

ALOK INDUSTRIES LIMITED

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



November 14, 2017

BSE Limited Listing Department, P.J. Towers, Dalal Street, Mumbai - 400 001 Fax No.: 2272 2037 / 2272 2039	National Stock Exchange of India Ltd, Exchange Plaza, 5th Floor, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai-400 051 Fax No.: 2659 8237 / 2659 8238
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Subject: Approval of the un-audited financial results for quarter ended September 30, 2017

Dear Sir / Madam,

This is to inform you, pursuant to the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that the Resolution Professional ('RP') on November 14, 2017 has considered and taken on record the un-audited financial results and limited review for the quarter ended September 30, 2017.

The RP has relied on the certifications, representations and statements made by the Mr. Surendra B Jiwarajka, Joint Managing Director (for the period 1st July 2017 to 18th July 2017) and Mr. Sunil Khandelwal, Chief Financial Officer in relation to the financial accounts and records.

The un-audited financial statements and limited review report is enclosed herewith.

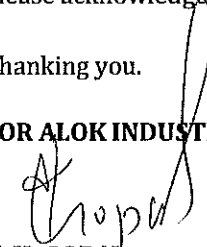
Further, please note that the Company has already made necessary arrangement to publish the same in newspaper as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The meeting of key managerial personnel, RP and statutory auditors commenced at 3:00 pm and concluded at 11.15 pm.

Please acknowledge receipt.

Thanking you.

FOR ALOK INDUSTRIES LIMITED


K. H. GOPAL
COMPANY SECRETARY

Statement of Unaudited financial results for the Quarter ended 30 SEPTEMBER 2017

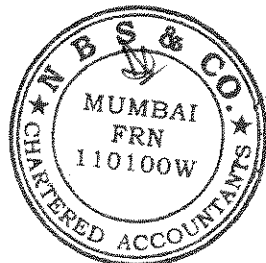
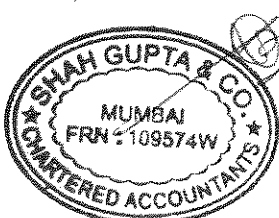
Rs In crores (except EPS)

Sr No	Particulars	Quarter ended			Six Months ended		31.03.2017 (audited)
		30.09.2017 (Unaudited)	30.06.2017 (Unaudited)	30.09.2016 (Unaudited)	30.09.2017 (Unaudited)	30.09.2016 (Unaudited)	
1	Income from Operations						
	a) Income from Operations (refer note 6 below)	794.58	2,793.21	1,986.42	3,587.79	3,797.17	8,326.07
	b) Other Income	57.10	48.41	33.77	105.51	80.36	165.68
	Total Income from Operations	851.68	2,841.62	2,020.18	3,693.30	3,877.53	8,491.75
2	Expenses						
	a) Cost of materials consumed	541.05	3,496.25	1,671.40	4,037.38	3,116.66	7,458.70
	b) Changes in inventories of finished goods and work-in-progress	(67.77)	(4.13)	(45.97)	(71.90)	(23.53)	93.55
	c) Excise Duty	-	48.33	54.38	48.33	98.02	196.38
	d) Employee benefits expense	73.33	68.49	72.08	141.82	134.33	283.31
	e) Finance costs (refer note 7 below)	1,965.59	837.46	689.02	2,803.85	1,601.44	3,273.52
	f) Depreciation and amortisation expense	126.55	134.01	128.25	260.56	257.41	512.63
	g) Other expenses	222.48	228.63	370.34	451.12	634.10	1,124.81
	h) Provision for doubtful debts and advances (refer note 8 below)	3,500.34	4,671.09	62.41	8,171.43	577.20	1,174.84
	Total expenses	6,361.57	9,480.13	3,001.91	15,841.71	6,395.63	14,117.72
3	Loss from ordinary activities before tax (1-2)	(5,509.89)	(6,638.51)	(981.73)	(12,148.41)	(2,518.11)	(5,625.97)
4	Tax expense (Refer note no. 5)						
	Current Tax	(2.61)	-	-	(2.61)	-	(29.18)
	Deferred Tax	-	-	(503.84)	-	(948.07)	(2,094.38)
	Total Tax expenses	(2.61)	-	(503.84)	(2.61)	(948.07)	(2,123.56)
5	Net Loss for the period	(5,507.28)	(6,638.51)	(477.89)	(12,145.80)	(1,570.03)	(3,502.41)
6	Other comprehensive Income/(Loss) (net of tax)						
	(a) Remeasurements gains on defined benefit plans	-	-	(1.01)	-	(1.02)	0.38
	(b) Income tax on (a) above	-	-	-	-	-	(0.13)
	Total other comprehensive Income/(Loss) (net of tax)	-	-	(1.01)	-	(1.02)	0.25
7	Total comprehensive Loss (5 - 6)	(5,507.28)	(6,638.51)	(476.89)	(12,145.80)	(1,569.02)	(3,502.66)
8	Paid up Equity Share Capital (Face Value Rs.10/- per equity share)	1,357.87	1,357.87	1,357.87	1,357.87	1,357.87	1,357.87
9	Earnings per share (of Rs.10 each) :						
	Basic (Rs.)	(40.56) *	(48.89) *	(3.51) *	(89.45) *	(11.56) *	(25.80)
	Diluted (Rs.)	(40.56) *	(48.89) *	(3.51) *	(89.45) *	(11.56) *	(25.80)
	* - Not annualised						

See accompanying notes to the financial results

statement of Assets and Liabilities

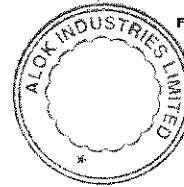
Particulars	As At	As At
	30-Sep-17 Unaudited	31-Mar-17 Audited
ASSETS		
(1) Non-current assets		
(a) Property, Plant and Equipment	15,397.26	15,633.23
(b) Investment Property	24.67	24.86
(c) Other Intangible assets	1.20	3.56
(d) Financial Assets		
(i) Investments	93.80	110.37
(ii) Loans	1,056.51	1,002.12
(e) Deferred tax Assets (net)	1,423.11	1,423.11
(f) Other non-current assets	38.64	39.76
	18,035.19	18,237.09
(2) Current Assets		
(a) Inventories	419.76	3,210.60
(b) Financial assets		
(i) Trade receivables	4,000.32	9,938.66
(ii) Cash and cash equivalents	14.11	72.61
(iii) Bank balances other than (iii) above	127.26	267.59
(iv) Loans	-	410.11
(v) Others	7.32	7.96
(c) Current tax Assets (net)	11.44	7.80
(d) Other Current Assets	147.88	130.46
	4,728.09	14,045.80
TOTAL ASSETS	22,763.28	32,282.88
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share capital	1,357.87	1,357.87
(b) Other equity	(10,509.58)	1,637.87
	(9,151.71)	2,995.74
LIABILITIES		
(1) Non-current liabilities		
(a) Financial liabilities		
(i) Borrowings	8,068.31	8,956.13
(b) Provisions	42.01	36.97
	8,110.32	8,993.10
(2) Current Liabilities		
(a) Financial liabilities		
(i) Borrowings	14,439.51	13,388.08
(ii) Trade payables	943.43	1,150.15
(iii) Other financial liabilities	8,105.38	5,380.86
(b) Other current liabilities	228.13	289.34
(c) Provisions	88.22	85.61
	23,804.67	20,294.04
TOTAL EQUITY AND LIABILITIES	22,763.28	32,282.88



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Notes :

- 1 On July 18, 2017, the National Company Law Tribunal (NCLT), Ahmedabad had admitted the petition for initiating Corporate Insolvency Resolution (CIR) Process under the Insolvency and Bankruptcy Code, 2016 (IBC) vide its Order dated July 18, 2017 and appointed Mr. Ajay Joshi as the Interim Resolution Professional (RP) in terms of the IBC. Mr. Joshi was subsequently confirmed by the Committee of Creditors (CoC) as the Resolution Professional (RP).
- 2 Under the CIR Process, a resolution plan needs to be prepared and approved by the CoC. The resolution plan which would be approved by the CoC will need to be further approved by the NCLT. As the Company is under resolution process, the financial statements have been presented on a 'going concern' basis.
- 3 Mr. Ajay Joshi has, in his capacity as the RP appointed in terms of the Insolvency and Bankruptcy Code, 2016, taken control and custody of the management and operations of the Company from July 18, 2017 onwards. The financial results for quarter ending September 30, 2017 have been certified by Mr. Sunil Khandelwal, the Chief Financial Officer of the Company, in accordance with Regulation 33(2) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, confirming that the financial statements do not contain any misleading or false statements. These financial statements have thereafter been taken on record by the RP on November 14, 2017 for filing with the stock exchanges. For the limited period from July 1, 2017 till July 17, 2017, since the Company was under the management of Mr. Surendra B. Jiwrajka, Joint Managing Director and Chief Executive - Polyester, the RP has relied on the certifications, representations and statements made by Mr. Jiwrajka and the management for such period.
- 4 During the quarter, the Company has incurred a net loss of Rs. 5509.89 Crore and as of September 30, 2017, the Company's accumulated losses amounted to Rs. 11882.91 Crore as against the Company's Net worth of Rs. 2995.74 Crore as at March 31, 2017. Total liabilities of the Company as on September 30, 2017 exceeded total assets by Rs. 9151.71 Crore. In view of the CIR Process having commenced, the financial statements are presented on a 'going concern' basis.
- 5 The net deferred tax assets as on September 30, 2017 is Rs. 1423.11 Crore. Considering that the Company is continuing its operations and that CIR Process has commenced, the Company expects that there would be sufficient taxable income in future to utilize the deferred tax assets. Deferred tax assets for the current year, however, are presently not recognized pending the outcome of the CIR process.
- 6 Revenue from operations for the period up to June 30, 2017 includes excise duty, which is discontinued with effect from July 01, 2017 upon implementation of Goods and Service Tax (GST) Act. In accordance with 'Ind AS 18 - Revenue', GST is not included in revenue from operations. In view of the aforesaid change, revenue from operations for the quarter and half year ended September 30, 2017 is not comparable to the corresponding previous periods.
- 7 The difference amounting to Rs. 1146.26 Crore between the Claims of the Financial Creditors, as admitted by the RP as of July 18, 2017, and that accounted for by the company has been provided for in the current quarter.
- 8 The company has continued to apply the expected credit losses (ECL) model for measurement and recognition of provision for the receivables. Accordingly, additional provision of Rs. 3278.60 Crore has been made during the quarter under review. The company continues its efforts to recover these receivables. Further provisioning / write off, if any, will be dependent upon the outcome of the recovery efforts.
- 9 Since the company is currently operating at low capacity, visibility on future cash flows shall be available only upon completion of the CIR Process. Accordingly, the company has not considered any impairment in the value of its assets.
- 10 Considering the nature of its business activities and related risks and returns, the Company has 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".
- 11 The figures of previous period have been reclassified / regrouped, wherever necessary, to correspond with those of the current period.



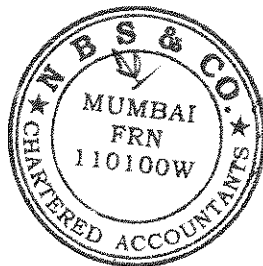
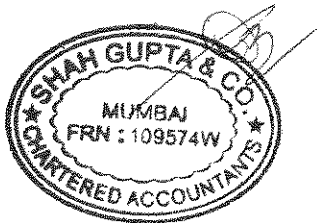
By order of the Board
For ALOK INDUSTRIES LIMITED

Sunil Khandelwal
Sunil K. Khandelwal
(Chief Financial Officer)

Taken on Record

Ajay Joshi
Ajay Joshi
(Resolution Professional)

Place: Mumbai
Date: November 14, 2017



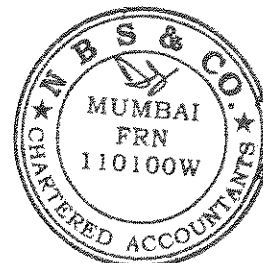
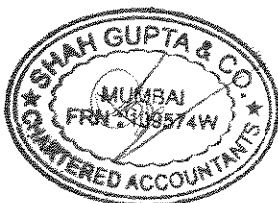
Independent Auditors' Review Report

To
Resolution Professional
ALOK INDUSTRIES LIMITED
Mumbai

1. We have reviewed the accompanying **Unaudited Statement of Financial Results of ALOK INDUSTRIES LIMITED** (the 'Company') for the quarter and half year ended September 30, 2017 (the 'Statement') being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 05, 2016. This statement is the responsibility of the Company's Management and taken on record by the Resolution Professional. Our responsibility is to issue a report on this statement based on our review.

This Statement, which is the responsibility of the Company's Management and considered and taken on record by the Resolution Professional, relying on certification by the Key Management Personnel, has been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review

2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above nothing has come to our attention that causes us to believe that the accompanying statement prepared in accordance with applicable Accounting Standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 05, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. Attention is invited to following:
 - i. Note 4 in the Statement, which indicates that the Company incurred a net loss of Rs. 5,509.90 crore during the quarter ended September 30, 2017 and, as of that date, the Company's total liabilities exceeded its total assets by Rs. 9,151.72 crore. These indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However in view of the Corporate Insolvency Process (CIR process) in respect of the Company having commenced, the accounts have been prepared on a going concern basis.



Shah Gupta & Co.
Chartered Accountants

38, Bombay Mutual Building,
Dr. D. N. Road, Fort,
Mumbai - 400001
Tel: +91(22) 4085 1000


N B S & Co.
Chartered Accountants

14/2, Western India House,
Sir P. M. Road, Fort,
Mumbai - 400001
Tel: +91(22) 2287 0588

- ii. Note 5 regarding the net deferred tax assets as of September 30, 2017 of Rs. 1,423.11 crore for the reasons that CIR Process having been commenced, the Company is reasonably certain that there would be sufficient taxable income in future to utilize the deferred tax assets.
- iii. Note 8 regarding further provision, if any, for trade receivable pending outcome of the recovery efforts by the Company.
- iv. Note 9 regarding the current operating level of the Company and the Company being under the CIR Process, non-determinability of impairment, if any, in the realizability of the economic value of the fixed assets.


Our opinion is not qualified in respect of these matters.

For **Shah Gupta & Co.**
Chartered Accountants
Firm Registration No-109574W


D.V. Ballal
Partner
M.NO.13107
Place: Mumbai
Date: November 14, 2017



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


Devdas V. Bhat
Partner
M.NO. 48094
Place: Mumbai
Date: November 14, 2017

