plan, the financial creditors have assigned an amount of ₹ 22682.60 crore to JMFARC being the balance debt eligible to be assigned.

In accordance with the Approved Resolution Plan, JMFARC has further assigned an amount of ₹ 5000 crore to RIL.

9. MATERIAL DEVELOPMENTS POST CLOSURE OF THE FINANCIAL YEAR:

Pursuant to the Approved Resolution Plan, the following key changes have taken place post closure of the Financial Year:

(a) 13,59,11,844 (6.15%) equity shares of the Company pledged, by the outgoing promoters of the Company, as security with the financial creditors were transferred to JMFARC (acting in its capacity as Trustee of ARC Trust).

(b) In terms of the Approved Resolution Plan, JMFARC (acting in its capacity as Trustee of ARC Trust) and Reliance Industries Limited ('RIL') have converted such portion of their assigned debt into equity, such that their joint equity holding in the Company is 75%. Pursuant to such conversion, the proportionate reduction in Outstanding ARC Debt as per clause 1.2 (xii) of the Approved Resolution Plan is ₹ 5240.14 crore. The price at which the conversion has taken place has been determined in accordance with the Approved Resolution Plan and applicable law and consequently, the difference between the issue of 275.46 crore equity shares at face value and the amount by which the assigned debt has been proportionately reduced as stated above has been recognised as exceptional gain in the statement of profit and loss.

(c) Pursuant to the implementation of the resolution plan, RIL and JMFARC (acting in its capacity as Trustee of ARC Trust) have taken joint control of the Company. RIL has been classified as the Promoter of the Company. Since JMFARC (acting in its capacity as Trustee of ARC Trust) is the 'Persons Acting in Concert' (PAC) with RIL but considering that there is no provision for PAC in the prescribed format of shareholding pattern, they have been shown as part of the Promoter group with explanatory note. Further, the outgoing promoters' shareholding of 10,827 equity shares have been cancelled and extinguished without any payout to the outgoing promoter group. Further, the outgoing promoters of the Company, in accordance with the Approved resolution Plan, will be reclassified as 'non-promoters' and their shareholding, if any, will be classified as 'non-promoter non-public' upon receipt of the requisite approvals from the stock exchanges.

(d) Effective 14th September, 2020, the Monitoring Committee stood dissolved, the erstwhile Board of Directors vacated their office and the Board has been reconstituted with new members.

(e) The Key Managerial Personnel have been identified and appointed.

(f) The existing Statutory Auditors vacated their office and new Statutory Auditors were appointed in their place.

IMPACT OF COVID-19

The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.

COVID-19 is significantly impacting business operation of the companies, by way of interruption in production, supply chain disruption, unavailability of personnel, closure / lockdown of production facilities etc. In assessing the recoverability of Company's assets such as Investments, Loans, Trade receivable etc. the Company has considered internal and external information. The company has performed sensitivity analysis on the assumptions used basis the internal and external information / indicators of future economic conditions, the Company expects to recover the carrying amount of the assets.

10. EMPLOYEE STOCK OPTION SCHEME (ESOS):

The Company Secretary has represented to the Reconstituted

Board that during the year under review, the Company did not have any Employee Stock Option Scheme (ESOS) and nor is any such earlier Scheme in force and hence the details of the shares issued under ESOS and the disclosures as per Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014 are not applicable to the Company.

11. NATURE OF BUSINESS:

There has been no change in the nature of the business of the Company during the year under review.

12. FINANCE AND ACCOUNTS:

During the year under review, the Company has been sanctioned a Term Loan of ₹5137 crore by banks and a working capital loan of ₹415 crore.

The Company has been assigned a rating of Provisional CARE AA (CE); Stable outlook by CARE Ratings Limited vide their communication dated 6th March 2020, for the Term Loans/ Working Capital facilities of the Company.

As mandated by the Ministry of Corporate Affairs, the Financial Statements for the year ended 31.03.2020 have been prepared in accordance with the Indian Accounting Standards (IND AS) notified under Section 133 of the Act read with the Companies (Accounts) Rules, 2014. The management team has represented to the Reconstituted Board that the estimates and judgments relating to the Financial Statements are made on a prudent basis, so as to give a true and fair view of the state of affairs and profits and cash flows of the Company for the year ended March 31, 2020 and the Reconstituted Board has relied on such representation.

13. DEPOSITS

The Company has not accepted any deposit or renewed any deposit during the period under review.

14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

During the year under review, the Company has not provided any loan, guarantee or made investment under provisions of Section186 of the Act.

15. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company are prepared in accordance with the relevant Indian Accounting Standards issued by the Institute of Chartered Accountants of India and forms an integral part of this Report.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Subsidiaries/ Associate Companies/Joint Ventures in Form AOC-1 is provided as Annexure A to the consolidated financial statement and therefore not repeated, to avoid duplication.

16. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company had, prior to the commencement of the CIR process, put in place a Board approved Corporate Social Responsibility (CSR) Policy and it is also available on the website of the Company at http://www.alokind.com/Downloads/CSR%20Policy.pdf. The terms of reference of the Committee are detailed in the enclosed Corporate Governance Report. During the CIR process and post the approval of the Resolution Plan, powers of the Board and its committees continued to remain suspended and accordingly the CSR Committee had not met during this period.

Pursuant to Section 135 of the Companies Act, 2013 read with CSR policy of the Company, it 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 during previous three 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, has been annexed as **Annexure-3** and forms integral part of this Report.

Being socially responsible and having ethical business practices are the tenets of Alok's corporate philosophy. In everything that the Company does, 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 Company's CSR Policy centers around giving preference to the local area and areas around it where the Company operates, for spending the amount earmarked for CSR activities. As per the CSR Policy of the Company, Health, Education, Environment, Rural Transformation, Disaster Response are the focus areas for CSR engagement.

17. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

During the year, employee relations at all the Units remained cordial. Despite the challenging scenario, the work force aided your Company in maintaining the operations of the company.

18. RISK MANAGEMENT

The Company had, prior to the commencement of the CIR process, put in place a Risk Management Policy, which was reviewed by the Audit Committee from time to time. The details of the identification of the various risk associated with the business of the Company which may threaten existence of the Company is detailed in the enclosed Management Discussion & Analysis Report.

During the CIR period and during implementation of the Approved Resolution Plan, the powers of the Board continued to remain suspended as per the terms of the Approved Resolution Plan and accordingly no meetings of the Risk Management Committee as well as the Audit Committee took place during the year.

19. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company has in place policies and procedures to ensure orderly and efficient conduct of its business including adherence to Company policies, safeguarding its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information. Your Company, with respect to all material aspects, has adequate internal financial controls over financial reporting and such internal financial controls were operating effectively during the period under review.

Company's ERP Package "SAP" is operated as per pre-defined manual. The Company also has adopted Standard Operating Practices (SOPs) for its various areas of operations, which are in line with SAP manual. SOPs are adopted or revised, if required, to ensure that internal control system is effective and constantly assessed and strengthened.

The Internal Audit is outsourced to external firms of Chartered Accountants and they evaluate the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls.

Statutory Auditors of the Company have in their Report dated July 31, 2020, opined that the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020.

20. VIGIL MECHANISM/ WHISTLE BLOWER POLICY:

The Company had, prior to the commencement of the CIR process, put in place a Vigil Mechanism/ Whistle Blower Policy. The details of the Policy as well as establishment of vigil mechanism are provided in the Corporate Governance Report enclosed and are also available on the website of the Company i.e. http://www.alokind.com/Downloads/Whistle%20Blower%20Policy.pdf.

The Company Secretary has represented to the Reconstituted Board that no worker / employee was denied access to the members of the Monitoring Committee during the year under review and that no complaints were received during the year and the Reconstituted Board has relied on such representation by the Company Secretary.

21. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As on 31.03.2020, the Company had 12 subsidiaries (direct or step down), and 3 joint venture companies as under:

Subsidiaries of Alok Industries Limited
1. Alok Infrastructure Limited
2. Alok International Inc.
3. Alok International (Middle East) FZE
4. Alok Global Trading (Middle East) FZE (business licence cancelled on 12th September 2017)
5. Alok Singapore PTE Limited
6. Alok Worldwide Limited
Step-down subsidiaries of Alok Industries Limited
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.
5. Kesham Developers & Infotech Private Limited (Under a voluntary winding up process effective 20th February 2012)
6. Springdale Information & Technologies Private Limited (Under a voluntary winding up process effective 20th February 2012)
Joint Ventures
1. New City of Bombay Manufacturing Mills Limited
2. Aurangabad Textiles and Apparel Parks Limited
3. Triumphant Victory Holdings Limited
Associates
Nil

There are no Companies / Bodies Corporate which have become/ ceased to be subsidiary / Joint Venture / Associate during the financial year 2019-20.

Alok Infrastructure Limited has been admitted under the Corporate Insolvency Resolution Process in terms of the Insolvency and Bankruptcy Code 2016 ('Code') on 24 October 2018. It is understood that the Resolution Professional of Alok Infrastructure has subsequently filed an application under Section 12A of the Code for withdrawing the petition for commencement of insolvency proceedings and a decision on the same is awaited.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, a statement containing salient features of financial statements of subsidiaries and joint venture companies in Form AOC- 1 is attached to the Financial Statements. The separate financial statements in respect of each of the subsidiary shall be kept open for inspection at the Registered Office of the Company. The Company will also make available these documents upon request by any Member of the Company interested in obtaining the same. The separate financial statements in respect of each of the subsidiary are also available on the website of the Company at www.alokind.com.

The Company has formulated a Policy for determining Material Subsidiaries. The Policy is put up on the Company's website and can be accessed at http://www.alokind.com/Downloads/Policy%20for%20Determining%20Material%20Subsidiaries.pdf. In terms of the policy, none of the subsidiaries of the company was determined to be a material subsidiary by the Board of Directors in the previous years. The Manager and the Chief Financial Officer have represented to the Reconstituted Board and the Reconstituted Board has taken on record that none of the companies met the criteria of being treated as a material subsidiary during the year under review.

22. DIRECTORS AND KEY MANGERIAL PERSONNEL:

I. **Appointments:**

Pursuant to commencement of the CIR Process, the powers of the board of directors were suspended and were exercised by the Resolution Professional / the Monitoring Committee, in accordance with the provisions of the Code / Approved Resolution Plan. No new Directors were appointed on the Board during the year under review.

Upon commencement of the CIR process, the powers of the Board of Directors were suspended and continued to remain suspended thereafter as per the terms of the Approved Resolution Plan during the year under review.

As per the Approved Resolution Plan, on the Closing Date i.e. September 14, 2020, the Board of the Company was reconstituted by the Monitoring Committee and accordingly following Directors have been appointed as Additional Directors who shall hold office until the date of forthcoming Annual General Meeting (AGM).

1. Mr. A. Siddharth – Independent Director, Chairman of the Board
2. Mr. Rahul Dutt – Independent Director
3. Ms. Mumtaz Bandukwala - Independent Director
4. Mr. Anil Rajbanshi – Nominee Director (Non-Executive) representing RIL
5. Mr. Hemant Desai - Nominee Director (Non-Executive) representing RIL
6. Mr. V. Ramachandran - Nominee Director (Non-Executive) representing RIL
7. Mr. Samir Chawla - Nominee Director (Non-Executive) representing JMFARC

The Company has received notices under Section 160 of the Companies Act, 2013 from shareholders signifying intention to propose their candidature as Directors of the Company.

The Board of Directors commends their appointment at the ensuing AGM.

II**. Key Managerial Personnel**

The following were the Key Managerial Personnel of the Company during the financial year under review:

(1) Mr. Senthil Kumar M.A.- Executive Director & CEO (Processing) – resigned with effect from 20th January 2020
(2) Mr. Tulsi Tejwani- Executive Director & CEO (Weaving)
(3) Mr. Sunil O. Khandelwal- Chief Financial Officer,
(4) Mr. K.H. Gopal- Company Secretary.

As on the date of this Report, the following are the Key Managerial Personnel:

1) Mr. Sunil O. Khandelwal – Manager- Resigned from the post of CFO with effect from September 15, 2020. He has been appointed as Manager with effect from September 16, 2020 subject to approval of Members. The Board has recommended his appointment as Manager at the ensuing AGM.
2) Mr. Bijay Agrawal – Chief Financial Officer- Appointed with effect from September 16, 2020
3) Mr. K.H. Gopal – Company Secretary

23. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

As stated above, as the powers of the Board of Directors stood suspended, as per the terms of the Approved Resolution Plan, post July 18, 2017 and continued to remain suspended till September 14, 2020, no meetings of the Board were held during the year under review. However, during the year under review, 13 meetings of the Monitoring Committee were held.

24. COMMITTEES OF THE BOARD:

The Board of Directors has the following Committees:

(1) Audit Committee;
(2) Nomination and Remuneration Committee;
(3) Stakeholders' Relationship Committee;
(4) Corporate Social Responsibility and Governance Committee.

As the powers of the Board of Directors stood suspended post commencement of the CIR process and continued to remain suspended in terms of the Approved Resolution Plan, no meetings of any of these Committees were held during the year under review.

(1) **Audit Committee**

Post implementation of Approved Resolution Plan, the Audit Committee has been reconstituted in accordance with the provisions of Companies Act, 2013 and SEBI LODR Regulations, with effect from 14th September, 2020, as detailed below:

a. Shri A. Siddharth- Chairman
b. Shri Rahul Dutt- Member
c. Shri V. Ramachandran- Member

All the recommendations made by the Audit Committee were accepted by the reconstituted Board.

(2) **Nomination and Remuneration Committee**

Post implementation of the Approved Resolution Plan, the Nomination and Remuneration Committee has been reconstituted in accordance with the provision of Companies Act, 2013 and SEBI LODR Regulations, with effect from 14th September, 2020, as detailed below:

a. Shri. Rahul Dutt- Chairman

b. Shri. A. Siddharth- Member

c. Shri. Hemant Desai- Member

(3) **Stakeholders' Relationship Committee**

Post implementation of the Approved Resolution Plan, the Stakeholders' Relationship Committee has been reconstituted in accordance with the provisions of Companies Act, 2013 and SEBI LODR Regulations, with effect from 14th September, 2020, as detailed below:

a. Shri. A. Siddharth- Chairman

b. Shri. Anil Kumar Rajbanshi- Member

c. Smt. Mumtaz Bandukwala- Member

d. Shri. V. Ramachandran- Member

(4) **Corporate Social Responsibility Committee.**

Post implementation of the Approved Resolution Plan, the Corporate Social Responsibility Committee has been reconstituted in accordance with the provisions of Companies Act, 2013 and SEBI LODR Regulations, with effect from 14th September, 2020, as detailed below:

a. Smt. Mumtaz Bandukwala- Chairman

b. Shri Rahul Dutt- Member

c. Shri V. Ramachandran- Member

25. ANNUAL EVALUATION OF THE BOARD:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("**SEBI LODR Regulations**"), the Board is required to carry an annual evaluation of its own performance, the directors individually including Independent Directors as well as the evaluation of the working of various committees.

The powers of the Board of Directors which were suspended during the CIR period, continued to remain suspended for the entire year under review, in accordance with the provisions of the Approved Resolution Plan. Since, post appointment of the Resolution Professional and subsequent constitution of the Monitoring Committee, there were no Meetings of Board and its committees, hence annual performance evaluation of the Board and its committees was not carried out.

26. REMUNERATION POLICY AND POLICY REGARDING TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

The Company had, prior to the commencement of the CIR process, put in place, interalia, the following two polices viz. Remuneration Policy for Directors, Key Managerial Personnel and Senior Management Personnel; and Policy on appointment and evaluation of Board of Directors, KMP's and Senior Management Personnel to align with the requirement of the Act and the SEBI LODR Regulations. The aforesaid polices are put up on the Company's website and can be accessed at http://www.alokind.com/Downloads/Alok-Remuneration%20Policy%20for%20Directors,%20KMPs%20and%20Other%20Employees-28.05.2015.pdf and http://www.alokind.com/Downloads/Policy%20on%20Appointment%20and%20Evaluation%20of%20Board%20of%20Directors,KMP%20&%20SM.pdf

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

The Policy on appointment and evaluation of Board of Directors, KMP's and Senior Management Personnel sets out the guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as Independent Directors of the Company. The Policy also provides for the factors in evaluating the suitability of individual Board members with diverse background and experience that are relevant for the Company's operations. There has been no change in the policy during the current year.

27. FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTOR(S):

In compliance with the requirements of SEBI LODR Regulations, the Company had, prior to the commencement of the CIR process, put in place a familiarization program for the Independent Directors to familiarize them with their role, rights and Responsibilities as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc. The details of the familiarization program are explained in the Corporate Governance Report and are also available on the Company's website at http://www.alokind.com/Downloads/Alok-

Familiarisation%20Programme%20 for%20Independent%20 Directors-14.09.2020.pdf .

Post commencement of the CIR process, the powers of the Board of Directors were suspended and continued to remain suspended as per the terms of the Approved Resolution Plan, during the year under review.

28. DECLARATION BY INDEPENDENT DIRECTORS

Mr. S. K. Bhoan and Mr. K. D. Hodavdekar were the Independent Directors of the Company. However, in terms of the Approved Resolution Plan, the powers of the Board were suspended during the CIR process and had continued to remain suspended during the entire year under review.

Mr. A. Siddharth, Mr. Rahul Dutt and Ms. Mumtaz Bandukwala are the Independent Directors of the Reconstituted Board. The Company has received declarations from them confirming that they meet the criteria of independence as prescribed both under the provisions of Section 149(6) of the Companies Act, 2013 and in terms of Regulation 25 of the SEBI LODR Regulations and that they have registered their names in the Independent Directors' Databank.

29. MANAGEMENT OPINION ON THE QUALIFICATIONS/EMPHASIS OF MATTERS/NOTES GIVEN BY AUDITORS IN THEIR STANDALONE AND CONSOLIDATED REPORTS:

(A) **QUALIFICATION ON STANDALONE REPORT:**

(1) **Auditors' Qualification:**

As per Indian Accounting Standard 36 on Impairments of Assets, the Company is required to determine impairment in respect of fixed assets as per the methodology prescribed under the said Standard. However, the Management of the Company has not done impairment testing for the reasons explained in note no. 6 of the Statement. In the absence of any working for impairment of the fixed assets as per Ind AS 36, the impact of impairment, if any on the Standalone Financial Results is not ascertainable. The audit report on the Standalone Financial Results for the year ended March 31, 2019 was also qualified in respect of this matter.

Management opinion:

During the year under review, the Company's level of operations, at about 30% of the capacity, was not an indication of the future performance of the Company. The Approved Resolution plan for the company was yet to be fully implemented and the new management had not yet taken over as of 31st March 2020. The new management is expected to set strategies and develop a business plan, post which reliable projections of availability of future cash flows of the company supporting the carrying value of Property, Plant and Equipment will be available. Accordingly, impairment testing under Ind AS has not been performed while presenting these financial results.

(2) **Auditors' Qualification:**

As mentioned in note no. 9 of the Statement, the Company continued to recognize deferred tax assets of ₹ 1,423.11 crores. Considering pending full implementation of Approved Resolution Plan including constitution of the new Board of Directors and absence of certainty and convincing evidence for taxable income in future, as required by the Ind AS 12, we are unable to ascertain the extent to which these deferred tax assets can be utilized. The audit report on the Standalone Financial Results for the year ended March 31, 2019 was also qualified in respect of this matter.

Management opinion:

The net deferred tax assets recognized till 31 March 2020 amounts to ₹ 1423.11 Crore (Previous Year ₹ 1423.11 Crore). As of the year end, the approved Resolution Plan for the company has been substantively implemented with some steps remaining, including constitution of the new Board of Directors. The new management is expected to devise strategies and develop a business plan post which reliable projections of availability of future taxable income with probable certainty will be available. Accordingly, increase in the deferred tax assets for the current period and at the Financial Year end is presently not recognized and the net deferred tax assets as at the end of the previous financial year have been carried forward.

(3) **Auditors' Qualification:**

As mentioned in the note no. 11 (c) of the Statement, the Impairment testing of the assets of the wholly owned subsidiary, Alok Infrastructure Limited is not carried out. Therefore adequacy of the Provision for doubtful loan of Alok Infrastructure Limited in the books of the Company is not ascertainable.

Management opinion:

Alok Infrastructure Limited, Wholly owned subsidiary has not carried out any impairment testing of investment property and therefore the correct carrying value of investment property in the financial result is unascertainable.

(4) **Auditors' Qualification:**

A mention is made in the note no. 7 regarding non-provision of trade receivables amounting to ₹89.02 crore by one of the joint ventures for the year ended March 31, 2019. Had this provision been made, the current assets and profit would have been lower by ₹89.02 crore and the net worth would have also been eroded to that extent. These conditions, along with absence of clear indications or plans for revival, in our opinion, indicate that there is significant uncertainty about realisation of the carrying amount of the investments as on March 31, 2020. We are unable to ascertain the consequent effect on the investments held by the company and profit for the year.

Management opinion:

The company has investments in two Joint Ventures with equity stake of 49% each (JVs). Both these JVs have incurred losses for the last three consecutive years. The auditors of one of the JVs had issued a qualified opinion regarding recoverability of trade receivables and were of the opinion that the provision for doubtful debt should have been made for ₹89.02 crores. The non-provision for receivables has resulted in the Net Worth of the JV continuing to be positive.

The Approved Resolution Plan has provision for the Resolution Applicants to deal with the Subsidiaries, JVs and Associate Companies and since the plan was under implementation, the Resolution Applicants had confirmed that post the implementation of the Approved Resolution Plan and reconstitution of the new Board of Directors, appropriate decisions with regard to the Subsidiaries, Joint Ventures and Associate Companies shall be taken. In view of this, no provision for impairment in the value of investments has been made.

(B) **QUALIFICATION ON CONSOLIDATED REPORT:**

(1) **Auditors' Qualification:**

As per Indian Accounting Standard 36 on Impairments of Assets, the Holding Company is required to determine impairment in respect of fixed assets as per the methodology prescribed under the said Standard. However the Management of the Company has not done impairment testing for the reasons explained in note no. 6 of the Statement. In the absence of any working for impairment of the fixed assets as per Ind AS 36, the impact of impairment, if any on the Standalone Financial Results is not ascertainable. The audit report on the Standalone Financial Results for the year ended March 31, 2019 was also qualified in respect of this matter.

Management opinion:

The Company current level of operations, at about 30% of the capacity, may not be an indication of the future performance of the Company. The approved Resolution plan for the company is yet to be fully implemented and the new management has not yet taken over. The new management is expected to set strategy and develop a business plan post which reliable projections of availability of future cash flows of the company and these supporting the carrying value of Property, Plant and Equipment will be available. Accordingly, impairment testing under Ind AS has not been performed while presenting these results.

(2) **Auditors' Qualification:**

As mentioned in note no. 9 of the Statement, the Holding Company continued to recognize deferred tax assets of ₹ 1,423.11 crores. Considering pending full implementation of Approved Resolution Plan including constitution of the new Board of Directors of holding company and absence of certainty and convincing evidence for taxable income in future, as required by the Ind AS 12, we are unable to ascertain the extent to which these deferred tax assets can be utilized. The audit report on the Consolidated Financial Results for the year ended March 31, 2019 was also qualified in respect of this matter.

Management opinion:

The net deferred tax assets recognised as on 31 March 2020 amounts to ₹ 1423.11 Crore (Previous Year ₹ 1423.11 Crore). The approved Resolution Plan for the company has been substantively implemented with some steps remaining, including constitution of the new Board of Directors. The new management is expected to devise strategies and develop a business plan post which reliable projections of availability of future taxable income with probable certainty will be available. Accordingly, increase in the deferred tax assets for the current period and at the Financial Year end is presently not recognised and the net deferred tax assets as at the end of the previous financial year have been carried forward.

(3) **Auditors' Qualification:**

As mentioned in the note no. 11 (c) of the Statement, the Impairment testing of the assets of the wholly owned subsidiary, Alok Infrastructure Limited is not carried out. Therefore, the adequacy of carrying value of the assets of Alok Infrastructure Limited in the consolidated financial statement is not ascertainable.

Management opinion:

Alok Infrastructure Limited, Wholly owned subsidiary has not carried out any impairment testing of investment property and therefore the correct carrying value of investment property in the financial result is unascertainable.

(4) **Auditors' Qualification:**

A mention is made in the note no. 7 regarding non-provision of trade receivables amounting to ₹89.02 crore by one of the joint ventures for the year ended March 31, 2019. Had this provision been made, the current assets and profit would have been lower by ₹89.02 crore and the net worth would have also been eroded to that extent. These conditions, along with absence of clear indications or plans for revival, in our opinion, indicate that there is significant uncertainty about realisation of the carrying amount of the investments as on March 31, 2020. We are unable to ascertain the consequent effect on the investments held by the company and profit for the year.

Management opinion:

The company has investments in two Joint Ventures Non-current investments (long term investments) with Equity Investments of 49% each (JVs). One of the JV has incurred losses for last three consecutive years. The auditors of one of the JV had issued a qualified opinion regarding recoverability of trade receivables and are of the opinion that the provision for doubtful debt should have made for ₹89.02 crores. The non-provision for receivables has resulted in the Net Worth of the JV continuing to be positive.

The Approved Resolution Plan has provision for the Resolution Applicants to deal with the Subsidiaries, JVs and Associate Companies and since the plan is under implementation, the Resolution Applicants have confirmed that post the implementation of the approved Resolution Plan and reconstitution of the new Board of Directors, appropriate decision with regard to the Subsidiaries and Associate Companies shall be taken. In view of this, no provision for impairment in the value of investments has been made.

(C) SECRETARIAL AUDITOR'S QUALIFICATION

Secretarial Auditor has opinioned that during the period under review, the Company has prima facie complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above except the following:

The Company has delayed in filing of Financial Result for the quarter and year ended 31st March, 2019 under Regulation 33(3)(a) and 52(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Management Opinion:

The resolution plan of the company was approved by the Hon'ble NCLT on 8th March 2019 and the implementation was contingent upon approval being received from the Competition Commission of India and the Reserve Bank of India. In order that there is certainty about the implementation of the plan and the status of the company as a going concern, it was decided that the adoption of the financial statements be deferred until the position on the status of the two approvals was clear and the stakeholders were appropriately informed about the future direction of the company.

Given that the observations pertain to the prior period, the management opinion provided in this Report have been obtained from the management team as Reconstituted Board is not in a position to comment on the said observations.

30. DIRECTORS' RESPONSIBILITY STATEMENT/ STATEMENT BY THE THEN CHIEF FINANCIAL OFFICER (CFO) AND TAKEN ON RECORD BY THE RECONSTITUTED BOARD.

To the best of knowledge and beliefs and according to the information and explanations obtained by the CFO, the CFO makes the following statement in terms of Section 134(3)(c) of the Companies Act, 2013:

(a) that in the preparation of the Annual Accounts for the year ended 31st March 2020, the applicable accounting standards read with the requirements set out under Schedule III to the Act, have been followed along with proper explanations relating to material departures;

(b) the CFO had selected such accounting policies and applied them consistently and made judgments 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 2020 and of the profit of the Company for the year ended on that date;

(c) that the CFO had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the annual accounts have been prepared on a going concern basis;

(e) that the CFO had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

(f) that the CFO had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

31. RELATED PARTY TRANSACTIONS:

The management team has represented to the Reconstituted Board and taken on record by the Reconstituted Board that during the year under review, there were no materially significant related party transactions made by the Company with its related parties. which may have potential conflict with the interest of the Company at large or which warrants the approval of the shareholders. Accordingly, since disclosure in Form AOC- 2 is required to be made only of the related party transactions or arrangements that were not at arm's length basis or the material related party transactions that were at arm's length basis in accordance with the Section 188 of the Companies Act, 2013, the disclosure in Form AOC-2 in terms of Section 134 of the Companies Act, 2013 is not required.

Members may refer to Note 45 to the financial statement which sets out the related party disclosures pursuant to Ind AS.

The policy on Related Party Transactions as approved by the Board of Directors prior to the commencement of the CIR Process has been uploaded on the website of the Company viz. http://www.alokind.com/Downloads/Policy%20on%20Related%20Party%20Transactions.pdf .

32. AUDITORS:

A. STATUTORY AUDITORS

M/s NBS & Co., Chartered Accountants, Mumbai (Firm Registration No. 110100W) and M/s Shah Gupta & Co, Chartered Accountants (Firm Registration No.109574W) were appointed as the Joint Statutory Auditors of the Company at the Annual General Meeting held on 24th September, 2016 for a term of 5 consecutive years.

However, as per the Approved Resolution Plan, M/s. NBS & Co. and M/s. Shah Gupta & Co. have vacated their office, and M/s. S R B C & CO LLP (ICAI Regn. No. 324982E/E300003) were appointed as the Statutory Auditor to fill the vacancy caused by the vacation of office.

Further, the Re-constituted Board has, at its meeting held on 12th November 2020, recommended the appointment of M/s. S R B C & CO LLP (ICAI Regn. No. 324982E/E300003) as the Statutory Auditor to hold office from the conclusion of the 33rd AGM till conclusion of 38th AGM for a term of 5 (five) consecutive years subject to the approval of the shareholders. M/s. S R B C & CO LLP, Chartered Accountants, have confirmed their eligibility and qualification under the Act for holding the office, as Statutory Auditors of the Company.

The Report given by the outgoing Joint Statutory Auditors on the Financial Statement of the Company is part of this Annual Report.

B. COST AUDIT / COST AUDITORS

As per the requirement of Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, the Company has maintained cost accounts and records.

M/s. B.J.D. Nanabhoy & Co, Cost Accountants, Mumbai (Reg No. FRN-000011) carried out the cost audit for applicable business during the year under review. Section 148 of the Companies Act 2013 read with Rule 6 of the Companies (Cost Records and Audit) Rules, 2014 requires that the appointment of the Cost Auditor to be made within 180 days of the commencement of every financial year and accordingly, the Monitoring Committee had appointed them as Cost Auditors for the financial year 2020-21.

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

C. SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Virendra G Bhatt, a Practicing Company Secretary, to conduct the Secretarial Audit of the Company for the financial year 2019-20. The Secretarial Audit Report in MR-3 is annexed as **Annexure-2** and forms an integral part of this Report.

33. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS:

The Corporate Governance Report and Management Discussion & Analysis, is presented in a separate section, forming part of the Annual Report together with the Certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated in Schedule V of Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

The information pertaining to conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 134 of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed as **Annexure-1** and forms an integral part of this Report.

35. SECRETARIAL STANDARDS

The Company has followed applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to ‘Meetings of the Board of Directors’ and ‘General Meetings’ respectively.

36. ANNUAL RETURN:

As required under Section 134(3)(a) of the Act, the Annual Return is put up on the Company’s website and can be accessed at http://www.alokind.com/Downloads/Annual%20Return%202018-19.pdf and Extracts of the Annual Return in Form MGT 9 for the FY 2019-20 can be accessed at http://www.alokind.com/Downloads/Annual%20Return%20Extract%202019-2020.pdf

37. PARTICULARS OF EMPLOYEES:

In terms of the provisions of 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 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 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 to the Company to email ID: info@alokind.com.

38. ENVIRONMENT:

The Company is conscious of the importance of environmentally clean and safe operations. The Company’s policy requires conduct of operations in such a manner so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources.

39. DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The Company has zero tolerance for sexual harassment at workplace and had formulated and, prior to the commencement of the CIR process, implemented a policy on prevention of sexual harassment at the workplace with a mechanism of lodging complaints in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder.

The Company’s Internal Complaints Committee (ICC) was formed prior to the commencement of the CIR process and its details are declared across the organization. All ICC members are trained by subject experts on handling the investigations and proceedings as defined in the policy. HR department of the Company has confirmed that during the year under review, no complaints of sexual harassment were reported to ICC.

40. BUSINESS RESPONSIBILITY REPORT

As stipulated under the SEBI LODR Regulations, the Business

Responsibility Report (BRR) describing the initiatives taken by the Company from an environmental, social and governance perspective is put up on the Company's website and can be accessed at http://www.alokind.com/downloads/Alok-Business%20Responsibility%20Report%202019-20.pdf

41. GENERAL

No disclosure or reporting is required in respect of the following items as there were no transactions on these items, during the year under review:

1. Details relating to acceptance of deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme including under any Employees' Stock Option Scheme.
4. The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.
5. None of the Directors including Whole-time Directors of the Company received any remuneration or commission from any of the Company's subsidiaries.
6. No fraud has been reported by the Auditors to the Monitoring Committee.
7. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

42. CAUTIONARY STATEMENT

Statements in this Directors' Report and Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make difference to the Company's operations include raw material availability and its prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, Tax regimes, economic developments within India and the countries in which the Company conducts business and other ancillary factors.

43. ACKNOWLEDGEMENT

The Reconstituted Board acknowledges and thanks all the employees, customers, suppliers, investors, lenders, regulatory and government authorities and stock exchanges as also the Monitoring Committee for their cooperation and support and look forward to their continued support in future.

For and on behalf of the Board of Directors

A. Siddharth
Chairman

Mumbai, November 12, 2020

Annexure-1

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 low capacity utilization due to working capital constraints, the Company could not undertake major measures towards conservation of energy.

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

1. Power savings by installing LED tube fixtures in place of conventional fixtures;
2. Power saving in Coal Boiler by installing VFD (Inverter Drive) for FD Fan Motors;
3. Power savings by installing 125 KVA stabilizer in MLDB lighting;
4. Power saving due to stoppage of impure nitrogen booster;
5. Energy savings by stopping unused pack pre-heaters
6. Saving in VAM cooling tower and Compressor cooling tower after VFD installation.
7. Stopping Overhead Travelling Cleaners (OHTC) on Ring Frame, Speed Frame, Link Coners;
8. Power saving in PSF Boiler by installing VFD for Feed Water pump;
9. Saving in coal boiler due to increase in feed water temperature with secondary heat recovery from boiler blow down;

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

Due to paucity of funds, the company has not been able to spend any amount on steps needed to utilize alternate sources of energy.

c) **Capital investment on energy conservation equipment**

The Company has not made any capital investment on energy conservation equipment.

B. **TECHNOLOGY ABSORPTION**

(i) **Major 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: ₹706 crore

Foreign Exchange outflow in terms of actual outflows: ₹28.86 crore.

For and on behalf of the Board of Directors

A. Siddharth
Chairman

Mumbai, November 12, 2020

Annexure-2

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31STMARCH, 2020

[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 provides me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's statutory registers, papers, minute books, forms and returns filed with the Registrar of Companies ('the ROC'), soft copy of the various records sent over mail as provided by the Company and other relevant records maintained by the Company and also the information provided by the Company, its officers, agents and authorized 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, 2020, has prima facie 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 statutory registers, papers, minute books, forms and returns filed with the ROC and other relevant records maintained by the Company for the financial year ended on 31st March, 2020 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 – applicable only to the extent of Foreign Direct Investments and Overseas Direct Investment;

(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 (Issue and listing of Debt securities) Regulations,2008;

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, 2020:-

(a) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

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

(d) 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 confirm the other laws as specifically applicable to the Company and the Company have proper system to comply with the provisions of the respective Acts, rules and Regulations;

I have also examined compliance with the applicable clauses of the following and I am in opinion that the Company has prima facie complied with the applicable provisions

(a) Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India. Secretarial Standard 1 is not applicable as No Board Meeting or Meeting of Committee of Board of Directors was conducted during the period under review.

(b) The Listing agreements entered into by the Company with Stock Exchanges read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

The Company has delayed in filing of Financial Result for the quarter and year ended 31st March, 2019 under Regulation 33(3)(a) and 52(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further report that:-

In accordance with an application made by the State Bank of India, the Hon'ble National Company Law Tribunal, Ahmedabad Bench ("Adjudication Authority"), vide its order dated 18thJuly, 2017 had ordered the commencement of the Corporate Insolvency Resolution ("CIR") Process in respect of Corporate Debtor i.e. Alok Industries Limited ("the Company") under the provisions of the Insolvency and Bankruptcy Code, 2016.

Pursuant to its order dated 08th March 2019 and 26th July, 2019 ("NCLT Order"), the Adjudicating Authority approved the resolution plan ("Approved Resolution Plan") submitted by JM Financial Asset Reconstruction Company Limited, JMFARC –March 2018 – Trust and Reliance Industries Limited ("Resolution Applicants") for the Company under Section 31of the Code. In accordance with the provisions of the Code and the NCLT order, the Approved Resolution Plan is binding on the corporate debtor and its employees, members, creditors, guarantors and other stakeholders involved in the resolution plan.

Pursuant to the Resolution Plan dated 12th April, 2018 approved by the National Company Law Tribunal, Ahmedabad Bench vide its orders dated 8th March, 2019 and 26th July, 2019, the Monitoring Committee of the Company has on 28th February, 2020 issued and allotted 83,33,33,333 equity shares of the face value of Re. 1/- each for cash at a premium of ₹ 2/- per share and 9%, 250,00,00,000 Optionally Convertible Preference Shares (OCPS) of the face value of Re. 1/- for cash to Reliance Industries Limited on a preferential basis. However, the equity shares are listed on the Stock Exchanges and the Optionally Convertible Preference Shares are not listed on any Stock Exchange.

The Resolution Plan involving Reduction of Capital of the Company was approved by Hon'ble National Company Law Tribunal, Ahmedabad Bench vide order dated 8th March, 2019 and 26th July, 2019. As per the Resolution Plan approved by Hon'ble NCLT, the issued, subscribed and paid-up equity share capital of the Company stand reduced from ₹ 13,77,31,78,950/-consisting of 1,37,73,17,895 equity shares of face value of ₹ 10/- each to ₹1,37,73,17,895/- consisting of 1,37,73,17,895 equity shares of Re. 1/- each thereby reducing the face value by ₹ 9 per share thus reducing the value of issued, subscribed & paid-up equity share capital of the Company by ₹ 12,39,58,61,055/-.

During the review period, as per the information provided by the Company, it was under the Company Insolvency Resolution Process and a moratorium on interest payment was in place therefore it has not filed the Statement of interest payment of the debt securities for the half year ended 31st March, 2019 as required under SEBI Circular No.: CIR/IMD/DF-1/ 67 /2017 dated 30th June, 2017.

During the review period, as per the information provided by the Company, it was under the Company Insolvency Resolution Process and a moratorium on interest payment was in place therefore it has not made the disclosures and filings under Regulation 50(1), 51(1), 57(1), 60(2) etc. as applicable for debentures under SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 and compliance under Regulation 39(4) yet to be complied.

As per the information provided by the Company, the Company has emailed the report under Regulation 74(5) of SEBI (Depositories and Participants) Regulations, 2018 for the quarter ended 30th June, 2019 to the Stock Exchanges as it could not upload the same on the Stock Exchange portals due to a technical error at their end.

During the review period, as per the information received from the Company, the Company received in-principle approval for listing of new shares (Re. 1/- face value) from the Stock Exchange on 17th February, 2020. The new Shareholding Pattern for the period ended 19th February, 2020 (Reduction in Share Capital) has been filed on 03rd March, 2020. However, shareholding pattern was filed with Stock Exchanges in physical form along with the application for in-principle approval.

For the compliance with the other applicable laws, I rely on the certificate given by Advocate Mr. Mohit Kapoor from K.N. Kapoor & Co.

I further Report that:

1. I have not examined the Financial Statements, Financial books and related financial Act like Income Tax, Sales Tax, Value Added Tax, Goods and Services Tax, ESIC, Provident Fund, Professional Tax, Foreign Currency Transactions, Related Party Transactions etc.,

For these matters, I rely on the report of statutory auditors for Financial Statement for the financial year ended 31st March, 2020.

2. In terms of SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2018, a Company undergoing the corporate insolvency resolution process is not required to comply with relevant Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 dealing with the requirements of, amongst others, composition of Board of Directors including that of Independent Director, Constitution, Meetings and terms of reference of the Audit Committee, Constitution, Meetings and terms of reference of the nomination and remuneration committee, constitution, meetings and terms of reference of the stakeholders' relationship committee.
3. During the period under review, no Board Meeting or Committee Meeting of the Board of Directors conducted as the powers of Board of Directors of the Company stand suspended with effect from 18th July, 2017 and the said powers were being exercised by the Resolution Professional. During the period under review, the Monitoring Committee met 13 times.
4. There are prima facie 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. The management, under the direction of Resolution Professional / Monitoring Committee is responsible for compliances of all business laws. This responsibility includes maintenance of statutory registers/files required by the concerned authorities and internal control of the concerned department.
6. During the period under review, as per the information provided by the Company, the Compliance Officer has not granted any pre clearance approval to trade by few of the Designated Persons during the closure of trading window period.
7. During the period under review, the Company had filed Forms required to be filed within prescribed time and some with additional fees.
8. I further report that during the audit period, there were no instances of:

i. Public/ Rights/debentures/ sweat equity, etc., except Preferential issue pursuant to Resolution Plan.

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.

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. Where ever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
4. I have not verified the correctness and appropriateness of the books of accounts of the Company including loans and guarantees to the domestic and overseas subsidiaries and the Compliance certificate issued by Advocate Mr. Mohit Kapoor in relation to the other applicable Laws.
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.
7. Due to COVID - 19 and continuous Lockdown, we were able to partially verify the information physically, therefore we rely on the information as provided by the Company in electronic mode.

Virendra G. Bhatt
ACS No.: 1157
COP No.: 124
UDIN: A001157B001216063

Place: Mumbai
Date: November 12, 2020

Annexure-3

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

1. **A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs-**

   The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website and the web link for the same is http://www.alokind.com/Downloads/CSR%20 Policy.pdf.

   Pursuant to Section 135 of the Companies Act, 2013 read with CSR policy of the Company, it is required to spend two percent of the average net profit of the Company for three immediately preceding financial years. The average net profit for preceding three financial years was ₹ (4900.06) crore. As the average net profit of the Company during previous three financial years was negative, the Company was not required to spend any amount for the CSR purpose during the year under review.

   Pursuant to implementation of the Approved Resolution Plan, the Corporate Social Responsibility (CSR) Committee has been re-constituted and consists of the following Directors**:**

Name of the Member	DIN	Composition of the CSR Committee
Ms. Mumtaz Bandukwala	07129301	Chairman
Mr. Rahul Dutt	08872616	Member
Mr. V. Ramachandran	02032853	Member

2. **Average net profit of the Company for the last three financial years:**

	F.Y. 2017-18	F.Y. 2018-19	**F.Y. 2019-20**
Net Profit as per Section 198 of the Companies Act, 2013	₹ (18,208.54) crore	₹ 2,283.82 crore	₹ 1,224.55 crore
Average Net Profit	₹ (4,900.06) crore		

3. **Prescribed CSR Expenditure (two per cent off the amount as in item 3 above**)- N.A.

4. **Details of CSR spent during the financial year**

   a. Total amount to be spent for the financial year - NIL

   b. Amount unspent, if any: - NIL

   c. Manner in which the amount spent during the financial year is detailed below. –

S. No.	CSR project or activity identified	Projects or programs (1) Local area or other (2) Specify the State and district where projects or program was undertaken	Sector in which the project is covered	Amount spent on the projects or programs Sub heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency *
Nil	Nil	Nil	Nil	Nil	Nil	Nil

5. **In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount in its Board report:**

   N.A.

6. **The responsibility statement of the CSR Committee of the Board**:

   The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

For and on behalf of the Board of Directors

Mumtaz Bandukwala
Chairman CSR&G Committee

A. Siddharth
Director

Mumbai, November 12, 2020

Management Discussion and Analysis

Alok Industries ('Alok' or 'the Company') is an integrated textile Company with a product suite comprising of cotton and polyester products. The Company has a blue-chip customer base across the world including major global retail brands, importers, private labels and a large domestic clientele.

In accordance with an application made by State Bank of India, the Hon'ble National Company Law Tribunal, Ahmedabad bench ("Adjudicating Authority"), vide its order dated 18 July 2017 had ordered the commencement of the Corporate Insolvency Resolution ("CIR") process in respect of the corporate debtor, i.e., Alok Industries Limited ("Company") under *the provisions of the Insolvency and Bankruptcy Code, 2016 (the "Code"). An Interim Resolution Professional ("IRP") was* appointed to manage the affairs of the Company who was later confirmed to be the Resolution Professional ("RP"). Upon appointment of the IRP / RP, the powers of the Board of Directors stood suspended.

Pursuant to its order dated 08 March 2019 ("NCLT Order"), the Adjudicating Authority approved the Resolution Plan ("Approved Resolution Plan") submitted by JM Financial Asset Reconstruction Company Limited, JMFARC – March 2018 – Trust and Reliance Industries Limited ("Resolution Applicants") for the Company under Section 31 of the Code. In accordance with the provisions of the Code and the NCLT order, the Approved Resolution Plan is binding on the corporate debtor and its employees, members, creditors, guarantors and other stakeholders involved in the resolution plan.

As per the Approved Resolution Plan, during the period between the NCLT Approval Date (as defined in the Approved Resolution Plan) and the Closing Date (as defined in the Approved Resolution Plan) ("Interim Period"), a monitoring committee was constituted ("Monitoring Committee") which during the period following the CCI Approval Date and until the Closing Date, comprising of 4 (Four) representatives of the Financial Creditors, 2 (Two) representatives of the Resolution Applicants and the Erstwhile Resolution Professional managed the affairs of the Company as a going concern and supervised the implementation of the Resolution Plan. The powers of the Board of Directors continued to remain suspended as per the terms of the Approved Resolution Plan.

The Monitoring Committee was in office for the entire period to which this report primarily pertains. During the CIR Process (i.e. between 18 July 2017 and 08 March 2019), the RP was entrusted with the management of the affairs of the Company. The mandate of the Monitoring Committee was to manage the affairs of the Company as a going concern and supervise the implementation of the Resolution Plan. The Monitoring Committee, at their Closing Meeting held on 14th September 2020, inter-alia, reconstituted the Board of Directors of the Company ("Reconstituted Board") and upon conclusion of this Meeting, the Monitoring Committee stood dissolved.

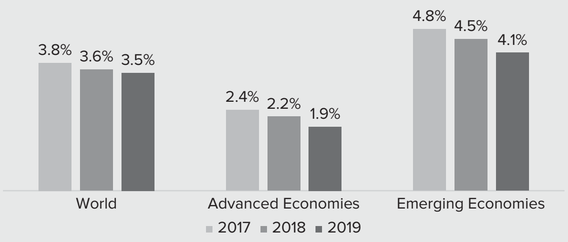
The Reconstituted Board is submitting this Report in compliance with the provisions of the Companies Act, 2013, the rules and regulations framed thereunder ("Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("Listing Regulations"). The Reconstituted Board is not to be considered responsible to discharge fiduciary duties with respect to the oversight on financial and operational health of the Company and performance of the management for the period prior to its reconstitution.

1. Economic Overview

1.1. Global Economy Overview

Global growth in 2019 recorded its weakest pace since the global financial crisis about a decade ago. The GDP growth registered a decline for the second consecutive year and dipped to 3.5% in 2019 from 3.6% in 2018. Advanced economies depreciated by 0.3 percentage points to reach 1.9% in 2019. The emerging markets registered a growth rate of 4.1% in 2019, declining by 0.4 percentage points from that in 2018.

***Figure 1:** Real GDP Growth of World Economies for CY 2017-CY 2019*



Data Source: World Economic Outlook 2020, International Monetary Fund

Growth in 2019 has been revised down across all large emerging markets and developing economies. The trade war of United States and China had a negative impact on the global trading system. Economic growth in the European Union almost came to a standstill as the bloc became smaller after officially losing Britain as a member. Compounding the problem, the American economy has also slowed and the growth is at its lowest rate since 2016.

European Union's economy downgraded due to weak exports coupled with Brexit-related uncertainties. EU's GDP witnessed a decline of 0.6% in growth rate from 1.9% in 2018 to 1.3% in 2019. The inflation rate (consumer prices) also decreased by the same magnitude to reach 1.2% in 2019. The downside risks to the outlook of the European economy are elevated. Trade barriers and heightened geopolitical tensions, including Brexit-related risks, could further disrupt supply chains and hamper investment and growth.

For the United States, the GDP growth softened from 2.9% in 2018 to 2.3% in 2019. On the contrary, employment and consumption continued to be robust. Wage growth picked up considerably buoyed by policy stimulus and witnessed a marginal decrease of 0.2% in the unemployment rate, when compared to last year. However, inflation stood at 1.8% in 2019 as compared to 2.4% in 2018. The trade related uncertainty in the country has had a negative effect on the investments and business confidence.

World's third largest economy, Japan, grew at 0.7% in 2019. Unemployment rate and inflation has remained steady at 2.4% and 1%, respectively for 2019. After two decades of economic stagnation, Japan posted strong growth in the first half of this year, driven by robust private and public consumption.

China's GDP growth rate has been declining since 2010. Its growth in 2018 remained high pegged at 6.7% but took a downturn again in 2019 to reach 6.1%. Sluggish domestic as well as export demand coupled with the bruising 18-month trade war with the US has seriously affected the world's second-largest economy. The unemployment rate has remained constant at 3.8%.

The outlook of the global economy remains precarious. Trade tensions as well as other domestic policy uncertainties could negatively affect the projected growth pickup in the economies. In some cases, these developments magnified cyclical and structural slowdowns already under way.

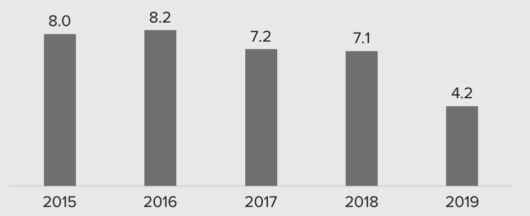
Towards the end of 2019 and beginning of 2020 the outbreak of coronavirus pandemic has also subdued global demand. With the pandemic situation continuing, global trade scenario is expected to be bleak and extremely challenging in the near future as well.

1.2. Indian Economy Overview

India is the fastest-growing trillion-dollar economy in the world with a GDP of US$ 2.94 trillion in 2019. India became the fifth-largest economy in 2019, overtaking the United Kingdom and France. The country ranks third in terms of purchasing power parity at US$11.33 trillion. However, India's high population drags its nominal GDP per capita down to US$2,170.

India's GDP showed a sluggish growth rate of 4.2% in 2019. The year witnessed slowdown and significant downside risks looming from all quarters. The slackened growth in global economy weighed on the domestic outlook. Three pivotal areas – consumption, investment, and exports—have slowed down significantly. On the industry side, several core sectors including automobiles, real estate, and manufacturing are in distress. The slowdown indicates that domestic demand has weakened due to several factors including stagnating rural wages, tightening lending conditions and rising unemployment.

Figure 2: *GDP Growth rate in India (%)*



Data Source: World Economic Outlook 2020

In 2019, merchandise exports were valued at US$ 324 billion, which was about the same as that in the previous year. In FY 2019-20, Foreign Direct Investment in India reached US$ 49.97 billion with major contributions coming in from services, computer software and hardware, telecommunications, construction, trading and automobiles. This was a 13% rise from the previous year. The overall inflation reached 4.5% in 2019 from 3.4% in 2018.

2. Textile & Apparel (T&A) Industry Overview

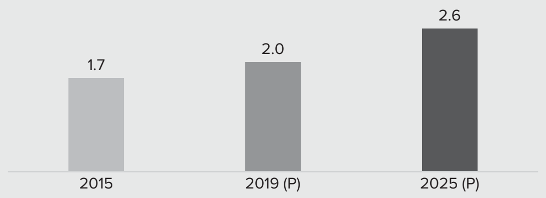
2.1. Global T&A Industry

Consumption

Global apparel consumption is projected to be US$ 2 trillion in 2019 and despite the downturn in 2020 due to coronavirus, the global consumption is expected to grow at a CAGR of 5% to reach US$ 2.6 trillion by 2025. Among the top eight markets of apparel, India and China are expected to grow at steady CAGR of 12% and 10%, respectively. Higher economic growth and rise in per capita income will lead to the growth in the apparel market in these developing countries.

Post February 2020, global economic lockdown measures to suppress COVID-19 pandemic have resulted in a big blow to the apparel consumption. Retail stores in EU and US, the two major markets for apparel, closed their doors with the onset of the pandemic. The EU textile & apparel industry is expecting more than 50% drop in sales and production in 2020. The apparel consumption in US plunged down to 50% in March 2020 and weakened further in the consecutive months owing to the rapid increase of the pandemic in the country. With uncertainty on the extent of duration of this virus, there is expected to be a prolonged impact on global apparel demand.

Figure 3: *Global Apparel Market Size (US$ Trillion)*

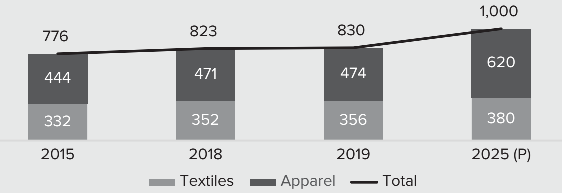


Data Source: UN Comtrade

Trade

In 2019, global textile and apparel trade was estimated at US$ 830 billion and has grown at a CAGR of 2% since 2015. Apparel holds the dominant share of 57%. The global textile and apparel trade is expected to grow at a rate of about 3% from the present worth of US$ 830 billion to US$ 1,000 billion by 2025.

Figure 4: *Global Textile & Apparel Trade (US$ Billion)*



Data Source: UN Comtrade

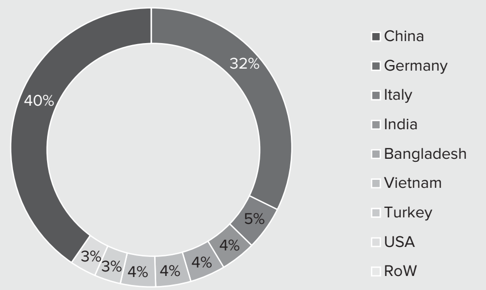
(P) - Projected

USA imported textile & apparel products worth US$ 108 billion in FY 2019-20, showing a decline of 4% as compared to that in FY 2018-19. With a value of US$ 116 billion in FY 2019-20 (Apr-Jan), the textile & apparel imports of EU increased by only 2% as compared to that in FY 2018-19 (Apr-Jan). India's exports to USA stood at US$ 8 billion in FY 2019-20, showing a growth of 3% as compared to the previous financial year. For EU, India's exports stood at US$ 7.3 billion in FY 2019-20 (Apr-Jan), showing a decrease of 1% over the previous financial year.

While China has lost its global export share in recent years, it is still the largest exporter with 32% share in global textile and apparel exports in 2019. China is followed by Germany with a share of 5%. India has a share of 4%. Other major exporters include Italy, Bangladesh and Vietnam. With the US – China trade war and the onset of coronavirus, global buyers are slowly shifting from China and looking for alternate sourcing destination, which has benefited countries like Bangladesh, Vietnam, Cambodia among others.

Despite the dip in 2020, global trade is expected to pick up and grow further as buyers look to further diversify from China and look for new bases to import into US and EU.

Figure 5: *Top Textile and Apparel Exporters 2019*



Data Source: UN Comtrade

2.2. Indian Textile and Apparel Industry

The Indian textile and apparel industry plays an instrumental role in the Indian economy and is one of the largest sources of foreign exchange earnings. The domestic textile and apparel industry contributes 2.3% to India's GDP and accounts for 13% of industrial production, and 12% of the country's export earnings. The sector also provides direct employment to 45 million people. Indian textile & apparel industry enjoys an inherent competitive landscape reflected by the abundant availability of all types of raw material, i.e., natural as well as manmade fibres. While countries such as Bangladesh and Vietnam are solely dependent on export markets for sustenance of their sectors, India has a large and growing domestic market to cater to apart from the export market. Another big advantage for textile & apparel manufacturing in India is the abundant availability of employable manpower across the ranks.

In terms of production indicators for the sector, average Index of Industrial Production (IIP) for apparel increased by 5% in FY 2019-20 as compared to FY 2018-19, while that of textiles showed a marginal decrease of 2%. In FY 2019-20, the Wholesale Price Index (WPI) for textiles and apparel registered a decrease of 0.02% and 1%, respectively.

Figure 6: *Indian Textile and Apparel Market 2019 (US$ billion)*

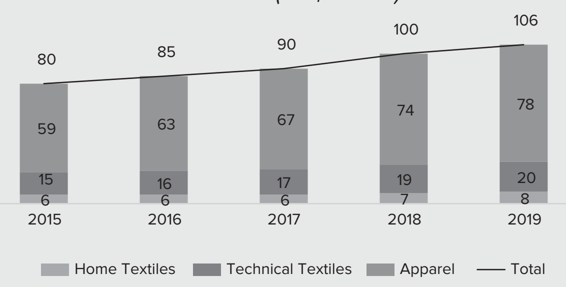
Total Indian Market Size 2019: US$ 143 billion	Domestic Market: US$ 106 billion	• Apparel: US$ 78 billion • Technical Textiles: US$ 20 billion • Home textiles: US$ 8 billion • Home Textiles: US$ 7 billion
	Exports: US$ 37 billion	• Textiles: US$ 21 billion • Apparel: US$ 16 billion

Data Source: Ministry of Textiles, DGCI&S and Wazir Analysis

Domestic Market Overview

Indian domestic textile and apparel market was estimated at US$ 106 billion in the year 2019, with apparel having a share of 74%. With growth of disposable income, favorable demographics and changing lifestyle, consumption of products and services is expected to grow continuously in the near future.

Figure 7: *Indian Textile and Apparel Market Size (US$ billion)*



Data Source: Ministry of Textiles and Wazir Advisors

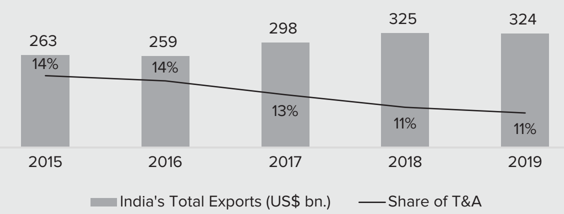
India witnessed the initial cases of the COVID-19 virus in March 2020 and has been heavily impacted since then. The pandemic has moved the country into an economic slowdown wherein the purchasing power of consumers has dipped significantly due to job losses, salary cuts and increased expenditure on other areas such as healthcare and medical facilities. The nation-wide economic lockdown came into effect in March 2020 and has severely affected the consumption of non-essential goods, including apparel. With malls and shopping centres closed and movement restricted, domestic sales have withered. Brands are looking at very low consumer sentiment and a steep decline in consumption in 2020. Sales have taken a downturn by as much as 70% since fears over the virus intensified. Even online purchases – otherwise growing prior to the outbreak - have declined by 15% as consumers cut back on discretionary spending.

The demand for medical protective gear such as masks, disposable gloves and hygiene products such as wipes has jumped drastically. The supply of these products has been ramped up to keep up with the rising demand. The rapid spread of the disease has sensitized people to hygiene and healthcare and hence, the demand for medical textiles is expected to increase in the future. This is a lucrative opportunity for the textile industry in the present situation.

Indian Exports Scenario

Textile and apparel sector is a major contributor to India's total export earnings. Currently, it contributes to 11% of total export earnings of US$ 324 billion. The share of the sector in exports has declined from 14% in 2015 to 11% in 2019.

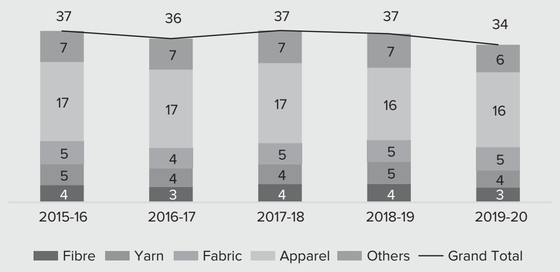
Figure 8: *India's Textile and Apparel export share in the total trade*



Data Source: DGCI&S

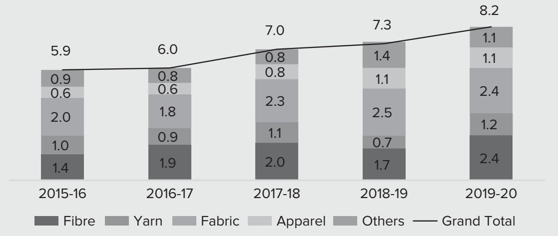
Overall, India holds second position with 4% share of global textile & apparel exports. The textile & apparel exports in FY 2019-20 stood at US$ 34 billion, declining at a CAGR of 2% since FY16. The exports in FY 2019-20 have shown a dip of 9% as compared to the exports in FY 2018-19. As compared to FY 2018-19, the exports of fibre and yarn have shown a significant decline of 38% and 23%, respectively. On the contrary, exports of fabric showed a growth of 6%.

Figure 9: *Indian Textile and Apparel Exports (US$ billion)*



Source: DGCI&S

Figure 10: *Indian Textile and Apparel Imports (US$ billion)*



Data Source: DGCI&S

Indian Imports Scenario

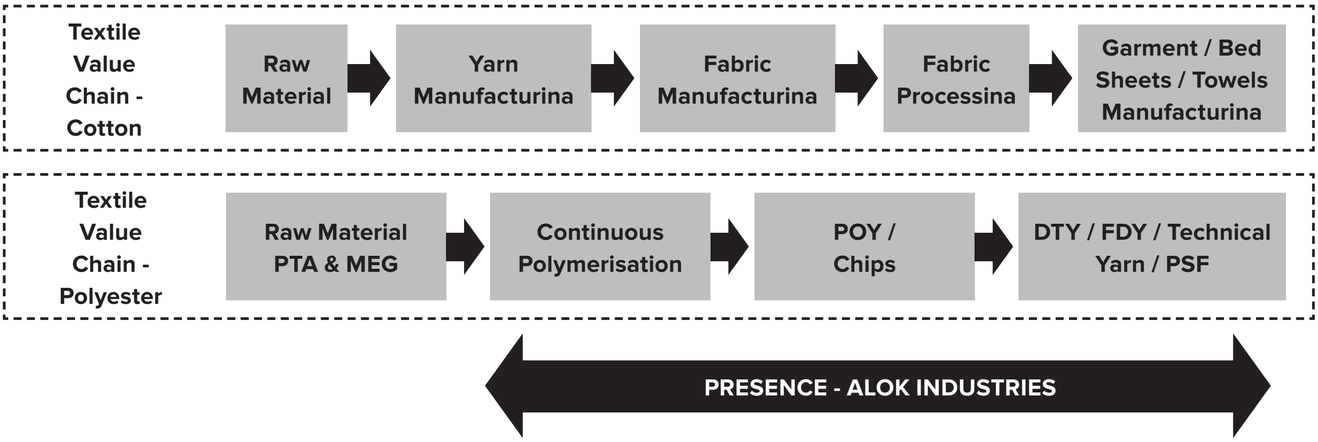
India's imports have been increasing over the last few years. India's textile & apparel imports stood at US$ 8.2 billion in FY 2019-20, recording a CAGR of 7% since FY16. The imports in FY 2019-20 have shown a jump of 10% as compared to FY 2018-19. Fibre imports have increased significantly by 40% followed by yarn imports that has increased by 7% in FY 2019-20. Rising imports from countries like Bangladesh, Vietnam and China is a concern area.

3. Alok Business Segments

The Company has integrated business operations for both of its verticals: cotton and polyester as shown in Chart below. Its key competitive advantage is presence across the entire textiles & apparel value chain right from sourcing the fibre to yarn production, fabric production through knitting and weaving to garmenting, sheeting and terry towels.

The integration allows the Company to optimise decisions of in-house and external sales and purchase at every stage to optimise business returns depending on market conditions. It is this flexibility that provides the Company with a strong competitive edge in the market as shown in diagram below:

Figure 11: *Alok's Business Integration in Cotton & Polyester*



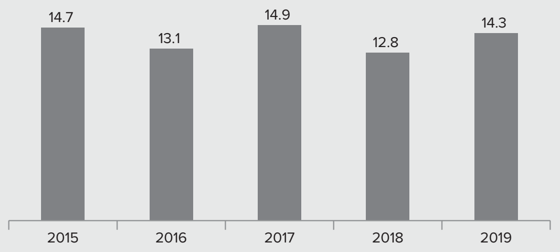
Alok is one of the largest vertically integrated textile manufacturers in India. The company has a dominant presence in the cotton and polyester value chain with operations spanning from yarn to finished products. The company operates under the following four divisions:

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

3.1. Spinning Business Environment/Outlook

The global trade of cotton yarn was valued at US$ 14.3 billion in 2019 that has declined at a CAGR of 1% since 2015. The global cotton yarn demand is under stress as GDP growth in China has fallen and there are recessionary trends in major cotton markets including Bangladesh.

Figure 12: *Global Trade of Cotton Yarn (US$ Billion)*



Data Source: UN Comtrade

In case of yarn manufacturing, India has production facilities in both natural and man-made yarn production. India has an installed capacity of 53 million spindles, producing approximately 5,890 million kg yarn in 2018-19. India is one of the largest producers and exporters of cotton yarn in the world with a production of 4,208 million kgs of 100% Cotton Spun Yarn in 2018-19.

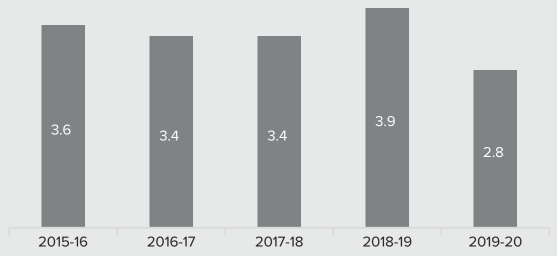
Table 1: India's Spun Yarn Production in Million Kg

Yarn	2015-16	2018-19	CAGR	2018-19 (Apr-Jan)	2019-20 (Apr-Jan)
100% Cotton Spun Yarn	4,138	4,208	1%	3,509	3,332
Blends and other spun Yarn	1,527	1,682	3%	1,401	1,431
Total Spun Yarn	**5,665**	**5,890**	**1%**	**4,910**	**4,762**

Source: Office of Textile Commissioner, Govt. of India

India's export of cotton yarn was valued at US$ 2.8 billion in 2019-20. The exports have declined at a CAGR of 6% since FY16 due to global slump in demand and higher prevailing domestic cotton prices. Moreover, Indian manufacturers are facing challenges due to China's duty free access given to countries like Pakistan and Vietnam.

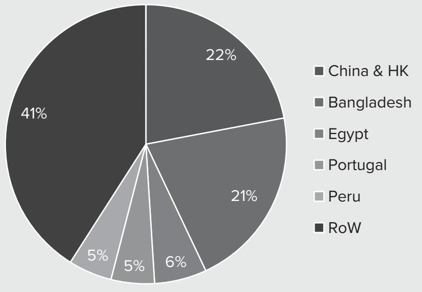
Figure 13: *India's Exports of Cotton Yarn (US$ Billion)*



Data Source: DGCI&S

China & HK is the largest importer of cotton yarn (22% share) from India, followed by Bangladesh with a share of 21%. The top five importers form 59% of India's total cotton yarn exports.

Figure 14: *Country-wise Exports of Cotton Yarn from India in 2019-20*



Data Source: DGCI&S

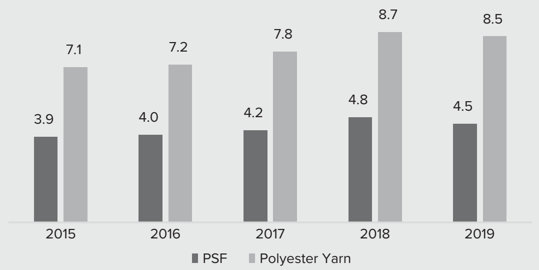
Indian spinners over the last few decades have invested extensively in bringing in the latest spinning technologies and infrastructure to India.

Alok is also one of the major players in the Indian spinning industry with focus on modern infrastructure and research & product development at the same time.

Polyester Business Environment/Outlook

The global trade of Polyester Staple Fibre (PSF) stood at US$ 4.5 billion and that of Polyester Yarn stood at US$ 8.5 billion in 2019. PSF has been growing at a CAGR of 4% since 2015, while Polyester yarn has been growing at a CAGR of 5%.

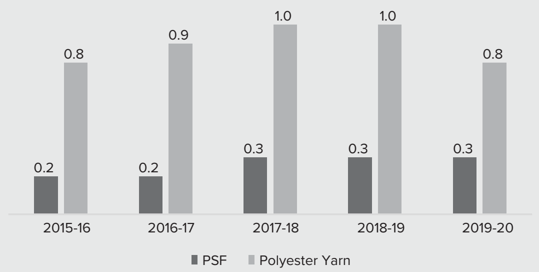
Figure 15: *Global Trade of Polyester (US$ Billion)*



Data Source: UN Comtrade

India has a production capacity of 1,550 kT of polyester staple fibre and 4,600 kT of polyester filament. It is the second largest producer of polyester globally. India's exports of polyester registered a value of US$ 1.1 billion in 2019-20. Turkey and Brazil together imported more than 50% of the polyester filament yarn from India.

Figure 16: *India's Exports of Polyester (US$ Billion)*



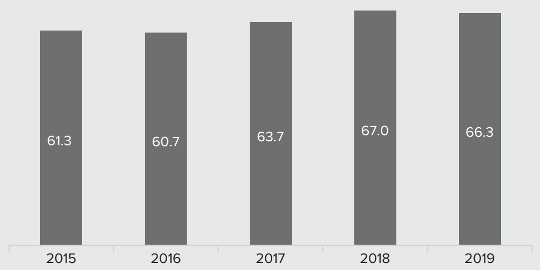
Data Source: DGCI&S

Polyester has proven to be the most cost-effective and adaptable fibre type, and has increasingly picked up the bulk of new business growth. The growth in the volume of polyester consumption is expected to be driven by growth in consumption of finished product categories like sportswear, technical textiles, women's wear. India has a presence of 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.

Home Textiles Business Environment / Outlook

The global trade of home textiles was valued at US$ 66.3 billion in 2019 and has been growing at a CAGR of 2% since 2015. The global demand for home textiles has increased owing to the growth of end-use sectors, such as hospitality, housing and home furnishings.

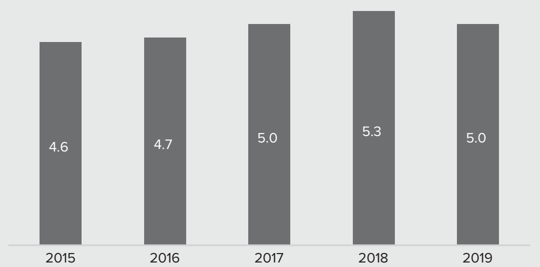
Figure 17: *Global Trade of Home Textiles (US$ Billion)*



Data Source: UN Comtrade

The Indian home textiles exports was around US$ 5.0 billion in 2019-20 growing at a CAGR of 2% over the last 5 years. It accounted for 14% of the total T&A trade of India (US$ 35 Billion) in 2019-20. India over the last few years has consolidated its position as the second largest exporter of Home textiles in the World, only behind China, with a share of 8% in the global home textile trade. India's export of terry towel is around US$ 1 billion in 2019-20 growing at CAGR of 1% in last 5 years. The export of bed linen from India is around US$ 1.3 billion in 2019-20 with a CAGR of 6% in the last 5 years. India exports its home textiles products primarily to 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 presence of large and integrated players with strong capabilities in catering to global market requirement.

Figure 18: *India's Exports of Home Textiles (US$ Billion)*

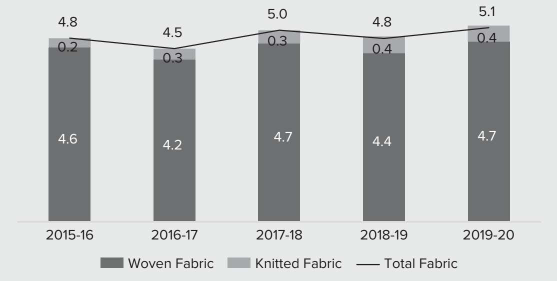


Data Source: DGCI&S

Apparel & Fabrics Business Environment / Outlook

India is one of the largest fabric producers with exports of US$ 5.1 billion in 2019-20, which was dominated by woven fabrics with a share of 92%. The export of knitted fabrics was US$ 422 million and have been growing at a CAGR of 15% over the last five years. However, woven fabrics have shown a slower growth at a CAGR of 1% in the same period.

***Figure 19:** India's Exports of Woven Fabric (US$ Billion)*



Data Source: UN Comtrade

The fabric production in India is around 70,070 million sq. m, which has grown at 2% CAGR in the past five years. Woven fabric had the major share of 73%, while the rest being knitted fabric. However, the production of woven fabric has grown at a CAGR of 2% while knitted fabric production has increased at 3% CAGR.

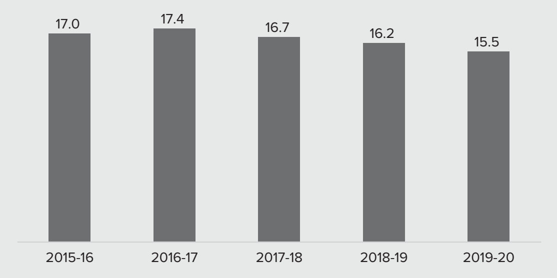
Table 2: India's Fabric Production (million sq. m)

Fabric Production Mn Sq. m	Production 2013-14	Production 2018-19	Share (2018-19) (%)	CAGR
Woven fabric	46,425	51,150	73%	2%
Knitted fabric	16,199	18,920	27%	3%
Total fabric	**62,624**	**70,070**		**2%**

Data Source: Office of Textile Commissioner, Govt. of India

The global trade of apparel is estimated at US$ 474 billion in 2019 and has been growing at a CAGR of 2% in the last five years. With a value of US$ 15.5 billion, India has a share of 3% in the global apparel exports. India's apparel exports have stagnated as result of increasing global competition and local economy challenges. However, Government is now keen on supporting the apparel industry through several policy initiatives and it is expected that India will be able to gain market share in apparel exports in future.

***Figure 20:** India's Exports of Apparel (US$ Billion)*



Data Source: DGCI&S

India, with large garment manufacturing capacities and competitive manufacturing capabilities, can be the next leader in this sector. The outlook of the industry will force manufacturers to focus on vertical integration of their operations. The new-age buyers are including criteria such as supply chain transparency, integrated set-ups, economies of scale, and adherence to compliance as an imperative for selecting their vendors.

Alok has manufacturing presence in the entire textile value chain and hence, is a sought after choice for many global and domestic brands as their apparel sourcing vendors.

4. Financial Performance (Stand Alone)

Alok Industries Limited is an integrated textile manufacturer with interests in both, the cotton and polyester value chain. The Company has created global sized capacities and expanded its markets across the global territories.

During the current financial year, the Company continued to operate at around 30% level due to working capital constraints and it made loss of ₹ 202. 07 at EBITDA level (previous year EBITDA loss of ₹ 72.80 crore). However, due exceptional items of ₹ 2,052. 55 crore on account of write back of operational creditors and few overseas financial creditors in terms of the approved Resolution Plan, at PBT level profit was ₹ 1,222.46 crore. Similarly in the previous year, the Company had reversed all its interest provision from 18 July 2017, from the date of admission of the company under IBC till the date of passing order on 8 March 2019 amounting to ₹ 7,045.19 crore as exceptional item which resulted in PBT level profit of ₹ 2,281.22 crore.

Table 3 gives the summarised profit and loss statement of the Company in the current financial year compared to the previous financial year. The brief analysis of the stand-alone results, which relates to the textile business of the Company, is also given below the table.

Table 3: Summarised Profit and Loss Account (stand-alone)

₹ Crore

PROFIT & LOSS ACCOUNT	FY 2019-20	FY 2018-19
Domestic Sales	**2,385.97**	**2,312.76**
Export Sales	**780.38**	**816**
Net Sales	**3,166.34**	**3,128.76**
Other Income	85.19	124.32
Total Income	**3,251.53**	**3,253.08**
Material Costs	2,054.05	2,151.29
Employee Benefits	256.99	252.95
Other Expenses	1142.56	921.64
Total Expenses	**3,453.60**	**3,325.88**
Operating EBIDTA	**-202.07**	**-72.8**
Depreciation	-529.45	-533.17
Operating EBIT	**-731.52**	**-605.97**
Interest & Finance Costs	-98.57	-4,158.00
Operating Profit / (Loss) Before Tax	**-830.09**	**-4,763.97**
Exceptional Items	2,052.55	7,045.19
Profit / (Loss) Before Tax After Exceptional Items	1,222.46	2,281.22
Add/ (Less): Provision for Taxes	0.73	0.91
Profit / (Loss) After Tax	**1,223.19**	**2,282.13**
Other Comprehensive Income	1.37	1.69
Total Comprehensive Income	**1224.55**	**2283.82**

Profit and Loss Analysis

- **Net Sales** for the year was ₹ 3,166.34 crore comprising of domestic sales of ₹ 2,385.97 crore and export sales of ₹ 780.38 crore. In the previous year, the total sales were ₹ 3,128.76 crore comprising of domestic sales 2,312.76 crore and export sales of ₹ 816.00 crore. The Company continued to witness lower level of operations due to working capital constraints.

- **Other Income** for the year was ₹ 85.19 crore (previous year ₹ 124.32 crore). The major part of the other income was comprising of sundry credit balances written back ₹ 64.36 crore (previous year ₹ 117.30 crore), interest income on fixed deposit with banks kept of ₹ 8.48 crore (previous year ₹ 5.28 crore) and foreign currency exchange rate difference of ₹ 11.64 crore (previous year ₹ Nil).

- **Material Cost** for the current financial year was ₹ 2,054.05 crore as compared to ₹ 2,151.29 crore in the previous period. As a percentage of sales, material cost decreased from 67.94% in the previous period to 64.87% in the current year due to decreasing raw material price trend both in cotton & polyester.

- **People Costs** in the current financial year marginally increased to ₹ 256.99 crore as compared to ₹ 252.95 crore in the previous period. As a percentage to sales it's about 8% in both the years.

- **Other Expenses** in the current year were ₹ 1142.56 crore as compared to ₹ 921.64 crore in the previous period. The major items of other expenses for the year was Power & Fuel ₹ 496.50 crore (previous year ₹ 448.30 crore), packaging material ₹ 100.68 crore (previous year ₹ 109.71 crore), stores & spares consumed ₹ 61.21 crore (previous year ₹ ₹ 59.88 crore), Provision for doubtful advances ₹ 150.97 crore (previous year ₹ 29.35 crore), Provision for doubtful debts ₹ 31.37 crore (Previous year ₹ (0.53) crore), Commission on sales ₹ 26.07 crore (Previous year ₹ 29.31 crore), Repairs & Maintenance ₹ 21.07 crore (Previous year ₹ 15.32 crore), among others.

- **Operating Earnings before Interest, Depreciation, Tax and Amortization (EBIDTA)** for the year was loss of ₹ 202.07 crore as compared to loss of ₹ 72.80 crore in the previous year.

- **Depreciation** was ₹ 529.45 crore for the current year as compared to ₹ 533.17 crore in the previous year.

- **Interest & Finance Cost** for the current year was ₹ 98.57 crore as compared to ₹ 4,158.00 crore in the previous year.

- **Operating PBT** for the year was loss of ₹ 830.09 crore as compared to loss of ₹ 4,763.97 crore in the previous year.

- **Exceptional Item** for the year was ₹ 2,052.55 crore (previous year ₹ 7,045.19 crore), mainly relating to the write back of operational & financial creditors (overseas) in accordance with the terms of Approved Resolution Plan. In the previous year, exceptional item was relating to reversal of the interest provision of ₹ 7,045.19 crore made by the Company from July 18, 2017 till March 08, 2019 (IRP period), the date of the Hon'ble NCLT Court Order approving the resolution plan.

- **Net Profit / (Loss) After Tax** there was a profit of ₹ 1,223.19 crore in the current year against profit of ₹ 2,282.13 crore in the previous period. In both the years the profit is on account of exceptional items.

Key Ratios

Table 4 gives the Key ratios of the Company (stand-alone).

Table 4: Key Ratios (stand-alone)

Sr. No	Particulars	31 March 2020	31 March 2019
1	Debtors Turnover - Days	19	19
2	Inventory Turnover - Days	39	38
3	Interest Coverage	(0.17)	(0.01)
4	Current Ratio	2.84	0.03
5	Debt – Equity	(0.46)	(0.44)
6	Operating Profit Margin (%)	-6.38%	-2.33%
7	Net Profit Margin (%)	38.63%	72.94%

Comments on Ratios:

- Debtors Turnover days in both the financial years is at 19 days, indicating debtors holding period of 19 days of the sales.
- Inventory Turnover days also in both the years is at around 39 days, indicating inventory holding period of 39 days of the sales.
- Interest Coverage Ratio: Operating Earnings before Interest, Depreciation, Tax and Amortization (EBIDTA) for the year was loss of ₹ 202.07 crore and loss of ₹ 72.80 crore in the previous year. Hence the Interest Coverage ratio is in negative for FY 2019-20 (0.17) and for FY 2018-19 (0.01).
- The Current Ratio for FY 2019-20 has improved considerably as bank liabilities which were classified as current liabilities in FY 2018-19 have been classified as term liabilities post implementation of the approved Resolution Plan.
- The Net worth of the Company is negative in FY 2019-20 and FY 2018-19 due to carried forward losses, as a result Debt- Equity ratio is in negative.
- Operating Earnings before Interest, Depreciation, Tax and Amortization (EBIDTA) for the year was loss of ₹ 202.07 crore as compared to loss of ₹ 72.80 crore in the previous year. Hence Operating Profit Margin for FY 2019-20 is negative 6.38% and for FY 2018-19 is negative 2.33%.
- Net Profit / (Loss) After Tax was a profit of ₹ 1,223.19 crore in the current year as compared to profit of ₹ 2,282.13 crore in the previous period. In both the years, the profit is on account of exceptional items- FY 2019-20 exceptional income of ₹ 2,052.55 crore (previous year FY 2018-19 exceptional income was ₹ 7,045.19 crore). This has resulted in to Net profit Margin of 38.63% in FY 2019-20 and 72.94% in FY 2018-19.
- The Return on Net Worth (RONW) is not calculated for both the financial year as the net worth of the Company is negative in FY 2019-20 and FY 2018-19 due to carried forward losses. However, in FY 2019-20 the Net Worth has improved to negative (₹ 10,688.68 crore) from previous year negative net worth of (₹ 12,922.18 crore) due to profit after tax of ₹ 1,223.19 crore for the current financial year (due to exceptional items) and other entries related to approved Resolution Plan.

Cash Flows

Table 5 gives the abridged cash flow statement of the Company.

Table 5: Summarised Cash Flow Statement

(₹ Crore)

PARTICULARS	31 March 2020	31 March 2019
Net cash (used in) /generated from operating activities	(171.75)	39.41
Net cash (used in) / generated from investing activities	(263.65)	51.95
Net cash (used in) / generated from financing activities	504.12	(107.76)
Net (decrease) / increase in cash and cash equivalents	68.72	(16.40)
Cash and Cash equivalents as on year end		
At the beginning of the period	15.15	31.55
At the end of the period	83.87	15.15
Net (decrease) / increase in cash and cash equivalents	**68.72**	**(16.40)**

Textiles Business: Operations Review

Overview

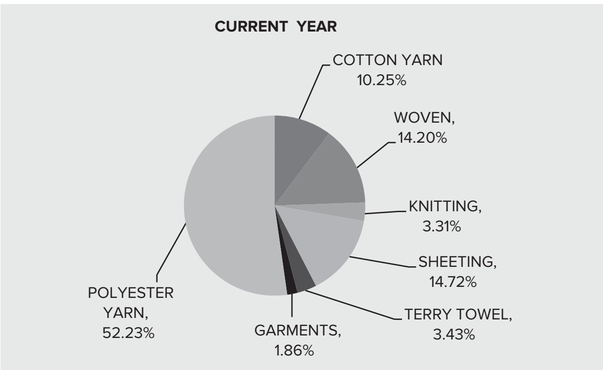
Alok is into single business segment i.e. Textiles. Within Textiles, Alok's business mainly comprises of Cotton spinning, Apparel fabric (Wovens, Knits & Garments), Home textiles (Sheeting & Terry Towel), and Polyester. The division wise sales and its bifurcation into domestic and export is given in table 6 and Chart-20 below:

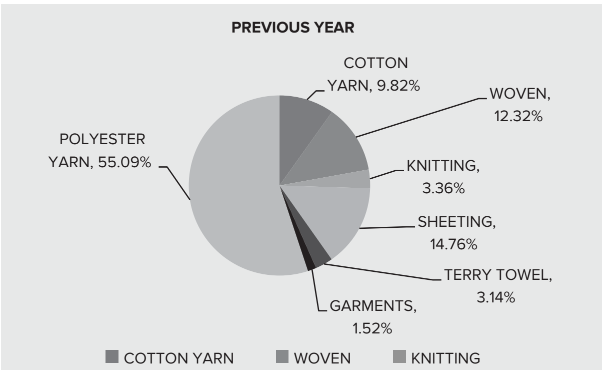
Table 6: Snapshot of Alok's product-group wise sales distribution

(₹ Crore)

PARTICULARS	12 M YTD ENDED 31 MAR 2020				12 M YTD ENDED 31 MAR 2019				CHANGE
	LOCAL	EXPORT	TOTAL	% TO SALES	LOCAL	EXPORT	TOTAL	% TO SALES	
COTTON YARN	324.23	0.18	324.41	10.25%	307.12	-	307.12	9.82%	5.63%
WOVEN	336.08	113.69	449.76	14.20%	271.80	113.55	385.35	12.32%	16.71%
KNITTING	44.30	60.36	104.66	3.31%	49.29	55.82	105.11	3.36%	(0.43%)
GARMENTS	48.98	9.98	58.96	1.86%	14.03	33.54	47.57	1.52%	23.94%
SHEETING	13.56	452.56	466.12	14.72%	4.05	457.70	461.75	14.76%	0.95%
TERRY TOWEL	57.52	51.03	108.56	3.43%	65.97	32.25	98.22	3.14%	10.52%
POLYESTER YARN	1561.29	92.58	1,653.87	52.23%	1,600.49	123.13	1,723.62	55.09%	(4.05%)
TOTAL	**2,385.97**	**780.38**	**3,166.34**	**100.00%**	**2,312.76**	**816.00**	**3,128.76**	**100.00%**	**1.20%**

Chart 20: Share of different product groups in total sales





As apparent from Chart 20, polyester yarn accounts for highest share in total sales with a share of 52.23 % (55.09% in the Previous year). This is followed by sheeting (Bed sheets) whose share was about at same level of 14.72% (14.76% in the previous year), followed by woven fabrics whose share in the current year was 14.20% up from 12.32%

in the previous year. The share of cotton spinning for the current year was 10.25% as compared to 9.82% in the previous year. The share of knitted fabrics for the current year was 3.31% as compared to 3.36% in the previous year. The share of terry towels for the current year was 3.43% as compared to 3.14% in the previous period and lastly garment share was 1.86% as compared to 1.52% in the previous year.

Exports

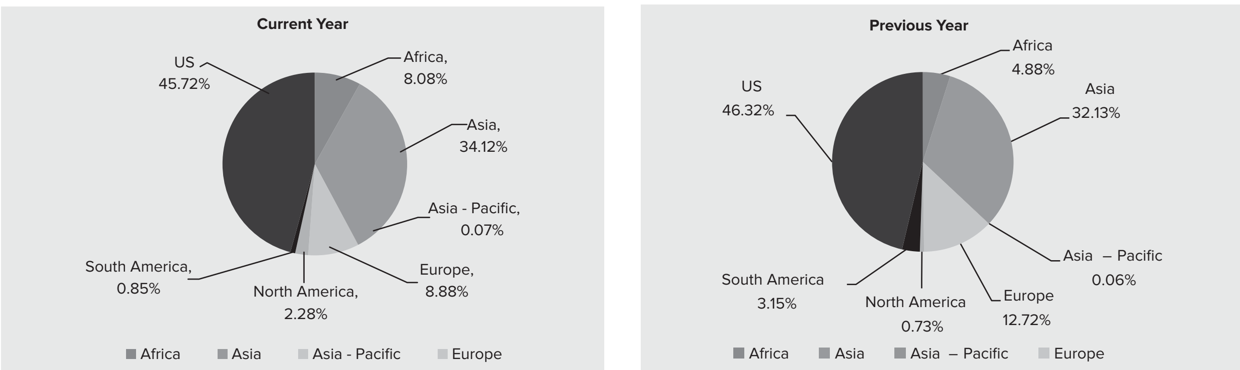
Alok's export business marginally reduced to ₹ 780.38 crore in the current year as against ₹816.00 crore in the previous period.

Table 7 gives the share of different regions in Alok's exports. The share of Alok's exports to different regions of the world is given in chart 21. USA remains the dominant market with 45.72% share in the current year. The share of Asia has marginally increased from 32.13% in the previous year to 34.12% in the current year, while that of Europe has come down from 12.72% in the previous year to 8.88% in the current year. Share of African continent has increased to 8.88% in the current year as compared to 4.88% in the previous year.

Table 7: Regional Distribution of Exports

Regions	YTD 31 March 2020 (12 months)			YTD 31 March 2019 (12 months)		
	₹ Crore	US$ Mn	% of Exports	₹ Crore	US$ Mn	% of Exports
Africa	63.06	8.98	8.08%	39.81	5.80	4.88%
Asia	266.29	38.10	34.12%	262.21	38.14	32.13%
Asia - Pacific	0.51	0.07	0.07%	0.46	0.07	0.06%
Europe	69.33	9.89	8.88%	103.82	15.08	12.72%
North America	17.81	2.51	2.28%	5.95	0.85	0.73%
South America	6.60	0.94	0.85%	25.74	3.76	3.15%
US	356.77	50.68	45.72%	378.01	54.44	46.32%
Total	**780.38**	**111.17**	**100.00%**	**816.00**	**118.14**	**100.00%**

Chart 21: Share of different regions in Alok's exports



Manufacturing & Business Excellence

Alok Industries Limited is an integrated textile manufacturer with interests in both, the cotton and polyester value chain. The Company has created global sized capacities and expanded its markets across the global territories. It has global and domestic retailers & brands and reputed garment manufacturer under its portfolio of clients owing to excellent quality of its products. It has received certification of Integrated management system comprising of ISO 9001:2015 (QMS), ISO 14001:2015 (EMS) and OHSAS 18001:2007 indicating the strong systems & processes being followed by the Company. Alok is also complaint of the health, safety and environment norms and various eco certification for its products, as required in export markets. Details of these certifications are covered under the section "Quality, Safety, Health and Environment".

Alok's business excellence is driven by the following levers:

- 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 provides 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

New Business Opportunity:

While the COVID-19 Pandemic brought some new challenges, it also got some new business opportunities. Responding to the need of the nation and medical community, Alok started manufacturing Personal Protective equipment (PPE) suits and N 95 Masks in a newly started division Safety Textiles from May 2020 and soon became one of the largest producers of PPE suits in the country. However, post June 2020, the competition in this field has increased considerably and the PPE suit and Mask business is not as lucrative as it was in the initial period in May – June 2020.

Besides this, COVID-19 has brought new ways of doing business. It has revealed to us that some of the work can be done by employees from home and they do not have to travel to office. Also, internal meetings, meetings with existing clients and even with new customers are now done virtually without the concerned team required to visit. This means efficient use of time and resources and cutting down on some of the expenses.

However, COVID-19 has also impacted the normal business operations of the Company by way of interruption in production, supply chain disruption, unavailability of personnel, closure/lock down of production facilities etc. during the lock-down period.

The detailed analysis of the risk and threats associated with the company's business are covered in detailed under the Section "Risk & Risk Mitigation."

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 regular focus in 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 renowned certification bodies (see Table 8). Today, the Company has the following certifications/accreditations:

Table 8: Major Certification- Divisions, Plants & Locations Covered

Certification	Division / Plant / Location
ISO 9001:2015 (QMS) ISO 14001:2015 (EMS) OHSAS 18001:2007 (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 • Garments, Vapi
SA 8000: 2014 Social Accountability	• Made Ups & Garments, Silvassa • Terry Towel, Vapi • Knit Processing, Vapi • Made Ups & Garments, Vapi

Certification	Division / Plant / Location
GOTS: Global Organic Textile Standards OCS-Organic Content Standard	• 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
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) • Woven & Knitted Fabric (Product Class I & II) • Texturized Yarn (Product Class I) • Cotton and blended yarn (Product Class I) • Terry Towels (Product Class I) • Garments (Product Class I) • Woven and Knitted Fabric- (Commission dying and printing) (Product Class I) • Woven Micro Polyester (Product Class I)

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

- Egyptian Cotton Certificate (under process)
- SUPIMA Cotton Certificate
- Cotton USA – License for using Cotton USA
- 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.

In addition to the certifications, 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.

Subsidiaries

Textiles: Mileta

Through its step-down subsidiary, Alok Industries International Limited, 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 realisations. The Mileta range of products includes handkerchiefs, high quality shirting, batistes and voiles, complete line of functional table linen and bed linen.

UK Retail: Store Twenty One

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

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

Investment: Alok Infrastructure Limited

The Company had made some 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.

Alok Infrastructure Limited was admitted under the Corporate Insolvency Resolution Process (CIRP) in terms of the Insolvency and bankruptcy Code, 2016 vide an order dated 24th October 2018 of the Hon'ble National Company Law Tribunal, Mumbai.

The Resolution Professional of Alok Infra has informed that under the advice of the Committee of Creditors, an application under section 60 (5) read with section 12A and other applicable provisions of the Code has been filed on 5th April, 2019 for withdrawing the insolvency petition of Alok Infra. Currently, this application is pending with the Adjudicating Authority.

The performance of all of subsidiaries and step down subsidiaries are given in table 11.

Consolidated Results

Tables 9, 10, and 11 give the profit and loss highlights, balance sheet highlights and Company wise sales of Alok as a consolidated entity.

Table 9: Consolidated Profit and Loss Summary

(₹ Crore)

Particulars	FY 2019-20	FY 2018-19
	Amount	Amount
Net Sales	3,328.78	3,352.24
Other Income	39.06	18.53
Total Income	**3,367.84**	**3,370.77**
Material Costs	2,124.74	2,274.27
People Costs	306.53	300.89
Other Expenses	1,024.74	906.25
Total Expenses	**3,456.01**	**3,481.41**
Operating EBIDTA	**-88.77**	**-110.64**
Depreciation	-541.84	-549.51
Operating EBIT	**-630.01**	**-660.16**
Interest	-113.63	-4,308.74
Operating Profit Before Tax	**-743.64**	**-4,968.90**
Exceptional Items	2,052.55	7,045.19
Profit Before Tax after Exceptional items	**1,308.90**	**2,076.29**
Less : Provision for Taxation	2.31	0.88
Profit After Tax	**1,311.22**	**2,077.17**
Share of profit / (loss) from associates (net)	-0.99	-1.02
Profit After Minority Interest	**1,310.23**	**2,076.15**
Other Comprehensive Income	**-296.68**	**-149.82**
Total Comprehensive Income	**1,013.55**	**1,926.33**

Table 10: Consolidated Balance Sheet Summary

(₹ Crore)

Particulars	As at 31.03.2020	As at 31.03.2019
Share Holders Funds	(12,307.92)	(14,616.95)
Non -Current Liabilities	28,338.71	6,287.52
Current Liabilities	1,877.45	26,343.96
Total Equity and Liabilities	**17,908.24**	**18,014.53**
Non -Current Assets	16,473.63	17,117.23
Current Assets	1,434.24	897.30
Total Assets	**17,908.24**	**18,014.53**

Table 11: Company wise sales in total Consolidated Sales

(₹ Crore)

Sr. No.	Name of the Company	31.03.2020		31.03.2019	
		Sales	Profit/(Loss)	Sales	Profit /(Loss)
1	Alok Industries Limited	3166.34	1,224.56	3128.76	2,283.82
2	Alok Infrastructure Limited	0.19	(13.50)	60.37	(133.38)
3	Alok International Inc.	-	99.96	-	(34.07)
4	Mileta A.S	162.25	(5.47)	163.10	(15.85)
5	Grabal Alok (UK) Limited	-	-	-	-
6	Alok Industries International Limited	-	(158.11)	-	0.31
7	Grabal Alok International Limited	-	(58.16)	-	(129.87)
8	Alok World Wide Limited	-	0.11	0.59	0.01
9	Alok Global Trading (Middle East) FZE	-	-	-	-
10	Alok Singapore Pte Limited	-	(14.97)	-	(2.19)
11	Alok International (Middle East) FZE	-	(0.67)	-	-
	Total	**3,328.78**	**1,073.75**	**3,352.83**	**1,968.78**
	Effect of elimination entries	-	(60.20)	(0.59)	(42.44)
	Consolidated (Loss) / Profit	**3,328.78**	**1,013.55**	**3,352.24**	**1,926.34**

Human Resource

At Alok, there is a believe that strong foundation of human resources is a prerequisite for creating many possibilities for its business. During the year under review, despite several challenges, your company continued its business operations, strived for new development of markets & products, which was result of the people effort. Also, to improve the skill gap, your company took steps in building capability of workforce and vendor partners, by organizing training programs. Your company's senior leadership acted as a role model and provided all support to employees to keep them motivated, positively engaged, arrest attrition and deliver maximum business performances. We have a motivated team of over 16,700 employees who are giving their best in their respective spheres of the work in taking the Company forward and gaining its leadership position. The overall industrial relation scenario of the company continued to be cordial during the year.

Considering the risk associated with COVID-19 pandemic, the Company has set up a COVID-19 Centre along with a team of doctors at its Silvassa plant for the testing and quarantine of its workers. Also work from home was facilitated for the employees.

Sustainable Business Practices and Corporate Social Responsibility (CSR)

Alok has been following business practices that are economically viable, socially responsible, environmentally friendly, meeting required health & safety standards. Much of our improvements in business practices have come from new ways of thinking about meeting customer needs, and redesigning production operations with environmental concerns in mind. Such procedures as life-cycle analysis, design for environment and preventive engineering have all played significant roles in assisting the business to move toward more sustainable operations. As such, this sustainable business movement is a component of the broader movement toward greater corporate social responsibility.

Risks & Risk Mitigation

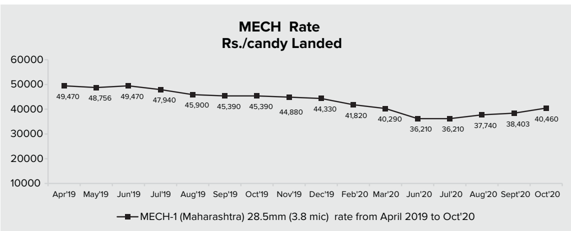
This section contains the Company's view on risk and the critical risk factors for the Company. This section also provides the manner in which the Company manages risk through its risk management processes.

Raw Material

Raw material being the major cost of production, Company's operations and profitability are significantly dependent on the timely availability and price of raw materials used in production process. The primary raw materials for our textile operations are raw cotton and PTA & MEG. The Company also buy 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.

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, all of 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- 22 below shows cotton prices during 2019-20 were in decreasing trend.

Chart 22: Price Movement of Cotton MECH

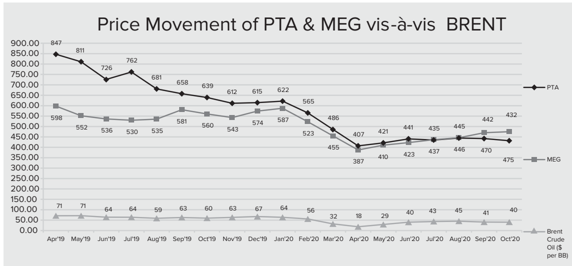


The Cotton price decreased from ₹ 49,470/- per candy (356 kgs. Ginned Cotton) in April 2019 to ₹ 36,210/- per candy in July 2020. However, from August 2020 onwards its showing rising trend and have reached ₹ 40,460/- per candy in October 2020.

Company has a very experience 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 in India is at Zero Import duty and Zero export duty as such, our focus remains optimizing domestic and international opportunities to create a competitive edge of sourcing.

For Company's polyester yarn operations, PTA and MEG are the major raw materials that are required in manufacturing 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 23 below.

Chart 23: Price Movement of PTA & MEG



As can be seen from the chart 23 above, both PTA and MEG prices during the financial year 2019-20 were having downward trend more or less in tandem with the price of crude oil (Brent).

PTA prices moved from peak level of USD 847 per ton in April 2019 and showed a declining trend and came down to USD 486 per ton in March 2020 and reached at bottom of USD 407 in April 2020. However, it started showing upward trend from May 2020 and have reached at USD 432 in October 2020.

MEG prices also came down from USD 598 per ton in April 2019 to USD 455 per ton in March 2020 and made bottom of USD 387 in April 2020. It started rising again from May 2020 and reached at USD 475 in October 2020.

Being a commodity product, the prices of finished goods like 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 & MEG requirement from Reliance Industries Limited at internationally competitive prices and as such do not foresee any risk of non-availability of PTA & MEG.

Markets

The Company's products are sold in both domestic as well as exports markets. Exports are expected to remain major part of the Company's revenue in future as well. The Company's exports markets, predominantly USA, Europe and Asia, are very competitive with very high emphasis on timely delivery.

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 have also won several export awards in the past instituted by the Government and export promotion Councils.

India, for past few years, 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, while the overall demand for textile products in Company's major markets is not declining, 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. To its credit, the Company has been able to retain key customers in USA and Europe, albeit with lower volumes. Now that the Resolution Plan has been implemented by the Resolution Applicants, the Company is confident of bringing into its fold, customers who have moved away in the last two 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 as well unorganised small & fragmented players. The Company has developed good reputation amongst the domestic traders, garment manufacturers and brands due to its quality, design capabilities and cost. Further, the Company has now started building relationships with large retailers (physical and online) to supply fabrics and garments. Once the Company's operations are scaled up, it would also be able to meet large volumes. The Company is confident that it would again regain a preferred supplier status for big brands & retailers given the quality, design capability and the capacity available 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. After infusion of funds by Resolution Applicants, the Company has been able to optimise its polyester capacity. As the operations are now getting stabilized, the Company is confident of re-establishing itself as a premium supplier of Polyester Yarn and fibre.

Information Technology Risk

The Company runs SAP since 2007 with main data Centre at Mumbai and disaster recovery environments at two different geographical locations. Connectivity across all offices/plants is established through secured MPLS links.

Infrastructure, network and applications are secured through firewalls and role based authorizations. Enterprise wide end point security deployed on all devices, secure systems from virus/malware attacks.

Multiple UPS systems and external power backup mitigate any risks arising out of power interruptions.

The Company's ERP system is not under Annual Maintenance Contract (AMC) from SAP and is being run on old hardware The Company initiated the process of implementing updated version of SAP and also carry out much needed replacement of its hardware

Financial Risk

The Resolution Plan is now fully implemented and the required capital infusion has been done by the Resolution Applicants in line with the approved Resolution Plan. The Company's operations and capacity utilisation are gradually improving. The Company is having term loan assistance from banks of ₹ 5,137 crore and working capital limits of ₹ 415 crore. The Company is required to meet interest obligation on these loans periodically and would also have 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 led to increase in interest rate for the Company on its borrowings.

The Company's rating has now improved to AA (by CARE) based on the financial support from its Resolution Applicants. The Company has been meeting its obligations on time and do not foresee any major risk on this account.

Currency Risk

The Company is subject to currency exposure risk given its significant amount 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 natural hedge. The Company has been now sanctioned a limit to hedge the currency exposure on export receivables. The Company also has in place a hedging policy to mitigate currency risks. The Currency risk is thus adequately mitigated.

Impact of Covid Pandemic

The World Health Organisation declared outbreak of Coronavirus Disease (COVID-19) as a global pandemic on 11th March, 2020. Consequently, Government of India declared a nation-wide lockdown on 23rd March, 2020 and the Company temporarily suspended operations in all its units in compliance with the lockdown instructions issued by the Central and State Governments. The Company had, accordingly made a disclosure in terms of Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. COVID-19 has impacted the normal business operations of the Company by way of interruption in production, supply chain disruption, unavailability of personnel, closure/lock down of production facilities etc. during the lock-down period. However, production and supply of goods had commenced during various dates at certain manufacturing locations of the Company after obtaining due permissions from the appropriate government authorities during the lockdown period.

The Company has made detailed assessment of its business scenario for the current year and do not foresee any major challenges on this account. Looking at the need and as new business opportunity, Company has also started Safety Textiles division to manufacture PPE suits and Masks. The situation is however, dynamic and changing rapidly giving rise to uncertainty around the extent and timing of the potential future impact of the pandemic which may be different from that estimates made by the Company. The Company is closely monitoring and would account for any material changes arising out of future economic conditions and impact on its business.

Outlook

With the implementation of the approved Resolution Plan, required funds have been infused / arranged by Resolution Applicants for meeting the working capital requirements and capex requirements. With infusion of funds and support of the new management, the operations of the plants are gradually increasing and necessary capital expenditure, wherever to ramp-up the operations, are being carried out. The human resource required to cope-up with the growth requirements of the company are also gradually coming in place. The company would progressively be able improve its capacity utilization and regain its market share.

Internal Control and Adequacy

The Company has in place well established framework of internal control system which commensurate with the size and complexity of its business. The Company has an independent internal audit function covering major areas of operations and is carried out by external firms of Chartered Accountants 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 and based on the fact that the Resolution Plan for the Company has been implemented. 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 as a result of new information, future events or otherwise.

Report on Corporate Governance

Corporate governance is an inclusive term that encompasses awareness and business ethics of the societal and environmental interests of the communities in which an enterprise functions. The Corporate Governance framework embraces elements of ethical business practices, regulation and legislation. There are features like disclosure, risk management, reporting etc that are key to upholding the tenets and values of corporate governance. Good Corporate Governance implies that the entity should act on standards that are high in terms of ethics so as to ensure that it's goodwill is safeguarded and rights of all stakeholders are accorded respect.

For accomplishment of the objectives of ensuing fair Corporate Governance, the Government of India has put in place of framework based on the stipulations contained under the Companies Act, 2013, SEBI Regulations, Accounting Standard, Secretarial Standards etc.

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on Corporate Governance envisages the adoption of sound business policies and alignment of healthy levels of transparency, responsibility, accountability integrity and equity across the spectrum of it's operations and in interactions with all stakeholders. The Company strives to strike a balance between economic and social goals as well as between individual and organizational goals.

A company undergoing insolvency resolution process, however, is exempted from the requirement of, amongst others, composition of board of directors, constitution, meetings and terms of reference of the audit committee, constitution, meetings and terms of reference of the nomination and remuneration committee, constitution, meetings and terms of reference of the stakeholders' relationship committee as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the **"SEBI LODR Regulations"**).

Members may note that pursuant to an application made by State Bank of India, the Hon'ble National Company Law Tribunal, Ahmedabad bench ("**Adjudicating Authority**"), vide its order dated 18 July 2017, had ordered the commencement of the corporate insolvency resolution ("**CIR**") process in respect of your company under the provisions of the Insolvency and Bankruptcy Code, 2016 (the "Code").

Pursuant to its order dated March 08, 2019 ("NCLT Order"), the Adjudicating Authority approved the resolution plan ("**Approved Resolution Plan"**) submitted by the Resolution Applicants for your Company under Section 31 of the Insolvency and Bankruptcy Code, 2016 ("Code"). As per the terms of Section 31 of the Code, the Approved Resolution Plan shall be binding on the Company, its employees, members, creditors, guarantors and other stakeholders involved in the resolution plan.

As per the Approved Resolution Plan, during the period between the NCLT Approval Date (as defined in the Approved Resolution Plan) and the Closing Date (as defined in the Approved Resolution Plan) ("Interim Period"), a monitoring committee was constituted ("Monitoring Committee") which during the period following the Competition Commission of India Approval Date and until the Closing Date, comprising of 4 (Four) representatives of the Financial Creditors, 2 (Two) representatives of the Resolution Applicants and the Erstwhile Resolution Professional managed the affairs of the Company as a going concern and supervised the implementation of the Resolution Plan. The powers of the Board of Directors continued to remain suspended as per the terms of the Approved Resolution Plan.

Members may kindly note that, the Monitoring Committee was in office for the entire period to which this report primarily pertains. During the CIR Process (i.e. between 18 July 2017 and 08 March 2019), the Resolution Professional was entrusted with the management of the affairs of the Company. The mandate of the Monitoring Committee was to manage the affairs of the Company as a going concern and supervise the implementation of the Resolution Plan. The Monitoring Committee, at their Closing Meeting held on 14th September 2020, inter-alia, reconstituted the Board of Directors of the Company ("**Reconstituted Board**") and upon conclusion of this Meeting, the Monitoring Committee stood dissolved.

The effects of the implementation of the Approved Resolution Plan has been enumerated in the Directors' Report.

As of the Closing Date i.e. 14th September 2020, Reliance Industries Limited (RIL) and JM Financial Asset Reconstruction Company Limited (acting in its capacity as Trustee of JMFARC – March 2018 – Trust (JMFARC) holding jointly 75% of the shareholding in the Company, have acquired joint control of the Company. RIL has been classified as the Promoter of the Company. Since JMFARC (acting in its capacity as Trustee of ARC Trust) is the 'Person Acting in Concert' (PAC) with RIL but considering that there is no provision for PAC in the prescribed format of shareholding pattern, they have been shown as part of the Promoter Group with explanatory note.

In compliance with the applicable provisions of SEBI LODR Regulations, a report containing the details and information as required to be disclosed in the Report on Corporate Governance to the shareholders of the Company is provided hereunder.

(1) BOARD OF DIRECTORS

Since the powers of the Board stood suspended with effect from 18 July, 2017 i.e. the commencement of the insolvency proceedings and continued to remain suspended upon conclusion of the CIR process as per the Approved Resolution Plan, no Board meetings were held during the financial year under review.

Composition of the Board:

The Board is entrusted with an ultimate responsibility of the Management, directions and performance of the Company. The Board had 8 directors, comprising of five Executive Directors, two Non-Executive Independent Directors and one Nominee Director.

The following was the Composition of the Board as on 31st March 2020#:

Sr. No.	Name of the Director	Category	Category of Director	No. of Directorship held (excluding Alok)	Category of Directorship and name of the other listed Company as on 31st March, 2020	Committee(s) position (excluding Alok)		No. of equity shares held as on March 31, 2020
						Member	Chairman	
1	Mr. Surinder Kumar Bhoan DIN: 00435603	Independent Non Executive	Chairman	1	--	-	-	--
2	Mr. Keshav D. Hodavdekar DIN: 00406556	Independent Non Executive	Director	2	Zicom Electronic Security Systems Limited – Independent Director	2		--
3	Mr. Ashok B. Jiwrajka DIN: 00168350	Promoter – Non Independent Executive	Whole-Time Director & CEO (Home Textiles)	5		-	-	1,48,44,206
4	Mr. Dilip B. Jiwrajka DIN: 00173476	Promoter – Non Independent Executive	Whole-Time Director & CEO (Apparel Fabrics)	6	--	-	-	10,05,973
5	Mr. Surendra B. Jiwrajka DIN: 00173525	Promoter – Non Independent Executive	Whole-Time Director & CEO (Polyester)	6	--	-	-	13,56,900
6	Mr. Senthilkumar M.A* DIN: 07421184	Non Independent Executive	Executive Director & CEO (Processing)	-	--	-	-	--
7	Mr. Tulsi Tejwani DIN: 07423670	Non Independent Executive	Executive Director & CEO (Weaving)	-	--	-	-	5,000
8	Mr. Suneet Shukla DIN: 02248415	Non-Executive Non Independent	Nominee Director -IFCI Limited as Lender	-	--	-	-	---

Notes:

i. The Directorships, held by Directors as mentioned above, do not include directorship(s) in foreign companies and Section 8 companies incorporated under the Companies Act, 2013. In accordance with Regulation 26 of the SEBI LODR Regulations,, Membership(s) / Chairmanship(s) of only Audit Committees and Stakeholders' Relationship Committees in all public limited companies have been considered.

ii. The number of Directorship(s) and Committee Membership(s) / Chairmanship(s) of all Directors is / are within the respective limits prescribed under the Companies Act, 2013 and SEBI LODR Regulations,

iii. *Mr. Senthilkumar MA resigned with effect from 20th January, 2020.

iv. Besides Mr. Ashok B. Jiwrajka, Mr. Dilip B. Jiwrajka and Mr. Surendra B. Jiwrajka, who are brothers, there is no relationship between the other Directors, inter-se.

\# In terms of the SEBI LODR Regulations, a company undergoing CIR process is not required to comply with Regulation 17 of the SEBI LODR Regulations dealing with the requirement of composition of the board of directors. Further, pursuant to the approval of the Resolution Plan, the powers of the Board of Directors continued to stand suspended in accordance with the provisions of the Approved Resolution Plan. Also, as per the provisions of the Approved Resolution Plan, on the Closing Date, the existing Board ceased to exist and a new Board was reconstituted comprising of the following directors.

1. Mr. A. Siddharth – Non-Executive, Independent Director and Chairman of the Board
2. Mr. Anil Rajbanshi – Nominee Director (Non-Executive) representing RIL
3. Mr. Hemant Desai - Nominee Director (Non-Executive) representing RIL
4. Mr. V. Ramachandran - Nominee Director (Non-Executive) representing RIL
5. Mr. Samir Chawla - Nominee Director (Non-Executive) representing JMFARC
6. Mr. Rahul Dutt – Non-Executive, Independent Director
7. Ms. Mumtaz Bandukwala - Non-Executive, Independent Director

Meetings and Attendance:

During the financial year ended 31st March, 2020, there were no board meetings held in view of the continued suspension of powers of the Board and the affairs of the Company were managed by the Monitoring Committee. The last Annual General Meeting was held on December 24, 2019. The attendance of each Director at the Annual General Meeting was as under:

Sr. No	Name of the Director	Number of Board Meetings			Last AGM
		Held	Eligible to attend	Attended	
1.	Mr. Surinder Kumar Bhoan	-	-	-	No
2.	Mr. Keshav D. Hodavdekar	-	-	-	No
3.	Mr. Ashok B. Jiwrajka	-	-	-	No
4.	Mr. Dilip B. Jiwrajka,	-	-	-	No
5.	Mr. Surendra B. Jiwrajka	-	-	-	No
6.	Mr. Senthilkumar M. A.	-	-	-	Yes
7.	Mr. Tulsi Tejwani	-	-	-	Yes
8.	Mr. Suneet Shukla Nominee Director- IFCI Limited as Lender	-	-	-	No

Note:

Transactions with related parties are disclosed in 'Notes forming part of the Accounts' annexed to the financial statements of the period and further that there have been no materially relevant pecuniary transactions or relationships between the Company and its non-executive and/or independent Directors during the period April 1, 2019 to March 31, 2020.

Annual Performance Evaluation and its criteria:

Board Evaluation

The powers of the Board of Directors which were suspended during the CIRP period, continued to remain suspended in accordance with the provisions of the Approved Resolution Plan Since, post appointment of the Resolution Professional and subsequent constitution of the Monitoring Committee, there was no Meeting of Directors, hence annual performance evaluation of the Board and its committees has not been carried out.

Independent Directors:

Independent Directors play an important role in the governance process of the Board. They bring to bear their expertise and experience on deliberations of the Board.

The Independent Directors fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI LODR Regulations. A formal letter of appointment to Independent Directors as provided in the Companies Act, 2013 has been issued and disclosed on website of the Company viz. www.alokind.com.

As declared by the Independent Directors, none of the Independent Directors serves as "Independent Director" in more than seven listed companies.

In the opinion of the Board, the Independent Directors fulfil the conditions specified in the SEBI LODR Regulations and are independent of the management.

Pursuant to commencement of the CIR process of the Company, the powers of the Board stood suspended and were exercised by the interim resolution professional or the resolution professional in accordance with the provisions of the Code. The requirement of appointing women director under the Companies Act, 2013 and the rules framed thereunder was not maintainable on account of suspension of the powers of the Board of the Company. Further, in terms of the SEBI LODR Regulations, a company undergoing CIR process was not required to comply with Regulation 17(1)(a) of the SEBI LODR Regulations dealing with the requirement of appointing a women director on the board of a listed company. This position continues pursuant to the conclusion of the CIR process upon approval of the Resolution Plan as the powers of the Board of Directors continue to stand suspended in accordance with the provisions of the Approved Resolution Plan. Also as per the provisions of the Approved Resolution Plan, on the Closing Date, the existing Board ceased to exist and a new Board of the Company was formed reconstituted comprising of the directors, including Independent Directors, as specified elsewhere in this report.

Core skills/Expertise/Competencies available with the Board

The following skills / expertise / competencies have been identified for the effective functioning of the Company: • Leadership / Operational experience • Strategic Planning • Industry Experience, Research & Development and Innovation • Global Business • Financial, Regulatory / Legal & Risk Management • Corporate Governance.

Pursuant to commencement of the CIR process of the Company, the powers of the Board stood suspended and continued to remain suspended in accordance with the provisions of the Approved Resolution Plan. Also as per the provisions of the Approved Resolution Plan, on the Closing Date, the existing Board ceased to exist and a new Board of Directors stands reconstituted comprising of the directors, including Independent Directors, as specified elsewhere in this report. The skills / expertise / competencies identified above are available with the Reconstituted Board.

Familiarization Programme for Directors

The Company has issued formal letter of appointment to Independent Directors in the manner as provided in the Companies Act, 2013 and the terms and conditions of such appointment is disclosed on the website of the Company i.e. www.alokind.com.

The Company has also formulated familiarization program to familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates etc. The details of such familiarization program are also available on the website of the Company.

None of the directors is a member of more than ten committees or acts as the chairman of more than five committees in all Public Companies in which they are Director. Necessary disclosures regarding Committee positions in other Public Companies as on March 31, 2020 have been made by the Directors. Also, none of the Independent Directors serve as Independent Director in more than seven listed companies.

All the Independent Directors fulfill the criteria of being independent as mentioned under Regulation 16(1)(b) of the "SEBI LODR Regulations read with Section 149(6) of the Companies Act, 2013. The maximum tenure of Independent Directors is determined in accordance with the Companies Act, 2013. The Independent Directors have also confirmed that they meet with the criteria of independence laid down under the provisions of Companies Act, 2013 and the SEBI LODR Regulations.

Code of Conduct

In terms of provisions of SEBI LODR Regulations, the Board of the Company had, prior to commencement of CIR proceedings, laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company. The said Code of Conduct has been posted on the website of the Company. All Board members and senior management personnel have affirmed compliance with the Code of Conduct.

(2) COMMITTEES OF THE BOARD

The Board had, prior to the commencement of the CIR process, constituted Board Committees to deal with specific areas and activities which concern the Company and requires a closer review. The Board Committees are formed with approval of Board and functions under their respective Charters. These committees play an important role in the overall Management of day-to-day affairs and governance of the Company. The Board Committees meet at a regular interval and take necessary steps to perform its duties entrusted by the Board. The Minutes of the Committee meetings are also placed before the Board in the next Board Meeting for noting. However, pursuant to initiation of CIRP Process and subsequently constitution of the Monitoring Committee, no committee Meeting was held after 18.07.2017, including during the year under review, as the powers of the Board and its committees were suspended.

The Board had established the following Committees:

(a) Audit Committee

(b) Stakeholder's Relationship Committee

(c) Nomination and Remuneration Committee

(d) Corporate Social Responsibility Committee

(e) Executive Committee

The composition, terms of reference, attendance and other details of these Committees are mentioned in this Report.

(a) AUDIT COMMITTEE

Audit Committee of the Board of Directors ("the Audit Committee") is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the SEBI LODR Regulations

In terms of the SEBI LODR Regulations, a company undergoing CIR process is not required to comply with Regulation 18 of the SEBI LODR Regulations dealing with the requirement of constitution, meetings and terms of reference of the Audit Committee. This position continued pursuant to the approval of the Resolution Plan too as the powers of the Board of Directors continued to stand suspended in accordance with the provisions of the Approved Resolution Plan. Accordingly, no meetings of the Audit Committee were held during the year.

i **Brief Description of Charter/ terms of reference of Audit Committee-**

The brief description of charter/ terms of reference of Audit Committee is broadly as under:

The primary objective of the Audit Committee is to monitor and provide an effective supervision of the management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the management, the internal auditor, the statutory auditor, the cost auditor and the secretarial auditor and notes the processes and safeguards employed by each of them. The terms of reference of the audit committee are as per the guidelines set out in Part C of Schedule II of the SEBI LODR Regulations:-

Terms of Reference of the Committee inter alia include the following:

- 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.
- Approval of payment to statutory auditors, including cost auditors, for any other services rendered by them.
- 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.
- Review and monitor the auditor's independence, performance and effectiveness of audit process.
- 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.
- Review the functioning of the Whistle-blower mechanism / oversee vigil mechanism.
- Review financial statements, in particular the investments made by the Company's unlisted subsidiaries.

ii **Composition of the Audit Committee**

The Audit Committee of the Board of Directors is constituted in line with the provisions of Regulation 18 of the SEBI Listing Regulations read with Section 177 of the Companies Act, 2013. The Audit Committee is governed by Charter/terms of reference which is in line with the regulatory requirements mandated under section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations.

All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Economics, Risk and International Finance. It functions in accordance with its terms of reference that defines its authority, responsibility and reporting function.

For the year under review, the Audit committee of the Company comprised of two Non-Executive Independent Director headed by Mr. Surinder Kumar Bhoan with Mr. Keshav D. Hodavdekar as its member. The members of the Audit Committee possess accounting and financial management expertise. The Company Secretary of the

Company acts as Secretary to the Committee.

The Audit Committee invites such executives, as it considers appropriate, representatives of Statutory Auditors and representatives of Internal Auditors to attend the meetings.

As per the provisions of the Approved Resolution Plan, on the Closing Date (as defined in the Approved Resolution Plan), the present Board had ceased to exist and a new Board has been formed. Accordingly, as on the date of this report, the Audit Committee has also been reconstituted with the following directors as its members:

1. Mr. A. Siddharth – Non-Executive Independent Director designated as Chairman of the Committee
2. Mr. Rahul Dutt - Non-Executive Independent Director and
3. Mr. V. Ramachandran – Nominee Director (Non-Executive) representing RIL

iii. Internal Controls and Governance Processes

The management team has represented to the Reconstituted Board that the Company has effective internal control systems and policies. The Reconstituted Board / Management is, however in the process of reviewing the internal controls framework with an objective to have best in class internal controls and of putting / revamping a framework for internal controls commensurate with the size, scale and nature of business.

iv. Risk Management

The Reconstituted Board / Management is reviewing the risk management framework of the Company. The Company would put in place a suitable enterprise risk management framework for identifying and evaluating risks and opportunities that may have bearing on the organization. The Company recognizes that these risks need to be managed and mitigated to protect the shareholders and other stakeholders interest.

(b) NOMINATION AND REMUNERATION COMMITTEE

For the year under review, the Nomination and Remuneration Committee comprised of Mr. Keshav D. Hodavdekar and Mr. Surinder Kumar Bhoan, both Non-Executive Directors. Mr. Keshav D. Hodavdekar, an Independent Director, acted as Chairman of the Committee.

The terms of references of the Committee are in line with the requirements of the matters specified under Regulation 19 read with Part D of Schedule II to the SEBI LODR Regulations, and the Companies Act, 2013. The Committee is also authorized to administer the Employees Stock Option Plans of the Company. Terms of Reference of the Committee *inter alia* include the following:

- 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 Human Resources, 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.

Pursuant to commencement of the CIR process, the powers of the board of directors stood suspended and were exercised by the interim resolution professional or the resolution professional in accordance with the provisions of the Code. The requirement of minimum number of members in the nomination and remuneration committee in accordance with the Companies Act, 2013 and the rules framed thereunder is not maintainable on account of the continued suspension of the powers of the Board.

In terms of SEBI LODR Regulations, a company undergoing CIR process is not required to comply with Regulation 19 of the SEBI LODR Regulations dealing with the requirements of constitution, meetings and terms of reference of the nomination and remuneration committee. Further, pursuant to the approval of the Resolution Plan, the powers of the Board of Directors continued to stand suspended in accordance with the provisions of the Approved Resolution Plan.

Accordingly, no meeting was held during the financial year ended 31st March, 2020.

As per the provisions of the Approved Resolution Plan, on the Closing Date (as defined in the Approved Resolution Plan), the present Board ceased to exist and a new Board of Directors has been reconstituted. Accordingly, as on the date of this report, the Nomination and Remuneration Committee has been reconstituted with the following directors as its members:

1. Mr. Rahul Dutt - Non-Executive Independent Director designated as Chairman of the Committee
2. Mr. A. Siddharth – Non-Executive Independent Director and
3. Mr. Hemant Desai – Nominee Director (Non-Executive) representing RIL

Remuneration Policy

The remuneration policy of the Company is performance driven and is designed to motivate employees, recognize their achievement and promote excellence in performance. The said policy is available on the website of the Company.

(i) For Executive Directors:

The Board / Nomination and Remuneration Committee of Directors is authorized to decide the remuneration of the Whole time Directors, subject to approval of the Members. The remuneration structure comprises salary, perquisites and allowances (fixed component) and / or commission (variable components).

Annual increments, if any, are linked to performance and are decided by the Nomination and Remuneration Committee and recommended to the Board for approval thereof.

(ii) For Non-Executive Directors:

The Independent Directors of the Reconstituted Board are paid sitting fee of ₹ 20,000/- for every Board Meeting attended by them, which includes Board level committee meetings, while the Non-Executive Directors of the reconstituted Board have waived payment of their remuneration for attending meetings of the Board or Committees thereof.

In terms of SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2018, a company undergoing CIR Process is not required to comply with the requirement of conducting evaluation of the independent directors. Therefore, subsequent to commencement of the CIR process the evaluation of the independent directors of the Company was not required to be carried out under the provisions of the Regulation 17(10) of the SEBI LODR Regulations. Further, in accordance with Rule 8(4) of Companies (Accounts) Rules, 2014, the board of directors of a company is required to evaluate its own performance and that of its committees and individual directors. However pursuant to commencement of the CIR process, the powers of the board of directors stood suspended and were exercised by the resolution professional in accordance with the provisions of the Code. This position continued pursuant to the approval of the Resolution Plan too as the powers of the Board of Directors continued to stand suspended in accordance with the provisions of the Approved Resolution Plan.

Accordingly, no meetings of the Committee were held during the year under review.

The details of remuneration paid to Executive Directors and Non-Executive Directors for the financial year ended 31st March 2020 are provided hereinafter:

Details of Remuneration of Executive Directors for the financial year ended 31st March, 2020

Name of the Director	Salary and Perquisites	Commission	Total
Mr. Ashok B. Jiwrajka	Nil	Nil	Nil
Mr. Dilip B. Jiwrajka	Nil	Nil	Nil
Mr. Surendra B. Jiwrajka	Nil	Nil	Nil
Mr. Senthilkumar M. A.	Nil	Nil	Nil
Mr. Tulsi Tejwani	Nil	Nil	Nil

Remuneration was paid to Mr. Senthilkumar M. A. and Mr. Tulsi Tejwani in their capacity as CEOs of their respective plants.

Details of Remuneration of Non-Executive Directors for the financial year ended 31st March, 2020

Name of the Director	Sitting Fees	Commission	Total
Mr. S. K. Bhoan	Nil	Nil	Nil
Mr. Keshav D. Hodavdekar	Nil	Nil	Nil
Mr. Suneet Shukla	Nil	Nil	Nil

Notes:

1. The agreement with each of the Executive Directors was for a period of five years which expired in March 2018. The same was not thereafter renewed since the CIR process had already commenced by then.
2. No severance pay is payable on termination of contract.

Shareholding and Pecuniary Relationship of Non-Executive Directors:

During the financial year 2019-20, none of non-executive directors held any shares in the Company.

Further, there has been no pecuniary relationship or transactions of the non-executive directors' vis-à-vis the Company during the financial year 2019-20.

Stock Option Scheme:

The Company does not have any Stock Option Scheme for its employees and Directors.

(c) STAKEHOLDERS RELATIONSHIP COMMITTEE

For the year under review, the Stakeholder's Relationship Committee was headed by Mr. Surinder Kumar Bhoan, non-executive independent director and comprised of three other directors, namely, Mr. Ashok B. Jiwrajka, Mr. Dilip B. Jiwrajka and Mr. Surendra B. Jiwrajka. Mr. K. H. Gopal, Company Secretary was the Secretary to the Committee.

Terms of Reference:

The Stakeholders' Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI LODR Regulations, read with section 178 of the Companies Act, 2013.The Board has clearly defined the terms of reference for this Committee, which generally meets once in a quarter. The Committee looks into the matters of Shareholders / Investors grievances along with other matters listed below:

- Oversee and review all matters connected with transfer of Company's securities.
- Approve issue of duplicate shares / debentures 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 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.

Pursuant to commencement of the CIR process, the powers of the board of directors stood suspended and were exercised by the interim resolution professional or the resolution professional, as the case may be, in accordance with the provisions of the Code. Therefore, no meeting was held during the financial year ending March 31, 2020. Further, iin terms of SEBI LODR Regulations, a company undergoing CIR process is not required to comply with Regulation 20 of the SEBI LODR Regulations dealing with the requirements of constitution, meetings and terms of reference of the stakeholders' relationship committee. This position continued pursuant to the approval of the Resolution Plan too as the powers of the Board of Directors continued to stand suspended in accordance with the provisions of the Approved Resolution Plan. Accordingly, no meetings of the Committee were held during the year.

As per the provisions of the Approved Resolution Plan, on the Closing Date (as defined in the Approved Resolution Plan), the present Board had ceased to exist and a new Board has been formed. Accordingly, as on the date of this report, the Stakeholders Relationship Committee has been reconstituted with the following directors as its members:

1. Mr. A. Siddharth – Non-Executive Independent Director designated as Chairman of the Committee
2. Ms. Mumtaz Bandukwala – Non-Executive Independent Director
3. Mr. Anil Kumar Rajbanshi – Nominee Director (Non-Executive) representing RIL
4. Mr. V. Ramachandran - Nominee Director (Non-Executive) representing RIL

Investor Grievance Redressal

Total number of complaints received: 2

Total number of complaints resolved: 2 Balance complaints to be resolved - Nil

As on March 31, 2020, no complaints were outstanding.

(d) CORPORATE SOCIAL RESPONSIBILITY AND GOVERNANCE COMMITTEE

The Corporate Social Responsibility and Governance Committee (CSR) of the Company is constituted pursuant to the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The terms of reference of the Corporate Social Responsibility (CSR) Committee, inter alia, includes the following:

- 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 Companies Act, 2013.
- 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 Policy Manual and to make any changes / modifications, as may be required, from time to time and to review and recommend the Business Responsibility Report (BRR) 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 Companies Act, 2013 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.

Board had, prior to the commencement of the CIR process, constituted a Corporate Social Responsibility Committee comprising of three Directors. Mr. Surinder Kumar Bhoan, Independent Director, who was the Chairman of the Committee, Mr. Tulsi Tejwani and Mr. Senthilkumar M. A. Executive Directors of the Company.

Pursuant to commencement of the CIR process, the powers of the board of directors stood suspended and were exercised by the interim resolution professional or the resolution professional, as the case may be, in accordance with the provisions of the Code. This position continued pursuant to the approval of the Resolution Plan too as the powers of the Board of Directors continued to stand suspended in accordance with the provisions of the Approved Resolution Plan. Accordingly, no meetings of the Committee were held during the year.

Also as per the provisions of the Approved Resolution Plan, on the Closing Date (as defined in the Approved Resolution Plan), the present Board had ceased to exist and a new Board has been formed. Accordingly, as on the date of this report, the Corporate Social Responsibility Committee has been reconstituted with the following directors as its members:

1. Ms. Mumtaz Bandukwala – Non-Executive Independent Director designated as Chairman of the Committee
2. Mr. Rahul Dutt – Non-Executive Independent Director
3. Mr. V. Ramachandran - Nominee Director (Non-Executive) representing RIL

(e) EXECUTIVE COMMITTEE

The Board had, prior to the commencement of the CIR process, constituted and delegated the authority to supervise and monitor the day-to-day activities of the Company to an Executive Committee. The committee comprised of Mr. Ashok B. Jiwrajka, Mr. Dilip B. Jiwrajka and Mr. Surendra B. Jiwrajka. The details of business transacted by the Committee were to be placed before the Board at the next meeting and ratified by the Board after due discussion. Pursuant to commencement of the CIR process, the powers of the board of directors stood suspended and were exercised by the interim resolution professional or the resolution professional, as the case may be, in accordance with the provisions of the Code. This position continued pursuant to the approval of the Resolution Plan too as the powers of the Board of Directors continued to stand suspended in accordance with the provisions of the Approved Resolution Plan. Therefore, no meeting of the Committee was held during the financial year ended 31st March 2020.

As per the provisions of the Approved Resolution Plan, on the Closing Date (as defined in the Approved Resolution Plan), the present Board had ceased to exist and a new Board of the Company has been formed. Accordingly, as on the date of this report, a Managing Committee has been constituted with the following directors and officials as its members:

1. Mr. V. Ramachandran - Nominee Director (Non-Executive) representing RIL
2. Mr. Sunil Khandelwal – Manager
3. Mr. Bijay Agrawal – Chief Financial Officer
4. Mr. KH Gopal – Company Secretary

The reconstituted Board considers the recommendations of all the above Committees and takes appropriate decisions.

(f) INDEPENDENT DIRECTORS' MEETING

During the year, no meetings of Independent directors were held as the powers of the board stood suspended since the commencement of Insolvency Resolution Process and continued to remain suspended post conclusion of the CIR process upon approval of the resolution plan.

(3) MATERIAL SUBSIDIARY COMPANIES

SEBI LODR Regulations defines a "material subsidiary" as a subsidiary, whose income or net worth exceeds 20% of the consolidated income or net worth respectively, of the listed Company and its subsidiaries in the immediately preceding accounting year.

Under this definition, the Manager and the Chief Financial Officer have represented to the Reconstituted Board and the Reconstituted Board has taken on record that the Company does not have a 'material subsidiary'. However as required under SEBI LODR Regulations, the Company has, prior to the commencement of the CIR process, formulated the Material Subsidiary policy which has been displayed on its website, www.alokind.com and the web link is as under: http://www.alokind.com/Downloads/Policy%20for%20determining%20material%20subsidiaries.pdf

(4) WHISTLE-BLOWER POLICY

As required by Regulation 4 (2) of SEBI LODR Regulations, the Company had, prior to commencement of the CIR process, adopted a Whistle Blower Policy, as a part of vigil mechanism to provide appropriate avenues to the Directors and employees to bring to the attention of management any issue which is perceived to be in violation of or in conflict with Company's code of conduct. The policy is available on the website of the Company.

As the Monitoring Committee was in charge of the affairs of the Company during the year under review, the Company Secretary has represented to the Reconstituted Board that: 1. Adequate safeguards have been provided against victimization of persons who use the vigil mechanism. 2. None of the directors or employees have been denied direct access to the Monitoring Committee to lodge their grievances. 3. No personnel have been denied access to the Monitoring Committee.

The Reconstituted Board is in process of reviewing the policy and would carry out necessary changes as may be required in due course of time.

(5) Code of Conduct

The powers of the board of directors of the Company were suspended on July 18, 2017 pursuant to the commencement of the corporate insolvency resolution process of the Company under the Insolvency and Bankruptcy Code, 2016 and as per the terms of the Approved Resolution Plan, the powers of the Board continued to remain suspended during the year under review. Accordingly the requirement under Regulation 26(3) of the SEBI LODR Regulations,is not applicable to the then existing Board of Directors. The Reconstituted Board was not in place for the financial year under review to which this declaration primarily pertains and hence, the requirement under Regulation 26(3) of the SEBI LODR Regulations,is not applicable to the members of the Reconstituted Board. The Company has, however, received declarations under Regulation 26(3) of the SEBI LODR Regulations,from other members of the senior management of the Company to whom the code of conduct is applicable.

6) GENERAL BODY MEETINGS

Particulars of last three Annual General Meetings are given below:

Financial year	Date	Time	Venue	Special Resolutions passed
01.04.2016 to 31.03.2017	September 29, 2017	12.00 noon	Alok Public School, Alok City, Silvassa-Khanvel Road, Silvassa-396230, Union Territory of Dadra and Nagar Haveli.	(1) Appointment of Mr. Senthilkumar M.A. as Executive Director & CEO (Processing) for a period of 5 years (2) Appointment of Mr. Tulsi Tejwani as Executive Director & CEO (Weaving) for a period of 5 years)
01.04.2017 to 31.03.2018	December 27, 2018	12.00 noon		There was no matter that required passing of Special Resolution.
01.04.2018 to 31.03.2019	December 24, 2019	12.00 noon		There was no matter that required passing of Special Resolution.

Special Resolutions:

All the special resolutions set out in the respective Notices were passed with requiste majority.

Postal Ballot:

No Postal Ballot was conducted pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of Companies (Management & Administration) Rules 2014 for obtaining the consent of the Shareholders of the Company for the period April 1, 2019 to March 31, 2020. There is no immediate proposal for passing any resolution through postal ballot.

(7) MEANS OF COMMUNICATION

The Company normally publishes quarterly, half yearly and annual results in leading Business Newspapers National daily of the country like Business Standard (English Language) and "Gandhinagar Western Times" (Vernacular Language) in accordance with the SEBI LODR Regulations,and circulates the same to stock exchanges & the shareholders;

The official news releases, including the quarterly, half yearly and annual results and presentations made to institutional investors/analysts, if any, are also posted on the Company's website www.alokind.com;

The Company also ensures that the details of its business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials of the company who are responsible for assisting and handling investor grievances, and other information as required under Companies Act, 2013 and SEBI LODR Regulations,are promptly and prominently posted on its website www.alokind.com.

The Quarterly Results, Shareholding Pattern and all other corporate communication to the Stock Exchanges are filed through NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre, for dissemination on their respective Website.

There is a separate section under ''Investor Relations" on the Company's website which gives information on unclaimed shares to be deposited to the Government and other relevant information of interest to the investors / public.

(8) GENERAL SHAREHOLDER INFORMATION

Date, Time and Venue of the Annual General Meeting:

The 33rd Annual General Meeting will be held on Tuesday, the 29th day of December 2020 at 12.30 p.m. at Alok Public School, Alok City, Silvassa-Khanvel Road, Silvassa – 396230, Union Territory of Dadra and Nagar Haveli.

Financial Calendar

The Company follows the period of 1st April to 31st March, as the Financial Year

For the period ended March 31, 2020, results were announced for

First quarter : Reviewed	August 14, 2019
Second quarter: Reviewed	November 14, 2019
Third quarter: Reviewed	February 14, 2020
Fourth quarter and annual: Audited	July 31, 2020

For the period ending March 31, 2021, results were / will be announced by:

First quarter : Reviewed	September 15, 2020
Second quarter: Reviewed	November 14, 2020
Third quarter: Reviewed	On or before February 14, 2021 (Tentative)
Fourth quarter and annual: Audited	On or before May 30, 2021 (Tentative)

Registered Office Address & CIN

17/5/1 & 521/1, Village Rakholi / Saily, Silvassa - 396230, Union Territory of Dadra & Nagar Haveli
CIN: L17110DN1986PLC000334

Dividend Payment Date

No dividend has been recommended for the financial year 2019-2020

Listing on Stock Exchanges:

The Equity shares of the Company are listed with the following stock exchanges:

a) BSE Limited

(Stock Code: 521070)

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001

website : www.bseindia.com

b) National Stock Exchange of India Limited

(Stock Code: ALOKINDS) (previously ALOKTEXT)
Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex,
Bandra (E), Mumbai 400 051
website : www.nseindia.com

For Demateralisation of Equity Shares of the Company of face value of Re.1/- each, the ISIN No. allotted to the Company is INE 270A01029.

Annual Listing Fees to BSE Limited and National Stock Exchange of India Limited have paid up to 31st March 2021.

Non-Convertible Debentures (NCDs) listed on BSE Limited:

Pursuant to the implementation of the Approved Resolution Plan, the admitted dues of all the financial creditors, including the Non-Convertible Debenture Holders have been settled and consequently, as of 31st March 2020, there were no holders of Non-Convertible Debentures.

The details of Secured Redeemable Non-Convertible Debentures (NCDs) issued by the Company on private placement basis and which have been settled in accordance with the Approved Resolution Plan are given below:

Sr. No.	No. of NCDs	Amount (in Crore)	Category	*ISIN NO.	Contacts details of Debenture Trustee
1	250	25.00	Secured Redeemable Non Convertible Debentures	INE270A07489	Axis Trustee Services Limited The Ruby, 2nd Floor, SW, 29, Senapati Bapat Marg, Dadar (West), Mumbai – 400 028 Tel: +91-22-623004451 Fax: +91-22-62300700 E-mail: debenturetrustee@axistrustee.com Website Address: www.axistrustee.com
	174	17.40		INE270A07489	
	71	7.10		INE270A07489	
	50	5.00		INE270A07489	
	5	0.50		INE270A07489	
	5	0.50		INE270A07489	
2	334	33.40		INE270A09014	
	333	33.30		INE270A09022	
	333	33.30		INE270A09030	
3	370	37.00		INE270A07539	
	360	36.00		INE270A07547	
4	375	37.50		INE270A07554	
	375	37.50		INE270A07562	
	375	37.50		INE270A07570	
	375	37.50		INE270A07588	
	375	37.50		INE270A07596	
	375	37.50		INE270A07604	
	375	37.50		INE270A07612	
	375	37.50		INE270A07620	
	5285	**528.50**			-

* The ISIN for all the NCDs were suspended.

Market Price Data

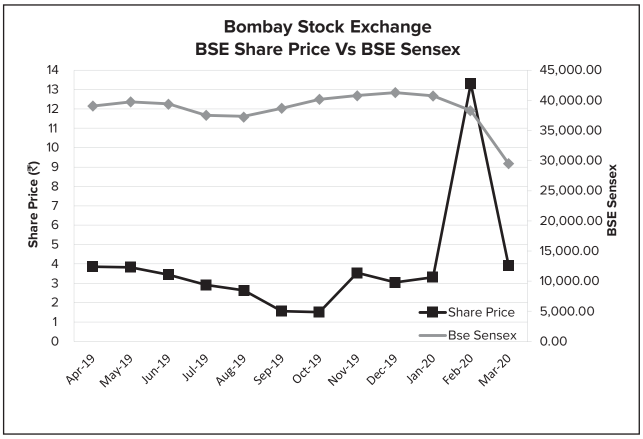
Monthly High and Low and the performance of the Company's share price vis-à-vis BSE Sensex and NSE Nifty is given below.

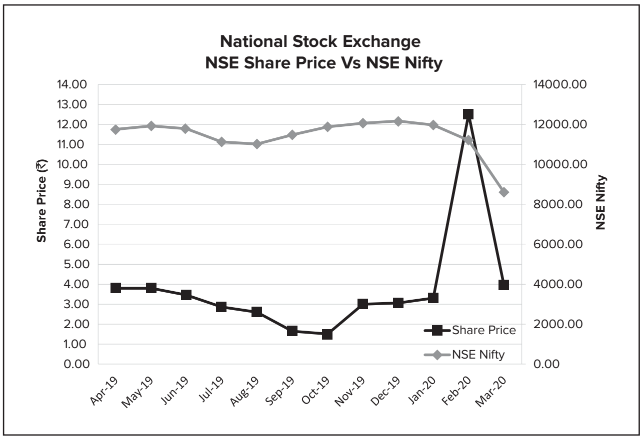
High, low based on daily closing prices) and number of equity shares traded during each month in the year 2019 – 20 at BSE and NSE

Month	BSE (in ₹ per share)			Monthly Volume (in No's)	NSE (in ₹ Per share)			Monthly Volume (in No's)
	High	Low	Close		High	Low	Close	
April-19	5.25	3.85	3.85	22071429	5.25	3.80	3.80	74053482
May-19	4.25	3.15	3.82	18093347	4.20	3.20	3.80	40025934
June-19	4.13	3.25	3.45	18134668	4.15	3.30	3.45	44877279
July-19	3.55	2.68	2.91	24484812	3.55	2.70	2.85	84953753
Aug-19	3.31	2.54	2.63	26394939	3.30	2.55	2.60	95564266
Sept-19	3.04	1.57	1.57	60374728	3.10	1.65	1.65	101521557
Oct -19	1.89	1.36	1.52	36720990	1.80	1.40	1.50	53200539
Nov-19	3.53	1.53	3.55	66430547	3.00	1.55	3.00	33988599
Dec- 19	4.09	2.64	3.04	55033130	3.60	2.65	3.05	65305094
Jan-20	3.61	2.64	3.32	32159219	3.45	2.70	3.30	53229988
Feb-20	19.00	13.30	13.30	2257451	17.70	12.50	12.50	2544018
March-20	12.64	3.92	3.92	4166264	11.90	3.95	3.95	7908135

Source: BSE & NSE Website.

A Graph showing comparison of Share Prices Vs Sensex is given below:





(J) Registrar and Share Transfer Agent

Share transfer, dividend payment and all other investor related matters are attended to and processed by our Registrar and Transfer Agents. Details of Registrar and Transfer Agents are as under-

LINK INTIME INDIA PRIVATE LIMITED

C 101, 247 Park, LBS Marg, Vikhroli (West) Mumbai-400083
Tel No.: 022 49186000;
Fax No.: 022 49186060
Email Address: mumbai@linkintime.co.in
rnt.helpdesk@linkintime.co.in

Share Transfer System

SEBI has mandated that, effective April 1, 2019, no share can be transferred in physical mode. Hence, the Company has stopped accepting any fresh lodgement of transfer of shares in physical form. The Company is sending out communications to the shareholders encouraging them to dematerialise their holding in the Company. The communication, inter alia, contains procedure for getting the shares dematerialised. Shareholders holding shares in physical form are advised to avail the facility of dematerialisation.

During the year, there was no lodgement request of transfer, sub-division, consolidation and renewal.

Trading in equity shares of the Company is permitted only in dematerialised form.

Dematerialisation of Shares and Liquidity

As on March 31, 2020, about 99.88% shares of the Company were held in dematerialized form with NSDL and CDSL..

Further, 100% of the Optionally Convertible Redeemable Preference shares of the Company in electronic form are with NSDL.

Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:

The Company has not issued GDRs/ADRs/Warrants during the period April 1, 2019 to March 31, 2020. The Company had on 28th February, 2020 issued 250,00,00,000 – 9% Optionally Convertible Preference Shares of the face value of Re.1/- each to RIL in accordance with the Approved Resolution Plan. RIL has the right to convert all or part of OCPS into equity shares of the Company at any point of time on or prior to the expiry of 18 months from the date of allotment. In case RIL decides to convert these OCPS, the paid up equity share capital of the Company may increase from 496,52,40,401 equity shares of the face value of Re.1/- each to 746,52,40,401 equity shares of the face value of Re.1/- each.

Shareholding as on March 31, 2020

Distribution of Shareholding as on March 31, 2020

Shareholding Class	No of shares held	% of total shares held	No of shareholders	% of total shareholders
Upto 500	25133851	1.14	122936	52.44
501 to 1,000	33967792	1.53	38112	16.26
1,001 to 2,000	40881793	1.85	24894	10.62
2,001 to 3,000	29750045	1.34	11195	4.77
3,001 to 4,000	20960365	0.95	5699	2.43
4,001 to 5,000	35980261	1.63	7413	3.16
5,001 to 10,000	88836209	4.02	11254	4.80
10,001 and above	1935140912	87.54	12944	5.52
TOTAL	**2210651228**	**100.00**	**234447**	**100.00**

ii. Categories of equity shareholders as on March 31, 2020

Shareholding pattern as on March 31, 2020 for the purpose of reporting in the Annual Report of the Company for the year 2019- 20 is given as under:

CATEGORY	As on March 31, 2020	
	Total No. of Shares	Percentage (%)
A. Promoter's Holding		
Promoters		
Indian Promoters	135,922,671	6.15
Foreign Promoters	Nil	Nil
Persons acting in Concert	Nil	Nil
TOTAL (A)	**135,922,671**	**6.15**
B. Non Promoter's Holding		
1. Institutional Investors		
a. Mutual Funds and UTI	200	0.00
b. Banks, Financial Institutions, Insurance Companies/Central Governments/ State Governments/NBFCs registered with RBI	49,387,646	2.23
c. FIIs	Nil	Nil
TOTAL (B1)	**49,387,846**	**2.23**
2. Others		
• Private Corporate Bodies	926,874,964	41.93
• Indian Public	1009,666,441	45.68
• NRIs	26,145,177	1.18
• Foreign Portfolio Investors	22,517,579	1.02
• Clearing Members/Market Maker/HUFs	40,077,800	1.81
• Trusts	58,750	0.00
TOTAL (B2)	**2025,340,711**	**91.62**
TOTAL B (BI+B2)	**2074,728,557**	**93.85**
GRAND TOTAL (A+B)	**2210,651,228**	**100.00**

Top Ten Shareholders as on March 31 , 2020:

Sr. No.	List of Top Ten Shareholders as On March 31, 2020	Equity Shares	% of paid up share capital as on March 31, 2020
1	Reliance Industries Limited	833,333,333	37.70
2	Life Insurance Corporation of India	35,164,136	1.59
3	Indian Opportunities Growth Fund Ltd-Pinewood Strategy	17,930,362	1.89
4	Arya Consolidated Private Limited	16,696,711	0.81
5	Rajul Devidas Shah	16,639,616	0.75
6	Ramakrishna Reddy Challa	9,000,000	0.41
7	United India Insurance Company Limited	7,610,690	0.34
8	Jaideep Narendra Sampat	5,695,542	0.26
9	Charmi Rakesh Bhansali	5,600,000	0.25
10	R K R Investments Services Private Limited	5,350,000	0.24

Transfer of Unclaimed Dividend to Investor Education and Protection Fund

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the company along with interest accrued, if any to the Investor Education and Protection Fund ('the IEPF'), a fund established under sub-section (1) of section 125. The details of unclaimed/unpaid dividend are available on the website of the Company viz. www.alokind.com. Details of Unclaimed Dividend as on March 31, 2020 and due dates for transfer are as follows:

Details of Transfer of Unclaimed Dividend to Investor Education and Protection Fund(IEPF)						
Interim / Final Dividend	**Financial Year**	**Date of Declaration of Dividend**	**Transfer to Unpaid dividend A/c**	**Dividend (₹ Per share*)**	**Last date of claiming from the Company**	**Transfer to IEPF**
Final	**2012-2013**	**27.12.2013**	**31.01.2014**	**0.30**	**27.12.2013**	**01.02.2021**

Mandatory Transfer of Shares to Demat Account of Investors Education and Protection Fund Authority (IEPFA) in case of unpaid/ unclaimed dividend on shares for a consecutive period of seven years

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares. Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholder from IEPFA by following the procedure prescribed under the aforesaid rules.

In accordance with the aforesaid IEPF Rules, the Company has sent notice to all the shareholders whose shares are due to be transferred to the IEPF Authority and has also published newspaper advertisement in this regard.

Commodity price risk or foreign exchange risk and hedging activities

Details of the commodity price risks and foreign exchange risks faced by the Company have been covered in the Management Discussions and Analysis / Notes to Accounts sections. During the year under review, the Company had no limits available to enter into derivative contracts for mitigation of either of these two risks.

Credit Rating

The Company has been assigned a rating of Provisional CARE AA (CE); Stable outlook by CARE Ratings Limited vide their communication dated 6th March 2020, for the Term Loans/

Working Capital facilities of the Company. There has been no change in ratings during the year.

Details of utilization of funds raised through Preferential allotment

During the year under review, 83,33,33,333 equity shares at ₹3/- per share (face value of ₹1/- for cash at a premium of ₹2/- per share) and 250,00,00,000 - 9% Optionally Convertible Preference Shares at ₹1/- per share aggregating to ₹499,99,99,999/- were allotted for cash to RIL on 28th February, 2020 in accordance with the Approved Resolution Plan. As of 31st March 2020, the utilization of funds against this preferential allotment was ₹ 54 crore.

(9) DISCLOSURES:

a) Disclosure on materially significant related party transactions that may have potential conflict with the Company's interests at large

The management team has represented to the Reconstituted Board and the Reconstituted Board has taken on record that there are no materially significant related party transactions made by the Company with its related parties which may have potential conflict with the interest of the Company at large or which warrants the approval of the shareholders and further that the details of the transactions with Related Party provided in the Company's financial statements are in accordance with the Accounting Standards.

b) Details of Non-compliance by the Company, penalties, strictures imposed on the Company by the stock exchange or SEBI, or any other statutory authority, on any matter related to capital markets, during the last three years.

There were no instances of non-compliances nor have any penalties, strictures been imposed by Stock Exchanges or SEBI or any other statutory authority during the last three years on any matter related to the capital markets, except imposition of fines by the National Stock Exchange of India Limited vide letters dated March 26, 2018 and June 17, 2019 in relation to delay in submission of quarterly financial results for the quarters ending September, 2017 and March, 2019 respectively and by BSE Limited vide email dated September 19, 2018 and letter dated June 17, 2019 in relation to delay in submission of quarterly financial results for the quarters ending March, 2018, June, 2018 and March, 2019 respectively, required to be submitted with the Stock Exchanges under Clause 41 of the Listing Agreement / Regulation 33 of the SEBI LODR Regulations. The Company had provided suitable explanations in this regard.

The Company thereafter paid: (i) ₹5000/- to National Stock Exchange of India Limited on 3rd April 2018 towards delay in submission of financial results for the quarter ended 30th September 2017 (not submitted within 30 min after the meeting) and (ii) ₹81,000/- to National Stock Exchange of India Limited on 13th February 2020 towards delay in 14 days for submission of financial results for the quarter and year ended 31.03.2019. The Company has not received any intimation from BSE Limited for any such payment.

The Company Secretary has represented to the Reconstituted Board and the Reconstituted Board has taken on record that the Company has also complied with and adopted the mandatory requirements of SEBI LODR Regulations except (i) non-compliance with respect to submission of financial results mentioned in paragraph (9) (b) above, and (ii) 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 SEBI LODR Regulations. The Company has vide e-mail dated 16 November 2018 to SEBI confirmed the compliance of the relevant provisions under the SEBI LODR Regulations dealing with disclosures and submissions required to be made with respect to non-convertible debentures for the period ending September 30, 2018. Further, the Company has sought relief from the non-compliance of the certain provisions of the SEBI LODR Regulations for the period prior to commencement of the CIR Process of the Company. SEBI has, post conclusion of the hearing in the subject matter, imposed a penalty of ₹ 12 lakhs on the Company, which has been contested at the Securities Appellate Tribunal, Mumbai. The decision in this regard is awaited.

c) Prevention of Sexual Harrassment of Women at work place

The Company is committed to provide a work environment that ensures every employee is treated with dignity, respect and afforded equal treatment. The disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are given as under:

Sr. No.	Particulars	Remarks
1	Number of complaints filed during the financial year	NIL
2	Number of complaints disposed during the financial year	NIL
3	Number of complaints pending as on the end of the financial year	NIL

d) Compliance with mandatory requirements and adoption of Non-mandatory requirements

The Company has complied with all the mandatory requirements of SEBI LODR Regulations.

Non Mandatory Requirements

a) Chairman of the Board: Whether Chairman of the Board is entitled to maintain a Chairman's Office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties:

Yes, the Chairman of the Reconstituted Board is entitled and allowed as above.

b) Shareholders Rights: Half yearly declaration of financial performance including summary of the significant events in last six months to be sent to each household of shareholders:

The Company's half yearly results are published in English and Gujarati newspapers having wide circulation and are also displayed on the Company's website. Hence, same are not sent to the shareholders. The audited results for the financial year are communicated to the shareholders through the Annual Report.

c) Audit Qualifications:

The qualifications by the Auditors have been duly explained in the Directors' Report

d) Reporting of Internal Auditor

During the year under review, the internal auditors were directly reporting to the Monitoring Committee. Post reconstitution of the Board of Directors and its Committees, the internal auditors report to the Audit Committee in case any matter requires their attention.

e) Total fees paid to the Statutory Auditors

Total fees for all services paid or payable by the Company and its subsidiaries during the financial year 2019-20, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part was ₹1,43,15,000/-.

f) Subsidiary Companies

All subsidiary companies of the Company are managed by their respective Boards having the rights and obligations to manage companies in the best interest of their stakeholders. The Company monitors performance of subsidiary companies in the following ways:

a) All minutes of Board Meetings of the unlisted subsidiary companies are placed before the Company's Board;

b) Financial statements, in particular the investments made by the unlisted subsidiary companies, are reviewed quarterly by the Audit Committee of the Company;

c) A statement containing all significant transactions and arrangements entered into by the unlisted subsidiary companies is placed before the Company's Board.

g) Certificate on Corporate Governance

As required by Regulation 34(3) Schedule V (E) of the SEBI LODR Regulations, the certificate from Mr. Virendra Bhatt, Practising Company Secretary on Corporate Governance is annexed to this report**.**

h) CEO/CFO Certification

The Reconstituted Board has received compliance certificate from the Manager of the Company and Chief Financial Officer of the Company, pursuant to Regulation 17(8) read with Part B of Schedule II of SEBI LODR Regulations.

i) Disclosure of Accounting Treatment

The Financial statement of the Company is prepared as per the prescribed Indian Accounting Standards and reflects true and fair view of the business transactions.

j) Compliance with corporate governance requirements specified in regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46

The powers of the board of directors of the Company were suspended on July 18, 2017 pursuant to the commencement of the corporate insolvency resolution process of the Company under the Insolvency and Bankruptcy Code, 2016 and as per the terms of the Approved Resolution Plan, the powers of the Board continued to remain suspended during the year under review. Accordingly, the Company has complied with the relevant corporate governance requirements specified in Regulations 17 to 27 and 46(2) (b) to (i) of the LODR Regulations only as applicable.

k) Details of Corporate Policies / Codes

Particulars	Web Links
Corporate Social Responsibility Policy	http://www.alokind.com/Downloads/CSR%20Policy.pdf
Policy for determining Material Subsidiaries	http://www.alokind.com/Downloads/Policy%20for%20Determining%20Material%20Subsidiaries.pdf
Policy on Appointment & Evaluation of Board of Directors, KMPs, and Senior Management Personnel	http://www.alokind.com/Downloads/Policy%20on%20Appointment%20and%20Evaluation%20of%20Board%20of%20Directors,KMP%20&%20SM.pdf
Remuneration Policy for Directors, Key Managerial Personnel and other Employees	http://www.alokind.com/Downloads/Alok-Remuneration%20Policy%20for%20Directors,%20KMPs%20and%20Other%20Employees-28.05.2015.pdf
Whistle Blower Policy	http://www.alokind.com/Downloads/Whistle%20Blower%20Policy.pdf
Code of Conduct for Senior Management and Directors	http://www.alokind.com/codeofconduct.html
Policy on Related Party Transactions	http://www.alokind.com/Downloads/Policy%20on%20Related%20Party%20Transactions.pdf
Details of Familiarization Programme for Independent Directors	http://www.alokind.com/Downloads/Alok-Familiarisation%20Programme%20for%20Independent%20Directors-14.09.2020.pdf

l) Management Discussion and Analysis

Management Discussion and Analysis Report forms part of the Annual Report.

m) Disclosures with respect to Demat suspense account/unclaimed suspense account

As per Regulation 34(3) read with Schedule V of SEBI LODR Regulations,, the details of the shares in the Suspense Account are as follows:

Aggregate Number of Shareholders and the Outstanding Shares in the suspense account lying at the beginning of the year	Number of shareholders who approached the Company for transfer of shares from suspense account during the year	Number of shareholders to whom shares were transferred from suspense account during the year	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares
(1)	(2)	(3)	(4)	(5)
1800	Nil	Nil	1800	Yes

ANNUAL SECRETARIAL COMPLIANCE REPORT

Pursuant to the SEBI circular no. CIR/CFD/ CMD1/27/2019 dated February 8, 2019, the Company has obtained an Annual Secretarial Compliance Report from Mr. Virendra Bhatt, Practising Company Secretary, confirming compliance of SEBI Regulations / Circulars / Guidelines issued thereunder and applicable to the Company. The management response to a qualification in the report has been provided in the Directors' Report.

NO DISQUALIFICATION CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

Certificate from Mr. Virendra Bhatt, Practising 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 SEBI LODR Regulations is annexed to this Report.

Plant Locations

Spinning	■ 412, Saily, Silvassa, Union Territory of Dadra & Nagar Haveli
Weaving	■ Babla Compound, Kalyan Road, Dist. Bhiwandi, Thane ■ 17/5/1 and 521/1, Rakholi / Saily, Silvassa, Union Territory of Dadra & Nagar Haveli ■ 209/1 Silvassa, Village Dadra, Union Territory of Dadra & Nagar Haveli
Knitting	■ 412, Saily, Silvassa, Union Territory of Dadra & Nagar Haveli
Processing	■ C-16/2, Village Pawne, TTC Industrial Area, MIDC, Navi Mumbai, Dist. Thane ■ 261/ P6, Village Balitha, Taluka Pardi, Dist. Valsad, Gujarat ■ 254, Village Balitha, Taluka Pardi, Dist. Valsad, Gujarat

Garments	■ ■ ■	374/2/2, Saily, Silvassa, Union Territory of Dadra & Nagar Haveli 17/5/1, Rakholi, Silvassa, Union Territory of Dadra & Nagar Haveli 273/1/1, Hingraj Industrial Estate, Atiawad, Daman
Made ups	■ ■	374/2/2, Saily, Silvassa, Union Territory of Dadra & Nagar Haveli 149/150, Village Morai, Taluka Pardi, Dist. Valsad, Gujarat
POY / Texturizing	■	521/1, Saily, Silvassa, Union Territory of Dadra & Nagar Haveli
Hemming	■	103/2, Rakholi, Silvassa, Union Territory of Dadra & Nagar Haveli
Continuous Polymerization Plant	■	17/5/1 and 521/1, Rakholi / Saily, Silvassa, Union Territory of Dadra & Nagar Haveli
Terry Towel Unit	■	263/P1 and 251/2P1, Village Balitha, Taluka Pardi, Dist. Valsad, Gujarat
Packing Unit	■	87/1/1/1 and 96/1, Village Falandi, Silvassa, Union Territory of Dadra & Nagar Haveli
Embroidery	■ ■	Survey No.249/1P, Village Vasona, Silvassa, Union Territory of Dadra & Nagar Haveli; A-317,TTC Industrial Area, Mahape, Navi Mumbai, District Thane

Investor Correspondence Address

Registered Office address	Corporate Office Address
17/5/1 & 521/1, Village Rakholi / Saily, Silvassa – 396230 Union Territory of Dadra & Nagar Haveli Tel: 0260 – 6637000 Fax: 0260 – 2645289	Tower B, 2nd and 3rd Floors, Peninsula Business Park, G. K. Marg, Lower Parel, Mumbai – 400013 Tel: 91 022 61787 000 Fax: 91 022 61787 118 gopal.kh@alokind.com

For shares held in physical form	For shares held in dematerialised form	
Link Intime India Private Limited C 101, 247 Park, LBS Marg, Vikhroli (West) Mumbai-400083 Tel No.: 022 49186000 Fax No.: 022 49186060 Email Id: rnt.helpdesk@ linkintime.co.in mumbai@linkintime.co.in	**National Securities Depository Limited** Trade World, 4th Floor Kamala Mills Compound Senapati Bapat Marg Lower Parel, Mumbai 400013 Tel.: +91-22-2499 4200 Fax: +91-22-2497 2993 E-mail: info@nsdl.co.in Website: www.nsdl.co.in	**Central Depository Services (India) Limited** Phiroze Jeejeebhoy Towers 17th Floor, Dalal Street Mumbai 400 023 Tel.: +91-22-2272 3333 Fax: +91-22-2272 3199 E-mail: investor@cdslindia.com Website: www.cdslindia.com

COMPLIANCE OFFICER FOR INVESTOR REDRESSAL

K.H. Gopal
Company Secretary
Alok Industries Limited
Tower-B, 2nd & 3rd Floor,
Peninsula Business Park,
GK Marg, Lower Parel
Mumbai 400013
E-mail: gopal.kh@alokind.com
Website: www.alokind.com.

On behalf of the Reconstituted Board of Directors

A. Siddharth
Chairman

Mumbai, 12 November 2020

CORPORATE GOVERNANCE CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

To

The Members of **ALOK INDUSTRIES LIMITED**

I have examined the compliance of Corporate Governance by the **Alok Industries Limited** ('the Company') for the year ended 31st March, 2020, as stipulated in 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 year ended 31st March, 2020

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; CP No.: 124

Place: Mumbai
Date: 31 August, 2020

Note:

Due to COVID-19 and continued lockdown, I am unable to verify the partial information physically, therefore I rely on the information provided by the Company in electronic mode.

CERTIFICATION BY THE MANAGER AND CHIEF FINANCIAL OFFICER

As stipulated under Regulation 17(8) and Part B of Schedule II of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, we, hereby certify that:

a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2020 and that 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.

b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year ended 31st March, 2020 which are fraudulent, illegal or violative of the company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the Auditors / Monitoring Committee -

   (i) significant changes in internal control over financial reporting during the year;

   (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Sunil O. Khandelwal
Manager

Bijay Agrawal
Chief Financial Officer

Mumbai, 12 November 2020

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 confirm that the Company has in respect of the financial year ended 31st March 2020 received from the Members of the Board and senior management team a declaration of compliance with the Code of Conduct as applicable to them.

Sunil O. Khandelwal
Manager

Mumbai, 12 November 2020

NO-DISQUALIFICATION CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

(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

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 Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Alok Industries Limited was admitted to corporate insolvency resolution proceedings under the provisions of the Insolvency and Bankruptcy Code, 2016 (“the Code”) on 18th July 2017. The powers of the Board of Directors were suspended and a Resolution Professional was appointed to manage the affairs of the Company. Pursuant to its order dated March 08, 2019 (“NCLT Order”), the Adjudicating Authority approved the resolution plan (“Approved Resolution Plan”) submitted by the Resolution Applicants for your Company under Section 31 of the Code. The powers of the Board of Directors continued to remain suspended as per the terms of the Approved Resolution Plan. As of the Closing Date, i.e. 14th September 2020, inter-alia, the new Board of Directors of the Company has been re-constituted. 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 and its officers, I am of the opinion that none of the Directors on the re-constituted Board of the Company as stated below have been disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs:-

Sr. No.	Name of the Director	DIN	Date of Appointment at current Designation	Original Date of Appointment
1.	Mr. A. Siddharth	00016278	14/09/2020	14/09/2020
2.	Mr. Hemant Desai	00008531	14/09/2020	14/09/2020
3.	Mr. Anil Kumar Rajbanshi	03370674	14/09/2020	14/09/2020
4.	Mr. Venkataraman Ramachandran	02032853	14/09/2020	14/09/2020
5.	Mr. Samir Chawla	03499851	14/09/2020	14/09/2020
6.	Mr. Rahul Dutt	08872616	14/09/2020	14/09/2020
7.	Ms. Mumtaz Bandukwala	07129301	14/09/2020	14/09/2020

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
UDIN: A001157B001220485

Date: 12 November, 2020
Place: Mumbai

Note:

Due to COVID-19 and continued lockdown, we are unable to verify the information physically, therefore we rely on the information provided by the Company in electronic mode

Business Responsibility Report

INTRODUCTION At Alok Industries Limited (Alok), sustainability is viewed as environmental and social responsibility, which allows the Company to deliver on stakeholder expectations. Alok continues to communicate the Company's obligations and performance to all its stakeholders through its Business Responsibility Report (BRR). As a responsible corporate citizen, Alok continues to actively engage with all its stakeholders to drive their growth for all. The Company believes in accelerating India's transition to a knowledge economy and continues its efforts to create value for India by elevating the quality of life across the entire socio-economic spectrum. This report conforms to the Business Responsibility Reporting (BRR) requirement of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR) and the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs (MCA), Government of India. To provide guidance to businesses regarding responsible business conduct, the MCA released a set of guidelines in 2011 called the National Voluntary Guidelines on the Social, Environmental and Economic Responsibilities of Business (NVGs). In order to align the NVGs with the Sustainable Development Goals, NGP, new principles called the National Guidelines on Responsible Business Conduct (NGRBC) were formed in March 2019. The Company publishes its sustainability performance in a Sustainability Report, which is prepared in accordance with Global Reporting Initiative (GRI) standards and is externally assured. All the Sustainability Reports published till date can be accessed at **www.alokind.com**.
NVG PRINCIPLES

1. ETHICS, TRANSPARENCY AND ACCOUNTABILITY Businesses should **conduct and govern** themselves with **ethics, transparency and accountability.**	**2. PRODUCT LIFE CYCLE SUSTAINABILITY** Businesses should **provide goods and services** that are **safe** and contribute to **sustainability throughout their life cycle.**	**3. EMPLOYEES' WELL-BEING** Businesses should **promote the well-being of all employees.**
4. STAKEHOLDER ENGAGEMENT Businesses should **respect** the **interests of**, and be **responsive towards all stakeholders**, especially those who are disadvantaged, vulnerable and marginalized.	**5. HUMAN RIGHTS** Businesses should **respect and promote** human **rights.**	**6. ENVIRONMENT** Businesses should **respect, protect and make efforts to restore the environment.**
7. POLICY ADVOCACY Businesses, when **engaged** in influencing **public and regulatory policy**, should do so in a **responsible manner.**	**8. INCLUSIVE GROWTH** Businesses should **support inclusive growth and equitable development.**	**9. CUSTOMER VALUE** Businesses should **engage** with and **provide value** to their **customers and consumers** in a responsible manner.

Principle 1	Businesses govern themselves with Ethics, Transparency and Accountability
Principle 2	Business to provide goods and services that are safe and contribute to sustainability throughout their life cycle
Principle 3	Business to promote the wellbeing of all employees
Principle 4	Responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
Principle 5	Business to respect and promote human rights
Principle 6	Business to respect, protect, and make efforts to restore the environment
Principle 7	Business to engage in influencing public and regulatory policy, in a responsible manner.
Principle 8	Business to support inclusive growth and equitable development
Principle 9	Business shall engage with and provide value to their customers and consumers in a responsible manner

<table>
<tr><th colspan="3">GENERAL INFORMATION ABOUT THE COMPANY</th></tr>
<tr><th>Disclosures</th><th colspan="2">Information/Reference sections</th></tr>
<tr><td>Corporate Identity Number (CIN) of the Company</td><td colspan="2">L17110DN1986PLC000334</td></tr>
<tr><td>Name of the Company</td><td colspan="2">Alok Industries Limited</td></tr>
<tr><td>Registered address</td><td colspan="2">Survey Nos.17/5/1 & 521/1, Village Rakholi/ Saily, Silvassa-396230, Union Territory of Dadra & Nagar Haveli</td></tr>
<tr><td>Website</td><td colspan="2">www.alokind.com</td></tr>
<tr><td>E-mail id</td><td colspan="2">info@alokind.com</td></tr>
<tr><td>Financial year reported</td><td colspan="2">2019-20</td></tr>
<tr><td rowspan="4">Sector(s) that the Company is engaged in (industrial activity code-wise)</td><td colspan="2">Manufacturer and Seller of Textile products</td></tr>
<tr><td>Industrial Group</td><td>Description</td></tr>
<tr><td>2350, 2351, 2360, 3061, 2622, 2650, 2673, 3062</td><td>Manufacturer and Seller of Textile Products</td></tr>
<tr><td colspan="2">As per National Industrial Classification – The Ministry of Statistics and Programme Implementation</td></tr>
<tr><td>List three key products/services that the Company manufactures/provides (as in balance sheet)</td><td colspan="2">• Apparel Fabrics
• Home Textiles
• Polyester Yarn</td></tr>
<tr><td>Total number of locations where business activity is undertaken by the Company</td><td colspan="2">i. International locations:
Alok has undertaken business activities in 1 international location (on a standalone basis) i.e. Sri Lanka.
ii. National locations:
Alok has carried out business activities in over 2 domestic locations. The Company’s manufacturing divisions are at Silvassa and Vapi.</td></tr>
<tr><td>Markets served by the Company:</td><td colspan="2">In addition to serving Indian markets, Alok exported to 66 countries worldwide during FY 2019-20.</td></tr>
</table>

A detailed Business Responsibility Report based on the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVG-SEE) and National Guidelines on Responsible Business Conduct (NGRBC) released by the Ministry of Corporate Affairs (MCA), Government of India is available on the Company’s website and can be accessed at http://www.alokind.com/downloads/Alok-Business%20Responsibility%20Report%202019-20.pdf

Auditor's Report on Standalone Financial Statements

To the Members of ALOK INDUSTRIES LIMITED

Report on the Standalone Ind AS Financial Statements

Qualified Opinion

We have audited the standalone Ind AS financial statements of **ALOK INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss, Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and Notes to the Financial Statements, including a summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as "Standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 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, 2020 and its profit, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

1. As per Indian Accounting Standard 36 on Impairment of Assets, the Company is required to determine impairment in respect of fixed assets as per the methodology prescribed under the said Standard. However, the Management of the Company has not done impairment testing for the reasons explained in note no. 54 of the standalone financial statements. In the absence of any working for impairment of the fixed assets, as per Ind AS 36, the impact of impairment, if any, on these Standalone Financial Statements is not ascertainable. The audit report on the Standalone Financial Statements for the year ended March 31, 2019 was also qualified in respect of this matter.
2. As mentioned in note no. 40 of the standalone financial statements, the Company continued to recognize deferred tax assets of ₹ 1,423.11 crore. Considering pending full implementation of Approved Resolution Plan including constitution of the new Board of Directors and absence of certainty and convincing evidence for taxable income in future, as required by the Ind AS 12, we are unable to ascertain the extent to which these deferred tax assets can be utilized. The audit report on the Standalone Financial Statements for the year ended March 31, 2019 was also qualified in respect of this matter.
3. As mentioned in the note no. 41 (c) of the standalone financial statements, the Impairment testing of the assets of the wholly owned subsidiary, Alok Infrastructure Limited is not carried out. Therefore adequacy of the Provision for doubtful loan of Alok Infrastructure Limited in the books of the Company is not ascertainable.
4. A mention is made in the note no. 44 of the standalone financial statements, regarding non-provision of trade receivables amounting to ₹89.02 crore by one of the joint ventures for the year ended March 31, 2019. Had this provision been made, the current assets and profit would have been lower by ₹89.02 crore and the net worth would have also been eroded to that extent. These conditions, along with absence of clear indications or plans for revival, in our opinion, indicate that there is significant uncertainty about realisation of the carrying amount of the investments as on March 31, 2020. We are unable to ascertain the consequent effect on the investments held by the company and profit for the year.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 financial statements under the provisions of the Companies Act, 2013 and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

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

Emphasis of Matter

We draw attention to Note 34 of the Statement, as regards the management's evaluation of COVID-19 impact on the future performance of the company. 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 of the current period. 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Taxation and Legal matters -** Refer note. 1(d) and note 38 of the standalone financial statements There are a number of legal, and tax cases against the Company. There is a high level of judgment required in estimating the level of provisioning required.	**Principal Audit Procedures:** We used our expertise to gain an understanding of the current status of the cases and monitored changes in the disputes by reading relevant documents received by the Company, to establish that the provisions had been appropriately adjusted to reflect the latest external developments. For legal, regulatory and tax matters our procedures included the following: • testing key controls surrounding litigation, regulatory and tax procedures; • performing substantive procedures on the underlying calculations supporting the provisions recorded; • where relevant, reading external legal opinions obtained by the management; • discussing open matters with the Companies litigation, regulatory and tax teams; • assessing management's conclusions through understanding precedents set in similar cases; and Based on the evidence obtained, while noting the inherent uncertainty with such legal and tax matters, we determined the level of provisioning as at March 31, 2020 to be appropriate. We validated the completeness and appropriateness of the related disclosures through assessing that the disclosure of the uncertainties in note 39 of the financial statements was sufficient.
2.	**Accounting treatment for the effects of the Resolution Plan** **A)** Refer Note 33 to the standalone financial statements for the details regarding commencement of implementation of the resolution plan and Note No. 32 and 37 of the standalone financial statements for impact of the resolution plan in the company pursuant to the corporate insolvency resolution process under Insolvency and Bankruptcy Code, 2016. On July 18, 2017, the date of commencement of the corporate insolvency resolution ("CIR") process, the Company had outstanding credit facilities from several financial institutions, aggregating to ₹29,614.67 crore. The Company also had accrued dues amounting to ₹723.07 crore towards operational creditors. Owing to the size of the over-due credit facilities, multiplicity of contractual arrangements and large number of operational creditors, determination of the carrying amount of related liabilities at the date of commencement of the corporate insolvency resolution ("CIR") process was a complex exercise.	**A)** We have performed the following procedures to determine whether the effect of Resolution Plan has been appropriately recognised in the financial statements: • Reviewed management's process for review and commencement of implementation of the Resolution Plan. • Reviewed the provisions of the Resolution Plan to understand the requirements of the said Plan and evaluated the possible impact of the same on the financial statements. • Verified the balances of liabilities as on the date of commencement of the corporate insolvency resolution ("CIR") process from supporting documents and computations on a test check basis. • Verified the underlying documents supporting the receipt and payment of funds as per the Resolution Plan. • Tested the implementation of provisions of the Resolution Plan in computation of balances of liabilities owed to financial and operational creditors.

Sr. No.	Key Audit Matter	Auditor's Response
	Further, comprehending the provisions of the Resolution Plan and determining the appropriateness of the accounting treatment thereof, more particularly the accounting treatment of derecognition of liabilities and outstanding trading dues & its related provisions, required significant judgment and estimates, including consideration of accounting principles to be applied for presentation. Accounting for the effects of the resolution plan is considered by us to be a matter of most significance due to its importance to intended users' understanding of the financial statements as a whole and materiality thereof.	• Evaluated whether the accounting principles applied by the management fairly present the effects of the Resolution Plan in financial statements in accordance with the principles of Ind AS. • Tested the related disclosures made in notes to the financial statements in respect of the implementation of the resolution plan.
B)	Refer Note 38 to the standalone financial statements. Prior to the approval of the Resolution Plan on March 08, 2019, the Company was a party to certain litigations. Pursuant to the approval of the Resolution Plan, it was determined that no amounts are payable in respect of those litigations as they stand extinguished. The estimates related to expected outcome of litigations and recoverability of payments made in respect thereof have high degree of inherent uncertainty due to insufficient judicial precedents in India in respect of disposal of litigations involving companies admitted to Corporate Insolvency Resolution Process. The application of significant judgment in the aforementioned matters required substantial involvement of senior personnel on the audit engagement including individuals with expertise in accounting of financial instruments	**B)** We have performed the following procedures to test the recoverability of payments made by the Company in relation to litigations instituted against it prior to the approval of the Resolution Plan: • Verified the underlying documents related to litigations and other correspondences with the statutory authorities. • We reviewed the process used by the management to determine estimates and to test the judgments applied by management in developing the accounting estimates. • Assessed management's estimate of recoverability. • Determined whether the methods for making estimates have been applied consistently. Evaluated whether the accounting principles applied by the management fairly present the amounts recoverable from relevant parties in financial statements in accordance with the principles of Ind AS.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Management under the direction of the Resolution Professional (RP)/ Monitoring Committee (MC) is responsible for the other information. The other information comprises the Board's Report, Report on Corporate governance but does not include the financial statements and our auditor's report thereon.

The Annual Report is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we are not expressing any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Board's Report, and Report on Corporate Governance, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable in the applicable laws and regulations

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements:

The Company's Management under the direction of the RP/MC is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("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, statement of changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

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 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, the Management under the direction of the RP/MC 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 the Management under the direction of the RP/MC either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Management under the direction of the RP/MC is 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 standalone 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.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements

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 of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act and except for the effects, if any, of the matters described in the basis for qualified opinion paragraph, we give in the **'ANNEXURE A'** 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, to the extent applicable that:

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

   (b) Except for the effects, if any, of the matters described in the basis for qualified opinion, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, Statement of Profit and Loss, the Statement of Cash Flows 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 Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, except for the effects, if any, of the matters described in the basis for qualified opinion paragraph.

   (e) The matter described under the basis for qualified opinion paragraph above, in our opinion, may have an adverse effect on functioning of the Company and on the amounts disclosed in standalone Ind AS financial statements of the Company;

   (f) On the basis of the written representations received from the directors as on March 31, 2020 and taken on record by the Monitoring Committee, none of the directors are disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

   (g) With respect to the adequacy of the Internal Financial Controls with reference to Financial Statements of the Company, and the operating effectiveness of such controls, refer to our separate Report in **'ANNEXURE B',** the Company has, in all material respects, an adequate internal financial controls system; and

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any remuneration to its directors during the year.

   (i) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 Ind AS financial statements (Refer note no. 38 to the standalone Ind AS Financial Statements);

ii. The Company did not have any long-term contracts (except for those disclosed under contingent liability) including derivative contracts as at March 31, 2020 for which there were any material foreseeable losses; and

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

For **SHAH GUPTA & CO.**
Chartered Accountants
Firm Registration No.: 109574W
UDIN: - 20013107AAAABQ9003

D. V. Ballal
Partner
M. No. 13107
Place : Mumbai
Date : July 31, 2020

For **NBS & Co.**
Chartered Accountants
Firm Registration No. 110100W
UDIN: - 20048094AAAACO3941

Devdas V. Bhat
Partner
M. No. 048094
Place : Mumbai
Date : July 31, 2020

Annexure A to the Independent Auditors' Report

The Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date

i. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.

b. According to the information and explanations given to us, physical verification of major portion of fixed assets was conducted by the management during the year, which in our opinion is reasonable having regard to the size of the Company and nature of its business and no material discrepancies were noticed on such verification.

c. According to the information and explanations given to us, the records examined by us and based on the examination of mortgage deeds provided to us, we report that, the title deeds of all immovable properties of land and buildings which are freehold are held in the name of the Company as at balance sheet date. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed assets in the standalone Ind AS financial statements, the lease agreements are in the name of the Company.

ii. The inventory, except goods-in-transit and stocks lying with third parties, have been physically verified by the management during the year. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in books of account.

iii. According to the information and explanations given to us, the Company has granted unsecured loans to the companies covered under Section 189 of the Act.

a. As per information and explanations given to us, the company has not granted or renewed any secured or unsecured loan during the year to parties covered under Section 189 of the Act.

b. As per the information and explanations given to us, the loans given by the Company during the earlier years, did not carry any interest. These loans are repayable on demand.

c. As the loan are payable on demand as per the agreements and no demands for repayment are made by the company, there are no overdues. On the basis of prudence, however, the company has made provision for doubtful debts pertaining to these loans to the extent of ₹1,967.38 crore in the earlier years.

iv. In our opinion and according to information and explanations given to us, the Company has complied with provisions of Section 185 and 186 of the Act in respect of loans, investments, guarantees and securities except for the following:

During the year, the Company has not charged interest on loans to subsidiaries aggregating to ₹1,967.38 crore, which are fully provided for in the earlier years. Further the company has not charged interest on balance of ₹871.60 crore due from its subsidiary which was admitted under the corporate insolvency resolution process by the Hon'ble NCLT, Mumbai Bench on October 24, 2018.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public in accordance with the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, the provision of Clause 3(v) of the Order is not applicable to the Company. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.

vi. According to the information and explanations given to us, the Company has maintained books of account and other records pursuant to the rules prescribed by the Central Government for the maintenance of cost records under Section 148(1) of the Act relating to manufacture of Woven greige fabric, woven processed fabric, spinning and polyester. We have broadly reviewed the cost records maintained by the Company 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. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has generally been regular in depositing undisputed statutory dues including Provident fund, Employees State Insurance, Income-Tax, Goods and Service Tax, professional Tax and other material statutory dues applicable to it to the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees State Insurance, Income-Tax, Goods and Service Tax, professional Tax and other material statutory dues were in arrears as at March 31, 2020 for a period more than six months from the date they become payable.

b. As mentioned in note no.38 to the standalone financial statements, pursuant to the commencement of implementation of the Resolution Plan, there are no dues in respect of income tax, sales tax, service 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.

viii. On March 08, 2019, the National Company Law Tribunal ("NCLT") had approved the terms of the Resolution Plan submitted by JM Financial Asset Reconstruction Company Limited, JM Finance ARC – March 18 Trust and Reliance Industries Limited jointly, pursuant to which debts owed by the company as on the date of commencement of CIRP process have been partially settled through repayment and balance amount has been assigned to JM Financial Asset Reconstruction Company Limited. Accordingly, the company has not defaulted in repayment of loans or borrowings to any financial institution or bank or any dues to debenture holders during the year.

ix. According to the information and explanations given to us and based on records examined by us we are of the opinion that the moneys raised during the year by way of term loans by the Company pursuant to the terms of the Approved Resolution Plan were applied for the purpose for which it was raised. The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. According to the information and explanations given to us and based on our examination of the records, we report that the Company has not paid/provided managerial remuneration during the year.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examinations of the records of the Company, as the power of the Board and Audit Committee are suspended the compliance with sections 177 and 188 of the Act, are not applicable. Transactions with related party for the period under reporting were taken on record by MC. The details of such related party transactions have been disclosed in the standalone Ind AS financial statements as required under Indian Accounting Standard (Ind AS) 24, 'Related Party Disclosures' specified under Section 133 of the Act.

xiv. During the year, the company has made preferential allotment/private placement of shares as per the terms of the approved resolution plan. In respect of the same, in our opinion, the Company has complied with the requirement of Section 42 of the Act. Further, in our, opinion, the amounts so raised have been used for the purposes for which the funds were raised. During the year, the Company did not make preferential allotment/private placement of fully/ partly convertible debentures.

xv. According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with them as prescribed under section 192 of the Act. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **SHAH GUPTA & CO.**
Chartered Accountants
Firm Registration No.: 109574W
UDIN: - 20013107AAAABQ9003

D. V. Ballal
Partner
M. No. 13107
Place : Mumbai
Date : July 31, 2020

For **NBS & Co.**
Chartered Accountants
Firm Registration No. 110100W
UDIN: - 20048094AAAACO3941

Devdas V. Bhat
Partner
M. No. 048094
Place : Mumbai
Date : July 31, 2020

Annexure B to the Independent Auditors' Report

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 over financial reporting of **ALOK INDUSTRIES LIMITED**("the Company") as of March 31, 2020 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 under the direction of the RP/MC is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (The "Guidance Note"). 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 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 ("the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **SHAH GUPTA & CO.**
Chartered Accountants
Firm Registration No.: 109574W
UDIN: - 20013107AAAABQ9003

D. V. Ballal
Partner
M. No. 13107
Place : Mumbai
Date : July 31, 2020

For **NBS & Co.**
Chartered Accountants
Firm Registration No. 110100W
UDIN: - 20048094AAAACO3941

Devdas V. Bhat
Partner
M. No. 048094
Place : Mumbai
Date : July 31, 2020

Standalone Balance Sheet

As At 31st March, 2020

(₹ In Crore)

Particulars				Note No.	As At 31-Mar-20	As At 31-Mar-19
ASSETS						
(1)	**Non-current assets**					
	(a)	Property, Plant and Equipment		2	14,095.89	14,626.54
	(b)	Investment Property		3	7.58	7.83
	(c)	Other Intangible assets		4	0.71	0.84
	(d)	Financial Assets				
		(i)	Investments	5	92.43	92.43
		(ii)	Loans	6	874.61	874.88
		(iii)	Other financial assets	12(a)	0.98	107.05
	(e)	Deferred tax assets (net)		7(b)	1,423.11	1,423.11
	(f)	Current tax assets (net)		14	41.80	40.10
	(g)	Other non-current assets		8	37.80	37.67
					16,574.91	**17,210.45**
(2)	**Current Assets**					
	(a)	Inventories		9	334.74	325.56
	(b)	Financial assets				
		(i)	Trade receivables	10	164.09	162.28
		(ii)	Cash and cash equivalents	11	83.59	14.93
		(iii)	Bank balances other than (ii) above	12(b)	386.70	9.90
		(iv)	Loans	6	-	-
		(v)	Others	13	2.48	2.85
	(c)	Other current assets		8	255.80	170.61
					1,227.40	**686.11**
			TOTAL ASSETS		**17,802.31**	**17,896.56**
EQUITY AND LIABILITIES						
	Equity					
	(a)	Equity Share capital		15	221.08	1,368.64
	(b)	Other equity		16	(10,909.76)	(14,290.81)
					(10,688.68)	**(12,922.18)**
	Liabilities					
(1)	**Non-current liabilities**					
	(a)	Financial liabilities				
		(i)	Borrowings	17	28,030.50	5,870.72
	(b)	Provisions		18	27.56	40.65
	(c)	Current tax Liabilities (net)		23	-	121.53
					28,058.06	**6,032.90**
(2)	**Current Liabilities**					
	(a)	Financial liabilities				
		(i)	Borrowings	19	-	16,944.56
		(ii)	Trade payables	20		
			- Dues to micro and small enterprises		17.99	102.62
			- Dues to Others		334.01	660.39
		(iii)	Other financial liabilities	21	12.91	6,779.08
	(b)	Other current liabilities		22	63.92	295.59
	(c)	Provisions		18	4.10	3.61
					432.93	**24,785.84**
			TOTAL EQUITY AND LIABILITIES		**17,802.31**	**17,896.56**
	Significant accounting policies			1		

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached

For **Shah Gupta & Co.**
Chartered Accountants
FRN - 109574W

D. V. Ballal
Partner
M. No.: 013107

Place: Mumbai
Date: 31st July, 2020

For **NBS & Co.**
Chartered Accountants
FRN - 110100W

Devdas Bhat
Partner
M. No.: 048094

For and on behalf of the Board

Sunil O. Khandelwal
(Chief Financial Officer)

K. H. Gopal
(Company Secretary)

Taken on Record
Ajay Joshi
(On behalf of the Monitoring Committee)

Place: Mumbai
Date: 31st July, 2020

Standalone Statement of Profit and Loss

For The Year Ended 31st March, 2020

(₹ In Crore)

	Particulars			Note No.	Year ended 31-Mar-20	Year ended 31-Mar-19
I.	**Revenue from Operations**			24	3,166.34	3,128.76
II.	**Other Income**			25	85.19	124.32
III.	**Total Income (I+II)**				**3,251.53**	**3,253.08**
IV.	**Expenses:**					
	(i)	Cost of Materials consumed		26	2,066.87	2,105.77
	(ii)	Changes in Inventories of finished goods, Stock-in-Trade and work-in-process		27	(12.82)	45.51
	(iii)	Employee Benefits Expense		28	256.99	252.95
	(iv)	Finance costs (refer note 35)		29	98.57	4,158.00
	(v)	Depreciation and Amortisation expense		30	529.45	533.17
	(vi)	Other Expenses		31	1,142.56	921.65
	Total Expenses (IV)				**4,081.61**	**8,017.04**
V	**Profit / (Loss) Before Tax And Exceptional Items (III - IV)**				**(830.09)**	**(4,763.96)**
VI	**Exceptional Items**			32	**2,052.55**	**7,045.19**
VII	**Profit / (Loss) Before Tax (V - VI)**				**1,222.46**	**2,281.22**
VIII	**Tax Expenses**					
	(1)	Current Tax		7(a)	-	-
	(2)	Deferred Tax		7(b)	**(0.73)**	**(0.91)**
	Total Tax Expenses				**(0.73)**	**(0.91)**
IX	**Profit / (Loss) From Continuing Operations (VII -VIII)**				**1,223.19**	**2,282.13**
X	**Other Comprehensive Income**					
	(i)	Items that will not be subsequently reclassified to profit or loss				
		(a)	Remeasurements gains /(losses) on defined benefit plans		2.10	2.60
		(b)	Income tax on (a) above		(0.73)	(0.91)
	Total Other Comprehensive Income for the year (net of tax)				**1.37**	**1.69**
XI	**Total Comprehensive Income For The Year (IX + X)**				**1,224.55**	**2,283.82**
XII	Earnings per equity share (for continuing operation):					
	(Face value of ₹ 1 each)					
	(1)	Basic			8.45	16.67
	(2)	Diluted			3.10	16.67
The accompanying notes are an integral part of the standalone financial statements				2-58		

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached

For **Shah Gupta & Co.**
Chartered Accountants
FRN - 109574W

D. V. Ballal
Partner
M. No.: 013107

Place: Mumbai
Date: 31st July, 2020

For **NBS & Co.**
Chartered Accountants
FRN - 110100W

Devdas Bhat
Partner
M. No.: 048094

For and on behalf of the Board

Sunil O. Khandelwal
(Chief Financial Officer)

K. H. Gopal
(Company Secretary)

Taken on Record
Ajay Joshi
(On behalf of the Monitoring Committee)

Place: Mumbai
Date: 31st July, 2020

Standalone Statement of Changes In Equity

For The Year Ended 31st March, 2020

A) EQUITY SHARE CAPITAL

(₹ In Crore)

	As At 31-Mar-20	As At 31-Mar-19
Balance at the beginning of the reporting year	1,377.32	1,377.32
Changes in Equity Share Capital during the year	83.33	-
Reduction in face value of shares from ₹ 10 per share to ₹ 1 per share	(1,239.59)	-
Balance at the end of the reporting year	221.08	1,377.32

B) OTHER EQUITY

Particulars	Equity component of compound financial instrument	Capital Reserve	Capital Redumption Reserve	Securities premium account	General Reserve	Debenture Redemption Reserve	Foreign Currency Monetary Item Translation Reserve (FCMITR)	Retained earnings	Total Equity attributable to equity holders of the Company
Balance as at 1st April, 2018		11.72	9.10	993.65	280.62	81.97	(2.32)	(17,942.46)	(16,567.72)
Addition/Reduction during the Year									
Profit / (Loss) for the Year								2,282.13	2,282.13
Excess provision dividend tax for earlier years								0.10	0.10
Addition during the year FCMITR							(15.68)		(15.68)
Amortisation for the year FCMITR							8.66		8.66
Other Comprehensive Income									-
- Remeasurements gains on defined benefit plans (net of tax)								1.69	1.69
Balance as at 31 March 2019	**-**	**11.72**	**9.10**	**993.65**	**280.62**	**81.97**	**(9.34)**	**(15,658.54)**	**(14,290.82)**
Addition/Reduction during the Year									
Profit / (Loss) for the Year								1,223.19	1,223.19
Reduction during the year FCMITR							9.34		9.34
Reduction in face value of shares (refer note 15)		1,970.12							1,970.12
Issue of Equity shares as per Approved Resolution plan				166.67					166.67
DRR transferred to Retained earnings						(81.97)		81.97	-
Other Comprehensive Income									
- Remeasurements gains on defined benefit plans (net of tax)								1.37	1.37
Dividend on Preference shares								(2.03)	(2.03)
Optionally Convertible Preference Shares	12.40								12.40
Balance as at 31 March 2020	**12.40**	**1,981.84**	**9.10**	**1,160.32**	**280.62**	**-**	**-**	**(14,354.05)**	**(10,909.76)**

As per our report of even date attached

For **Shah Gupta & Co.**
Chartered Accountants
FRN - 109574W

For **NBS & Co.**
Chartered Accountants
FRN - 110100W

For and on behalf of the Board

Sunil O. Khandelwal
(Chief Financial Officer)

K. H. Gopal
(Company Secretary)

Taken on Record
Ajay Joshi
(On behalf of the Monitoring Committee)

D. V. Ballal
Partner
M. No.: 013107

Devdas Bhat
Partner
M. No.: 048094

Place: Mumbai
Date: 31st July, 2020

Place: Mumbai
Date: 31st July, 2020

Standalone Cash Flow Statement

For The Year Ended 31st March, 2020

(₹ In Crore)

	Particulars	Year ended 31-Mar-20	Year ended 31-Mar-19
A]	**Cash Flow from Operating Activities**		
	Profit/(loss) Before Tax	1,222.46	2,281.22
	Adjustments for:		
	Depreciation / amortisation	529.45	533.17
	Exchange rate difference (net)	(11.64)	67.13
	Dividend income	(0.00)	(0.65)
	Interest expense	98.57	4,158.00
	Interest income	(8.68)	(6.05)
	Other Comprehensive Income	2.10	2.60
	(Gain)/Loss on sale of Property, Plant and Equipments (net)	0.01	0.01
	Provision for Gratuity & leave encashment	(14.63)	2.99
	Impairment of Fixed Assets	2.87	-
	Provision for doubtful debts and advances	182.33	28.82
	Loss on Transfer of Investments	8.69	-
	Bad debts written off (net)	0.15	-
	Sundry credit balance written back	(63.78)	(117.30)
	Custom duty & Interest payable on non fulfilment of export obligation	7.68	54.37
	Exceptional Items	(2,052.55)	(7,045.19)
	Operating profit/(Loss) before working capital changes	**(96.97)**	**(40.88)**
	Adjustments for		
	Decrease/(Increase) in Inventories	(9.18)	34.68
	Decrease / (Increase) in Trade Receivable	(15.28)	103.89
	Decrease/(Increase) in Loans and Advances	(235.46)	16.20
	(Decrease)/Increase in Liabilities and Provisions	186.84	(70.48)
	Cash (used in) / generated from operations	**(170.05)**	**43.42**
	Income taxes paid (net)	(1.70)	(4.02)
	Net cash (used in) / generated from operating activities	**(171.75)**	**39.40**
B]	**Cash flow from Investing Activities**		
	Purchase of fixed assets including capital advances	(1.48)	0.08
	Sale of fixed assets	0.06	0.03
	Earmarked Fixed deposit (placed) / matured (net) (Refer note 2 below)	(270.90)	45.14
	Dividends received	0.00	0.65
	Interest received	8.68	6.05
	Net cash generated / (used in) investing activities	**(263.65)**	**51.95**

Standalone Cash Flow Statement

For The Year Ended 31st March, 2020

(₹ In Crore)

	Particulars	Year ended 31-Mar-20	Year ended 31-Mar-19
C]	**Cash flow from Financing Activities**		
	Proceeds from issue of Equity Shares (including Share premium)	250.00	-
	Proceeds from issue of Preference Shares	250.00	-
	Proceeds from term borrowings	5,127.75	-
	Repayment of term borrowings	(5,037.63)	(0.18)
	Proceeds from short term borrowings (net)	-	(12.30)
	Interest paid	(86.00)	(95.28)
	Net cash generated from / (used in) financing activities	**504.12**	**(107.76)**
	Net (Decrease)/Increase in Cash and Cash equivalents (A+B+C)	**68. 72**	**(16.40)**
	Cash and Cash equivalents at the beginning of the year	15.15	31.55
	Cash and Cash equivalents at the end of the year (refer note 2 below)	**83.87**	**15.15**

NOTES TO CASH FLOW STATEMENT

1 Cash flow statement has been prepared under the Indirect Method as set out in the Ind AS 7 - Statement of Cash Flow

2 **Cash and Cash equivalents includes :**

(₹ In Crore)

	31-Mar-20	31-Mar-19
Cash on hand	0.11	0.11
Balance with banks in current accounts	83.48	14.82
Other bank balances	386.70	9.90
	470. 29	**24.83**
Add: Other Bank balances	0.98	107.05
Less : Earmarked balances / deposits with bank	(387.68)	(116.95)
Add : Exchange Difference	0.28	0.22
Total Cash and Cash equivalents	**83.87**	**15.15**

3 Cash flow statements requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

(₹ In Crore)

Particulars	as at 31 March 2019	Cash Flows	Non Cash changes				**as at 31-Mar-2020**
			Interest	Foreign exchange movement	Others	Current / non-current classification	
Borrowings - Non current	5,870.72	349.39	5,433.31	-	(1,846.71)	18,223.80	28,030.50
Borrowings - current	16,944.56	-	-	-	-	(16,944.56)	-
Other financial liabilities	1,279.24	-	-	-	-	(1,279.24)	-

(₹ In Crore)

Particulars	as at 31 March 2018	Cash Flows	Non Cash changes				as at 31-Mar-2019
			Interest	Foreign exchange movement	Others	Current / non-current classification	
Borrowings - Non current	7,123.22	(0.18)	-	67.77	-	(1,320.09)	5,870.72
Borrowings - current	17,145.70	(12.30)	(2,211.74)	33.62	-	1,989.27	16,944.56
Other financial liabilities	1,951.73	-	-	-	-	(672.49)	1,279.24

As per our report of even date attached

For **Shah Gupta & Co.**
Chartered Accountants
FRN - 109574W

D. V. Ballal
Partner
M. No.: 013107

Place: Mumbai
Date: 31st July, 2020

For **NBS & Co.**
Chartered Accountants
FRN - 110100W

Devdas Bhat
Partner
M. No.: 048094

For and on behalf of the Board

Sunil O. Khandelwal
(Chief Financial Officer)

K. H. Gopal
(Company Secretary)

Taken on Record
Ajay Joshi
(On behalf of the Monitoring Committee)

Place: Mumbai
Date: 31st July, 2020

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.

Pursuant to an application made by State Bank of India, the Hon'ble National Company Law Tribunal, Ahmedabad bench ("Adjudicating Authority"), vide its order dated 18th July, 2017, had ordered the commencement of the corporate insolvency resolution ("CIR") process in respect of the company under the provisions of the Insolvency and Bankruptcy Code, 2016 (the "Code").

Pursuant to Clause 7.1.1 of the Approved Resolution Plan, during the period between the NCLT Approval Date (as defined in the Approved Resolution Plan) and the Closing Date (as defined in the Approved Resolution Plan) ("Interim Period"), a monitoring committee shall be constituted ("Monitoring Committee") which during the period following the CCI Approval Date and until the Closing Date (as defined in the Approved Resolution Plan), shall comprise of 4 (Four) representatives of the Financial Creditors, 2 (Two) representatives of the Resolution Applicants and the Erstwhile Resolution Professional. Thus, for the period between the NCLT Approval Date (as defined in the Approved Resolution Plan) and the Closing Date (as defined in the Approved Resolution Plan), the Monitoring Committee has accordingly been formed to maintain the Company as a going concern and to supervise the implementation of the Approved Resolution Plan. Implementation of the Approved Resolution Plan (Plan) has commenced.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation:

i) Compliance with Ind AS:

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, hereinafter referred to as Ind AS.

ii) Historical cost convention:

The Financial Statements have been prepared on a historical cost basis, except for the following:

a. certain financial assets and liabilities that are measured at fair value;

b. assets held for sale - measured at lower of carrying amount or net fair value less cost to sell;

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

iii) Recent accounting pronouncements

Pursuant to issuance of the Companies (Indian Accounting Standards) Amendment Rules, 2019 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2019, Ind AS 116 – "Leases" (Ind AS 116) supersedes Ind AS 17 – "Leases". The Company has adopted Ind AS 116 using the modified retrospective approach with effect from 1st April, 2019.

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 Company classifies all other liabilities as non-current

Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

c) Revenue recognition:

i) Timing of recognition:

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods, the amount of revenue can be measured reliably and it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the activities of the Company. This generally happens upon dispatch of the goods to customers, except for export sales which are recognised when significant risk and rewards are transferred to the buyer as per the terms of contract.

Eligible export incentives are recognised in the year in which the conditions precedent is met and there is no significant uncertainty about the collectability.

ii) Measurement of revenue:

Revenue is measured at the fair value of the consideration received or receivable, after the deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government which are levied on sales such as GST, etc.

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.

The Company recognises provision for sales return, based on the historical results, measured on net basis of the margin of the sale

The volume discounts are assessed based on anticipated annual purchases.

Rental Income

The Company's policy for recognition of revenue from operating leases is described in Note 1 (e) below.

Interest Income

For all debt instruments measured at amortised cost, interest income is measured using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Effective from April 1, 2018, the Company has adopted Ind AS 115 "Revenue from contracts with customers" using the cumulative effect method. The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information is not restated in the statement of profit and loss. The effect of adoption is insignificant.

d) Income taxes:

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

- **Current tax**

  Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country where the company operates and generates taxable income. Current tax assets and liabilities are offset only if there is a legally enforceable right to set it off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

  Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognises MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The company reviews the 'MAT credit entitlement' asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

- **Deferred tax**

  Deferred tax is provided using the balance sheet method on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

  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;

  Taxable temporary differences arising on the initial recognition of goodwill.

  Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

  When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of 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.

  The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

  Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

  Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

  Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

e) **Leases:**

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

f) Property, Plant and Equipment

i) Tangible assets:

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Statement of Profit and Loss.

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 on Tangible Fixed Assets is provided on Straight Line Method on the basis of useful life of assets specified in Part C of Schedule II of the Companies Act, 2013 except in respect 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	20 to 25 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.

ii) Intangible assets:

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses.

Intangible Assets having finite useful life are amortised on the straight line method as per following estimated useful life:

Asset category	Estimated useful life
Computer software	6 years
Trademarks / Brands	10 years

The useful lives and method of depreciation of intangible assets are reviewed at each financial year end and any changes there in are considered as change in estimate and accounted prospectively.

Intangible assets having indefinite useful life are tested for impairment at least once in an accounting year regardless of indicators of impairment.

g) Investment Property:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not in use by the Company, is classified as investment property. Land held for a currently undetermined future use is also classified as an investment property. Investment property is measured initially at its acquisition cost, including related transaction costs and where applicable borrowing costs and are carried at cost less accumulated depreciation and accumulated impairment losses.

Depreciation on investment property is provided using Straight Line Method based on useful life specified in schedule II to the Companies Act, 2013.

h) Impairment of fixed assets

The carrying amount of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal | external factors. An impairment loss on such assessment will be recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

i) Investments and other financial assets:

Classification:

The Company classifies its financial assets in the following measurement categories:

i) Those to be measured subsequently at fair value (either through Other Comprehensive Income, or through profit or loss), and

ii) Those measured at amortised cost.

The classification depends on business model of the entity for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or Other Comprehensive Income.

For investments in debt instruments, it depends on the business model in which the investment is held.

For investments in equity instruments, it depends on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through Other Comprehensive Income.

Initial recognition and measurement:

Financial assets are recognised when the Company becomes a party to the contractual terms of the instrument.

Transaction Cost

Financial assets are recognised initially at fair value plus/minus(in the case of financial assets are not recorded at fair value through profit or loss) transaction costs that are attributable to the acquisition of the financial asset.

Transaction costs of financial assets carried at fair value through profit or loss are expensed in Profit or Loss.

Subsequent measurement:

After initial recognition, financial assets are measured at:

i) Fair value {either through Other Comprehensive Income (FVOCI) or through profit or loss (FVPL)} or,

ii) Amortised cost

Debt instruments:

Subsequent measurement of debt instruments depends on the business model of the Company for managing the asset and the cash flow characteristics of the asset.

There are three measurement categories into which the Company classifies its debt instruments:

Measured at amortised cost:

Debt instruments that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method less impairment, if any, the amortisation of EIR and loss arising from impairment, if any is recognised in Profit or Loss.

Measured at fair value through Other Comprehensive Income (OCI):

Debt instruments that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through Other Comprehensive Income. Fair value movements are recognised in the OCI (net of taxes). Interest income measured using the EIR method and impairment losses, if any are recognised in Profit or Loss. On de-recognition, cumulative gain | (loss) previously recognised in OCI is reclassified from the equity to Profit or Loss.

Measured at fair value through profit or loss:

A financial asset not classified as either amortised cost or FVOCI, is classified as FVPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as other income in Profit or Loss.

Equity instruments:

The Company subsequently measures all investments in equity instruments other than subsidiary companies, associate company and Joint Venture Company at fair value. The Management of the Company has elected to present fair value gains and losses on such equity investments in Profit or Loss. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payment is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in Profit or Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Investments in subsidiary companies, associate company and Joint Venture Company:

Investments in subsidiary companies, associate company and Joint Venture Company are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary companies, associate company and Joint Venture Company, the difference between net disposal proceeds and the carrying amounts are recognised in Profit or Loss.

Impairment of financial assets:

The Company assesses on a forward looking basis the expected credit losses associated with its financial 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 and lease receivable 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 such receivables.

De-recognition:

A financial asset is de-recognised only when

i) The Company has transferred the rights to receive cash flows from the financial asset, or

ii) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial liabilities& Equity instruments:

i) Classification as debt or equity - Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

ii) Initial recognition and measurement - Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

iii) Subsequent measurement - Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss is measured at fair value with all changes in fair value recognised in Profit or Loss.

iv) De-recognition - A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

Notes

to the Standalone Financial Statements for the year ended 31st March 2020

j) Fair Value Measurement

The Company measures financial instruments, such as Derivatives, at fair value at each balance sheet date. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of the principal market, in the most advantageous market for the asset of liability.

The principal or the most advantageous market must be accessible by the company. The fair value of asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

External Valuers are involved for valuation of significant assets such as certain items or property, plant and equipment. For the purpose of fair value disclosure, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

k) Inventories:

Items of Inventories are valued on the basis given below:

i. Raw materials, packing materials, stores and spares: at cost determined on weighted average basis or net realisable value whichever is lower.

ii. Process stock and finished goods: At cost or net realisable values whichever is lower.

Cost comprises of cost of purchase, costs of conversion and other costs incurred in bringing the inventory to its present location and condition.

The net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and estimated cost necessary to make the sale.

Due allowances are made for slow moving and obsolete inventories based on estimates made by the Company.

l) Cash and cash equivalents:

Cash and cash equivalents include cash in hand, demand deposits with bank and other short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

m) Trade receivable:

Trade receivables are initially recognised at fair value of the revenue. Subsequently, trade receivables are stated at cost less provision for impairment, if any.

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of the customer is assessed and individual limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

The Company applies expected credit losses (ECL) model for measurement and recognition of provision / loss allowance on the Trade receivables.

As a practical expedient, the Company uses a provision matrix to measure ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default floating rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in Profit or Loss under the head 'Other expenses'.

n) Offsetting 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 the Company or the counterparty.

o) Derivatives and hedging activities:

The Company enters into derivative financial instruments to hedge its exposure to movements in interest rates and foreign exchange rates. These are not intended for trading or speculative purposes.

Financial assets or financial liabilities, at fair value through profit or loss

This category has derivative financial assets or liabilities which are not designated as hedges. Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorised as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in net profit in Profit or Loss, when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets / liabilities in this category are presented as current assets / current liabilities if they are either held for trading or are expected to be realised within 12 months after the Balance Sheet date.

p) Government Grants:

Grants, in the nature of interest subsidy under the Technology Upgradation Fund Scheme (TUFs), are accounted for when it is reasonably certain that ultimate collection will be made. The interest subsidy is reduced from the interest cost.

Grant received from the Government relating to the purchase of fixed asset and deducted from the carrying amount of corresponding fixed asset.

q) Borrowings:

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income | (expense). Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

r) Borrowing costs:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

s) Provisions and contingent liabilities:

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each year end and reflect the best current estimate. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of best estimate of the Management of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

t) Employee benefits:

Short-term employee benefits:

All employee benefits payable within twelve months of service such as salaries, wages, bonus, ex-gratia, medical benefits etc. are recognised in the year in which the employees render the related service and are presented as current employee benefit obligations within the Balance Sheet. Termination benefits are recognised as an expense as and when incurred. Short-term leave encashment is provided at undiscounted amount during the accounting period based on service rendered by employees. Compensation payable under Voluntary Retirement Scheme is being charged to Statement of Profit and Loss in the year of settlement.

Other long-term employee benefits:

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented as current liabilities in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

Defined contribution plan:

Contributions to defined contribution schemes such as contribution to Provident Fund, Superannuation Fund, Employees' State Insurance Corporation, National Pension Scheme and Labours Welfare Fund are charged as an expense to the Statement of Profit and Loss based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

Defined benefit plan:

Gratuity:

Gratuity liability is a defined benefit obligation and is computed on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method at the end of each financial year. The liability or asset recognised in the Balance Sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in Other Comprehensive Income. They are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

u) Earnings per share:

Earnings per share (EPS) are calculated by dividing the net profit or loss for the period attributable to Equity Shareholders by the weighted average number of Equity shares outstanding during the period. Earnings considered in ascertaining the EPS is the net profit for the period and any attributable tax thereto for the period. The treasury shares are not considered as outstanding equity shares for computing EPS.

v) Foreign Currency Transactions

Foreign Currency Transactions are recorded at the exchange rates prevailing on the date of the transaction.

Monetary items denominated in Foreign Currency are reported at the exchange rate prevailing on the balance sheet date. Exchange differences relating to long term monetary items are dealt with in the following manner:

- Exchange differences relating to long term monetary items, arising during the period, in so far as those relate to the acquisition of a depreciable capital asset are added to / deducted from the cost of the asset and depreciated over the balance life of the asset
- In other cases, such differences are accumulated in the “Foreign Currency Monetary Translation Difference Account” and amortised to the statement of profit and loss over the balance life of the long term monetary item.

All other exchange differences are dealt with in profit or loss.

Effective from April 01, 2018, the Company has adopted Appendix B to Ind AS 21, The Company determines exchange rate to use on initial recognition of the related asset, expense or income, when the Company receives or pays advance consideration in a foreign currency. The effect of adoption is insignificant.

w) Critical estimates and judgements

Preparation of the Financial Statements requires use of accounting estimates which, by definition, will seldom equal the actual results. This Note provides an overview of the areas that involved a higher degree of judgements or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements. The areas involving critical estimates or judgements are:

i) Estimation of useful life of tangible assets: Note 1(f)

ii) Estimation of defined benefit obligation: Note 1(t)

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Note '2' Property, Plant and Equipment

DESCRIPTION OF ASSETS	Gross Carrying Value				Depreciation				Net Carrying Value	
	As At 1-Apr-19	Additions	Deductions	As At 31-Mar-20	As At 1-Apr-19	For The Year	Adjustments On Sale / Trf	As At 31-Mar-20	As At 31-Mar-20	As At 31 Mar 2019
Land										
- Freehold	4,627.05	-	-	4,627.05	-	-	-	-	4,627.05	4,627.05
- Leasehold	35.96	-	-	35.96	1.77	0.45	-	2.21	33.75	34.19
Building	3,185.27	0.00	0.02	3,185.25	313.58	78.59	-	392.17	2,793.09	2,871.69
Plant and Equipment (refer note 1 below)	9,183.09	0.26	7.04	9,176.31	2,146.40	441.80	4.19	2,584.01	6,592.30	7,036.69
Furniture and Fixtures	53.56	0.00	-	53.56	42.32	3.64	-	45.97	7.59	11.23
Vehicles	11.26	-0.00	0.19	11.07	9.27	0.86	0.12	10.00	1.07	1.99
Office Equipment	7.37	0.05	-	7.42	6.86	0.15	-	7.01	0.41	0.51
Office Premises	2.83	0.00	-	2.83	0.18	0.05	-	0.22	2.61	2.65
Computer and Peripherals	4.87	0.75	-	5.62	4.10	0.21	-	4.32	1.29	0.77
Tools and Equipment	54.63	0.29	0.00	54.92	14.87	3.33	-	18.19	36.73	39.76
Total	**17,165.89**	**1.36**	**7.25**	**17,159.99**	**2,539.35**	**529.08**	**4.31**	**3,064.11**	**14,095.89**	**14,626.54**

DESCRIPTION OF ASSETS	Gross Carrying Value				Depreciation				Net Carrying Value	
	As At 1-Apr-18	Additions	Deductions	As At 31-Mar-19	As At 1-Apr-18	For The Year	Adjustments On Sale / Trf	As At 31-Mar-19	As At 31-Mar-19	As At 31 Mar 2018
Land										
- Freehold	4,626.30	0.75	-	4,627.05	-	-	-	-	4,627.05	4,626.30
- Leasehold	35.96	-	-	35.96	1.32	0.45	-	1.77	34.19	34.64
Building	3,185.27	-	-	3,185.27	234.96	78.62	-	313.58	2,871.69	2,950.31
Plant and Equipment (refer note 1 below)	9,150.69	32.40	-	9,183.09	1,704.75	441.65	-	2,146.40	7,036.69	7,445.94
Furniture and Fixtures	53.56	-	-	53.56	35.96	6.36	-	42.32	11.23	17.59
Vehicles	11.42	-	0.16	11.26	7.57	1.81	0.11	9.27	1.99	3.85
Office Equipment	7.35	0.02	-	7.37	6.70	0.16	-	6.86	0.51	0.65
Office Premises	2.83	-	-	2.83	0.12	0.06	-	0.18	2.65	2.71
Computer and Peripherals	4.28	0.59	-	4.87	3.66	0.44	-	4.10	0.77	0.62
Tools and Equipment	54.35	0.28	-	54.63	11.67	3.20	-	14.87	39.76	42.68
Total	**17,132.00**	**34.04**	**0.16**	**17,165.89**	**2,006.71**	**532.73**	**0.11**	**2,539.35**	**14,626.54**	**15,125.29**

NOTE :

1. Plant and Equipments includes : Exchange difference (net) of ₹ Nil (Previous year ₹ 33.41 Crore) on restatement of long term borrowings payable in foreign currency.
2. Property, plant and equipment are pledge against borrowings the details relating to which have been described in note 17 pertaining to borrowings.
3. The amount of contractual commitments for the acquisition of land is disclosed in note no. 39.

Note '3' Investment Property

DESCRIPTION OF ASSETS	Gross Carrying Value				Depreciation				Net Carrying Value	
	As At 1-Apr-19	Additions	Deductions	As At 31-Mar-20	As At 1-Apr-19	For The Year	Adjustments On Sale / Trf	As At 31-Mar-20	As At 31-Mar-20	As At 31 Mar 2019
Factory Building	8.73	-	-	8.73	0.90	0.24	-	1.14	7.58	7.83
Total	**8.73**	**-**	**-**	**8.73**	**0.90**	**0.24**	**-**	**1.14**	**7.58**	**7.83**

DESCRIPTION OF ASSETS	Gross Carrying Value				Depreciation				Net Carrying Value	
	As At 1-Apr-18	Additions	Deductions	As At 31-Mar-19	As At 1-Apr-19	For The Year	Adjustments On Sale / Trf	As At 31-Mar-19	As At 31-Mar-19	As At 31 Mar 2018
Factory Building	8.73	-	-	8.73	0.66	0.24	-	0.90	7.83	8.07
Total	**8.73**	**-**	**-**	**8.73**	**0.66**	**0.24**	**-**	**0.90**	**7.83**	**8.07**

Note : Information regarding Income and expenditure of Investment property

Particulars	2019-20	2018-19
Rental income derived from Investment properties (See Note 25)	0.27	0.31
Less: Direct operating expenses (including repairs and maintenance) generating rental income	0.03	0.06
Profit arising from investment properties before depreciation	0.24	0.25
Less: Depreciation	0.24	0.24
Profit arising from investment properties	**0.00**	**0.01**

Note:

(a) The Company's investment property consists of a residential and commercial properties in India

(b) Investment Property is morgaged against borrowings the details relating to which have been described in note 17 pertaining to borrowings.

Note '4' Intangible assets

DESCRIPTION OF ASSETS	Gross Carrying Value				Depreciation				Net Carrying Value	
	As At 1-Apr-19	Additions	Deductions	As At 31-Mar-20	As At 1-Apr-19	For The Year	Adjustments On Sale / Trf	As At 31-Mar-20	As At 31-Mar-20	As At 31 Mar 2019
Trademarks / Brands	12.39	-	-	12.39	11.77	-	-	11.77	0.62	0.62
Computer Software	1.61	-	-	1.61	1.39	0.13	-	1.52	0.09	0.22
Total	**14.00**	**-**	**-**	**14.00**	**13.16**	**0.13**	**-**	**13.29**	**0.71**	**0.84**

DESCRIPTION OF ASSETS	Gross Carrying Value				Depreciation				Net Carrying Value	
	As At 1-Apr-18	Additions	Deductions	As At 31-Mar-19	As At 1-Apr-19	For The Year	Adjustments On Sale / Trf	As At 31-Mar-19	As At 31-Mar-19	As At 31 Mar 2018
Factory Building	12.39	-	-	12.39	11.77	-	-	11.77	0.62	0.62
Computer Software	1.61	-	-	1.61	1.19	0.20	-	1.39	0.22	0.42
Total	**14.00**	**-**	**-**	**14.00**	**12.96**	**0.20**	**-**	**13.16**	**0.84**	**1.04**

Notes

to the Standalone Financial Statements for the year ended 31st March 2020

5 INVESTMENTS

Non-current

(₹ In Crore)

Sr. No.	Particulars	No. of shares of face value of ₹10 each fully paid-up unless otherwise specified	As at 31 March 2020		As at 31 March 2019	
a)	**Investment in Unquoted Equity shares**					
	In Subsidiary Companies - measured at cost					
I)	"Alok International Inc. (₹ 43,225/-) (Face value of USD 1 each)"	1,000	0.00		0.00	
ii)	Alok Infrastructure Limited (Face value of ₹ 10 each)	50,000	0.05		0.05	
	(Pledged against finance availed by Alok Infrastructure Limited)					
iii)	Alok Singapore Pte. Ltd. (₹ 49/-) (Face value of USD 1 each)	1	0.00		0.00	
	(Pledged against finance availed by Alok Singapore Pte. Ltd.)					
iv)	"Alok International (Middle East) FZE (Face value of UAE Dirhams One Million)"	1	1.31		1.31	
	(Pledged against finance availed by Alok International (Middle East) FZE)					
v)	Alok Worldwide Limited (₹ 6,252/-) (Face value of USD 1 each)	100	0.00		0.00	
	Less : Provision for diminution in value of investment		(1.36)		(1.36)	
vi)	Grabal Alok (UK) Limited		45.27		45.27	
	Less : Provision for diminution in value of investment		(45.27)	-	(45.27)	-
	In Joint Venture (unquoted measured at cost)					
i)	Aurangabad Textiles & Apparel Parks Limited	1,019,200	17.25		17.25	
				17.25	-	17.25
ii)	New City Of Bombay Mfg. Mills Limited (refer note 44)	4,493,300	75.13		75.13	
				75.13	-	75.13
	Others (unquoted measured at cost)					
i)	Triumphant Victory Holdings Limited (₹ 90.14/-) (Face value of USD 1 each)	2	0.00		0.00	
	Less : Provision for diminution in value of investment		(0.00)	-	(0.00)	-
ii)	Dombivali Nagari Sahakari Bank Limited (Face value of ₹50 each)	10,000	0.05		0.05	
iii)	New India Co-op Bank Ltd. (face value of ₹10 each)	300	0.00		0.00	
iv)	Saraswat Bank Limited (₹ 25,000/)	2,500	0.00		0.00	

(₹ In Crore)

Sr. No.	Particulars	No. of shares of face value of ₹10 each fully paid-up unless otherwise specified	As at 31 March 2020		As at 31 March 2019	
	(Pledged against finance availed by company)					
v)	Wel-Treat Environ Management Organisation (₹ 36,500/-)	3,650	0.00		0.00	
b)	**Investment in Preference shares - others (measured at amortised cost)**					
	Triumphant Victory Holdings Limited (0% Redeemable cumulative Preference shares, face value of USD 1 each)	35,466,960	188.22		177.72	
	Less : Provision for diminution in value of investment		(188.22)	-	(177.72)	-
	Total			**92.43**		**92.43**
	Aggregate amount of unquoted investments			**327.29**		316.79
	Aggregate amount of impairment in value of investments			**(234.85)**		(224.36)

6 LOANS

Non-current

(₹ In Crore)

Particulars	As at 31 March 2020		As at 31 March 2019	
Unsecured, considered good				
Loan to Alok Infrastructure Limited		871.60		871.60
Lease and security deposits		3.01		3.28
Unsecured, considered doubtful				
Loan to Alok Infrastructure Limited, wholly owned subsidiary	501.39		501.39	
Less : Provision for doubtful advance	(501.39)		(501.39)	
		-		-
Lease and security deposits		-		1.98
Less : Provision for doubtful advance		-		(1.98)
		-		-
Total		**874.61**		**874.88**
Current				
Loans to related parties				
Unsecured, Considered Good		-		-
		-		-
Credit impaired		1,465.99		1,465.99
Less : Provision for doubtful advances		(1,465.99)		(1,465.99)
		-		-
Total		**-**		**-**

Notes

to the Standalone Financial Statements for the year ended 31st March 2020

7 TAXATION

(a) Current Tax comprise of

(₹ In Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Current tax for the year	-	-
Profit/(loss) before tax	1,222.46	2,281.22
Enacted tax rate in India	34.944%	34.944%
Expected income tax expense / (benefit) at statutory tax rate	**427.18**	**797.15**
Tax Effect of		
Exempted Income	-	(0.23)
Expenses allowed	(140.84)	(165.67)
Expenses disallowed / Income not taxable	233.36	213.95
Expense disallowed reversed during the year	-	(2,461.87)
Brought forward losses	(519.70)	1,616.67
Net Income tax expense / (benefit)	-	-
Current Tax expense	-	-
Current Tax Provision (A)	**-**	**-**
Incremental Deferred Tax Liability	-	-
Incremental Deferred Tax Asset	(0.73)	(0.91)
Deferred Tax Provision(B)	**(0.73)**	**(0.91)**
Tax Expenses recognised in statement of Profit and Loss (A+B)	**(0.73)**	**(0.91)**
Effective Tax rate	-	-

(b) Deferred tax asset (net) comprises of timing difference on account of

Deferred Tax Asset		
Provision for employee benefits	10.35	15.46
Provision for doubtful debts and advances	4,923.68	4,655.69
Interest not Paid	-	1,912.11
Unabsorbed Depreciation carried forward	675.60	680.17
Business Loss carried forward	822.10	3,025.94
Reversal of incremental of deferred tax	-	0.91
Less : Deferred Tax Liability		
Depreciation	(3,216.52)	(3,284.37)
Re-measurement gains on defined benefit plans	(0.73)	(0.91)
Deferred Tax Asset	**3,214.48**	**7,005.00**
Deferred tax Asset not recognised	(1,791.37)	(5,581.89)
Net Deferred Tax Asset	**1,423.11**	**1,423.11**

8 OTHER ASSETS

(₹ In Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Non-current		
Unsecured, considered good		
Capital advances (refer note 55)	37.80	37.67
Total	**37.80**	**37.67**
Current		
Unsecured, considered good		
Balance with Statutory Authorities	177.63	153.04
Prepaid Expenses	18.69	1.76
Advance to vendors	16.51	4.26
Export Incentives	42.99	11.55
	255.80	**170.61**
Unsecured, considered doubtful		
Export Incentives	1.47	1.40
Advance to vendors	156.09	3.12
Less: provision for doubtful receivables	(157.56)	(4.52)
	-	-
Total	**255.80**	**170.61**

9 INVENTORIES

(At lower of cost and net realisable value)

(₹ In Crore)

Particulars	As at 31 March 2020		As at 31 March 2019	
Raw Materials	54.51		55.35	
(includes material in transit ₹ 1.56 Crore (Previous year ₹ 1.43 Crore)				
Work-in-progress	144.40		136.41	
Finished goods	103.83		99.00	
		302.74		290.76
Stores and Spares		25.96		28.49
Packing Material		6.04		6.31
Total		**334.74**		**325.56**

NOTE:

i) Value of inventories above is stated after provision of ₹ 63.09 crore (previous year ₹ 16.79 crore) for write down to net realisable value and provision for slow moving and obsolete items

ii) Inventory is hypothecated as security against working capital loan.

Notes

to the Standalone Financial Statements for the year ended 31st March 2020

10 TRADE RECEIVABLES

(₹ In Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good	177.00	171.51
Less: provision for doubtful debts	(12.91)	(9.24)
	164.09	**162.28**
Credit impaired (refer note 37)	61.88	11,072.61
Less: provision for doubtful debts	(61.88)	(11,072.61)
	-	-
Total	**164.09**	**162.28**

(i) Refer note no. 45(A)(II) for related party balance.

11 CASH AND CASH EQUIVALENTS

(₹ In Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Cash and Cash equivalents		
Cash on hand	0.11	0.11
Balance with Bank		
In Current Accounts	83.48	14.82
Total	**83.59**	**14.93**

12 OTHER BANK BALANCES

(₹ In Crore)

Sr. No.	Particulars	As at 31 March 2020	As at 31 March 2019
a)	**Balance with Bank**		
	Non Current		
	Balance with Bank		
	Balances / Deposits held as margin money or security against borrowings, guarantee and other commitments	0.98	107.05
	Total other bank balances - Non current	**0.98**	**107.05**
b)	**OTHER BANK BALANCES**		
	Current		
	Balance with Bank		
	In Deposit Accounts	300.00	-
	In earmarked accounts		
	Unclaimed dividend accounts	0.34	0.51
	Balances / Deposits held as margin money or security against borrowings, guarantee and other commitments	86.36	9.39
	Total	**386.70**	**9.90**

13 OTHER CURRENT FINANCIAL ASSETS

(₹ In Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Advance to Staff	2.48	2.72
Unutilised Export Incentives	(0.00)	0.13
	2.48	**2.85**
Unsecured, considered doubtful		
Inter Corporate Deposits	0.66	0.70
Advance to Staff	-	0.06
Unutilised DEPB Licence	0.24	0.24
	0.90	**1.00**
Less : Provision for doubtful receivable	(0.90)	(1.00)
	-	-
Total	**2.48**	**2.85**

14 CURRENT TAX ASSETS (NET)

(₹ In Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Advance Tax (net of provision for tax)	41.80	40.10
Total	**41.80**	**40.10**

15 EQUITY SHARE CAPITAL

(₹ In Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Authorised		
4000,00,00,000 Equity shares of Re. 1/- each (previous year 400,00,00,000 Equity shares of ₹ 10/- each)	4,000.00	4,000.00
	4,000.00	4,000.00
Issued, Subscribed and fully paid-up	221.07	1,377.32
221,06,51,228 Equity shares of Re.1/- each (Previous year 137,73,17,895 Equity shares of ₹10/- each) fully paid up	221.07	1,377.32
Less: Alok Benefit Trust is holding NIL equity shares of Re. 1/- each [Previous Year 86,91,000 of ₹ 10/- each] of Alok Industries Limited, the sole beneficiary of which is the Company.	-	(8.69)
	221.07	1,368.63
Add : 13,921 Equity Shares forfeited of ₹ 10/- each, ₹ 5/- paid up	0.01	0.01
Total	**221.08**	**1,368.64**

(i) Reconciliation of number of shares and amount outstanding at the beginning and end of the year

(₹ In Crore)

Particulars	As at 31 March 2020		As at 31 March 2019	
	No.of shares	₹ in Crore	No.of shares	₹ in Crore
Equity shares of Re. 1/- each (previous year ₹10/- each)				
At the beginning of the year	1,377,317,895	1,377.32	1,377,317,895	1,377.32
Add: issue of Shares as per Approved Resolution Plan	833,333,333	83.33	-	-
Less : Reduction in Face value of shares from ₹ 10/- p.s. to Re. 1/- p.s.	-	(1,239.59)	-	-
At the end of the year	**2,210,651,228**	**221.07**	**1,377,317,895**	**1,377.32**

a) The above includes, 2,24,85,000 Equity shares allotted to the shareholders of Grabal Alok Impex Limited during the year ended 31st March 2012, pursuant to the Scheme of Amalgamation for consideration other than cash.

b) During the year, in accordance with the Approved Resolution Plan, the face value of the Company's equity has been reduced from ₹ 10/- per share to Re. 1/- per share.

c) During the year, in accordance with the Approved Resolution Plan, the Company has issued and allotted 83,33,33,333 equity of Re. 1/- each at a premium of ₹ 2/- per share to Reliance Industries Limited on 28th February,2020.

(ii) Shareholders holding more than 5 percent shares in the Company

(₹ In Crore)

Particulars	As at 31 March 2020		As at 31 March 2019	
	No of shares	%	No of shares	%
Alok Knit Exports Private Limited	108,519,133	4.91%	108,519,133	7.88%
Reliance Industries Limited	833,333,333	37.70%	-	-

(iii) Rights, preferences and restrictions attached to equity shares

The Company has single class of equity shares. Each shareholders is eligible for one vote per share held. 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 31 March 2020		As at 31 March 2019	
Capital Reserve				
Balance as per last Balance Sheet	11.72		11.72	
Add: addition during the year (refer note (b) & (c) below)	1,970.12		-	
		1,981.85		**11.72**

Note:

(a) Capital reserve was created during the year ended 31 March 2012, on merger of Grabal Alok Impex Limited (Subsidiary of the Company).

(b) Due to reduction of face value of equity shares amounting to 1239.59 crore

(c) Due to write back of foreign currency borrowings ₹ 730.53 crore
This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

(₹ In Crore)

Particulars	As at 31 March 2020		As at 31 March 2019	
Capital Redemption Reserve				
Balance as per last Balance Sheet	9.10		9.10	
		9.10		9.10
Securities premium account				
Balance as per last Balance Sheet	993.65		993.65	
Add: Issue of equity shares during the year (Refer note 15(i)(c))	166.67		-	
		1,160.31		993.65

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.

Particulars	As at 31 March 2020		As at 31 March 2019	
General Reserve				
Balance as per last Balance Sheet	280.62		280.62	
		280.62		280.62

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

Particulars	As at 31 March 2020		As at 31 March 2019	
Debenture Redemption Reserve				
Balance as per last Balance Sheet	81.97		81.97	
Less: Transferred from / (to) Statement of Profit and Loss	(81.97)		-	
		-		81.97

Note:

The Debentures issued by the Company in earlier years stand extinguished having completed their respective maturity dates and the outstanding dues in respect of these Debentures have been assigned as a part of the admitted financial debt to JM Financial Asset Reconstruction Company Limited as per the terms of the Approved Resolution Plan. Accordingly, transfer to the Debenture Redemption Reserve (DRR) is no longer needed and the balance standing to the DRR has been transferred to Retained Earnings.

Particulars	As at 31 March 2020		As at 31 March 2019	
Foreign Currency Monetary Item Translation Reserve (FCMITR)				
Balance as per last Balance Sheet	(9.34)		(2.32)	
Add : Addition during the year	-		(15.68)	
Less : Amortisation for the year	9.34		8.66	
		-		(9.34)
Equity component of compound financial instrument				
9% Optionally Convertible Preference Shares		12.40		-

Note: The Company has issued Optionally Convertible Redeemable Preference Shares (OCPS) during the financial year ended March 31, 2020. Considering the accounting principles to be followed in line with Indian Acoounting Standards, the Company has computed the liability portion of OCPS as the present value of the contractual obligations associated with the instrument. The difference between the issue amount of the OCPS and the liability so computed has been treated as the 'Equity component of compound financial instruments' and grouped under other equity.

(₹ In Crore)

Particulars	As at 31 March 2020		As at 31 March 2019	
(Deficit)/Surplus in the Statement of Profit and Loss				
Retained earnings	(15,658.54)		(17,942.46)	
Add :				
Excess provision dividend tax for earlier years	-		0.10	
Profit/(Loss) for the year	1,223.19		2,282.13	
Other Comprehensive income (net of tax)	1.37		1.69	
Transferred from DRR	81.97			
Less: Dividend on preference shares	(2.03)		-	
		(14,354.04)		(15,658.54)
Total		**(10,909.76)**		**(14,290.81)**

17 LONG-TERM BORROWINGS

(₹ In Crore)

Particulars			As at 31 March 2020	As at 31 March 2019
a)	Optionally Convertible Preference Shares (Refer (ii) below)		237.60	-
			237.60	**-**
b)	Term Loans			
	-	Secured (Refer (iii), (iv) & (v) below)		
From banks				
-	Rupee Loans		5,110.30	5,458.94
-	Foreign currency loans		-	216.57
			5,110.30	**5,675.51**
From Financial Institutions (refer note (iii), (iv), (v) & (vi) below)				
-	Rupee Loans*		22,682.60	195.21
			22,682.60	**195.21**
			28,030.50	**5,870.72**

(i) Debentures outstanding at the year end redeemable at par are as follows

Particulars	Nos	31-March-20 (₹ Crore)	31-March-19 (₹ Crore)	Date of Redemption
12.00% Redeemable Non convertible Debentures	375	-	37.50	1-Feb-20
12.00% Redeemable Non convertible Debentures	375	-	37.50	1-Aug-19
12.00% Redeemable Non convertible Debentures	375	-	37.50	1-Feb-19
13.00% Redeemable Non convertible Debentures	334	-	33.34	18-Oct-18
12.00% Redeemable Non convertible Debentures	375	-	37.50	1-Aug-18
12.00% Redeemable Non convertible Debentures	375	-	37.50	1-Feb-18
13.00% Redeemable Non convertible Debentures	333	-	33.33	18-Oct-17
12.00% Redeemable Non convertible Debentures	375	-	37.50	1-Aug-17
15.50% Redeemable Non convertible Debentures	366	-	36.66	2-Mar-17
12.00% Redeemable Non convertible Debentures	375	-	37.50	1-Feb-17
13.00% Redeemable Non convertible Debentures	333	-	33.33	18-Oct-16
12.00% Redeemable Non convertible Debentures	375	-	37.50	1-Aug-16
11.50% Redeemable Non convertible Debentures	560	-	55.50	29-Jun-16
15.50% Redeemable Non convertible Debentures	367	-	36.34	2-Mar-16
Total		**-**	**528.50**	

(ii) During the year as per the Approved Resolution Plan, On 28th February 2020, the Company has issued and alloted 250,00,00,000 9% Optionally Convertible Preference Shares (OCPS) of Re. 1/- each to Reliance Industries Limited(RIL). (i) RIL is entitled to convert these OCPS into equity shares of the Company (1:1 basis) at any time on or before 18 months from their date of allotment i.e. 28th February 2020. (ii) if RIL does not convert the OCPS into equity shares with in the period of 18 months, OCPS shall be redeemed at the end of 10 years from the date of allotment. (iii) diviend @9% per anum on outstaning amount is payable on cumulative basis.

(iii) Security for term loans

Nature of security	Banks	Financial Institutions	TOTAL
Exclusive charge on Plant & Machinery and specific assets financed *	-	-	-
	(397.25)	(-)	(397.25)
First Pari passu first charge created on the entire fixed assets of the Company #	5,110.30	-	5,110.30
	(11,428.81)	(803.58)	(12,232.39)
Second Pari passu first charge created on the entire fixed assets of the Company		22,233.58	22,233.58
	(-)	(-)	(-)
Subservient charge on all movable and current assets of the Company	-	-	-
	(531.50)	(147.96)	(679.46)
Total	**5,110.30**	**22,233.58**	**27,343.88**
	(12,357.56)	**(951.55)**	**(13,309.10)**

* Includes loans aggregating to ₹ NIL Crore (Previous year ₹ 68.19 Crore) which are further secured by personal guarantees of promoter directors / corporate guarantee of promoter group companies

“# Includes Bank loans aggregating to ₹ NIL Crore (Previous year ₹ 2,238.70 Crore) & Financial Institution loans aggregating to ₹ NIL Crore (Previous year ₹ 100 Crore) which are further secured by personal guarantees of promoter directors / corporate guarantee of promoter group Companies.
Includes Bank loans aggregating ₹ 5110.30 Crore (Previous year 519.88) secured by first pari passu charge created on assets of Alok Infrastructure Limited, a wholly owned subsidiary of the Company. The company is taking necessary steps for creation of such collateral charge.

Notes

to the Standalone Financial Statements for the year ended 31st March 2020

(iv) Terms of repayment of Secured Term Loans

a) Non-current

(₹ In Crore)

Particulars		1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years	Total
Rupee Term Loan From Bank						
	8% - 9%		486.95	678.10	3,945.24	5,110.30
	(9.45% - 18.50%)	(882.11)	(1,020.55)	(1,121.32)	(2,434.97)	(5,458.95)
Foreign Currency Term Loan From Banks						
	N.A.	-	-	-	-	-
	(1.03% - 5.51%)	(135.20)	(70.56)	(10.81)	-	(216.57)
Rupee Term Loan From Financial Institutions						
	N.A.	-	-	-	22,682.60	22,682.60
	(9.00% - 15.00%)	(80.38)	(20.74)	(23.30)	(70.79)	(195.22)
Total		**-**	**486.95**	**678.10**	**26,627.84**	**27,792.90**
		(1,097.70)	**(1,111.85)**	**(1,155.42)**	**(2,505.76)**	**(5,870.72)**

b) Current

(₹ In Crore)

Particulars		Overdue	Current Maturities
Rupee Term Loan From Bank			
	8% - 9%	-	-
	(9.45% - 18.50%)	(4,637.62)	(996.81)
Foreign Currency Term Loan From Banks			
	N.A.	-	-
	(1.03% - 5.51%)	(918.21)	(129.40)
Rupee Term Loan From Financial Institutions			
	N.A.	-	-
	(9.00% - 15.00%)	(530.33)	(78.04)
Total		**-**	**-**
		(6,086.17)	**(1,204.24)**

(v) The Company has defaulted in repayment of principal and interest payments. The period and amount of continuing defaults as on the Balance sheet date are as under:

a) Principal amounts :

(₹ In Crore)

Particulars	0-30 days	31-90 days	91-180 days	Above 180 days	Total
a) Debentures	-	-	-	-	-
	(37.50)	(33.34)	(37.50)	(345.16)	(453.50)
b) Term Loans					
- Secured					
From banks :					
- Rupee Loans	-	-	-	-	-
	(137.42)	(452.96)	(177.93)	(3,869.32)	(4,637.64)
- Foreign currency loans	-	-	-	-	-
	(161.52)	(127.09)	(92.25)	(537.35)	(918.22)
From Financial Institutions :					
- Rupee Loans	-	-	-	-	-
	(1.23)	(1.23)	(67.89)	(459.99)	(530.34)
- Foreign currency loans	-	-	-	-	-
	(-)	(-)	(-)	(147.96)	(147.96)
- Unsecured					
From banks :					
- Rupee Loans	-	-	-	-	-
	(-)	(-)	(-)	(46.91)	(46.91)
- Foreign currency loans	-	-	-	-	-
	(-)	(-)	(-)	(65.79)	(65.79)
Total	**-**	**-**	**-**	**-**	**-**
	(337.66)	**(614.61)**	**(375.57)**	**(5,472.48)**	**(6,800.32)**

b) Interest :

(₹ In Crore)

Particulars	0-30 days	31-90 days	91-180 days	Above 180 days	Total
a) Debentures	-	-	-	-	-
	(-)	(-)	(-)	(207.86)	(207.86)
b) Term Loans					
- Secured					
From banks :					
- Rupee Loans	11.94	-	-	-	11.94
	(-)	(-)	(-)	(2,582.34)	(2,582.34)
- Foreign currency loans	-	-	-	-	-
	(-)	(-)	(-)	(100.83)	(100.83)

(₹ In Crore)

Particulars	0-30 days	31-90 days	91-180 days	Above 180 days	Total
From Financial Institutions :					
- Rupee Loans	-	-	-	-	-
	(-)	(-)	(-)	(326.37)	(326.37)
- Foreign currency loans	-	-	-	-	-
	(-)	(-)	(-)	(21.39)	(21.39)
- Unsecured					
From banks :					
- Rupee Loans	-	-	-	-	-
	(-)	(-)	(-)	(10.75)	(10.75)
- Foreign currency loans	-	-	-	-	-
	(-)	(-)	(-)	(1.24)	(1.24)
Total	**11.94**	**-**	**-**	**-**	**11.94**
	(-)	**(-)**	**(-)**	**(3,250.77)**	**(3,250.77)**

Previous year figures are given in brackets.

(vi) In terms of the Approved Resolution Plan, payments to the financial creditors has been completed and the balance eligible loans of the financial creditors have been assigned to JM Financial Asset Reconstruction Company Limited (acting as Trustees for JM Finance ARC-March-2018 Trust).

18 PROVISIONS

(₹ In Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Non Current		
Gratuity	20.64	29.60
Leave encashment	6.92	11.05
Total	**27.56**	**40.65**
Current		
Leave encashment	2.07	3.61
Preference dividend	2.03	
Total	**4.10**	**3.61**

Note: refer note 46 for Disclosure related to provisions for Gratuity & Leave Encashment

19 SHORT-TERM BORROWINGS

(₹ In Crore)

Particulars	As at 31 March 2020		As at 31 March 2019	
Working capital loans :				
Cash Credit accounts, working capital demand loan etc. (Refer (i) below)				
From Banks (Secured)		-		9,094.26
[Includes ₹ Nil (Previous year ₹ 134.84 Crore) loans in foreign currency]				
From Financial Institutions (Secured)		-		129.58
From Financial Institutions (Unsecured)		-		12.36
Temporary Overdrawn Bank Balances		-		46.75
Inter Corporate Deposit (Unsecured)		-		1.00
Short term loan				
Secured (Refer (ii) and (iv) below)				
- Rupee Loans				
From Financial Institutions		-		70.50
Overdue/Recalled Loans				
Non Convertible Debentures				
Debentures (Secured) (Refer Note 17(i) and (iv) above)		-		453.50
Long term borrowings				
Secured (Refer Note 17(ii) and (iv) above)				
- Rupee Loans				
From Banks	-		4,637.63	
From Financial Institutions	-		530.33	
	-		5,167.96	
- Foreign currency loans				
From Banks	-		918.21	
From Financial Institutions	-		147.96	
	-	-	1,066.17	6,234.13
Unsecured (Refer Note 17(iv) above)				
- Foreign currency loans				
From Banks		-		65.79
From Financial Institutions				
- Rupee Loans				
From Banks		-		46.91
Demand loan				
Secured (Refer (iii) and (iv) below)				
- Rupee Loans				
From Financial Institutions		-		334.50
Unsecured				
- Foreign currency loans		-		455.28
From Financial Institutions				
Total		**-**		**16,944.56**

Notes

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(iii) Security for term loans

(₹ In Crore)

Nature of security	Banks	Financial	TOTAL
Security for working capital loans :			
(i) (a) Hypothecation of company's current assets and mortgage of certain immovable properties belonging to the company. #	-	-	-
	(9,006.13)	(129.58)	(9,135.71)
Subservient charge created on all movable and current assets of the company and further secured by personal guarantees of promoter directors. *	-	-	-
	(91.42)	(-)	(91.42)
Total	-	-	-
	(9,097.55)	(129.58)	(9,227.13)
(i) Security for short term loans			
Subservient charge on all movable and current assets of the Company @	-	-	-
	(-)	(70.50)	(70.50)
(iii) Security for demand loans			
(a) Second charge created on all immovable properties of the Company situated at Vapi & Silvassa.	-	-	-
(b) pledge of shares held by step down subsidiaries viz. Alok Industries International Limited and Grabal Alok International Limited in Mileta a.s. & Grabal Alok (UK) Ltd. respectively.”	(-)	(334.50)	(334.50)

Includes Bank loans aggregating ₹ Nil Crore (Previous year ₹ 2,330.97 Crore) for which charge is being created on part of the land owned by Alok Infrastructure Limited, wholly owned subsidiary of the Company.

* Includes Bank loans aggregating ₹ Nil Crore (Previous year ₹ 44.86 Crore) secured by charge created / is being created on part of the land owned by Alok Infrastructure Limited, wholly owned subsidiary of the Company.

@ Includes loans aggregating ₹ Nil Crore (Previous period ₹ 70.50 Crore) secured by charge created on part of the land owned by Alok Infrastructure Limited, wholly owned subsidiary of the Company.

(iv) The Company has defaulted in repayment of principal and interest payments. The period and amount of continuing default as on the Balance sheet date are as under:

a) Principal amounts :

(₹ In Crore)

Particulars	0-30 days	31-90 days	91-180 days	Above 180 days	Total
- Rupee loans (Secured)					
From Financial Institutions	-	-	-	-	-
	(-)	(-)	(-)	(405.00)	(405.00)
- Foreign currency loans (Secured)	-	-	-	-	-
From Banks	(-)	(-)	(-)	(455.28)	(455.28)
Total	**-**	**-**	**-**	**-**	**-**
	(-)	**(-)**	**(-)**	**(860.28)**	**(860.28)**

b) Interest :

(₹ In Crore)

Particulars	0-30 days	31-90 days	91-180 days	Above 180 days	Total
- Rupee loans (Secured)					
From Financial Institutions	-	-	-	-	-
	(-)	(-)	(-)	(93.66)	(93.66)
- Foreign Currency Loan (Secured)					
From Banks	-	-	-	-	-
	(-)	(-)	(-)	(42.81)	(42.81)
Working capital loans	-	-	-	-	-
	(-)	(-)	(-)	(2,045.79)	(2,045.79)
Inter Corporate Deposits	-	-	-	-	-
	(-)	(-)	(-)	(0.28)	(0.28)
Total	**-**	**-**	**-**	**-**	**-**
	(-)	**(-)**	**(-)**	**(2,182.55)**	**(2,182.55)**

20 TRADE PAYABLES

(₹ In Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Total outstanding dues of micro enterprises and small enterprises	17.99	102.62
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Acceptances	56.87	116.65
Other than Acceptances	277.14	543.74
Total	**352.00**	**763.01**

Refer note no 45(A)(II) for related party balance.

Refer note no 32 for Extinguishment of Operational Creditors as per the terms of Approved Resolution Plan.

a. Disclosure Under the Micro and Small Enterprises Development Act, 2006 are provided as under for the year 2019-20, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act;

	Particulars	As at 31 March 2020	As at 31 March 2019
(i)	Principal amount remaining unpaid to any supplier as at the end of the accounting year	17.99	102.62
(ii)	Interest due thereon remaining unpaid to any supplier as at the end of the previous accounting year	32.08	14.72
(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	(32.08)	
(v)	The amount of interest due and payable for the year	0.63	17.36
(vi)	The amount of interest accrued and remaining unpaid at the end of the accounting year	0.63	32.08
(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 above information has been determined on the basis of information available with the Company.		

Notes

to the Standalone Financial Statements for the year ended 31st March 2020

21 OTHER FINANCIAL LIABILITIES

(₹ In Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Current maturities of long-term borrowings (Refer note no.17)	-	1,279.24
Interest accrued but not due	-	6.52
Interest accrued and due	12.57	5,465.40
Unclaimed dividends (Refer note below)	0.34	0.51
Creditors for Capital Goods	-	27.41
Total	**12.91**	**6,779.08**

Note: There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund.

22 OTHER CURRENT LIABILITIES

(₹ In Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Other payables		
Advance from customers	8.74	76.98
Towards statutory liabilities	9.11	13.29
Others (Refer note no 32 (a) & 32 (c))	46.07	205.32
Total	**63.92**	**295.59**

23 CURRENT TAX LIABILITIES

(₹ In Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Provision for taxation (net of advance tax) (Refer note no 32 (b))	-	121.53
Total	**-**	**121.53**

24 REVENUE FROM OPERATIONS

(₹ In Crore)

Particulars		Year ended 31 March 2020		Year ended 31 March 2019	
a)	Sale of product (net of returns)				
	Sales - Local	2,350.93		2,177.73	
	Less: Discount	(9.67)		(19.07)	
			2,341.26		2,158.66
	Sales - Export	780.53		820.22	
	Less: Discount	(0.15)		(4.21)	
			780.38		816.00
			3,121.64		**2,974.66**
b)	Sale of services				
	Job work charges collected		40.02		148.84
c)	Other operating revenue				
	Sale of Scrap		4.68		5.26
Total			**3,166.34**		**3,128.76**

25 OTHER INCOME

(₹ In Crore)

Particulars	Year ended 31 March 2020		Year ended 31 March 2019	
Interest Income				
- Bank fixed deposits	8.48		5.28	
- Others	0.20		0.77	
		8.68		**6.05**
Dividend Income :				
On Long Term Investments	0.00		0.65	
		0.00		**0.65**
Exchange rate difference (net)		11.64		-
Rent Received		0.27		0.31
Sundry Credit Balances written back		64.36		117.30
Other non operating Income		0.24		0.01
		76.51		**117.62**
Total		**85.19**		**124.32**

26 COST OF MATERIALS CONSUMED

(₹ In Crore)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Raw Material Consumed		
Opening Stock	55.35	51.90
Add: Purchases	2,066.03	2,109.22
Less: Closing Stock	(54.51)	(55.35)
Total	**2,066.87**	**2,105.77**

27 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROCRESS

(₹ In Crore)

Particulars	Year ended 31 March 2020		Year ended 31 March 2019	
CLOSING STOCK				
Finished Goods	103.83		99.00	
Work-in-procress	144.40		136.41	
		248.23		**235.41**
LESS : OPENING STOCK				
Finished Goods	99.00		116.84	
Work-in-procress	136.41		164.08	
		235.41		**280.92**
Total		**(12.82)**		**45.51**

28 EMPLOYEE BENEFIT EXPENSES

(₹ In Crore)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Salaries and Wages	241.78	231.15
Contribution to Provident and Other Funds	8.13	14.07
Employees welfare expenses	7.08	7.73
Total	**256.99**	**252.95**

Notes

to the Standalone Financial Statements for the year ended 31st March 2020

29 FINANCE COSTS

(₹ In Crore)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Interest expense	79.24	4,060.40
Interest on late payment of taxes	0.24	(0.24)
Other borrowing cost	19.09	97.84
Total	**98.57**	**4,158.00**

30 DEPRECIATION AND AMORTISATION EXPENS

(₹ In Crore)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Depreciation of Property Plant and Equipment (refer note 2)	529.08	532.73
Depreciation on Investment Properties (refer note 3)	0.24	0.24
Amortization of Intangible Assets (refer note 4)	0.13	0.20
Total	**529.45**	**533.17**

31 OTHER EXPENSES

(₹ In Crore)

Particulars	Year ended 31 March 2020		Year ended 31 March 2019	
Stores and Spares Consumed		61.21		59.88
Packing Materials Consumed		100.68		109.71
Power and Fuel		496.50		448.30
Processing Charges		19.57		17.12
Labour Charges		72.27		55.35
Freight, Coolie and Cartage		38.19		36.12
Legal and Professional Fees		15.92		22.08
Rent		9.20		9.63
Rates and Taxes		6.72		6.73
Repairs and Maintenance				
Plant and Machinery	14.29		10.48	
Factory Building	1.49		1.96	
Others	5.30		2.88	
		21.07		**15.32**
Commission on Sales		26.07		29.31
Exchange rate difference (net)		-		8.24
Provision for Doubtful Debts		31.37		(0.53)
Provision for Doubtful Advances		150.97		29.35
Bad debts written off (net)		0.15		-
Directors Remuneration		1.35		1.58
Auditors' remuneration				
Audit and related fees	1.25		0.97	
Certification fees	0.11		0.10	
		1.36		**1.07**
Insurance		26.05		10.60
Loss on sale of assets (net)		0.01		0.01
Impairment of Fixed assets (refer note 54)		2.87		-

(₹ In Crore)

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Sundry Balance Written off	4.70	1.14
Loss on sale of investment	8.69	0.52
Miscellaneous Expenses	47.63	60.13
(Miscellaneous expenses includes claim for damaged goods, agency and clearing charges, security expenses etc.)		
Total	**1,142.56**	**921.65**

32 EXCEPTIONAL ITEMS

(₹ In Crore)

Particulars		Year ended 31 March 2020	Year ended 31 March 2019
a)	Reversal of Interest expenses accrued	-	7,045.19
b)	Extinguishment of Operational Creditors (including the Central Government, State Government or local authority) as per the terms of Approved Resolution Plan (refer note (i) below)	938.97	-
c)	Write-back of non-assignable loans of financial creditors (refer note (ii) below)	1,093.51	-
d)	Extinguishment of Other Current and Non-Current Liability	20.06	-
Total		**2,052.55**	**7,045.19**

Note:

(i) As per the resolution plan, in respect of Operational Creditors of whom erstwhile Resolution Professional had admitted claims upto ₹ 3 lakh, the Company has already paid the dues. With respect to other operational creditors outstanding as on the insolvency commencement date, the Company has recognized a gain of ₹ 938.97 crore on account of extinguishment of such liabilities as an exceptional item in these financial statements.

(ii) In respect of financial Creditors the Company has already paid / provided as per the resolution plan. No financial creditor now has any further rights or claim against the Company, in respect of the period prior to the insolvancy commencement date or in respect of the amounts written back. Accordingly, the company has recognised a gain of ₹ 1093.51 crore on account of extinguishment of such financial liability as an exceptional item.

33 Pursuant to an application made by State Bank of India, the Hon'ble National Company Law Tribunal, Ahmedabad bench ("Adjudicating Authority"), vide its order dated 18th July, 2017, had ordered the commencement of the corporate insolvency resolution ("CIR") process in respect of the company under the provisions of the Insolvency and Bankruptcy Code, 2016 (the "Code").

Pursuant to its order dated 8th March, 2019 ("NCLT Order"), the Adjudicating Authority approved the resolution plan ("Approved Resolution Plan") submitted by JM Financial Asset Reconstruction Company Limited, JM Finance ARC – March 18 Trust and Reliance Industries Limited jointly ("Resolution Applicants") ("RAs") for the Company under Section 31 of the Insolvency and Bankruptcy Code, 2016 ("Code"). As per the terms of Section 31 of the Code, the Approved Resolution Plan shall be binding on the Company, its employees, members, creditors, guarantors and other stakeholders involved in the Resolution Plan.

Pursuant to Clause 7.1.1 of the Approved Resolution Plan, during the period between the NCLT Approval Date (as defined in the Approved Resolution Plan) and the Closing Date (as defined in the Approved Resolution Plan) ("Interim Period"), a monitoring committee shall be constituted ("Monitoring Committee") which during the period following the CCI Approval Date and until the Closing Date (as defined in the Approved Resolution Plan), shall comprise of 4 (Four) representatives of the Financial Creditors, 2 (Two) representatives of the Resolution Applicants and the Erstwhile Resolution Professional. Thus, for the period between the NCLT Approval Date (as defined in the Approved Resolution Plan) and the Closing Date (as defined in the Approved Resolution Plan), the Monitoring Committee has accordingly been formed to maintain the Company as a going concern and to supervise the implementation of the Approved Resolution Plan.

Implementation of the Approved Resolution Plan (Plan) has commenced and the following steps have been completed as per the terms of the said Plan:

- The payout on account of CIRP costs, worker dues, employees dues, other operational creditors and dues of the financial creditors as envisaged under the approved resolution plan has been effected.;
- The eligible portion of the admitted financial debt of ₹ 22,682.60 Crore has been assigned to JM Financial Asset Reconstruction Company Limited (acting as Trustees for JM Finance ARC-March-2018 Trust); and the financial creditors have been paid ₹ 200 Crore towards the assignment as per the Plan.
- The reduction in face value of the existing equity shares of the Company from ₹ 10/- per share to Re. 1/- per share has been carried out. The re-alignment of the Authorized Capital to reflect the new face value of equity shares as also to accommodate the issue of optionally convertible preference shares (OCPS) has been completed;
- The Resolution Applicants have infused an amount of ₹ 250 Crore towards optionally convertible preference shares and ₹ 250 Crore towards equity shares in the Company and the securities have also since been allotted;

The pending steps for completion of implementation of the Approved Resolution Plan are:

- Selective reduction of the outstanding equity shares of the Promoters;
- Re-classification of Promoters - The Existing Promoter Group will be reclassified as 'non-promoters' of the Company in accordance with Applicable Law and their holding, if any, will be classified as 'non-promoter non-public'.
- Taking over of management – On the Closing Date (as defined under the Plan), the RAs shall jointly acquire control over the Company. The Board of Directors shall be reconstituted by the RAs.

The approved resolution plan having commenced, the accounts are prepared on a 'Going Concern' basis.

34 Note on COVID 19

The World Health Organisation declared outbreak of Coronavirus Disease (COVID-19) as a global pandemic on 11th March, 2020. Consequently, Government of India declared a nation-wide lockdown on 23rd March, 2020 and the Company temporarily suspended operations in all its units in compliance with the lockdown instructions issued by the Central and State Governments. The Company had, accordingly made a disclosure in terms of Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. COVID-19 has impacted the normal business operations of the Company by way of interruption in production, supply chain disruption, unavailability of personnel, closure/ lock down of production facilities etc. during the lock-down period which was extended till 17th May, 2020. However, production and supply of goods had commenced during various dates at certain manufacturing locations of the Company after obtaining due permissions from the appropriate government authorities during the lockdown period.

The Company has made detailed assessment of its liquidity position for the next year and the adverse effect on the carrying value of its assets comprising property, plant and equipment, intangible assets, investments, inventory and trade receivables. Based on current indicators of future economic conditions, the Company does not expect material adverse effect on the carrying amount of these assets. The situation is dynamic and changing rapidly giving rise to uncertainty around the extent and timing of the potential future impact of the pandemic which may be different from that estimated as at the date of approval of these standalone financial statements. The Company will closely monitor and account for any material changes arising out of future economic conditions and impact on its business.

35 As per the Approved Resolution Plan, the debt assigned to JM Financial Asset Reconstruction Company Limited does not carry any interest for the first eight years from the Closing Date.

36 During the year, the Company has incurred a net gain of ₹ 1,224.55 Crore and as of 31st March, 2020, the Company‘s accumulated losses amounted to ₹ 14,354.04 Crore, as against the Company’s Net worth of ₹ (12,922.18) Crore as at 31st March, 2019. Total liabilities of the Company as on 31st March, 2020 exceeded total assets by ₹ 10,688.68 Crore.

37 Trade Receivables

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 31st 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 this clause shall oblige the Resolution Applicants or the Company to take steps for recovery of the Outstanding Trading Dues. Any information that may be required for this purpose will be furnished by the Company as per Applicable Law.

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. The company has treated these Outstanding Trading Dues and its provision accordingly in its books of accounts.

38 Contingent Liabilities in respect of :

(₹ in Crore)

Sr. No.	Particulars	As At 31-Mar-20	As At 31-Mar-19
A	Customs duty on shortfall in export obligation in accordance with EXIM Policy (The company is hopeful of meeting the export obligation within the stipulated period)	**Amount Unascertained**	**Amount Unascertained**
B	Guarantees Given by Banks on behalf of The Company		
	a) Relating to Joint Ventures	10.00	10.00
	b) Others	0.00	0.56
C	Bills Discounted	0.00	3.29
D	Income tax Matters	-	536.70
E	Works contract tax	-	0.59
F	Central sales tax	-	0.85
G	Maharashtra value added tax	-	1.31
H	Litigations against the company (Banks claim is considered as NIL)	-	67.27
I	Others :		
	Penalty for late submission of Result & interest thereon	-	3.48
	Rent payable to Alok Infra from 15th August, 2018 to 31st March, 2020 (@ 140/- per sqft for total sqft. 31542 per floor for 2 floors for 19.5 months)	17.22	6.62
J	Take or Pay claim filed by GAIL (India) Limited under their long term Gas Sale Agreement	491.83	794.30
K	Professional Fees	4.73	-
L	The obligation is with respect to non-fulfilment of exports against advance licenses availed prior to 18th July 2017, i.e. the insolvency commencement date. The Company has represented to the concerned authority (an operational creditor) that the Resolution Plan approved by the adjudicating authority (and binding on all stakeholders of the Company) provides that claims of operational creditors, other than workers and employees, up to ₹ 3,00,000/- only are to be settled and accordingly the same have been settled in full. Admitted claims in excess of ₹ 3 lakhs have not been paid and any claims, irrespective of the value, that were not filed with the Interim Resolution Professional / Resolution Professional are also not payable under the approved Resolution Plan.	110.04	99.80

As per the approved Resolution Plan, contingent liabilities (which have / are capable of being crystallized) prior to Closing Date (the date on which Approved Resolution Plan is Implemented) stand extinguished.

Furthermore, the Resolution Plan, among other matters, provide that except to the extent of the amount payable to the relevant Operational Creditors in accordance with the Approved Resolution Plan, contingent liabilities of the Company until the Closing Date (whether or not recognized in the FY17 Annual Report or set out in the Information Memorandum), are collectively the "Contingent Liabilities" and each such Contingent Liability is a "claim" and "debt", each as defined under the Insolvency and Bankruptcy Code ("IBC"), and would consequently qualify as "operational debt" (as defined under the IBC) and therefore, the full amount of such contingent liabilities shall be deemed to be owed and due as of the Closing Date, the liquidation value of which is NIL and therefore, no amount is payable in relation thereto. It is provided that any and all legal proceedings initiated before any forum by or on behalf of any Operational Creditor (including Governmental Authorities) or any Other Creditors to enforce any rights or claims against the Company also stands extinguished. Further, in terms of the Resolution Plan, no Governmental Authority has any further rights or claims against the Company, in respect of the period prior to the Closing Date and / or in respect of the amounts written off and all legal proceedings initiated before any forum by or on behalf of any Operational

Creditor (including Governmental Authorities) or any Other Creditors, to enforce any rights or claims against the Company will immediately, irrevocably and unconditionally stand withdrawn, abated, settled and/or extinguished. Further, the Operational Creditors of the Company (including Governmental Authorities) and Other Creditors will have no further rights or claims against the Company (including but not limited to, in relation to any past breaches by the Company), in respect of any liability for period prior to the Closing Date, and all such claims shall immediately, irrevocably and unconditionally stand extinguished. In the opinion of the management of the company since the Resolution Plan provides for extinguishment of all liabilities of the Company owed to Operational Creditors and Other Creditors as of the Insolvency Commencement Date i.e. July 17, 2017, the implementation of the Resolution Plan does not have any such similar effect over claims or receivables owed to the Company. Accordingly, the Company has concluded that any receivables due to the Company, evaluated based on merits of underlying litigations, from various governmental agencies (presented under Other Assets - Non current) continue to subsist.

39 Capital Commitments

(₹ in Crore)

Particulars	31-Mar-20	31-Mar-19
Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances)	7.83	7.17

40 The net deferred tax assets recognised as on 31st March 2020 amount to ₹ 1423.11 Crore (Previous Year ₹ 1423.11 Crore). The approved Resolution plan for the company is yet to be fully implemented and the new management has not yet taken over. The new management is expected to set strategy and develop a business plan post which reliable projections of availability of future taxable income with probable certainty will be available. Accordingly, increase in the deferred tax assets for the current period and at the Financial Year end is presently not recognised and the net deferred tax assets as at the end of the previous financial year have been carried forward.

41 (a) Alok Infrastructure Limited ("Alok Infra") a wholly owned subsidiary of the company, was admitted under the corporate insolvency resolution ("CIR") process in terms of the Insolvency and Bankruptcy Code, 2016 ("Code"), vide an order dated 24th October 2018 of the Hon'ble National Company Law Tribunal, Mumbai ("Adjudicating Authority").

The Resolution Professional of Alok Infra has informed that under the advice of the Committee of Creditors, an application under Section 12A of the Code has been filed for withdrawing the insolvency petition of Alok Infra. Currently, this application is pending with the Adjudicating Authority."

(b) During the year, Alok Infra has incurred a net loss of ₹ 13.50 Crore. The Company's accumulated losses amounted to ₹ 1010.01 Crore. The Company's net worth amounted to ₹ 933.27 Crore. Total liabilities as on 31st March, 2019 exceeded total assets by ₹ 919.77 Crore.

(c) Further, Alok Infra has not carried out any impairment testing of its investment property and therefore the recoverable value of loan given to Alok Infrastructure Ltd by the Company is unascertainable.

42 In the opinion of management, the current assets and other non-current assets after necessary provisions / write offs have a value on realisation in the ordinary course of the business, at least equal to the amount at which they are stated; except reported otherwise.

43 Taxation Laws(Amendment) Act, 2019

The Taxation Laws (Amendment) Act, 2019 was enacted on 11th December 2019. It amended the Income Tax Act, 1961 and the Finance Act (No. 2) Act, 2019. It provides domestic companies with an option to opt for a lower tax rate, provided they do not claim certain deductions. The Company is in process of evaluating the option to opt for a lower tax rate and has considered the rate existing prior to the Ordinance for the purpose of tax provision and deferred tax in these standalone financial statements.

Notes

to the Standalone Financial Statements for the year ended 31st March 2020

44 Impairment of Investments in Joint Venture

The company has investments in two Joint Ventures Non-current investments (long term investments) with Equity Investments of 49% each (JVs). One of the JV has incurred losses for last three consecutive years. The auditors of one of the JV had issued a qualified opinion regarding recoverability of trade receivables and are of the opinion that the provision for doubtful debt should have made for ₹89.02 Crore. The non-provision for receivables has resulted in the Net Worth of the JV continuing to be positive.

The Approved Resolution Plan has provision for the Resolution Applicants to deal with the Subsidiaries, JVs and Associate Companies and since the plan is under implementation, the Resolution Applicants have confirmed that post the implementation of the approved Resolution Plan and reconstitution of the new Board of Directors, appropriate decision with regard to the Subsidiaries and Associate Companies shall be taken. In view of this, no provision for impairment in the value of investments has been made.

45 Related Party Disclosure

A. Name and transactions / balances with related parties

I. Name of related parties and nature of relationship

As per Indian Accounting Standard 24(IndAS-24) “Related Party Disclosures”, Company’s related party disclosures are as below:

(i) Subsidiaries

a. Alok Industries International Limited
b. Alok International Inc.
c. Alok International (Middle East) FZE
d. Alok Worldwide Limited
e. Mileta, a.s.
f. Alok Global Trading(Middle East) FZE (Liquidated on 12 Sept 2017)
g. Alok Infrastructure Limited
h. Springdale Information and Technologies Private Limited #
i. Kesham Developers & Infotech Private Limited #
j. Alok Singapore Pte Ltd.
k. Grabal Alok (UK) Limited #
l. Grabal Alok International Limited

Liquidation under process

(ii) Associate entity

a. Reliance Industries Limited (since 01 March 2020)

(iii) Entities under common control

a. Alok Denims (India) Limited
b. Alok Textile Traders
c. Triumphant Victory Holdings Limited
d. D. Surendra & Co.
e. Alok Knit Exports Private Limited
f. Ashok Realtors Private Limited
g. Nirvan Exports
h. Pramatex Enterprises

(iv) Joint Venture

a. Aurangabad Textiles & Apparel Parks Limited
b. New City Of Bombay Mfg. Mills Limited

(v) Key Managerial Personnel (KMP)

a. Ashok B. Jiwrajka, Director

b. Dilip B. Jiwrajka, Director

c. Surendra B. Jiwrajka, Director

d. Surinder Kumar Bhoan, Independent Director

e. Tulsi N. Tejwani, Executive Director & CEO (Weaving)

f. Senthil kumar Arumugham, Executive Director & CEO (Processing) (resigned w.e.f. 20.01.2020)

g. Keshav Dattaram Hodavdekar, Independent Director

h. Suneet Shukla (Nominee Director of IFCI Limited w.e.f. 15.05.2017)

i. Sunil O. Khandelwal, Chief Financial Officer

j. K. H. Gopal, Company Secretary

The powers of the Board continues to remain suspended as per the terms of the Approved Resolution Plan.

(vi) Relatives of KMP

a. Alok A. Jiwrajka

b. Niraj D. Jiwrajka

c. Varun S. Jiwrajka

d. Vidhi S. Jiwrajka

(vii) Firms in which KMP and Relatives of KMP are interested

a. AVAN Packaging & Boards

b. Linear Design

c. C. J. Corporation

(viii) Members of Monitoring Committee (MC)

a. Ajay Joshi (erstwhile Resolution Professional)

b. B. Srinivasan (State Bank of India)

c. Santosh Shetty (Axis Bank Limited)

d. Sunil kr. Sharma (Bank Of Baroda)

e. Manoj Kumar (Canara Bank)

f. Bijay Agarwal (Resolution Applicant)

g. Kalpesh Parekh (Resolution Applicant)

Notes

to the Standalone Financial Statements for the year ended 31st March 2020

II. Transactions with related parties are as below.

(₹ in Crore)

Transaction	Associates		Entities under common control		Subsidiaries		Joint Venture Company	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Sales of Goods	0.05	-	-	-	-	-	-	-
Purchase of Goods	101.15	-	-	-	-	-	-	-
Equity Shares	83.33	-	-	-	-	-	-	-
Share Premium	166.67	-	-	-	-	-	-	-
9% Optionally Convertible Preference Shares	250.00	-	-	-	-	-	-	-
Outstanding as at 31st March,								
Equity Shares	83.33	-	-	-	-	-	-	-
Share Premium	166.67	-	-	-	-	-	-	-
9% Optionally Convertible Preference Shares	250.00	-	-	-	-	-	-	-
Long term Loan	-	-	-	-	871.60	871.60	-	-
Non-current Investments	-	-	-	-	-	-	92.38	92.38
Trade payables	109.98	-	0.05	43.97	-	-	-	-
Trade Receivable (Advance)	0.18	-	-	-	-	-	-	-

Transactions with Key Managerial Personnel

(₹ in Crore)

Transaction	Key Managerial Personnel		Relatives of Key Managerial Personnel		Firms in which relatives of Key Managerial Persons interested	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Purchase of Goods	-	-	-	-	42.93	56.79
Rent	-	-	0.20	0.20	-	-
Remuneration	4.87	4.00	0.90	0.90	-	-
Outstanding as at 31st March						
Trade receivables	-	-	-	-	0.00	0.00
Trade payables	-	-	-	-	4.34	22.72

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.

Compensation of Key Managerial Personnel of the company

(₹ In Crore)

Transaction	Year ended 31-Mar-20	Year ended 31-Mar-19
Short-term Employee benefits	0.19	0.03
Post-employment benefits	0.71	0.72
Total compensation of Key managerial personnel	**0.93**	**0.75**

Disclosure in respect of significant transaction of the same type with related parties during the year

(₹ In Crore)

Transaction	Year ended 31-Mar-20	Year ended 31-Mar-19
Sales of Goods		
Reliance Industries Ltd. (Since 01-Mar-20)	0.05	-
	0.05	**-**
Purchase of Goods		
C. J. Corporation	42.93	56.79
Reliance Industries Ltd. (Since 01-Mar-20)	101.15	-
	144.08	**56.79**
Rent Expense		
Varun S. Jiwrajka	0.10	0.10
Vidhi S. Jiwrajka	0.10	0.10
	0.20	**0.20**
Remuneration		
Ashok B. Jiwrajka	-	0.04
Dilip B. Jiwrajka	-	0.04
Sunrendra B. jiwrajka	-	0.04
Sunil O. khandelwal	1.73	1.23
K. H. Gopal	1.66	1.19
Tulsi Tejwani	0.74	0.69
Senthil Kumar	0.74	0.77
Alok A Jiwrajka	0.30	0.30
Niraj D. Jiwrajka	0.30	0.30
Varun S. Jiwrajka	0.30	0.30
	5.77	**4.90**
Long term Loan Effective Interest		
Alok Infrastructure ltd	-	135.38
	-	**135.38**
Effective Interest on Investment		
Triumphant Victory Holdings Limited	10.49	9.82
	10.49	**9.82**
Provision		
Alok Infrastructure ltd (Loan)	-	158.86
Triumphant Victory Holdings Limited (Investment)	10.49	9.82
	10.49	**168.68**
Long term Loan Repayment		
Alok Infrastructure ltd	-	41.84
	-	**41.84**

Notes
to the Standalone Financial Statements for the year ended 31st March 2020

(₹ In Crore)

Transaction	Year ended 31-Mar-20	Year ended 31-Mar-19
Sundry Creditors		
Alok Knit Exports Pvt Ltd	(1.22)	3.48
Alok Denim India Ltd	(42.70)	0.00
Avan Packaging and Boards	-	2.35
	(43.92)	**5.83**
Sundry Creditors		
C. J. Corporation	41.83	55.72
Reliance Industries Ltd. (Since 01-Mar-20)	129.75	-
	171.57	**55.72**

III. Transaction with Resolution Professional & Member of Monitoring Committee

(₹ in Crore)

Transaction	2019-20	2018-19
Professional Fees including reimbursement of Out of Pocket Expenses	0.72	0.68

B. Joint Venture

The Company has interests in the following jointly controlled entities, which are incorporated in India.

(₹ in Crore)

Name of the Company	Country of Incorporation	% of share holding	Amount of interest				
			Assets	Liabilities	Income	Expense	Contingent Liability
New City of Bombay Mfg. Mills Limited							
	India	49.00%	46.92	14.13	0.02	0.64	0.10
		(49.00%)	(47.49)	(14.08)	(0.02)	(0.67)	(0.10)
Aurangabad Textile and Apparel Park Limited							
	India	49.00%	7.03	0.14	0.03	0.40	-
		(49.00%)	(7.39)	(0.13)	(0.08)	(0.45)	-

Previous period figures are given in brackets.

46 Earnings per share (EPS)

		31-Mar-20	31-Mar-19
a.	Face value of equity shares per share (in Rupees)	1	10
b.	**Basic and Diluted EPS**		
	Net profit available for equity shareholders (in ₹ Crore)	1,223.19	2,282.12
	Weighted average number of equity shares - Basic (Nos.)	1,44,80,94,151	1,36,86,26,895
	Basic EPS (in ₹)	8.45	16.67
	Weighted average number of equity shares - Diluted (Nos.)	3,94,80,94,151	1,36,86,26,895
	Diluted EPS (in ₹)	3.10	16.67

47 Disclosures Pursuant to – "Employee benefits":

i) Defined contribution plans:

Amounts recognized in the Statement of Profit and Loss under the head Employee Benefits Expense towards contributions to Provident Fund, and other similar funds by the Company are ₹4.05 Crore (Previous year ₹ 3.60 Crore).

ii) Defined benefit plans:

a) **Gratuity Plan:** The Company makes annual contribution to the Employee's Group 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, First Life Insurance Company Limited, SBI Life Insurance Company Limited and Canara HSBC Oriental Bank of Commerce. 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. Vesting occurs on completion of five years of service.

The following table sets out the status of the gratuity plan for the year ended 31st March 2020 as required under Ind AS 19.

(₹ in Crore)

		Particulars	**Gratuity (funded) as at 31-Mar-20**	Gratuity (funded) as at 31-Mar-19
I.	**Change in Defined Benefit Obligation**			
	Opening Defined Benefit Obligation		38.26	35.56
	Current Service Cost		4.56	5.15
	Interest Cost		2.86	2.61
	Actuarial (Gain)		(2.60)	(2.33)
	Past Service cost – Vested Benefit		-	-
	Benefits Paid		(2.93)	(2.73)
	Closing Defined Benefit Obligation		**40.15**	**38.26**
II.	**Change in Fair Value of Plan Assets**			
	Opening Fair value of Plan Assets		8.66	10.17
	Expected Return on Plan Assets		0.65	0.75
	Actuarial gain/(loss)		(0.50)	0.26
	Contribution by Employer		13.63	0.21
	Benefits Paid		(2.93)	(2.73)
	Closing fair value of plan assets		**19.50**	**8.66**
III.	**Net Liability recognised in the Balance Sheet**		**20.65**	**29.60**
IV.	**a)**	**Expense recognised in statement of Profit and Loss**		
		Current Service Cost	4.56	5.15
		Past Service Cost	-	-
		Loss/(Gain) on Settlement	-	-
		Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	2.21	1.86
	Total included in employment expenses		**6.77**	**7.01**
	b)	**Included in other Comprehensive Income**	(2.10)	(2.60)

Notes

to the Standalone Financial Statements for the year ended 31st March 2020

(₹ in Crore)

	Particulars	Gratuity (funded) as at 31-Mar-20	Gratuity (funded) as at 31-Mar-19
V.	**Actual return on Plan Assets**	0.39	0.49
VI.	**Investments details** (Invested through Trustees of Alok Industries Limited Employees Group Gratuity Assurance Scheme) :		
	Insurer Managed Funds	21.79	8.66
		100.00%	100.00%
VII.	**The assumptions used in accounting for the gratuity are set out below:**		
	Discount rate	6.25%	7.45%
	Rate of increase in compensation levels of covered employees	6.00%	6.00%
	Expected Rate of return on plan assets *	6.25%	7.45%
	Mortality rate	100% of IALM 2012-14	100%of IALM 2006-08
	Attrition / withdrawal rate	8%	8%
VIII.	**Future contribution :**		
	Amount expected to be contributed in the next 12 months	26.18	35.06

* 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	Period / Year Ended				
	31-Mar-20	31-Mar-19	31-Mar-18	31-Mar-17	31-Mar-16
Defined benefit obligation	40.14	38.26	35.56	40.39	36.21
Plan Assets	19.50	8.66	10.17	12.88	13.16
Surplus / (Deficit)	(20.64)	(29.60)	(25.39)	(27.51)	(23.05)
Experience Adjustments on Plan Liabilities	(6.16)	(0.82)	(4.18)	(2.35)	(0.96)
Experience Adjustments on Plan Assets					(0.29)

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	31-Mar-20	31-Mar-19
Defined Benefit Obligation(Base)	40.14	38.26

(₹ in Crore)

Particulars	31-Mar-20		31-Mar-19	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+1%)	43.61	37.13	41.49	35.45
(% change compared to base due to sensitivity)	*8.6%*	*-7.5%*	*8.4%*	*-7.3%*
Salary Growth Rate (-/+1%)	37.25	43.41	35.53	41.34
(% change compared to base due to sensitivity)	*-7.2%*	*8.1%*	*-7.1%*	*8.0%*
Attrition Rate (-/+50% of attrition rates)	40.00	40.14	36.80	39.03
(% change compared to base due to sensitivity)	*-0.4%*	*0.0%*	*-3.8%*	*2.0%*
Mortality Rate (-/+10% of mortality rates)	40.14	40.15	38.25	38.27
(% change compared to base due to sensitivity)	*0.0%*	*0.0%*	*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	4.87
2 to 5 years	15.20
6 to 10 years	16.74
More than 10 years	37.39

b) **Compensated absences:** Employees' entitlement to compensated absences in future periods based on leaves not availed as at balance sheet date, as per the policy of the Company, is expected to be a long term benefit and is actuarially valued.

a) **Annual Leave Encashment**

(₹ in Crore)

Particulars	31-Mar-20	31-Mar-19
Current Liability (Short Term)	2.07	3.61
Non-Current Liability (Long Term)	6.92	11.05
Present value of obligation as at the end	**8.99**	**14.66**

b) **Expenses recognized in Statement of Profit and Loss**

(₹ In Crore)

Particulars	31-Mar-20	31-Mar-19
Present value of obligation as at the beginning	14.66	15.86
Present value of obligation as at the end	8.99	14.66
Benefit Payment	1.72	2.84
Actual return on plan assets	-	-
Acquisition adjustment	-	-
Expenses Recognized in Income Statement	**(3.95)**	**1.63**

c) **Financial Assumptions**

Particulars	31-Mar-20	31-Mar-19
Discount rate (per annum)	6.25%	7.45%
Salary growth rate (per annum)	6.00%	6.00%

d) **Demographic Assumptions**

Particulars	31-Mar-20	31-Mar-19
Present value of obligation as at the beginning	100%	100%
Normal retirement age	60 years	60 years
Attrition / Withdrawal rate (per annum)	8%	8%
Rate of Leave Availment (per annum)	10%	10%
Rate of Leave Encashment during employment (per annum)	0%	0%

48 Segment Information:

Considering the nature of its business activities and related risks and returns, the Company had, at the time of transition to Ind AS, determined that it operates in a single primary business segment, namely “Textiles”, which constitutes a reportable segment in the context of Ind AS 108 on “Operating Segments”. There has been no development during the quarter necessitating any changes in Operating Segment.

49 Capital Management and Financial Management Framework:

The Company was admitted under the Corporate Insolvency Resolution Process (CIR) Process as per provision of the Insolvency and Bankruptcy Code 2016 (the Code) on 18th July 2017.

Vide its order dated 8th March, 2019, the National Company Law Tribunal, Ahmedabad Bench has approved the resolution plan (“Approved Resolution Plan”) submitted by the Resolution Applicants for your Company under Section 31 of the Insolvency and Bankruptcy Code, 2016 (“Code”).

The implementation of the Approved Resolution Plan is underway and there have been changes in the Capital Structure of the company as has been discussed in Note 33 of these financial statements. The framework and the strategies for effective capital management, thus, will be formulated post the implementation of the Resolution Plan by the Board of Directors upon its constitution by the Resolution Applicants.

Presently, the Capital and Financial Management activities are restricted to management of current assets and liabilities of the company and the day to day cash flow. The company is focused on realization of receivables and inventory management to unlock, to the extent possible, funds blocked in the current assets of the company.

Debt-to-equity ratio is as follows:

(₹ in Crore)

	31-Mar-20	31-Mar-19
Debt (A)	28,030.51	24,094.52
Equity (B)	(10,688.68)	(12,922.18)
Debt / Equity Ratio (A / B)	N.A.*	N.A.*

*since net worth of the company is negative, debt equity ratio is not calculated

Similarly, the financial risk profile and the strategies for mitigation of such risks will be formulated by the new management post the implementation of the Resolution Plan. 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:

Customer credit is managed by each business division based on the Company’s established policy, procedures and controls related to customer credit risk management.

The Company considers its export related debtors as low risk area. Most of its export customers are reputed international parties / traders. The major portion of exports is against the established lines of credit of the customers / Letters of Credit and business on DA/ DP basis is generally with customers with an impeccable track record of payment and a minimum tenure of association. In certain cases, insurance cover on export outstanding is also availed. In the case of domestic customers, the trade receivables of the Company typically comprise of and derived from sales to reputed garment exporters / traders and the sales to them are against post -dated cheques / Letters of Credit and only a few old and reputed customers are extended credit after due assessment of the party and as per the Company’s Credit Policy.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

(₹ In Crore)

Particulars		31-Mar-20	31-Mar-19
Gross debtors	A	238.88	11,244.13
Opening Loss allowance provision	B	11,081.85	11,082.38
Loss allowance during the year (net of bad debt)	C	616.89	(0.53)
Trading debtors not considered for credit risk exposure as per approved resolution plan (refer note 37)		(11,623.94)	-
Total Loss Allowance	D	74.79	11,081.85
Net debtors	E	164.09	162.28
Expected loss rate for the year	C/A*100	13.13%	0.00%
Expected loss rate cumulative	D/A*100	31.31%	98.56%

As of the insolvency commencement date, the company had an amount of ₹11,623.94/- Crore receivable from trading debtors on account of sale of fabric ("Outstanding Trading Dues"). As per the Approved Resolution Plan, receipts against these Outstanding Trading Dues are to be deposited in a designated escrow account ("Escrow Account") to be opened in the name of the Company for the sole benefit of the Financial Creditors. Accordingly, provision for Outstanding Trading Dues are not considered for calculation of expected loss rate.

ii) Other Financial Assets

Presently, other financial assets comprise of Fixed Deposits as margin for Letter of Credit/ Bank guarantees, Export incentives, GST refund / rebate on Exports receivable, advance given to vendors etc. These are considered as low risk items in the normal course of business and are subject to operational controls deemed sufficient by senior management.

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

This is the risk that the Company may suffer losses on foreign currency transactions as a result of adverse exchange rate movement during the relevant period. 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. Once the Approved Resolution Plan is implemented, the new management may decide on other measures like derivative contracts, options etc as part of an overall hedging strategy.

Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EUR exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives. The Company's exposure to foreign currency changes for all other currencies is not material.

(₹ In Crore)

Currency	Change in rate (upward)	Effect on profit before tax		Change in rate (downward)	Effect on profit before tax	
		31-Mar-20	31-Mar-19		31-Mar-20	31-Mar-19
AED	+5%	(0.00)	(5.61)	-5%	0.00	5.61
CHF	+5%	(0.00)	(0.01)	-5%	0.00	0.01
Euro	+5%	0.05	(0.93)	-5%	(0.05)	0.93
GBP	+5%	(0.00)	(4.11)	-5%	0.00	4.11
JPY	+5%	(0.01)	0.00	-5%	0.01	(0.00)
USD	+5%	(5.22)	(70.62)	-5%	5.22	70.62

P&L impact during the year including impact on fixed assets and unhedged exposure is as follows:

Impact on P&L of ₹ 5.27 Crore (negative if change in rate is upward)

ii) Interest rate risk

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 rates. The Company's exposure to the risk of changes in market rates relates primarily to the Company's non-current debt obligations with floating interest rates. As at the end of the reporting period, the Company had long term variable interest rate borrowings amounting to ₹ 5110.30 Crore.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

(₹ In Crore)

Particulars	Currency	Increase / decrease in basis points	Effect on profit before tax
31-Mar-20	INR	50	25.55
	INR	-50	(25.55)

For the previous year ended 31st March, 2019, the Company was under NCLT proceedings and no Interest was payable, accordingly impact of interest rate sensitivity was not ascertained.

Upon implementation of the Approved Resolution Plan, the new management may decide on measures like interest rate swaps etc. to effectively manage the risk of interest rate fluctuation.

iii) Investment in Equity Price Risk

The Company is exposed to normal risks associated with equity investments. Equity investments are held for strategic rather than trading purposes. The equity investment by the company in its subsidiaries and joint ventures is not listed on the stock exchanges. During the year the company has made provision for diminution in value of its investments in subsidiary companies amounting to ₹ 10.49 Crore (Previous year ₹ 9.82 Crore).

C. Liquidity Risk:

i) Liquidity risk management

A substantive part of the Approved Resolution Plan has been implemented as highlighted in the earlier part of these Notes to Accounts. The Resolution Applicants have infused funds into the Company as per the terms of the said Plan and have also arranged for working capital funds from commercial banks. The liquidity risk has thus been adequately mitigated.

ii) Maturities of financial liabilities

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. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(₹ in Crore)

Particulars	Year	On Demand	Less Than 1 Year	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years	Total
(a) Non Derivative financial instruments								
Long term borrowings	2019-20	-	-	-	486.95	678.10	26,865.45	28,030.50
	2018-19	(-)	(-)	(1,097.69)	(1,111.85)	(1,155.42)	(2,505.76)	(5,870.72)
Short term borrowings								
Cash Credit Facilities/Working Capital Loan	2019-20	-	-	-	-	-	-	-
	2018-19	(9,066.02)	(-)	(-)	(-)	(-)	(-)	(9,066.02)
Pre-shipment, Post-shipment facilities	2019-20	-	-	-	-	-	-	-
	2018-19	(183.42)	(-)	(-)	(-)	(-)	(-)	(183.42)
Bill Discounting with Bank	2019-20	-	-	-	-	-	-	-
	2018-19	(33.51)	(-)	(-)	(-)	(-)	(-)	(33.51)
Overdue/Recalled Loans & Other Loans	2019-20	-	-	-	-	-	-	-
	2018-19	(7,661.61)	(-)	(-)	(-)	(-)	(-)	(7,661.61)
Trade payables								
Trade payables-Micro and small enterprises	2019-20	-	17.99	-	-	-	-	17.99
	2018-19	(-)	(102.62)	(-)	(-)	(-)	(-)	(102.62)
Trade payables-other than micro and small enterprises	2019-20	-	277.14	-	-	-	-	277.14
	2018-19	(-)	(543.74)	(-)	(-)	(-)	(-)	(543.74)
Acceptances	2019-20	-	56.87	-	-	-	-	56.87
	2018-19	(-)	(116.65)	(-)	(-)	(-)	(-)	(116.65)
Other financial liabilities								
Deposits from dealers and agents	2019-20	-	-	-	-	-	-	-
	2018-19	(6.39)	(-)	(-)	(-)	(-)	(-)	(6.39)
Deposits against rental arrangements	2019-20	0.12	-	-	-	-	-	0.12
	2018-19	(3.02)	(-)	(-)	(-)	(-)	(-)	(3.02)
Current maturities of long-term debt	2019-20	-	-	-	-	-	-	-
	2018-19	(-)	(1,279.24)	(-)	(-)	(-)	(-)	(1,279.24)
Interest accrued on borrowings	2019-20	11.94	-	-	-	-	-	11.94
	2018-19	(5,433.32)	(6.52)	(-)	(-)	(-)	(-)	(5,439.83)
Other Interest accrued	2019-20	0.63	-	-	-	-	-	0.63
	2018-19	(32.08)	(-)	(-)	(-)	(-)	(-)	(32.08)
Unclaimed/Unpaid dividends	2019-20	0.34	-	-	-	-	-	0.34
	2018-19	(0.51)	(-)	(-)	(-)	(-)	(-)	(0.51)
Creditors for Capital Supplies/Services	2019-20	-	-	-	-	-	-	-
	2018-19	(-)	(27.41)	(-)	(-)	(-)	(-)	(27.41)
	2019-20	**13.03**	**352.00**	**-**	**486.95**	**678.10**	**26,865.45**	**28,395.53**
	2018-19	**(22,419.89)**	**(2,076.17)**	**(1,097.69)**	**(1,111.85)**	**(1,155.42)**	**(2,505.76)**	**(30,366.78)**

iii) Financing arrangements

As highlighted in Note 33, the Resolution Applicants have infused an amount of ₹ 250 Crore towards optionally convertible preference shares and ₹ 250 Crore towards equity shares in the Company and the securities have also since been allotted. They have also arranged for adequate working capital finance as per the terms of the Approved Resolution Plan.

iv) Maturities of financial assets

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

(₹ in Crore)

(a) Non Derivative financial instruments

		Trade Receivables (Net of Provisions)	Other Bank Balances	Total
Overdue	2019-20	107.55	-	107.55
	2018-19	(99.67)	-	(99.67)
Less Than 1 Year	2019-20	56.53	386.36	442.38
	2018-19	(65.90)	(115.88)	(181.78)
1-3 Years	2019-20	-	0.70	0.70
	2018-19	-	(0.11)	(0.11)
Beyond 3 Years	2019-20	-	0.28	0.28
	2018-19	-	(0.44)	(0.44)
Total	**2019-20**	**164.09**	**387.34**	**550.92**
	2018-19	**(165.57)**	**(116.43)**	**(282.00)**

50 Fair value Measurement

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

(₹ in Crore)

Sr. No.	Particulars	Carrying value as at		Fair value as at	
		31-Mar-20	31-Mar-19	**31-Mar-20**	31-Mar-19
	Financial Asset				
(a)	**Carried at amortised cost**				
(i)	Trade receivable	164.09	165.57	164.09	165.57
(ii)	Security deposits	3.01	3.28	3.01	3.28
(iii)	Other receivables	2.48	2.85	2.48	2.85
(iv)	Cash and cash equivalent	83.59	14.93	83.59	14.93
(v)	Other bank balances	386.70	9.90	386.70	9.90
(vi)	Other financial assets	0.98	107.05	0.98	107.05
	Financial Liabilities				
a)	**Carried at amortised cost**				
(i)	Borrowings	28,030.50	24,094.52	28,030.50	24,094.52
(ii)	Trade payable	352.00	763.01	352.00	763.01
(iii)	Other payables	12.91	5,499.84	12.91	5,499.84

The Company maintains policies and procedures to value financial assets or financial liabilities using the most relevant data available. In addition, the Company as and when required, also engages independent registered valuers to assist in the valuations of certain instruments.

The fair value of the financial assets and liabilities are included at the amount at which the instrument that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

i) Fair value of security deposits have been estimated using a DCF model. The valuation requires management to make certain assumptions about interest rates, maturity period, credit risk, forecasted cash flows.

ii) Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the company based on parameters such as interest rates, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables. As of reporting date the carrying amounts of such receivables, net of allowances are not materially different from their calculated fair values.

iii) Carrying value of loans from banks, other noncurrent borrowings and other financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The own non-performance risk as at reporting date was assessed to be insignificant.

Fair value hierarchy

The following table provides the fair value measurement hierarchy of Company's assets and liabilities grouped into Level 1 to Level 3 as described in significant accounting policies – Note 1(j). Further table describes the valuation techniques used, key inputs to valuations and quantitative information about significant unobservable inputs for fair value measurements.

Quantitative disclosures fair value measurement hierarchy for assets as at 31st March, 2020:

(₹in Crore)

Sr. No.	Particulars	Fair value measurement using			Valuation technique used	Inputs used
		Level 1	Level 2	Level 3		
	Assets and liabilities for which fair values are disclosed					
(a)	**Financial assets measured at amortised cost**					
(i)	Security deposits		3.01		Discounted cash flows	Forecast cash flows, discount rate, maturity
			(3.28)			
(ii)	Other receivables		2.48			
			(2.85)			
(b)	**Financial liability measured at amortised cost**					
(i)	Borrowings		28,030.50		Discounted cash flows	Forecast cash flows, discount rate, maturity
			(24,094.52)			
(ii)	Other payables		12.91			
			(5,499.84)			

(Previous year figures given in brackets)

During the year ended 31st March, 2020 and 31st March, 2019 there were no transfers between level 1 and level 2 fair value measurements and no transfers into and out of level 3 fair value measurement.

The management assessed that cash and cash equivalents, trade receivables, trade payables, cash credit and all other current financial assets and liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Receivables are evaluated by the company based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- The fair values of the unquoted equity instruments have been estimated using a net adjusted fair value method. The valuation requires management to make certain assumptions about the assets, liabilities, investments of Investee Company. The probabilities of the various assumptions can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments based on the best information available to the Company.
- The fair value of quoted equity instruments are derived from quoted market prices in active markets.
- The Company presently has not entered into any foreign exchange forward contracts.

51 Operating Lease

The Company has lease agreement for various premises which are in the nature of operating lease. The tenure of Lease arrangement ranges up to 1 year which are cancellable lease. There is no obligation for renewal of these lease agreements and are renewable by mutual consent. Lease payment recognised in the Statement of Profit & Loss is ₹ 9.20 Crore (previous year ₹ 9.63 Crore).

52 Disclosure pursuant to Security and Exchange board of India (Listing Obligations and Disclosures requirements) regulation, 2015 and section 186(4) of the Companies Act, 2013 are as under:

a. Loans and advances in the nature of loans given to subsidiaries/entities under common control utilised for the business purpose are as under :

(₹ in Crore)

Name of the Company	Balance as at 31-Mar-20 (Net off provisions)	Maximum balance during year ended 31-Mar-20	Balance as at 31-Mar-19 (Net off provisions)	Maximum balance during year ended 31-Mar-19
Alok Infrastructure Limited	871.60	1,372.99	871.60	1,372.99
Alok Industries International Limited	-	2.48	-	2.49
Alok International Inc.	-	315.61	-	316.11
Alok Singapore Pte Ltd	-	-	-	25.36
Alok International (Middle East) FZE	-	-	-	52.34
Alok Worldwide Limited	-	838.10	-	861.95
Grabal Alok International Limited	-	0.13	-	0.13
Grabal Alok (UK) Ltd	-	76.35	-	76.35
Triumphant Victory Holdings Limited	-	233.32	-	238.29

b. Investments made – Refer Note No. 5

c. Corporate Guarantees given by the Company in respect of loans taken by subsidiary companies (proposed to be utilised for business) - Nil

d. Security provided – Nil

53 Corporate Social Responsibility

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 funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

(₹ in Crore)

Sr. No.	Particulars	Amount
A	Gross amount required to be spent by the company (pertaining to year 2015-16)	13.05
B	Amount spent till date	-

The Company has not been able to spend any amount towards CSR due to paucity of funds/the company having been admitted to CIRP.

54 Impairment of Property, Plant & Equipment

The Company current level of operations, at about 30% of the capacity are an indication of the future performance of the Company. The approved Resolution plan for the company is yet to be fully implemented and the new management has not yet taken over. The new management is expected to set strategy and develop a business plan post which reliable projections of availability of future cash flows of the company and these supporting the carrying value of Property, Plant and Equipment will be available. Accordingly, impairment testing under Ind AS has not been performed while presenting these results.

55 Capital Advance

The capital advance pertains to the amount paid by the company in earlier years for purchase of land for which the sale deed was executed in the name of promoters of the company. Further the promoters have executed an MOU for holding the land in trust for the company.

56 Unhedged foreign currency exposure

The Company did not take any derivative instruments during the current year / previous year.

Particulars of unhedged foreign currency exposures are as follows;

(₹ in Crore)

Particulars	Currency	As at 31-Mar-20	As at 31-Mar-19
Trade Receivables	USD	138.78	103.71
	EUR	1.41	1.48
	GBP	0.12	-
Loans & Advances	USD	0.55	0.45
	GBP	-	0.01
	EUR	0.09	0.11
	CHF	-	0.00
	JPY	0.18	0.07
Borrowings	USD	-	2145.11
	EUR	-	328.98
	GBP	-	81.56
Trade Payables	USD	3.92	122.17
	EUR	0.55	2.60
	GBP	0.14	0.59
	CHF	0.00	0.30
	AED	-	2.95
	DKK	-	0.02
Current Liabilities	USD	-	9.07
	EUR	-	5.92
	AED	-	109.18

The company has not entered into any derivative contracts during the year and the previous year.

57 Reconciliation of provisions

a) Reconciliation of loss allowance provision for Investments

(₹ in Crore)

Particulars	31-Mar-20	31-Mar-19
Balance as at beginning of the year	224.36	214.54
Impairment losses recognised in the year	10.49	9.82
Amounts written off during the year as uncollectible	-	-
Balance at end of the year	234.85	224.36

b) Reconciliation of loss allowance provision for Loans to subsidiaries

(₹ in Crore)

Particulars	31-Mar-20	31-Mar-19
Balance as at beginning of the year	1,967.38	1,868.54
Impairment losses recognised in the year	-	98.84
Amounts written off during the year as uncollectible	-	-
Amounts recovered during the year	-	-
Balance at end of the year	1,967.38	1,967.38

c) Reconciliation of loss allowance provision for Interest Subsidy receivable

(₹ in Crore)

Particulars	31-Mar-20	31-Mar-19
Balance as at beginning of the year	-	35.42
Provision for doubtful receivables recognised in the year	-	-
Amounts written off during the year as uncollectible	-	(35.42)
Amounts recovered during the year	-	-
Balance at end of the year	-	-

d) Reconciliation of loss allowance provision for ICD Given

(₹ in Crore)

Particulars	31-Mar-20	31-Mar-19
Balance as at beginning of the year	0.70	0.70
Provision for doubtful receivables recognised in the year	-	-
Amounts written off during the year as uncollectible	(0.04)	-
Amounts recovered during the year	-	-
Balance at end of the year	0.66	0.70

e) Reconciliation of loss allowance provision for Export Incentives Receivable

(₹ in Crore)

Particulars	31-Mar-20	31-Mar-19
Balance as at beginning of the year	1.65	0.43
Provision for doubtful receivables recognised in the year	1.71	1.65
Amounts written off during the year as uncollectible	-	-
Amounts recovered during the year	(1.65)	(0.43)
Balance at end of the year	1.71	1.65

f) Reconciliation of loss allowance provision for Advance to vendors

(₹ in Crore)

Particulars	31-Mar-20	31-Mar-19
Balance as at beginning of the year	3.12	0.51
Provision for doubtful receivables recognised in the year	154.40	2.61
Amounts written off during the year as uncollectible	(1.43)	-
Amounts recovered during the year		-
Balance at end of the year	156.09	3.12

58 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure and are given in brackets.

For and on behalf of the Board

Sunil O. Khandelwal
(Chief Financial Officer)

K. H. Gopal
(Company Secretary)

Taken on Record

Ajay Joshi
(On behalf of the Monitoring Committee)

Mumbai
Date : 31st July, 2020

Auditor's Report on Consolidated Financial Statements

To the Members of ALOK INDUSTRIES LIMITED

Report on the Audit of the Consolidated Ind AS Financial Statements

Qualified Opinion

We have audited the accompanying consolidated financial statements of **ALOK INDUSTRIES LIMITED** (hereinafter referred to as the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its jointly controlled entities which comprise the consolidated balance sheet as at March 31, 2020, and the consolidated statement of Profit and Loss, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (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, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 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 jointly controlled entities, as at March 31, 2020, consolidated profit, consolidated changes in equity, and consolidated cash flows for the year then ended.

Basis for Qualified Opinion

(i) As per Indian Accounting Standard 36 on Impairments of Assets, the Holding Company is required to determine impairment in respect of fixed assets as per the methodology prescribed under the said Standard. However, the Management of the Holding Company has not done impairment testing for the reasons explained in note no. 57 of the consolidated financial statements. In the absence of any working for impairment of the fixed assets, as per Ind AS 36, the impact of impairment, if any, on the Consolidated Financial Statements is not ascertainable. The audit report on the consolidated Ind AS financial statements for the year ended 31st March, 2019 was also qualified in respect of this matter.

(ii) As mentioned in note no. 45 of the consolidated financial statements, the Holding Company continued to recognize deferred tax assets of ₹ 1,423.11 crores. Considering pending full implementation of Approved Resolution Plan of the Holding Company including constitution of the new Board of Directors and absence of certainty and convincing evidence for taxable income in future, as required by the Ind AS 12, we are unable to ascertain the extent to which these deferred tax assets can be utilized. The audit report on the Consolidated Financial Statements for the year ended March 31, 2019 was also qualified in respect of this matter.

(iii) As mentioned in the note no. 47 (c) of the consolidated financial statements, the Impairment testing of the assets of the wholly owned subsidiary, Alok Infrastructure Limited is not carried out. Therefore, the adequacy of carrying value of the assets of Alok Infrastructure Limited in the consolidated financial statement is not ascertainable. The audit report on the consolidated Ind AS financial statements for the year ended 31st March, 2019 was also qualified in respect of this matter.

(iv) A mention is made in the Note no. 39 of the consolidated financial statements regarding non-provision of trade receivables amounting to ₹89.02 crores by one of the joint ventures for the year ended March 31, 2019. Had this provision been made, the current assets and profit would have been lower by ₹89.02 crores of the said joint venture. These conditions, along with absence of clear indications or plans for revival, in our opinion, indicate that there is significant uncertainty about the realisation of the carrying amount of the investments as on March 31, 2020. We are unable to ascertain the consequent effect on the investments held by the holding company and profit for the year.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 jointly controlled entities, in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Auditor's Report on Consolidated Financial Statements

Emphasis of Matter

We draw attention to Note 36 of the consolidated financial statements, as regards the management's evaluation of COVID-19 impact on the future performance of the Group. Our opinion is not modified in respect of this matter.

Material Uncertainty Related to Going Concern

(i) Independent Auditors of Alok Infrastructure Ltd in their audit report on Ind As Financial Statements for the year ended March 31, 2020 have incorporated in their report, Material Uncertainty Related to Going Concern paragraph, as under:

'We draw attention to note no.47 (b) of the consolidated financial statements, which indicates that the Alok Infrastructure Ltd. incurred a net loss of ₹13.50 crore during the year ended March 31, 2020 and, as of that date, the Alok Infrastructure Ltd total liabilities exceeded its total assets by ₹ 933.27crore. As stated in note no. 47 (a) of the consolidated financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.'

Our opinion is not modified in respect of this matter.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	**Taxation and Legal matters -** Refer note no.1(f) and note no. 43 of the consolidated financial statements There are a number of legal, and tax cases against the Holding Company. There is a high level of judgment required in estimating the level of provisioning required.	**Principal Audit Procedures:** We used our expertise to gain an understanding of the current status of the cases and monitored changes in the disputes by reading relevant documents received by the Holding Company, to establish that the provisions had been appropriately adjusted to reflect the latest external developments. For legal, regulatory and tax matters our procedures included the following: • testing key controls surrounding litigation, regulatory and tax procedures; • performing substantive procedures on the underlying calculations supporting the provisions recorded; • where relevant, reading external legal opinions obtained by the management; • discussing open matters with the Companies litigation, regulatory and tax teams; • assessing management's conclusions through understanding precedents set in similar cases; and Based on the evidence obtained, while noting the inherent uncertainty with such legal and tax matters, we determined the level of provisioning as at March 31, 2020 to be appropriate. We validated the completeness and appropriateness of the related disclosures through assessing that the disclosure of the uncertainties in note 44 & 46 of the consolidated Ind AS financial statements was sufficient.

Sr. No.	Key Audit Matter	Auditor's Response
2.	**Accounting treatment for the effects of the Resolution Plan for the Holding Company**	
	A) Refer Note 35 to the consolidated financial statements for the details regarding commencement of implementation of the resolution plan of the holding company and Note No. 34 and 39 of the consolidated financial statements for impact of the resolution plan on the company pursuant to the corporate insolvency resolution process under Insolvency and Bankruptcy Code, 2016. On July 18, 2017, the date of commencement of the corporate insolvency resolution ("CIR") process, the Holding Company had outstanding credit facilities from several financial institutions, aggregating to ₹29,614.67 crore. The Holding Company also had accrued dues amounting to ₹723.07 crore towards operational creditors. Owing to the size of the over-due credit facilities, multiplicity of contractual arrangements and large number of operational creditors, determination of the carrying amount of related liabilities at the date of commencement of the corporate insolvency resolution ("CIR") process was a complex exercise. Further, comprehending the provisions of the Resolution Plan and determining the appropriateness of the accounting treatment thereof, more particularly the accounting treatment of derecognition of liabilities and outstanding trading dues & its related provisions of the holding company, required significant judgment and estimates, including consideration of accounting principles to be applied for presentation. Accounting for the effects of the resolution plan for the holding company is considered by us to be a matter of most significance due to its importance to intended users' understanding of the financial statements as a whole and materiality thereof.	**A)** We have performed the following procedures to determine whether the effect of Resolution Plan for the holding company has been appropriately recognised in the consolidated financial statements: • Reviewed holding company's management process for review and commencement of implementation of the Resolution Plan. • Reviewed the provisions of the Resolution Plan to understand the requirements of the said Plan and evaluated the possible impact of the same on the consolidated financial statements. • Verified the balances of liabilities as on the date of commencement of the corporate insolvency resolution ("CIR") process from supporting documents and computations on a test check basis. • Verified the underlying documents supporting the receipt and payment of funds as per the Resolution Plan. • Tested the implementation of provisions of the Resolution Plan in computation of balances of liabilities owed to financial and operational creditors. • Evaluated whether the accounting principles applied by the management fairly present the effects of the Resolution Plan in financial statements in accordance with the principles of Ind AS. • Tested the related disclosures made in notes to the financial statements in respect of the implementation of the resolution plan.

Auditor's Report on Consolidated Financial Statements

Sr. No.	Key Audit Matter	Auditor's Response
	B) Prior to the approval of the Resolution Plan on March 08, 2019, the Holding Company was a party to certain litigations. Pursuant to the approval of the Resolution Plan, it was determined that no amounts are payable in respect of those litigations as they stand extinguished. The estimates related to expected outcome of litigations and recoverability of payments made in respect thereof have high degree of inherent uncertainty due to insufficient judicial precedents in India in respect of disposal of litigations involving companies admitted to Corporate Insolvency Resolution Process. The application of significant judgment in the aforementioned matters required substantial involvement of senior personnel on the audit engagement including individuals with expertise in accounting of financial instruments.	**B)** We have performed the following procedures to test the recoverability of payments made by the Holding Company in relation to litigations instituted against it prior to the approval of the Resolution Plan: • Verified the underlying documents related to litigations and other correspondences with the statutory authorities. • We review the process used by the management to determine estimates and to test the judgments applied by management of the holding in developing the accounting estimates. • Assessed holding company's management estimate of recoverability. • Determined whether the methods for making estimates have been applied consistently. Evaluated whether the accounting principles applied by the management of the holding company fairly present the amounts recoverable from relevant parties in the consolidated financial statements in accordance with the principles of Ind AS.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Management under the direction of the Resolution Professional (RP)/ Monitoring Committee (MC) is responsible for the other information. The other information comprises the Board's Report and Report on Corporate governance, but does not include the financial statements and our auditor's report thereon.

The Annual Report is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Board's Report and Report on Corporate governance if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable in the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements:

The Holding Company's Management under the direction of the RP/MC is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group and jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors/Resolution Professional (RP)/ Monitoring Committee (MC) of the companies included in the Group and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors/ Management under the direction of the RP/MC of the companies included in the Group and jointly controlled entities are responsible for assessing the ability of the Group and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors/ Management under the direction of the RP/ MC either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors/ Management under the direction of the RP/MC of the companies included in the Group and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and jointly controlled entities.

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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 associates 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 associate 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 associate 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 or business activities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities or business activities 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.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance of the Parent and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(i) The Consolidated Financial Statements include the Unaudited Financial Statements of one subsidiary whose Ind AS Financial Statements excluding consolidation eliminations reflect total assets of ₹217.05 crores as at March 31, 2020, total revenue of ₹35.03 crores and ₹ 162.25 crores, net loss after tax of ₹ 2.14 crores and ₹ 5.47 crores, and total comprehensive income amounting to ₹(2.14) crores and ₹(5.47) crores for the quarter and year ended on that date, and Ind AS Financial Statements of two joint controlled entities whose financial statements reflect Group's share of net loss is ₹ 0.22 crores and ₹0.99 crores for quarter and year ended March 31, 2020, as considered in the Ind AS Consolidated Financial Statements. Our opinion, in so far as it relates to the amounts included in respect of these subsidiaries and joint control entities, is based solely on such unaudited management certified Ind AS Financial Statements. Our opinion on the Consolidated Financial Statements is not modified in respect of our reliance on the Ind AS financial statements / financial information certified by the Management. The audit report on the consolidated Ind AS financial statements for the year ended 31st March, 2019 was also qualified in respect of this matter.

(ii) We did not audit the financial statements/financial information of a seven subsidiaries, whose financial statements reflect total assets of ₹ 2,276.62 crore as at March 31, 2020, total revenues of ₹ 0.19 crore, total net profit after tax of ₹ 146.71 crore and total comprehensive income of ₹214.35 crore for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid seven subsidiaries is based solely on the reports of the other auditors. Our opinion on the consolidated Ind AS financial statements above, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on other legal and regulatory requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of other auditors on separate financial statements of subsidiary and associate companies incorporated in India, referred in the Other Matters paragraph above we report, to the extent applicable, that:

(a) Except for the matters described in the basis for qualified opinion paragraph, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.

(b) Except for the effects, if any, of the matters described in the basis for qualified opinion paragraph and Material Uncertainty Related to Going Concern paragraph, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

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

(d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, except for the effects, if any, of the matters described in the basis for qualified opinion paragraph.

(e) On the basis of the written representations received from the directors as on March 31, 2020 and taken on record by the MC of the Holding Company, none of the directors are disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls; refer to our separate Report in "**ANNEXURE A**", which is based on the auditors' reports of the Holding Company and Subsidiaries Company incorporated in India, the Company has, in all material respects, an adequate internal financial controls system; and

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations given to us, the Holding Company has not paid any remuneration to its directors during the year.

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

i. The Consolidated Financial Statements has disclosed the impact of pending litigations on the consolidated financial position of the Group and its' jointly control entities.

(Refer note no. 43 to the Consolidated Financial Statement)

ii. The Group and its jointly control entities did not have any long-term contracts (except for those disclosed under contingent liability) including derivative contracts as at March 31, 2020 for which there were any material foreseeable losses; and

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

For **SHAH GUPTA & CO.**
Chartered Accountants
Firm Registration No.: 109574W
UDIN: 20013107AAAABR7440

D. V. Ballal
Partner
M. No. 13107
Place : Mumbai
Date : July 31, 2020

For **NBS & Co.**
Chartered Accountants
Firm Registration No. 110100W
UDIN: 20048094AAAACP2092

Devdas V. Bhat
Partner
M. No. 048094
Place : Mumbai
Date : July 31, 2020

Annexure A to the Independent Auditors' Report of even date

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (THE "ACT")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2020, we have audited the internal financial controls over financial reporting of Alok Industries Limited ("the Holding Company"), and that of its subsidiary company (the Holding Company and its subsidiary constitute "the Group"), and its jointly controlled entities which are companies incorporated in India, audited by the respective auditors of those companies as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors / Management under the direction of the RP/MC of the Holding Company, its subsidiary companies, and jointly controlled entities all incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by these entities, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. (the "Guidance Note") These responsibilities include the design, implementation and maintenance of adequate internal financial controls that are operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Holding 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls over financial reporting based on our audit and that of the respective auditors of subsidiary, and jointly controlled entities in relation to companies audited by them. We and respective auditors have conducted the audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that the auditors comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, 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 obtained by us and other auditors in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group's, and its jointly controlled entities, incorporated in India, internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, 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.

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2020 Consolidated Ind AS financial statements of the Holding Company, and these material weakness do not affect our opinion on the Consolidated Ind AS financial statements of the Holding Company.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to :

1. One subsidiary company which is incorporated in India is based on the report of the one of the joint auditor of the Holding Company.
2. We do not comment on the adequacy and operating effectiveness of the Internal Financial Controls over Financial Reporting of Jointly control entity companies incorporated in India, whose financial statements are unaudited and have been furnished to us by the Management.
3. The auditor of one of the jointly controlled entities i.e. New City of Bombay MFG. Mills Limited has issued a disclaimer of opinion in their previous year report dated August 08, 2019.

Our Report is not modified in respect of these matters.

For **SHAH GUPTA & CO.**
Chartered Accountants
Firm Registration No.: 109574W
UDIN: 20013107AAAABR7440

D. V. Ballal
Partner
M. No. 13107
Place : Mumbai
Date : July 31, 2020

For **NBS & Co.**
Chartered Accountants
Firm Registration No. 110100W
UDIN: 20048094AAAACP2092

Devdas V. Bhat
Partner
M. No. 048094
Place : Mumbai
Date : July 31, 2020

Consolidated Balance Sheet

As At 31st March, 2020

(₹ In Crore)

Particulars			NOTE NO.	As at 31 March 2020	As at 31 March 2019
ASSETS					
(1)	**Non-current Assets**				
	(a)	Property, Plant and Equipment	2	14,178.21	14,716.51
	(b)	Capital work-in-progress	2	0.35	0.53
	(c)	Investment property	3	854.10	855.05
	(d)	Other Intangible assets	2	0.72	0.85
	(e)	Financial assets			
		(i) Investments	4	94.58	95.57
		(ii) Loans	5	20.55	20.82
		(iii) Other financial assets	11	0.98	107.05
	(f)	Deferred tax assets (net)	6	1,228.68	1,227.08
	(g)	Current tax assets (net)	14	44.77	43.19
	(h)	Other non-current assets	7	50.71	50.58
				16,473.63	**17,117.23**
(2)	**Current Assets**				
	(a)	Inventories	8	420.42	420.76
	(b)	Financial Assets			
		(i) Trade receivables	9	241.94	239.85
		(ii) Cash and cash equivalents	10	102.36	27.70
		(iii) Bank balances other than (ii) above	11	386.71	9.90
		(iv) Loans	12	1.53	1.40
		(v) Other financial assets	13	2.47	3.08
	(c)	Other current assets	15	279.18	194.61
				1,434.61	**897.30**
		TOTAL ASSETS		**17,908.24**	**18,014.53**
EQUITY AND LIABILITIES					
	Equity				
	(a)	Equity share capital	16	221.08	1,368.64
	(b)	Other equity	17	(12,529.00)	(15,985.59)
				(12,307.92)	**(14,616.95)**
	Liabilities				
(1)	**Non-current liabilities**				
	(a)	Financial liabilities			
		(i) Borrowings	18	28,304.23	6,125.30
	(b)	Provisions	19	27.56	40.67
	(c)	Current tax Liabilities (net)	21	6.92	121.53
	(d)	Other non-current liabilities	20	-	0.02
				28,338.71	**6,287.52**
(2)	**Current Liabilities**				
	(a)	Financial liabilities			
		(i) Borrowings	22	782.67	17,674.81
		(ii) Trade payables	23		
		- Dues to micro, small and medium enterprises		17.99	102.62
		- Dues to others		446.44	955.12
		(iii) Other financial liabilities	24	391.47	7,115.69
	(b)	Other current liabilities	25	233.68	490.97
	(c)	Provisions	19	5.20	4.75
				1,877.45	**26,343.96**
		TOTAL EQUITY AND LIABILITIES		**17,908.24**	**18,014.53**
Significant accounting policies			1		
The accompanying notes are an integral part of the consolidated financial statements			2 to 62		

As per our report of even date attached

For **Shah Gupta & Co.**
Chartered Accountants
FRN - 109574W

D. V. Ballal
Partner
M. No.: 013107

Place: Mumbai
Date: 31st July, 2020

For **NBS & Co.**
Chartered Accountants
FRN - 110100W

Devdas V. Bhat
Partner
M. No.: 048094

For and on behalf of the Board

Sunil O. Khandelwal
(Chief Financial Officer)

K. H. Gopal
(Company Secretary)

Taken on Record
Ajay Joshi
(On behalf of the Monitoring Committee)

Place: Mumbai
Date: 31st July, 2020

Consolidated Statement of Profit and Loss

For The Year Ended 31st March, 2020

(₹ In Crore)

	Particulars		NOTE No.	Year ended 31 March 2020	Year ended 31 March 2019
I	**Revenue from Operations**		26	**3,328.78**	3,352.24
II	**Other Income**		27	39.06	18.53
III	**Total Income (I+II)**			**3,367.84**	**3,370.77**
IV	**EXPENSES :**				
	(i)	Cost of materials consumed	28	2,123.03	2,215.54
	(ii)	Purchase of Traded Goods		9.17	8.82
	(iii)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	29	(7.46)	49.91
	(v)	Employee benefits expense	30	306.53	300.89
	(vi)	Finance costs	31	113.63	4,308.74
	(vii)	Depreciation and amortisation expense	32	541.84	549.51
	(viii)	Other expenses	33	1,024.74	906.25
	Total Expenses (IV)			**4,111.49**	**8,339.66**
V	**Profit / (Loss) from operations before Share of profit/(loss) of Joint Ventures, exceptional items and tax (III - IV)**			**(743.64)**	**(4,968.89)**
VI	Share of profit from joint ventures accounted for using equity method			**(0.99)**	**(1.02)**
VII	**Profit / (Loss) from operations before exceptional items and tax (V+VI)**			**(744.63)**	**(4,969.91)**
VIII	Exceptional items		34	(2,052.55)	(7,045.19)
IX	**Profit / (Loss) before tax from continuing operations (VII - VIII)**			**1,307.92**	**2,075.28**
X	**Tax Expense**				
	(i)	Current tax	6(a)	-	**0.86**
	(ii)	Deferred tax	6(b)	**(2.31)**	**(1.74)**
	Total Tax Expenses			**(2.31)**	**(0.88)**
XI	**Profit / (Loss) after tax for the year from continuing operations**			**1,310.23**	**2,076.16**
XII	**Other Comprehensive Income**				
	A (i)	Items that will not be reclassified to profit or loss		2.10	2.60
	(ii)	Income tax relating to items that will not be reclassified to profit or loss		(0.73)	(0.90)
	B (i)	Items that will be reclassified to profit or loss		(455.78)	(231.70)
	(ii)	Income tax relating to items that will be reclassified to profit or loss		157.74	80.19
	Total Other Comprehensive Income for the year (net of tax)			**(296.68)**	**(149.82)**
XIII	**Total comprehensive Income for the year (XI + XII)**			**1,013.55**	**1,926.34**
XIV	Earnings per equity share (for continuing operation):				
	1)	Basic	50	9.05	15.17
	2)	Diluted	50	3.32	15.17
	The accompanying notes are an integral part of the consolidated financial statements		2 to 62		

As per our report of even date attached

For **Shah Gupta & Co.**
Chartered Accountants
FRN - 109574W

D. V. Ballal
Partner
M. No.: 013107

Place: Mumbai
Date: 31st July, 2020

For **NBS & Co.**
Chartered Accountants
FRN - 110100W

Devdas V. Bhat
Partner
M. No.: 048094

For and on behalf of the Board

Sunil O. Khandelwal
(Chief Financial Officer)

K. H. Gopal
(Company Secretary)

Taken on Record
Ajay Joshi
(On behalf of the Monitoring Committee)

Place: Mumbai
Date: 31st July, 2020

Consolidated Statement of Changes In Equity

For The Year Ended 31st March, 2020

A) EQUITY SHARE CAPITAL

(₹ In Crore)

	As at 31 March 2020	As at 31 March 2019
Balance at the beginning of the reporting year	**1,368.64**	1,368.64
Issue of Shares as per Approved Resoultion Plan	83.33	-
Reduction in Face value of shares from ₹ 10/- per share to ₹ 1/- per share	(1,230.90)	-
Balance at the end of the reporting year	**221.07**	**1,368.64**

B) OTHER EQUITY

Particulars	Reserves and Surplus										Items of Other Comprehensive Income	Total Equity attributable to equity holders of the company
	Equity component of compound financial instrument	Capital Reserve	Capital Reserve on consolidation	Securities Premium account	Capital Redemption Reserve	General Reserve	Debenture Redemption Reserve	Foreign Currency Monetary Item Translation Difference Account	Foreign Currency Translation Reserve	Retained Earnings		
Balance as at 1 April 2018		14.77	14.52	993.65	9.10	280.90	81.97	(2.32)	(61.07)	(19,293.11)	(82.74)	(18,044.34)
Addition / Reduction during the year												-
Translation difference on restatement		(0.00)										(0.00)
Loss for the year										2,076.16		2,076.16
Excess provision dividend tax for earlier years										0.10		0.10
Addition during the year								(13.18)	0.00		(12.18)	(25.35)
Amortisation for the year								6.15				6.15
Transferred from Debenture Redemption Reserve							-			-		-
Other Comprehensive Income												-
- Remeasurements gains on defined benefit plans										1.69		1.69
Balance as at 31 March 2019	**-**	**14.77**	**14.52**	**993.65**	**9.10**	**280.90**	**81.97**	**(9.35)**	**(61.07)**	**(17,215.16)**	**(94.92)**	**(15,985.59)**
Balance as at 1 April 2019		14.77	14.52	993.65	9.10	280.90	81.97	(9.35)	(61.07)	(17,215.16)	(94.92)	(15,985.59)
Addition / Reduction during the year												-
Translation difference on restatement		-	(0.00)									(0.00)
Profit for the year										1,310.23		1,310.23
Due to reduction in face value of shares		1,970.12										1,970.12
Excess provision dividend tax for earlier years										-		-
DRR transferred to Retained earnings							(81.97)			81.97		
Addition during the year				166.67				9.35	-		(11.49)	164.52
Amortisation for the year								-				-
Other Comprehensive Income												-
- Remeasurements gains on defined benefit plans										1.36		1.36
Dividend on Preference shares										(2.03)		(2.03)
Optionally Convertible Preference Shares	12.40											12.40
Balance as at 31 March 2020	**12.40**	**1,984.89**	**14.52**	**1,160.31**	**9.10**	**280.90**	**-**	**0.00**	**(61.07)**	**(15,823.63)**	**(106.41)**	**(12,528.99)**

As per our report of even date attached

For **Shah Gupta & Co.**
Chartered Accountants
FRN - 109574W

D. V. Ballal
Partner
M. No.: 013107

Place: Mumbai
Date: 31st July, 2020

For **NBS & Co.**
Chartered Accountants
FRN - 110100W

Devdas V. Bhat
Partner
M. No.: 048094

For and on behalf of the Board

Sunil O. Khandelwal
(Chief Financial Officer)

K. H. Gopal
(Company Secretary)

Taken on Record
Ajay Joshi
(On behalf of the Monitoring Committee)

Place: Mumbai
Date: 31st July, 2020

Consolidated Cash Flow Statement

For The Year Ended 31st March, 2020

(₹ In Crore)

	Particulars	Year Ended 31 March 2020	Year Ended 31 March 2019
A]	**Cash Flow from Operating Activities**		
	Profit / (Loss) Before Tax	1,307.92	2,075.28
	Adjustments for:		
	Depreciation / Amortisation	541.84	549.51
	Diminution in the value of investment	-	1.33
	Provision for impairment of Property, Plant and Equipments	2.87	2.33
	Exchange rate difference (net)	(21.04)	58.47
	Dividend Income	(0.00)	(0.65)
	Finance cost	113.63	4,308.74
	Interest Income	(11.30)	(7.17)
	Capital Reserve	-	(0.00)
	Capital Reserve (on Consolidation)	(0.00)	-
	Securities premium account	-	-
	Other Comprehensive income	(10.13)	(10.48)
	(Gain)/Loss on sale of Property, Plant and Equipments (net)	(0.90)	(6.17)
	Provision for Gratuity & leave encashment	(13.11)	-
	Provision for acc. special legal regulation	(0.05)	(0.16)
	Sundry Credit Balances written back	(1.14)	(3.06)
	(Gain)/Loss on sale of investments (net)	8.69	0.52
	Share of profit/(loss) from Joint Ventures	0.99	1.02
	Provision for Doubtful Debts	31.73	16.81
	Provision for Doubtful Advances	(27.70)	(68.35)
	Preference Dividend	(2.03)	-
	Fixed assets written off on liquidation of subsidiary	-	-
	Custom duty & Interest payable on non fulfillment of export obligation	10.24	48.60
	Exceptional Items (reversal of Interest)	(2,052.55)	(7,045.19)
	Operating Profit/(Loss) before working capital changes	**(122.04)**	**(78.62)**
	Adjustments for		
	Decrease / (Increase) in Inventories	0.34	89.56
	Decrease / (Increase) in Trade Receivables	(15.70)	112.77
	Decrease / (Increase) in Loans & Advances and Other assets	(55.40)	28.73
	(Decrease) / Increase in Current Liabilities	(66.30)	(32.70)
	Cash (used in) / generated from operating activities	**(259.10)**	**119.73**
	Income Taxes Paid (net)	(1.58)	(4.32)
	Net cash (used in) / generated from Operating Activities	**(260.68)**	**115.40**
B]	**Cash flow from Investing Activities**		
	Purchase of Property, Plant and Equipments & Intangible assets	(4.44)	(11.28)
	Sale of Property, Plant and Equipments	0.06	0.03
	Purchase of Investments	0.00	(3.83)
	Sale of Investments	-	-
	Fixed Deposits and earmarked balances matured/(placed)	(270.73)	45.14
	Dividends Received	0.00	0.65
	Interest Received	11.30	7.17
	Net cash (used in) / generated from Investing Activities	**(263.81)**	**37.88**
C]	**Cash flow from Financing Activities**		
	Proceeds from issue of Equity Share Capital	250.00	-
	Proceeds from issue of Preference Shares	250.00	-
	Proceeds from term borrowings (Net)	5,231.59	(307.16)
	Repayment of term borrowings	(5,037.63)	-
	Finance cost	(94.97)	127.03
	Net cash (used in) / generated from Financing Activities	**598.99**	**(180.13)**
	Net Increase/(decrease) in Cash and Cash equivalents (A+B+C)	74.50	(26.85)
	Add : Cash and Cash equivalents at the beginning of the Year	27.86	54.70
	Cash and Cash equivalents at the end of the Year	**102.36**	**27.86**

Consolidated Cash Flow Statement

For The Year Ended 31st March, 2020

NOTES TO CASH FLOW STATEMENT

1 Cash flow statement has been prepared under the Indirect Method as set out in the Ind AS 7 - Statement of Cash Flow

2 **Cash and Cash equivalents comprises of :**

(₹ In Crore)

	As at 31 March 2020	As at 31 March 2019
Cash on hand	0.34	0.22
Balance with banks		
- in current accounts	95.15	26.38
- in deposit accounts	6.20	-
Cheques, Drafts on hand	0.68	1.10
Other Bank balances held in Deposit / Margin account with Bank (current) (refer note 11)	386.71	9.90
	489.07	**37.60**
Add: Other Bank balances held in Deposit / Margin account with Bank (non-current) (refer note 11)	0.98	107.05
Less : Earmarked balances/deposits with bank	(387.68)	(116.95)
Add: Overdrawn Bank balances	-	-
Add : Exchange Difference	-	0.16
Total Cash and Cash equivalents in Cash flow statement	**102.36**	**27.86**

3 Cash flow statements requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

(₹ in Crore)

Particulars	**As at 31 March 2019**	**Cash Flows**	**Non Cash changes**					**As at 31 March 2020**
			Interest	**Foreign exchange movement**	**Guarantee Invocation**	**Others**	**Current / non-current classificaiton**	
Borrowings - Non current	6,125.30	349.39	5,433.31	-	-	(1,846.71)	18,223.80	28,304.23
Borrowings - current	17,674.81	-	-	-	-	-	(16,944.56)	782.67
Other financial liabilities	1,545.55	-	-	-	-	-	(1,279.24)	290.24
Particulars	As at 31 March 2018	Cash Flows	Non Cash changes					As at 31 March 2019
			Interest	Foreign exchange movement	Guarantee Invocation	Others	Current / non-current classificaiton	
Borrowings - Non current	7,367.16	(3.76)	-	55.63	-	-	(1,293.73)	6,125.30
Borrowings - current	17,845.93	(19.16)	(2,211.74)	82.46	-	-	1,977.31	17,674.81
Other financial liabilities	2,202.15	-	-	15.89	-	-	(672.49)	1,545.55

As per our report of even date attached

For **Shah Gupta & Co.**
Chartered Accountants
FRN - 109574W

D. V. Ballal
Partner
M. No.: 013107

Place: Mumbai
Date: 31st July, 2020

For **NBS & Co.**
Chartered Accountants
FRN - 110100W

Devdas V. Bhat
Partner
M. No.: 048094

For and on behalf of the Board

Sunil O. Khandelwal
(Chief Financial Officer)

K. H. Gopal
(Company Secretary)

Taken on Record
Ajay Joshi
(On behalf of the Monitoring Committee)

Place: Mumbai
Date: 31st July, 2020

GROUP 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.

Pursuant to an application made by State Bank of India, the Hon'ble National Company Law Tribunal, Ahmedabad bench ("Adjudicating Authority"), vide its order dated 18th July, 2017, had ordered the commencement of the corporate insolvency resolution ("CIR") process in respect of the company under the provisions of the Insolvency and Bankruptcy Code, 2016 (the "Code").

Pursuant to Clause 7.1.1 of the Approved Resolution Plan, during the period between the NCLT Approval Date (as defined in the Approved Resolution Plan) and the Closing Date (as defined in the Approved Resolution Plan) ("Interim Period"), a monitoring committee shall be constituted ("Monitoring Committee") which during the period following the CCI Approval Date and until the Closing Date (as defined in the Approved Resolution Plan), shall comprise of 4 (Four) representatives of the Financial Creditors, 2 (Two) representatives of the Resolution Applicants and the Erstwhile Resolution Professional. Thus, for the period between the NCLT Approval Date (as defined in the Approved Resolution Plan) and the Closing Date (as defined in the Approved Resolution Plan), the Monitoring Committee has accordingly been formed to maintain the Company as a going concern and to supervise the implementation of the Approved Resolution Plan. Implementation of the Approved Resolution Plan (Plan) has commenced.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

This Note provides a list of the significant Accounting Policies adopted by Alok Industries Limited (the Parent Company) and its Subsidiaries (collectively referred as the Group); 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:

i) **Compliance with Ind AS:**

The Consolidated Financial Statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, hereinafter referred to as Ind AS.

ii) **Historical cost convention:**

The Financial Statements have been prepared on a historical cost basis, except for the following:

a. certain financial assets and liabilities that are measured at fair value;

b. assets held for sale - measured at lower of carrying amount or net fair value less cost to sell;

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

iii) **Recent accounting pronouncements**

Pursuant to issuance of the Companies (Indian Accounting Standards) Amendment Rules, 2019 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2019, Ind AS 116 – "Leases" (Ind AS 116) supersedes Ind AS 17 – "Leases". The Company has adopted Ind AS 116 using the modified retrospective approach with effect from 1st April, 2019.

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) Foreign currency transactions:

i) Functional and presentation currency:

Items included in the Financial Statements of each entities of the Group are measured using the currency of the primary economic environment in which the Group operates ('functional currency'). The Consolidated Financial Statements are presented in Indian currency (INR), which is also functional and presentation currency of the Company.

ii) Transactions and balances:

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other income | (expense).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain | (loss).

iii) Group companies:

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

a. assets and liabilities are translated at the closing rate at the date of that Balance Sheet

b. income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transaction), and

c. all resulting exchange differences are recognised in Other Comprehensive Income.

When a foreign operation is sold, the associated exchange differences are reclassified to the Statement of Profit and Loss, as part of the gain | (loss) on sale. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

d) 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 Group classifies all other liabilities as non-current

Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

e) **Revenue recognition:**

i) **Timing of recognition:**

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods, the amount of revenue can be measured reliably and it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the activities of the Group. This generally happens upon dispatch of the goods to customers, except for export sales which are recognised when significant risk and rewards are transferred to the buyer as per the terms of contract.

Eligible export incentives are recognised in the year in which the conditions precedent is met and there is no significant uncertainty about the collectability.

ii) **Measurement of revenue:**

Revenue is measured at the fair value of the consideration received or receivable, after the deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government which are levied on sales such as sales tax, value added tax, etc.

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.

The Group recognises provision for sales return, based on the historical results, measured on net basis of the margin of the sale

The volume discounts are assessed based on anticipated annual purchases.

Rental Income

The Group's policy for recognition of revenue from operating leases is described in Note 1 (e) below.

Interest Income

For all debt instruments measured at amortised cost, interest income is measured using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Revenue is recognised when the Group's right to receive the payment is established, which is generally when shareholders approve the dividend.

Effective from April 1, 2018, the Company has adopted Ind AS 115 "Revenue from contracts with customers" using the cumulative effect method. The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information is not restated in the statement of profit and loss. The effect of adoption is insignificant

f) **Income taxes:**

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

- **Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country where the Group operates and generates taxable income. Current tax assets and liabilities are offset only if there is a legally enforceable right to set it off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Group recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The Group reviews the 'MAT credit entitlement' asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

- **Deferred tax**

  Deferred tax is provided using the balance sheet method on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

  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;
  - Taxable temporary differences arising on the initial recognition of goodwill.

  Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

  - When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of 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.

  The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

  Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

  Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

  Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

g) Leases:

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

h) Property, Plant and Equipment

i) **Tangible assets:**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the carrying amount of asset or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of assets are recognised in the Statement of Profit and Loss.

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 on Tangible Fixed Assets is provided on Straight Line Method on the basis of useful life of assets specified in Part C of Schedule II of the Companies Act, 2013 except in respect 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	20 to 25 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.

ii) **Intangible assets:**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses.

Intangible Assets having finite useful life are amortised on the straight line method as per following estimated useful life:

Asset category	Estimated useful life
Computer software	6 years
Trademarks / Brands	10 years

The useful lives and method of depreciation of intangible assets are reviewed at each financial year end and any changes there in are considered as change in estimate and accounted prospectively.

Intangible assets having indefinite useful life are tested for impairment at least once in an accounting year regardless of indicators of impairment.

i) Investment Property:

Property that is held for long-term rental yields or for capital appreciation or both, and that is not in use by the Group, is classified as investment property. Land held for a currently undetermined future use is also classified as an investment property. Investment property is measured initially at its acquisition cost, including related transaction costs and where applicable borrowing costs and are carried at cost less accumulated depreciation and accumulated impairment losses.

Depreciation on investment property is provided using Straight Line Method based on useful life specified in schedule II to the Companies Act, 2013

j) Impairment of fixed assets

The carrying amount of assets are reviewed at each Balance Sheet date to assess if there is any indication of impairment based on internal | external factors. An impairment loss on such assessment will be recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of the assets is net selling price or value in use, whichever is higher. While assessing value in use, the estimated future cash flows are discounted to the present value by using weighted average cost of capital. A previously recognised impairment loss is further provided or reversed depending on changes in the circumstances and to the extent that carrying amount of the assets does not exceed the carrying amount that will be determined if no impairment loss had previously been recognised.

k) Investments and other financial assets:

Classification:

The Group classifies its financial assets in the following measurement categories:

i) Those to be measured subsequently at fair value (either through Other Comprehensive Income, or through profit or loss), and

ii) Those measured at amortised cost.

The classification depends on business model of the entity for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or Other Comprehensive Income.

For investments in debt instruments, it depends on the business model in which the investment is held.

For investments in equity instruments, it depends on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through Other Comprehensive Income.

Initial recognition and measurement:

Financial assets are recognised when the Group becomes a party to the contractual terms of the instrument.

Transaction Cost

Financial assets are recognised initially at fair value plus/minus (in the case of financial assets are not recorded at fair value through profit or loss) transaction costs that are attributable to the acquisition of the financial asset.

Transaction costs of financial assets carried at fair value through profit or loss are expensed in Profit or Loss.

Subsequent measurement:

After initial recognition, financial assets are measured at:

i) Fair value {either through Other Comprehensive Income (FVOCI) or through profit or loss (FVPL)} or,

ii) Amortised cost

Debt instruments:

Subsequent measurement of debt instruments depends on the business model of the Group for managing the asset and the cash flow characteristics of the asset.

There are three measurement categories into which the Group classifies its debt instruments:

Measured at amortised cost:

Debt instruments that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method less impairment, if any, the amortisation of EIR and loss arising from impairment, if any is recognised in Profit or Loss.

Measured at fair value through Other Comprehensive Income (OCI):

Debt instruments that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through Other Comprehensive Income. Fair value movements are recognised in the OCI (net of taxes). Interest income measured using the EIR method and impairment losses, if any are recognised in Profit or Loss. On de-recognition, cumulative gain | (loss) previously recognised in OCI is reclassified from the equity to Profit or Loss.

Measured at fair value through profit or loss:

A financial asset not classified as either amortised cost or FVOCI, is classified as FVPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as other income in Profit or Loss.

Equity instruments:

The Group subsequently measures all investments in equity instruments other than subsidiary companies, associate company and Joint Venture Company at fair value. The Management of the Group has elected to present fair value gains and losses on such equity investments in Profit or Loss. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payment is established. Changes in the fair value of financial assets at fair value through profit or loss are recognised in Profit or Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Investments in subsidiary companies, associate company and joint venture company:

Investments in subsidiary companies, associate company and Joint Venture Company are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary companies, associate company and Joint Venture Company, the difference between net disposal proceeds and the carrying amounts are recognised in Profit or Loss.

Impairment of financial assets:

The Group assesses on a forward looking basis the expected credit losses associated with its financial 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. Note 44 details how the Group determines whether there has been a significant increase in credit risk. For trade and lease receivable 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 such receivables.

De-recognition:

A financial asset is de-recognised only when

i) The Group has transferred the rights to receive cash flows from the financial asset ,or

ii) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised. Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial liabilities & Equity instruments:

i) Classification as debt or equity - Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

ii) Initial recognition and measurement - Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the fair value.

iii) Subsequent measurement - Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss is measured at fair value with all changes in fair value recognised in Profit or Loss.

iv) De-recognition - A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

l) Fair Value Measurement

The Group measures financial instruments, such as Derivatives, at fair value at each balance sheet date. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of the principal market, in the most advantageous market for the asset of liability.

The principal or the most advantageous market must be accessible by the Group. The fair value of asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

External Valuers are involved for valuation of significant assets such as certain items or property, plant and equipment. For the purpose of fair value disclosure, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

m) Inventories:

Items of Inventories are valued on the basis given below:

i. Raw materials, packing materials, stores and spares: at cost determined on weighted average basis or net realisable value whichever is lower.

ii. Process stock and finished goods: At cost or net realisable values whichever is lower.

Cost comprises of cost of purchase, costs of conversion and other costs incurred in bringing the inventory to its present location and condition.

The net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and estimated cost necessary to make the sale.

Due allowances are made for slow moving and obsolete inventories based on estimates made by the Group.

n) Cash and cash equivalents:

Cash and cash equivalents include cash in hand, demand deposits with bank and other short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

o) Trade receivable:

Trade receivables are initially recognised at fair value of the revenue. Subsequently, trade receivables are stated at cost less provision for impairment, if any.

Customer credit risk is managed by the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of the customer is assessed and individual limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

The Group applies expected credit losses (ECL) model for measurement and recognition of provision / loss allowance on the Trade receivables.

As a practical expedient, the Group uses a provision matrix to measure ECL on its portfolio of trade receivables. The provision matrix is prepared based on historically observed default floating rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in Profit or Loss under the head 'Other expenses'.

p) Offsetting 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 the Group or the counterparty.

q) Derivatives and hedging activities:

The Group enters into derivative financial instruments to hedge its exposure to movements in interest rates and foreign exchange rates. These are not intended for trading or speculative purposes.

Financial assets or financial liabilities, at fair value through profit or loss

This category has derivative financial assets or liabilities which are not designated as hedges. Although the Group believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorised as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognised initially at fair value and attributable transaction costs are recognised in net profit in Profit or Loss, when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets | liabilities in this category are presented as current assets | current liabilities if they are either held for trading or are expected to be realised within 12 months after the Balance Sheet date.

r) Government Grants:

Grants, in the nature of interest subsidy under the Technology Upgradation Fund Scheme (TUFs), are accounted for when it is reasonably certain that ultimate collection will be made. The interest subsidy is reduced from the interest cost.

Grant received from the Government relating to the purchase of fixed asset and deducted from the carrying amount of corresponding fixed asset.

s) Borrowings:

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are removed from the Balance Sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income | (expense). Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

t) Borrowing costs:

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

u) Provisions and contingent liabilities:

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. These are reviewed at each year end and reflect the best current estimate. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of best estimate of the Management of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

v) Employee benefits:

Short-term employee benefits:

All employee benefits payable within twelve months of service such as salaries, wages, bonus, ex-gratia, medical benefits etc. are recognised in the year in which the employees render the related service and are presented as current employee benefit obligations within the Balance Sheet. Termination benefits are recognised as an expense as and when incurred. Short-term leave encashment is provided at undiscounted amount during the accounting period based on service rendered by employees. Compensation payable under Voluntary Retirement Scheme is being charged to Statement of Profit and Loss in the year of settlement.

Other long-term employee benefits:

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss. The obligations are presented as current liabilities in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

Defined contribution plan:

Contributions to defined contribution schemes such as contribution to Provident Fund, Superannuation Fund, Employees' State Insurance Corporation, National Pension Scheme and Labours Welfare Fund are charged as an expense to the Statement of Profit and Loss based on the amount of contribution required to be made as and when services are rendered by the employees. The above benefits are classified as Defined Contribution Schemes as the Group has no further defined obligations beyond the monthly contributions.

Defined benefit plan:

Gratuity:

Gratuity liability is a defined benefit obligation and is computed on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method at the end of each financial year. The liability or asset recognised in the Balance Sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on Government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur directly in Other Comprehensive Income. They are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

w) Earnings per share:

Earnings per share (EPS) are calculated by dividing the net profit or loss for the period attributable to Equity Shareholders by the weighted average number of Equity shares outstanding during the period. Earnings considered in ascertaining the EPS is the net profit for the period and any attributable tax thereto for the period. The treasury shares are not considered as outstanding equity shares for computing EPS.

x) Foreign Currency Transactions

Foreign Currency Transactions are recorded at the exchange rates prevailing on the date of the transaction.

Monetary items denominated in Foreign Currency are reported at the exchange rate prevailing on the balance sheet date. Exchange differences relating to long term monetary items are dealt with in the following manner:

- Exchange differences relating to long term monetary items, arising during the period, in so far as those relate to the acquisition of a depreciable capital asset are added to / deducted from the cost of the asset and depreciated over the balance life of the asset
- In other cases, such differences are accumulated in the "Foreign Currency Monetary Translation Difference Account" and amortised to the statement of profit and loss over the balance life of the long term monetary item.

All other exchange differences are dealt with in profit or loss.

Effective from April 01, 2018, the Group has adopted Appendix B to Ind AS 21, The Company determines exchange rate to use on initial recognition of the related asset, expense or income, when the Company receives or pays advance consideration in a foreign currency. The effect of adoption is insignificant

y) Critical estimates and judgements

Preparation of the Financial Statements requires use of accounting estimates which, by definition, will seldom equal the actual results. This Note provides an overview of the areas that involved a higher degree of judgements or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements. The areas involving critical estimates or judgements are:

i) Estimation of useful life of tangible assets: Note 1(f)

ii) Estimation of defined benefit obligation: Note 1(t)

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

Note 2. Property, Plant and Equipment

(₹ in Crore)

Description Of Assets	Gross carrying value				Depreciation				Net carrying value	
	As at 1 April 2019	Additions	Deductions/ Adjustment	As at 31 March 2020	As at 1 April 2019	For the year	Adjustments On Sale/Trf.	As at 31 March 2020	As at 31 March 2020	As at 31 March 2019
Land										
Freehold	4,628.21	0.01	-	4,628.22	-	-	-	-	4,628.22	4,628.21
Leasehold	35.94	-	-	35.94	1.77	0.45	-	2.23	33.71	34.17
Building	3,171.83	-	0.02	3,171.80	324.51	80.84	-	405.34	2,766.46	2,847.31
Office Premises	105.27	0.00	-	105.27	7.05	1.97	-	9.03	96.24	98.22
Plant and Equipment (refer note 1 below)	9,238.41	4.31	7.04	9,235.68	2,181.09	449.28	4.19	2,626.18	6,609.50	7,057.32
Computer and Peripherals	5.12	0.75	-	5.87	4.23	0.24	-	4.47	1.40	0.89
Office Equipment	7.29	0.05	-	7.34	6.86	0.15	-	7.01	0.32	0.43
Furniture and Fixtures	50.57	0.00	-	50.57	42.32	3.64	-	45.95	4.62	8.25
Vehicles	11.29	-	0.19	11.10	9.29	0.86	0.12	10.01	1.08	2.00
Tools and Equipment	54.62	0.29	0.00	54.91	14.91	3.33	-	18.25	36.66	39.71
Total	**17,308.55**	**5.39**	**7.24**	**17,306.71**	**2,592.03**	**540.77**	**4.32**	**3,128.48**	**14,178.23**	**14,716.51**
Capital work in progress									0.35	0.53

(₹ in Crore)

Description Of Assets	Gross carrying value				Depreciation				Net carrying value	
	As at 1 April 2018	Additions	Deductions/ Adjustment	As at 31 March 2019	As at 1 April 2018	For the year	Adjustments On Sale/Trf.	As at 31 March 2019	As at 31 March 2019	As at 31 March 2018
Land										
Freehold	4,627.44	0.78	-	4,628.21	-	-	-	-	4,628.21	4,627.44
Leasehold	35.94	-	-	35.94	1.32	0.45	-	1.76	34.18	34.62
Building	3,166.76	0.93	(4.12)	3,171.82	239.36	81.03	(4.12)	324.52	2,847.30	2,927.40
Office Premises	101.37	0.00	(3.90)	105.28	5.07	1.99	-	7.05	98.22	96.30
Plant and Equipment (refer note 1 below)	9,091.16	37.99	(109.26)	9,238.41	1,619.09	452.87	(109.13)	2,181.09	7,057.32	7,472.07
Computer and Peripherals	5.49	0.60	0.97	5.12	4.22	0.47	0.46	4.24	0.88	1.27
Office Equipment	8.19	0.02	0.92	7.29	7.63	0.16	0.92	6.86	0.43	0.56
Furniture and Fixtures	52.55	0.00	1.97	50.58	37.85	6.36	1.89	42.33	8.25	14.70
Vehicles	11.95	0.01	0.67	11.29	7.07	1.81	(0.40)	9.29	2.00	4.88
Tools and Equipment	54.28	0.27	(0.06)	54.61	11.66	3.20	(0.05)	14.90	39.71	42.62
Total	**17,155.12**	**40.62**	**(112.80)**	**17,308.54**	**1,933.26**	**548.33**	**(110.44)**	**2,592.04**	**14,716.50**	**15,221.86**
Capital work in progress									0.53	6.08

NOTE :

1. Plant and Equipments includes Exchange difference (net) of ₹ Nil (Previous Period ₹ 33.41 Crores) on restatement of long term borrowings payable in foreign currency.
2. Capital work in progress comprises of expenditure incurred for expansion project, advances for capital expenditure
3. Certain property plant and equipment are pledge against borrowings the details relating to which have been described in note 18 pertaining to borrowings.
4. The amount of contractual commitments for the acquisition of land is disclosed in note no. 44

Intangible assets

(₹ in Crore)

Description Of Assets	Gross carrying value				Amortisation				Net carrying value	
	As at 1 April 2019	Additions	Deductions / Adjustment	As at 31 March 2020	As at 1 April 2019	For the year	Adjustments On Sale/Trf.	As at 31 March 2020	As at 31 March 2020	As at 31 March 2019
Trademarks / Brands	12.08	-	-	12.08	11.83	-	-	11.83	0.25	0.24
Computer Software	2.40	-	-	2.39	1.80	0.13	-	1.93	0.47	0.60
Total	**14.49**	**-**	**-**	**14.47**	**13.63**	**0.13**	**-**	**13.76**	**0.72**	**0.85**

(₹ in Crore)

Description Of Assets	Gross carrying value				Amortisation				Net carrying value	
	As at 1 April 2018	Additions	Deductions / Adjustment	As at 31 March 2019	As at 1 April 2018	For the year	Adjustments On Sale/Trf.	As at 31 March 2019	As at 31 March 2019	As at 31 March 2018
Trademarks / Brands	13.42	-	1.35	12.07	12.84	-	1.02	11.82	0.24	0.58
Computer Software	5.75	-	3.34	2.40	4.07	0.22	2.49	1.80	0.60	1.68
Total	**19.17**	**-**	**4.69**	**14.48**	**16.92**	**0.23**	**3.51**	**13.62**	**0.84**	**2.26**

Note 3. Investment Property

(₹ in Crore)

Description Of Assets	Gross carrying value				Depreciation				Net carrying value	
	As at 1 April 2019	Additions	Deductions / Adjustment	As at 31 March 2020	As at 1 April 2019	For the year	Adjustments On Sale/Trf.	As at 31 March 2020	As at 31 March 2020	As at 31 March 2019
Land	829.85	-	-	829.85	-	-	-	-	829.85	829.85
Building	28.31	-	-	28.31	3.11	0.95	-	4.07	24.24	25.19
Total	**858.15**	**-**	**-**	**858.15**	**3.11**	**0.95**	**-**	**4.07**	**854.10**	**855.05**

(₹ in Crore)

Description Of Assets	Gross carrying value				Depreciation				Net carrying value	
	As at 1 April 2018	Additions	Deductions / Adjustment	As at 31 March 2019	As at 1 April 2018	For the year	Adjustments On Sale/Trf.	As at 31 March 2019	As at 31 March 2019	As at 31 March 2018
Land	808.66	21.19	-	829.84	-	-	-	-	829.84	808.66
Building	32.21	-	3.90	28.31	2.16	0.95	-	3.11	25.19	30.05
Total	**840.87**	**21.19**	**3.91**	**858.14**	**2.16**	**0.95**	**-**	**3.11**	**855.04**	**838.70**

Note : Information regarding Income and expenditure of Investment property

Particulars	31 March 2020	31 March 2019
Rental income derived from Investment properties (See Note 27)	1.41	1.34
Less : Direct operating expenses (including repairs and maintenance) generating rental income	(0.03)	(0.93)
Profit arising from investment properties before depreciation	**1.38**	**0.41**
Less: Depreciation	(0.95)	(0.95)
Profit arising from investment properties	**0.43**	**-0.54**

NOTE :

1. The Company's investment property consists of a residential and commercial properties in India
2. Investment Property is morgaged against borrowings the details relating to which have been described in note 18 pertaining to borrowings.

4 INVESTMENTS

	Particulars	No of Shares	As at 31 Mar 2020		As at 31 March 2019	
	Non-current					
a)	**Investment in Unquoted Equity shares**					
	In Joint Venture (unquoted measured at cost)					
	Aurangabad Textiles & Apparel Parks Limited	1,019,200	17.25		17.25	
	Less: Dividend received		(0.33)		(0.33)	
	Add : Share of profit		(0.20)	16.72	0.17	17.08
	New City Of Bombay Mfg. Mills Limited (refer note no. 39(b))	4,493,300	75.13		75.13	
	Less: Dividend received		(2.92)		(2.92)	
	Add : Share of profit		5.59	77.80	6.22	78.44
	In Others (unquoted measured at cost)					
	Trimphant Victory Holdings Limited (₹ 90.14/-) (Face value of USD 1 each)	2	0.00		0.00	
	Less : Provision for diminution in value of investment		(0.00)	-	(0.00)	-
	Dombivali Nagari Sahakari Bank Limited (Face value of ₹ 50 each)	10,000		0.05		0.05
	New India Co-op Bank Ltd.(₹ 3,000/-) (Face value of ₹ 10 each)	300		0.00		0.00
	Saraswat Bank Limited (₹ 25,000/-) (Face value of ₹ 10 each)	2,500		0.00		0.00
	(Pledged against finance availed by company)					
	Wel-Treat Environ Management Organisation (₹ 36,500/-) (Face value of ₹ 10 each)	3,650		0.00		0.00
	PowerCor LLC					
	Subscription towards 5% Group B Membership interest		55.83		51.22	
	Less: Provision		(55.83)		(51.22)	
				-		-
	Aisle 5 LLC					
	22 senior units of the equity capital		9.88		9.06	
	Less: Provision		(9.88)		(9.06)	
				-		-
b)	**Investment in Preference shares - others (measured at amortised cost)**					
	Triumphant Victory Holdings Limited	35,466,960	188.22		177.72	
	(0% Redeemable cumulative Preference shares) (Face value of USD 1 each)					
	Less : Provision for diminution in value of investment (Refer Note No.47(B))		(188.22)		(177.72)	
				-		-
		TOTAL		**94.58**		**95.57**
	Aggregate amount of unquoted investments			348.50		333.59
	Aggregate amount of impairment in value of investments			(253.93)		(238.01)

Notes

to the Standalone Financial Statements for the year ended 31st March 2020

5 LOANS

(₹ in Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Non-current		
Unsecured, considered good		
Lease and security deposits	20.55	20.82
TOTAL	**20.55**	**20.82**

6 TAXATION

(₹ in Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
(a) Current Tax comprise of		
Current tax for the year	-	0.86
	-	**0.86**
Profit/(loss) before tax	1,307.92	2,075.28
Enacted tax rate in India	34.944%	34.944%
Expected income tax expense / (benefit) at statutory tax rate	**457.04**	**725.19**
Tax Effect of		
Exempted Income	-	(0.23)
Expenses allowed	(140.84)	(165.67)
Expenses disallowed	233.36	-
Expense disallowed reversed during the year	-	(557.78)
Effect of different tax rates of Subsidiaries	-	(0.64)
Adjusted aginst brought forward losses	(549.56)	
Current Tax expense	(0.00)	0.86
Effect of tax pertaining to prior years	-	-
Current Tax Provision (A)	**(0.00)**	**0.86**
Incremental Deferred Tax Liability	-	-
Incremental Deferred Tax Asset	(0.73)	(0.91)
Effect of recognition of deferred tax asset on PPE & provisions in subsidiaries	(1.58)	(0.83)
Deferred Tax Provision(B)	**(2.31)**	**(1.74)**
Tax Expenses recognised in statement of Profit and Loss (A+B)	**(2.31)**	**(0.88)**
Effective Tax rate	-	-
(b) Deferred tax asset (net) comprises of timing difference on account of		
Deferred Tax Asset		
Provision for impairment (building)	5.97	5.97
Redeemable Preferrence shares	13.97	13.97
Provision for employee benefits	10.36	12.33
Provision for doubtful debts and advances	5,043.63	(229.63)
Interest not Paid	-	2,050.54
Unabsorbed Depreciation carried forward	675.60	673.63
Business Loss carried forward	732.55	2,230.62
Less : Deferred Tax Liability		
Depreciation	(3,213.39)	(3,282.45)
Remeasurement gains on defined benefit plans	(0.73)	-
Property, plant & equipment and intangible assets	(229.97)	(229.97)
Investment in associate	(17.93)	(17.93)
Deferred Tax Assets	3,020.06	
Deferred Tax Assets - Not recognised	(1,791.37)	
Net Deferred tax asset	**1,228.68**	**1,227.08**

7 OTHER NON-CURRENT ASSETS

(₹ in Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured considered good		
Capital advances (refer note no. 58)	50.71	50.58
TOTAL	**50.71**	**50.58**

8 INVENTORIES
(At lower of cost and net realisable value)

(₹ in Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Raw materials	65.28	70.39
(Includes material in transit ₹ 1.56 crores (Previous period ₹ 1.43 crores)		
Work-in-progress	166.13	157.02
Finished goods	149.05	148.94
Stock in trade (acquired for trading)	6.74	8.50
Stores and spares	27.20	29.60
Packing material	6.04	6.31
Real estate project cost	-	-
TOTAL	**420.42**	**420.76**

NOTE :

i) Value of inventories above is stated after provisions of ₹ 63.09 crore (previous year ₹ 16.79 crore) for write down to net realisable value and provision for slow moving and obsolete items

ii) Inventory is hypothecated as security against working capital loan.

9 TRADE RECEIVABLES

(₹ in Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Debts outstanding for a period exceeding six months from due date (refer note no 39(a))	279.06	11,284.53
Less : Provision for doubtful debts	74.79	11,081.85
	204.27	**202.68**
Other Debts	149.79	145.58
Less : Provision for doubtful debts	112.13	108.41
	37.67	**37.17**
	241.94	**239.85**
Unsecured, Considered good	366.98	357.50
Less: provision for doubtful debts	(125.04)	(117.65)
	241.94	**239.85**
Credit impaired	61.88	11,072.61
Less: provision for doubtful debts	(61.88)	(11,072.61)
	-	-
TOTAL	**241.94**	**239.85**

Notes

to the Standalone Financial Statements for the year ended 31st March 2020

10 CASH AND CASH EQUIVALENTS

(₹ in Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Cash and Cash equivalents		
Cash on hand	0.34	0.22
Balance with Bank		
(i) In Current Accounts	95.15	26.38
(ii) In Deposit Accounts [Including interest accrued thereon]	6.20	-
Cheques, Drafts on hand	0.68	1.10
TOTAL	**102.36**	**27.70**

11 OTHER BANK BALANCES

(₹ in Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
OTHER FINANCIAL ASSETS		
Non Current		
Balance with Bank		
Balances / Deposits held as margin money or security against borrowings, guarantee and other commitments	0.98	107.05
TOTAL	**0.98**	**107.05**
OTHER BANK BALANCES		
Current		
Balance with Bank		
In Deposit Accounts	300.00	-
In earmarked accounts		
Unclaimed dividend accounts	0.34	0.51
Balances / Deposits held as margin money or security against borrowings, guarantee and other commitments	86.36	9.39
TOTAL	**386.71**	**9.90**

12 LOANS

(₹ in Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Current		
Loans to Related parties (Refer note no 47(B))		
Unsecured, Considered good	1.53	1.40
Credit impaired	337.09	334.83
Less : Provision for doubtful advances	(337.09)	(334.83)
	-	-
TOTAL	**1.53**	**1.40**

13 OTHER FINANCIAL ASSETS

(₹ in Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Current		
Unsecured, considered good		
Advance to Staff	2.48	2.95
Unutilised export incentives	(0.00)	0.13
	2.47	**3.08**

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered doubtful		
Inter Corporate Deposits	0.70	0.70
Interest Subsidy Receivable	35.41	35.41
Unutilised DEPB licence	0.30	0.30
Less : provision for doubtful receivables	(36.41)	(36.41)
	-	-
TOTAL	**2.47**	**3.08**

14 **CURRENT TAX ASSETS (NET)**

(₹ in Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Advance Tax (net of provision for tax)	44.77	43.19
TOTAL	**44.77**	**43.19**

15 **OTHER CURRENT ASSETS**

(₹ in Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured considered good		
Advance to vendors	24.63	12.75
Advance to Others	15.19	14.63
Prepaid expenses	18.69	2.60
Balances with Statutory Authorities	177.63	153.03
Export Incentive Receivable	42.99	11.55
Deposits others	0.06	0.05
	279.18	**194.61**
Unsecured considered doubtful		
Export Incentive	1.47	1.40
Advance to vendors	156.09	3.12
Less: provision for doubtful receivables	(157.56)	(4.52)
	-	-
TOTAL	**279.18**	**194.61**

16 **EQUITY SHARE CAPITAL**

(₹ in Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Authorised		
4000,00,00,000 (Previous year 400,00,00,000) Equity shares of ₹ 1/- each (Previous year ₹ 10/- each)	4,000.00	4,000.00
	4,000.00	**4,000.00**
Issued, Subscribed and Fully Paid-up	**221.07**	**1,377.32**
221,06,51,228 Equity shares of Re.1/- each (Previous year 1,377,317,895 Equity shares of ₹ 10/- each) fully paid up	221.07	1,377.32
Less: Alok Benefit Trust is holding NIL equity shares of Re. 1/- each [Previous Year 86,91,000 of ₹ 10/- each] of Alok Industries Limited, the sole beneficiary of which is the Company.	-	(8.69)
Add : 13,921 Equity Shares forfeited of ₹ 10/- each, ₹ 5/- paid up	0.01	0.01
TOTAL	**221.08**	**1,368.64**

Notes
to the Standalone Financial Statements for the year ended 31st March 2020

(i) Reconciliation of number of shares and amount outstanding at the beginning and end of the year

Particulars	As at 31-Mar-20		As at 31-Mar-19	
	No.of shares	₹ in Crore	No.of shares	₹ in Crore
Equity shares of ₹ 1/- each (previous year ₹ 10/-each)				
At the beginning of the year	1,377,317,895	1,377.32	1,377,317,895	1,377.32
Add: issue of Shares as per Approved Resoultion Plan	833,333,333	83.33		
Less : Reduction in Face value of shares from ₹ 10/- per share to Re. 1/- per share		(1,239.59)		
At the end of the year	**2,210,651,228**	**221.07**	**1,377,317,895**	**1,377.32**

a) The above includes, 2,24,85,000 Equity shares allotted to the shareholders of Grabal Alok Impex Limited during the year ended 31st March 2012, pursuant to the Scheme of Amalgamation for consideration other than cash.

b) During the year, in accordance with the Approved Resolution Plan, the face value of the Company's equity has been reduced from ₹ 10/- per share to Re. 1/- per share.

c) During the year, in accordance with the Approved Resolution Plan, the Company has issued and allotted 83,33,33,333 equity of Re. 1/- each at a premium of ₹ 2/- per share to Reliance Industries Limited on 28th February,2020.

(ii) Shareholders holding more than 5 percent shares in the Company

Name of the Shareholder	As at 31-Mar-20		As at 31-Mar-19	
	No.of shares	%	No.of shares	%
Alok Knit Exports Private Limited	108,519,133	4.91%	286,998,681	20.84%
Reliance Industries Limited	833,333,333	37.70%		

(iii) Rights, preferences and restrictions attached to equity shares

The Company has single class of equity shares. Each shareholders is eligible for one vote per share held. 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.

17 OTHER EQUITY

(₹ in Crore)

Particulars	As at 31-Mar-20		As at 31-Mar-19	
Capital Reserve				
Balance as per last Balance Sheet	14.77		14.77	
Add: due to reduction in face value of shares (refer note 16)	1,970.12		-	
Add: Translation difference on restatement	-	**1,984.89**	(0.00)	**14.77**
Note:				
(a) Capital reserve was created during the year ended 31 March 2012, on merger of Grabal Alok Impex Limited (Subsidiary of the Company).				
(b) Due to reduction of face value of equity shares amounting to 1239.59 crore				
(c) Due to write back of foreign currency borrowings ₹ 730.53 crore				
This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.				

(₹ in Crore)

Particulars	As at 31-Mar-20		As at 31-Mar-19	
Capital Reserve (on Consolidation)				
Balance as per last Balance Sheet		14.52		14.52
Capital Redemption Reserve				
Balance as per last Balance Sheet		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 account				
Balance as per last Balance Sheet	993.65		993.65	
Add : Received during the period	166.67		-	
		1,160.31		**993.65**
Note:				
Securities premium is used to record the excess of the amount received over the face value of the shares. Tis reserve will be utilised in accordance with the provision of the Companies Act, 2013.				
General Reserve				
Balance as per last Balance Sheet		280.90		280.90
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				
Debenture Redemption Reserve				
Balance as per last Balance Sheet	81.97		81.97	
Less: Transferred (from) / to Statement of Profit and Loss (Refer note below)	(81.97)	**-**	-	**81.97**
Note:				
The Debentures issued by the Company in earlier years stand extinguished having completed their respective maturity dates and the outstanding dues in respect of these Debentures have been assigned as a part of the admitted financial debt to JM Financial Asset Reconstruction Company Limited as per the terms of the Approved Resolution Plan. Accordingly, transfer to the Debenture Redemption Reserve (DRR) is no longer needed and accordingly the balance standing to the DRR has been transferred to the Statement of Profit and Loss.				
Foreign Currency Translation Reserve				
Balance as per last Balance Sheet	(61.07)		(61.07)	
Add: for the year	-	**(61.07)**	0.00	**(61.07)**

(₹ in Crore)

Particulars	As at 31-Mar-20		As at 31-Mar-19	
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.				
Foreign Currency Monetary Item Translation Reserve (FCMITR)				
Balance as per last Balance Sheet	(9.35)		(2.32)	
Add : Addition during the year	9.35		(13.18)	
Less : Amortisation for the year (Refer note below)	-	**-**	6.15	**(9.35)**
Note:				
Exchange differences relating to Long term foreign currency loan has been transferred to this account to be amortised over the balance period of the loan.				
Other Comprehensive Income				
Balance as per last Balance Sheet	(94.92)		(82.74)	
Add: Transferred from Statement of Profit and Loss	(11.49)	**(106.41)**	(12.18)	**(94.92)**
Equity component of compound financial instrument				
9% Optionally Convertible Preference Shares		12.40		-
Note:				
The Company has issued Optionally Convertible Redeemable Preference Shares (OCPS) during the financial year ended March 31, 2020. Considering the accounting principles to be followed in line with Indian Acoounting Standards, the Company has computed the liability portion of OCPS as the present value of the contractual obligations associated with the instrument. The difference between the issue amount of the OCPS and the liability so computed has been treated as the 'Equity component of compound financial instruments' and grouped under other equity.				
Surplus in Statement of Profit and Loss				
Retained earnings	(17,215.16)		(19,293.11)	
Add :				
Excess provision dividend tax for earlier years	-		0.10	
Profit / (Loss) for the year	1,310.23		2,076.16	
Items of OCI for the year, net of tax	1.36		1.69	
Less: Dividend on Preference shares	(2.03)		-	
Less : Appropriations				
(i) Transferred from/(to) Debenture Redemption Reserve	81.97		-	
		(15,823.63)		**(17,215.16)**
		(12,528.99)		(15,985.59)

18 LONG-TERM BORROWINGS

(₹ in Crore)

Particulars		As at 31 March 2020	As at 31 March 2019
Debentures			
Debentures (Secured) (Refer note no. (i) and (vii) below)	(i)	-	-
Zero coupon debentures from related party (Unsecured)	(ii)	262.91	241.24
Optionally Convertible Preference Shares		237.60	-
Term Loans (Secured) (Refer note no. (iv) , (v) and (vii) below)			
(a) From banks			
- Rupee Loans		5,110.30	5,458.94
- Foreign currency loans		10.40	229.55
	(iii)	**5,120.70**	**5,688.50**
(b) From Financial Institutions			
- Rupee Loans *		22,682.60	195.21
- Foreign currency loans		-	-
	(iv)	**22,682.60**	**195.21**
		27,803.30	5,883.71
Other loans & advances (Refer note no. (vii) below)			
Vehicle loan from Banks (Secured)	(v)	0.41	0.36
(Secured by vehicles under hypothecation with banks)			
TOTAL	**(i) to (v)**	**28,304.23**	**6,125.30**

(i) a) Debentures outstanding at the period end are redeemable at par as follows

Particulars		As at 31 March 2020	As at 31 March 2019	Date of Redemption
12.00% Redeemable Non convertible Debentures	375	-	37.50	1-Feb-20
12.00% Redeemable Non convertible Debentures	375	-	37.50	1-Aug-19
12.00% Redeemable Non convertible Debentures	375	-	37.50	1-Feb-19
13.00% Redeemable Non convertible Debentures	334	-	33.34	18-Oct-18
12.00% Redeemable Non convertible Debentures	375	-	37.50	1-Aug-18
12.00% Redeemable Non convertible Debentures	375	-	37.50	1-Feb-18
13.00% Redeemable Non convertible Debentures	333	-	33.33	18-Oct-17
12.00% Redeemable Non convertible Debentures	375	-	37.50	1-Aug-17
14.50% Redeemable Non convertible Debentures	366	-	36.66	2-Mar-17
12.00% Redeemable Non convertible Debentures	375	-	37.50	1-Feb-17
13.00% Redeemable Non convertible Debentures	333	-	33.33	18-Oct-16
12.00% Redeemable Non convertible Debentures	375	-	37.50	1-Aug-16
11.50% Redeemable Non convertible Debentures	560	-	55.50	29-Jun-16
12.50% Redeemable Non convertible Debentures	40	-	-	29-Jun-16
15.50% Redeemable Non convertible Debentures	367	-	36.34	2-Mar-16
12.50% Redeemable Non convertible Debentures	190	-	-	28-Jun-15
14.50% Redeemable Non convertible Debentures	367	-	-	3-Mar-15
Total		**-**	**528.50**	

(ii) During the year as per the Approved Resolution Plan, On 28th February 2020, the Company has issued and alloted 250,00,00,000 9% Optionally Convertible Preference Shares (OCPS) of Re. 1/- each to Reliance Industries Limited(RIL). (i) RIL is entitled to convert these OCPS into equity shares of the Company (1:1 basis) at any time on or before 18 months from their date of allotment i.e. 28th February 2020. (ii) if RIL does not convert the OCPS into equity shares with in the period of 18 months, OCPS shall be redeemed at the end of 10 years from the date of allotment. (iii) diviend @9% per anum on outstaning amount is payable on cumulative basis.

Notes

to the Standalone Financial Statements for the year ended 31st March 2020

(iii) 38,500 Zero coupon debentures are redeemable or convertible on 30th September 2016 and 38,905 Zero coupon debentures on 24th March 2019, as mutually agreed between issuer and holder.

(iv) **Security for term loans**

(₹ in Crore)

Nature of security	Banks	Financial Institutions	Total
Exclusive charge on Plant & Machinery and specific assets financed *	-	-	-
	(397.25)	(-)	(397.25)
Pari passu first charge created on the entire fixed assets of the Company #	5,120.70	-	5,120.70
	(11,441.80)	(803.58)	(12,245.38)
Second Pari passu first charge created on the entire fixed assets of the Company	-	22,682.60	22,682.60
	(-)	(-)	(-)
Subservient charge on all movable and current assets of the Company	-	-	-
	(531.50)	(147.96)	(679.46)
Total	**5,120.70**	**22,682.60**	**27,803.30**
	(12,370.55)	**(951.54)**	**(13,322.09)**

* Includes loans aggregating to ₹ NIL (Previous year ₹ 68.19 Crore) which are further secured by personal guarantees of promoter directors / corporate guarantee of promoter group companies

Includes Bank loans aggregating to ₹ NIL (Previous year ₹ 2,238.70 Crore) & Financial Institution loans aggregating to ₹ NIL (Previous year ₹ 100 Crore) which are further secured by personal guarantees of promoter directors / corporate guarantee of promoter group Companies.

Includes Bank loans aggregating ₹ 5110.30 Crore (Previous year 519.88) secured by first pari passu charge created on assets of Alok Infrastructure Limited, a wholly owned subsidiary of the Company. The company is taking necessary steps for creation of such collateral charge.

(v) **Terms of Repayment of Secured Term Loan**

a) Non-current

(₹ in Crore)

Particulars	Rate of Interest	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years	Total
Rupee Term Loan From Bank	8% - 9%	-	486.95	678.10	3,971.94	5,137.00
	(9.45% - 18.50%)	(882.11)	(1,020.55)	(1,121.32)	(2,434.97)	(5,458.95)
Foreign Currency Term Loan From Banks	NA	-	-	-	-	-
	(1.03% - 5.51%)	(148.19)	(70.56)	(10.81)	(-)	(229.56)
Rupee Term Loan From Financial Institutions	NA	-	-	-	22,682.60	22,682.60
	(9.00% - 15.00%)	(80.38)	(20.74)	(23.30)	(70.79)	(195.21)
Total		**-**	**486.95**	**678.10**	**26,654.54**	**27,819.60**
		(1,110.68)	**(1,111.85)**	**(1,155.42)**	**(2,505.76)**	**(5,883.70)**

b) Current

(₹ in Crore)

Particulars	Rate of Interest	Overdue	Current Maturities
Rupee Term Loan From Banks	8% - 9%	-	-
	(9.45% - 18.50%)	(4,637.64)	(996.81)
Foreign Currency Term Loan From Banks	NA	-	-
	(1.03% - 5.51%)	(918.21)	(129.40)
Rupee Term Loan From Financial Institutions	NA	-	-
	(9.00% - 15.00%)	(530.33)	(78.04)
Foreign Currency Term Loan From Financial Institutions	NA	-	-
	(3.44% - 3.44%)	(147.96)	(-)
Total		**-**	**-**
		(6,234.14)	**(1,204.25)**

(vi) **Terms of repayment of other loans and advances**

(₹ in Crore)

Nature of security	Banks
Vehicle loans are secured by vehicles under hypothecation with banks	0.41
	(0.36)

(₹ in Crore)

Particulars	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years	Total
Vehicle Loan	0.13	0.28	-	-	0.41
	(0.13)	(0.23)	(-)	(-)	(0.36)

(vii) The Company has defaulted in repayment of principal and interest payments. The period and amount of continuing defaults as on the Balance sheet date are as under:

a) Principal amounts : (₹ in Crore)

Particulars	0-30 days	31-90 days	91-180 days	Above 180 days	Total
a) Debentures	-	-	-	-	-
	(37.50)	(33.34)	(37.50)	(345.16)	(453.50)
b) Term Loans					
- Secured					
From banks :					
- Rupee Loans	-	-	-	-	-
	(137.42)	(452.96)	(177.93)	(3,869.32)	(4,637.63)
- Foreign currency loans	-	-	-	-	-
	(161.52)	(127.09)	(92.25)	(537.35)	(918.21)
From Financial Institutions :					
- Rupee Loans	-	-	-	-	-
	(1.23)	(1.23)	(67.89)	(459.99)	(530.34)
- Foreign currency loans	-	-	-	-	-
	(-)	(-)	(-)	(147.96)	(147.96)
- Unsecured					
From banks :					
- Rupee Loans	-	-	-	-	-
	(-)	(-)	(-)	(46.91)	(46.91)
- Foreign currency loans	-	-	-	-	-
	(-)	(-)	(-)	(65.79)	(65.79)
Total	**-**	**-**	**-**	**-**	**-**
	(337.66)	**(614.61)**	**(375.57)**	**(5,472.48)**	**(6,800.33)**

b) Interest : (₹ in Crore)

Particulars			0-30 days	31-90 days	91-180 days	Above 180 days	Total
a)	Debentures		-	-	-	-	-
			(-)	(-)	(-)	(207.86)	(207.86)
b)	Term Loans						
	- Secured						
	From banks :						
	-	Rupee Loans	11.94	-	-	-	11.94
			(-)	(-)	(-)	(2,582.34)	(2,582.34)
	-	Foreign currency loans	-	-	-	-	-
			(-)	(-)	(-)	(100.83)	(100.83)
	From Financial Institutions :						
	-	Rupee Loans	-	-	-	-	-
			(-)	(-)	(-)	(326.37)	(326.37)
	-	Foreign currency loans	-	-	-	-	-
			(-)	(-)	(-)	(21.39)	(21.39)
	- Unsecured						
	From banks :						
	-	Rupee Loans	-	-	-	-	-
			(-)	(-)	(-)	(10.75)	(10.75)
	-	Foreign currency loans	-	-	-	-	-
			(-)	(-)	(-)	(1.24)	(1.24)
Total			**11.94**	**-**	**-**	**-**	**11.94**
			(-)	**(-)**	**(-)**	**(3,250.77)**	**(3,250.77)**

Previous period figures are given in brackets

(viii) In terms of the Approved Resolution Plan, payments to the financial creditors of the parent company has been completed and the balance eligible loans of the financial creditors have been assigned to JM Financial Asset Reconstruction Company Limited (acting as Trustees for JM Finance ARC-March-2018 Trust).

19 PROVISIONS

(₹ in Crore)

Particulars	As at 31-Mar-20			As at 31-Mar-19		
	Non current	Current	Total	Non current	Current	Total
For employee benefits						
Gratuity	20.64	0.12	20.76	29.62	0.00	29.63
Leave encashment	6.92	2.07	8.99	11.05	3.72	14.76
Proposed dividend - Preference	-	2.03	2.03	-	-	-
Others	-	0.98	0.98	-	1.03	1.03
TOTAL	**27.56**	**5.20**	**32.76**	**40.67**	**4.75**	**45.42**

20 OTHER LONG-TERM LIABILITIES

(₹ in Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Advance from customers	-	0.02
TOTAL	**-**	**0.02**

21 CURRENT TAX LIABILITIES

(₹ in Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Provision for taxation (net of advance tax)	6.92	121.53
TOTAL	**6.92**	121.53

22 SHORT-TERM BORROWINGS

(₹ in Crore)

Particulars	As at 31-Mar-20		As at 31-Mar-19	
Working capital loans				
Cash Credit accounts, working capital demand loan etc. (Secured) (Refer note no. (i) below)				
From Banks (Secured)	-		9,094.26	
From Financial Institutions (Secured)	-		129.58	
From Banks / Financial Institutions (Unsecured)	83.26	**83.26**	95.63	**9,319.47**
Temporary Overdrawn Bank Balances		0.01		46.76
Inter Corporate Deposit (Unsecured)		-		1.00
From Related party (Unsecured) (Refer note no 47(B))		670.23		614.97
Short term loan				
Secured (Refer note no. (ii) below)				
- Rupee Loans				
From Financial Institutions	29.18	**29.18**	102.49	**102.49**
Overdue / Recalled loans				
Non Convertible Debentures				
Debenture (Secured) (refer note no.18 (i) & 18 (vii))		-		453.50
Long term borrowings				
Secured (refer note no.18 (v) & 18 (vii))				
- Rupee Loans				
From Banks	-		4,637.64	
From Financial Institutions	-	**-**	530.33	**5,167.97**
- Foreign currency loans				
From Banks	-		918.21	
From Financial Institutions	-	**-**	147.96	**1,066.17**
Unsecured				
- Rupee Loans				
From Banks	-		46.91	
- Foreign currency loans				
From Banks	-	**-**	65.79	**112.70**
Demand Loan				
Secured (Refer note no.(ii) below)				
- Rupee Loans				
From Financial Institutions		-		334.50
Unsecured (Refer note no.(iii) below)				
- Foreign currency loans				
From Financial Institutions		-		455.28
TOTAL		**782.67**		**17,674.81**

Notes

to the Standalone Financial Statements for the year ended 31st March 2020

(₹ in Crore)

	Nature of security	Banks	Financial Institutions	TOTAL
(i)	**Security for working capital loans :**			
	(a) Hypothecation of company's current assets and mortgage of certain immovable properties belonging to the company. #	-	-	-
		(9,006.13)	(129.58)	(9,135.71)
	(b) Second charge created on all fixed assets (excluding land and building) of the company #			
	Subservient charge created on all moveable and current assets of the company and further secured by personal guarantees of promoter directors *	-	-	-
		(91.42)	(-)	(91.42)
	TOTAL	**-**	**-**	**-**
		(9,097.55)	**(129.58)**	**(9,227.13)**
(ii)	**Security for short term loans**			
	Subservient charge on all moveable and current assets of the Company @	-	29.18	29.18
		(-)	(102.49)	(102.49)
	TOTAL	**-**	**29.18**	**29.18**
		-	**(102.49)**	**(102.49)**
	Security for demand loans			
	(a) Second charge created on all immovable properties of the Company situated at Vapi & Silvassa.	-	-	-
		-	(334.50)	(334.50)
	(b) pledge of shares held by step down subsidiaries viz. Alok Industries International Limited and Grabal Alok International Limited in Mileta a.s. & Grabal Alok (UK) Ltd. respectively.			
	TOTAL	**-**	**-**	**-**
		(-)	**(334.50)**	**(334.50)**

Includes Bank loans aggregating ₹ Nil (Previous year ₹ 2330.97 Crore) for which charge is being created on part of the land owned by Alok Infrastructure Limited.

* Includes Bank loans aggregating ₹ Nil (Previous year ₹ 44.86 Crore) secured by charge created / is being created on part of the land owned by Alok Infrastructure Limited.

@ Includes loans aggregating ₹ Nil (Previous period ₹ 70.50 Crore) secured by charge created on part of the land owned by Alok Infrastructure Limited.

(iii) The Company has defaulted in repayment of principal and interest payments. The period and amount of contuining default as on the Balance sheet date are as under:

a) Principal amounts : (₹ in Crore)

Particulars	0-30 days	31-90 days	91-180 days	Above 180 days	Total
Secured					
- Rupee loans					
From Banks	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
From Financial Institutions	-	-	-	29.18	29.18
	(-)	(-)	(-)	(436.99)	(436.99)
Unsecured					
- Foreign currency loans					
From Banks	-	-	-	-	-
	(-)	(-)	(-)	(455.28)	(455.28)
Total	**-**	**-**	**-**	**29.18**	**29.18**
	(-)	**(-)**	**(-)**	**(892.27)**	**(892.27)**

b) Interest : (₹ in Crore)

Particulars	0-30 days	31-90 days	91-180 days	Above 180 days	Total
Secured					
-Rupee loans					
From Banks	-	-	-	-	-
	(-)	(-)	(-)	(-)	-
-Rupee loans					
From Financial Institutions	-	-	-	-	-
	(-)	(-)	(-)	(93.66)	(93.66)
-Foreign Currency Loan					
From Banks	-	-	-	-	-
	(-)	(-)	(-)	(42.81)	(42.81)
From Financial Institution	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
-Working capital loans	-	-	-	-	-
	(-)	(-)	(-)	(2,045.79)	(2,045.79)
-Inter Corporate Deposits	-	-	-	-	-
	(-)	(-)	(-)	(0.28)	(0.28)
Total	**-**	**-**	**-**	**-**	**-**
	(-)	**(-)**	**(-)**	**(2182.58)**	**(2,182.58)**

Previous period figures are given in brackets

23 TRADE PAYABLE

(₹ in Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Total outstanding dues of micro enterprises and small enterprises (Refer a below)	17.99	102.62
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Acceptances	56.87	116.65
Other than Acceptances	315.08	588.55
Creditors for Services	74.49	249.92
TOTAL	**464.43**	**1,057.74**

a) Disclosure Under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2019-20, to the extent the Company has received intimation from the “Suppliers” regarding their status under the Act;

Particulars	As at 31 March 2020	As at 31 March 2019
(i) Principal amount remaining unpaid to any supplier As at the end of the accounting period	17.99	102.62
(ii) Interest due thereon remaining unpaid to any supplier As at the end of the accounting period	32.08	14.72
(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 reversed as per the approved resolution plan for the company	(32.08)	
(v) The amount of interest due and payable for the period	0.63	17.36
(vi) The amount of interest accrued and remaining unpaid at the end of the accounting period	0.63	32.08
(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 above information has been determined on the basis of information available with the Company.

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24 OTHER FINANCIAL LIABILITIES

(₹ in Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Current maturities of long-term borrowings (Refer note no. 18)	290.24	1,545.55
Interest accrued but not due	-	6.52
Interest accrued and due	54.82	5,495.05
Creditors for Capital Goods	-	27.41
Unclaimed dividends (Refer note below)	0.34	0.51
Other Payable	46.07	40.65
TOTAL	**391.47**	**7,115.69**

NOTE :

There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund.

25 OTHER CURRENT LIABILITIES

(₹ in Crore)

Particulars	As at 31 March 2020	As at 31 March 2019
Other payables		
Advance from customers	173.43	228.47
Towards statutory liabilities	14.17	19.49
Others (refere note 34(d)	46.07	243.01
TOTAL	**233.68**	**490.97**

26 REVENUE FROM OPERATIONS

(₹ in Crore)

Particulars		Year Ended 31 Mar 2020		Year Ended 31 March 2019	
a)	Sale of product (Net of returns)				
	Sales - Local	2,382.32		2,257.98	
	Less : Discount	(19.07)	**2,363.25**	(19.08)	**2,238.90**
	Sales - Export	925.05		963.44	
	Less : Discount	(4.21)	**920.83**	(4.21)	**959.23**
b)	Sale of services				
	Job work charges collected		40.02		148.85
c)	Other operating revenue				
	Sale of Scrap		4.68		5.26
TOTAL			**3,328.78**		**3,352.24**

27 OTHER INCOME

(₹ in Crore)

Particulars		Year Ended 31 Mar 2020	Year Ended 31 March 2019
Interest Income :			
On Long Term Investments			
-	Bank fixed deposits	8.74	5.29
-	Interest on investment	-	0.98
-	Others	2.56	0.90
		11.30	**7.17**
Dividend Income :			
On Long Term Investments		0.00	0.65
		0.00	**0.65**

Particulars	Year Ended 31 Mar 2020	Year Ended 31 March 2019
Profit on sale of fixed assets (net)	0.90	6.18
Rent received	1.41	1.34
Sundry credit balances written back	13.55	3.06
Other non operating Income	0.26	0.13
	27.76	**10.71**
TOTAL	**39.06**	**18.53**

28 COST OF MATERIALS CONSUMED

(₹ in Crore)

Particulars	Year Ended 31 Mar 2020	Year Ended 31 March 2019
Raw Material Consumed		
Opening Stock	70.39	67.85
Add: Purchases	2,117.91	2,218.08
Less: Closing Stock	(65.28)	(70.39)
TOTAL	**2,123.03**	**2,215.54**

29 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(₹ in Crore)

Particulars	Year Ended 31 Mar 2020	Year Ended 31 March 2019
CLOSING STOCK *		
Finished Goods	149.05	148.94
Work-in-progress	166.13	157.02
Stock in Trade (Traded Goods)	6.74	8.50
	321.91	**314.46**
LESS : OPENING STOCK		
Finished Goods	148.94	170.83
Work-in-progress	157.01	183.95
Stock in Trade (Traded Goods)	8.50	9.59
	314.45	**364.37**
TOTAL	**7.46**	**(49.91)**

* Refer Note no.8

30 EMPLOYEE BENEFIT EXPENSES

(₹ in Crore)

Particulars	Year Ended 31 Mar 2020	Year Ended 31 March 2019
Salaries and Wages	278.87	267.09
Contribution to Provident and Other Funds	20.30	25.81
Employees welfare expenses	7.36	7.99
TOTAL	**306.53**	**300.89**

31 FINANCE COSTS

(₹ in Crore)

Particulars	Year Ended 31 Mar 2020	Year Ended 31 March 2019
Interest expense	94.29	4,075.36
Interest on late payment of taxes	0.24	(0.24)
Other borrowing cost	19.10	233.62
TOTAL	**113.63**	**4,308.74**

Notes

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32 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Crore)

Particulars	Year Ended 31 Mar 2020	Year Ended 31 March 2019
Depreciation of Property Plant and Equipment (See Note 2)	540.77	548.34
Amortization of Intangible Assets (See Note 2)	0.13	0.22
Depreciation on Investment Properties (See Note 3)	0.95	0.95
TOTAL	**541.86**	**549.51**

33 OTHER EXPENSES

(₹ in Crore)

Particulars	Year Ended 31 Mar 2020		Year Ended 31 March 2019	
Business Promotion Expenses		0.01		0.36
Stores and Spares Consumed		61.21		59.88
Packing Materials Consumed		100.68		109.71
Power and Fuel		507.52		459.99
Processing Charges		19.57		17.12
Labour Charges		72.27		55.35
Donation		-		0.00
Freight, Coolie and Cartage		42.72		40.85
Legal and Professional Fees		19.54		21.82
Rent		19.01		28.43
Rates and Taxes		6.97		7.08
Repairs and Maintenance				
Plant and Machinery	14.29		10.48	
Factory Building	2.13		3.24	
Others	5.49		3.73	
		21.90		17.45
Commission on Sales		31.10		35.05
Exchange rate difference (net)		0.55		9.25
Provision for Doubtful Debts		31.59		16.81
Provision for Doubtful Advances		(32.40)		(69.49)
Bad debts and other advances written off (net)		0.15		-
Sundry Balance Written back		12.41		-
Directors Remuneration		1.35		1.58
Auditors' remuneration (excluding service tax)				
Audit and related fees	1.82		1.83	
Certification fees	0.11	**1.93**	0.07	**1.90**
Insurance		27.38		11.91
Loss on sale of long term investment (net)		8.69		0.52
Loss on sale of fixed assets (net)		0.01		0.01
Diminution in value of investment		-		1.33
Provision for impairment of fixed assets and intangibles (Refer Note no. 56)		2.87		2.33
Sundry Balance Written off		4.70		1.14
CIRP Expenses		0.72		0.30
Miscellaneous Expenses		62.27		75.56
(Miscellaneous expenses includes Claim for damaged goods, Bank charges, Agency and clearing charges, security expenses etc.)				
TOTAL		1,024.74		906.25

34 EXCEPTIONAL ITEMS

(₹ in Crore)

	Particulars	Year Ended 31 Mar 2020	Year Ended 31 March 2019
a)	Reversal of Interest expenses accrued	-	7,045.19
b)	Extinguishment of Operational Creditors (including the Central Government, State Government or local authority) as per the terms of Approved Resolution Plan (refer note (i) below)	938.97	-
c)	Write-back of non-assignable loans of financial creditors	1,093.51	-
d)	Extinguishment of Other Current and Non-Current Liability	20.06	-
	TOTAL	2,052.55	7,045.19

Note :

(i) As per the resolution plan, in respect of Operational Creditors of the parent Company to whom the parent company as on the insolvancy commencment date owes upto ₹ 3 lakh, the parent Company has already paid the dues. With respect to other operational creditors as on the insolvancy commencement date, the parent Company has recognized a gain of ₹ 938.97 crore on account of extinguishment of such liabilities as an exceptional item in these financial statements.

(ii) In respect of financial Creditors the parent Company has already paid / provided as per the resolution plan. No fincncial creditor now has any further rights or claim against the parent Company, in respect of the period prior to the insolvancy commencement date or in respect of the amounts written back. Accordingly, the parent Company has recognised a gain of ₹ 1093.51 crore on account of extinguishment of such financial liability as an exceptional item.

35 Pursuant to an application made by State Bank of India, the Hon'ble National Company Law Tribunal, Ahmedabad bench ("Adjudicating Authority"), vide its order dated 18 July 2017, had ordered the commencement of the corporate insolvency resolution ("CIR") process in respect of the parent company under the provisions of the Insolvency and Bankruptcy Code, 2016 (the "Code").

Pursuant to its order dated 08 March 2019 ("NCLT Order"), the Adjudicating Authority approved the resolution plan ("Approved Resolution Plan") submitted by JM Financial Asset Reconstruction Company Limited, JM Finance ARC – March 18 Trust and Reliance Industries Limited jointly ("Resolution Applicants") ("RAs") for the parent Company under Section 31 of the Insolvency and Bankruptcy Code, 2016 ("Code"). As per the terms of Section 31 of the Code, the Approved Resolution Plan shall be binding on the parent Company, its employees, members, creditors, guarantors and other stakeholders involved in the Resolution Plan.

Pursuant to Clause 7.1.1 of the Approved Resolution Plan, during the period between the NCLT Approval Date (as defined in the Approved Resolution Plan) and the Closing Date (as defined in the Approved Resolution Plan) ("Interim Period"), a monitoring committee shall be constituted ("Monitoring Committee") which during the period following the CCI Approval Date and until the Closing Date (as defined in the Approved Resolution Plan), shall comprise of 4 (Four) representatives of the Financial Creditors, 2 (Two) representatives of the Resolution Applicants and the Erstwhile Resolution Professional. Thus, for the period between the NCLT Approval Date (as defined in the Approved Resolution Plan) and the Closing Date (as defined in the Approved Resolution Plan), the Monitoring Committee has accordingly been formed to maintain the parent Company as a going concern and to supervise the implementation of the Approved Resolution Plan.

Implementation of the Approved Resolution Plan (Plan) of the parent company has commenced and the following steps have been completed as per the terms of the said Plan:

a) The pay outs on account of CIRP costs, workers and employees dues, dues of operational creditors and dues of the financial creditors have been settled.;

b) The balance eligible loans of the financial creditors have been assigned to JM Financial Asset Reconstruction Company Limited (acting as Trustees for JM Finance ARC-March-2018 Trust); and the financial creditors have been paid ₹ 200 crore towards the assignment as per the Plan.

c) The reduction in face value of the existing equity shares of the parent Company from ₹ 10/- per share to Re. 1/- per share has been carried out. The re-alignment of the Authorized Capital to reflect the new face value of equity shares as also to accommodate the issue of optionally convertible preference shares (OCPS) has been completed;

d) The Resolution Applicants have infused an amount of ₹ 250 crores towards optionally convertible preference shares and ₹ 250 crore towards equity shares in the parent Company and the securities have also since been allotted;

The pending steps for completion of implementation of the Approved Resolution Plan are:

a) Selective reduction of the outstanding equity shares of the Promoters;

b) Re-classification of Promoters - The Existing Promoter Group will be reclassified as 'non-promoters' of the Company in accordance with Applicable Law and their holding, if any, will be classified as 'non-promoter non-public'.

c) Taking over of management – On the Closing Date (as defined under the Plan), the RAs shall jointly acquire control over the parent Company. The Board of Directors shall be reconstituted by the RAs.

The approved resolution plan having been commenced, the accounts are prepared on a going concern basis.

36 Note on COVID 19

The World Health Organisation declared outbreak of Coronavirus Disease (COVID-19) as a global pandemic on March 11, 2020. Consequently, Government of India declared a nation-wide lockdown on March 23, 2020 and the parent Company temporarily suspended operations in all its units in compliance with the lockdown instructions issued by the Central and State Governments. The parent Company had, accordingly made a disclosure in terms of Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. COVID-19 has impacted the normal business operations of the parent Company by way of interruption in production, supply chain disruption, unavailability of personnel, closure/lock down of production facilities etc. during the lock-down period which was extended till May 17, 2020. However, production and supply of goods had commenced during various dates at certain manufacturing locations of the parent Company after obtaining due permissions from the appropriate government authorities during the lockdown period.

The parent Company has made detailed assessment of its liquidity position for the next year and the recoverability and carrying value of its assets comprising property, plant and equipment, intangible assets, investments, inventory and trade receivables. Based on current indicators of future economic conditions, the parent Company reasonably expects to recover the carrying amount of these assets. The situation is dynamic and changing rapidly giving rise to uncertainty around the extent and timing of the potential future impact of the pandemic which may be different from that estimated as at the date of approval of these standalone financial statements. The parent Company will closely monitor and account for any material changes arising out of future economic conditions and impact on its business. The management however believes that there may not be significant impact of Covid-19 pandemic on the financial position and performance of the parent Company, in the long-term.

37 As per the Approved Resolution Plan, the debt of parent company assigned to JM Financial Asset Reconstruction Company Limited does not carry any interest for the first eight years from the Closing Date.

38 During the year, the parent Company has incurred a net gain of ₹ 1,224.55 crore and as of 31 March 2020, the parent Company's accumulated losses amounted to ₹ 14,354.04 crore, as against the parent Company's Net worth of ₹ (12,922.18) crore as at 31 March 2019. Total liabilities of the parent Company as on 31 March 2020 exceeded total assets by ₹ 10,688.68 crore.

39 Trade Receivables

"a) 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") to be opened in the name of the parent Company. Provided however, nothing

contained in this clause shall oblige the Resolution Applicants or the Company to take steps for recovery of the Outstanding Trading Dues. Any information that may be required for this purpose will be furnished by the Company as per Applicable Law.
"

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. The company has treated these Outstanding Trading Dues and its provision accordingly in its books of accounts.

b) During the financial year 2018-19, the auditors of one of the Joint Venture Company had issued a qualified opinion regarding recoverability of trade receivables and are of the opinion that the provision for doubtful debt should have made for ₹89.02 crores. Had this provision been made, the current assets and reserve & surplus would have been lower by ₹89.02 crores and the losses for the year would have been higher to that extent.

40 The subsidiary companies considered in the consolidated financial statements are:

Sr. No.	Name of the subsidiary companies	Country of Incorporation	Ownership Interest 31 March 2020	Ownership Interest 31 March 2019
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	Dubai	100%	100%
8	Alok Worldwide Limited	British Virgin Island	100%	100%

* Consolidated based on unaudited financial statements / information.

41 Joint venture companies considered in the consolidated financial statements are:

Sr. No.	Name of the subsidiary companies	Country of Incorporation	Ownership Interest 31 March 2020	Ownership Interest 31 March 2019
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.

42 Disclosure of additional information pertaining to the parent company, subsidiaries, associates 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 liabilities)		Share in Profit & Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		31 March 2020		31 March 2020		31 March 2020		31 March 2020	
		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	86.84%	(10,688.68)	93.36%	1,223.20	-0.46%	1.36	120.82%	1,224.56
Subsidiaries									
Indian									
1	Alok Infrastructure Limited	7.58%	(933.27)	-1.03%	(13.50)	0.00%	-	-1.33%	(13.50)
Foreign									
1	Alok Industries International Limited	15.69%	(1,931.20)	0.09%	1.12	53.67%	(159.23)	-15.60%	(158.11)
2	Grabal Alok International Limited	5.73%	(705.54)	0.00%	-	19.60%	(58.16)	-5.74%	(58.16)
3	Grabal Alok (UK) Limited	-	-	0.00%	-	0.00%	-	0.00%	-
4	Mileta, a. s.	-0.78%	96.38	-0.42%	(5.47)	0.00%	-	-0.54%	(5.47)
5	Alok International Inc.	3.53%	(433.87)	12.38%	162.24	20.99%	(62.28)	9.86%	99.96
6	Alok Worldwide Limited	-0.01%	1.28	0.00%	-	-0.04%	0.11	0.01%	0.11
7	Alok Singapore Pte Ltd.	1.17%	(144.27)	-0.24%	(3.15)	3.98%	(11.82)	-1.48%	(14.97)
8	Alok International (Middle East) FZE	0.08%	(9.33)	0.00%	-	0.22%	(0.67)	-0.07%	(0.67)
9	Alok Global Trading (Middle East) FZE	0.00%	0.00	0.00%	-	0.00%	-	0.00%	-
Joint Venture companies									
Indian									
1	New City of Bombay Mfg. Mills Limited	-	-	-0.05%	(0.65)	0.00%	-	-0.06%	(0.65)
2	Aurangabad Textile and Apparel Park Limited	-	-	-0.03%	(0.37)	0.00%	-	-0.04%	(0.37)
Inter-company eliminations		-19.83%	2,440.61	-4.06%	(53.18)	2.02%	(5.99)	-5.84%	(59.18)
Total		**100.00%**	**(12,307.88)**	**100.00%**	**1,310.23**	**100.00%**	**(296.68)**	**100.00%**	**1,013.55**

(₹ In Crore)

Sr. No.	Name of the company in the group	Net Assets (Total assets minus total liabilties)		Share in Profit & Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		31 March 2019		31 March 2019		31 March 2019		31 March 2019	
		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	88.40%	(12,920.71)	109.92%	2,282.12	-1.13%	1.69	118.56%	2,283.81
Subsidiaries									
Indian									
1	Alok Infrastructure Limited	6.29%	(919.77)	-6.42%	(133.38)	0.00%	-	-6.92%	(133.38)
Foreign									
1	Alok Industries International Limited	12.13%	(1,773.09)	0.01%	0.31	70.80%	(106.07)	-5.49%	(105.75)
2	Grabal Alok International Limited	4.43%	(647.37)	-6.26%	(129.87)	19.77%	(29.62)	-8.28%	(159.50)
3	Grabal Alok (UK) Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
4	Mileta, a. s.	-0.69%	101.34	-0.76%	(15.85)	0.00%	-	-0.82%	(15.85)
5	Alok International Inc.	3.65%	(533.83)	-1.64%	(34.07)	0.00%	-	-1.77%	(34.07)
6	Alok Worldwide Limited	-0.01%	1.18	0.00%	0.01	-0.04%	0.06	0.00%	0.07
7	Alok Singapore Pte Ltd.	0.88%	(129.30)	-0.11%	(2.19)	5.05%	(7.56)	-0.51%	(9.76)
8	Alok International (Middle East) FZE	0.06%	(8.66)	0.00%	-	0.43%	(0.64)	-0.03%	(0.64)
9	Alok Global Trading (Middle East) FZE	0.00%	0.00	0.00%	-	0.00%	-	0.00%	-
Joint Venture companies									
Indian									
1	New City of Bombay Mfg. Mills Limited	-	-	-0.03%	(0.65)	0.00%	-	-0.03%	(0.65)
2	Aurangabad Textile and Apparel Park Limited	-	-	-0.02%	(0.37)	0.00%	-	-0.02%	(0.37)
Inter-company eliminations		-15.14%	2,213.30	5.30%	110.10	5.13%	(7.69)	5.32%	102.42
Total		**99.99%**	**(14,616.96)**	**100.01%**	**2,076.12**	**100.00%**	**(149.82)**	**100.01%**	**1,926.34**

Notes

to the Standalone Financial Statements for the year ended 31st March 2020

43 Contingent Liabilities in respect of:

(₹ In Crore)

Sr. No.	Particulars	31 March 2020	31 March 2019
A	Customs duty on shortfall in export obligation in accordance with EXIM Policy	Amount Unascertained	Amount Unascertained
B	Bank guarantees given		
	a) Relating to Joint Ventures	10.00	10.00
	b) Others	-	0.56
C	Corporate guarantees / Standby Letter of Credit given to banks for loans taken by subsidiary companies	-	-
D	Bills discounted	-	3.29
E	Claims against company not acknowledged as debt		
	a) Income Taxes	-	536.70
	b) Maharashtra Value Added tax	17.33	18.64
	c) Other tax demands	-	1.44
	d) Others – disputes under litigation	4.72	71.99
	Take or Pay claim filed by GAIL (India) Limited under their long term Gas Sale Agreement which is the subject of pending adjudication proceedings with the National Company Law Appellate Tribunal, New Delhi	491.83	794.30
	e) Others	-	10.10
F	Professional Fees	4.73	
G	The obligation is with respect to non-fulfilment of exports against advance licenses availed prior to 18th July 2017, i.e. the insolvency commencement date. The Company has represented to the concerned authority (an operational creditor) that the Resolution Plan approved by the adjudicating authority (and binding on all stakeholders of the Company) provides that claims of operational creditors, other than workers and employees, up to ₹ 3,00,000/- only are to be settled and accordingly the same have been settled in full. Admitted claims in excess of ₹ 3 lakhs have not been paid and any claims, irrespective of the value, that were not filed with the Interim Resolution Professional / Resolution Professional are also not payable under the approved Resolution Plan.	110.04	99.80

As per the approved Resolution Plan, contingent liabilities (which have / are capable of being crystallized) prior to Closing Date (the date on which Approved Resolution Plan is Implemented) stand extinguished.

Furthermore, the Resolution Plan, among other matters, provide that except to the extent of the amount payable to the relevant Operational Creditors in accordance with the Approved Resolution Plan, contingent liabilities of the parent Company until the Closing Date (whether or not recognized in the FY17 Annual Report or set out in the Information Memorandum), are collectively the "Contingent Liabilities" and each such Contingent Liability is a "claim" and "debt", each as defined under the Insolvency and Bankruptcy Code ("IBC"), and would consequently qualify as "operational debt" (as defined under the IBC) and therefore, the full amount of such contingent liabilities shall be deemed to be owed and due as of the Closing Date, the liquidation value of which is NIL and therefore, no amount is payable in relation thereto. It is provided that any and all legal proceedings initiated before any forum by or on behalf of any Operational Creditor (including Governmental Authorities) or any Other Creditors to enforce any rights or claims against the parent Company also stands extinguished. Further, in terms of the Resolution Plan, no Governmental Authority has any further rights or claims against the parent Company, in respect of the period prior to the Closing Date and / or in respect of the amounts written off and all legal proceedings initiated before any forum by or on behalf of any Operational Creditor (including Governmental Authorities) or any Other Creditors, to enforce any rights or claims against the parent Company will immediately, irrevocably and unconditionally stand withdrawn, abated, settled and/or extinguished. Further, the Operational Creditors of the Company (including Governmental Authorities) and Other Creditors will have no further rights or claims against the parent Company (including but not limited to, in relation to any past breaches by the parent Company), in respect of any liability for period prior to the Closing Date, and all such claims shall immediately, irrevocably and unconditionally stand extinguished. In the opinion of the management of the company since the Resolution Plan provides for extinguishment of all liabilities of the parent Company owed to Operational Creditors and Other Creditors as of the Insolvency Commencement Date i.e. July 17, 2017, the implementation of the Resolution Plan does not have any such similar effect over claims or receivables owed to the parent Company. Accordingly, the parent Company has concluded that any receivables due to the parent Company, evaluated based on merits of underlying litigations, from various governmental agencies (presented under Other Assets - Non current) continue to subsist.

44 Capital Commitment

(₹ In Crore)

Particulars	31 March 2020	31 March 2019
Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances) towards land.	7.83	7.17

45 The net deferred tax assets of the parent Company as on 31 March 2020 are ₹ 1423.11 crore (Previous Year ₹ 1423.11 crore). The approved Resolution plan for the parent company is yet to be fully implemented and the new management has not yet taken over. The new management is expected to set strategy and develop a business plan post which reliable projections of availability of future taxable income with probable certainty will be available. Accordingly, deferred tax assets for the current period and the Financial Year are presently not recognised and the net deferred tax assets as at the end of the previous financial year have been carried forward.

46 In the opinion of the parent company's management, the current assets and other non-current assets after necessary provisions / write offs have a value on realisation in the ordinary course of the business, at least equal to the amount at which they are stated; except reported otherwise.

47 (a) Alok Infrastructure Limited ("Alok Infra") was admitted under the corporate insolvency resolution ("CIR") process in terms of the Insolvency and Bankruptcy Code, 2016 ("Code"), vide an order dated 24th October 2018 of the Hon'ble National Company Law Tribunal, Mumbai ("Adjudicating Authority").
The Resolution Professional of Alok Infra has informed that under the advice of the CoC, an application under Section 12A of the Code has been filed for withdrawing the insolvency petition of Alok Infra. Currently, this application is pending with the Adjudicating Authority.

(b) During the year, Alok Infra has incurred a net loss of ₹ 13.50 crore. The Company's accumulated losses amounted to ₹ 1010.01 crore. The Company's networth amounted to ₹ 933.27 crore as on 31st March, 2020.

(c) Further, Alok Infra has not carried out any impairment testing of investment property and therefore the correct carrying value of investment property in the consolidated result is unascertainable.

48 Taxation Laws (Amendment) Act, 2019 -

The Taxation Laws (Amendment) Act, 2019 was enacted on 11th December 2019. It amended the Income Tax Act, 1961 and the Finance Act (No. 2) Act, 2019. It provides domestic companies with an option to opt for a lower tax rate, provided they do not claim certain deductions. The parent Company is in process of evaluating the option to opt for a lower tax rate and has considered the rate existing prior to the Ordinance for the purpose of tax provision and deferred tax in these standalone financial statements.

49 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", parent Company's related parties disclosed as below:

I	**Associate companies**		
		Reliance Industries Limited (since 01 March 2020)	
II	**Entities under common control**		
		Alok Denims (India) Limited	Alok Knit Exports Private Limited
		Alok Textile Traders	Nirvan Exports
		Ashok Realtors Private Limited	Pramatex Enterprises
		D. Surendra & Co.	Triumphant Victory Holdings Limited.
III	**Joint Venture**		
		Aurangabad Textiles & Apparel Parks Limited	New City Of Bombay Mfg. Mills Limited
IV	**Key Managerial Personnel (KMP)**		**Relatives of Key Managerial Personnel (KMP)**
		Ashok B. Jiwrajka-Director	Alok A. Jiwrajka (Chief Operating Officer)
		Dilip B. Jiwrajka-Director	Niraj D. Jiwrajka (Joint Chief Operating Officer)
		Surendra B. Jiwrajka-Director	Varun S. Jiwrajka (Joint Chief Operating Officer)
		Surinder Kumar Bhoan, Independent Director	Vidhi S. Jiwrajka

		Tulsi N. Tejwani, Executive Director & CEO (Weaving)
		Senthilkumar Arumugham, Executive Director & CEO (Processing) (resigned w.e.f.20.01.2020)
		Keshav Dattaram Hodavdekar, Independent Director
		Sunil O. Khandelwal, Chief Financial Officer
		K. H. Gopal, Company Secretary
		The powers of these Directors continued to remain suspended as per the terms of the Approved Resolution Plan
V	**Firms in which KMP and relatives of KMP are interested**	
		AVAN Packaging and Boards
		Linear Design
		C. J. Corporation
VI	**Member of Monitoring Committee (MC)**	
		Ajay Joshi
		B. Srinivasan (SBI)
		Santosh Shetty (Axis Bank)
		Sunil kr. Sharma (BOB)
		Manoj Kumar (Canara)
		Bijay Agarwal (RAs)
		Kalpesh Parekh (RAs)

B Transactions with related parties are as below

(₹ In Crore)

Transactions	Associates		Entities under common control		Joint venture company	
	2019-20	2018-19	**2019-20**	2018-19	**2019-20**	2018-19
Outstanding as at 31 March						
Equity shares	83.33	-				
Share premium	166.67	-				
9% Optionally Convertible Preference Shares (OCPS)	250.00	-				
Long term Borrowings			553.15	507.55	-	-
Short term Borrowings			670.22	614.96	-	-
Short term Loans & Advances			1.41	1.41	-	-
Non current Investments			-	-	92.38	92.38
Trade payables			110.03	43.97	-	-

Transactions with Key Managerial Personnel are as below

(₹ In Crore)

Transactions	Key Managerial Personnel		Relatives of Key Managerial Personnel		Firms in which KMP and relatives of KMP are interested	
	2019-20	2018-19	**2019-20**	2018-19	**2019-20**	2018-19
Outstanding as at 31 March						
Trade payables	-	-	-	-	4.34	22.72
During the year ended						
Purchase of packing material	-	-	-	-	42.93	56.79
Rent expenses	-	-	0.20	0.20	-	-
Remuneration	4.87	4.00	0.90	0.90	-	-

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.

Compensation of Key managerial personnel of the company

(₹ In Crore)

Transactions	2019-20	2018-19
Short term Employee benefits	0.19	0.03
Post employment benefits	0.71	0.72
Total compensation of Key managerial personnel	**0.90**	**0.75**

Disclosure in respect of significant transaction of the same type with related parties during the year

(₹ In Crore)

Transactions	2019-20	2018-19
Long term borrowings translation difference		
Triumphant Victory Holdings Limited	45.60	30.28
	45.60	**30.28**
Short term Borrowings translation difference		
Triumphant Victory Holdings Limited	55.24	36.68
	55.24	**36.68**
Short term Loans & Advances Repayment		
Alok Knit Exports Private Limited	0.65	0.65
	0.65	**0.65**
Non Current Investments Provisions		
Triumphant Victory Holdings Limited	(188.22)	(177.72)
	(188.22)	**(177.72)**
Trade payables		
Alok Denims (India) Limited	0.05	42.75
Reliance Industries Limited (Since 01-Mar-20)	109.98	-
Alok Knit Exports Private Ltd.	-	1.22
C. J. Corporation	4.34	22.72
	114.37	**66.68**
Sale of goods		
Reliance Industries Limited (Since 01-Mar-20)	0.05	-
	0.05	**-**
Purchase of goods		
Reliance Industries Limited (Since 01-Mar-20)	101.15	-
	101.15	**-**
Purchase of packing material		
C. J. Corporation	42.93	56.79
	42.93	**56.79**
Rent expenses		
Varun S. Jiwrajka	0.10	0.10
Vidhi S. Jiwrajka	0.10	0.10
	0.20	**0.20**
Remuneration		
Ashok B. Jiwrajka	-	0.04
Dilip B. Jiwrajka	-	0.04
Surendra B. Jiwrajka	-	0.04
Sunil O. Khandelwal	1.73	1.23
K. H. Gopal	1.66	1.19
Tulsi Tejwani	0.74	0.69
Senthil Kumar	0.75	0.77
Alok A Jiwrajka	0.30	0.30
Niraj D. Jiwrajka	0.30	0.30
Varun S. Jiwrajka	0.30	0.30
	5.78	**4.90**

Notes

to the Standalone Financial Statements for the year ended 31st March 2020

C Transaction with Resolution Professional & Member of Monitoring Committee

(₹ In Crore)

Transactions	31 March 2020	31 March 2019
Professional fees	0.72	0.68

D Joint Venture

The parent Company has interests in the following jointly controlled entities, which are incorporated in India.

(₹ In Crore)

Name of the company & Country of Incorporation	% of share holding	Amount of interest				
		Assets	Liabilities	Income	Expenses	Contingent liability
New City of Bombay Mfg. Mills Limited (India)	49.00%	46.92	14.13	0.02	0.64	0.10
	(49.00%)	(47.49)	(14.08)	(0.02)	(0.67)	(0.10)
Aurangabad Textile and Apparel Park Limited (India)	49.00%	7.03	0.14	0.03	0.40	-
	(49.00%)	(7.39)	(0.13)	(0.08)	(0.45)	-

Previous year figures are given in brackets.

50 Earnings per share (EPS)

(₹ In Crore)

Sr. No.	Particulars	31 March 2020	31 March 2019
a.	Face value of equity shares per share (In Rupees)	1	10
b.	**Basic and Diluted EPS**		
	Net profit available for equity shareholders (₹ in crore)	1,310.23	2,076.16
	Weighted average number of equity shares - Basic (Nos.)	1,448,094,151	1,368,626,895
	Basic EPS (Rupees)	9.05	15.17
	Add : Effect of dilutive stock options (Nos.)	-	-
	Weighted average number of equity shares - Diluted (Nos.)	3,948,094,151	1,368,626,895
	Diluted EPS (Rupees)	3.32	15.17

51 Disclosures Pursuant to – “Employee benefits”:

i. Defined contribution plans:

Amounts recognized in the consolidated statement of Profit and Loss under the head Employee Benefits Expense towards contributions to Provident Fund, and other similar funds by the parent Company are ₹ 4.05 crore (Previous year ₹ 3.60 crore)

ii. Defined benefit plans:

(a) Gratuity Plan:

The parent Company makes annual contribution to the Employee’s Group 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, First Life Insurance Company Limited, SBI Life Insurance Company Limited and Canara HSBC Oriental Bank of Commerce. 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. Vesting occurs on completion of five years of service.

The following table sets out the status of the gratuity plan for the year ended 31 March 2020 as required under Ind AS 19

(₹ In Crore)

Particulars			Gratuity (funded) as at 31 March 2020	Gratuity (funded) as at 31 March 2019
I.	**Change in Defined Benefit Obligation**			
	Opening Defined Benefit Obligation		38.26	35.56
		Current Service Cost	4.56	5.15
		Interest Cost	2.86	2.61
		Actuarial gain	(2.60)	(2.33)
		Past Service cost – Vested Benefit	-	-
		Benefits Paid	(2.93)	(2.73)
	Closing Defined Benefit Obligation		**40.15**	**38.26**
II.	**Change in Fair Value of Plan assets**			
	Opening Fair value of plan assets		8.66	10.17
		Expected Return on Plan Assets	0.65	0.75
		Actuarial gain/(loss)	(0.50)	0.26
		Contribution by Employer	13.63	0.21
		Benefits Paid	(2.93)	(2.73)
	Closing Fair Value of Plan Assets		**19.51**	**8.66**
III.	**Net Liability recognised in the Balance Sheet**		**20.64**	**29.60**
IV	**a).**	**Expense recognised in statement of Profit and Loss**		
		Current Service Cost	4.56	5.15
		Past Service cost	-	-
		Net Interest Cost / (Income) on the Net Defined	2.21	1.86
	Total Included in Employment Expenses		**6.77**	**7.01**
IV	**b).**	**Included in other Comprehensive Income**	(2.10)	(2.60)
V.	**Actual Return on Plan Assets**		0.39	0.49
VI.	**Investments details (Invested through Trustees of Alok Industries Limited Employees Group Gratuity Assurance Scheme) :**			
		Insurer Managed Fund	21.79	8.66
			100%	100%
VII.	**The assumptions used in accounting for the gratuity are set out below:**			
		Discount rate	6.25%	7.45%
		Rate of increase in compensation levels of covered employees	6.00%	6.00%
		Expected Rate of return on plan assets *	6.25%	7.45%
		Mortality rate	100% of IALM	100% of IALM
			2012-14	2006-08
		Attrition / withdrawal rate	8.00%	8.00%
VIII.	**Future contribution :**			
		Amount expected to be contributed in the next 12 months	26.18	35.06

* 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				
	31 March 2020	31 March 2019	31 March 2018	31 March 2017	31 March 2016
Defined benefit obligation	40.15	38.26	35.56	40.39	36.21
Plan Assets	19.51	8.66	10.17	12.88	13.16
Surplus / (Deficit)	(20.64)	(29.60)	(25.39)	(27.51)	(23.05)
Experience Adjustments on plan Liabilities	(6.16)	(0.82)	(4.18)	(2.35)	(0.96)
Experience Adjustments on plan Assets	-	-	-	-	(0.29)

Asset Allocations

Since the investments are held in the form of deposit with the fund manager, 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)

Transactions	31 March 2020	31 March 2019
Defined Benefit Obligation (Base)	40.15	38.26

(₹ In Crore)

Particulars	31 March 2020		31 March 2019	
	Decrease	**Increase**	Decrease	Increase
Discount Rate (- / + 1%)	43.61	37.13	41.49	35.45
(% change compared to base due to sensitivity)	8.60%	-7.50%	8.40%	-7.30%
Salary Growth Rate (- / + 1%)	37.25	43.41	35.53	41.34
(% change compared to base due to sensitivity)	-7.20%	8.10%	-7.10%	8.00%
Attrition Rate (- / + 50% of attrition rates)	40.00	40.15	36.80	39.03
(% change compared to base due to sensitivity)	-0.40%	0.00%	-3.80%	2.00%
Mortality Rate (- / + 10% of mortality rates)	40.14	40.15	38.25	38.27
(% 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	4.87
2 to 5 years	15.20
6 to 10 years	16.74
More than 10 years	37.39

(b) Compensated absences:

Employees' entitlement to compensated absences in future periods based on leaves not availed as at balance sheet date, as per the policy of the Company, is expected to be a long term benefit and is actuarially valued.

i) Annual Leave Encashment

(₹ In Crore)

Particulars	31 March 2020	31 March 2019
Current Liability (Short Term)	2.07	3.61
Non-Current Liability (Long Term)	6.92	11.05
Present value of obligation as at the end	**8.99**	**14.66**

ii) Expenses recognized in Statement of Profit and Loss

(₹ In Crore)

Particulars	31 March 2020	31 March 2019
Present value of obligation as at the beginning	14.66	15.86
Present value of obligation as at the end	8.99	14.66
Benefit Payment	1.72	2.84
Actual return on plan assets	-	-
Acquisition adjustment	-	-
Expenses Recognized in Income Statement	**(3.95)**	**1.63**

iii) Financial Assumptions

(₹ In Crore)

Particulars	31 March 2020	31 March 2019
Discount rate (per annum)	6.25%	7.45%
Salary growth rate (per annum)	6.00%	6.00%

iv) Demographic Assumptions

(₹ In Crore)

Particulars	31 March 2020	31 March 2019
Present value of obligation as at the beginning	100%	100%
Normal retirement age	60 years	60 years
Attrition / Withdrawal rate (per annum)	8.00%	8.00%
Rate of Leave Availment (per annum)	10.00%	10.00%
Rate of Leave Encashment during employment (per annum)	0%	0%

52 Segment Information

Considering the nature of its business activities and related risks and returns, the Company had, at the time of transition to Ind AS, determined that it operates in a single primary business segment, namely "Textiles", which constitutes a reportable segment in the context of Ind AS 108 on "Operating Segments". There has been no development during the year necessitating any changes in Operating Segment.

53 Fair Value Measurement:

Set out below, is a comparison by class of the carrying amounts and fair value of the parent Company's financial instruments that are recognised in the consolidated financial statements.

(₹ In Crore)

Sr. No.	Particulars	Carrying value		Fair value	
		31 March 2020	31 March 2019	31 March 2020	31 March 2019
	Financial Asset				
(a)	**Carried at amortised cost**				
(i)	Investment in preference shares	-	-	-	-
(ii)	Trade receivables	241.94	239.85	241.94	239.85
(iii)	Security deposits	20.55	20.82	20.55	20.82
(iv)	Loans to related parties	1.53	1.40	1.53	1.40
(v)	Other receivables	2.47	3.08	2.47	3.08
(vi)	Cash and cash equivalent	489.07	37.60	489.07	37.60
(vii)	Other financial assets	0.98	107.05	0.98	107.05
	Financial Liabilities				
(a)	**Carried at amortised cost**				
(i)	Borrowings	29,377.14	25,345.66	29,377.14	25,345.66
(ii)	Trade payables	464.43	1,057.74	464.43	1,057.74
(iii)	Other payables	101.23	5,570.14	101.23	5,570.14

The parent Company maintains policies and procedures to value financial assets or financial liabilities using the most relevant data available. In addition, the parent Company as and when required, also engages independent pricing advisors to assist in corroborating the valuations of certain instruments.

The fair value of the financial assets and liabilities are included at the amount at which the instrument that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the measurement date. The fair value and carrying value of instrument may undergo material change on account of implementation of Approved Resolution Plan.

The following methods and assumptions were used to estimate the fair values:

i) Fair value of security deposits have been estimated using a DCF model. The valuation requires management to make certain assumptions about interest rates, maturity period, credit risk, forecasted cash flows.

ii) Long-term fixed-rate and variable-rate receivables/borrowings are evaluated by the company based on parameters such as interest rates, individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables. As of reporting date the carrying amounts of such receivables, net of allowances are not materially different from their calculated fair values.

iii) Carrying value of loans from banks, other noncurrent borrowings and other financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The own non-performance risk as at reporting date was assessed to be insignificant.

Fair value hierarchy

The following table provides the fair value measurement hierarchy of parent Company's assets and liabilities grouped into Level 1 to Level 3 as described in significant accounting policies - Note 1. Further table describes the valuation techniques used, key inputs to valuations and quantitative information about significant unobservable inputs for fair value measurements.

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2020:

(₹ In Crore)

Sr. No.	Particulars	Fair value measurement using			Valuation technique used	Inputs used
		Level 1	Level 2	Level 3		
	Assets and liabilities for which fair values are disclosed					
(a)	**Financial assets measured at amortised cost**					
(i)	Investment in preference shares	-	-	-	Discounted cash flows	Forecast cash flows, discount rate, maturity
			-			
(ii)	Security deposits	-	20.55	-		
			(20.82)			
(iii)	Loans to related parties	-	1.53	-		
			(1.40)			
(iv)	Other receivables	-	2.47	-		
			(3.08)			
(b)	**Financial liability measured at amortised cost**					
(i)	Borrowings	-	29,377.14	-	Discounted cash flows	Forecast cash flows, discount rate, maturity
			(25,345.66)			
(ii)	Other payables	-	101.23	-		
			(5,570.14)			

(Previous year figures given in brackets)

During the year ended 31 March 2020 and 31 March 2019 there were no transfers between level 1 and level 2 fair value measurements and no transfers into and out of level 3 fair value measurement.

The management assessed that cash and cash equivalents, trade receivables, trade payables, cash credit and all other current financial assets and liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- Receivables are evaluated by the company based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- The fair values of the unquoted equity instruments have been estimated using a net adjusted fair value method. The valuation requires management to make certain assumptions about the assets, liabilities, investments of Investee Company. The probabilities of the various assumptions can be reasonably assessed and are used in management's estimate of fair value for these unquoted equity investments based on the best information available to the Company.
- The fair value of quoted equity instruments are derived from quoted market prices in active markets.
- The Company presently has not entered into any foreign exchange forward contracts.

54 Capital Management and Financial Risk Management Framework

The parent Company was admitted under the Corporate Insolvency Resolution Process (CIR) Process as per provision of the Insolvency and Bankruptcy Code 2016 (the Code) on 18 July 2017.

Vide its order dated March 08, 2019, the National Company Law Tribunal, Ahmedabad Bench has approved the resolution plan ("Approved Resolution Plan") submitted by the Resolution Applicants for your Company under Section 31 of the Insolvency and Bankruptcy Code, 2016 ("Code").

The implementation of the Approved Resolution Plan is underway and there have been changes in the Capital Structure of the company as has been discussed in Note no.35 of these consolidated financoal statements. The framework and the strategies for effective capital management, thus, will be formulated post the implementation of the Resolution Plan by the Board of Directors upon its constitution by the Resolution Applicants.

Presently, the Capital and Financial Management activities are restricted to management of current assets and liabilities of the parent company and the day to day cash flow. The parent company is focused on realization of receivables and inventory management to unlock, to the extent possible, funds blocked in the current assets of the parent company.

Debt-to-equity ratio are as follows:

(₹ In Crore)

Particulars	31 March 2020	31 March 2019
Debt (A)	29,377.14	25,345.66
Equity (B)	(12,307.92)	(14,616.95)
Debt / Equity Ratio (A / B)	N.A. *	N.A. *

*since net worth of the company is negative, debt equity ratio is not calculated

Similarly, the financial risk profile and the strategies for mitigation of such risks will be formulated by the new management of the parent company post the implementation of the Resolution Plan. The key risks associated with day to day operations of the parent company and working capital management are given below:

A Credit Risk:

Credit risk is the risk that counter party will not meet it obligation under a financial instrument or customer contract leading to a financial loss. The parent Company expose to credit risk mainly from trade receivables and other financial assets.

i) Trade Receivables

Customer credit is managed by each business division subject to the parent Company's established policy procedures and control related to customer credit risk management.

The parent Company considers its export related debtors as low risk area. Most of its export customers are reputed international parties / traders. The major portions of exports are against the established lines of credit of the customers/ Letters of Credit and only with old and reputed customers is it on DA/ DP basis. In some cases, insurance cover on export outstanding is also taken. Similarly, domestic customers also comprise of reputed garment exporters/ traders and the sales to them are against post -dated cheques / Letters of Credit and only a few old and established customers are extended credit after due credit assessment of the party and as per the parent Company Credit Policy.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

(₹ In Crore)

Particulars		31 March 2020	31 March 2019
Gross debtors	A	428.86	11,433.40
Opening Loss allowance provision	B	11,190.26	11,175.42
Loss allowance during the year (net of bad debt)	C	620.60	14.83
Derecognition of provision for doubtful debts pursuant to approved resolution plan		11,623.94	-
Total Loss Allowance	D	186.92	11,190.26
Net debtors	E	241.94	243.14
Expected loss rate for the year	C/A*100	144.71%	0.13%
Expected loss rate cumulative	D/A*100	43.59%	97.87%

As of the insolvency commencement date, the parent company had an amount of ₹11,623.94/- crores receivable from trading debtors on account of sale of fabric ("Outstanding Trading Dues"). As per the Approved Resolution Plan of parent company, receipts against these Outstanding Trading Dues are to be deposited in a designated escrow account ("Escrow Account") to be opened in the name of the parent Company for the sole benefit of the Financial Creditors. Accordingly, provision for Outstanding Trading Dues are not considered for calculation of expected loss rate.

ii) Other Financial Assets

Presently, other financial assets comprise of Fixed Deposits as margin for Letter of Credit/ Bank guarantees, Export incentives, GST refund / rebate on Exports receivable, advance given to vendors etc. These are considered as low risk items in the normal course of business and are subject to operational controls deemed sufficient by senior management of the parent company.

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

This is the risk that the Company may suffer losses on foreign currency transactions as a result of adverse exchange rate movement during the relevant period. The Company has exports and to that extent has a natural hedge and a mitigation measure to cover foreign exchange risk on account of imports/expenses in foreign currency. Once the Approved Resolution Plan is implemented, the new management may decide on other measures like derivative contracts, options etc as part of an overall hedging strategy.

Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EUR exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives. The Company's exposure to foreign currency changes for all other currencies is not material.

(₹ In Crore)

Currency	Change in rate (upward)	Effect on profit before tax		Change in rate (downward)	Effect on profit before tax	
		31 Mar 2020	31 March 2019		31 Mar 2020	31 March 2019
AED	5%	-	(5.61)	-5%	-	5.61
BDT	5%	(0.00)	-	-5%	0.00	-
CHF	5%	(0.00)	(0.02)	-5%	0.00	0.02
DKK	5%	-	(0.00)	-5%	-	0.00
Euro	5%	0.05	(0.93)	-5%	(0.05)	0.93
GBP	5%	(0.00)	(4.11)	-5%	0.00	4.11
HKD	5%	-	(0.00)	-5%	-	0.00
JPY	5%	0.01	0.00	-5%	(0.01)	(0.00)
SGD	5%	-	(0.00)	-5%	-	0.00
USD	5%	(62.46)	(134.02)	-5%	62.46	134.02
LKR	5%	-	0.00	-5%	-	(0.00)

P&L impact during the year including impact on fixed assets and unhedged exposure is as follows:

Impact on P&L of ₹ 62.40 crore (negative if change in rate is upward)

ii) Interest rate risk

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 rates. The Company's exposure to the risk of changes in market rates relates primarily to the Company's non-current debt obligations with floating interest rates. As at the end of the reporting period, the parent Company had long term variable interest rate borrowings amounting to ₹ 5110.30 crore.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Currency	31 March 2020	
	Increase / decrease in basis points	Effect on profit before tax
INR	50.00	25.55
INR	(50.00)	(25.55)

For the previous year ended 31-Mar-19, the Company was under NCLT proceedings and no Interest was payable, accordingly impact of interest rate sensitivity was not ascertained.

Upon implementation of the Approved Resolution Plan, the new management may decide on measures like interest rate swaps to effectively manage the risk of interest rate fluctuation.

iii) Investment in Equity Price Risk

The parent Company is exposed to normal risks associated with equity investments. Equity investments are held for strategic rather than trading purposes. The parent Company does not actively trade these investments. During the year the group company has made provision for diminution in value of its investments amounting to ₹ 15.91 crore (Previous year ₹ 14.75 crore)

C Liquidity Risk:

i) Liquidity risk management

A substantive part of the Approved Resolution Plan has been implemented as highlighted in the earlier part of these Notes to Accounts. The resolution Applicants have infused funds into the Company as per the terms of the said Plan and have also arranged for working capital funds from commercial banks. The liquidity risk has thus been adequately mitigated.

ii) Maturities of financial liabilities

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. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the Company may be required to pay.

31 March 2020 (₹ 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							
Long term borrowings	1,184.03	-	-	486.95	678.10	26,654.54	29,003.63
Short term borrowings							-
Cash Credit Facilities/ Working Capital Loan	83.27		-	-	-	-	83.27
Pre-shipment, Post-shipment facilities	-	-	-	-	-	-	-
Bill Discounting with Bank	-	-	-	-	-	-	-
Trade payables							
Trade payables - Micro, Small & Medium enterprises	-	17.99	-	-	-	-	17.99
Trade payables - other than Micro, Small & Medium enterprises	-	389.57	-	-	-	-	389.57
Acceptances	-	56.87	-	-	-	-	56.87
Other financial liabilities							
Deposits from dealers and agents	-	-	-	-	-	-	-
Deposits against rental arrangements	-	-	-	-	-	-	-
Other long term liabilities							-
Current maturities of long-term debt	-	290.24	-	-	-	-	290.24
Interest accrued on borrowings	54.82	-	-	-	-	-	54.82
Other Interest accrued	0.63	-	-	-	-	-	0.63
Unclaimed / Unpaid dividends	0.34	-	-	-	-	-	0.34
Creditors for Capital Supplies / Services		-					-
Total	**1,323.10**	**754.67**	**-**	**486.95**	**678.10**	**26,654.54**	**29,897.36**

31 March 2019 (₹ 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							
Long term borrowings	3,382.20	-	1,110.68	1,111.85	1,155.43	2,505.76	9,265.91
Short term borrowings							-
Cash Credit Facilities/ Working Capital Loan	9,152.59		-	-	-	-	9,152.59
Pre-shipment, Post-shipment facilities	183.42	-	-	-	-	-	183.42
Bill Discounting with Bank	33.51	-	-	-	-	-	33.51
Trade payables							
Trade payables - Micro, Small & Medium enterprises	-	102.62	-	-	-	-	102.62
Trade payables - other than Micro, Small & Medium enterprises	-	838.47	-	-	-	-	838.47
Acceptances	-	116.65	-	-	-	-	116.65
Other financial liabilities							
Deposits from dealers and agents	6.39	-	-	-	-	-	6.39
Deposits against rental arrangements	3.02	-	-	-	-	-	3.02
Other long term liabilities							-
Current maturities of long-term debt	-	1,545.55	-	-	-	-	1,545.55
Interest accrued on borrowings	5,495.05	6.52	-	-	-	-	5,501.56
Other Interest accrued	32.08	-	-	-	-	-	32.08
Unclaimed / Unpaid dividends	0.51	-	-	-	-	-	0.51
Creditors for Capital Supplies / Services		27.41					27.41
Total	**18,288.78**	**2,637.21**	**1,110.68**	**1,111.85**	**1,155.43**	**2,505.76**	**26,809.71**

iii) Financing arrangements

As highlighted in Note 33, the Resolution Applicants have infused an amount of ₹ 250 crores towards optionally convertible preference shares and ₹ 250 crore towards equity shares in the Company and the securities have also since been allotted. They have also arranged for adequate working capital finance as per the terms of the Approved Resolution Plan.

iv) Maturities of financial assets

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Notes

to the Standalone Financial Statements for the year ended 31st March 2020

Non derivative Financial Instruments

(₹ In Crore)

		Trade receivables (Net of provisions)	Other bank balances	Total
Overdue	2019-20	147.74	-	147.74
	2018-19	(142.06)	-	(142.06)
Less than 1 Year	2019-20	94.19	385.85	480.04
	2018-19	(106.31)	(115.88)	(222.19)
1-2 Years	2019-20	-	-	-
	2018-19	-	-	-
2-3 Years	2019-20	-	0.70	0.70
	2018-19	-	(0.11)	(0.11)
Beyond 3 Years	2019-20	-	0.28	0.28
	2018-19	-	(0.44)	(0.44)
Total	**2019-20**	**241.94**	**386.83**	**628.77**
	2018-19	**(248.36)**	**(116.43)**	**(364.79)**

(Previous year figures given in brackets)

55 Operating Lease

The parent Company has lease agreement for various premises which are in the nature of operating lease. The tenure of Lease arrangement ranges up to 1 year which are cancellable lease. There is no obligation for renewal of these lease agreements and are renewable by mutual consent. Lease payment recognised in the Statement of Profit & Loss is ₹ 9.20 Crore (previous year ₹ 9.63 Crore).

56 Corporate Social Responsibility

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 parent company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

Sr. No.	Particulars	Amount
a	Gross amount required to be spent by the company (pertaining to year 2015-16)	13.05
b	Amount spent till date	-

The parent Company has not been able to spend any amount towards CSR due to paucity of funds/the company having been admitted to CIRP.

57 Impairment of Property, Plant & Equipments

The parent Company current level of operations, at about 30% of the capacity, may not be an indication of the future performance of the parent Company. The approved Resolution plan for the parent company is yet to be fully implemented and the new management has not yet taken over. The new management is expected to set strategy and develop a business plan post which reliable projections of availability of future cash flows of the parent company and these supporting the carrying value of Property, Plant and Equipment will be available. Accordingly, impairment testing under Ind AS has not been performed while presenting these results.

58 Capital Advance

The capital advance includes ₹ 37.80 crs paid by the parent company in earlier years for purchase of land for which the sale deed was executed in the name of promoters of the parent company. Further the promoters have executed an MOU for holding the land in trust for the parent company.

59 Unhedged foreign currency exposure

The parent Company did not take any derivative instruments during the current year / previous year.

Particulars of unhedged foreign currency exposures are as follows:

(₹ In Crore)

Particulars		31 March 2020	31 March 2019
Trade Receivables	USD	138.78	103.71
	EUR	1.41	1.48
	GBP	0.12	-
Loans & Advances	USD	0.55	0.45
	GBP	-	0.01
	EUR	0.09	0.11
	CHF	-	-
	JPY	0.18	0.07
Borrowings	USD	-	2,145.11
	EUR	-	328.98
	GBP	-	76.38
Trade Payables	USD	3.92	122.17
	EUR	0.55	2.60
	GBP	0.14	0.59
	CHF	-	0.30
	AED	-	2.95
	DKK	-	0.02
Current Liabilities	USD	-	9.07
	EUR	-	5.92
	AED	-	109.18

The parent company has not entered into any derivative contracts during the year and the previous year.

60 Reconciliation of provisions

A) Reconciliation of loss allowance provisions for Investments

(₹ In Crore)

Particulars	31 March 2020	31 March 2019
Balance as at beginning of the year	203.11	201.79
Impairment losses recognised in the year	-	1.33
Amounts written off during the year as uncollectible	-	-
Balance at end of the year	203.11	203.11

B) Reconciliation of loss allowance provisions for Interest Subsidy receivable

(₹ In Crore)

Particulars	31 March 2020	31 March 2019
Balance as at beginning of the year	-	35.42
Provision for doubtful receivables recognised in the year	-	-
Amounts written off during the year as uncollectible	-	35.42
Amounts recovered during the year	-	-
Balance at end of the year	-	-

Notes

to the Standalone Financial Statements for the year ended 31st March 2020

C) Reconciliation of loss allowance provisions for Service Tax receivable

(₹ In Crore)

Particulars	31 March 2020	31 March 2019
Balance as at beginning of the year	-	-
Provision for doubtful receivables recognised in the year		-
Amounts written off during the year as uncollectible	-	-
Amounts recovered during the year		-
Balance at end of the year	-	-

D) Reconciliation of loss allowance provisions for ICD Given

(₹ In Crore)

Particulars	31 March 2020	31 March 2019
Balance as at beginning of the year	0.66	0.66
Provision for doubtful receivables recognised in the year	-	-
Amounts written off during the year as uncollectible	-	-
Amounts recovered during the year	-	-
Balance at end of the year	0.66	0.66

E) Reconciliation of loss allowance provisions for Export Incentives Receivable

(₹ In Crore)

Particulars	31 March 2020	31 March 2019
Balance as at beginning of the year	1.65	0.43
Provision for doubtful receivables recognised in the year	1.71	1.65
Amounts written off during the year as uncollectible	-	-
Amounts recovered during the year	1.65	0.43
Balance at end of the year	1.71	1.65

F) Reconciliation of loss allowance provisions for Advance to vendors

(₹ In Crore)

Particulars	31 March 2020	31 March 2019
Balance as at beginning of the year	3.12	0.51
Provision for doubtful receivables recognised in the year	158.86	2.61
Amounts written off during the year as uncollectible	1.43	-
Amounts recovered during the year	-	-
Balance at end of the year	160.55	3.12

61 Note on liquidation of subsidiary / sale of stake :

During the year 2017-18, financial creditors of Grabal Alok (UK) Ltd have filled for liquidation, the same is under process.

62 Previous period's figures have been regrouped / reclassified wherever necessary to correspond with the current period's classification / disclosure.

For and on behalf of the Board

Sunil O. Khandelwal
(Chief Financial Officer)

K. H. Gopal
(Company Secretary)

Taken on Record
Ajay Joshi
(On behalf of the Monitoring Committee)

Place: Mumbai
Date: 31st July, 2020

Annexure

Form AOC -1

To the Financial Statements for the year ended 31st March, 2020

Statement containing salient features of the financial statement of subsidiaries/ joint ventures

Part “A”: Subsidiaries

		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**
1	Reporting Period	April - March	April - March	April - March	April - March	April - March	April - March	April - March	April - March
2	Share Capital	0.05	0.00	0.00	1.31	0.00	0.22	71.03	70.17
3	Reserves & Surplus	(933.32)	1.28	(144.27)	(10.64)	(433.88)	(1,931.42)	(776.56)	26.21
4	Total Assets	1,004.33	989.06	13.54	50.72	23.42	191.20	4.35	217.05
5	Total liabilities	1,937.60	987.77	157.81	60.05	457.29	2,122.40	709.89	120.67
6	Investments	(0.00)				-			
7	Turnover	0.19	-	-	-	-	-	-	162.25
8	Profit/(Loss) before taxation	(13.50)	-	(3.15)	-	162.24	1.12	-	(7.05)
9	Provision for taxation	-	-	-	-	-	-	-	(1.58)
10	Profit/ (Loss) after taxation	(13.50)	-	(3.15)	-	162.24	1.12	-	(5.47)
11	Other Comprehensive Income	-	(0.11)	11.82	0.67	62.28	159.23	58.16	-
12	Proposed Dividend	-	-	-	-	-	-	-	-
13	% of shareholding	100%	100%	100%	100%	100%	100%	100%	100%

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:
   NA

Annexure

Form AOC -1

To the Financial Statements for the year ended 31st March, 2020 (Contd.)

Part "B": Joint Venture

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Joint Ventures

			Joint Venture	
			New City of Bombay Mfg. Mills Ltd.	**Aurangabad Textile and Apparel Park Ltd.**
1	Latest un-audited Balance sheet date		31.03.2020	31.03.2020
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			
4	Reason why the Joint venture is not consolidated		N.A.	N.A.
5	Net worth attributable to shareholding as per latest un-audited Balance Sheet		66.92	14.07
6	Profit / (Loss) for the year			
	I)	Considered in consolidation	(0.62)	(0.37)
	II)	Not considered in consolidation	(0.65)	(0.38)

1. Names of Subsidiaries which are yet to commence operations: NIL

2. Names of subsidiaries which have been liquidated or sold during the year: NIL

The above Statement also indicates performance and financial position of each of the subsidiaries / joint ventures.

Statement of information relating to subsidiaries including subsidiaries of subsidiaries (in terms of Government of India, Ministry of Corporate Affairs General Circular No : 2/2011, No : 5/12/2007-CL-III dated 8th February, 2011) in compliance with section 129 of the Companies Act, 2013 for the year ended 31 March 2020

FINANCIAL INFORMATION RELATING TO SUBSIDIARY COMPANIES FOR THE PERIOD ENDED 31 MARCH 2020

(₹ Crore)

Sr. No.	Name of the subsidiary	Currency	Capital *	Reserve	Total Assets	Total Liabilities	Investment (Other than investment in Subsidiaries)	Turnover	Other income	Profit before Tax	Provision for tax	Profit after tax	Other Comprehensive income	Total Comprehensive income
1	Alok International Inc.	USD	0.00	(433.88)	23.42	457.30	-	-	-	162.24	-	162.24	62.28	99.96
2	Alok Singapore Pte Ltd. (* ₹ 49.00/-)	USD	0.00	(144.27)	13.54	157.81	-	-	-	(3.15)	-	(3.15)	11.82	(14.97)
3	Alok International (Middle East) FZE	AED	1.31	(10.64)	50.72	60.05	-	-	-	-	-	-	0.67	(0.67)
4	Alok Infrastructure Limited	INR	0.05	(933.32)	1,004.33	1,937.60	(0.00)	0.19	2.65	(13.50)	-	(13.50)	-	(13.50)
5	Grabal Alok International Limited**	USD	71.03	(776.56)	4.35	709.89	-	-	-	-	-	-	58.16	(58.16)
6	Alok Industries International Limited	USD	0.22	(1,931.42)	191.20	2,122.40	-	-	1.12	1.12	-	1.12	159.23	(158.11)
7	Mileta, a.s.	CZK	70.17	26.21	217.05	120.67	-	162.25	2.52	(7.05)	(1.58)	(5.47)	-	(5.47)
8	Alok Worldwide Limited (*₹ 6,252/-)	USD	0.00	1.28	989.06	987.77	-	-	-	-	-	-	(0.11)	0.11
9	Alok Global Trading (Middle East) FZE (* ₹ 16,985/-)	AED	-	0.00	-	-	-	-	-	-	-	-	-	-

Note :

For converting the figure given in foreign curency appearing in the accounts of subsidiary companies into equivalent INR, following exchange rate is used for 1 INR

Sr. No.	Currency	Balance Sheet (Closing Rate)	Statement of Profit and Loss (Average Rate)
1	USD	75.3859	70.8791
2	AED	20.3425	19.2724
3	CZK	3.0335	3.0335

** Capital Including Preference share capital of ₹ 70.81 Crores

NOTICE is hereby given that the **33rd Annual General Meeting** of the members of **ALOK INDUSTRIES LIMITED** ("the Company") will be held on **Tuesday, the 29th day of December 2020** at **12.30 p.m.** at Alok Public School, Alok City, Silvassa-Khanvel Road, Silvassa – 396230, Union Territory of Dadra and Nagar Haveli, to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt (a) the audited financial statement of the Company for the financial year ended March 31, 2020 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 March 31, 2020 and the report of Auditors thereon and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolutions as **Ordinary Resolutions**:

   a) "**RESOLVED THAT** the audited financial statement of the Company for the financial year ended March 31, 2020 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 March 31, 2020 and the report of Auditors thereon, as circulated to the members, be and are hereby considered and adopted."

2. To appoint Statutory Auditors and fix their remuneration and in this regard, pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, 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), S R B C & Co., LLP, Chartered Accountants (Registration No. 324982E/ E300003), be and is hereby appointed as Statutory Auditors of the Company for a term of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the sixth Annual General Meeting from this Annual General Meeting, at such remuneration as shall be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS:

3. To ratify the remuneration of Cost Auditors for the financial year ending March 31, 2021 and, in this regard, to consider and if thought fit, to pass, with or without modification(s), 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 Monitoring Committee and set out in the Statement annexed to the Notice, to be paid to the Cost Auditors appointed by the Monitoring Committee, to conduct the audit of cost records of the Company for the financial year ending March 31, 2021, be and is hereby ratified."

4. To appoint Mr. Hemant Desai (DIN 00008531) as a Nominee Director (Non-Executive) representing Reliance Industries Limited and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** in accordance with the provisions of Section 152 read with other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Hemant Desai (DIN 00008531), representing Reliance Industries Limited, who was appointed as an additional director (Non-Executive) in accordance with the provisions of Section 161(1) of the Act and the Articles of Association of the Company and who holds office up to the date of this meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Nominee Director (Non-Executive) of the Company, liable to retire by rotation;

   RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. To appoint Mr. Anil Kumar Rajbanshi (DIN: 03370674) as a Nominee Director (Non-Executive) representing Reliance Industries Limited and in this regard, to consider and if thought fit, to pass, with or without

modification(s), the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** in accordance with the provisions of Section 152 read with other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Anil Kumar Rajbanshi (DIN: 03370674), representing Reliance Industries Limited, who was appointed as an additional director (Non-Executive) in accordance with the provisions of Section 161(1) of the Act and the Articles of Association of the Company and who holds office up to the date of this meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Nominee Director (Non-Executive) of the Company, liable to retire by rotation;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. To appoint Mr. Venkataraman Ramachandran (DIN: 02032853) as a Nominee Director (Non-Executive) representing Reliance Industries Limited and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** in accordance with the provisions of Section 152 read with other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Venkataraman Ramachandran (DIN: 02032853), representing Reliance Industries Limited, who was appointed as an additional director (Non-Executive) in accordance with the provisions of Section 161(1) of the Act and the Articles of Association of the Company and who holds office up to the date of this meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Nominee Director (Non-Executive) of the Company, liable to retire by rotation;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. To appoint Mr. Samir Chawla (DIN: 03499851) as a Nominee Director (Non-Executive) representing JM Financial Asset Reconstruction Company Limited and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** in accordance with the provisions of Section 152 read with other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Samir Chawla (DIN: 03499851), representing JM Financial Asset Reconstruction Company Limited, who was appointed as an additional director (Non-Executive) in accordance with the provisions of Section 161(1) of the Act and the Articles of Association of the Company and who holds office up to the date of this meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Nominee Director (Non-Executive) of the Company, liable to retire by rotation;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

8. To appoint Mr. A. Siddharth (DIN: 00016278), as an Independent Director, and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or reenactment thereof for the time being in force), Mr. A. Siddharth (DIN: 00016278), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term up to September 13, 2025;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

9. To appoint Mr. Rahul Dutt (DIN: 08872616), as an Independent Director, and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or reenactment thereof for the time being in force), Mr. Rahul Dutt (DIN: 08872616), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term up to September 13, 2025;

   RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

10. To appoint Ms. Mumtaz Bandukwala (DIN: 07129301), as an Independent Director, and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

    "**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or reenactment thereof for the time being in force), Ms. Mumtaz Bandukwala (DIN: 07129301), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation to hold office for a term up to September 13, 2025;

    RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

11. To appoint Mr. Sunil O. Khandelwal as a Manager and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

    "RESOLVED THAT pursuant to Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to the appointment of Mr. Sunil O. Khandelwal (PAN AGSPK9505G) as a Manager of the Company, for a period of 5 (five) years with effect from September 16, 2020 on the terms and conditions as set out in the Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment as it may deem fit;

RESOLVED FURTHER THAT the remuneration to be drawn by Mr. Sunil O. Khandelwal as a Manager as set out in the Statement annexed to the Notice convening this Meeting, be and is hereby approved for a period of three (3) years with liberty to the Board to alter and vary the terms and conditions of the said remuneration as it may deem fit;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors
For **Alok Industries Limited**

K. H. Gopal
Company Secretary
Membership No. A9806

Mumbai, November 12, 2020

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: info@alokind.com;
Tel No.0260-6637000;
Fax No.0260-2645289

NOTES:

1. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 and applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of businesses under Item No. 2 to 11 are annexed hereto and forms a part of this Notice.
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/ herself 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 the 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 shareholder. 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. Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send to the Company a certified copy of the relevant Board resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.
5. Relevant details as required Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings issued by The Institute of Company Secretaries of India, of persons seeking appointment as Director forms part of the notice.
6. Members / Proxies / Authorised Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s) and copy(ies) of Annual Report.
7. Members who hold shares in dematerialized form are requested to write their Client ID and Depository Participant (DP) ID and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the Meeting.
8. Members are requested to quote their ledger folio numbers in all their correspondence to enable the Company to provide better services to the Members.
9. 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 Annual General Meeting (AGM).
10. Relevant documents referred to in the Notice are open for inspection by the members at the Registered Office of the Company on all working days (i.e. except Saturdays, Sundays and Public Holidays) during business hours up to the date of the Meeting.

The aforesaid documents will be also available for inspection by members at the Meeting.

11. Members are requested to notify immediately the changes of address, if any, to their Depository Participants (DPs) in respect of their electronic share accounts, the Company and/or the Registrar and Share Transfer Agent.

12. Members holding shares in the physical form are requested to intimate the following directly to the Company's RTA, M/s. Link Intime India Private Limited, C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai 400 083. Tel: (022) 4918 6270, Fax – (022) 4918 6060, e-mail: rnt.helpdesk@linkintime.co.in.
    (a) Bank Mandate with full particulars for remittance of dividend directly into their Bank Accounts, if declared at the Meeting;
    (b) Intimate changes, if any, in their address/ name, bank details, NECS/ECS, mandates, nominations, power of attorney etc. at an early date;
    (c) Apply for consolidation of folios, if shareholdings are under multiple folios in identical names or joint holding in the same order of names;
    (d) Send their share certificates for consolidation, and
    (e) Request for nomination forms for making nominations, as per the format prescribed under the Companies Act, 2013: Members holding shares in the dematerialized (electronic) form are requested to intimate the aforesaid changes directly to their DPs, as applicable.

13. Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number ("PAN") for all transactions in the securities market. Members who are holding shares in dematerialized form are requested to submit their PAN details to their respective DP. Members holding shares in physical form can submit their PAN details to the Company's RTA, M/s. Link Intime India Private Limited.

14. Members are requested to note that the transfer deed(s) lodged prior to deadline, i.e., April 1, 2019, and returned due to deficiency in the document may be re-lodged for transfer with Link Intime India Private Limited (Registrar & Transfer Agents), on or before March 31, 2021, cut-off date as fixed by SEBI, vide circular dated September 07, 2020. Further, the shares that are re-lodged for transfer (including those requests that are pending with the company / RTA, as on date) will be issued only in demat mode.

15. In the case of Dematerialized Shares, the Company is obliged to print Bank details on the dividend instruments, as are furnished by the National Securities Depository Limited ("NSDL") and the Central Depositories Services (India) Limited ("CDSL") ("the Depositories") to the Company and the Company cannot entertain any request for deletion/change of Bank details without confirmation from the Depositories. In this regard, Members are advised to contact their DPs and furnish them the particulars of any change(s) desired.

16. Non-Resident Indian Members are requested to immediately inform the Company or its RTA or the concerned DP, as the case may be, about the following: (a) The change in the residential status on return to India for permanent settlement; (b) The particulars of the NRE account with a Bank in India, if not furnished earlier.

17. The Ministry of Corporate Affairs has notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these Rules, dividends which are not encashed / claimed by the shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules mandate the companies to transfer the shares of shareholders whose dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Hence, the Company urges all the shareholders to encash / claim their respective dividend during the prescribed period. The details of the unpaid / unclaimed amounts lying with the Company as on 24th December, 2019 (date of last Annual General Meeting) are available on the website of the Company www.alokind.com. The shareholders whose dividend/ shares as transferred to the IEPF Authority can now claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority http://iepf. gov.in.

18. Members are requested to contact the Company's RTA, for claiming the unclaimed

dividends. The detailed dividend history and due dates for transfer to IEPF are provided in the "Corporate Governance" section of the Annual Report. Members are requested to address all correspondences, including shareholding related documents and dividend matters to the Company's RTA, M/s. Link Intime India Private Limited, C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai 400 083 Tel: (022) 4918 6270, Fax – (022) 4918 6060, e-mail: rnt.helpdesk@linkintime.co.in.

19. In accordance with the provisions of Schedule VI of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company had opened a demat Suspense Account with National Securities Depository Limited and as on 31.03.2020, 1800 Shares are lying in the said account.

20. As per Regulation 40 of Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's RTA for assistance in this regard.

21. **PROCEDURE FOR REMOTE E-VOTING:**

    Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of SEBI Listing Regulations, the Company is providing to its members facility to exercise their right to vote on resolutions proposed to be passed at AGM by electronic means ("e-voting"). Members may cast their votes remotely, using an electronic voting system on the dates mentioned herein below ("remote e-voting'').

    The Company has engaged the services of National Securities Depositories Limited ('NSDL') as the agency to provide e-voting facility.

    The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the instructions given below.

22. **The Instructions for Members for Remote e-voting are as under:**

    The remote e-voting period begins on Friday, 25th December, 2020 at 9:00 A.M. and ends on Monday, 28th December, 2020 at 5:00 P.M. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 22nd December, 2020, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by a Member, whether partially or otherwise, the Member shall not be allowed to change it subsequently or cast the vote again. The Company has appointed Mr. Virendra Bhatt, Practicing Company Secretary to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

    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: Log-in to NSDL e-Voting system at https:// www.evoting.nsdl.com/

    Step 2: Cast your vote electronically on NSDL e-Voting system.

    Details on Step 1 are mentioned below:

    How to Log-in to NSDL e-Voting website?

    a. 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.

    b. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

    c. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

    d. 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.

Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical		Your User ID is:
a)	For Members who hold 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 114750 then user ID is 14750001***

Your password details are given below:

i. If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

ii. 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.

iii. How to retrieve your 'initial password'?

- If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email 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'.
- If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

e. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

i 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.

ii "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

iii 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.

iv Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

f. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

g. Now, you will have to click on "Login" button.

h. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 are given below:

How to cast your vote electronically on NSDL e-Voting system?

a. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

b. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

c. Select "EVEN" of company for which you wish to cast your vote.

d. Now you are ready for e-Voting as the Voting page opens.

e. 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.

f. Upon confirmation, the message "Vote cast successfully" will be displayed.

g. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

h. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

22. The facility for ballot / polling paper shall be made available at the Annual General Meeting (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.

23. 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.

24. 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.

25. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request to designated email ID at evoting@nsdl.co.in.

26. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ 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.

27. Process for those shareholders whose email 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:

a. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to RTA at rnt.helpdesk@linkintime.co.in.

b. 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 RTA at rnt.helpdesk@linkintime.co.in.

28. The voting rights of members shall be as per the number of equity shares held by the Member(s) as on 22nd December, 2020 being the cut-off date and as per the register of members of the Company. Members are eligible to cast vote electronically only if they are holding shares as on that date.

29. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 22nd December, 2020 may obtain the login ID and password by sending a request at evoting@nsdl.co.in.

30. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

31. 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 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

32. Mr. Virendra G. Bhatt, Practicing Company Secretary (Membership No. 1157) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

33. The Scrutinizer shall after the conclusion of voting at the general meeting, will 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, not later than forty-eight hours of the of the conclusion of the Annual General meeting, 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.

34. The Results of voting shall be declared within forty-eight hours of the conclusion of the Annual General Meeting of the Company and subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to be passed on the date of the Meeting, i.e., Tuesday, December 29, 2020.

35. The Results declared along with the consolidated scrutinizer's report will be available on website of the Company (www.alokind.com) and on NSDL's website (www.evoting.nsdl.com). The results shall simultaneously be communicated to BSE Limited and National Stock Exchange of India Limited.

By Order of the Board of Directors
For **Alok Industries Limited**

K. H. Gopal
Company Secretary
Membership No. A9806

Mumbai, November 12, 2020

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: info@alokind.com;
Tel No.0260-6637000;
Fax No.0260-2645289

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013, READ WITH REGULATION 36 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The following Statement sets out the material facts relating to Item nos. 2 to 11 mentioned in accompanying Notice:

Item No. 2

Appointment of M/S. S R B C & CO LLP (ICAI Registration No. 324982E/E300003) as Statutory Auditor to hold office for a term of five (5) years from the conclusion of this 33rd Annual General Meeting:

Pursuant to the terms of the Resolution Plan approved by the National Company Law Tribunal, Ahmedabad Bench, Gujarat, existing Statutory Auditors, M/s. NBS & Co. Chartered Accountants and M/s. Shah Gupta & Co, Chartered Accountants, had vacated their office from the position of Statutory Auditors with effect from September 15, 2020, resulting into a casual vacancy in the office of Statutory Auditors of the Company.

In accordance with Section 139(8) of the Companies Act, 2013 and recommendation of the Audit Committee, the Board, had appointed M/s. S R B C & CO LLP, Chartered Accountants (ICAI Registration No. 324982E/E300003), as the Statutory Auditor of the Company with effect from September 15, 2020, to fill the casual vacancy caused by the vacation of office of statutory auditors i.e. M/s. NBS & Co., Chartered Accountants (ICAI Regn. No.110100W) and M/s. Shah Gupta & Co., Chartered Accountants (ICAI Regn. No.109574W), to hold office up to the conclusion of the ensuing Annual General Meeting. The Board has, further, recommended the appointment of the Statutory Auditors for a period of five years from the date of this Annual General Meeting, till conclusion of 38th Annual General Meeting, subject to the approval of the shareholders.

The details, terms and conditions of appointment (including remuneration) of the Auditor proposed to be appointed, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, are as follows:

Name of the Auditor	M/s. S R B C & CO LLP, Chartered Accountants
Brief Profile	M/s. S R B C & CO LLP (FRN 324982E/E300003) ('SRBC') is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India. It was established in the year 2002 and is a Limited Liability Partnership (LLP) firm incorporated in India. It has its registered office at 22, Camac Street, Kolkata and has 11 branch offices in various cities in India. SRBC has valid Peer Review certificate and is part of S.R. Batliboi & Affiliates network of audit firms. It is primarily engaged in providing audit and assurance services to its clients.
Credentials	M/s. S R B C & CO LLP (FRN 324982E/E300003) ('SRBC') is firm of Chartered Accountants. A brief profile is stated above
Basis of recommendation for appointment	The Board, on the recommendations of the Audit Committee is seeking approval of the members of the Company for appointing M/s. S R B C & CO LLP, as the new statutory auditors of the Company with effect from the conclusion of the 33rd AGM of the Company till the conclusion of 38th AGM, for a period of five years.
Terms of appointment	M/s. S R B C & CO LLP., are proposed to be appointed as new statutory auditors of the Company with effect from the conclusion of the 33rd AGM of the Company till the conclusion of 38th AGM of the Company, for a period of five years on such terms as may be mutually determined by the Board of Directors of the Company in consultation with the Auditors.
Proposed fee payable	Not exceeding ₹1,50,00,000/- (Rupees One Crore Fifty Lakhs) for the financial year 2020-21 plus applicable taxes and out of pocket expenses, as may be incurred, in connection with the statutory audit of financial statements of the Company. The fees payable for statutory audit per financial year to the Auditors for the financial year 2021-22 and onwards till the remainder of their tenure, will be mutually determined by the Board of Directors of the Company in consultation with the Auditors
Material change in the fee payable to the auditor from that paid to the outgoing auditor	There is no material change in the proposed fees payable to the Auditors as compared to fees paid to outgoing Statutory Auditors for the financial year 2019-20.
Rationale for such change in remuneration	Not applicable.

M/s. S R B C & CO LLP, Chartered Accountants, have given their consent for appointment as the Auditors of the Company along with a certificate, pursuant to Section 139 (1) and 141 of the Act, and Rule 3 of the Companies (Audit and Auditors) Rules, 2014, as amended, stating that they are not disqualified to act as auditors and that their proposed appointment satisfies the terms and conditions prescribed under the Act.

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 commends the Ordinary Resolution set out at Item No.2 of the Notice for the approval of members of the Company.

Item No. 3:

Ratification of remuneration of the Cost Auditors:

The Monitoring Committee 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 March 31, 2021, as per the following details:

Sr. No.	Name of the Cost Auditor	Industry	Cost Audit Fee (in ₹)
1.	M/s. B.J.D. Nanabhoy & Co.	Plastics and polymers and Textiles	₹ 86,000/-

In accordance with the provisions of Section 148 of the Companies Act, 2013 (“the Act”) read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors, 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 March 31, 2021 by passing an Ordinary Resolution as set out at Item No.3 of the 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 commends the Ordinary Resolution set out at Item No.3 of the Notice for ratification by the members.

Item No. 4 to 7:

Appointment of Mr. Hemant Desai, Mr. Anil Kumar Rajbanshi, Mr. Venkataraman Ramachandran (all representing Reliance Industries Limited) and Mr. Samir Chawla (representing JM Financial Asset Reconstruction Company Limited) as the Nominee Directors (Non-Executive) of the Company:

Pursuant to the resolution plan approved by National Company Law Tribunal, Ahmedabad Bench, Gujarat (‘NCLT’) (“Approved Resolution Plan”) vide its order dated 8th March, 2019, the office of the erstwhile Directors on the Board of Directors of the Company had stood vacated and consequently a new Board was constituted.

The Monitoring Committee, constituted as per the terms of the approved resolution plan, in its meeting held on September 14, 2020, appointed Mr. Hemant Desai, Mr. Anil Kumar Rajbanshi, Mr. Venkataraman Ramachandran (all representing Reliance Industries Limited) and Mr. Samir Chawla (representing JM Financial Asset Reconstruction Company Limited), as Additional Directors (Non-Executive) to hold office up to the date of the ensuing Annual General Meeting of the Company.

Mr. Hemant Desai, Mr. Anil Kumar Rajbanshi, Mr. Venkataraman Ramachandran and Mr. Samir Chawla are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013 and have given their consent to act as a Director.

Brief profile of the appointees are given below:

(a) Mr. Hemant Desai:

Mr. Hemant Desai is Managing Director, Gujarat Chemical Port Ltd. (GCPL), a joint venture of Reliance Industries Limited (RIL) and Six PSUs of Govt. of Gujarat. GCPL has modern port infrastructure and facilities for handling 5 MMTPA of liquid hydrocarbons, cryogenic petrochemicals and chemicals.

He is part of the core leadership team at RIL for the past more than three decades. He is Advisor and Mentor, Reliance 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 Board of Governors, Auro University, a deemed University in Surat, Gujarat.

(b) Mr. Anil Kumar Rajbanshi:

Mr. Anil Rajbanshi, is the Ex-Chairman of The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC) and is a long-standing Member of Committee of Administration of SRTEPC.

He is also the member of the National Committee of Textiles of CII and FICCI. He represents Reliance and SRTEPC in Textiles Committee and represents Reliance Industries Limited 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 is the Senior Executive Vice President & Head Corporate Affairs of PETCHEM at M/s. Reliance Industries Limited.

He is the Director of Recron (Malaysia) Sdn Bhd, a Reliance Group company that operates the world's largest integrated textile complex. He was knighted by Government of Malaysia in 2008.

(c) Mr. Venkataraman Ramachandran:

Mr. Venkataraman 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 25 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 Reliance group since 2004.

(d) Mr. Samir Chawla:

Mr. Samir Chawla has over 26 years of experience in Banking and Financial Services Sector and is associated with JM Financial Asset Reconstruction Company Limited (JMFARC) since October 2017. Prior to JMFARC, for 4 years, he had a venture which helped companies in restructuring.

He holds PGDM from IIM Calcutta and B.Tech. from IIT Kanpur.

Details of Mr. Hemant Desai, Mr. Anil Kumar Rajbanshi, Mr. Venkataraman Ramachandran and Mr. Samir Chawla are provided in the "Annexure" to the Notice, pursuant to the provisions of (i) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and (ii) Secretarial Standard on General Meetings ("SS2"), issued by the Institute of Company Secretaries of India.

They have waived their remuneration for attending meetings of the Board or Committees thereof.

Mr. Hemant Desai, Mr. Anil Kumar Rajbanshi, Mr. Venkataraman Ramachandran and Mr. Samir Chawla are interested in the resolutions set out at Item No. 4 to 7 of the Notice with regard to their appointment. Relatives of Mr. Hemant Desai, Mr. Anil Kumar Rajbanshi, Mr. Venkataraman Ramachandran and Mr. Samir Chawla may be deemed to be interested in the respective resolutions to the extent of their shareholding, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the respective resolutions.

This statement may also be regarded as an appropriate disclosure under the Companies Act, 2013 and the Listing Regulations.

The Board commends the Ordinary Resolutions set out at Item No. 4 to 7 of the Notice for approval by the members.

Item No. 8 to 10

Appointment of Mr. A. Siddharth, Mr. Rahul Dutt and Ms. Mumtaz Bandukwala, as Independent Directors of the Company.

Pursuant to the resolution plan approved by National Company Law Tribunal, Ahmedabad Bench, Gujarat ('NCLT') ("Approved Resolution Plan"), vide its order dated 8th March, 2019, the office of the erstwhile Directors on the Board of Directors of the Company had stood vacated and consequently a new Board was reconstituted.

Pursuant to Section 149 of the Companies Act, 2013 ("the Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Board of a listed entity is required to appoint prescribed number of Independent Directors. Accordingly, in accordance with the Approved Resolution Plan, the Monitoring Committee of the Company has appointed Mr. A. Siddharth, Mr. Rahul Dutt and Ms. Mumtaz Bandukwala, as Additional Directors to hold office as Independent Directors of the Company with effect from September 14, 2020.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of Independent Directors requires approval of the members.

Mr. A. Siddharth, Mr. Rahul Dutt and Ms. Mumtaz Bandukwala are not disqualified from being appointed as directors in terms of Section 164 of the Act and have given their consent to act as a director.

The Company has also received declarations from Mr. A. Siddharth, Mr. Rahul Dutt and Ms. Mumtaz Bandukwala that they meet the criteria of independence as prescribed both under Section 149(6) of the Act and Listing Regulations.

In the opinion of the Board, Mr. A. Siddharth, Mr. Rahul Dutt and Ms. Mumtaz Bandukwala are persons of integrity, fulfil the conditions specified in the Act and the Listing Regulations and are independent of the Management and possess appropriate skills, experience and knowledge.

Details of Mr. A. Siddharth, Mr. Rahul Dutt and Ms. Mumtaz Bandukwala are provided in the "Annexure" to the Notice, pursuant to the provisions of (i) Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS2"), issued by the Institute of Company Secretaries of India. Mr. A. Siddharth, Mr. Rahul Dutt and Ms. Mumtaz Bandukwala shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof, reimbursement of expenses for participating in the Board and other meetings and such other remuneration as may be approved by the Board from time to time.

Brief profile of the Independent Directors are given below:

(a) Mr. A. Siddharth

Mr. A. 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. 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.

Presently, he is on the Board of Reliance Industrial Infrastructure Limited and Indiabulls Housing Finance Limited.

(b) Mr. Rahul Dutt

Mr. Rahul 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 M/s. Khaitan & Co. He was recognized as a Notable Practitioner for expertise in Corporate M&A by Asia Law Profile.

He has over 15 years' work experience with focus on mergers and acquisitions, joint ventures, infrastructure, technology licensing and business contracts across various sectors such as petrochemicals, petro-marketing, telecommunications, retail, and sports.

(c) Ms. Mumtaz Bandukwala

Ms. Mumtaz Bandukwala is commerce and law Graduate and has been a practicing Solicitor since the last almost 30 years. Her specialization has mainly been in 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 M/s. Junnarkar & Associates, Advocates, Solicitors and Notary.

Copy of the letters of appointment of Mr. A. Siddharth, Mr. Rahul Dutt and Ms. Mumtaz Bandukwala setting out the terms and conditions of appointment are available for inspection by the members at the registered office of the Company.

Mr. Siddharth Achuthan, Mr. Rahul Dutt and Ms. Mumtaz Bandukwala are interested in the resolutions set out at Item No. 8 to 10 of the Notice with regard to their respective appointment. Relatives of Mr. Siddharth Achuthan, Mr. Rahul Dutt and Ms. Mumtaz Bandukwala may be deemed to be interested in the resolution to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

This statement may also be regarded as an appropriate disclosure under the Act and the Listing Regulations.

The Board commends the Ordinary Resolution set out at Item No.8 to 10 of the Notice for approval by the members.

Item No. 11

Appointment of Mr. Sunil O. Khandelwal as the Manager of the Company for a period of 5(five) years.

The Board of Directors of the Company ("the Board"), at its meeting held on September 15, 2020 has, subject to approval of members, appointed Shri Sunil O. Khandelwal as a Manager, for a period of 5 (five) years with effect from September 16, 2020, on terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee of the Board.

Members' approval is sought for the appointment (for 5 years) and remuneration payable (for 3 years) to Shri Sunil O. Khandelwal as a Manager of the Company, in terms of the applicable provisions of the Companies Act, 2013 ("the Act").

Mr. Sunil O. Khandelwal is a qualified Chartered Accountant and has done Senior Management Programme from IIM-Kolkata. Mr. Khandelwal started his career with the Company and has been associated with the Company since last 30 years. His responsibility includes Corporate Finance, Operations Review, Accounts & Tax, Internal Control, Investments and Strategic Planning.

The main terms and conditions relating to the appointment of Mr. Sunil O. Khandelwal as Manager of the Company are as follows:

Designation:

He shall be designated as the Manager of the Company.

Effective Date:

The effective date of appointment shall be September 16, 2020.

Reporting:

His reporting as Manager of the Company shall be to the Board of Directors of the Company.

Responsibilities:

He shall, inter-alia, be responsible for the finance, accounts and treasury functions of the Company and shall comply with the applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable SEBI Rules and Regulations, as amended from time to time and shall carry out such other duties and perform such other functions as may be entrusted to him, from time to time by the Board of Directors, subject to the superintendence, control and direction of the Board of Directors of the Company.

Remuneration:

His present monthly remuneration is ₹12,60,957/- (Salary ₹11,83,598/- plus perquisites/ others ₹77359/-) and shall be further governed by and as per the Remuneration Policy of the Company.

Restrictions

Manager is prohibited from dealing in the Company's securities during the period when the trading window is closed in accordance with the Company's Code to Regulate, Monitor and Report Trading. He should not enter into insider trading and is expected to comply with the Company's Code for securities dealing as well as with the concerned provisions of the Insider Trading Laws and Regulations. He shall not accept any directorship or other Key Managerial Position in any other Company, except as permitted under the Companies Act, 2013, without the approval of the Board of Directors of the Company.

Others:

- He will not use for his own, or for another's benefit, or disclose or permit the disclosure of any confidential information, which he may acquire by virtue of his position as the Manager of the Company, including without limitation, any information about the deliberations of the Board, in relation to the business and corporate policies of the Company unless such disclosure is expressly approved by the Board or required by law. The restriction shall cease to apply to any confidential information which may (other than by reason of the Manager's breach of this condition), become available to the public generally.
- He shall devote his time and attention to the work of the Company during his tenure as Manager and shall work with due diligence.
- He shall obey the orders and directions of the Board of Directors of the Company and shall do his best to promote the interest of the Company and shall faithfully serve the Company.
- His posting, transfer and other terms and conditions of appointment shall be subject to the HR policies of the Company.

Where the Company is in losses or has inadequate profits during any financial year, remuneration to managerial person shall be paid in accordance with Schedule V of the Companies Act, 2013. Necessary disclosures in compliance of Schedule V for payment of remuneration to Mr. Sunil O. Khandelwal are given below:

1. The Board on the recommendation of Nomination and Remuneration Committee on September 15, 2020 has approved the terms and conditions of appointment including remuneration of Mr. Sunil O. Khandelwal subject to approval of the shareholders of the Company.

2. During the financial year 2017-18, the Company was admitted to corporate insolvency resolution process vide order of the National Company Law Tribunal, Ahmedabad Bench, Gujarat dated July 18, 2017 and an interim resolution professional / resolution professional was appointed for the Company as per the provisions of the Insolvency and Bankruptcy Code 2016 ("Code").

National Company Law Tribunal, Ahmedabad Bench, Gujarat, vide its order dated March 8, 2019 has approved the resolution plan submitted by JM Financial Asset Reconstruction Company Limited, JMFARC – March 2018 – Trust and Reliance Industries Limited ("Resolution Applicants"). In accordance with the order of NCLT, the Company has paid-off the dues of all the Financial Creditors in full and final settlement.

3. Statement pursuant to Schedule V of the Companies Act, 2013 is as under:

General Information					
Nature of Industry	Manufacturing and trading of textile and textile related products;				
Date or expected date of commencement of commercial production	Commercial production has already commenced.				
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not Applicable				
Financial performance based on given indicators		**2019-20 (In Crore)**		2018-19 (In Crore)	
		Standalone	**Consolidated**	Standalone	Consolidated
	Gross Revenue	3,166.34	3,328.78	3,128.76	3,352.24
	Profit Before Tax	1,222.46	1,307.92	2,281.22	2,075.28
	Profit After Tax	1,223.19	1,310.23	2,283.13	2,076.16
Foreign investments or collaborators, if any	Not Applicable				
Other Information					
Reasons of loss or inadequate profits	Large debt burden, rising interest costs, bunching of repayments and depressed markets.				
Steps taken or proposed to be taken for improvement	Pursuant to implementation of approved Resolution Plan, the new management is undertaking a programme in order to turnaround the Company, which focusses on the following • Maximize throughput • Optimize resource consumption • Drive energy efficiency • Minimize waste • Optimize cost and working capital • Drive innovation				
Expected increase in productivity and profits and in measurable terms	Company is taking all initiatives to improve productivity and turn profitable				

The Company has received consent in writing to act as Manager and Whole time Key Managerial Personnel pursuant to Section 203 and other applicable provisions of the Companies Act, 2013 from Mr. Sunil O. Khandelwal. He satisfies all the conditions set out in Schedule V to the Act as also conditions set out under Section 196 of the Act for being eligible for his appointment.

The above may be treated as a written memorandum setting out the terms of appointment of Shri Sunil O. Khandelwal under Section 190 of the Act.

Details of Shri Sunil O. Khandelwal are provided in the "Annexure" to the Notice, pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India.

Shri Sunil O. Khandelwal is interested in the resolution set out at Item No. 11 of the Notice.

The relatives of Shri Sunil O. Khandelwal may be deemed to be interested in the resolution set out at Item No. 11 of the Notice, to the extent of their shareholding, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

Considering the current financial position of the Company, the Board feels that the rich experience in the industry and leadership qualities of Mr. Sunil O. Khandelwal, will immensely benefit the Company and accordingly the Board commends the Special Resolution set out at Item No. 11 of the Notice for approval by the members.

By Order of the Board of Directors
For **Alok Industries Limited**

K. H. Gopal
Company Secretary
Membership No. A9806

Mumbai, November 12, 2020

ANNEXURE TO THE NOTICE DATED NOVEMBER 12, 2020

Details of Directors in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations and Secretarial Standard on General Meetings (SS-2)

Name	**Mr. Hemant Desai**
Date of Birth/ Age	29th May, 1952/ 68 Years
Profile	Provided in the Explanatory Statement
Nature of his expertise in specific functional areas	Various areas including Production, Marketing, Finance and Corporate Affairs across industrial infrastructure of Power, Ports, Petroleum and Gas Pipelines, Petro-Retail outlets
Date of first appointment on the Board	September 14, 2020
Qualification	B.Com., Executive Education Programs at Duke University USA and London Business School UK
Experience	More than 30 years
Terms and conditions of appointment	Mr. Hemant Desai, representing Reliance Industries Limited, shall be a Nominee Director (Non-Executive) of the Company liable to retire by rotation.
Details of remuneration sought to be paid	NIL
Last drawn remuneration, if applicable	N.A.
Shareholding in the company held either himself or on a beneficial basis for any other persons	NIL
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	NIL
The number of meetings of the Board attended during the Year	NIL (2019-20)
Directorship held in other companies as on date	■ Hazira Area Industries Association ■ Gujarat Chemical Port Limited ■ Hazira Area HSEF (Health Safety Environment & Fire) Foundation
Membership/Chairmanship of Committees of other Companies as on date	1. Gujarat Chemical Port Limited Corporate Social Responsibility Committee — Member Investment Committee — Member

Name	**Mr. Anil Kumar Rajbanshi**
Date of Birth/ Age	8th September, 1956/ 64 Years
Profile	Provided in the Explanatory Statement
Nature of his expertise in specific functional areas	Regulatory matters
Date of first appointment on the Board	September 14, 2020
Qualification	B.Com., LLB
Experience	More than 30 years
Terms and conditions of appointment	Mr. Anil Kumar Rajbanshi, representing Reliance Industries Limited, shall be a Nominee Director (Non-Executive) of the Company liable to retire by rotation.
Details of remuneration sought to be paid	NIL
Last drawn remuneration, if applicable	N.A.
Shareholding in the company held either himself or on a beneficial basis for any other persons	NIL
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	NIL
The number of meetings of the Board attended during the Year	NIL (2019-20)
Directorship held in other companies as on date	■ Association of Synthetic Fibre Industry
Membership/Chairmanship of Committees of other Companies as on date	NIL

Name	**Mr. Venkataraman Ramachandran**
Date of Birth/ Age	26th June 1971/ 50 Years
Profile	Provided in the Explanatory Statement
Nature of his expertise in specific functional areas	■ Audit, ■ Accounting, ■ Finance, ■ Taxation and ■ Corporate Law functions
Date of first appointment on the Board	September 14, 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
Experience	More than 25 years
Terms and conditions of appointment	Mr. V Ramachandran, nominee of Reliance Industries Limited, shall be a Non-Executive Director of the Company liable to retire by rotation.
Details of remuneration sought to be paid	NIL
Last drawn remuneration, if applicable	N.A.
Shareholding in the company held either himself or on a beneficial basis for any other persons	NIL
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	NIL
The number of meetings of the Board attended during the Year	NIL (2019-20)
Directorship held in other companies as on date	■ Jio Digital Fibre Private Limited ■ RB Holdings Private Limited ■ Watermark Infratech Private Limited ■ RB Media Holdings Private Limited ■ RB Mediasoft Private Limited ■ Adventure Marketing Private Limited ■ RRB Mediasoft Private Limited ■ Genesis Luxury Fashion Private Limited ■ Colorful Media Private Limited ■ Genesis Colors Limited ■ Jio Cable and Broadband Holdings Private Limited ■ Jio Futuristic Digital Holdings Private Limited ■ Jio Digital Distribution Holdings Private Limited
Membership/Chairmanship of Committees of other Companies as on date	1. Jio Cable and Broadband Holdings Private Limited Corporate Social Responsibility Committee — Member 2. Jio Futuristic Digital Holdings Private Limited Corporate Social Responsibility Committee — Member 3. Jio Digital Distribution Holdings Private Limited Corporate Social Responsibility Committee — Member

Name	**Mr. Samir Chawla**
Date of Birth/ Age	11th September, 1967/ 53 Years
Profile	Provided in the Explanatory Statement
Nature of his expertise in specific functional areas	■ Banking and Financial, ■ Restructuring
Date of first appointment on the Board	September 14, 2020
Qualification	PGDM from IIM Calcutta and B.Tech. from IIT Kanpur
Experience	More than 26 years
Terms and conditions of appointment	Mr. Samir Chawla, representing JM Financial Asset Reconstruction Company Limited, shall be a Nominee Director (Non-Executive) of the Company liable to retire by rotation.
Details of remuneration sought to be paid	Nil
Last drawn remuneration, if applicable	N.A.
Shareholding in the company held either himself or on a beneficial basis for any other persons	NIL
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	NIL
The number of meetings of the Board attended during the Year	NIL (2019-20)
Directorship held in other companies as on date	NIL
Membership/Chairmanship of Committees of other Companies as on date	NIL

Name	**Mr. A. Siddharth**
Date of Birth/ Age	16 May, 1953/ 67 Years
Profile	Provided in the Explanatory Statement
Nature of his expertise in specific functional areas	■ Audit of domestic as well as multinational companies in sectors such as Manufacturing, Hospitality, Technology and Non-Banking Financial Services
Date of first appointment on the Board	September 14, 2020
Qualification	■ 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
Experience	More than 40 years
Terms and conditions of appointment	Mr. A. Siddharth shall be the Independent Director of the Company with effect from 14th September, 2020, for a term of 5 years.
Details of remuneration sought to be paid	Sitting fees and Commission, if any, at such rate as may be approved by the Board and Shareholders.
Last drawn remuneration, if applicable	N.A.
Shareholding in the company held either himself or on a beneficial basis for any other persons	NIL
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	NIL
The number of meetings of the Board attended during the Year	NIL (2019-20)
Directorship held in other companies as on date	■ Reliance Industrial Infrastructure Limited ■ Indiabulls Housing Finance Limited
Membership/Chairmanship of Committees of other Companies as on date	1. Reliance Industrial Infrastructure Limited Audit Committee — Member Stakeholders Relationship Committee — Member Corporate Social Responsibility Committee — Member

Name	**Mr. Rahul Dutt**
Date of Birth/ Age	24th August, 1976/ 44 Years
Profile	Provided in the Explanatory Statement
Nature of his expertise in specific functional areas	■ Mergers and acquisitions, ■ Joint ventures, ■ Infrastructure, ■ Technology licensing and business contracts.
Date of first appointment on the Board	September 14, 2020
Qualification	■ Bachelor's degree in Law, and ■ Master's degree with distinction in Law from the UK
Experience	More than 15 years
Terms and conditions of appointment	Mr. Rahul Dutt shall be the Independent Director of the Company with effect from 14th September, 2020, for a term of 5 years.
Details of remuneration sought to be paid	Sitting fees and Commission, if any, at such rate as may be approved by the Board and Shareholders.
Last drawn remuneration, if applicable	N.A.
Shareholding in the company held either himself or on a beneficial basis for any other persons	NIL
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	NIL
The number of meetings of the Board attended during the Year	NIL (2019-20)
Directorship held in other companies as on date	NIL
Membership/Chairmanship of Committees of other Companies as on date	NIL

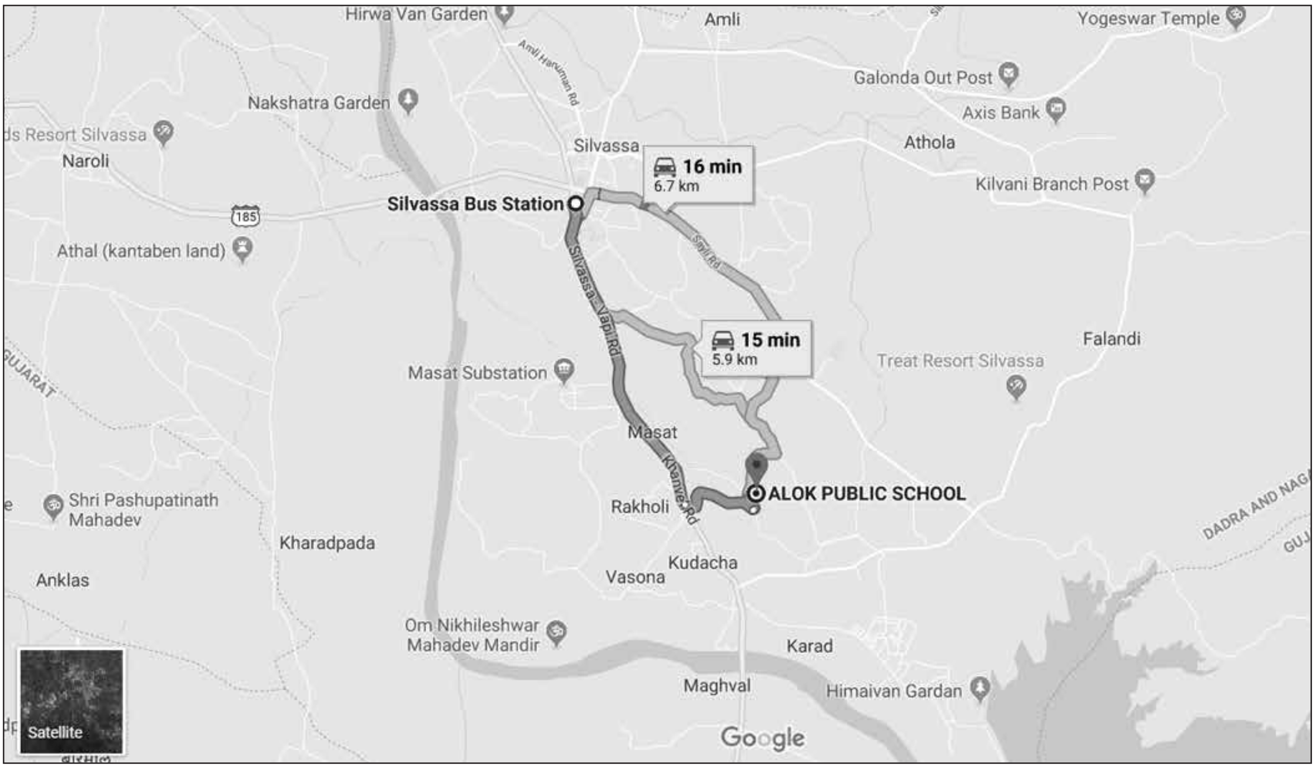
Name	**Ms. Mumtaz Bandukwala**
Date of Birth/ Age	15th November, 1965/ 55 Years
Profile	Provided in the Explanatory Statement
Nature of her expertise in specific functional areas	■ Companies Act and ■ Securities laws
Date of first appointment on the Board	September 14, 2020
Qualification	■ A Commerce and Law graduate
Experience	More than 30 years
Terms and conditions of appointment	Ms. Mumtaz Bandukwala shall be the Independent Director of the Company with effect from 14th September, 2020, for a term of 5 years.
Details of remuneration sought to be paid	Sitting fees and Commission, if any, at such rate as may be approved by the Board and Shareholders.
Last drawn remuneration, if applicable	N.A.
Shareholding in the company held either himself or on a beneficial basis for any other persons	NIL
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	NIL
The number of meetings of the Board attended during the Year	NIL (2019-20)
Directorship held in other companies as on date	TNS India Foundation
Membership/Chairmanship of Committees of other Companies as on date	NIL

Information about the Manager

Name	**Sunil O Khandelwal**
Date of Birth/ Age	21st July, 1964/ 56 Years
Profile	Provided in the Explanatory Statement
Nature of his expertise in specific functional areas	■ Corporate Finance, ■ Operations Review, ■ Accounts & Tax, ■ Internal Control, ■ Investments and Strategic Planning
Job profile and his suitability	Provided in the Explanatory Statement
Qualifications	■ Member of the Institute of Chartered Accountants of India; and ■ Senior Management Programme from IIM-Kolkata.
Experience	More than 30 years
Terms and conditions of appointment	Mr. Sunil O. Khandelwal shall be a Key Managerial Person designated as the Manager for a term of 5 years w.e.f. 16th September, 2020.
Details of remuneration sought to be paid	Provided in the Statement
Last drawn remuneration, if applicable (along with past 2 years)	Last drawn remuneration (for past two years) as Chief Financial Officer before being re-designated as Manager - ₹12,60,957/- (Salary ₹11,83,598/- plus perquisites/ others ₹77359/-)
Recognition or awards	Nil
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	Considering the responsibility shouldered by him of the enhanced business activities of the Company, proposed remuneration is commensurate with industry standards and position held in similar sized and similarly positioned businesses.
Pecuniary relationship directly or indirectly with the Company or relationship with managerial personnel, if any.	Nil

Route Map


Lavachha
Borigam
GUJARAT
RA AND NAGAR HAVELI
Hirwa Van Garden
Amli
Galonda
Balaji Temple
Nakshatra Garden
18 min
7.2 km
Silvassa
Athola
Naroli
185
Athal
17 min
6.9 km
Falandi
Treat Resort Silvassa
Masat
ALOK PUBLIC SCHOOL
DADRA AND NAGAR HAVELI
GUJARAT
Kharadpada
Kudacha
Anklas
Karad
Satellite
Google


Hirwa Van Garden
Amli
Yogeswar Temple
Amli Hanuman Rd
Galonda Out Post
Nakshatra Garden
Axis Bank
ds Resort Silvassa
Naroli
Silvassa
Athola
16 min
6.7 km
Kilvani Branch Post
Silvassa Bus Station
185
Sayli Rd
Athal (kantaben land)
Silvassa - Vapi Rd
15 min
5.9 km
Falandi
GUJARAT
Masat Substation
Treat Resort Silvassa
Masat
Khanvel Rd
ALOK PUBLIC SCHOOL
Shri Pashupatinath
Mahadev
Rakholi
DADRA AND NAG
Kharadpada
Kudacha
Anklas
Vasona
Om Nikhileshwar
Mahadev Mandir
Karad
Maghval
Himaivan Gardan
Satellite
Google

ALOK INDUSTRIES LIMITED
™ INNOVATIVE TEXTILE SOLUTIONS

ATTENDANCE SLIP

CIN: L17110DN1986PLC000334
Registered Office: Survey Nos.17/5/1 & 521/1, Village Rakholi/ Saily, Silvassa-396230, Union Territory of Dadra and Nagar Haveli
Website: www.alokind.com; e-mail: info@alokind.com; Tel.: 0260-6637000; Fax: 0260-2645289;

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL
Joint shareholders may obtain additional slip at the venue of the Meeting.

DP Id*	:	Folio No.	:
Client Id*	:	No. of Shares	:

NAME AND ADDRESS OF THE SHAREHOLDER:	

I hereby record my presence at the **THIRTY-THIRD ANNUAL GENERAL MEETING** of the members of the Company held on **Tuesday, December 29, 2020 at 12:30 p.m.** at Alok Public School, Alok City, Silvassa-Khanvel Road, Silvassa – 396230, Union Territory of Dadra and Nagar Haveli.

*Applicable for investors holding shares in electronic form

Signature of Shareholder / Proxy

ALOK INDUSTRIES LIMITED
™ INNOVATIVE TEXTILE SOLUTIONS

PROXY FORM
[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L17110DN1986PLC000334
Registered Office: Survey Nos.17/5/1 & 521/1, Village Rakholi/ Saily, Silvassa-396230, Union Territory of Dadra and Nagar Haveli
Website: www.alokind.com; e-mail: info@alokind.com; Tel.: 0260-6637000; Fax: 0260-2645289;

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 **THIRTY-THIRD ANNUAL GENERAL MEETING** of the members of the Company to be held on **Tuesday, December 29, 2020 at 12:30 p.m.** at Alok Public School, Alok City, Silvassa-Khanvel Road, Silvassa – 396230, 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 Financial Statement for the financial year ended March 31, 2020 and the Reports of the Board of Directors and Auditors thereon		
	b) Audited Consolidated Financial Statement for the financial year ended March 31, 2020 and the Report of Auditors thereon		
2.	Appointment of Auditor and fixing their remuneration		
3.	Ratification of the remuneration of the Cost Auditors for the financial year ending March 31, 2021		
4.	Appointment of Mr. Hemant Desai as a Nominee Director (Non-Executive) representing Reliance Industries Limited (RIL)		
5.	Appointment of Mr. Anil Kumar Rajbanshi as a Nominee Director (Non-Executive) representing Reliance Industries Limited (RIL)		
6.	Appointment of Mr. V. Ramachandran as a Nominee Director (Non-Executive) representing Reliance Industries Limited (RIL)		
7.	Appointment of Mr. Samir Chawla as a Nominee Director (Non-Executive) representing JM Financial Asset Reconstruction Company Limited		

P.T.O.

Resolutions		For	Against
8.	Appointment of Mr. A. Siddharth as an Independent Director		
9.	Appointment of Mr. Rahul Dutt as an Independent Director		
10.	Appointment of Ms. Mumtaz Bandukwala as an Independent Director		
11.	Appointment of Mr. Sunil O. Khandelwal as Manager		

Signed this..................... day of.................2020

Signature of shareholder

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 shareholder.

** 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.

**Applicable for investors holding shares in electronic form.

NOTES

NOTES

REGISTERED OFFICE

17/5/1, 521/1, Village Rakholi/ Saily,
Silvassa, The Union Territory of
Dadra and Nagar Haveli-396 230
Tel No. 0260-6637000
Fax No. 0260-2645289

CORPORATE OFFICE

Tower B, 2nd & 3rd Floor, Peninsula Business Park,
Ganpatrao Kadam Marg, Lower Parel,
Mumbai-400 013
Maharashtra, India
Tel: +91 22 61787000
E-mail: info@alokind.com