

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



31 July 2020

BSE Limited. Listing Department, P.J. Towers, Dalal Street, Mumbai - 400 001 Fax No.: 2272 2037 / 2272 2039 Scrip Code.521070	National Stock Exchange of India Ltd, Exchange Plaza, 5th Floor, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai-400 051 Fax No.: 2659 8237 / 2659 8238 Symbol. ALOKINDS
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Dear Sirs,

Sub: Audited Financial Results (Standalone and Consolidated) for the quarter and year ended March 31, 2020

We request you to refer our letter of 23rd July, 2020 informing you about the meeting of the Monitoring Committee of the Company scheduled on 31st July, 2020. We have to inform you that the said Monitoring Committee Meeting was held as scheduled and amongst other things, the following matters were considered and approved:

In terms of Regulation 30 & 33 and other applicable regulations of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (the Regulations), we are submitting the following documents:

1. Audited Financial Results (Standalone and Consolidated) for the quarter and year ended March 31, 2020;
2. Statement of Assets and Liabilities as at the end of the financial year ended on March 31, 2020; and
3. Independent Auditors' Report on the Audited Financial Results (Standalone and Consolidated) for the quarter and year ended March 31, 2020. It is hereby declared that the Statutory Auditors (M/s Shah Gupta & Co., and M/s. NBS & Co., Chartered Accountants), have issued the Auditors' Report with a modified opinion in respect of the Audited Standalone and Consolidated Financial Results for the year ended on March 31, 2020.
4. Statement of Impact of Audit Qualification (for audit report with modified opinion)- Standalone in Annexure-I and Statement of Impact of Audit Qualification (for audit report with modified opinion) – Consolidated in Annexure-II

The meeting commenced at 12.00 noon and concluded at 7.40 p.m.

The said outcome and results have been uploaded on the website of the Stock Exchanges and on the website of the Company at www.alokind.com.

The above is for your information and record

Thanking you,
For Alok Industries Limited


K H Gopal
Company Secretary



Regd. Off.: 17/5/1, 521/1, Village Rakholi / Saily, Silvassa - 396 230. (Union Territory of Dadra and Nagar Haveli)
Tel.: 0260-6637000 Fax : 0260-2645289 Visit us at : www.alokind.com CIN : L17110DN1986PLC000334

ALOK INDUSTRIES LIMITED
CIN. L17110DN1986PLC000334
Regd Office : 17/5/1, 521/1 Village Rakholi / Sayli, Silvassa - 396230

Statement of Audited Standalone Financial Results for the Quarter and Year Ended 31st March 2020

Rs in Crore (except EPS)

Sr No	Particulars	Standalone				
		Quarter ended			Year Ended	
		31.03.2020 (Audited)	31.12.2019 (Unaudited)	31.03.2019 (Audited)	31.03.2020 (Audited)	31.03.2019 (Audited)
1	Income					
	a) Revenue from Operations	713.04	824.87	770.52	3,166.34	3,128.76
	b) Other Income	16.19	2.63	45.55	85.19	124.32
	Total Income	729.23	827.50	816.07	3,251.53	3,253.08
2	Expenses					
	a) Cost of materials consumed	469.24	517.55	517.50	2,066.87	2,105.77
	b) Changes in inventories of finished goods and work-in-progress	5.97	23.64	(7.73)	(12.82)	45.51
	c) Employee benefits expense	67.33	65.79	64.94	256.99	252.95
	d) Finance costs	56.01	17.71	868.93	98.57	4,158.00
	e) Depreciation and amortisation expense	117.72	136.42	132.74	529.45	533.17
	f) Other expenses	433.48	255.85	179.95	1,142.56	921.65
	Total expenses	1,149.75	1,016.96	1,756.33	4,061.61	8,017.05
3	Loss from operations before exceptional items and tax [1-2]	(420.52)	(189.46)	(940.25)	(830.09)	(4,763.97)
4	Exceptional Items (refer note 12)	2,052.55	-	7,045.19	2,052.55	7,045.19
5	Profit / (Loss) before tax (3 - 4)	1,632.03	(189.46)	6,104.94	1,222.46	2,281.22
6	Tax expense					
	(i) Current Tax	-	-	-	-	-
	(ii) Deferred Tax	(0.73)	-	(0.91)	(0.73)	(0.91)
	Total Tax expense	(0.73)	-	(0.91)	(0.73)	(0.91)
7	Net Profit / (Loss) for the period [5-6]	1,632.76	(189.46)	6,105.85	1,223.19	2,282.13
8	Other comprehensive Income					
	Items that will not be subsequently reclassified to profit or loss					
	(a) Remeasurements gains / (losses) on defined benefit plans	2.10	-	2.60	2.10	2.60
	(b) Income tax on (a) above	(0.73)	-	(0.91)	(0.73)	(0.91)
	Total Other comprehensive income	1.36	-	1.69	1.36	1.69
9	Total comprehensive Income [7+8]	1,634.13	(189.46)	6,107.54	1,224.55	2,283.82
10	Paid up Equity Share Capital	221.08	1,368.64	1,368.64	221.08	1,368.64
11	Other Equity (excluding Revaluation Reserve)				(10,909.76)	(14,290.81)
12	Earnings per share (EPS) [of Re.1 each] :					
	Basic (Rs.)	2.82 *	(1.38) *	44.90 *	8.45	16.67
	Diluted (Rs.)	1.03 *	(1.38) *	44.90 *	3.10	16.67

* - Not annualised



Statement of Audited Consolidated Financial Results for the Quarter and Year Ended 31st March 2020

Rs in Crore (except EPS)

Sr No	Particulars	Consolidated				
		Quarter ended			Year Ended	
		31.03.2020 (Audited)	31.12.2019 (Unaudited)	31.03.2019 (Audited)	31.03.2020 (Audited)	31.03.2019 (Audited)
1	Income					
	a) Revenue from Operations	748.10	873.33	810.15	3,328.78	3,352.24
	b) Other Income	16.77	3.90	2.46	35.06	18.53
	Total Income	764.87	877.23	812.61	3,367.84	3,370.77
2	Expenses					
	a) Cost of materials consumed	479.45	537.82	530.37	2,123.03	2,215.54
	b) Purchase of Stock in Trade	2.06	3.39	1.64	9.17	8.82
	c) Changes in inventories of finished goods and work-in-progress	5.71	23.94	(3.95)	(7.46)	49.91
	d) Employee benefits expense	78.22	79.85	75.75	306.53	300.89
	e) Finance costs	58.92	21.87	909.77	113.63	4,308.74
	f) Depreciation and amortisation expense	120.58	139.39	136.49	541.84	549.51
	g) Other expenses	283.71	265.22	204.06	1,024.74	906.25
	Total expenses	1,028.65	1,071.48	1,854.12	4,111.49	8,339.66
3	Loss from operations before Share of profit/(loss) of Joint Ventures, exceptional items and tax [1-2]	(263.78)	(194.25)	(1,041.51)	(743.64)	(4,968.89)
4	Share of profit/(loss) from joint ventures	(0.22)	(0.24)	(0.24)	(0.99)	(1.02)
5	Loss before exceptional items and tax [3-4]	(264.00)	(194.49)	(1,041.74)	(744.63)	(4,969.91)
6	Exceptional Items (refer note 12)	2,052.55		7,045.19	2,052.55	7,045.19
7	Profit / (Loss) before tax (5-6)	1,788.55	(194.49)	6,003.45	1,307.92	2,075.28
8	Tax expense					
	(i) Current Tax	-	-	(0.03)	-	0.86
	(ii) Deferred Tax	(2.31)	-	(1.74)	(2.31)	(1.74)
	Total Tax expense	(2.31)	-	(1.77)	(2.31)	(0.88)
9	Net Profit / (Loss) for the period (7-8)	1,790.86	(194.49)	6,005.21	1,310.23	2,076.16
10	Other comprehensive income					
	(i) Items that will not be subsequently reclassified to profit or loss					
	(a) Remeasurements gains / (losses) on defined benefit plans	2.10	-	2.60	2.10	2.60
	(b) Income tax on (a) above	(0.73)	-	(0.91)	(0.73)	(0.91)
	(ii) Items that will be subsequently reclassified to profit or loss					
	(a) Income tax on (a) above	(338.69)	(28.40)	32.97	(455.78)	(231.70)
	(b) Income tax on (a) above	117.22	9.83	(11.41)	157.74	80.19
	Total Other comprehensive income	(220.11)	(18.57)	23.25	(296.68)	(149.82)
11	Total comprehensive income (9+10)	1,570.75	(213.06)	6,028.46	1,013.55	1,926.34
12	Paid up Equity Share Capital	221.08	1,368.64	1,368.64	221.08	1,368.64
13	Other Equity (excluding Revaluation Reserve)				(12,529.00)	(15,985.59)
14	Earnings per share (EPS) (of Re.1 each) :					
	Basic (Rs.)	2.03 *	(1.42) *	44.22 *	9.05 *	15.17 *
	Diluted (Rs.)	0.95 *	(1.42) *	44.22 *	3.32 *	15.17 *

* - Not annualised



Standalone and Consolidated Statement of Assets and Liabilities

Particulars	(Rs. in Crores)		(Rs. in Crores)	
	Standalone		Consolidated	
	As At 31-Mar-20 Audited	As At 31-Mar-19 Audited	As At 31-Mar-20 Audited	As At 31-Mar-19 Audited
ASSETS				
(1) Non-current assets				
(a) Property, Plant and Equipment (refer note 6)	14,095.89	14,626.54	14,178.21	14,716.51
(b) Capital work-in-progress	-	-	0.35	0.53
(c) Investment Property	7.58	7.83	854.10	855.05
(d) Other Intangible assets	0.71	0.84	0.72	0.85
(e) Investment in joint ventures	-	-	94.53	95.51
(f) Financial Assets				
(i) Investments	92.43	92.43	0.05	0.06
(ii) Loans	874.61	874.88	20.55	20.82
(iii) Others	0.98	107.05	0.98	107.05
(g) Deferred tax Assets (net) (refer note 9)	1,423.11	1,423.11	1,228.67	1,227.08
(h) Current tax assets (net)	41.80	40.10	44.77	43.19
(i) Other non-current assets	37.80	37.67	50.71	50.58
	16,574.91	17,210.45	16,473.63	17,117.23
(2) Current Assets				
(a) Inventories	334.74	325.56	420.42	420.76
(b) Financial assets				
(i) Trade receivables	164.09	162.28	241.94	239.85
(ii) Cash and cash equivalents	83.59	14.93	102.36	27.70
(iii) Bank balances other than (ii) above	386.70	9.90	386.71	9.90
(iv) Loans	-	-	1.53	1.40
(v) Others	2.48	2.85	2.47	3.08
(c) Other Current Assets	255.80	170.61	279.18	194.61
	1,227.40	686.11	1,434.61	897.30
TOTAL ASSETS	17,802.31	17,896.56	17,908.24	18,014.53
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share capital	221.08	1,368.64	221.08	1,368.64
(b) Other equity	(10,909.76)	(14,290.81)	(12,529.00)	(15,985.59)
	(10,688.68)	(12,922.18)	(12,307.92)	(14,616.95)
LIABILITIES				
(1) Non-current liabilities				
(a) Financial liabilities				
(i) Borrowings	28,030.50	5,870.72	28,304.23	5,125.38
(b) Provisions	27.56	40.65	27.56	40.67
(c) Current tax Liabilities (net)	-	121.53	6.92	121.53
(d) Other non-current tax Liabilities	-	-	-	0.02
	28,058.06	6,032.90	28,338.71	6,287.52
(2) Current Liabilities				
(a) Financial liabilities				
(i) Borrowings	-	16,944.56	782.67	17,674.81
(ii) Trade payables				
- Dues to micro and small enterprises	17.99	102.62	17.99	102.62
- Dues to Others	394.01	660.39	446.44	955.12
(iii) Other financial liabilities	12.91	6,779.08	391.47	7,115.69
(b) Other current liabilities	63.92	295.59	233.68	490.97
(c) Provisions	4.10	3.61	5.20	4.75
	432.93	24,785.84	1,877.45	26,343.96
TOTAL EQUITY AND LIABILITIES	17,802.31	17,896.56	17,908.24	18,014.53



Audited Standalone and Consolidated Statement of Cash Flow Year Ended 31st March 2020

PARTICULARS	(Rs. in Crore)		(Rs. in Crore)	
	Standalone		Consolidated	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
A] Cash Flow from Operating Activities				
Profit/(Loss) Before Tax	1,222.46	2,281.22	1,307.92	2,075.28
Adjustments for:				
Depreciation / amortisation	529.45	533.17	541.84	549.51
Diminution in the value of investment	-	-	-	1.33
Exchange rate difference (net)	(11.64)	67.13	(21.04)	58.47
Dividend income	(0.00)	(0.65)	(0.00)	(0.65)
Interest expense	98.57	4,158.00	113.63	4,308.74
Interest income	(8.68)	(6.05)	(11.30)	(7.17)
Other Comprehensive Income	2.10	2.60	(10.13)	(10.48)
(Gain)/Loss on sale of Property, Plant and Equipment (net)	0.01	0.01	(0.90)	(6.17)
Provision for Gratuity & leave encashment	(14.63)	2.99	(13.11)	-
Impairment of Fixed Assets	2.87	-	2.87	2.33
Provision for acc. special legal regulation	-	-	(0.05)	(0.16)
Provision for doubtful debts and advances	182.33	28.82	4.03	(51.54)
(Gain)/Loss on transfer / sale of investments (net)	8.69	-	8.69	0.52
Share of loss from joint ventures	-	-	0.99	1.02
Preference Dividend	-	-	(2.03)	-
Bad debts written off (net)	0.15	-	-	-
Sundry credit balance written back	(63.78)	(117.30)	(1.14)	(3.06)
Custom duty & Interest payable on non fulfillment of export obligation	7.68	54.37	10.24	48.60
Exceptional Items	(2,052.55)	(7,045.19)	(2,052.55)	(7,045.19)
Operating profit/(Loss) before working capital changes	(96.97)	(40.88)	(122.04)	(78.62)
Adjustments for:				
Decrease/(Increase) in Inventories	(9.18)	34.68	0.34	89.56
Decrease / (Increase) in Trade Receivable	(15.28)	103.89	(15.70)	112.77
Decrease/(Increase) in Loans and Advances	(235.46)	16.20	(55.40)	28.73
(Decrease)/Increase in Liabilities and Provisions	185.84	(70.48)	(66.30)	(32.70)
Cash (used in) / generated from operations	(178.05)	43.42	(259.10)	119.73
Income taxes paid (net)	(1.70)	(4.02)	(1.58)	(4.32)
Net cash (used in) / generated from operating activities	(171.75)	39.40	(260.68)	115.41
B] Cash flow from Investing Activities				
Purchase of fixed assets including capital advances	(1.48)	0.08	(4.44)	(11.28)
Sale of fixed assets	0.06	0.03	0.06	0.03
Purchase of Investments	-	-	-	(3.83)
Earmarked Fixed deposit (placed) / matured (net)	(270.90)	45.14	(270.73)	45.14
Dividends received	0.00	0.65	0.00	0.65
Interest received	8.68	6.05	11.30	7.17
Net cash generated / (used in) investing activities	(263.65)	51.95	(263.81)	37.88
C] Cash flow from Financing Activities				
Proceeds from issue of Equity Shares (including Share premium)	250.00	-	250.00	-
Proceeds from issue of Preference Shares	250.00	-	250.00	-
Proceeds from term borrowings	5,127.75	-	5,231.59	259.26
Repayment of term borrowings	(5,037.63)	(0.18)	(5,037.63)	-
Proceeds from short term borrowings (net)	-	(12.30)	-	(566.42)
Interest paid	(86.00)	(95.28)	(94.97)	127.03
Net cash generated from / (used in) financing activities	504.12	(107.76)	598.99	(180.13)
Net (Decrease)/increase in Cash and Cash equivalents (A+B+C)	68.72	(16.40)	74.50	(26.85)
Cash and Cash equivalents at the beginning of the period	15.15	31.55	27.86	54.70
Cash and Cash equivalents at the end of the period	83.87	15.15	102.36	27.86



Notes :

1 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 the Resolution Applicants for the Company under Section 31 of the Insolvency and Bankruptcy Code, 2016 ("Code"). As per the terms of Section 31 of the Code, the Approved Resolution Plan shall be binding on the Company, its employees, members, creditors, guarantors and other stakeholders involved in the Resolution Plan.

Pursuant to the Approved Resolution Plan, a Monitoring Committee has been formed w.e.f. 12th March, 2019 to maintain the Company as a going concern and supervise the implementation of the approved resolution plan.

- 2 The Implementation of the Approved Resolution Plan has commenced with effect from 22nd January, 2020. Post commencement of implementation of the Approved Resolution Plan, inter alia:
- A The pay-out on account of CIRP costs, worker dues, employee dues, other operational creditors and dues of the financial creditors as envisaged under the approved resolution plan has been effected.
 - B The eligible portion of admitted financial debt amounting to Rs. 22,682.60 Crore has been assigned to JM Financial Asset Reconstruction Company Limited .
 - C Reduction of existing share capital -- The Company's paid up equity share capital stands reduced, without any pay-out to the shareholders, by reducing the face value of each issued and outstanding equity share of the Company from INR 10 to Re. 1. Accordingly, the resultant issued and paid up capital amounts to Rs.221.08 Crore as against Rs. 1,377.34 Crore as of the end of the last quarter.
 - D Reliance Industries Limited (RIL) has infused (i) INR 250 crore into the Company against issuance of 83,33,33,333 shares; (ii) INR 250 crore into the Company against issuance of 250,00,00,000 9% optionally convertible preference shares of face value of Re 1 each.
 - E The financial creditors have invoked the pledge on 13,59,11,844 equity shares and transferred the said shares to JM Financial Asset Reconstruction Company Limited acting as Trustees for JMFARC-March-2018 Trust.
 - F JM Financial Asset Reconstruction Company Limited has further assigned an amount of Rs. 5000 Crore from out of its assigned debt to Reliance Industries Limited. The Company has obtained in-principle approvals from the stock exchanges for allotment of 275,46,00,000 equity shares to Reliance Industries Limited and JM Financial Asset Reconstruction Company Limited (acting as Trustees for JMFARC - March - 2018 -Trust) arising out of conversion of a part of their respective assigned debt such that they will hold in aggregate an equity stake not exceeding 75% in the Company.

The approved resolution plan having commenced, the accounts are prepared on a 'Going Concern' basis.

- 3 As of the insolvency commencement date, the company had an amount of Rs.11,623.94/- Crore receivable from trading debtors on account of sale of fabric ("Outstanding Trading Dues"). These Outstanding Trading dues have been fully provided for in earlier years. 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. The company has treated these Outstanding Trading Dues and its provision accordingly in its books of accounts.
- 4 Certain Creditors of the Company have filed petitions at different Forums, inter alia, praying for certain reliefs and the same are pending adjudication.
- 5 The Company has recorded a total comprehensive income of Rs. 1634.13 Crore during the quarter, and a total comprehensive income of Rs. 1224.55 Crore for year ended 31st March, 2020. The Company's accumulated losses amounted to Rs. 0 Crore. Total liabilities of the Company as on 31st March, 2020 exceeded total assets by Rs. 0 Crore.
- 6 The company's current level of operations, at about 30% of the capacity, is not 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 those 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.
- 7 The company has investments in two Joint Ventures Non-current investments (long term investments) with Equity investments of 49% each (JVs). One of the JVs has incurred losses for last three consecutive years. The auditors of one of the JV has issued a qualified opinion regarding recoverability of trade receivables and are of the opinion that the provision for doubtful debt should have been made for Rs.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.
- 8 Considering the nature of its business activities and related risks and returns, the Company 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.
- 9 The net deferred tax assets recognised as on 31 March 2020 amounts to Rs. 1423.11 Crore (Previous Year Rs. 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.
- 10 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 (as defined in the approved Resolution Plan).
- 11 (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 quarter and year ended, Alok Infra has incurred a net loss of Rs. 4.50 Crore and of Rs. 13.50 Crore respectively. The Alok Infra's accumulated losses amounted to Rs. 1010.01 Crore. Total liabilities as on 31st March, 2020 exceeded total assets by Rs. 933.27 Crore.
- (c) Further, Alok Infra has not carried out any impairment testing of investment property and therefore the correct carrying value of investment property in the consolidated result is unascertainable.

12 Exceptional Income on account of gains recognized in accordance with the approved resolution plan comprises of :-

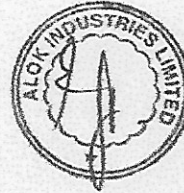
Particulars	Amount (Rs. In Crore)
Extinguishment of Operational Creditors (including the Central Government, State Government or local authority) as per the terms of Approved Resolution Plan	938.97
Write back of non-assignable loans of financial creditors	1,093.51
Extinguishment of Other Current and Non-Current Liability	20.06
	2,052.55



- 13 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.

- 14 The Company has adopted Ind AS 116 'Lease' effective from 1st April, 2019. There is no effect on adoption of Ind AS 116 on the Profit / (loss) for the period/year and earnings per share.
- 15 The Non-Convertible Debentures (NCDs) issued by the Company in earlier years stand extinguished having completed their respective maturity dates and the outstanding dues in respect of these NCDs have been dealt with as per the terms of the approved Resolution Plan. Consequently, there is no Additional Disclosure being provided as per Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 16 The figures of quarter ended 31st March, 2020 are the balancing figure between the audited figures in respect of the full financial year ended 31st March, 2020 and reviewed year to date figures up to 31st December, 2019 being the date of end of the third quarter of the current financial year.
- 17 The above results are certified by the Chief Financial Officer and the Company Secretary and taken on record by the Monitoring Committee at its meeting held on 31st July, 2020.
- 18 The figures of previous periods / year have been reclassified / regrouped, wherever necessary, to correspond with those of the current periods / year.



For ALOK INDUSTRIES LIMITED

Sunil O. Khandelwal
(Chief Financial Officer)

J. H. Gopal
(Company Secretary)

Taken on Record

Ajay Joshi
(On behalf of the Monitoring Committee)

Place: Mumbai
Date: 31st July, 2020

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

INDEPENDENT AUDITORS' REPORT ON AUDIT OF STANDALONE FINANCIAL RESULTS

To,
The Monitoring Committee (MC)
ALOK INDUSTRIES LIMITED

Qualified Opinion

We have audited the accompanying Statement of Audited Standalone Financial Results of **ALOK INDUSTRIES LIMITED** (the "Company"), for the quarter and year to date results for the year ended March 31, 2020 (the "Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

- i. In our opinion and to the best of our information and according to explanations give to us, the Statement:
- ii. except for the effects of the matter described in the basis for qualified opinion paragraph below, gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the quarter ended as well as the year to date results for the year ended March 31, 2020.

Basis of Qualified Opinion

- a. 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. 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.
- b. As mentioned in note no. 9 of the Statement, the Company continued to recognize deferred tax assets of Rs. 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.
- c. 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.
- d. A mention is made in the note no. 7 regarding non-provision of trade receivables amounting to Rs.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 Rs.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 sub-section (10) of Section 143 of the Companies Act, 2013 (the "Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 13 of the Statement, as regards the management's evaluation of COVID-19 impact on the future performance of the Company and its subsidiaries. Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Statement

The Statement has been prepared from the related audited standalone financial statements. The Company's Management under the direction of the Monitoring Committee are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. 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 results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the Company's Management under the direction of the Monitoring Committee 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 Company's Management under the direction of the Monitoring Committee either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Management under the Monitoring Committee is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

Our objectives are to obtain reasonable assurance about whether the annual standalone financial results 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 annual standalone financial results.

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

- Identify and assess the risks of material misstatement of the annual standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of standalone financial statements on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the annual standalone financial results made by the Monitoring Committee.
- Conclude on the appropriateness of Monitoring Committee' 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 Statement 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 Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the annual standalone financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Statement 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 annual standalone financial results.

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.

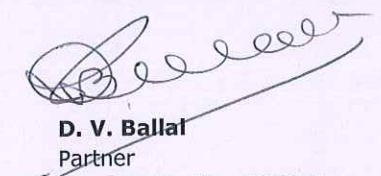
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

- The figures for the quarter ended March 31, 2020 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2020 and the published unaudited year-to-date figures up to December 31, 2019 being the date of the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

Our opinion is not modified in respect of above matter.


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


D. V. Ballal
Partner
Membership No.: 013107
UDIN: 20013107AAAABQ9003

Place : Mumbai
Date : July 31, 2020



For **N B S & Co.**
Chartered Accountants
Firm Registration No. 110100W


Devdas V. Bhat
Partner
Membership No.: 048094
UDIN: 20048094AAAACM8133

Place : Mumbai
Date : July 31, 2020



INDEPENDENT AUDITORS' REPORT ON AUDITED CONSOLIDATED FINANCIAL RESULTS

To,
The Monitoring Committee (MC)
ALOK INDUSTRIES LIMITED

Qualified Opinion

We have audited the accompanying Statement of Audited Consolidated Financial Results of **ALOK INDUSTRIES LIMITED** (the "Holding Company") and its Subsidiaries, (Holding Company and its Subsidiaries together referred to as the "Group") and its jointly controlled entities, for the quarter and year to date results for the year ended March 31, 2020 (the "Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to explanations give to us, and based on the consideration of the reports of the other auditors on the separate financial Statement of the subsidiaries and its jointly controlled entities, the Statement:

- i. includes the results of the following entities:
 - a. Subsidiaries:
 - i. Alok Infrastructure Limited
 - ii. Alok Singapore Pte. Limited
 - iii. Alok International (Middle East) FZE
 - iv. Mileta, a.s.
 - v. Alok Industries International Limited
 - vi. Grabal Alok International Limited
 - vii. Alok Worldwide Limited
 - viii. Alok International Limited
 - b. Joint controlled entities:
 - i. New City of Bombay Mfg. Mills Limited
 - ii. Aurangabad Textile and Apparel Park Limited
- ii. is presented in accordance with requirements of Regulation 33 of the Listing Regulations in this regard; and
- iii. except for the effects of the matter described in the basis for qualified opinion paragraph below, gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India, of the consolidated net profit and other comprehensive income and other financial information for the quarter ended as well as the year to date results for the year ended March 31, 2020.

Basis of Qualified Opinion

- a. As per Indian Accounting Standard 36 on Impairment 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 Consolidated Financial Results is not ascertainable. The audit report on the Consolidated Financial Results for the year ended March 31, 2019 was also qualified in respect of this matter.
- b. As mentioned in note no. 9 of the Statement, the Holding Company continued to recognize deferred tax assets of Rs. 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.

- c. 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.
- d. A mention is made in the Note no. 7 of the Statement regarding non-provision of trade receivables amounting to Rs.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 Rs.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 sub-section (10) of Section 143 of the Companies Act, 2013 (the "Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Result section of our report. We are independent of the Group 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 consolidated financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Relating To Going Concern:

We draw attention to the following matter:

- a. Independent Auditors of Alok Infrastructure Limited in their review report on Ind AS Financial Statements for the quarter and 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. 11(b) of the Statement, which indicates that the Alok Infrastructure Limited incurred a net loss of Rs. 4.50 crores during the quarter and of Rs. 13.50 crores during the quarter and year ended March 31, 2020 and, as of that date, the Alok Infrastructure Limited's total liabilities exceeded its total assets by Rs. 933.27 crores. As stated in note no. 11(a) of the Statement, these events or conditions, along with other matters as set forth in note no. 11(b) of the Statement, 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 qualified in respect of the above matter.

Emphasis of Matter

We draw attention to Note 13 of the Statement, 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.

Management's Responsibilities for the Statement

The Statement has been prepared from the related audited consolidated financial statements. The Holding Company's Monitoring Committee are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors/ Resolution Professional of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial results 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 results by the Monitoring Committee of the Holding Company, as aforesaid.



In preparing the consolidated financial results, the Company's Management under the direction of the Monitoring Committee of the Holding Company is responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Company's Management under the direction of the the Monitoring Committee either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors/ Resolution Professional of the Companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Statement

Our objectives are to obtain reasonable assurance about whether the annual consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors 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 annual consolidated financial results.

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

- Identify and assess the risks of material misstatement of the annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of consolidated financial statements on whether the Holding company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the annual consolidated financial results made by the Monitoring Committee.
- Conclude on the appropriateness of Monitoring Committee' 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 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 results 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated financial results, 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 annual consolidated financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial results 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 annual consolidated financial results.

We communicate with those charged with governance of the Holding Company 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.

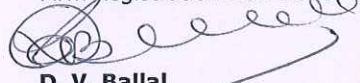
We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matter

- a. The Consolidated Financial Results include the Unaudited Financial Results of one subsidiary whose Ind AS Financial Statements excluding consolidation eliminations reflect total assets of Rs.217.05 crores as at March 31, 2020, total revenue of Rs.35.03 crores and Rs. 162.25 crores, net loss after tax of Rs 2.14 crores and Rs. 5.47 crores, and total comprehensive income amounting to Rs.(2.14) crores and Rs.(5.47) crores for the quarter and year ended on that date, and Ind AS Financial Statements of two joint controlled entities whose financial results reflect Group's share of net loss is Rs. 0.22 crores and Rs.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 Results is not modified in respect of our reliance on the Ind AS financial statements / financial information certified by the Management.
- b. We did not audit the Ind AS Financial Statements of seven subsidiaries whose financial results reflect total assets of Rs. 2,276.62 crores as at March 31, 2020, total revenues of Rs. 0.04 crores and Rs. 0.19 crores, total net profit/(loss) after tax of Rs. 160.94 crores and Rs. 146.71 crores and total comprehensive income of Rs. 214.35 crores and Rs. 292.05 crores for the quarter and year ended March 31, 2020 respectively. These Ind AS Financial Results have been reviewed by the other auditor whose report has been furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiary is based solely on the report of the other auditor.
- c. The figures for the quarter ended March 31, 2020 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2020 and the published unaudited year-to-date figures up to December 31, 2019 being the date of the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

Our opinion on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the report of the auditor.


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


D. V. Ballal
Partner
Membership No.: 013107
UDIN: 20013107AAAABR7440



Place : Mumbai
Date : July 31, 2020

For **N B S & Co.**
Chartered Accountants
Firm Registration No.: 110100W


Devdas V. Bhat
Partner
Membership No.: 048094
UDIN: 20048094AAAACN3236



Place : Mumbai
Date : July 31, 2020

Annexure- I
Statement on Impact of Audit Qualification (for audit report with modified opinion) submitted
along-with Annual Audited Financial Results- Standalone

Statement on Impact of Audit Qualification for the Financial Year ended 31st March, 2020

I.	Sr. No	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualification)
	1.	Turnover/ Total Income	3,251.53	Not applicable as not quantified
	2.	Total Expenditure	(4,081.61)	
	3.	Exceptional Items	2,052.55	
	4.	Net Profit/ (Loss)	1,223.18	
	5.	Other Comprehensive Income	1.36	
	6.	Total comprehensive Income	1,224.55	
	7.	Earnings Per Share - Basic	8.45	
	8.	Earnings Per Share - Diluted	3.10	
	9.	Total Assets	17,802.31	
	10.	Total Liabilities	28,490.99	
	11.	Net Worth	(10,688.68)	
	12.	Any other Financial Item(s) (as felt appropriate by the management)		

II. Audit Qualification (each audit qualification separately):

a. Details of Audit Qualification:

(i) 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.

(ii) As mentioned in note no. 9 of the Statement, the Company continued to recognize deferred tax assets of Rs. 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.

(iii) 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.

(iv) A mention is made in the note no. 7 regarding non-provision of trade receivables amounting to Rs.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 Rs.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.

b. Type of Audit Qualification : Qualified Opinion

c. Frequency of qualification: -

Audit Qualification (i) - Repetitive
 Audit Qualification (ii) - Repetitive
 Audit Qualification (iii) - Repetitive
 Audit Qualification (iv) - Appeared for the First time

d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not applicable, as not quantified.

e. For Audit Qualification(s) where the impact is not quantified by the auditor:

(i) Management's estimation on the impact of audit qualification:

Audit Qualification (i) - Impact is not quantifiable
Audit Qualification (ii) - Impact is not quantifiable
Audit Qualification (iii) - Impact is not quantifiable
Audit Qualification (iv) - Impact is not quantifiable



(ii) If management is unable to estimate the impact, reasons for the same:

Audit Qualification (i)

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.

Audit Qualification (ii)

The net deferred tax assets recognised as on 31 March 2020 amounts to Rs. 1423.11 Crore (Previous Year Rs. 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.

Audit Qualification (iii)

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.

Audit Qualification (iv)

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 Rs.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.

(iii) Auditors' Comments on above:

We accept management's comment as noted above and refer "Basis of Qualified Opinion" in the Independent Auditors' Report dated July 31, 2020 on the Standalone Financial Results of the company for the quarter and year ended March 31, 2020.

III. Signatories:

- On behalf of Monitoring Committee

Ajay Joshi

Member of Monitoring Committee

- Chief Financial Officer

Sunil O. Khandelwal

Chief Financial Officer

- Statutory Auditor

Mr. D. V. Ballal
Partner.

Membership No. 13107
For M/s. Shah Gupta & Co., Chartered
Accountants
Firm Registration No. 109574W

Mr. Devdas Bhat
Partner

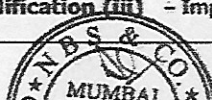
Membership No. 048094
For M/s. NBS & Co.,
Chartered Accountants
Firm Registration No. 110100W

Place: Mumbai

Date: 31st July, 2020

Annexure- II
Statement on Impact of Audit Qualification (for audit report with modified opinion) submitted
along-with Annual Audited Financial Results- Consolidated

Statement on Impact of Audit Qualification for the Financial Year ended 31st March, 2020			
I.	Sr. No	Particulars	Audited Figures (as reported before adjusting for qualifications)
	1.	Turnover/ Total Income	3,367.84
	2.	Total Expenditure	(4,111.49)
	3.	Exceptional Items	2,052.55
	4.	Net Profit/ (Loss)	1,310.23
	5.	Other/ Comprehensive Income	(296.68)
	6.	Share of profit from joint ventures	(0.99)
	7.	Total comprehensive Income	1,013.55
	8.	Earnings Per Share - Basic	9.05
	9.	Earnings Per Share - Diluted	3.32
	10.	Total Assets	17,908.24
	11.	Total Liabilities	30,216.16
	12.	Net Worth	(12,307.92)
	13.	Any other Financial Item(s) (as felt appropriate by the management)	
			Not applicable as not quantified
II.	Audit Qualification (each audit qualification separately):		
	<p>a. Details of Audit Qualification:</p> <p>(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 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.</p> <p>(ii) As mentioned in note no. 9 of the Statement, the Holding Company continued to recognize deferred tax assets of Rs. 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.</p> <p>(iii) 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.</p> <p>(iv) A mention is made in the note no. 7 regarding non-provision of trade receivables amounting to Rs.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 Rs.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.</p>		
	<p>b. Type of Audit Qualification : Qualified Opinion</p>		
	<p>c. Frequency of qualification:</p> <p>Audit Qualification (i) - Repetitive Audit Qualification (ii) - Repetitive Audit Qualification (iii) - Repetitive Audit Qualification (iv) - Appeared for the First time</p>		
	<p>f. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: Not applicable, as not quantified.</p>		
	<p>g. For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <p>(i) Management's estimation on the impact of audit qualification:</p> <p>Audit Qualification (i) - Impact is not quantifiable Audit Qualification (ii) - Impact is not quantifiable Audit Qualification (iii) - Impact is not quantifiable</p>		



Audit Qualification (iv) - Impact is not quantifiable

(ii) If management is unable to estimate the impact, reasons for the same:

Audit Qualification (i)

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.

Audit Qualification (ii)

The net deferred tax assets recognised as on 31 March 2020 amounts to Rs. 1423.11 Crore (Previous Year Rs. 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.

Audit Qualification (iii)

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.

Audit Qualification (iv)

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 Rs.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.

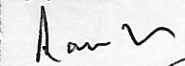
(iii) Auditors' Comments on above:

We accept management's comment as noted above and refer "Basis of Qualified Opinion" in the Independent Auditors' Report dated July 31, 2020 on the Consolidated Financial Results of the company for the quarter and year ended March 31, 2020.

III. Signatories:

- On behalf of Monitoring Committee

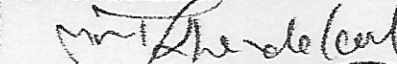
Ajay Joshi



Member of Monitoring Committee

- Chief Financial Officer

Sunil O. Khandelwal

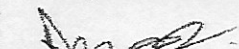


Chief Financial Officer

- Statutory Auditor

Mr. D. V. Ballal
Partner.

Membership No. 013107
For M/s. Shah Gupta & Co.,
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Firm Registration No. 109574W



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