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

ALOK INDUSTRIES LIMITED
TM INNOVATIVE TEXTILE SOLUTIONS

29 November 2019

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. ALOKTEXT

Dear Sirs,

Sub: **Annual Report (2018-2019) of the Company.**

Pursuant to regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith copy of Annual Report (2018-2019) for your information and record.

Kindly take note of the above.

Yours truly,
For Alok Industries Limited

K H Gopal
Company Secretary

32ND ANNUAL REPORT

2018-19

ALOK
INDUSTRIES LIMITED
TM INNOVATIVE TEXTILE SOLUTIONS

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Working Capital Lenders

Allahabad Bank
Andhra Bank
Axis Bank Limited
Bank of Baroda
Bank of India
Bank of Maharashtra
Canara Bank
Central Bank of India
Corporation Bank
Export Import Bank of India
IDBI Bank Limited
Indian Bank
Indian Overseas Bank
The Jammu and Kashmir Bank Ltd.
Kotak Mahindra Bank Limited
Oriental Bank of Commerce
Punjab National Bank
Syndicate Bank
State Bank of India
The Karur Vysya Bank Limited
UCO Bank
Union Bank of India
United Bank of India

Other Lenders

AfrAsia Bank Ltd.
Asset Care & Reconstruction Enterprise Ltd.
Bank of Bahrain and Kuwait B.S.C.
Barclays Bank Plc
Bank Sinopac
Canara Bank, London
Centre for Development of Telematics Employees Provident Fund Trust
Chang Hwa Commercial Bank Ltd, Singapore
Chhattisgarh State Electricity Board Gratuity and Pension Fund Trust
Chhattisgarh State Electricity Board (CSEB) Provident Fund Trust
Dombivli Nagari Sahakari Bank Limited
E Sun Commercial Bank Ltd, Singapore
IFCI Limited
Industrial and Commercial Bank of China, Mumbai
Industrial and Commercial Bank of China Ltd, Singapore
Landesbank Baden–Wurttemberg
Life Insurance Corporation of India
Norddeutsche Landesbank Girozentrale,
Nederlandse Financierings – Maatschappij Voor Ontwikkelingslanden N.V.
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Raiffeisen Bank International AG, Singapore
Saraswat Co-operative Bank Ltd.
SICOM Limited
Small Industries Development Bank of India
SBM Bank (Mauritius) Ltd.
VTB Capital Plc

Statutory Auditors

Shah Gupta & Co.
Chartered Accountants
NBS & Co.
Chartered Accountants

Internal Auditors

Bhandarkar & Co.
Chartered Accountants
Devdhar Joglekar & Srinivasan
Chartered Accountants
HPVS & Associates,
Chartered Accountants

Legal Advisors & Solicitors

Oasis Counsel & Advisory

Listing & Code

BSE Limited (521070)
National Stock Exchange of India Limited (ALOKTEXT EQ)

Chief Financial Officer

Sunil O. Khandelwal

Company Secretary

K. H. Gopal

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

Registered Office:

17/5/1 & 521/1 Rakholi/ Saily, Silvassa-396230
Union Territory of Dadra and Nagar Haveli

Corporate Office:

Tower B, 2nd and 3rd Floors, Peninsula Business Park, G. K. Marg, Lower Parel, Mumbai - 400 013

Other Details

Demat ISIN Number in NSDL & CSDL, Equity Shares - INE 270A01011
Website Address: www.alokind.com; E-mail Address: info@alokind.com

Marketing Offices

DOMESTIC

Delhi

Unit No.225-227,2nd Flr, DLF Tower
15, Shivaji Marg, New Delhi - 110 015
Tel. 011-4184 0000

INTERNATIONAL

Sri Lanka

26, Hallmark Building, Vajira Road,
Colombo - 04, Sri Lanka

Dubai

6 WA, 232, 2nd Floor,
P. O. Box 54917,
Dubai Airport Free Zone

British Virgin Islands

Morgan & Morgan Building,
Pasea Estate, Road Town,
Tortola, British Virgin Islands

USA

4th and 5th Floor, 105, Madison
Avenue, Manhattan, New York, USA

Bangladesh

Asset Rosedale,
Unit B1 (1st floor), House # 2Road,
55,Gulshan Avenue,Gulshan - 2,
Dhaka - 1212, Bangladesh

Czech Republic

Husova 734, 508 01 Horice
Czech Republic

Works

Spinning

412 Saily, Silvassa, Union Territory of Dadra & Nagar Haveli

Weaving

a) 17/5/1 & 521/1, Rakholi / Saily, Silvassa, Union Territory of Dadra & Nagar Haveli
b) 209/1, Dadra, Union Territory of Dadra and Nagar Haveli
c) Babla Compound, Kalyan Road, Bhiwandi - Dist. Thane

Processing

a) 254, 261 / P1 Balitha, Taluka Vapi, Dist. Valsad, Gujarat
b) C-16/2, Village Pawane, TTC Industrial Area, MIDC, Navi Mumbai, Dist. Thane

Knitting

412 (15) Saily, Silvassa, UnionTerritory of Dadra & Nagar Haveli

Hemming

103/2, Rakholi, Silvassa,Union Territory of Dadra & Nagar Haveli

Embroidery

a) A/317, TTC Industrial Area, MIDC, Mahape, Navi Mumbai.
b) 249/1, Vasona, Silvassa Khanvel Road, Sivassa, Union Territory of Dadra & Nagar Haveli.

Polyester Yarn

(Poy & Texturising Yarn)
17/5/1, 521/1, Rakholi / Saily and 409/1 Saily Silvassa, Union Territory of Dadra & Nagar Haveli

Garments

a) 374/2/2, Saily, Silvassa Khanvel Road, Union Territory of Dadra & Nagar Haveli.
b) 17/5/1, Rakholi, Silvassa, Union Territory of Dadra & Nagar Haveli
c) 148/149, Village: Morai, Taluka: Vapi, Dist: Valsad, Gujarat
d) 50/P2, 52/P1, Morai, Taluka Pardi, Dist. Valsad, Gujarat

Home Textile

I) Bed Linen

a) 374/2/2, Saily, Silvassa Union Territory of Dadra & Nagar Haveli
b) 149/1 50, Morai Taluka, Pardi, Dist. Valsad, Gujarat

II) Terry Towel

263/P1/P1 and 251/2/P1 Balitha, Taluka Pardi, Dist. Valsad Gujarat

BOARD OF DIRECTORS OF ALOK INDUSTRIES LIMITED

Surinder Kumar Bhoan

Ashok B. Jiwrajka

Dilip B. Jiwrajka

Surendra B. Jiwrajka

Suneet Shukla – Nominee of IFCI Limited

Keshav D Hodavdekar

Senthilkumar M. A.

Tulsi Tejwani

NOTICE

NOTICE is hereby given that the **32nd Annual General Meeting** of the members of **ALOK INDUSTRIES LIMITED (CIN: L17110DN1986PLC000334)** will be held on **Tuesday** the **24th** day of **December, 2019** at **12.00 Noon** at Alok Public School, Alok City, Silvassa-Khanvel Road, Silvassa – 396230, Union Territory of Dadra and Nagar Haveli, to transact the following business:

ORDINARY BUSINESS:

Item No. 1 – Adoption of Audited Standalone Financial Statements

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2019 and the Reports of the Board of Directors and the Auditors thereon and in this regard, pass the following resolutions as an **Ordinary Resolution:**

"RESOLVED THAT the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2019 and the Reports of the Board of Directors and the Auditors thereon laid before this meeting, be and are hereby considered and adopted."

Item No. 2 – Adoption of Audited Consolidated Financial Statements

To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2019 and the Reports of the Board of Directors and the Auditors thereon and in this regard, pass the following resolutions as an **Ordinary Resolution:**

"RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2019 and the Reports of the Board of Directors and the Auditors thereon laid before this meeting, be and are hereby considered and adopted."

Item No. 3 – Appointment of Mr.Ashok B. Jiwrajka, who retires by rotation as a Director

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 152, of the Companies Act, 2013, and all other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof for the time being in force) read with relevant provisions of the Articles of Association of the Company and subject to such sanctions as may be necessary, Mr. Ashok B. Jiwrajka (DIN: 00168350), who was already serving the Company as its Director with effect from 29th September, 2017 and whose term of office expires at this Annual General Meeting in terms of Section 161 of the Act and in respect of whom the Company has pursuant to Section 160 of the Act received a notice in writing proposing his candidature for the office of Director, is hereby appointed as Director, liable to retire by rotation."

Item No. 4 – Appointment of Mr.Dilip B. Jiwrajka, who retires by rotation as a Director

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 152, of the Companies Act, 2013, and all other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof for the time being in force) read with relevant provisions of the Articles of Association of the Company and subject to such sanctions as may be necessary, Mr. Dilip B. Jiwrajka (DIN: 00173476), who was already serving the Company as its Director with effect from 29th September, 2017 and whose term of office expires at this Annual General Meeting in terms of Section 161 of the Act and in respect of whom the Company has pursuant to Section 160 of the Act received a notice in writing proposing his candidature for the office of Director, is hereby appointed as Director, liable to retire by rotation."

SPECIAL BUSINESS:

Item No.5- Ratification of remuneration of the Cost Auditors

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148 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), the remuneration, as approved by the Monitoring Committee and as set out in the Statement annexed to the Notice convening this Meeting, 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, 2020, be and is hereby ratified."

"RESOLVED FURTHER THAT the Monitoring Committee has all powers under the Code to take such actions, and execute all such documents, as may be necessary and applicable to give effect to the above resolution."

K. H. Gopal
Company Secretary

Mumbai, November 22, 2019

Registered Office:
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 Explanatory Statement, pursuant to Section 102(1) of the Companies Act, 2013 (the Act), relating to the Special Business to be transacted at the Annual General Meeting (Meeting) is annexed hereto and forms 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 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.

   Pursuant to Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of Members not exceeding fifty in number 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 a proxy and such person shall not act as proxy for any other person or shareholder. The holder of proxy shall prove his/her identity at the time of attending the Meeting.

3. Attendance slip, proxy form and route map of the venue of the Meeting are annexed hereto.

4. Corporate Members intending to send their authorized representatives to attend the meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant board resolution together with the specimen signatures of their representative(s) authorised under the said board resolution to attend and vote on their behalf at the meeting.

5. The Register of Members and Share Transfer Books of the Company shall remain closed from 18th December, 2019 to 24th December, 2019, both days inclusive, for the purpose of Annual General Meeting.

6. Pursuant to Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company is providing facility for voting by electronic means (e-voting) through an electronic voting system which will include remote e-voting and the business set out in the Notice will be transacted through such voting. Information and instructions including details of user Id and password relating to e-voting are sent herewith. 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 members who have cast their vote(s) by using remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again at the Meeting.

7. In terms of the provisions of Section 152 of the Act, Mr. Ashok B. Jiwrajka and Mr. Dilip B. Jiwrajka, Directors, retire by rotation at the Meeting.

8. Mr. Ashok B. Jiwrajka and Mr. Dilip B. Jiwrajka are interested in the Ordinary Resolutions set out at Item Nos. 3 and 4, respectively, of the Notice with regard to their re-appointment. Mr. Surendra B. Jiwrajka-Director and their relatives employed with the company, being related to Mr. Ashok Jiwrajka and Mr. Dilip Jiwrajka may be deemed to be interested in the resolution set out at Item No.3 and 4 of the Notice. Save and except the above, none of the other Directors/ Key Managerial Personnel of the Company / Resolution Professional / their relatives are in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out under Item Nos.3 and 4 of the Notice.

9. Pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard on General Meetings, particulars of the Directors seeking re-appointment at the Annual General Meeting are provided in the “Annexure” to the Notice.

10. Members/ Proxies / Authorised Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s) duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No and copies of Annual Report. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.

11. 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.

12. Members are requested to notify immediately any change of their address:

    (a) To their Depository Participants (DPs) in respect of their electronic share accounts, and

    (b) To the Company at its Registered Office address or Link Intime India Private Limited, the Registrar and Share Transfer Agent of the Company at M/s. Link Intime India Private Limited C-101, 247 Park, LBS Marg, Vikhroli (West) Mumbai-400083, India, Tel: +91 022 49186000, Fax: +91 022 49186060, in respect of their physical shares, if any, quoting their folio nos.

13. Shareholders who have not so far encashed their dividend warrants/ demand drafts for the financial year ended 30th September, 2013 may immediately approach the Company for revalidation of unclaimed dividend warrants/ demand drafts. Information in respect of the unclaimed dividend as on the date of the previous AGM of the Company held on 27th December, 2018 has been uploaded on the website of the Ministry of Corporate Affairs (www.iepf.gov.in.) and on the website of the Company (www.alokind.com). Members are requested to note that dividends that are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 124 of the Act, be transferred to the Investor Education and Protection Fund (IEPF). Shares for which dividend remains unclaimed for seven consecutive years will be transferred to the IEPF as per Section 123 of the Act and the applicable law.

14. SEBI has decided that securities of listed companies can be transferred only in dematerialised form from a cut-off date, to be notified. In view of the above and to avail various benefits of dematerialisation, members are advised to dematerialise shares held by them in physical form.

15. Due dates for transfer of unclaimed/unpaid dividends for the financial year 2012-13 and thereafter to IEPF:

Financial year ended	Date Declaration	Due date for Transfer to IEPF
30.09.2013	27.12.2013	01.02.2021

16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holdings shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrars and Transfer Agents, M/s. Link Intime India Private Limited.

17. Members may avail themselves of the facility of nomination in terms of Section 72 of the Companies Act, 2013 by nominating in the prescribed form a person to whom their shares in the Company shall vest in the event of their death. The prescribed form can be obtained from the Company's R&TA at the aforesaid address. Members holding shares in electronic form may obtain nomination forms from their respective depository participant.

18. Members are advised to submit their Electronic Clearing Service (ECS) mandates to the Company's R&TA at their aforesaid address to facilitate remittance by means of ECS.

19. The Company is providing facility for voting by electronic means (e-voting) through an electronic voting system which include remote e-voting and business set out in the Notice will be transacted through such voting. Company has appointed Central Depository Services (India) Limited (CDSL) as Depository for providing remote e-voting facility to its Members.

    The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting and who have not cast their vote by remote e-voting can exercise their voting right at the meeting through ballot paper.

    The members who have cast their vote by using remote e-voting may also attend the AGM but shall not be entitled to cast their vote again at the Meeting.

    The instructions for shareholders voting electronically are as under:

    (i) The voting period begins on 21st December, 2019 (10.00 am) to 23rd December, 2019 (5.00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 18th December, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

    (ii) The shareholders should log on to the e-voting website www.evotingindia.com.

    (iii) Click on Shareholders / Members

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

(xxi) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

(xxii) The voting rights of members shall be as per the number of equity shares held by the Member(s) as on 18th December, 2019 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.

(xxiii) 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. 18th December, 2019 may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com

(xxiv) 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.

(xxv) 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.

(xxvi) 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.

(xxvii) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

(xxviii) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count 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 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

(xxix) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.alokind.com and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited & National Stock Exchange of India Limited, Mumbai.

20. Members desiring any information as regards to Accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.

IMPORTANT COMMUNICATION TO MEMBERS

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that the service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail address, so far, are requested to register their e-mail address in respect of electronic holdings with the Depository through their concerned Depository Participants. We are sure, that as a responsible citizen, you will whole-heartedly support this initiative and will co-operate with the Company in implementing the same.

Statement Pursuant to Section 102(1) of the Companies Act, 2013 (“the Act”)

The following Statement sets out the material facts relating to the Special Business mentioned in Notice:

Item No. 5

The Monitoring Committee Professional has approved the appointment of M/s. B.J.D. Nanabhoy & Co, Cost Accountants, as Cost Auditors to conduct the audit of the cost accounts maintained by the Company for the financial year ending 31st March, 2020 and be paid remuneration of Rs.86,000/- p.a. as also the payment of goods and service tax as applicable and reimbursement of out of pocket expenses incurred by them in connection with the aforesaid audit of the Company.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the Members of the Company. Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at item no. 5 of the Notice for approval of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2020.

The Monitoring Committee recommends the approval of the remuneration payable to M/s. B.J.D. Nanabhoy & Co, Cost Accountants for conducting the cost audit and passing of the resolution set out at Item no. 5 of the Notice.

None of the Directors or Key Managerial Personnel or members of the Monitoring Committee or their relatives are in any way concerned or interested in the passing of the resolution set out at Item no. 5 of the Notice.

ANNEXURE TO THE NOTICE

Details of Directors retiring by rotation/seeking re-appointment at the Meeting:

Mr. Ashok B. Jiwrajka:

Age	69 years
Qualification	B.Com
Experience (including expertise in specific functional area)/ Brief Resumes	Experience of over four decades in textiles industry.
Terms and Conditions of Re-appointment	Director of the Company liable to retire by rotation.
Remuneration drawn (including sitting fees, if any)	Rs. 3,83,429/-
Date of first appointment on the Board	March 12, 1986
Shareholding in the Company as on March 31, 2019	14844206 equity shares
Relationship with other Directors/Key Managerial Personnel	Related to Mr. Dilip Jiwrajka and Mr. Surendra Jiwrajka, both brothers.
Number of meetings of the Board attended during the financial year (2018-19)	Nil
Directorship of other Boards as on March 31, 2019	Alok Infrastructure Limited Alok Knit Exports Limited Ashok Realtors Private Limited Kesham Developers & Infotech Private Limited (under liquidation) Springdale Information and Technologies Pvt. Ltd. (under liquidation)
Membership/ Chairmanship of Committees of other Boards as on March 31, 2019	Nil

Mr. Dilip B. Jiwrajka:

Age	63 years
Qualification	B.Com
Experience (including expertise in specific functional area)/ Brief Resumes	Experience of over four decades in textiles industry.
Terms and Conditions of Re-appointment	Director of the Company liable to retire by rotation.
Remuneration drawn (including sitting fees, if any)	Rs. 3,83,429/-
Date of first appointment on the Board	March 12, 1986
Shareholding in the Company as on March 31, 2019	1005973 equity shares
Relationship with other Directors/Key Managerial Personnel	Related to Mr. Ashok Jiwrajka and Mr. Surendra Jiwrajka, both brothers.
Number of meetings of the Board attended during the financial year (2018-19)	01
Directorship of other Boards as on March 31, 2019	Alok Infrastructure Limited Alok Knit Exports Limited Aurangabad Textiles & Apparel Parks Limited Kesham Developers & Infotech Private Limited (under liquidation) Springdale Information and Technologies Pvt. Ltd. (under liquidation)
Membership/ Chairmanship of Committees of other Boards as on March 31, 2019	Nil

DIRECTORS' REPORT TO THE SHAREHOLDERS

To the Members,

The Monitoring Committee presents to the Members the 32nd Annual Report of the Company, which includes the Directors' Report **("Annual Report")**.

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"**).

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 shall be constituted ("Monitoring Committee") which during the period following the CCI Approval Date and until the Closing Date , shall comprise of 4 (Four) representatives of the Financial Creditors, 2 (Two) representatives of the Resolution Applicants and the Erstwhile Resolution Professional to manage the affairs of the Company as a going concern and supervise the implementation of the Resolution Plan.

Members may kindly note that, the Monitoring Committee was not in office for almost 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 is to manage the affairs of the Company as a going concern and supervise the implementation of the Resolution Plan. The Monitoring Committee 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"**).

This Report was discussed in a meeting held with the Key Management persons and thereafter taken on record by the Monitoring Committee. .

1. FINANCIAL RESULTS:

(Rs. in crore)

Particulars	Standalone		Consolidated	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Revenue from operations	3,128.76	5,381.95	3,352.24	5,562.08
Operating Profit / (Loss) before Interest, Depreciation and Taxes	(72.80)	(12,995.48)	(110.64)	(13,312.93)
Minority Interest and Share in Profit of Associates	0.00	0.00	(1.02)	(0.48)
Profit / (Loss) before depreciation, exceptional items and taxes	(4,763.97)	(18,206.15)	(4,969.91)	(18,569.35)
Exception Item	7,045.19	0.00	7,045.19	0.00
Profit / (Loss) Before Tax (after exceptional items)	2,281.22	(18,206.15)	2,075.28	(18,567.64)
Tax Expenses (including Deferred Tax)	(0.91)	11.19	(0.88)	10.43
Profit after Tax	2,282.13	(18,217.34)	2,076.16	(18,579.78)
Other Comprehensive Income	1.69	8.80	(149.82)	11.06
Total Comprehensive Income	2,283.82	(18,208.54)	1,926.34	(18,568.72)

2. COMPANY'S PERFORMANCE:

The total sales of the Company for the year under review amounted to Rs.3128.76 crores (including exports with incentives of Rs.816 crores).

The loss before tax and exceptional item was Rs.4763.97 crores mainly due to sub-optimum level of manufacturing operations, lower profitability, provision for doubtful debts and advances, higher interest burden and depreciation. . The Profit After Tax of Rs. 2,283.82 crore is due to exceptional item of Rs. 7,045.19 crore being the reversal of interest during the period from 18.07.2017 to 08.03.2019.

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

3. DIVIDEND:

There is no recommendation of dividend. .

4. TRANSFER TO RESERVES:

No amount is proposed to be transferred to General Reserves.

5. EROSION OF NETWORTH

Net worth as at 31 March, 2019 was negative at Rs.12,922.18 crore. Accumulated losses have resulted in the erosion of over 300% of peak net worth of Rs. 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 confirmed in the Resolution Plan that the company's operations will be turned around. Accordingly, the company would be able to attain positive net worth in due course.

6. MATERIAL CHANGES POST CLOSURE OF FINANCIAL YEAR:

Pursuant to the Order of the Hon'ble NCLT approving the Resolution Plan and upon implementation of the resolution plan, the following key changes shall result:

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

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

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

The Authorised Share Capital of the Company shall be reclassified from Rs. 4000,00,00,000/- (Rupees Four Thousand Crore only) comprising 400,00,00,000 (Four Hundred Crore) Equity Shares of Rs. 10 (Rupees Ten) each to Rs. 4000,00,00,000/- (Rupees Four Thousand Crore Only) comprising 3000,00,00,000 (Three Thousand Crore) Equity Shares of Rs. 1/- (Rupees One) each and 1000,00,00,000 (One Thousand Crore) Preference Shares of Rs. 1/- (Rupees One) each.

(iii) Allotment of Equity Shares and Optionally Convertible Preference Shares to Resolution Applicants:

(a) 83,33,33,333 equity shares at Rs.3/- per share and 250,00,00,000 - 9% Optionally Convertible Preference Shares at Rs. 1/-per share aggregating to Rs. 500 Crore shall be allotted for cash to Reliance Industries Limited ('Reliance'); and

(b) 171,06,66,667 equity shares at Rs. 3/- per share shall be allotted to JM Financial Asset Reconstruction Company Limited – March 2018 - Trust ('JMFARC Trust') through part conversion of the 'Outstanding ARC Debt' as per the provisions of the Approved Resolution Plan;

(c) 13,59,11,844 equity shares of the Company pledged as security with the financial creditors shall be transferred or invoked by JMFARC Trust such that JMFARC Trust holds (in aggregate along with the equity shares issued under (b) above) 47.09% of the paid up equity share capital of the Company.

Pursuant to the allotments mentioned above, the Resolution Applicants shall in aggregate hold 68.34% of the paid-up capital of the Company and shall be classified as the promoters of the Company. Further, the erstwhile Promoters' shareholding, if any shall be, subject to requisite governmental approval, be cancelled without any payout to the existing promoter group. In case of the aforesaid promoter capital reduction not being possible due to non-receipt of the requisite governmental approval, the existing promoter group shall be classified as 'non-promoters' and their shareholding, if any, will be classified as 'non-promoter non-public'.

(iv) Upfront payment of debt to eligible Financial Creditors

Upfront payment towards settlement of the debts of eligible financial creditors as also payment towards assignment of the debt shall be made in the manner provided in the Approved Resolution Plan.

7. EMPLOYEE STOCK OPTION SCHEME (ESOS):

The Company Secretary has represented to the Monitoring Committee and the Monitoring Committee has taken on record that during the year under review, the Company has not granted any stock options and hence the details of the shares issued under Employee Stock Option Scheme (ESOS) and also the disclosures in compliance with Section 62 of the Companies Act, 2013 and Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 and the Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014 do not form part of this report.

8. NATURE OF BUSINESS:

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

9. FINANCE AND ACCOUNTS:

During the year under review, the credit facilities of the Company were not available as the Company was under CIR Process and implementation of the Approved Resolution Plan is yet to be completed.

As mandated by the Ministry of Corporate Affairs, the Financial Statements for the year ended 31.03.2019 have been prepared in accordance with the Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014. The Chief Financial Officer has represented to the Monitoring Committee 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, 2019 and the Monitoring Committee has relied on such representation by the Chief Financial Officer.

10. DEPOSITS

The Chief Financial Officer has represented to the Monitoring Committee and the Monitoring Committee has taken on record that the Company has not accepted any deposit or renewed any deposit during the period under review.

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

The Chief Financial Officer has represented to the Monitoring Committee and the Monitoring Committee has taken on record that during the year, the Company has not provided any loan, guarantee or made investment under provisions of Section 186 of the Act.

12. 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 is given in Form AOC-1 and forms an integral part of this Report.

13. 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 www.alokind.com. The composition and 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 continue to remain suspended and accordingly the CSR Committee has not met during this period.

The Company incurred losses in the preceding three financial years. Thus the Company was not required to spend any money for CSR activities during the financial year 2018-19.

Financial year	Loss (Rupees in crores)
2016-2017	(3502.49)
2017-2018	(18208.54)
2018-2019	2283.82

Average loss of last three financial year: Rs.(6475.80) crores

The Company's Policy on Corporate Social Responsibility is available on the website www.alokind.com. A web link for the same is provided in the Corporate Governance Report.

14. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

During the year, employee relations at all the Units remained cordial. Despite the exceptional challenges faced, the motivated work force aided your Company in maintaining the operations of the company.

15. 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 post implementation of the plan the powers of the Board continue to remain suspended as per the approved Resolution Plan and accordingly the Risk Management Committee as well as the Audit Committee has not met after 18 July 2017. The management team and the CFO and the Company Secretary have represented to the monitoring committee and taken on record by the monitoring committee that no new material risks have arisen that have not been considered in the Management Discussion & Analysis Report.

16. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Chief Financial Officer has represented to the Monitoring Committee that 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 14 June 2019, 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 2019.

17. 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. www.alokind.com.

The Company Secretary has represented to the Monitoring Committee that no Director / employee has been denied access to the Chairman of the Audit Committee until 18 July 2017 and to the Resolution Professional or members of the Monitoring Committee thereafter and that no complaints were received during the year and the Monitoring Committee has relied on such representation by the Company Secretary.

18. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As on 31.03.2019, the Company had 9 subsidiaries (direct or step down), and was joint venture partner in two companies as under:

Subsidiaries of Alok Industries Limited

1. Alok Infrastructure Limited
2. Alok International Inc. (incorporated in the state of New York, USA)
3. Alok International (Middle East) FZE (incorporated in Dubai)
4. Alok Singapore PTE Limited (incorporated in Singapore)
5. Alok Worldwide Limited (incorporated in the British Virgin islands)

Step-down subsidiaries of Alok Industries Limited

1. Alok Industries International Limited (incorporated in the British Virgin Islands)
2. Grabal Alok International Limited (incorporated in the British Virgin Islands)
3. Grabal Alok (UK) Limited (incorporated in UK) (under liquidation w.e.f. 10th July, 2017)
4. Mileta a.s.(incorporated in the Czech Republic)

Joint Ventures

1. New City of Bombay Manufacturing Mills Limited
2. Aurangabad Textiles and Apparel Parks Limited

Associates

Nil

Alok Infrastructure Limited has been admitted under the Corporate Insolvency Resolution Process in terms of the Insolvency and Bankruptcy Code 2016 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, associates 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 had framed a policy for determining material subsidiaries prior to the commencement of the CIR Process, which has been uploaded on company's website at www.alokind.com. 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 Company Secretary has represented to the Monitoring Committee and the Monitoring Committee has taken on record that none of the companies met the criteria of being treated as a material subsidiary during the period.

19. DIRECTORS AND KEY MANGERIAL PERSONNEL:

I. Appointments

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

II. Resignations

During the year LIC of India has withdrawn nomination of Mr. Pradeep Kumar Rath on the Board of the Company effective from 9th May, 2018. Further, Mr. Atanu Sen nominated by State Bank of India on the Board of the Company has also tendered his resignation effective from 4th July, 2018.

III. Directors Retiring by Rotation

As per the approved Resolution Plan, on the Closing Date, the Board of Directors shall be reconstituted and all current directors shall cease to be Directors as of the closing date. Accordingly, since all new directors will be appointed as Additional Directors and are required to be confirmed in the ensuing Annual General Meeting, none of the appointed Additional Directors are required to retire by rotation at the ensuing Annual General Meeting. In the event, however, the Approved Resolution Plan is not implemented before the ensuing Annual General Meeting, the existing Directors namely, Mr. Ashok B. Jiwrajka and Mr. Dilip B. Jiwrajka will retire by rotation pursuant to the provisions of Section 152 of the Companies Act, 2013.

IV. Key Managerial Personnel

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

(1) Mr. Senthil Kumar M. A.- Executive Director & CEO (Processing),

(2) Mr. Tulsi Tejwani- Executive Director & CEO (Weaving)

(3) Mr. Sunil O. Khandelwal- Chief Financial Officer,

(4) Mr. K.H. Gopal- Company Secretary.

There is no change in the Key Managerial Personnel of the Company during the year under review.

20. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

As stated above, as the powers of the Board of Directors stood suspended post 18 July 2017, no meetings of the Board were held during the year under review.

21. COMMITTEES OF THE BOARD:

The Board of Directors has the following Committees:

(1) Audit Committee;

(2) Remuneration and Nomination Committee;

(3) Stakeholders’ Relationship Committee;

(4) Corporate Social Responsibility Committee.

As the powers of the Board of Directors stood suspended post 18 July 2017, no meetings of any of these Committees were held during the year under review.

22. ANNUAL EVALUATION OF THE BOARD:

Pursuant to the provisions of the Act and Listing Regulations, the Board is required to carry an annual evaluation of its own performance, the directors individually as well as the evaluation of the working of various committees.

Pursuant to the Listing Regulations, 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.

23. REMUNERATION POLICY

The Company had, prior to the commencement of the CIR process, put in place the Remuneration Policy for Directors, Key Managerial Personnel and Senior Management Personnel to align with the requirement of the Act and the LODR Regulations. The particulars of the remuneration policy are stated in the enclosed Corporate Governance Report and are also available on the Company's website at www.alokind.com.

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

In compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 www.alokind.com.

25. DECLARATION BY INDEPENDENT DIRECTORS

Mr. S. K. Bhoan and Mr. K. D. Hodavdekar are the Independent Directors of the Company. The Company has received declarations from all the Independent Directors of the Company 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 16 of the Listing Regulations.

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

Auditors' Qualification:

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 Holding Company has not done impairment testing for the reasons explained in note no. 60 of the Consolidated Ind AS 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 Ind AS financial statements is not ascertainable.

Management opinion:

The Company's current level of operations, at about 30% of the capacity, may not be an indication of the future performance. A Resolution Plan for revival of the Company has been approved by the Adjudicating Authority. Reliable projections of availability of future cash flows of the Company supporting the carrying value of Property, Plant and Equipment can be determined only once the Approved Resolution Plan is implemented. Accordingly Impairment testing under Ind AS has not been performed while presenting these results.

Auditors' Qualification:

As mentioned in note no. 46 of the Consolidated Ind AS financial statements, the Holding Company continued to recognize deferred tax assets up to March 31, 2017, Rs. 1423.11 crore. Pending implementation of the Approved Resolution Plan and absence of probable 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.

Management opinion:

The net deferred tax assets as on 31 March 2019 are Rs. 1423.11 crores (Previous Year Rs. 1423.11 crores). A Resolution Plan for the Company has been approved by the Adjudicating Authority. The company continues to operate as a going concern in terms of the Code and expects that the Approved Resolution Plan will be eventually implemented. Reliable projections of future taxable income, therefore, shall be available only when the Resolution Plan is implemented. Accordingly, while accrual of deferred tax assets for the current period and the Financial Year are presently not recognized, pending implementation of the Resolution plan, the net deferred tax assets as at the end of the previous financial year have been carried forward. Based on the past normal level of operations of the company, the company expects that post implementation of the Approved Resolution Plan, sufficient taxable income will be available for availing the carried forward deferred tax benefit.

Auditors' Qualification:

As mentioned in note no.49 of the Consolidated Ind AS financial statements, the Impairment testing of the assets of the wholly owned subsidiary, Alok Infrastructure Limited is not carried out. Therefore adequacy of the carrying value of the above assets in the Consolidated Ind AS statements is not ascertainable.

Management opinion:

Alok Infrastructure Limited (AInfra) was admitted to corporate insolvency proceeding on 24th October 2018. It is understood that the Resolution Professional of AInfra has filed an application under Section 12A of the Insolvency and Bankruptcy Code, 2016 for withdrawal of insolvency proceedings and the same is yet to be adjudicated upon by the appropriate authority. The Resolution Professional of AInfra has not performed impairment testing as per Note of the Consolidated Accounts. Once the final decision on the withdrawal application is known and if the holding company, arising out of the implementation of the approved Resolution Plan of the Holding Company, retains the control on its subsidiary then reliable projections of availability of future cash flows of the AInfra supporting the carrying value of Property, Plant and Equipment can be determined for performing impairment test. .

Auditors' Qualification:

The Consolidated Ind AS financial statements include the Unaudited Ind AS financial statements of two subsidiaries whose Ind AS financial statements reflect total assets of Rs. 319.13 crores as at 31st March, 2019, total revenue of Rs. 165.80 crores, net loss after tax of Rs. 49.92 crores, and total comprehensive income amounting to Rs. (49.92) crores for the year ended on that date, and the Ind AS financial statements of two joint venture entities whose financial statements reflect Group's share of net loss at Rs. 1.08 crores in the Consolidated Ind AS financial statements. Our opinion, in so far as it relates to the amounts included in respect of these two subsidiaries and two joint venture entities, is based solely on such Unaudited Ind AS financial statements. We are not in a position to comment on the consequential impact, if any, arising out of subsequent audit of these entities, on the Consolidated Ind AS financial statements. Our opinion on the Consolidated Ind AS financial statements is modified in respect of our reliance on the Ind AS financial statements/ financial information certified by the Management of the Company.

Management opinion:

The two subsidiaries Alok International Inc. (parent company, Alok Industries Limited) and Mileta a.s. (step-up parent company, Alok Infrastructure Limited) are incorporated in the United States of America (US) and the Czech Republic (Czech) respectively. The US subsidiary has not carried out any activity during the year under review. Since this company is effectively a defunct company, management is of the view that the audited financial statements of this subsidiary will not materially differ from the unaudited versions and hence may be relied upon. The Czech step-down subsidiary, an integrated textile company, while being operational, is not a material subsidiary. For the year under review, the Czech subsidiary witnessed unforeseeable circumstances causing a delay of their Board Meeting beyond June 2019 for adoption of accounts, which is permissible in the Czech Republic, being an unlisted entity. The management had to therefore consider the unaudited numbers for the purposes of consolidation. Since the Czech company is not a material subsidiary, the management is of the opinion that the unaudited financial statements of the Czech step-down subsidiary may also be relied upon. Similarly, the businesses of the two joint venture entities are also not material and the management is of the view that the audited financial statements of these joint venture entities will not materially differ from the unaudited versions and hence may be relied upon.

Material Uncertainty Related to Going Concern

We draw attention to note no. 38 of the consolidated Ind AS financial statements, which indicate that the Holding Company incurred a total comprehensive income of Rs. 2283.82 crores during the year ended March 31, 2019 and, as of that date, the Holding Company's current liabilities exceeded its total assets by Rs. 12922.18 crores. A material uncertainty exists that may cast significant doubt on the Holding Company's ability to continue as a going concern in the event the Approved Resolution Plan is not implemented.

Management opinion

Members are requested to refer to the opening paragraphs and the section on Performance and Outlook of the company in this regard appearing in the MD&A.

Material Uncertainty Related to Going Concern

Independent Auditors of Alok Infrastructure Limited in their audit report on Ind AS financial statements for the year ended March 31 2019 have incorporated in their Report, Material Uncertainty Related to Going Concern paragraph, as under:

"We draw attention to note no. 49(b) of the consolidated Ind AS financial statement, which indicates that Alok Infrastructure Limited incurred a net loss of Rs. 133.38 crores during the year ended March 31, 2019 and, as of that date, Alok Infrastructure Limited's total liabilities exceeded its total assets by Rs.919.77 crores. As stated in Note no. 49(a) of the Consolidated Ind AS financial statements, this indicates a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern."

Management opinion

Alok Infrastructure Limited (AInfra) was admitted to corporate insolvency proceeding on 24th October 2018. The Resolution Professional of AInfra has, however, filed an application under Section 12A of the Insolvency and Bankruptcy Code, 2016 for withdrawal of insolvency proceedings and the same is yet to be adjudicated upon by the appropriate authority. In the event the withdrawal is then permitted, the new management of the Holding Company, post implementation of the Approved Resolution Plan, is expected to take suitable measures including restructuring etc. as provided in the Approved Resolution Plan. If the CIR Process is ordered to be continued by the Hon'ble NCLT then the Resolution Professional shall decide further course of action in this regard.

Auditors' Qualification:

The Holding Company's internal financial controls over obtaining certain bank balance confirmations were not operating effectively, which could potentially result in affecting the expenses such as bank charges etc. and bank balances in the books of the Holding Company.

Management opinion

The company's major accounts are under the Trust and Retention arrangements which are directly under the control of the banks. Very few bank accounts have any transactions and in some of these, there has been difficulty in obtaining bank balance confirmations for all the months during the year. Accordingly, in the opinion of the management, non-availability of some of the bank statements / balance confirmations from Banks has no material impact on the financial statements of the company.

27. DIRECTORS' RESPONSIBILITY STATEMENT / STATEMENT BY THE CHIEF FINANCIAL OFFICER (CFO) AND TAKEN ON RECORD BY THE MONITORING COMMITTEE.

To the best of knowledge and beliefs and according to the information and explanations obtained by the CFO of the Company, 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, 2019, the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;

(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, 2019 and of the profit /loss of the Company for the year ended on that date;

(c) that the CFO has 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 in terms of the code;

(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.

28. RELATED PARTY TRANSACTIONS:

The Chief Financial Officer and the Company Secretary have represented to the Monitoring Committee and taken on record by the Monitoring Committee that during the period, there are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. 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. Further, the details of the transactions with Related Party are provided in the Company's financial statements in accordance with the Accounting Standards.

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. www.alokind.com. None of the Directors has any pecuniary relationship or transactions vis-à-vis the Company except remuneration.

29. SIGNIFICANT OR MATERIAL ORDERS THAT WERE PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

Pursuant to its order dated 08 March 2019 , the Adjudicating Authority approved the resolution plan submitted by JM Financial Asset Reconstruction Company Limited, JMFARC – March 2018 – Trust and Reliance Industries Limited 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 Company and its employees, members, creditors, guarantors and other stakeholders involved in the resolution plan.

30. 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. The Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company. As per the Approved Resolution Plan however, they shall cease to be Auditors and new Auditors will be recommended for approval of the members by the new management in due course.

The Report given by the 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 is required to maintain Cost Records and is also required to have the Cost Records audited every year.

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. 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 has appointed them as Cost Auditors for the financial year 2019-20.

The remuneration payable to the Cost Auditors is required to be placed before the Members in a general meeting for their ratification and shall be so included in the Notice convening the Annual General Meeting as and when issued.

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 2018-19. The Secretarial Audit Report in MR-3 is annexed as Annexure 5 and forms an integral part of this Report. The remarks contained in the Secretarial Audit report have been discussed in the Managements Opinion on the Emphasis of matters/ notes given by auditors section which forms part of this report.

31. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS:

The Corporate Governance Report and Management Discussion & Analysis, which form part of this Report, are set out as separate Annexures 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.

32. 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 2 and forms an integral part of this Report.

33. EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed as Annexure 1 and forms an integral part of this Report.

34. PARTICULARS OF EMPLOYEES:

Disclosures relating to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed as Annexure 4.

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request.

In terms of Section 136(1) of the Companies Act, 2013, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

None of the employees listed in the said Annexure is a relative of any Director of the Company.

35. 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.

36. 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) has been formed prior to the commencement of the CIR process and its details are declared across the organizations. All ICC members are trained by subject experts on handling the investigations and proceedings as defined in the policy. During the year under review, it has been represented to the Monitoring Committee by the HR department of the company that no complaints were reported to the ICC.

37. 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 save and except Employees' Stock Option Scheme referred to in this Report.
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 Resolution Professional or the Monitoring Committee.

38. 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.

39. ACKNOWLEDGEMENT

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

Sunil O. Khandelwal
Chief Financial Officer

K. H. Gopal
Company Secretary

Taken on Record

Ajay Joshi
On behalf of the Monitoring Committee

Mumbai, 14th August, 2019

Annexure-1

EXTRACT OF ANNUAL RETURN AS ON 31st MARCH, 2019.

FORM MGT-9

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

In accordance with Section 134(3)(a), the web link to access the annual return of the Company is:

http://www.alokind.com/Downloads/Annual%20Return%2020117-18.pdf

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L17100DN1986PLC000334
ii.	Registration Date	12th March, 1986
iii.	Name of the Company	Alok Industries limited
iv.	Category/sub-category of the Company	Public Company/ Company limited by shares
v.	Address of the Registered office and Contact details	17/5/1, 521/1, Village Rakholi/Saily, Silvassa, Union Territory Of Dadra & Nagar Haveli Tel: 0260-6637000; Fax: 0260-2645289
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd C-101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai - 400083.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Manufacturing of Textile, leather and other apparel products	260	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name of the Company	CIN/GLN	Subsidiary/ Associate/ Joint Venture	% of shares held	Applicable section
1	Alok Infrastructure Limited	U45201MH2006PLC164267	Subsidiary	100	2(87)
2	Alok Singapore Pte Limited	NA	Subsidiary	100	2(87)
3	Alok International Inc	NA	Subsidiary	100	2(87)
4	Alok Worldwide Limited	NA	Subsidiary	100	2(87)
5	Alok International (Middle East) FZE	NA	Subsidiary	100	2(87)
6	New City of Bombay Manufacturing Mills Limited	U17291MH2007GOI195493	Joint Venture	49	--
7	Aurangabad Textiles and Apparel Parks Limited	U17121MH2007GOI195403	Joint Venture	49	--

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 31.03.2018)				No. of Shares held at the end of the year (as on 31.03.2019)				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF	100,576,311	-	100,576,311	7.30	19,275,411	-	19,275,411	1.40	(5.90)
b) Central Govt	-	-	-	-		-			
c) State Govt(s)	-	-	-	-		-			
d) Bodies Corp	287,638,001	-	287,638,001	20.88	109,158,453	-	109,158,453	7.93	(12.95)
e) Banks / FI	-	-	-	-		-			
f) Any Other- Alok Benefit Trust	8,691,000	-	8,691,000	0.63	8,691,000	-	8,691,000	0.63	-
Sub-total (A)(1):-	**396,905,312**	**-**	**396,905,312**	**28.81**	**137,124,864**	**-**	**137,124,864**	**9.96**	**(18.85)**
2) Foreign									
g) NRIs-Individuals	-	-	-	-	-	-	-	-	-
h) Other-Individuals	-	-	-	-	-	-	-	-	-
i) Bodies Corp.	-	-	-	-	-	-	-	-	-
j) Banks / FI	-	-	-	-	-	-	-	-	-
k) Any Other….	-	-	-	-	-	-	-	-	-
Subtotal(A)(2):-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	200	200	-	-	200	-	-	-
b) Banks / FI	84,261,860	100	84,261,960	6.12	52,900,154	100	52,900,254	3.84	(2.28)
c) Central Govt	-	-	-	-	10,000	-	10,000	0.00	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others :-					-	-	-	-	-
Foreign Portfolio Investors	10,889,536	2,000,000	12,889,536	0.93	48,132,245	2,000,000	50,132,245	3.64	2.71
Sub-total(B)(1)	**95,151,396**	**2,000,300**	**97,151,696**	**7.05**	**101,042,399**	**2,000,300**	**103,042,699**	**7.48**	**0.43**

Category of Shareholders	No. of Shares held at the beginning of the year (As on 31.03.2018)				No. of Shares held at the end of the year (as on 31.03.2019)				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non Institutions									
a) Bodies Corp.									
(i) Indian	123,668,688	19,400	123,688,088	8.98	257,043,157	19,400	257,062,557	18.66	9.68
(ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	274.425,918	452,465	274.878,383	19.95	303,781,236	428,230	304,209,466	22.08	2.23
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	408,577,028	85,500	408,662,528	29.67	508,699,529	70,000	508,769,529	36.94	7.27
c) Others									
(i) Clearing Member	16,741,240	-	16,741,240	1.21	8,330,199	-	8,330,199	0.60	(0.61)
(ii) Market Member	1,703,262	-	1,703,262	0.12	2,676,215	-	2,676,215	0.19	0.07
(iii) Non-Resident Indian (Repat)	15,870,077	8,200	15,878,277	1.15	13,662,035	8200	13,670,235	0.99	(0.16)
(iv) Non Resident Indians (Non-Repat)	7,795,134	-	7,795,134	0.56	8,116,573	-	8,116,573	0.59	0.03
(v) Foreign Companies	-	-	-	-	-	-	-	-	
(vi) Overseas bodies corporate	-	-	-	-	-	-	-	-	
(vii) Trusts	60,650	-	60,650	0	42,650	-	42,650	0.0	-
(viii) HUF	33,852,725	600	33,853,325	2.45	33,899,308	600	33,899,908	2.46	0.01
(IX)	-	-	-	-	373,000	-	373,000	0.02	0.02
Sub-total(B)(2)	**882,694,722**	**566,165**	**883,260,887**	**64.12**	**1,136,623,902**	**5,26,430**	**1,137,150,332**	**82.56**	**18.44**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**977,846,118**	**2,566,465**	**980,412,583**	**71.18**	**1,237,666,301**	**2,526,730**	**1,240,193,031**	**90.04**	**18.86**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**1,374,751,430**	**2,566,465**	**1,377,317,895**	**100.00**	**1,374,791,165**	**2,526,730**	**1,377,317,895**	**100.00**	**-**

ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year (As on 31-03-2018)			Shareholding at the end of the year (as on 31-03-2019)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbe red to total shares	
1	Ashok B Jiwrajka	31,316,473	2.274	100.00	14,844,206	1.08	100.00	(1.19)
2	Dilip B Jiwrajka	32,070,471	2.328	99.90	1,005,973	0.07	99.80	(2.25)
3	Surendra B Jiwrajka	35,121,035	2.55	100.00	1,356,900	0.10	100.00	(2.45)
4	Chandrakala A Jiwrajka	2,561	0.00	0.00	2,561	0.00	0.00	-
5	Pramila D Jiwrajka	2,061,605	0.15	99.90	2,061,605	0.00	99.90	-
6	Alok A Jiwrajka	4,166	0.00	0.00	4,166	0.00	0.00	-
7	Surendra B Jiwrajka,, Jt with K. H. Gopal*	8,691,000	0.631	100.00	8,691,000	0.63	100.00	-
8	Ashok Realtors Private Ltd	639,320	0.046	100.00	639,320	0.046	100.00	-
9	Alok Knit Exports Limited	286,998,681	20.83	100.00	108,519,133	7.88	100.00	(12.95)
	Total	396,905,312	28.81	100.00	137,124,864	9.96	99.99	(18.85)

* Trustees on behalf of Alok Benefit Trust

iii. Change in Promoters Shareholding

Sr. no.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	**Ashok B Jiwrajka**				
	At the beginning of the year	31,316,473	2.27	31,316,473	2.27
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	16,472,267 shares were invoked by Catalyst Trusteeship Limited on 16.04.2018	-
	At the End of the year	31,316,473	2.27	14,844,206	1.08
2	**Dilip B Jiwrajka**				
	At the beginning of the year	32,070,471	2.33	32,070,471	2.33
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	31,064,498 shares were invoked by Catalyst Trusteeship Limited on 16.04.2018	-
	At the End of the year	32,070,471	2.33	1,005,973	0.07
3	**Surendra B Jiwrajka**				
	At the beginning of the year	35,121,035	2.55	35,121,035	2.55
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	33,764,135 shares were invoked by Catalyst Trusteeship Limited on 16.04.2018	-
	At the End of the year	35,121,035	2.55	1,356,900	0.10
4	**Chandrakala A Jiwrajka**				
	At the beginning of the year	2,561	0.00	2,561	0.00
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	2,561	0.00	2,561	0.00

Sr. no.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2018)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	**Pramila D Jiwrajka**				
	At the beginning of the year	2,061,605	0.15	2,061,605	0.15
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	2,061,605	0.15	2,061,605	0.15
6	**Alok A Jiwrajka**				
	At the beginning of the year	4,166	0.00	4,166	0.00
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	4,166	0.00	4,166	0.00
7	**Surendra B Jiwrajka, Jt. with K. H. Gopal**				
	At the beginning of the year	8,691,000	0.63	8,691,000	0.63
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	8,691,000	0.63	8,691,000	0.63
8	**Ashok Realtors Private Limited**				
	At the beginning of the year	639,320	0.04	639,320	0.04
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	639,320	0.04	6,39,230	0.04
9	**Alok Knit Exports Limited**				
	At the beginning of the year	286,998,681	20.83	286,998,681	20.83
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			169,519,775 shares were invoked by Catalyst Trusteeship Limited on 16.04.2018 and 8,959,773 shares were invoked by Primesec Investments Pvt Ltd on 20.08.2018	
	At the End of the year			108,519,133	7.88

iv. Shareholding Pattern of Top Ten Shareholders (other than Directors and Promoters)

Sr. No.	Name of the top 10 shareholders	Shareholding at the beginning of the year(01.04.2018)		Cumulative shareholding during the year (31.03.2019)	
		No of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	Catalyst Trusteeship Limited	-	-	145,653,152	10.57
2	Indian Opportunities Growth Fund Ltd-Pinewood Strategy	-	-	41,800,000	3.03
3	Life Insurance Corporation of India	35,164,136	2.55	35,164,136	2.55
4	Arya Consolidated Private Limited	-	-	12,564,953	0.91
5	Rajulkumar Shah	-	-	12,181,097	0.88
6	United India Insurance Company Limited	7,610,690	0.55	7,610,690	0.55
7	Alka Sunil Khandelwal	1,073,150	0.08	7,573,150	0.55
8	R K R Investments Services Private Limited	6,150,000	0.44	6,150,000	0.44
9	Deepak Aggarwal	2,947,913	0.21	5,940,016	0.43
10	Jaideep Narendra Sampat	81,00,000	0.59	5,695,542	0.41

v. Shareholding of Directors and Key Managerial Personnel

Sr. No.	Name	Shareholding at the beginning of the year		Cumulative shareholding during the year	
	For each of the directors and KMP	No of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1.	Ashok B Jiwrajka	31,316,473	2.27	14,844,206	1.08
2.	Dilip B Jiwrajka	32,070,471	2.33	1,005,973	0.07
3.	Surendra B Jiwrajka	35,121,035	2.55	1,356,900	0.10
4.	Sunil O Khandelwal	2000	0.00	2000	0.00
5.	K. H. Gopal	0	0	0	0
6.	Tulsi Tejwani	4000	0	4000	0
7.	Senthilkumar M A	0	0	0	0

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. in Crore)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2018)			
i) Principal Amount	25,574.08	646.57	26,220.65
ii) Interest due but not paid	6,177.78	47.04	6,224.82
iii) Interest accrued but not due	10.07	-	10.07
Total (i+ii+iii)	**31,761.93**	**693.61**	**32,455.54**
Change in Indebtedness during the financial year (2018-19)			
Net Change	**(2,830.18)**	**(55.63)**	**(2,885.81)**
Indebtedness at the end of the Financial year (31.03.2019)			
i) Principal Amount	23,516.48	581.34	24,097.81
ii) Interest due but not paid	5,408.76	56.65	5,465.40
iii) Interest accrued but not due	6.52	-	6.52
Total (i+ii+iii)	**28,931.75**	**637.98**	**29,569.73**

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sr. No.	Particulars of Remuneration	Name					Total Amount
		Executive Director	Managing Director	Joint Managing Director	Executive Director*	Executive Director*	
		Ashok B Jiwrajka*	Dilip B Jiwrajka*	Surendra B Jiwrajka*	Senthil Kumar M A	Tulsi Tejwani	
1.	Gross salary						
	(a)Salary as per provisions contained in section17(1) of the Income-tax Act,1961	383,429.00	383,429.00	383,429.00	7,735,089.36	6,866,677.79	15,752,054.15
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961	-	-	-	-	-	-
	(c)Profits in lieu of salary under section17(3) Income- tax Act,1961	-	-	-	-	-	-
2.	Stock Option	-	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-	-
4.	Commission - as % of profit - others, specify…	-	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-	-
6.	**Total(A)**	**383,429.00**	**383,429.00**	**383,429.00**	**7,735,089.36**	**6,866,677.79**	**15,752,054.15**
	Ceiling as per the Act						

* The agreement with each of the Executive Directors was for a period of five years which has expired in March 2018. The same was not thereafter renewed since the CIR process had already commenced by then.

B. Remuneration to other directors:

i. Independent Director

Particulars of Remuneration	Name of Directors		Total Amount
	Surinder Kumar Bhoan	Keshav D. Hodavdekar	
Fees for attending Board/ committee meetings	-	-	-
Commission	-	-	-
Others	-	-	-
Total	**-**	**-**	**-**

ii. Other Non-executive directors:

Particulars of Remuneration	Name of Nominee Directors				Total Amount
	Atanu Sen (State Bank of India)	Pradeep Kumar Rath (LIC Of India)	Rajeev Kumar (IDBI Bank Limited)	Suneet Shukla (IFCI Limited)	
Fees for attending Board/ committee meetings	-	-	-	-	-
Commission	-	-	-	-	-
Others	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

C. Remuneration to Key Managerial Personnel Other Than MD/ Manager/ WTD as on 31.03.2019

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary (K H Gopal)	Chief Financial Officer (Sunil O Khandelwal)	Total
1.	Gross salary			
	(a)Salary as per provisions contained in section17(1) of the Income-tax Act,1961	12,253,846.20	11,892,598.92	24,146,445.12
	(b)Value of perquisites u/s 17 (2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify…	-	-	-
5.	Others, please specify	-	-	-
6.	**Total**	**12,253,846.20**	**11,892,598.92**	**24,146,445.12**

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

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 email dated December 27, 2016 and letters dated March 26, 2018 and June 17, 2019 in relation to delay in submission of quarterly financial results for the period ending September, 2016, September, 2017 and March, 2019 respectively and by BSE Limited vide letters dated September 19, 2018 and June 17, 2019 in relation to delay in submission of quarterly financial results for the period 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 has provided suitable explanation in this regards and the matter is under consideration of the respective stock exchanges.

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 for 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. The matter is under consideration of SEBI.

Annexure-2

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

a) The steps taken or impact on conservation of energy

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

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.

B. TECHNOLOGY ABSORPTION

No new technology has been absorbed during the year under review.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange earned: Rs.748.29 crores

Foreign Exchange outflow: Rs.39.17 crores

Annexure-3

POWER & FUEL CONSUMPTION FOR THE YEAR ENDED 31.03.2019

Particulars		**2018-19**	**2017-18**
A)	**POWER & FUEL CONSUMPTION**		
1)	**Electricity Purchased**		
	Units:	608,534,978	662739875
	Total amount (Rs. In crores)	323.74	279.89
	Average Rate/Unit (Rs.)	5.32	4.20
2)	**Own Generation through Diesel Generator Set**		
	Units:	212,588	304550
	Total amount (Rs. in crores)	0.42	0.52
	Average Rate/Unit (Rs.)	19.83	17.23
3)	a) Furnace Oil consumed		
	Total amount (Rs. in crores)	70.18	57.17
	b) Natural Gas consumed		
	Total amount (Rs. in crores)	1.26	0.32
	c) Coal consumed		
	Total amount (Rs. in crores)	52.22	51.44
	d) Diesel Consumed		
	Total amount (Rs. in crores)	0.47	0.34
	e) Electricity Duty Paid		
	(Rs. in crores)	**448.30**	**389.68**
B)	**Consumption per unit of production**		
	a) Yarn (Kgs)	115,269,183.55	123731426.01
	Units consumed (per kgs)	1.07	1.10
	b) Fabric Knits (Kgs)	4,571,123.21	5180297.55
	Units consumed (per kgs)	0.57	0.56
	c) Fabric Woven (Mtrs)	62,149,591.59	550675157.40
	Units consumed (per mtrs)	1.47	0.19
	d) Processing Woven (Mtrs)	38,927,552.05	46947892.15
	Units consumed (per mtrs)	0.39	0.29
	e) Processing Knits (kgs)	4,558,148.24	5451943.00
	Units consumed (per kgs)	1.36	1.37
	f) Garments (Pcs)	1,408,802.00	1123834.00
	Units consumed (per pcs)	0.83	0.97
	g) Made-ups (Sets/pcs)	4,415,377.00	7428583.00
	Units consumed (per sets/pcs)	0.43	0.29

Particulars		2018-19	2017-18
	h) POY (Kgs)	118,119,904.20	127761332.85
	Units consumed (per kgs)	0.43	0.43
	i) Spinning (Kgs)	36,165,662.85	38734871.54
	Units consumed (per kgs)	5.42	5.63
	j) Handkerchief (Pcs)	4,157,563.00	3240724.00
	Units consumed (per pcs)	0.08	0.11
	k) Chips (kgs)	170,638,824.95	197531284.02
	Units consumed (per kgs)	0.20	0.18
	l) FDY (Kgs)	41,783,038.20	45129445.02
	Units consumed (per kgs)	1.13	1.06
	m) Packing Material (pcs)	13,978,301.00	10990417.00
	Units consumed (per pcs)	0.06	0.08
	n) Embroidery Fabric (Mtrs)	6,258,673.07	10885172.06
	Units consumed (per mtrs)	0.99	0.71
	o) Polyester Staple Fiber (Kgs)	16,510,775.75	25326061.87
	Units consumed (per kgs)	0.59	0.39
	p) Yarn Dyed (Kgs)	2,014,070.00	2583645.00
	Units consumed (per kgs)	1.95	1.81
	q) Terry Towel (kgs)	3,222,112.00	3195726.00
	Units consumed (per kgs)	5.34	5.04
C)	**Foreign Exchange Earnings & Outgo**		(Rs. in crores)
1)	Total Earnings of Foreign Exchange		
	FOB Value of Export	748.29	843.22
	Total	**748.29**	**843.22**
2)	Total Outgo in Foreign Exchange*		(Rs. in crores)
	Commission on sales	16.35	21.71
	Interest on term loan	-	63.45
	Legal and professional fees	0.37	0.39
	Sales promotion expenses	1.09	0.14
	Bank charges	2.51	2.30
	Miscellaneous expenses	18.84	2.15
	Total	39.17	90.14

* The expenses shown include amounts that have been accrued but not paid out.

Annexure-4

Information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) The Ratio of Remuneration of each Director to the median remuneration of all the employees of the Company for FY 2018-19 is as given below:

Name of Director	Total Remuneration (Rs)	Ratio of Remuneration of Director to the Median Remuneration
Mr. Ashok B. Jiwrajka	3,83,429.00	2.4
Mr. Dilip B. Jiwrajka	3,83,429.00	2.4
Mr. Surendra B. Jiwrajka	3,83,429.00	2.4
Mr. Tulsi Tejwani	68,66,677.79	43.05
Mr. Senthilkumar M A	77,35,089.36	48.50
Mr. Surinder Kumar Bhoan	-	-
Mr. Keshav D. Hodavdekar	-	-
Mr. Suneet Shukla	-	-
Mr. Atanu Sen	-	-
Mr. Pradeep Kumar Rath	-	-

Note:

Median Remuneration of the Company for all employees who were there in employment throughout the year (7183 employees) is Rs.1,59,500 for the financial year 2018-19.

(ii) Details of percentage increase in the remuneration of each Director, CFO and Company Secretary in the financial year 2018-19 are as follows:

Name and Designation of Director 2017-18		Remuneration (Rs.in lakh)		% increase
		2018-19		
Mr. Ashok B. Jiwrajka	Executive Director	144.76	3.83	-97%
Mr. Dilip B. Jiwrajka	Managing Director	144.76	3.83	-97%
Mr. Surendra B. Jiwrajka	Joint Managing Director	144.76	3.83	-97%
Mr. Tulsi Tejwani	Executive Director	68.03	68.67	1%
Mr. Senthilkumar M A	Executive Director	77.20	77.35	0%
Mr. Surinder Kumar Bhoan	Independent Director/ Chairman	0.20	-	
Mr. Keshav D. Hodavdekar	Independent Director	0.20	-	
Mr. Suneet Shukla	Nominee Director	0.20	-	
Mr. Atanu Sen	Nominee Director	0.20	-	
Mr. Pradeep Kumar Rath	Nominee Director	0.20	-	
Mr. Sunil O Khandelwal	Chief Financial Officer	128.22	124.20	-3%
Mr. K. H. Gopal	Company Secretary	123.95	120.59	-3%

(iii) Percentage increase in the median remuneration of all employees in the financial year 2018-19:

Particulars	**2017-18 (Rs. In lakhs)**	**2018-19 (Rs.in lakh)**	**% increase**
Median remuneration of all employees per annum	1.52	1.59	-

The median remuneration for each year has been arrived at, on the basis of remuneration of employees in employment throughout the relevant financial year.

(iv) Number of permanent employees on the rolls of the Company as on 31st March, 2019:

As on 31st March 2019, a total of 10,001 employees were on the rolls of the Company.

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

	% change in remuneration
Average increase in salary of employees other than managerial personnel	2.12
Average increase in remuneration of managerial personnel	Nil

(vi) Affirmation:

Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and Senior Management is as per the Remuneration Policy of the Company.

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

[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 referred to as “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 and other 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, 2019, has prima facie complied with the statutory provisions listed hereunder and also that the Company has prima facie 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, minutes’ books, forms and returns filed with the ROC and other records maintained by the Company for the financial year ended on 31st March, 2019 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 - Not Applicable during the audit period;

(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;

  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, 2019:-

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

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

  (c) The Securities and Exchange Board of India (Issue and listing of Debt securities) Regulations, 2008;

  (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;

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

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

(vi) I further report that, based on the Compliance Report of various Laws submitted by Department Heads of the Company, the Company has proper system to comply with the applicable laws.

I have also examined compliance with the applicable provisions of the following:

(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 Securities and Exchange Board of India (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 applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above except delay in submission of financial results.

I further report that:

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").

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 shall be constituted ("Monitoring Committee") which during the period following the CCI Approval Date and until the Closing Date , shall comprise of 4 (Four) representatives of the Financial Creditors, 2 (Two) representatives of the Resolution Applicants and the Erstwhile Resolution Professional to manage the affairs of the Company as a going concern and supervise the implementation of the Resolution Plan.

Members may note that, the Monitoring Committee was not in office for almost 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 is to manage the affairs of the Company as a going concern and supervise the implementation of the Resolution Plan.

(a) As stated above, during the period under review, No Board Meeting or Meeting of Committee of Board of Directors were 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 / Monitoring Committee. During the period under review, the Monitoring Committee met once on 14th March, 2019.

(b) As informed, the total arrears of Annual Listing fees payable to BSE Limited is Rs. 17,22,703/- and to National Stock Exchange of the India Limited is Rs. 33,58,916/- as on 31st March, 2019.

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:

(a) I rely on Statutory Auditors' Report in relation to the financial statements, qualifications and accuracy of financial figures for, Sales Tax, Value Added Tax, Related Party Transactions, Provident Fund, ESIC, FERA etc. as disclosed under financial statements.

(b) 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.

(c) 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 once on 14th March, 2019.

(d) The management under the direction of Resolution Professional / Monitoring Committee, is responsible for compliances of all applicable laws including business laws. This responsibility includes maintenance of statutory registers/records/ fillings and statements required by the concerned authorities and internal control of the concerned department.

(e) I report that 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 subject to observations and qualifications, if any made by Statutory Auditors in their report.

(f) 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.

(g) During the audit period the Company has no specific events like Public/Right/Preferential issue of shares/ debentures/sweat equity/ ESOP etc.

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. Wherever 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.

Virendra Bhatt
ACS No. 1157
COP No.124

Date: 14th June, 2019
Place: Mumbai

MANAGEMENT DISCUSSION AND ANALYSIS

Alok Industries ('Alok' or 'the Company') is a Mumbai based integrated textiles 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.

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 Approved Resolution Plan.

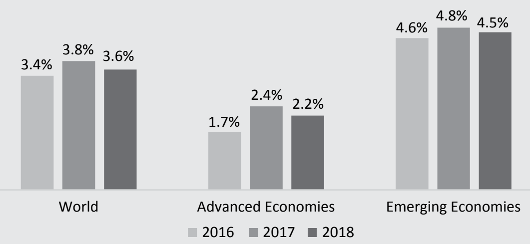
As per the Approved Resolution Plan, during the period between the NCLT Approval Date (as defined in the Approved Resolution Plan) and the Closing Date (as defined in the Approved Resolution Plan) ("Interim Period"), a monitoring committee shall be constituted ("Monitoring Committee") which during the period following the CCI Approval Date and until the Closing Date , shall comprise of 4 (Four) representatives of the Financial Creditors, 2 (Two) representatives of the Resolution Applicants and the Erstwhile Resolution Professional to manage the affairs of the Company as a going concern and supervise the implementation of the Resolution Plan.

1 Economic Overview

1.1 Global Economy Overview

Global economy started strong in 2018, with an increase in industrial production and trade volumes, although, in the second half of the year, things relatively slowed down. Hence, global GDP growth rate stood at 3.6% for the world economy. Developing economies such as India, China and Brazil registered a strong growth percentage for the year, whereas major economies such as USA and Russia reported minimal growth. At the global level, growth is expected to remain moderate at approximately 3% in 2019 and 2020. Beyond 2020, growth is expected to stabilize at around 3.5%, supported mainly by growth in China and India, and their increasing influence on the world economy.

***Chart 1:** Real GDP Growth of World Economies for CY 2016-CY 2018*



Source: World Economic Outlook 2019, International Monetary Fund

Figure 1 illustrates the growth in the overall global economy along with advanced and emerging economies. Advanced economies depreciated by 0.2 percentage points in 2018 to reach 2.2%. Even though the growth depicted by emerging economies is higher, it dropped by 0.3 points to stand at 4.5% for the year 2018.

Consistent with the softer outlook for commodity prices and the expected moderation in growth, inflation is expected to decline to 1.6 percent this year in advanced economies, from 2.0 percent in 2018. Among emerging market economies, core inflation has remained below 2 percent in China as activity has moderated. In other cases, inflation pressure has eased toward the lower bound of the central bank's target range with the drop in commodity prices (Indonesia) and slowdown in food inflation (India).

[1] *World Economic Outlook April 2019*

The U.S. economy performed well in 2018, according to key economic indicators. Even though U.S.'s GDP growth rate softened from 2.9% in 2018 to 2.3% in 2019, the economy remained robust with strong consumption growth. Wage growth picked up considerably along with a marginal decrease of 0.4% in the unemployment rate, when compared to last year. Inflation stood at 2% y-o-y as compared to 2017 rate. This is a positive sign for the US economy as inflation is returning to target range of 2-3%. However USA's global trade policies have become stringent towards increasing protection of domestic industry. In this regard, the ongoing US-China trade war may have a significant impact on global trade dynamics going forward. This also presents a good opportunity for other countries to enhance their trade with USA.

Recently U.S. has terminated preferential trade status for India under Generalized System of Preference (GSP), which is the largest and oldest US trade preference programme and is designed to promote economic development by allowing duty-free entry for thousands of products from designated beneficiary countries. India is the largest beneficiary nation under the GSP scheme. U.S. said that India had not provided equitable and reasonable access to its markets, which was why this action was taken.

The end on the scheme is not expected to make a lot of difference to the Indian economy since the duty benefit, or savings on import tariffs is not material as compared to the total exports.

European Union's economy lost momentum. EU's economy witnessed a decline of 0.6% in growth rate in 2018 reaching 1.6%. Inflation reduced by 0.1 percentage points to stand at 2.2%, remaining within targets, European Central bank aims to maintain inflation rates below, but close to, 2 percent. Unemployment rate in EU saw a downtrend from last year, from 8.5% in 2017 to 7.7% in 2018. UK's negotiations to exit the European Union are getting prolonged and could contribute further to uncertainty in the European economy. Brexit is expected to have some impact on the global trade.

World's third largest economy, Japan, grew at 1% in 2018. Unemployment rate has remained steady at 2.5% for 2019. Inflation remains low at 1.7% in 2019. After two decades of economic stagnation, Japan's return to growth may be hampered by the challenges of slower growth in work force and an ageing population.

China's GDP growth rate has been declining since 2010. Its growth in 2017 remained high, pegged at 6.9% but is expected to gradually decline as the population is ageing and economy is witnessing a shift from investment to consumption. Total investment, as percent of GDP has declined over the past 5 years (47.2% in 2012 to 44.4% in 2017) and is expected to decrease further.

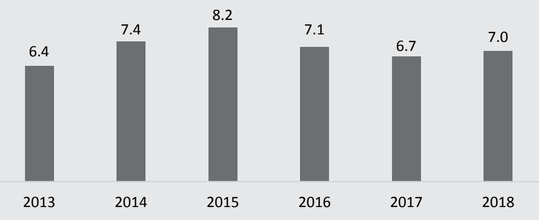
At an overall level, trade scenario is becoming more uncertain contributed by US-China trade tensions, tighter credit policies in China, UK's impending exit from the European Union etc. The world GDP dipped to 3.6% in 2018 as compared to 4% 2017. Overall, growth rate in global economy is expected at 3.3%.

1.2 Indian Economy Overview

Indian economy has emerged as one of the fastest growing economies in the world. It is expected to become one of the most powerful economies in the coming years. The GDP rate is stable at approximately 7%. This growth is expected to grow upwards of 7% till 2020, increasing its weight in the world income. This growth is supported by significant public sector investment in Infrastructure, steady revival in private investment , expansion of middle class leading to consumption growth and an increasingly accommodative monetary policy.[1]

Overall inflation reached 2.57% in March 2019. The food inflation experienced some slowdown while some non-food commodities like cost of fuel and electricity rose to 2.56% from 2.42%.

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



Source: IBEF

India's labour force is expected to reach 160-170 million by 2020. However, unemployment rate in India stands steady at 3.5%, as it has been since the past four years (2015-2018). It is worth mentioning that India was ranked 77th in Ease of doing business index, as per World Bank's 'Doing Business 2019' report, climbing 23 ranks over the previous year.

India's economy is gaining momentum, owing to the implementation of several recent noteworthy policies—such as the enactment of the long-awaited goods and services tax, Insolvency and Bankruptcy Code, opening of markets for foreign investors etc. In order to sustain and build on these policies and to harness the demographic dividend associated with a growing working-age population (which constitutes about two-thirds of the total population), India needs to reinvigorate reform efforts to keep the growth and jobs engine running.

In the year 2018-19, merchandise exports increased significantly by 8.85% to reach a value of US$ 298.47 bn. The Foreign Direct investment (FDI) has displayed increase from approximately US$ 45 billion in FY15 to US$ 61 in FY18. FDI stood at USD 33.49 billion during April-December in FY19. The key sectors that received the maximum foreign investment during these nine months include services, computer software and hardware, telecommunications, trading, chemicals, and the automobile industry. Singapore was the largest source of FDI during April-December FY19, followed by Mauritius and the Netherlands.

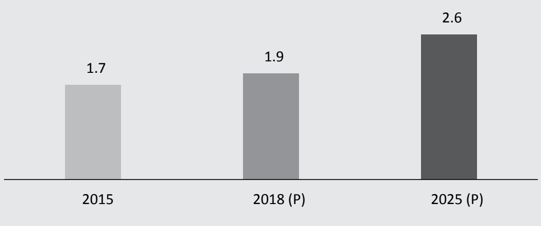
2 Textile & Apparel Industry Overview

2.1 Global Textile & Apparel Industry

Consumption

Global apparel consumption is estimated to be US$ 1.9 trillion in 2018. The global apparel demand is expected to grow at a CAGR of 5% from the current US$ 1.9 trillion to reach US$ 2.6 trillion by the year 2025. Among the top eight markets of apparel, India and China are expected to grow at a steady CAGR of 12% and 10%, respectively as compared to world total of 5%. Higher economic growth and rise in per capita income will lead to the growth in the apparel market in these developing countries.

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



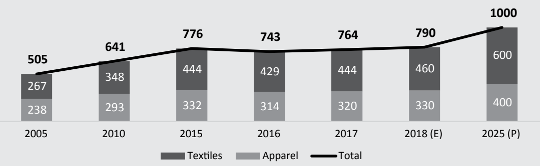
Trade

In 2018, global textile & apparel trade was estimated at US$ 790 billion and has grown at a CAGR of 3.5% since 2005. Apparel is the largest category with a share of 58%, followed by fabric with a share of 19%.

The global textile & apparel trade is expected to grow at a rate of ~4% from the present worth of US$ 790 billion to US$ 1,000 billion by 2025. Growth in global trade indicates an attractive opportunity for countries with large manufacturing capacities and competitive manufacturing.

India can be one of the gainers in the changing trade landscape.

***Chart 4:** Global Textile & Apparel Trade (US$ Bn.)*



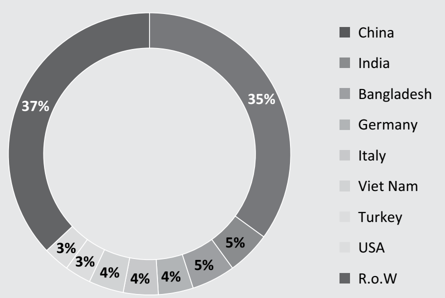
Source: UN Comtrade

There was a 4% decline in trade in 2016 compared to 2015 owing to the stifled global economic scenario. However, the trade is showing a positive growth after the downfall in 2016.

Share of Major Suppliers:

China is the largest exporter with 35% share in global textile & apparel exports in 2018, followed by India with 5% share. Other major exporters include Bangladesh, Germany, Italy and Vietnam. Over the years, manufacturing has shifted towards low cost countries, with the share of US and Europe decreasing continuously and Asian countries growing, led by China, Bangladesh, India and Vietnam.

***Chart 5:** Top Textile & apparel Exporters 2018*



Data Source: UN Comtrade

2.2 Indian Textile & Apparel Industry

Textile & apparel sector is one of the leading segments of the Indian economy and one of the largest sources of foreign exchange earnings.

It accounts for about 5% of the gross domestic product (GDP), and around 13% of the total exports earnings. The sector also provides direct employment to 45 million people.

India's key strengths in this sector lies in availability of all types of natural and manmade fibres, large pool of manpower across the levels of hierarchy, presence of complete value chain and a large and growing domestic market. Indian exporters are also well supported by Government Schemes such as Duty Drawback, Rebate of State and Central Taxes and Levies (RoSCTL), Merchandise Exports from India Scheme, Advanced Authorization, etc. Several state governments like Gujarat, Jharkhand, Maharashtra, etc. are also offering sector specific incentives like capital subsidy, interest subsidy, wage subsidy, etc. These support initiatives allow Indian exporters to overcome a large part of duty disadvantage they face in markets of EU and US where some of the competing nations get a zero duty access. This section further details the current status of Indian textile & apparel industry, key trends, challenges and the way forward for the sector.

Indian textile & apparel sector has the double advantage of being export competitive as well as having large domestic consumption base which is growing. Indian textile & apparel market is currently estimated at US$ 137 bn. The domestic consumption of textile & apparel constitutes approximately 73% of the total market size while exports constitute the rest 27%.

Chart 6: *Indian Textile and Apparel Market 2018 (US$ billion)*

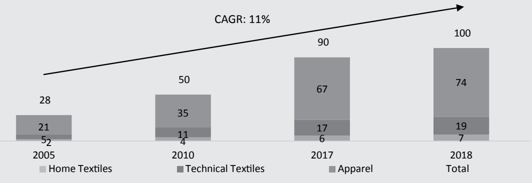
Total Market Size 2018: US$ 137 billion	Domestic Market: US$ 100 bn.	• Apparel: US$ 74 bn. • Technical Textiles: US$ 19 bn. • Home Textiles: US$ 7 bn.
	Exports: US$ 37 bn.	• Textiles: US$ 21 bn. • Apparel: US$ 16 bn.

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

Domestic Market Overview

The current domestic textile & apparel market is estimated at US$ 100 billion, with apparel having ~74% share. With growth of disposable income, favorable demographics and changing lifestyle, consumption of products and services is expected to grow continuously in the foreseeable future, including textiles & apparel.

Chart 7: *Indian Textile & Apparel Domestic Market Size (US$ billion)*



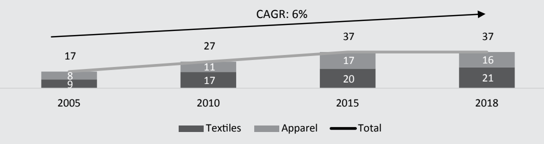
Data Source: Ministry of Textiles and Wazir Analysis

Indian consumers' affinity towards brands and organized retailing is increasing, which is helping the consumption growth of all products, including textile & apparel. Organized retailing in India currently stands at only 10% of the overall retail market of US$ 790 bn. Within this, apparel has a share of approximately 9%. With growing disposable income, favorable demographics, changing lifestyles and a high potential for penetrating non-urban markets; the share of organized markets in India is expected to reach 25% by 2030. India is also witnessing growth of its aspiring middle class who tend to seek value and consume premium products. This shift in number of households within different income brackets will improve the consumption of products and services, which will definitely include textile & apparel as a lifestyle choice to enhance fashion. The vast population base and growing economy has caused global retailers and brands to enter the Indian market, either on their own or through local partners.

Indian Exports Overview

In terms of global ranking, India is ranked 3rd in textile export with 6% market share and 6th in apparel export with 4% market share. Overall, India holds second position with 5% share of global textile & apparel exports. India's textile & apparel exports were US$ 37 billion in 2017-18 and have grown at 6% CAGR since 2005-06. In recent few years, however there has been a stagnation in India's apparel exports due to various external factors like transition to the GST regime and implementation challenges, slowdown in US and EU consumption etc. However going forward, India has good opportunity to increase exports driven by increasing un-competitiveness of China due to US-China trade war and increasing costs in China. Also availability of raw material, skilled manpower and favorable central and state government schemes would further help Indian exporters increase their market share and global competitiveness.

***Chart 8:** Historical Growth of Indian Textile and Apparel Exports (US$ billion)*



Data Source: DGCI&S and Wazir Analysis

3. Alok Business Segments

Alok is one of the largest textile manufacturers in India with an integrated set up. It has presence in entire value chain of textile industry from yarn to finished products and has four major divisions:

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

A large and integrated set up gives Alok competitive advantage in terms of capability to fulfill customer demand across the value chain.

Spinning

The Global yarn market is estimated to be around US$ 40 billion in 2017 and is expected to grow at a CAGR of 1.05% to reach US$42 billion by the year 2022. With an installed capacity of about 53 million spindles, India is one of the largest producer and exporter of cotton yarn in the world with a production of 5,122 million kgs.

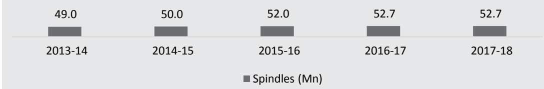
Table 1: India's Cotton Yarn Production in Million Kg

Yarn	Production 2012-13	Production 2017-18	CAGR 2012-2017 (%)
100% Cotton Spun Yarn	3,583	4,059	3
Blends and other spun Yarn	828	1,063	5
Total	4,411	5,122	3

Source: Office of Textile Commissioner, Govt. of India

Spindle capacity has increased significantly over the years. There has been an additional increase of around 4 million spindles from FY14 to date.

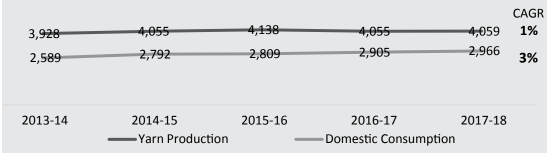
***Chart 9:** Spindle capacity of India*



Data Source: Textile Commissioner, India

The production has increased at a CAGR of 1% whereas the domestic consumption of cotton yarn has increased at a CAGR of 3% in the last 5 years.

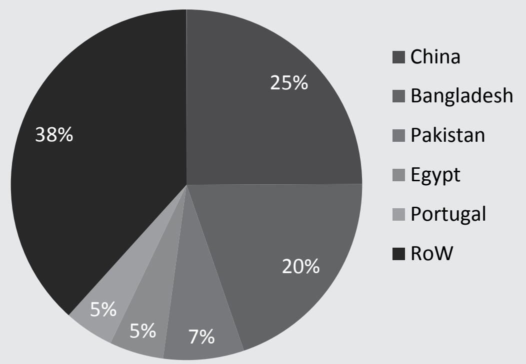
***Chart 10:** Historical Growth of Indian Textile and Apparel Exports (US$ billion)*



Data Source: Textile Commissioner, India and DGCIS

China is the largest importer of cotton yarn (25% share) from India, followed by Bangladesh and Pakistan with 20% and 7% share, respectively. The top five importers form 62% of India's total cotton yarn exports.

***Chart 11:** Country-wise Exports of Cotton Yarn from India in 2017-18*



India strength in yarn production can be attributed to the local availability of abundant raw material and modern infrastructure in the spinning section of the value chain. Indian spinners over the last few decades have invested extensively in bringing in the latest spinning technologies and infrastructure to India.

Some of the advantages of the India spinning industry are as follows:

- Large scale installed capacity
- Good raw material availability – India is largest producer of cotton

- Modern set ups with high quality and efficiency levels
- Sustainable value chain demand in domestic market
- Potential increase in export markets like Bangladesh, Pakistan etc.

The major players in the industry include Vardhman Textiles, Nahar Spinning Mills, Trident, RSWM, KPR Mills, Bannari Spinning Mills, Ambika Cotton Mills etc. Alok is also one of the major contributors to the Indian spinning industry with focus on modern infrastructure and research & product development at the same time.

Polyester

India has a production capacity of 2,147 kT (Global Share: 9%) of polyester staple fibre and is the 2nd largest country with production capacity of 4,823 kT, (Global Share: 11%) of polyester filament after China. The global trade of polyester stood at US$ 11.3 billion in 2017 growing at a CAGR of 1% over last two years. Polyester is expected to dominate global textiles in the foreseeable future in almost all end use categories. The impressive growth and volume of polyester consumption is expected to be driven by growth in consumption of finished product categories like sportswear, technical textiles and women's wear.

Domestic fibre demand projects are as given below:

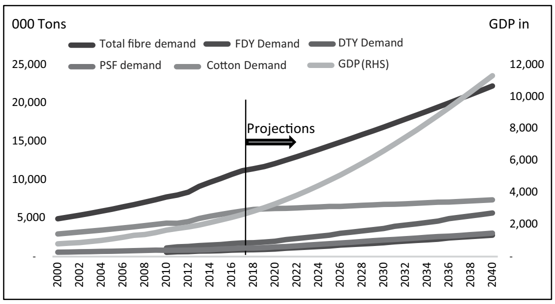


Table 2:

	2000	2017	2040 (P)	CAGR (2000 – 2017)	CAGR (2017 – 2040)
GDP (US$ bn.)	800	2,635	11,323	7.2%	6.5%
All Fiber Demand (kT)	4,935	11,207	22,247	4.9%	3.0%
Cotton Demand (kT)	2,949	5,944	7,393	4.2%	1.0%
PSF Demand (kT)	565	1,101	3,186	4.0%	4.7%
PFY (kT)	726	2,671	8,419	7.9%	5.1%

The industry has been witnessing a gradual shift from cotton to synthetic fibres over the past few decades globally. More than half of the global textile and apparel product pie comprises of items made out of synthetic fibre and its use is growing faster than cotton textiles and apparels. The same pattern is coming to the domestic market as well with increasing growth in polyester demand. Cotton with its limitation in product innovation has given an opportunity to polyester to grow.

The domestic market size of polyester is ~6 Mn. Tons. The western region of the country accounts for ~70% of the domestic market followed by north and south.

India's exports of polyester registered a value of US$ 1.2 billion in 2017. Turkey and Brazil together imported 50% of the polyester filament yarn from India, followed by Bangladesh, Egypt and Korea with a share of 6%, 4% and 3%, respectively. 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.

Some of the advantages of India's polyester industry are as follows:

- Large and modern capacities
- High domestic demand prospects in growing segments like sportswear, lingerie, women's wear, technical textiles etc.

Reliance, JBF, Bhilosa, Indorama and Wellknown are some of the largest polyesters producers in India. Alok has a state of the art set up with modern and new technology for its polyester division with one of the largest polyester set up in India.

Home Textiles

The Indian home textiles exports was around US$ 3.7 bn in 2017-18 growing at a CAGR of 2.5% over the last 5 years. It accounted for 10% of the total Textile & Apparel trade of India (US$ 37 Billion) in 2017. India over the last few years has consolidated its position as the second largest exporter of Home textiles in the World, only behind China. India's share in global home textiles trade has increased from 9% in 2012 to 11% in 2017. The exports of bed linen from India is around US$ 1.2 billion with negligible growth in the last 5 years. India's exports of terry towel is around US$ 1 billion in 2017-18 growing at CAGR of 8% in last 5 years.

India has traditionally exported home textiles primarily to EU and USA, which constitute around 81% of India's home textiles exports amongst them. India has a dominating presence in USA, with a market share of close to 25%. India also has a significant share in home textile imports of Australia and UAE, amounting to 14% and 16% respectively.

The growth of Indian exports could be attributed to the strong manufacturing ecosystem for home textiles in India and large and integrated players with strong capabilities in catering to global market requirement. Also, central government schemes like TUFS and various state government schemes have helped in adding scale for the home textile manufacturers in India.

Some of the advantages of the India Home Textiles Industry are as follows:

- Large, integrated and modern capacities of organized players
- India is well established as a sourcing base for global home textile buyers
- High domestic demand prospects along with growth in consumer spending, modern infrastructure and urbanization
- Strong customer base of top manufacturers
- Strong technical and managerial manpower availability

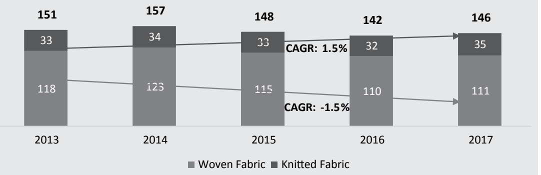
Large Indian players include Welspun, Trident, Indo Count, Himatsingka Seide, GHCL etc. Alok is also amongst the largest Home Textiles manufacturers/exporters in India and has a large terry towel manufacturing set up as well.

Apparel & Fabrics

Global apparel consumption is estimated to be approximately US$ 1.8 trillion. The global apparel demand is expected to grow at a CAGR of 5% to reach US$ 2.6 trillion by the year 2025. Among the top eight markets of apparel, India and China are expected to grow at steady CAGR of 12% and 10%, respectively as compared to world total of 5%.

Fabric being the primary raw material of the apparel industry, is an indispensable part of the supply chain. The global trade of fabrics registered a value of US$ 146 billion in 2017. Woven fabrics constitute majority share of 76% with a value of US$ 111 billion. Knitted fabric constitute value of US$ 35 billion with 24% share. Over the last five years, the trade of woven fabric has shown de-growth at a CAGR of 1.2%, while the trade of knitted fabric has been growing at a CAGR of 1.1%.

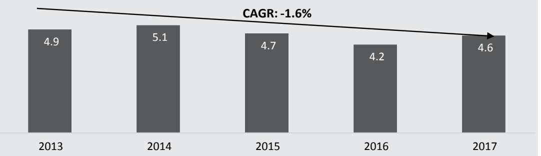
Figure 12: *Global Trade of Fabric (US$ Billion)*



Data Source: UN Comtrade

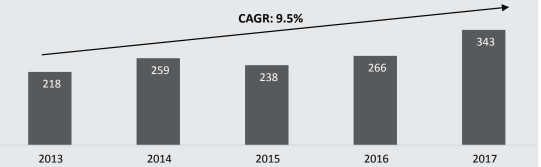
India is one of the largest fabric producers with exports of US$ 4.6 billion in 2017, which was dominated by woven fabrics with a share of over 99%. The exports of knitted fabrics was just US$ 343 million when compared to the US$ 4.3 billion woven fabric exports. The country's exports of knitted fabric has been growing at a CAGR of 9.5% over the last five years. However, woven fabrics have shown a negative CAGR of 1.6% in the same time period.

Figure 13: India's Exports of Woven Fabric (US$ Billion)



Data Source: UN Comtrade

Figure 14: *India's Exports of Knitted Fabric (US$ Million*



Data Source: UN Comtrade

The fabric production in India is around 66,515 million sq. m, which has grown at 1% CAGR in the past five years. Woven fabric had the major share of 73%, with the rest being knitted fabric. However, the production of woven fabric has grown at a CAGR of 1% while knitted fabric production has increased at 4% CAGR in the last half of the decade.

Table 3: India's Fabric Production (million sq. m)

Fabric - Mn Sq. m	Production 2012-13	Production 2017-18	Share (2017-18) (%)	CAGR 2012-18 (%)
Cotton woven	21,878	24,467	37	2
Synthetic woven	18,086	14,460	22	-4
Other woven	7,444	9,918	15	6
Total woven fabric	**47,408**	**48,845**	**73**	**1**
Knitted fabric	**14,541**	**17,670**	**27**	**4**
Total fabric	**61,949**	**66,515**	**100**	**1**

Source: Office of Textile Commissioner, Govt. of India

Apparel production is the process of converting fabric into garments. India is one the leading exporter of apparel. The global trade of apparel is estimated at US$ 460 billion in 2018. India has a share of around 3.7% of global exports garments. Export of synthetic garments from India have grown faster compared to export of cotton garments which has been stagnant in the past five years.

Although, apparel manufacturing in India is on the rise, the manufacturers need to focus towards developing upwards and downwards integration across the value chain. Manufacturers with vertically integrated capabilities are expected to be successful as compared to stand-alone units. This demand for vertical integration has generated due to these factors:

- Buyers' demand for supply chain transparency
- Need for better hold on supply chain (Supply Chain Management)
- Growing demand for economical manufacturing and economies of scale
- Increasing adherence to compliance and commitment

India: Apparel & Fabrics Sector Advantages

- Good raw material availability – fibre and yarns
- Established as a good sourcing base amongst major global buyers
- Good availability of skilled labour
- Large manufacturing capacity
- Strong capabilities in manufacturing high quality and value added products

Major integrated companies with strong presence in apparel and fabric include Arvind, Vardhman, BRFL etc. Alok is also a leading player with a large and integrated set up.

4. Performance and Outlook

Alok Industries Limited is an integrated textile enterprise with sizeable interests in the cotton and polyester value chain. The Company has expanded its markets to cater to a customer base that spans across global territories.

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

- Preferred Vendor status with leading Global brands and retailers and deep relationships
- Strong emphasis on Quality, Cost and Delivery (QCD)
- Economies of Scale that provides competitive advantages
- Forward and Backward integration leading to sustained margins
- Wide range of products across different market segments
- In-house product development and designing strength
- State-of-the-art manufacturing facilities and supporting infrastructure

Financial Performance (Stand Alone)

During the current financial year Company continued to operate at around 30% level and it made losses at EBITDA level. However, since the NCLT Order approving the Resolution Applicant Plan has been passed, the Company has 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 Rs. 7,045.19 crore as exceptional item. As a result, at PBT level the Company has declared profit of Rs. 2,281.22 crore.

The stand-alone results give the analysis of the textile business of the Company. Table 4 gives the summarised profit and loss statement of the Company in the current year compared to the previous year.

Table 4: Summarised Profit and Loss Account

PROFIT & LOSS ACCOUNT	FY 2019 (12 Months Ended 31 March 2019)		FY 2018 (12 Months Ended 31 March 2018)	
		% to Sales		% to Sales
Domestic Sales	2,312.76		4,459.12	
Export Sales	816.00		922.83	
Net Sales	**3,128.76**		**5,381.95**	
Other Income	124.32		105.68	
Total Income	**3,253.08**		**5,487.63**	
Material Costs	2,151.29	68.76%	5,162.92	95.93%
People Costs	252.95	8.08%	275.68	5.12%
Other Expenses	921.64	29.46%	13,044.50	242.37%
Total Expenses	**3,325.88**	**106.30%**	**18,483.10**	**343.43%**
EBIDTA – PROFIT/ (LOSS)	**(72.80)**	**(2.33%)**	**(12,995.47)**	**(241.46%)**
Depreciation	(533.17)	(17.04%)	(527.80)	(9.81%)
EBIT	**(605.97)**	**(19.37%)**	**(13,523.27)**	**(251.27%)**
Interest & Finance Costs	(4,158.00)	(132.90%)	(4,682.87)	(87.01%)
Operating Profit / (Loss) Before Tax	**(4,763.97)**	**(152.26%)**	**(18,206.15)**	**(338.28%)**
Exceptional Items	7,045.19	225.18%	-	-
Profit / (Loss) Before Tax After Exceptional Items	2,281.22	72.91%	(18,206.15)	(338.28%)
Add/ (Less): Provision for Taxes	0.91	0.03%	(11.19)	(0.21%)
Profit / (Loss) After Tax	**2,282.13**	**72.94%**	**(18,217.34)**	**(338.49%)**
Other Comprehensive Income	**1.69**	**0.05%**	**8.80**	**0.16%**
Total Comprehensive Income	**2283.82**	**72.99%**	**(18,208.54)**	**(338.33%)**

Profit and Loss Analysis

- **Net Sales** for the year was Rs. 3,128.76 crore comprising of domestic sales of Rs. 2,312.76 crore and export sales of Rs. 816.00 crore. In the previous year, the total sales were Rs. 5,381.95 crore comprising of domestic sales of Rs. 4,459.12 crores and export sales of Rs. 922.83 crore. The previous sales included Sales from Trading activity of Rs. 1845.17 crore. The trading business has been stopped by the company from July 01, 2017. The Company continued to witness lower level of operations due to working capital constraints.
- **Other Income** for the year was Rs. 124.32 crore (previous year Rs. 105.68 crore). The major part of the other income was comprising of Sundry Credit balances written back Rs. 117.30 crore (previous year Rs. 19.29 crore) and interest income on fixed deposit with banks kept for LC / BG margin Rs. 5.28 crore (previous year Rs. 5.82 crore).
- **Material Cost** was Rs. 2,151.29 crore in the current financial year as compared to Rs. 5,162.92 crore in the previous period. As a percentage of sales, material cost decreased from 95.93% in the previous period to 68.76% in the current year. The decrease in material cost is due to stoppage of the non- remunerative trading business with effect from July 01, 2017 and focusing only on manufacturing operations during the current year.
- **People Costs** in absolute amount declined to Rs. 252.95 crore in the current financial year as compared to Rs. 275.68 crore in the previous period due to decline in head counts. As a percentage to sales however, it has increased to 8.08% as against 5.12% in the previous period due to drop in trading sales revenue.
- **Other Expenses** were Rs. 921.64 crore in the current year as compared to Rs. 13,044.50 crore in the previous period. The major items of other expenses for the year was Power & Fuel Rs. 448.30 crore (previous year Rs. 389.68 crore), packaging material Rs. 109.71 crore (previous year Rs. 114.46 crore), stores & spares consumed Rs. 59.88 crore (previous year Rs. 70.45 crore), Provision for doubtful advances Rs. 29.35 crore (previous year Rs. 486.64 crore), Commission on sales Rs. 29.31 crore (Previous year Rs. 36.78 crore), Repairs & Maintenance Rs. 15.32 crore (Previous year Rs. 16.41 crore), etc.
- **Operating Earnings before Interest, Depreciation, Tax and Amortization (EBIDTA),** was loss of Rs. 72.80 crore for the year as compared to loss of Rs. 12,995.48 crore in the previous year.

- **Depreciation** is Rs. 533.17 crore in the current year as compared to Rs. 527.80 crore in the previous year.
- **Operating PBT** for the year was loss of Rs. 4, 763.97 crore as compared to loss of Rs. 18,206.15 crore in the previous year.
- **Exceptional Item** for the year was Rs. 7,045.19 crore (previous year Rs. nil), mainly related to the reversal of entire interest provision of Rs. 7,045.19 crore made by the Company from July 18, 2017 (IRP period) till March 08, 2019 , the date of the Hon'ble NCLT Court Order approving the resolution plan.
- **Net Profit / (Loss) After Tax** there was a profit of Rs. 2,282.13 crore in the current year against a loss of Rs. 18,217.34 crore in the previous period on account of reversal of interest cost provision and reduction in provision for doubtful debts as compared to previous year.

Cash Flows

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

Table 5: Summarised Cash Flow Statement

PARTICULARS	FY2019 31 March 2019	FY2018 31 March 2018
Net cash (used in) /generated from operating activities	**39.41**	(128.32)
Net cash (used in) / generated from investing activities	**51.95**	194.05
Net cash (used in) / generated from financing activities	**(107.76)**	(106.78)
Net (decrease) / increase in cash and cash equivalents	(16.40)	(41.05)
Cash and Cash equivalents as on year end		
At the beginning of the period	31.55	72.61
At the end of the period	**15.15**	31.55
Net (decrease) / increase in cash and cash equivalents	**(16.40)**	(41.05)

Textiles Business: Operations Review

Overview

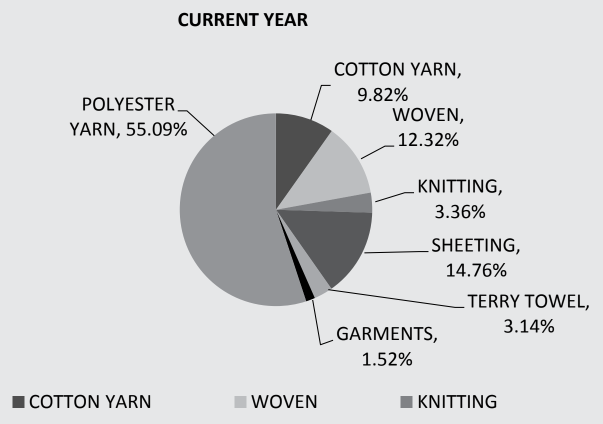
Alok is into single segment business i.e. Textiles. Within Textiles, Alok's business is mainly comprising of Cotton spinning, Apparel fabric (Wovens & Knits), Home textiles (Sheeting & Terry Towel), Garments and Polyester. The division wise sales and its bifurcation into domestic and export is given in table 6 and Chart-15 below:

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

(Rs. Crore)

PARTICULARS	12 M YTD ENDED 31 MAR 2019				12 M YTD ENDED 31 MAR 2018				CHANGE
	LOCAL	EXPORT	TOTAL	% TO TOTAL SALES	LOCAL	EXPORT	TOTAL	% TO TOTAL SALES	
COTTON YARN	307.12	0.00	307.12	9.82%	377.41	3.26	380.67	7.07%	(19.32%)
APPAREL FABRIC									
WOVEN	271.80	113.55	385.35	12.32%	2,290.65	115.78	2,406.43	44.71%	(83.99%)
KNITTING	49.29	55.82	105.11	3.36%	130.16	46.48	176.64	3.28%	40.49%
	321.09	**169.37**	**490.47**	**15.68%**	**2,420.81**	**162.26**	**2,583.07**	**48.00%**	**81.01%**
SHEETING	4.05	457.70	461.75	14.76%	4.79	525.63	530.42	9.86%	(12.95%)
TERRY TOWEL	65.97	32.25	98.22	3.14%	39.62	28.09	67.71	1.26%	(45.06%)
GARMENTS	14.03	33.54	47.57	1.52%	8.26	39.47	47.73	0.89%	0.34%
POLYESTER YARN	1,600.49	123.13	1,723.62	55.09%	1,608.23	164.11	1,772.34	32.93%	(2.75%)
TOTAL	**2,312.76**	**816.00**	**3,128.76**	**100.00%**	**4,459.12**	**922.83**	**5,381.95**	**100.00%**	(41.87%)

Chart 15: Share of different product groups in total sales



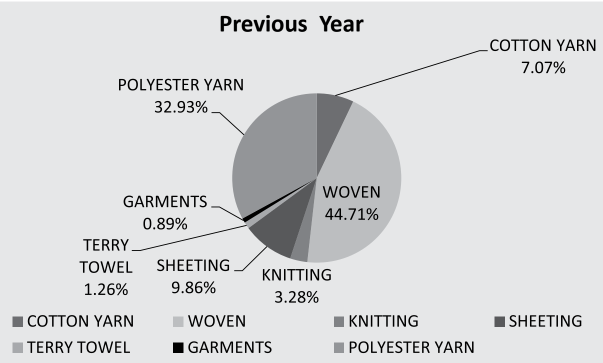


Chart 15 shows that polyester has highest share of sales accounting for 55.09% as compared to 32.93% in the Previous year. This is followed by sheeting (Bed sheets) whose share has increased from 9.86% in the previous year to 14.76% in the current year, followed by woven fabrics whose share has decreased to 12.32% in the current year from 44.71% in the previous year mainly due to stoppage of the trading business in this segment. The share of cotton spinning for the current year was 9.82% as compared to 7.07% in the previous year. The share of knitted fabrics for the current year was 3.36% as compared to 3.28% in the previous year. The share of terry towels for the current year was 3.14% as compared to 1.26% in the previous period and lastly garment share was 1.52% as compared to 0.89% in the previous year.

Exports

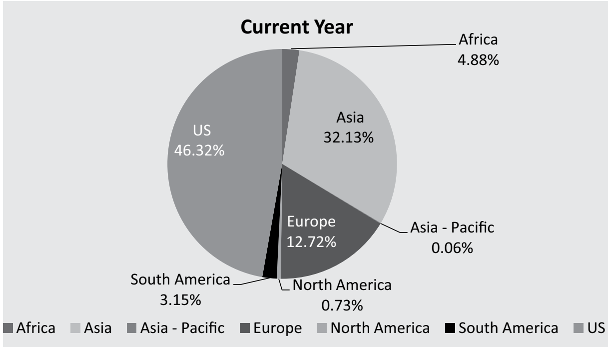
Alok's export business was affected due to the liquidity crunch adversely impacting production and uncertainty in the minds of customers about getting timely delivery due to the ongoing CIR process. Consequently, export sales reduced to Rs. 816.00 crore in the current year as against Rs.922.83 crore in the previous period.

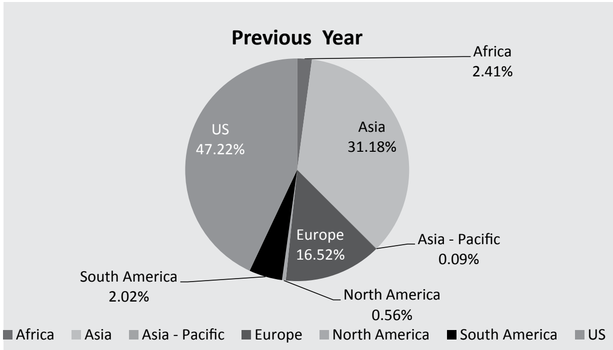
Table 7 gives the share of different regions in Alok's exports. The share of Alok's exports to different regions of the world is given in chart 16. USA remains the dominant market with 46.32% share in the current year. The share of Asia has marginally increased from 31.19% in the previous year to 32.13% in the current year, while that of Europe has come down from 16.52% in the previous year to 12.72% in the current year.

Table 7: Regional Distribution of Exports

REGIONS	**31 MAR 2019**			**31 MAR 2018**		
	R. Crore	**US$ Mn**	**% OF EXPORTS**	**R. Crore**	**US$ Mn**	**% OF EXPORTS**
Africa	39.81	5.80	4.88%	22.24	3.49	2.41%
Asia	262.21	38.14	32.13%	287.80	45.17	31.19%
Asia – Pacific	0.46	0.07	0.06%	0.80	0.13	0.09%
Europe	103.82	15.08	12.72%	152.41	23.95	16.52%
North America	5.95	0.85	0.73%	5.15	0.81	0.56%
South America	25.74	3.76	3.15%	18.60	2.93	2.02%
US	378.01	54.44	46.32%	435.81	68.35	47.23%
Total	**816.00**	**118.14**	**100.00%**	**922.82**	**144.83**	**100.00%**

Chart 16: Share of different regions in Alok's exports





Quality, Safety, Health and Environment

Alok puts continuous efforts at developing world class processes and quality assurance in its business processes so as to produce high quality textile products every time to the satisfaction of its valued customers. 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 is also conscious about the environment and the health and safety of its work force.

The Company's adherence to internationally recognized certification standards and compliances has been recognized by renowned certification bodies (see Table 8). As on today, the Company has the following 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
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

Certification	Division / Plant / Location
Fair Trade- FLOCERT: Fair-trade Standard for Fibre Crops for Small Producer Organizations	• Spinning & Knitting Division, Silvassa • Weaving Division, Silvassa • Process House (Normal & Wider Width), Vapi • Made-ups & Garments Division, Silvassa • 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) • Garments (Product Class I) • Woven and Knitted Fabric- (Commission dying and printing) (Product Class I & II)

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 over the years.

Human Resource

At Alok, employees have always been considered as the core of its organization culture and values and an important asset to the organization. Despite the exceptional challenges faced, the motivated work force aided your Company to progress to the threshold of implementation of the Approved Resolution Plan. It is matter of pride that most of the workforce at the plants and offices and senior management team remained with the Company in spite of the tribulations. During the period under review, employee training and engagement activities could not be taken up due to difficult operating conditions and liquidity issues.

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.

Subsidiaries

UK Retail: Store Twenty One

Alok held a 99.87% equity in Grabal Alok (UK) Ltd (Grabal (UK), 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.

Real Estate: Alok Infrastructure Limited

The Company had made 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: (i) the Company having to dispose off some of its assets at losses (ii) legal case relating to land at Silvassa restricted the Company's ability to monetise its assets. 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 performance of all of subsidiaries and step down subsidiaries are given in table 10.

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

(Rs. Crore)

Particulars	31 March 2019		31 March 2018	
	Amount	**Amount**	**Amount**	**% to Sales**
Net Sales	3,352.24		5562.08	
Other Income	18.53		256.61	
Total Income	**3370.77**		**5,818.69**	
Material Costs	2,274.27	67.84%	5,286.39	95.04%
People Costs	300.89	8.98%	323.19	5.81%
Other Expenses	906.25	27.03%	13,522.04	243.11%
Total Expenses	**3,481.41**	**103.85%**	**19131.62**	**343.96%**
Operating EBIDTA	**(110.64)**	**(3.30%)**	**(13,312.93)**	**(239.35%)**
Depreciation	(549.51)	(16.39%)	(544.61)	(9.79%)
Operating EBIT	**(660.16)**	**(19.69%)**	**(13,857.53)**	**(249.14%)**
Interest	(4,308.74)	(128.53%)	(4,711.33)	(84.70%)
Operating Profit Before Tax	**(4968.90)**	**(148.23%)**	**(18,567.14)**	**(333.82%)**
Exceptional Items	7.045.19	210.16%	-	-
Profit Before Tax after Exceptional items	**2076.29**	**61.94%**	**(18,568.87)**	**(333.85%)**
Less : Provision for Taxation	0.88	0.03%	(10.43)	(0.19%)
Profit After Tax	**2077.17**	**61.96%**	**(18,579.30)**	**((334.03%)**
Share of profit / (loss) from associates (net)	(1.02)	(0.03%)	(0.48)	(0.01%)
Profit After Minority Interest	**2,076.15**	**61.93%**	**(18,579.78)**	**(334.04%)**
Other Comprehensive Income	**(149.82)**	**(4.47%)**	**11.06**	**0.20%**
Total Comprehensive Income	**1926.34**	**57.46%**	**(18,568.72)**	**(333.84%)**

Table 10: Consolidated Balance Sheet Summary

(Rs. Crore)

Particulars	**As at 31.03.2019**	**As at 31.03.2018**
Share Holders Funds	(14,616.95)	(16,675.69)
Non -Current Liabilities	6,287.52	7,524.41
Current Liabilities	26,347.25	27,853.13
Total Equity and Liabilities	18,017.82	18,701.85
Non -Current Assets	17,117.23	17,639.82
Current Assets	900.59	1,062.03
Total Assets	18,017.82	18,701.85

Table 11: Company wise sales in total Consolidated Sales

(Rs. Crore)

Sr. No.	Name of the Company	31.03.2019		31.03.2018	
		Sales	Profit/(Loss)	Sales	Profit /(Loss)
1	Alok Industries Limited	3128.76	2,283.82	5,381.95	(18,208.54)
2	Alok Infrastructure Limited	60.37	(133.38)	0.69	(213.72)
3	Alok International Inc.	-	(34.07)	-	(473.21)
4	Mileta A.S	163.10	(15.85)	179.75	8.60
5	Grabal Alok (UK) Limited	-	-	-	(30.81)
6	Alok Industries International Limited	-	0.31	-	(335.29))
7	Grabal Alok International Limited	-	(129.87)	-	(0.45)
8	Alok World Wide Limited	0.59	0.01	0.64	-
9	Alok Global Trading (Middle East) FZE	-	-	0.04	135.51
10	Alok Singapore Pte Limited	-	(2.19)	0.05	364.49
11	Alok International (Middle East) FZE	-	-	7.68	(13.17)
	Total	**3,352.83**	**1,968.78**	**5,570.80**	**(18,766.59)**
	Effect of elimination entries	(0.59)	(42.44)	(8.72)	197.87
	Consolidated (Loss) / Profit	**3,352.24**	**1,926.34**	**5,562.08**	**(18,568.72)**

Sustainable Business Practices and Corporate Social Responsibility (CSR)

Alok has always strived to be a leader in sustainable integrated textile solutions delivering value through environmentally and socially responsible textile products. In addition to its commitments towards quality and health, safety and environment as evident from the various Certifications, there are certain specific initiatives that related to sustainability and social development.

Ethical Fibre

At the first stage of the cotton value chain is procurement of cotton, which is a predominant requirement for the Company. Nowadays, the world is increasingly, witnessing the promotion of ethical fibres like:

- Organic cotton, which is cotton grown without the use of external synthetic agricultural inputs like fertilizers and pesticides and helps conserve the environment from the harmful effects of the use of hazardous agro chemicals
- Fair Trade cotton fibre
- Better Cotton, which involves educating the cotton growers to adopt the Best Management Practices in cotton cultivation for more sustainable yields
- Recycled cotton and polyester for spinning plant.

A shift from conventional fibre use to these ethical variants significantly reduces the environmental impact of growing conventional resource intensive cotton and help marginal cotton growers economize on farm expenses.

Sustainable Manufacturing

Alok continues to remain committed to sustainable manufacturing operations, which also implies use of newer and cleaner technology, use of eco-friendly dyes for all processing, treatment of post-dyeing effluents, installation of reverse osmosis (RO) units to recover fresh water from the treated one and installation of Selective Catalytic Reduction (SCR) systems in the exhaust of the DG sets to reduce oxides of Nitrogen.

The Company encourages the use of recycled products and has set up a recycled polyester unit with an initial 20 tons/ day of capacity to recycle polyester and polyester yarn waste, flakes and PET bottles to produce 100% recycled polyester fibre. Due to the continued challenges of operating conditions, these capacities could not be put to optimal use.

Social Development

Alok had been regularly working on improving the quality of life in communities where it operates by adopting measures that benefit the local population in terms of direct and indirect employment. In the process, the Company has also played an active role on providing training and employment to local tribal women.

Alok had also given its support in establishing a school - Alok Public School - in Silvassa, which now has a student base of close to 750 and is a much coveted school in the township and surrounding areas. The School has been granted the esteemed CBSE affiliation and also recognized as a 'New Generation' CBSE school for its innovative methods and practices.

However due to the continuing liquidity crunch, the Company has not been able to spend any amount during the year on its social development / CSR activities.

Risks & Risk Mitigation

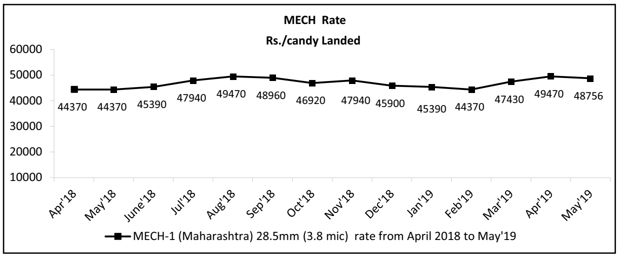
This section contains the Company's view on risk and the critical risk factors for the Company. This section also provides the manner in which the Company manages risk through its risk management processes.

Raw Material

The 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 textile operations are cotton and PTA & MEG. The Company also buy cotton yarn, polyester yarn and fabrics of specifications required by customers but are not produced in its plants.

Being an agricultural commodity, prices of cotton are affected by a range of factors like changes weather conditions affecting sowing, government policies and regulations. Governing taxes, tariffs, duties, subsidies, import and export restrictions on agricultural commodities and commodity products, etc. 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- 17 below shows cotton prices during 2018-19 were in an increasing trend.

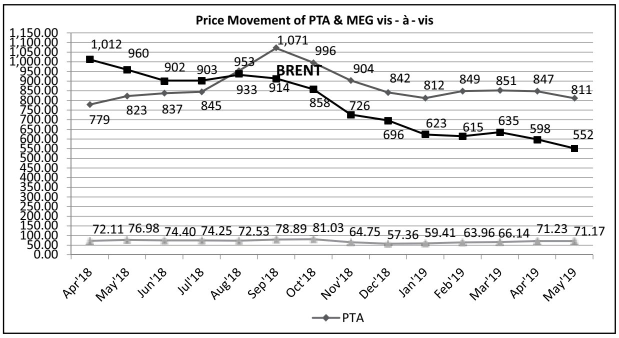
Chart 17: Price Movement of Cotton MECH



The Cotton price increased from Rs. 44,370/- per candy (356 kgs. Ginned Cotton) in April 2018 to Rs. 48,756/- per candy in May 2019.

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 below.

Chart 18: Price Movement of PTA & MEG vis-à-vis BRENT



As can be seen from the chart 18 above, both PTA and MEG prices during the financial year 2018-19 were having mixed trend and moved upward or downward more or less in tandem with the price of crude oil (Brent).

PTA prices moved from USD 779 per ton in April 2018 and peaked at USD 1071 in September 2018. Thereafter it showed a declining trend and came down to USD 812 per ton in January 2019. From February 2019 PTA prices again started increasing but from April 2019, it again started coming down and reached to USD 811 per ton in May 2019.

MEG prices came down from from USD 1012 per ton in April 2018 to USD 903 per ton in July2018. Then it increased to USD 933 per ton in August 2018 and have gradually come down to USD 552 per ton in May 2019.

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.

These price fluctuations in Cotton and Brent can be mitigated by taking suitable hedge. However, due to non-availability of hedge lines, the Company had to keep the above fluctuation risk open for the time being.

Markets

The Company's products have markets both in domestic as well as exports. Overall, exports have in the past and in future will account for major part of the sales revenue. The 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 design capability are critical for exports markets and the Company has been successful in meeting these demands over the years and as late as 16-17 also won the export award instituted by the Government. At the same time, India no longer enjoys preferred market access and this is allowing countries like Bangladesh to become 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, despite the current situation of the Company. Once the Resolution Plan is 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.

The domestic apparel fabric market is fragmented with low cost competition and longer credit terms which the Company is not in a position to provide. However, the Company has started building relationships with large retailers (physical and on line) to supply fabrics and garments and once the Company stabilizes, increasingly large volumes are expected to be supplied and the Company expects that it will be able to command a preferred supplier status given the quality, design capability and the capacity available to provide large volumes on a consistent basis.

The Company has always been a leading supplier of Polyester Yarns over the years given its large capacity, the quality and the range of its products. Even though the Company has been operating only at 50% of its polyester capacity due to the adverse financial situations, it has continued to utilize fully the balance 50% even today and managed to obtain some premium pricing. Stabilized operations when achieved should re-establish the Company as a premium supplier of Polyester Yarn and fiber.

Information Technology Risk

The Company runs a centralised database application with a primary data centre supported by two disaster recovery environments at different geographical locations, each using different replication architecture. Multiple UPS systems and external power backup mitigate any risks arising out of power interruptions.

Infrastructure, network and applications are secured through private MPLS links, firewalls and well defined, role based authorisations. Enterprise wide end point security is deployed on all devices connected to network secure systems from virus/malware attacks.

Due to the liquidity crunch prevailing over the last few years, the Company's ERP system is not under Annual Maintenance Contract (AMC) from SAP and is being managed by the in-house team. In case of major SAP related issues or system shut-offs, the Company may not get timely support from SAP and can face some disruption in operations. The Company plans to migrate to the updated version of the SAP and also carry out much needed replacement of its hardware, much of which is very old on priority once the implementation of the Approved Resolution Plan is completed.

Financial Risk

The large debt burden and rising interest cost caused defaults in payment of its obligations leading to the Company being admitted under the CIR process on 18 July, 2017 vide an order of the Adjudicating Authority. Pursuant to its order dated March 08, 2019, the Adjudicating Authority approved the resolution plan submitted by the Resolution Applicants for your Company under Section 31 of the Insolvency and Bankruptcy Code, 2016. Upon implementation of the Approved Resolution Plan, the capital structure and the associated risk profile of the Company is expected to significantly change.

Currency Risk

The Company is subject to significant currency exposure risk given its significant dependence on exports. At the same time, the Company, at present, cannot avail any facilities from the banking system that allows it to hedge the currency exposure. Once the Resolution Plan is implemented by the Resolution Applicant, the

Company expects to obtain necessary lines from the banking system and institute a hedging policy to mitigate currency risks.

Outlook

The approved Resolution Plan provides for injection of sufficient funds for meeting the working capital requirements and capex requirements. The liquidity crunch over the past few years has led to reduced operational performance, inadequate maintenance of plant and machinery, buildings and support infrastructure as well as investment in human resources. Once the plan implementation is complete, the company would have opportunity to build a strong base. The company has not lost a major part of its customer base and , therefore, once the implementation of the resolution plan is complete, the company would be well positioned to progressively improve capacity utilization and regain its market share.

Internal Control and Adequacy

The Company has in place well established framework of internal control system, 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 are made on the assumption that the Resolution Plan for the Company will be 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 Approved 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 manage the affairs of the Company and to maintain the Company as a going concern.

In compliance with the provisions of Section 134(3) of the Companies Act, 2013, 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 continue 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 of your Company has a good mix of Executives and Non-Executive Directors. The Board had 10 directors, comprising of five Executive Directors, two Non-Executive Independent Directors and three Nominee Directors.

The following is the Composition of the Board as on 31st March, 2019#:

Sr. No.	Name of the Director	Category of Director	No. of Director-ship held (including Alok)	Committee(s) position (including Alok)	
				Member	Chairman
1	Mr. Surinder Kumar Bhoan	Chairman Non-Executive Independent Director	2	2	2
2	Mr. Keshav D. Hodavdekar	Non-Executive Independent Director	3	1	0
3	Mr. Ashok B. Jiwrajka	Whole-Time Director & CE (Home Textiles)	6	1	0
4	Mr. Dilip B. Jiwrajka	Whole-Time Director & CE (Apparel Fabrics)	6	1	0
5	Mr. Surendra B. Jiwrajka	Whole-Time Director & CE (Polyester)	6	1	0
6	Mr. Senthilkumar M.A	Executive Director & CEO (Processing)	1	0	0
7	Mr. Tulsi Tejwani	Executive Director & CEO (Weaving)	1	0	0
8	Mr. Suneet Shukla	Non-Executive Non Independent Director Nominee Director -IFCI Limited	3	0	0

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 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 present Board would cease to exist and a new Board of Directors shall be nominated by the new management.

Notes:

i. Directorship excludes Section 8 Companies.

ii. Chairmanship/ Membership of Committees only include Audit Committee and Stakeholder Relationship Committee in Indian Listed Public Companies as per Regulation 26 of the SEBI LODR Regulations.

iii. Members of the Board of the Company do not have membership of more than ten Committees and Chairman of more than five Committees.

iv. *Nomination of Mr. Atanu Sen was withdrawn with effect from 4th July, 2018.

v. **Nomination of Mr. Pradeep Kumar Rath was withdrawn with effect from 9th May, 2018.

(where is the cross reference of * and *?)**

Meetings and Attendance:

During the financial year ended 31st March, 2019, there were no board meetings held in view of the suspension of their powers and the affairs of the Company were managed by the Resolution Professional till the conclusion of the CIR process and thereafter by the Monitoring Committee. The last Annual General Meeting was held on December 27, 2018. 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.	-	-	-	No
7.	Mr. Tulsi Tejwani	-	-	-	Yes
8.	Mr. Suneet Shukla Nominee Director- IFCI Limited	-	-	-	No
9.	Mr. Atanu Sen Nominee Director- State Bank of India	-	-	-	No
10.	Mr. Pradeep Kumar Rath Nominee Director- LIC of India	-	-	-	No

Note:

The Chief Financial Officer and the Company Secretary have represented to the Monitoring Committee and the Monitoring Committee has taken on record that there are no transactions with related parties that may have potential conflict of interest with the Company. 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, 2018 to March 31, 2019.

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 non-Executive 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.

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 is 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 present Board would cease to exist and a new Board of Directors shall be nominated by the new management.

Familiarisation Programme for Directors

At the time of appointing a Director, a formal letter of appointment is issued to the concerned director. Each newly appointed Independent Director is taken through a formal familiarisation program providing information relating to the Company, Business Divisions, industry, business model of the Company, geographies in which Company operates, etc. The programme also provides awareness to the Independent Directors on their roles, rights, responsibilities towards the Company. Further, the Familiarization Programme also provides information relating to the financial performance of the Company and budget and control process of the Company.

The Director is also explained in detail the compliance required from him under the Companies Act, 2013, SEBI LODR Regulations, and other relevant regulations and affirmation taken with respect to the same.

As required under Schedule V of SEBI LODR Regulations, the following web link will provide details of familiarization programmes imparted to Independent Directors.

http://www.alokind.com/Downloads/Policy%20on%20Familirization%20Programe%20of%20Independent%20Director.pdf)

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. The Chief Compliance Officer has confirmed and certified the same (the certification is enclosed at the end of this Report).

Details of equity shares of the Company held by the Non-Executive Directors as on March 31, 2019 are given below:

Name of the Directors	Category	No. of equity shares held
Mr. Surinder Kumar Bhoan	Non- Executive, Independent Director	Nil
Mr. Keshav D. Hodavdekar	Non- Executive, Independent Director	Nil
Mr. Suneet Shukla	Non- Executive, Non-Independent Director	Nil

(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 had established the following statutory and non-statutory 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 later in this Report.

(a) AUDIT COMMITTEE

As on the date of this report, the Audit committee of the Company comprises two Non-Executive Independent Directors. The Audit Committee is headed by Mr. Surinder Kumar Bhoan and Mr. Keshav D. Hodavdekar as its members. The members of the Audit Committee have accounting and financial management expertise.

The Committee is governed by the terms of references which are wide enough covering the matters specified under Regulation 18 read with Part C of Schedule II to the SEBI LODR Regulations, and Section 177 of the Companies Act, 2013.

The meetings of Audit Committees are also attended by the Chief Financial Officer (CFO) and representatives of the statutory auditors and internal auditors as regular invitees. Mr. K.H. Gopal, Company Secretary, is the Secretary to the Committee. The Minutes of each Audit committee meeting are placed in the next Board meeting.

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 continues pursuant to the approval of the Resolution Plan too 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 present Board would cease to exist and a new Board of Directors shall be nominated by the new management. Accordingly, the Audit Committee would be reconstituted. Accordingly, no meetings of the Committee were held during the yea.

(b) NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises of Mr. Keshav D. Hodavdekar, Mr. Surinder Kumar Bhoan and Mr. Atanu Sen (who has since resigned with effect from 4th July 2018), all of whom are Non-Executive Directors. Mr. Keshav D. Hodavdekar, an Independent Director, acts as Chairman of the Committee.

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 the SEBI LODR Regulations, a company undergoing CIR process is not required to comply with Regulation 19(1)(a) of the SEBI LODR Regulations dealing with the minimum number of the members in the nomination and remuneration committee of a listed company. This position continues pursuant to the approval of the Resolution Plan too as the powers of the Board of Directors continue to stand suspended in accordance with the provisions of the Approved Resolution Plan.

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 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 present Board would cease to exist and a new Board of Directors shall be nominated by the new management. Accordingly, the Nomination and Remuneration Committee would be reconstituted.

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.

No meeting was held during the financial year ending 31st March, 2019.

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.

(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 and Central Government, if required. 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:

Non-Executive Directors are paid sitting fee of Rs. 20,000 for every Board Meeting attended by them which includes Board level committee meetings also. The non-executive independent directors and non-executive non-independent directors do not have any pecuniary relationship or transaction with the Company.

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 companyare 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 continues pursuant to the approval of the Resolution Plan too as the powers of the Board of Directors continue 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, the present Board would cease to exist and a new Board of Directors shall be nominated by the new management. Accordingly, the Audit Committee would be reconstituted.

The details of remuneration paid to Executive Directors and Non-executive Directors for the financial year ended 31st March, 2019 are provided hereinafter:

Details of Remuneration of Executive Directors for the financial year ended 31st March, 2019

Name of the Director	Salary and Perquisites	Commission	Total
Mr. Ashok B. Jiwrajka	3,83,429.00	-	3,83,429.00
Mr. Dilip B. Jiwrajka	3,83,429.00	-	3,83,429.00
Mr. Surendra B. Jiwrajka	3,83,429.00	-	3,83,429.00
Mr. Senthilkumar M. A.	77,35,089.36	-	77,35,089.36
Mr. Tulsi Tejwani	68,66,677.79	-	68,66,677.79

Details of Remuneration of Non-Executive Directors for the financial year ended 31st March, 2019

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
Mr. Atanu Sen	Nil	Nil	Nil
Mr. Pradeep Kumar Rath	Nil	Nil	Nil

Notes:

1. The agreement with each of the Executive Directors is for a period of five years which has 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.
3. Presently, the Company does not have a scheme of grant of stock options or performance linked incentives for its Promoter Directors.

(c) STAKEHOLDERS' RELATIONSHIP COMMITTEE

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

The role of Stakeholder's Relationship Committee is as follows:

- consider and resolve the grievances of shareholders of the Company with respect to transfer of shares, non-receipt of annual reports, non-receipt of dividend, etc.;
- ensure expeditious share transfer process;
- evaluate performance and service standards of the Registrar and Share Transfer Agent of the Company;
- provide guidance and make recommendations to improve investor service levels of the investors.

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, 2019. Further, in 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 continues pursuant to the approval of the Resolution Plan too 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 present Board would cease to exist and a new Board of Directors shall be nominated by the new management. Accordingly, the Stakeholders' Relationship Committee would be reconstituted.

The Company's Registrar Link Intime India Private Limited had processed 3 letters/ requests during the year, dealing with various subjects such as revalidation/ non receipt of dividend warrants, change of address, registration of nominations, non- receipt of share certificates etc. All these matters were resolved to the satisfaction of the shareholders/ investors.

The Company has no transfer pending at the close of the financial year.

(d) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Pursuant to Section 135 of the Companies Act, 2013, the Board of the Company had constituted a "Corporate Social Responsibility Committee" on May 28, 2015. The Committee comprises three Directors. Mr. Surinder Kumar Bhoan, Independent Director, who is the Chairman of the Committee. The other members of the CSR Committee include 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 continues pursuant to the approval of the Resolution Plan too as the powers of the Board of Directors continue to stand suspended in accordance with the provisions of the Approved Resolution Plan. Therefore no meeting was held during the financial year ended 31st March, 2019. Also as per the provisions of the Approved Resolution Plan, on the Closing Date, the present Board would cease to exist and a new Board of Directors shall be nominated by the new management. Accordingly, the Corporate Social Responsibility Committee would be reconstituted.

(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 comprises 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 continues pursuant to the approval of the Resolution Plan too as the powers of the Board of Directors continue to stand suspended in accordance with the provisions of the Approved Resolution Plan. Therefore no meeting was held during the financial year ended 31st March, 2019. As per the provisions of the Approved Resolution Plan, however, on the Closing Date, the present Board would cease to exist and a new Board of Directors shall be nominated by the new management. Accordingly, the Executive Committee would be reconstituted.

(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 continues to remain suspended post conclusion of the CIR process upon approval of the resolution plan as per the provisions of the Approved 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 Company Secretary has represented to the Monitoring Committee and the Monitoring Committee 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://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 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.

The Company Secretary has represented to the Monitoring Committee 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 Resolution Professional till the conclusion of the CIR process and to the Monitoring Committee thereafter to lodge their grievances. 3. No personnel have been denied access to the Resolution Professional till the conclusion of the CIR process and the Monitoring Committee thereafter..

(5) CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

As per SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of the Company had, prior to commencement of the CIR process, laid down a Code of Conduct for Prohibition of Insider Trading. The Code is applicable to Promoters and Promoter's Group, all Directors and such Designated Employees who are expected to have access to price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said Regulation.

(6) GENERAL BODY MEETINGS

Particulars of last three Annual General Meetings are given below:

Financial year	Date	Time	Venue	Special Resolutions passed
01.04.2015 to 31.03.2016	September 24, 2016	12.00 noon	Alok Public School, Alok City, Silvassa-Khanvel Road, Silvassa - 396230, Union Territory of Dadra and Nagar Haveli.	There was no matter that required passing of Special Resolution.
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	Alok Public School, Alok City, Silvassa-Khanvel Road, Silvassa-396230, Union Territory of Dadra and Nagar Haveli.	There was no matter that required passing of Special Resolution.

Special Resolutions:

All the resolutions set out in the respective Notices were passed by the Shareholders.

At the ensuing Annual General Meeting, there are no Special Resolutions for which the SEBI LODR Regulations or the Companies Act, 2013 and rules framed thereunder has recommended / mandated postal ballot.

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, 2018 to March 31, 2019.

(7) MEANS OF COMMUNICATION

i. The quarterly, half yearly and annual results of the Company's performance are published in 'Business Standard' in English, all Mumbai editions and in 'Western Times', Gandhinagar in Gujarati. These results are also made available on the website of the Company www.alokind.com.

ii. The website also displays vital information relating to the Company and its performance, official press releases and presentation to analyst. The Company also furnishes the quarterly results on receipt of a request from any shareholder.

iii. 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.

(8) GENERAL SHAREHOLDER INFORMATION

Date, Time and Venue of the Annual General Meeting:

The 32nd **Annual General Meeting** will be held on Tuesday the 24th day of December, 2019 at 12.00 noon at Alok Public School, Alok City, Silvassa-Khanvel Road, Silvassa – 396230, Union Territory of Dadra and Nagar Haveli.

Financial Calendar

Financial year: April 1, 2019 to March 31, 2020.

For the period ended March 31, 2019, results were announced for:

First quarter : Reviewed	August 28, 2018
Second quarter: Reviewed	November 14, 2018
Third quarter: Reviewed	February 14, 2019
Fourth quarter and annual: Audited	June 14, 2019

For the period ending March 31, 2020, results were / will be announced by:

First quarter : Reviewed	August 14, 2019
Second quarter: Reviewed	November 14, 2019
Third quarter: Reviewed	February 14, 2020
Fourth quarter and annual: Audited	On or before May 30, 2020 (Tentative)

Book Closure

The books will be closed from 18th December, 2019 to 24th December, 2019 (both days inclusive) as annual closure for the Annual General Meeting.

Dividend Payment Date

No dividend was declared by the Company for the financial year 2018-2019

Electronic Voting

Pursuant to Section 108 and other applicable provisions of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and other applicable requirements, voting at the 32nd Annual General Meeting will be made through electronic voting. The electronic voting period will be from 21st December, 2019 (10.00 a.m.) to 23rd December, 2019 (5.00 p.m.).

No special resolution is proposed to be conducted through postal ballot or electronic voting.

Scrutiniser for electronic voting: Mr.Virendra Bhatt, Practicing Company Secretary (Membership No. ACS 1157 and C.P.No.124) has been appointed as the Scrutiniser to scrutinise the electronic voting process in a fair and transparent manner and to give his report to the Chairman.

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

b) National Stock Exchange of India Limited

(Stock Code: ALOKTEXT)

Exchange Plaza, 5th Floor,

Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai 400 051

For Dematerialisation of Equity Shares of the Company of face value of Rs. 10/- each, the ISIN No. allotted to the Company is INE 270A01011.

Annual Listing Fees to National Stock Exchange of India Limited have paid up to 31st March 2020 and BSE Limited have been paid up to 30th June 2019.

Details of Non-Convertible Debentures (NCDs) listed on BSE Limited are as follows.

Sr. No.	Particulars	No. of NCDs	Amount (in Crore)	Stock Code (BSE)	ISIN NO.	Prema-ture redemp-tion (Rs. in Crore)	Balance as on March 31, 2019 (Rs. in Crore)
1	555 – 11.50% Secured Redeemable NCDs of Rs.10,00,000/- each aggregating to Rs.56 crores issued and allotted on Jujne 29, 2010 on private placement basis.	250	25.00	ALOK290610C	INE270A07489*	-	25.00
		174	17.40	ALOK290610C	INE270A07489*	-	17.40
		71	7.10	ALOK290610C	INE270A07489*	-	7.10
		50	5.00	ALOK290610C	INE270A07489*	-	5.00
		5	0.50	ALOK290610C	INE270A07489*	-	0.50
		5	0.50	ALOK290610C	INE270A07489*	-	0.50
2	1000 – 13.00% Secured NCDs of RS.10,00,000/- each aggregating to Rs.100 Crores issued and allotted on October 20, 2010 on private placement basis.	334	33.40	ALOK201010A	INE270A09014*	-	33.40
		333	33.30	ALOK201010B	INE270A09022*	-	33.30
		333	33.30	ALOK201010C	INE270A09030*	-	33.30
3	730– 15.50% Secured NCDs of Rs.10,00,000/- each aggregating to Rs.110 crores issued and allotted on March 04, 2011 on private placement basis.	370	37.00	ALOK4311B	INE270A07539*	-	37.00
		360	36.00	ALOK4311C	INE270A07547*	-	36.00
4	3000 – 12.00% Secured Redeemable NCDs of Rs.10,00,000/- each aggregating to Rs.300 crores issued and allotted on February 01, 2012 on private placement basis.	375	37.50	ALOK010212A	INE270A07554*	-	37.50
		375	37.50	ALOK010212B	INE270A07562*	-	37.50
		375	37.50	ALOK040212C	INE270A07570*	-	37.50
		375	37.50	ALOK010212D	INE270A07588*	-	37.50
		375	37.50	ALOK010212E	INE270A07596*	-	37.50
		375	37.50	ALOK010212F	INE270A07604*	-	37.50
		375	37.50	ALOK010212G	INE270A07612	-	37.50
		375	37.50	ALOK010212H	INE270A07620	-	37.50
	TOTAL	5285	528.50			-	528.50

* Have been suspended.

Market Price Data

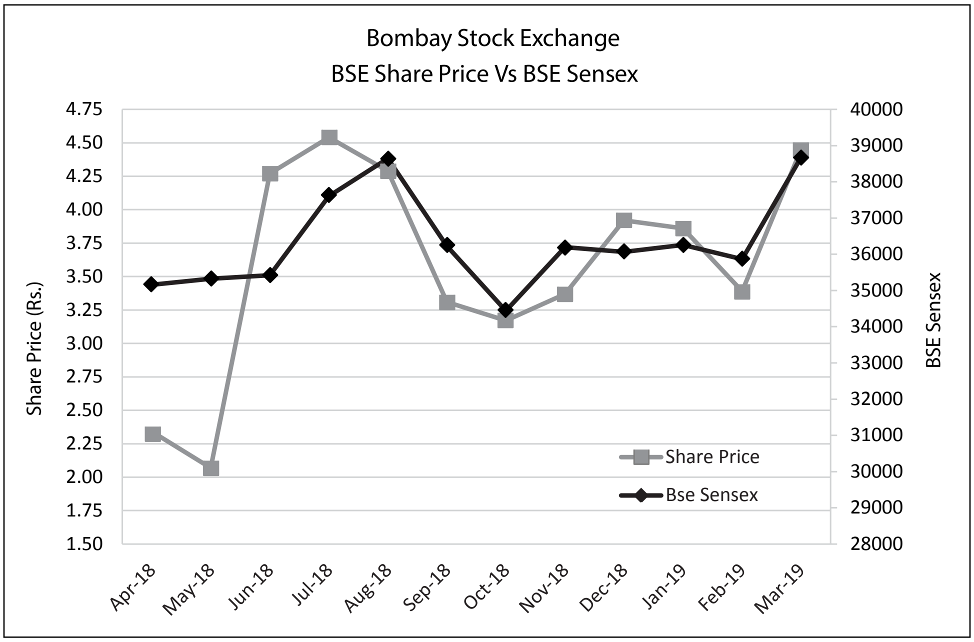
Monthly High and Low and the performance of the Company's share price vis-à-vis BSE Sensex and NSE Nifty is given below.

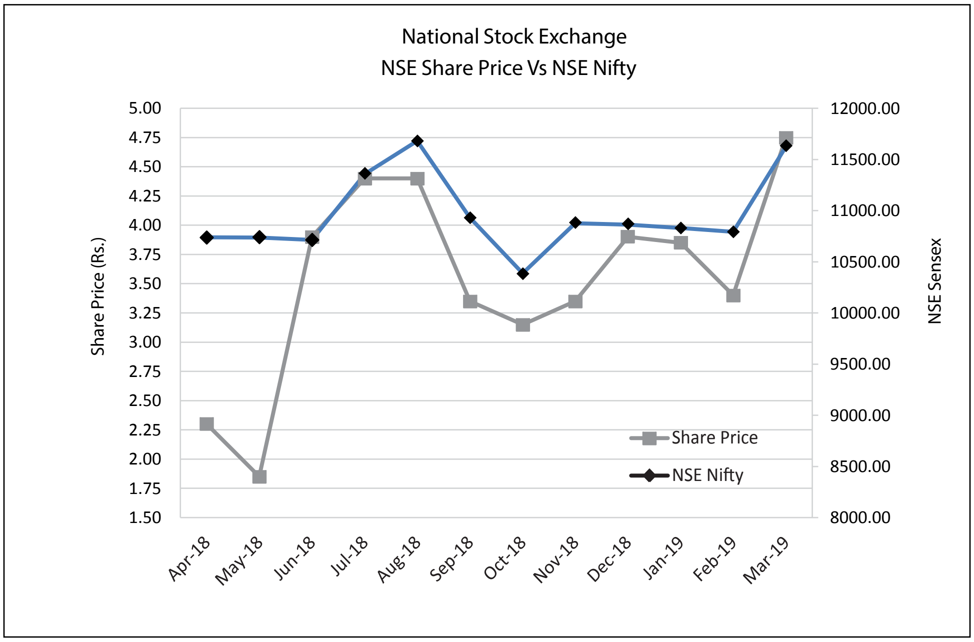
High, low and volumes of Company's shares for the period April 1, 2018 to March 31, 2019 at BSE and NSE

Month	BSE (in Rs. per share)			Monthly Volume (in No's)	NSE (in Rs. Per share)			Monthly Volume (in No's)
	High	Low	Close		High	Low	Close	
April-18	4.32	2.34	2.34	12448697	4.55	2.30	2.30	220816342
May-18	2.23	1.44	2.07	87278863	2.20	1.50	1.85	151114453
June-18	4.27	2.01	4.27	104932380	3.90	1.90	3.90	23239599
July-18	5.69	3.10	4.54	87268484	5.05	3.10	4.40	65251916
Aug-18	4.99	3.95	4.29	42126168	4.80	3.95	4.40	92439029
Sept-18	4.54	3.05	3.31	14599681	4.50	3.05	3.35	40406356
Oct -18	4.02	2.89	3.17	20707102	3.95	2.95	3.15	45257144
Nov-18	3.47	2.98	3.37	8492780	3.45	2.95	3.35	40578673
Dec- 18	4.01	3.42	3.92	13146211	3.95	3.40	3.90	48438360
Jan-19	4.31	3.55	3.86	12870221	4.25	3.55	3.85	5810056
Feb-19	4.00	3.11	3.39	7172215	4.00	3.10	3.40	43264834
March-19	5.91	3.38	4.45	28441378	6.65	3.40	4.75	103248232

Source: BSE & NSE Website.

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





Distribution of Shareholding as on March 31, 2019

Shareholding Class	No of shares held	% of total shares held	No of shareholders	% of total shareholders
Upto 500	24339329	1.77	116281	53.00
501 to 1,000	32343060	2.35	36285	16.54
1,001 to 2,000	38443357	2.79	23321	10.63
2,001 to 3,000	27419695	1.99	10317	4.70
3,001 to 4,000	19567885	1.42	5306	2.42
4,001 to 5,000	32946384	2.39	6779	3.09
5,001 to 10,000	80120479	5.82	10142	4.62
10,001 and above	1122137706	81.47	10972	5.00
TOTAL	1377317895	100.00	219403	100.00

Shareholding Pattern by ownership as on March 31, 2019.

CATEGORY	As on March 31, 2019	
	Total No. of Shares	Percentage (%)
A. Promoter's Holding		
Promoters		
Indian Promoters	137,124,864	9.96
Foreign Promoters	Nil	Nil
Persons acting in Concert	Nil	Nil
TOTAL (A)	**137,124,864**	**9.96**

CATEGORY	As on March 31, 2019	
	Total No. of Shares	**Percentage (%)**
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	53,283,254	3.87
c. FIIs	Nil	Nil
TOTAL (B1)	**53,283,454**	**3.87**
2. Others		
• Private Corporate Bodies	257,062,557	18.66
• Indian Public	812,978,995	59.03
• NRIs	21,786,808	1.58
• Foreign Portfolio Investors/HUF	84,032,153	6.10
• Clearing Members/Market Maker	11,006,414	0.80
• Trusts	42,650	0.00
TOTAL (B2)	**1,186,909,577**	**86.17**
TOTAL B (BI+B2)	**1,240,193,031**	**90.04**
GRAND TOTAL (A+B)	**1,377,317,895**	**100.00**

Registrar and Share Transfer Agent

The share management work, both physical and demat, is being handled by the Registrar and Share Transfer Agent of the Company, whose name and address is given below:

LINK INTIME INDIA PRIVATE LIMITED C 101, 247 Park, LBS Marg, Vikhroli (West) Mumbai-400083 Tel No.: 022 49186000; Fax No.: 022 49186060

Share Transfer System

The shares of the Company are compulsorily traded in dematerialized form. Shares received in physical form are transferred within a period of thirty days from the date of lodgement subject to documents being valid and complete in all respects.

Dematerialisation of Shares and Liquidity

As on March 31, 2019, over 99.82% shares of the Company were held in dematerialized form.

Pledge of Shares

As on March 31, 2019, 99.99% of the promoters' holding have been pledged with Banks and other lenders as part of loan conditions. This represents a sum total of 13,71,14,037 equity shares (9.96 % of the total equity of the Company).

Outstanding GDRs/ADRs/Warrants

The Company has not issued GDRs/ ADRs/Warrants during the period from April 1, 2018 to March 31, 2019 and there are no outstanding SDRs/ ADRs/ Warrants as on 31st March, 2019.

Details of Public Funding Obtained in the last three years

April 1, 2016 to March 31, 2017

There have been no public issues, rights issues or other public offerings during the year under review.

April 1, 2017 to March 31, 2018

There have been no public issues, rights issues or other public offerings during the year under review.

April 1, 2018 to March 31, 2019

There have been no public issues, rights issues or other public offerings during the year under review.

Details of public funding obtained during the last three years and its implication on paid up Equity Share Capital

Financial Year	Amount Raised through Public Funding	Effect on Paid up equity Share Capital
April 1 2016- March 31, 2017	NIL. There have been no public issues, rights issues or other public offerings during the year under review.	Nil
April 1 2017- March 31, 2018	NIL. There have been no public issues, rights issues or other public offerings during the year under review.	Nil
April 1 2018- March 31, 2019	NIL. There have been no public issues, rights issues or other public offerings during the year under review.	Nil

(9) DISCLOSURES:

a) The Chief Financial Officer has represented to the Monitoring Committee and the Monitoring Committee has taken on record that during the period, there are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. 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 Chief Financial Officer has represented to the Monitoring Committee and the Monitoring Committee has taken on record that the details of the transactions with Related Party are provided in the Company's financial statements are in accordance with the Accounting Standards.

Policy on transactions with related parties has been displayed on the Company's website www.alokind.com and the web link is as under:

http://alokind.com/Downloads/Policy%20on%20Related%20Party%20Transactions.pdf

b) 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 email dated December 27, 2016 and letters dated March 26, 2018 and June 17, 2019 in relation to delay in submission of quarterly financial results for the quarters ending September, 2015, September, 2017 and March, 2019 respectively and by BSE Limited vide email dated September 19, 2018 and letter 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.

c) The Company Secretary has represented to the Monitoring Committee and the Monitoring Committee 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 for 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.

d) In line with the requirements of the Regulation 17 (9) of the SEBI LODR Regulations the Key Managerial Personnel reviewed the Management's perception of the risks facing the Company and measures taken to minimize the same for the applicable period. 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. The company being under the insolvency resolution process, it has no limits available to enter into derivative contracts for mitigation of either of these two risks.

e) As the Company does not have any demat suspense account and/unclaimed suspense account, the disclosure in accordance with clause F(1) of Schedule V of the SEBI LODR Regulations, is not being made in the report.

f) The Management Discussion and Analysis Report forms a part of the Director's Report.

g) No presentations were made to institutional investors and analysts during the year.

h) None of the other Directors have any relationships inter-se, except Mr. Ashok B. Jiwrajka, Mr. Dilip B. Jiwrajka and Mr. Surendra B. Jiwrajka, who are brothers. The powers of the Board of Directors has been under suspension since commencement of the CIR process with effect from July 18, 2017 and continues upon its conclusion post approval of the resolution plan on March 8, 2019 under the provisions of the Approved Resolution Plan.

i) As required by Regulation 17 (8) of the SEBI LODR Regulations, the Managing Director and the Chief Financial Officer need to submit a Certificate to the Board in the prescribed format for the financial year ended 31st March, 2019. Pursuant to commencement of the CIR process of the Company, the powers of the Board stood suspended and were to be exercised by the interim resolution professional or resolution professional, as the case may be, in accordance with the provisions of the Code. Further, 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. This position continues pursuant to the approval of the Resolution Plan too as the powers of the Board of Directors continue to stand suspended in accordance with the provisions of the Approved Resolution Plan. The said Certificate has, however been submitted by the Chief Financial Officer and the same has been reviewed and taken on record by the Monitoring Committee.

(10) 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 but currently the Board of the Company is suspended and the management of the affairs of the Company is with the Monitoring Committee.

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) Separate post of Chairman and CEO

Separate persons have been appointed to the post of Chairman and Managing Director.

e) Reporting of Internal Auditor

The internal Auditors directly reports to the Audit Committee / CFO and to the Resolution Professional / Monitoring Committee in case any matter requires his / their attention.

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 and 209/4, Silvassa, Village Dadra, Union Territory of Dadra & Nagar Haveli
Knitting	■ 412, Saily, Silvassa, Union Territory of Dadra & Nagar Haveli
Processing	■ C-16/2, Village Pawnee, TTC Industrial Area, MIDC, Navi Mumbai, Dist. Thane ■ 261/ 268, 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.248/249, Village Vasona, Silvassa, Union Territory of Dadra & Nagar Haveli; ■ A-317,TTC Industrial Area, Mahape, Navi Mumbai, District Thane

Investor Correspondence Address

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

Peninsula Business Park,

Tower-B, 2nd & 3rd Floor

GK Marg, Lower Parel

Mumbai 400013

E-mail: gopal@alokind.com

Website: www.alokind.com.

K.H. GOPAL
Company Secretary

AUDITOR’S CERTIFICATE ON COMPLIANCE OF CONDITIONS ON CORPORATE GOVERNANCE

To

The Members of **ALOK INDUSTRIES LIMITED**

We have examined the compliance of conditions of Corporate Governance by Alok Industries Limited (“the Company’’), for the year ended on 31st March, 2019, as stipulated as per the relevant provisions of Securities and Exchange Board of India (“Listing Obligations and Disclosure Requirements”) Regulations, 2015.

Management’s Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditors’ Responsibility

Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in above mentioned Listing Regulations.

Other Matter

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 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 Approved Resolution Plan.

Pursuant to the Approved resolution Plan, a Monitoring Committee has been formed to manage the affairs of the Company and to maintain the Company as a going concern.

Further, in terms of SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2018, a company undergoing CIR 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.

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

For **SHAH GUPTA & CO.**
Chartered Accountants
Firm Registration No. 109574W

D. V. Ballal
Partner
M. No. 13107
Mumbai, 14th August, 2019

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

Devdas Bhat
Partner
M. No. 48094
Mumbai, 14th August, 2019

CERTIFICATION BY 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, I, hereby certify that:

a) I have reviewed financial statements and the cash flow statement for the year ended 31st March, 2019 and that to the best of my 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 my knowledge and belief, no transactions entered into by the company during the year ended 31st March, 2019 which are fraudulent, illegal or violative of the company's code of conduct.

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

d) I have indicated to the Auditors / Resolution Professional / 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 I 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.

e) I affirm that I have not denied any personnel access to the Resolution Professional / Monitoring Committee in respect of matter involving alleged misconduct.

Sunil O. Khandelwal

Chief Financial Officer

Mumbai, 14th June, 2019

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.

I confirm that the Company has in respect of the financial year ended 31st March 2019 received from the Members of the Board and senior management team a declaration of compliance with the Code of Conduct as applicable to them.

K. H. Gopal

Company Secretary

Mumbai, 14th June, 2019

INDEPENDENT AUDITORS' REPORT

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, 2019, 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 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, 2019 and its profits, 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 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. 56 of the standalone Ind AS 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 standalone Ind AS financial statements is not ascertainable.The audit report on the standalone Ind AS financial statement for the year ended 31st March, 2018 was also qualified in respect of this matter.
2. As mentioned in note no. 41 of the standalone Ind AS financial statements, the Company continued to recognize deferred tax assets upto March 31, 2017, Rs. 1423.11 crore. Pending implementation of Approved Resolution Plan and absence of probable 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 Ind AS financial statement for the year ended 31st March, 2018 was also qualified in respect of this matter.
3. As mentioned in the note no. 42 of the standalone Ind AS 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 relating to loan given to Alok Infrastructure Limited in the books of the company is not ascertainable.

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.

Material Uncertainty Related to Going Concern

As mentioned in note no. 36 of the standalone Ind AS financial statements, the Company recorded a total comprehensive Income of Rs. 2,283.8 crore during the year ended March 31, 2019 and, as of that date; the Company's current liabilities exceeded its total assets by Rs. 12,922.18 crore. A material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern in the event the Approved Resolution Plan is not implemented.

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. 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. 1(d) and note 39. 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.	**<u>Principal Audit Procedures:</u>** We used our expertise to gain an understanding of the current status of the cases and tracked 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, general counsel and tax teams; • assessing the 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 satisfied ourselves that the level of provisioning at March 31, 2019 is appropriate. We validated the completeness and appropriateness of the related disclosures through assessing that the disclosure of the uncertainties in note 39 & 46 of the financial statements was sufficient.
2.	**Change in method of inventory valuation from FIFO basis to Weighted Average basis: -** Refer note. 1(k), and note 38 There is a high level of judgment required in an assessment of the methodology and the appropriateness of the valuation policy and inputs used by the management to value Inventory.	**<u>Principal Audit Procedures:</u>** Our audit procedures included, among other things, an assessment of the methodology and the appropriateness of the valuation models and inputs used by management to value inventory. As part of these audit procedures we assessed the accuracy of key inputs used in the valuation and appropriate disclosure were made as per the Ind AS requirement. Based on these procedures we have not noted any material differences. We have assessed the appropriateness of the related disclosures in notes 38 of the Company's financial statements, and considered them to be reasonable.
3.	**Implementation of Hon' ble NCLT orders under IBC code and Resolution Plan related impacts: -** Refer note no. 33, 34, and 35 of the standalone Ind AS financial statements.	**<u>Principal Audit Procedures:</u>** We used our expertise to gain an understanding of the NCLT orders under IBC code, Resolution Plan and its related implication by reference to relevant records made available by the Company. The implementation of Hon' ble NCLT orders under IBC code and Resolution Plan and recording in books had been appropriately made to reflect all the direct or incidental impact that could be given effect upto March 31, 2019.

Sr. No.	Key Audit Matter	Auditor's Response
	During the year the Company has been subject to various challenges on matters relating to the IBC, including Implementation of NCLT order under IBC code and Resolution Plan related impacts. The transactions are complex and there are areas of uncertainty relating to the manner in which the law/regulation will apply and transaction will be recorded in books along with other compliances. This requires high level of judgment in an assessment of above matters.	• We evaluated the design and implementation of controls in respect of identifying uncertain positions and scheme of entries relating to the transaction, which we found to be satisfactory for the purposes of our audit. We also evaluated the related accounting policy for provisioning for tax exposures and found it to be appropriate; • We went through correspondence received by the Company from Hon' ble NCLT, updating our evidence for audit; • discussed with management the advice and action they had taken with regards to the transaction and reviewed any associated documents; and • discussed certain aspects of the matter directly with the Companies legal and compliance team/advisers. We concluded that the position adopted in the financial statements was reasonable based on the work we performed; • We have assessed the appropriateness of the related disclosures in notes of the Company's financial statements, and considered them to be reasonable.

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 Board's Report, and Report on Corporate Governance 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 necessary as per 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.

Those 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.

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) 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.

(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 and Material Uncertainty Related to Going Concern 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, 2019 and taken on record by the Monitoring Committee, none of the directors are disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act. Further as explained in the note no. 55 of Ind AS financial statements none of the directors retiring by rotation at the ensuing Annual General Meeting of the Company render themselves ineligible for reappointment in terms of Section 164(2) of the Act, except for the terms mentioned in Approved Resolution Plan, if implemented.

(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". Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph 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 remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director by the Company and joint operations is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

(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. 39 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, 2019 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.**	For **NBS & Co.**
Chartered Accountants	Chartered Accountants
Firm Registration No.: 109574W	Firm Registration No. 110100W
D. V. Ballal	**Devdas V. Bhat**
Partner	Partner
M. No. 13107	M. No. 048094
Place : Mumbai	Place : Mumbai
Date : June 14, 2019	Date : June 14, 2019

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

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 asset 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 explanation given to us, the terms and conditions on which loan have been granted to wholly owned subsidiaries covered under Section 189 of the Act is not, prima facie, prejudicial to the interest of the Company.

b. As per the information and explanation given to us, the loans given by the Company do not carry any interest. The loans given were not with any repayment schedule and are repayable on demand and as informed by the Management no amount was demanded during the year.

c. There are no overdue amounts of more than 90 days in respect of loans granted to the parties listed in the register maintained under Section 189 of the Act.

iv. In our opinion and according to information and explanations given to us, the Company has not granted any additional loan during the year or invested during the year or provided guarantees and securities during the year. Accordingly, the provision of Clause 3(v) of the Order is not applicable to the Company.

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 accounts 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, the Company, has generally been regular in depositing undisputed statutory dues including provident fund, Income-Tax, Cess, Goods and Service Tax and other material statutory dues applicable to it to the appropriate authorities.

b. According to the information and explanations given to us the undisputed amounts payable in respect of Income-tax, and other statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable are as under:

Name of the Statute	Nature of Dues	Amount Involved (Rs. in Crores)	Period to which the amount Relates	Due Date
Income Tax Act, 1961	Corporate Dividend Tax and interest	2.46	A.Y. 2014-15	January 10, 2014
	Withholding tax	0.51	A.Y. 2016-17	Various dates upto March 31, 2016

c. According to the records of the Company, 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 as on March 31, 2019 on account of disputes, other than as follows:

Name of the Statute	Nature of Dues	Amount (Rs. in Crores)	Relevant Period	Forum where dispute is pending
Income Tax Act, 1961	Tax demands	0.10	A.Y. 2008-09	Commissioner of
Income Tax Act, 1961	Tax and Interest	336.99	A.Y. 2014-15	ITAT, Mumbai
Income Tax Act, 1961	Tax and Interest	199.58	A.Y. 2015-16	Commissioner of
Income Tax Act, 1961	Withholding tax	0.02	A.Y. 2015-16	Deputy Commissioner of Income Tax (TDS)
Works Contract Tax Act, 1986	Works Contract Tax	0.59	F.Y. 2004-05	Deputy Commissioner of Sales Tax
Central Sales Tax Act, 1956	Central Sales Tax	0.26	F.Y. 2008-09	Maharashtra Sales Tax Tribunal
Central Sales Tax Act, 1956	Central Sales Tax	0.58	F.Y. 2013.14	Joint Commissioner of Sales Tax
Maharashtra Value Added Tax Act, 2002	Value Added Tax	1.31	F.Y. 2014-15	Deputy Commissioner of Sales Tax(Appeal)
Central Sales Tax Act, 1956	Central Sales Tax	0.01	F.Y. 2014-15	Deputy Commissioner of Sales Tax(Appeal)

vii. In our opinion and according to the information and explanations given to us, the Company has defaulted in the repayment of dues to banks, financial institutions and debenture holders. The Company has not taken loan or borrowings from Government.

(a) The details of Continuous defaults in repayment of Principal and interest thereon at the end of the year to Banks are as under:

(Rs. in Crore)

Name of the Lender	P / I	Period of Delay Upto 30 days	Period of Delay 31 days to 1 year	Period of Delay More than 1 year	Period of Delay Total
Afrasia Bank	P	0.00	0.00	41.81	41.81
	I	0.00	0.00	4.82	4.82
Allahabad Bank	P	0.06	0.00	25.33	25.39
	I	0.00	0.00	19.45	19.45
Andhra Bank	P	8.22	31.96	89.11	129.30
	I	0.00	0.00	191.96	191.96

(Rs. in Crore)

Name of the Lender	P / I	Period of Delay Upto 30 days	Period of Delay 31 days to 1 year	Period of Delay More than 1 year	Period of Delay Total
Axis Bank Ltd.	P	82.38	168.46	619.17	870.01
	I	0.00	0.00	154.76	154.76
Bank of Bahrain and Kuwait	P	4.76	0.00	0.00	4.76
	I	0.00	0.00	3.13	3.13
Bank of Baroda	P	15.44	62.30	97.45	175.19
	I	0.00	0.00	196.64	196.64
Bank of Maharashtra	P	3.78	15.77	28.65	48.20
	I	0.00	0.00	56.28	56.28
Barclays Bank	P	0.00	9.91	37.00	46.91
	I	0.00	0.00	10.75	10.75
Canara Bank	P	20.29	89.96	309.89	420.15
	I	0.00	0.00	173.09	173.09
Corporation Bank	P	2.75	32.57	72.35	107.67
	I	0.00	0.00	91.99	91.99
Deutsche Bank	P	7.39	27.13	137.43	171.94
	I	0.00	0.00	9.77	9.77
Dombivli Nagari Sahakari Bank Limited	P	1.12	4.38	9.36	14.85
	I	0.00	0.00	3.54	3.54
IDBI Bank Ltd.	P	27.67	107.63	173.90	309.20
	I	0.00	0.00	174.99	174.99
Indian Bank	P	0.00	21.88	26.63	48.51
	I	0.00	0.00	67.02	67.02
Indian Overseas Bank	P	0.18	21.30	42.58	64.05
	I	0.00	0.00	63.79	63.79
ING Vysya Bank	P	0.13	0.50	0.87	1.50
	I	0.00	0.00	30.29	30.29
Landesbank Baden Wurttemberg	P	0.00	0.00	28.77	28.77
	I	0.00	0.00	1.24	1.24
Noor Bank	P	0.00	0.00	34.48	34.48
	I	0.00	0.00	2.19	2.19
Oriental Bank of Commerce	P	12.03	39.18	113.65	164.87
	I	0.00	0.00	139.74	139.74
Punjab National Bank	P	1.38	48.71	33.94	84.02
	I	0.00	0.00	73.56	73.56
Saraswat Co-Operative Bank Ltd.	P	0.00	0.00	28.75	28.75
	I	0.00	0.00	9.59	9.59
SBM Bank (Mauritius) Ltd.	P	0.00	0.00	43.59	43.59
	I	0.00	0.00	9.74	9.74
State Bank of India	P	33.25	443.80	466.20	943.26
	I	0.00	0.00	2094.86	2094.86
Syndicate Bank	P	0.28	59.93	172.36	232.56
	I	0.00	0.00	106.50	106.50
UCO BANK	P	0.00	0.00	172.92	172.92
	I	0.00	0.00	38.41	38.41
Union Bank of India	P	28.34	73.42	75.13	176.89
	I	0.00	0.00	135.32	135.32

(Rs. in Crore)

Name of the Lender	P / I	Period of Delay Upto 30 days	Period of Delay 31 days to 1 year	Period of Delay More than 1 year	Period of Delay Total
United Bank of India	P	21.50	159.71	154.28	335.49
	I	0.00	0.00	124.79	124.79
Vijaya Bank	P	0.00	0.03	3.16	3.19
	I	0.00	0.00	76.38	76.38
VTB Capital Ltd.	P	0.00	0.00	353.32	353.32
	I	0.00	0.00	40.62	40.62

Notes :
P : Principal
I : Interest

(b) Continuous defaults in repayment of Principal and interest thereon at the end of the year to Financial Institutions are as under:

Name of the Lender	P / I	Period of Delay			
		Upto 30 days	31 days to 1 year	More than 1 year	Total
		Rs.	Rs.	Rs.	Rs.
Life Insurance Corporation of India	P	0.00	69.09	26.56	95.65
	I	0.00	0.00	142.14	142.14
EXIM Bank	P	0.76	5.09	340.34	346.19
	I	0.00	0.00	127.95	127.95
ECL Finance Limited	P	0.00	109.96	0.00	109.96
	I	0.00	0.00	11.48	11.48
IFCI Limited	P	0.47	56.28	256.28	313.04
	I	0.00	0.00	168.20	168.20
ATHOS Asia Event Driven Master Fund	P	0.00	0.00	147.96	147.96
	I	0.00	0.00	21.39	21.39
SICOM Ltd.	P	0.00	0.00	70.50	70.50
	I	0.00	0.00	8.94	8.94

(c) Continuous defaults in repayment of Principal and interest thereon at the end of the year to Debenture Holders are as under:

Name of the Lender	P / I	Period of Delay			
		Upto 30 days	31 days to 1 year	More than 1 year	Total
		Rs.	Rs.	Rs.	Rs.
Life Insurance Corporation of India	P	37.50	75.00	112.50	225.00
	I	0.00	0.00	129.79	129.79
Assets Care & Reconstruction Enterprise Ltd.	P	0.00	33.34	66.66	100.00
	I	0.00	0.00	30.29	30.29
Axis Bank Limited	P	0.00	0.00	55.50	55.50
	I	0.00	0.00	11.95	11.95
IFCI Limited	P	0.00	0.00	73.00	73.00
	I	0.00	0.00	35.83	35.83

Notes :

P : Principal - The Approved Resolution Plan for the Company is currently under implementation and the maturity of financial obligations would be crystallised once the resolution plan is implemented. Hence due to non-availability of data of repayments schedule of borrowings, defaults in repayment of borrowings classified based on normal circumstances.

I : Interest - Since the Resolution Plan for the Company has now been approved by the Adjudicating Authority, accrual of interest on the borrowings is restricted to insolvency commencement date (i.e. 18 July 2017). Accordingly, all the interest liability is overdue for more than 1 year.

viii. 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 by way of term loans by the Company during the year 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.

ix. 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.

x. According to the information and explanations given to us and based on our examination of the records, we report that the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xi. 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.

xii. According to the information and explanations given to us and based on our examinations of the records of the Company, as the company is under CIRP the power of the Board and Audit Committee are suspended and hence the compliance with sections 177 and 188 of the Act are not capable of being implemented. Transactions with related parties post April 1, 2018 till March 8, 2018 were approved by RP and posts March 8, 2018 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.

xiii. According to the information and explanations give to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xiv. 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.

xv. 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

D. V. Ballal
Partner
M. No. 13107
Place : Mumbai
Date : June 14, 2019

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

Devdas V. Bhat
Partner
M. No. 048094
Place : Mumbai
Date : June 14, 2019

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF ALOK INDUSTRIES LIMITED

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF ALOK INDUSTRIES LIMITED

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

We have audited the internal financial controls over financial reporting of **ALOK INDUSTRIES LIMITED** ("the Company") as of March 31, 2019 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.

Basis for Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weakness has been identified as at March 31, 2019:

1. The Company's internal financial controls over obtaining certain bank balance confirmations were not operating effectively, which could potentially result in affecting the expenses such as bank charges etc and resultant bank balances in the books of the Company.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

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 matters described in the Basis for Qualified Opinion paragraph above, 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, 2019, 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

D. V. Ballal
Partner
M. No. 13107
Place : Mumbai
Date : June 14, 2019

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

Devdas V. Bhat
Partner
M. No. 048094
Place : Mumbai
Date : June 14, 2019

STANDALONE BALANCE SHEET AS AT 31 MARCH 2019

(Rs. in Crore)

Particulars	Note No.	As At 31 March 2019	As At 31 March 2018
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	2	14,626.54	15,125.29
(b) Investment Property	3	7.83	8.07
(c) Other Intangible assets	4	0.84	1.03
(d) Financial Assets			
(i) Investments	5	92.43	92.43
(ii) Loans	6	874.88	942.32
(iii) Other financial assets	12(a)	107.05	149.91
(e) Deferred tax assets (net)	7(b)	1,423.11	1,423.11
(f) Current tax assets (net)	14	40.10	36.08
(g) Other non-current assets	8	37.67	38.38
		17,210.45	**17,816.62**
(2) Current Assets			
(a) Inventories	9	325.56	360.24
(b) Financial assets			
(i) Trade receivables	10	165.57	207.36
(ii) Cash and cash equivalents	11	14.93	31.49
(iii) Bank balances other than (ii) above	12(b)	9.90	12.17
(iv) Loans	6	-	-
(v) Others	13	2.85	2.64
(c) Other current assets	8	170.61	148.94
		689.41	**762.84**
TOTAL ASSETS		**17,899.86**	**18,579.46**
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	15	1,368.64	1,368.64
(b) Other equity	16	(14,290.82)	(16,567.71)
		(12,922.18)	**(15,199.07)**
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	5,870.72	7,123.22
(b) Provisions	18	40.65	35.68
(c) Current tax Liabilities (net)	23	121.53	121.53
		6,032.90	**7,280.43**
(2) Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	19	16,947.85	17,145.70
(ii) Trade payables	20		
- Dues to micro, small and medium enterprises		102.62	11.91
- Dues to Others		660.39	774.34
(iii) Other financial liabilities	21	6,779.08	8,214.89
(b) Other current liabilities	22	295.59	345.69
(c) Provisions	18	3.61	5.58
		24,789.13	**26,498.11**
TOTAL EQUITY AND LIABILITIES		**17,899.86**	**18,579.46**
Significant accounting policies	1		
The accompanying notes are an integral part of the Standalone financial statements	2-59		

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: 14 June 2019

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: 14 June 2019

ALOK INDUSTRIES LIMITED

STATEMENT OF STANDALONE PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2019

(Rs. in Crore)

Particulars			Note No.	Year ended 31 March 2019	Year ended 31 March 2018
I.	**Revenue from Operations**		24	3,128.76	5,381.95
II.	**Other Income**		25	124.32	105.68
III.	**Total Income (I+II)**			**3,253.08**	**5,487.63**
IV.	**Expenses :**				
	(i)	Cost of Materials consumed	26	2,105.77	5,189.13
	(ii)	Changes in Inventories of finished goods, Stock-in-Trade and work-in-process	27	45.51	(26.21)
	(iii)	Excise Duty on sale of goods	44	-	48.33
	(iv)	Employee Benefits Expense	28	252.95	275.68
	(v)	Finance costs	29	4,158.00	4,682.87
	(vi)	Depreciation and Amortisation expense	30	533.17	527.80
	(vii)	Other Expenses	31	921.64	12,996.17
	Total Expenses (IV)			**8,017.05**	**23,693.78**
V	**Profit / (Loss) Before Tax And Exceptional Items (III - IV)**			(4,763.97)	(18,206.15)
VI	**Exceptional Items**		32	7,045.19	-
VII	**Profit / (Loss) Before Tax (V - VI)**			**2,281.22**	**(18,206.15)**
VIII	**Tax Expense**				
	(1)	Current Tax		-	15.85
	(2)	Deferred Tax		(0.91)	(4.66)
	Total Tax Expenses			**(0.91)**	**11.19**
IX	**Profit / (Loss) From Continuing Operations (VII -VIII)**			**2,282.13**	**(18,217.34)**
X	**Other Comprehensive Income**		**48**		
	(i)	Items that will not be subsequently reclassified to profit or loss			
		(a) Remeasurements gains /(losses) on defined benefit plans		2.60	13.46
		(b) Income tax on (a) above		(0.91)	(4.66)
	Total Other Comprehensive Income for the year (net of tax)			**1.69**	**8.80**
XI	**Total Comprehensive Income For The Year (IX + X)**			**2,283.82**	**(18,208.54)**
XII	**Earnings per equity share (for continuing operation):**				
	(Face value of Rs. 10 each)				
	(1)	Basic	47	16.67	(134.15)
	(2)	Diluted	47	16.67	(134.15)
	Significant accounting policies		1		
	The accompanying notes are an integral part of the Standalone financial statements		2-59		

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: 14 June 2019

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: 14 June 2019

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

A) EQUITY SHARE CAPITAL

(Rs. in Crore)

Particulars	As At 31 March 2019	As At 31 March 2018
Balance at the beginning of the reporting year	1,368.64	1,357.87
Changes in Equity Share Capital during the year	-	10.77
Balance at the end of the reporting year	**1,368.64**	**1,368.64**

B) OTHER EQUITY

(Rs. in Crore)

	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, 2017	11.72	9.10	993.65	280.62	81.97	(2.09)	262.90	1,637.87
Addition/Reduction during the Year								
Loss for the Year							(18,217.34)	(18,217.34)
Effect of change in method of inventory valuation from FIFO to weighted average							3.19	3.19
Addition during the year FCMITR						(0.78)		(0.78)
Amortisation for the year FCMITR						0.55		0.55
Other Comprehensive Income								-
- Remeasurements gains on defined benefit plans (net of tax)							8.80	8.80
Balance as at 31st March, 2018	11.72	9.10	993.65	280.62	81.97	(2.32)	(17,942.46)	(16,567.71)
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 31st March, 2019	11.72	9.10	993.65	280.62	81.97	(9.34)	(15,658.54)	(14,290.82)

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: 14 June 2019

For NBS & Co.
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Taken on record
Ajay Joshi
(On behalf of the Monitoring Committee)

Place: Mumbai
Date: 14 June 2019

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2019

(Rs. in Crore)

Particulars		Year ended 31 March 2019	Year ended 31 March 2018
A]	**Cash Flow from Operating Activities**		
	Profit/(loss) Before Tax	2,281.22	(18,206.15)
	Adjustments for:		
	Depreciation / amortisation	533.17	527.80
	Exchange rate difference (net)	67.13	(7.88)
	Dividend income	(0.65)	(1.98)
	Diminution in value of investment	-	27.10
	Interest expense	4,158.00	4,682.87
	Interest income	(6.05)	(138.18)
	Commission Received	-	(2.08)
	Other Comprehensive Income	2.60	13.46
	Loss / (Gain) on sale of fixed assets (net)	0.01	(57.32)
	Provision for Gratuity & leave encashment	2.99	(3.69)
	Impairment of Fixed Assets	-	31.56
	Provision for doubtful debts and advances	28.82	11,626.67
	Bad debts written off (net)	-	585.51
	Sundry credit balance written back	(117.30)	(19.29)
	Custom duty & Interest payable on non fulfilment of export obligation	54.37	-
	Loss on sale of Investment	-	3.42
	Exceptional Items (reversal of Interest)	(7,045.19)	-
	Operating profit/(Loss) before working capital changes	**(40.88)**	**(938.18)**
	Adjustments for		
	Decrease/(Increase) in Inventories	34.68	2,853.55
	Decrease / (Increase) in Trade Receivable	103.90	(1,822.45)
	Decrease/(Increase) in Loans and Advances	16.21	21.53
	(Decrease)/Increase in Liabilities and Provisions	(70.48)	(239.92)
	Cash (used in) / generated from operations	**43.43**	**(125.48)**
	Income taxes paid (net)	(4.02)	(2.84)
	Net cash (used in) / generated from operating activities	**39.41**	**(128.32)**
B]	**Cash flow from Investing Activities**		
	Purchase of fixed assets including capital advances	0.08	(7.15)
	Sale of fixed assets	0.03	78.80
	Sale of non-current investments	-	7.35
	Earmarked Fixed deposit (placed) / matured (net) (Refer note 2 below)	45.14	105.51
	Dividends received	0.65	1.98
	Interest received	6.05	7.56
	Net cash generated / (used in) investing activities	**51.95**	**194.05**

(Rs. in Crore)

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
C] Cash flow from Financing Activities		
Repayment of term borrowings	(0.18)	(1.17)
Proceeds from short term borrowings (net)	(12.30)	388.97
Interest paid	(95.28)	(494.58)
Net cash generated from / (used in) financing activities	**(107.76)**	**(106.78)**
Net (Decrease)/Increase in Cash and Cash equivalents (A+B+C)	**(16.40)**	(41.05)
Cash and Cash equivalents at the beginning of the year	**31.55**	72.61
Cash and Cash equivalents at the end of the year (refer note 2 below)	**15.15**	**31.55**

NOTES TO CASH FLOW STATEMENT

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: 14 June 2019

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: 14 June 2019

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.

(Rs. in Crore)

2

Cash and Cash equivalents includes :	31 March 2019	31 March 2018
Cash on hand	0.11	0.08
Balance with banks in current accounts	14.82	31.41
Other bank balances	9.90	12.17
	24.83	**43.66**
Add: Other Bank balances held in Deposit / Margin account with Bank (refer note 12)	107.05	149.91
Less : Earmarked balances / deposits with bank	(116.95)	(162.08)
Add : Exchange Difference	0.22	0.07
Total Cash and Cash equivalents	**15.15**	**31.56**

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.

(Rs. in Crore)

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	7,123.22	(0.18)	-	67.77	-	-	(1,320.09)	5,870.72
Borrowings - current	17,145.70	(12.30)	(2,211.74)	33.62	-	-	1,992.57	16,947.85
Other financial liabilities	1,951.73	-	-	-	-	-	(672.49)	1,279.24

(Rs. in Crore)

Particulars	as at 31 March 2018	Cash Flows	Non Cash changes					as at 31 March 2017
			Interest	Foreign exchange movement	Guarantee Invocation	Others	Current / non-current classificaiton	
Borrowings - Non current	8,956.14	(1.17)	-	39.40	-	-	(1,871.14)	7,123.22
Borrowings - current	13,390.32	388.98	1,514.98	13.76	113.59	10.85	1,713.21	17,145.70
Other financial liabilities	1,793.81	-	-	-	-	-	157.92	1,951.73

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

CORPORATE INFORMATION

Alok Industries Limited ("The Company") is a public limited company, domiciled in India and incorporated under the provisions of the Companies Act, 1956. The equity shares of the Company are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). It is primarily engaged in the business of textile manufacturing including mending and packing activities.

The Company was admitted under NCLT process on 18 July 2017 and Mr. Ajay Joshi has been appointed as Resolution Professional (RP) to manage the operations in terms of the IBC, 2016. Upon admission of the insolvency petition, the powers of the Board of Directors of the Company stand suspended. Post approval of the plan by NCLT and based on the order of NCLT, Monitoring Committee was formed to monitor the operations of the company till new management takes over.

The financial statements were certified by Chief Financial Officer and Company Secretary and taken on record by the Monitoring Committee at meeting held on 14 June 2019.

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

i) Ind AS 116 Leases : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application. Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

- Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or
- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application. Certain practical expedients are available under both the methods.

The Company is currently evaluating the method and impact of transaction.

ii) Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments: On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition –

a) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and

b) ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019.

The Company is currently evaluating the method and impact of transaction.

Amendment to Ind AS 12 – Income taxes : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the method and impact of transaction.

iii) Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after April 1, 2019.

The Company is currently evaluating the method and impact of transaction.

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 sales tax, value added tax, etc.

Revenue includes excise duty as it is paid on production and is a liability of the manufacturer. 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 determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee:

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the company is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, unless the payments are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increase.

Company as a lessor:

Leases in which the company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases or another systematic basis is available. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the company's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

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.

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.

2 PROPERTY, PLANT & EQUIPMENT

Rs.in Crores

DESCRIPTION OF ASSETS	Gross carrying value				Depreciation/Amortisation				Net carrying value	
	as at 1 April 2018	Additions	Deductions	as at 31 Mar 2019	as at 1 April 2018	FOR THE YEAR	ADJUSTMENTS ON SALE / TRF	as at 31 Mar 2019	as at 31 Mar 2019	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	11.24	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	**17,132.01**	**34.04**	**0.16**	**17,165.89**	**2,006.71**	**532.73**	**0.11**	**2,539.35**	**14,626.54**	**15,125.29**

DESCRIPTION OF ASSETS	Gross carrying value				Depreciation/Amortisation				Net carrying value	
	as at 1 April 2017	Additions	Deductions	as at 31 Mar 2018	as at 1 April 2017	FOR THE YEAR	ADJUSTMENTS ON SALE / TRF	as at 31 Mar 2018	as at 31 Mar 2018	as at 31 Mar 2017
Land										
- Freehold	4,623.97	2.34	-	4,626.30	-	-	-	-	4,626.30	4,623.97
- Leasehold	35.96	-	-	35.96	0.87	0.45	-	1.32	34.64	35.09
Building	3,195.40	-	10.13	3,185.27	156.68	78.90	0.62	234.96	2,950.31	3,038.72
Plant and Equipment (refer note 1 below)	9,143.92	49.25	42.49	9,150.69	1,296.74	428.76	20.75	1,704.75	7,445.94	7,847.18
Furniture and Fixtures	53.98	0.09	0.51	53.56	26.74	9.72	0.50	35.96	17.59	27.25
Vehicles	12.35	0.34	1.27	11.42	5.69	2.59	0.70	7.57	3.85	6.66
Office Equipment	7.53	0.05	0.22	7.35	6.27	0.57	0.13	6.70	0.65	1.26
Office Premises	6.36	-	3.53	2.83	0.27	0.09	0.24	0.12	2.71	6.09
Computer and Peripherals	4.72	0.10	0.54	4.28	3.54	0.61	0.52	3.66	0.62	1.18
Tools and Equipment	54.52	0.35	0.52	54.35	8.66	3.16	0.15	11.67	42.68	45.86
Total	**17,138.69**	**52.51**	**59.20**	**17,132.01**	**1,505.45**	**524.85**	**23.61**	**2,006.71**	**15,125.29**	**15,633.25**

NOTE :

1. Plant and Equipments includes : Exchange difference (net) of Rs. 33.41 Crore (Previous year Rs. 48.71 Crore) on restatement of long term borrowings payable in foreign currency.
2. Certain 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. 40

3 INVESTMENT PROPERTY

Rs.in Crores

DESCRIPTION OF ASSETS	Gross carrying value				Depreciation/Amortisation				Net carrying value	
	as at 1 April 2018	Additions	Deductions	as at 31 Mar 2019	as at 1 April 2018	FOR THE YEAR	ADJUSTMENTS ON SALE / TRF	as at 31 Mar 2019	as at 31 Mar 2019	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**

DESCRIPTION OF ASSETS	Gross carrying value				Depreciation/Amortisation				Net carrying value	
	as at 1 April 2017	Additions	Deductions	as at 31 Mar 2018	as at 1 April 2017	FOR THE YEAR	ADJUSTMENTS ON SALE / TRF	as at 31 Mar 2018	as at 31 Mar 2018	as at 31 Mar 2017
Factory Building	8.73	-	-	8.73	0.48	0.18	-	0.66	8.07	8.25
Office Premises	17.38	-	17.38	-	0.67	0.25	0.92	-	-	16.71
Total	**26.11**	**-**	**17.38**	**8.73**	**1.15**	**0.43**	**0.92**	**0.66**	**8.07**	**24.96**

Note : Information regarding Income and expenditure of Investment property

Particulars	31 March 2019	31 March 2018
Rental income derived from Investment properties (See Note 25)	0.31	1.37
Less: Direct operating expenses (including repairs and maintenance) generating rental income	0.06	0.27
Profit arising from investment properties before depreciation	0.25	1.10
Less: Depreciation	0.24	0.43
Profit arising from investment properties	**0.01**	**0.67**

Note:

(a) The Company's investment property consists of a residential and commercial properties in India

(b) The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

4 INTANGIBLE ASSETS

Rs.in Crores

DESCRIPTION OF ASSETS	Gross carrying value				Depreciation/Amortisation				Net carrying value	
	as at 1 April 2018	Additions	Deductions	as at 31 Mar 2019	as at 1 April 2019	FOR THE YEAR	ADJUSTMENTS ON SALE / TRF	as at 31 Mar 2019	as at 31 Mar 2019	as at 31 Mar 2018
Trademarks / Brands	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	0.41
Total	**14.00**	**-**	**-**	**14.00**	**12.96**	**0.20**	**-**	**13.16**	**0.84**	**1.03**

DESCRIPTION OF ASSETS	Gross carrying value				Depreciation/Amortisation				Net carrying value	
	as at 1 April 2017	Additions	Deductions	as at 31 Mar 2018	as at 1 April 2017	Addition	Deduction	as at 31 Mar 2018	as at 31 Mar 2018	as at 31 Mar 2017
Trademarks / Brands	12.39	-	-	12.39	9.64	2.13	-	11.77	0.62	2.75
Computer Software	1.61	-	-	1.61	0.80	0.39	-	1.19	0.41	0.81
Total	**14.00**	**-**	**-**	**14.00**	**10.44**	**2.52**	**-**	**12.96**	**1.03**	**3.56**

5 INVESTMENTS

(Rs. in Crore)

	Particulars	No. of shares of face value of Rs.10 each fully paid-up unless otherwise specified	as at 31 March 2019		as at 31 March 2018	
	Non-current					
a)	**Investment in Equity shares**					
	In Subsidiary Companies - measured at cost					
I)	Alok International Inc. (Rs. 43,225/-) (Face value of USD 1 each)	1,000	0.00		0.00	
ii)	Alok Infrastructure Limited (Face value of Rs. 10 each) (Pledged against finance availed by Alok Infrastructure Limited)	50,000	0.05		0.05	
iii)	Alok Singapore Pte. Ltd. (Rs. 49/-) (Face value of USD 1 each) (Pledged against finance availed by Alok Singapore Pte. Ltd.)	1	0.00		0.00	
iv)	Alok International (Middle East) FZE (Face value of UAE Dirhams One Million) (Pledged against finance availed by Alok International (Middle East) FZE)	1	1.31		1.31	
v)	Alok Worldwide Limited (Rs. 6,252/-) (Face value of USD 1 each)	100	0.00		0.00	
vi)	Alok Global Trading (Middle East) FZE (Rs. 16,985/-) (Face value of UAE Dirhams 1000)	1	-		0.00	
	Less : Provision for diminution in value of investment		(1.36)		(1.37)	
vii)	Grabal Alok (UK) Limited		45.27		45.27	
	Less : Provision for diminution in value of investment		(45.27)	-	(45.27)	-
				-		1.37
	In Joint Venture (unquoted measured at cost)					
i)	Aurangabad Textiles & Apparel Parks Limited	1,019,200	17.25		17.25	
ii)	New City Of Bombay Mfg. Mills Limited	4,493,300	75.13		75.13	
				92.38		92.38
	Others (unquoted measured at cost)					
i)	Triumphant Victory Holdings Limited (Rs. 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 Rs.50 each)	10,000	0.05		0.05	
iii)	New India Co-op Bank Ltd. (face value of Rs 10 each)	300	0.00		-	
iv)	Saraswat Bank Limited (Rs. 25,000/-)	2,500	0.00		0.00	
	(Pledged against finance availed by company)					
v)	Wel-Treat Environ Management Organisation (Rs. 36,500/-)	3,650	0.00		0.00	
				0.05		0.05

(Rs. in Crore)

Particulars	No. of shares of face value of Rs.10 each fully paid-up unless otherwise specified	as at 31 March 2019		as at 31 March 2018	
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	177.72		167.90	
Less : Provision for diminution in value of investment (refer note no. 45(A)(II))		(177.72)	-	(167.90)	-
Total			**92.43**		**92.43**
Aggregate amount of unquoted investments			316.79		306.97
Aggregate amount of impairment in value of investments			(224.36)		(214.54)

6 LOANS

(Rs. in Crore)

Particulars	as at 31 March 2019		as at 31 March 2018	
Non-current				
Unsecured, considered good				
Loan to Alok Infrastructure Limited		871.60		936.92
Lease and security deposits		3.28		5.40
Unsecured, considered doubtful				
Loan to Alok Infrastructure Limited, wholly owned subsidiary				
Less : Provision for doubtful advance	501.39		342.53	
	(501.39)		(342.53)	
Lease and security deposits		1.98		
Less : Provision for doubtful advance		(1.98)		-
		-		-
Total		**874.88**		**942.32**
Current				
Loans to related parties (Refer note no. 45(A)(II))				
Unsecured, Considered Good		-		-
		-		-
Credit impaired		1,465.99		1,526.02
Less : Provision for doubtful advances		(1,465.99)		(1,526.02)
		-		-
Total		**-**		**-**

7 TAXATION

(Rs. in Crore)

Particulars		as at 31 March 2019	as at 31 March 2018
(a)	**Current Tax comprise of**		
	Current tax for the year	-	15.85
		-	**15.85**
	Profit/(loss) before tax	2,281.22	(18,206.15)
	Enacted tax rate in India	34.944%	34.608%
	Expected income tax expense / (benefit) at statutory tax rate	**797.15**	**(6,300.79)**
	Tax Effect of		
	Exempted Income	(0.23)	(0.69)
	Expenses allowed	(165.67)	(191.09)
	Expenses disallowed	-	6,492.57
	Expense disallowed reversed during the year	(631.25)	-
	Current Tax expense	-	-
	Effect of tax pertaining to prior years	-	15.85
	Current Tax Provision (A)	**-**	**15.85**
	Incremental Deferred Tax Liability	-	-
	Incremental Deferred Tax Asset	(0.91)	(4.66)
	Deferred Tax Provision(B)	**(0.91)**	**(4.66)**
	Tax Expenses recognised in statement of Profit and Loss (A+B)	(0.91)	11.19
	Effective Tax rate	-	-
(b)	**Deferred tax asset (net) comprises of timing difference on account of**		
	Deferred Tax Asset		
	Provision for employee benefits	15.46	12.33
	Provision for doubtful debts and advances	4,655.69	4,633.54
	Interest not Paid	1,912.11	2,050.54
	Unabsorbed Depreciation carried forward	680.17	673.63
	Business Loss carried forward	3,025.94	2,320.17
	Reversal of incremental of deferred tax	0.91	4.66
	Less : Deferred Tax Liability		
	Depreciation	(3,284.37)	(3,283.98)
	Remeasurement gains on defined benefit plans	(0.91)	(4.66)
	Deferred Tax Asset	**7,005.00**	**6,406.23**
	Deferred tax Asset not recognised (refer note 41)	(5,581.89)	(4,983.12)
	Net Deferred tax asset **Total**	**1,423.11**	**1,423.11**

8 OTHER ASSETS

(Rs. in Crore)

Particulars	as at 31 March 2019	as at 31 March 2018
Non-current		
Unsecured and considered good		
Capital advances	37.67	38.38
Total	**37.67**	**38.38**
Current		
Unsecured, considered good		
Balance with Statutory Authorities	153.04	93.94
Prepaid Expenses	1.76	0.50
Advance to vendors	4.26	24.63
Export Incentive Receivable	11.55	29.82
Balances with Statutory Authorities	-	0.05
	170.61	**148.94**
Unsecured, considered doubtful		
Export Incentive	1.40	0.13
Advance to vendors	3.12	0.51
Less: provision for doubtful receivables	(4.52)	(0.64)
	-	-
Total	**170.61**	**148.94**

9 INVENTORIES

(Rs. in Crore)

Particulars	as at 31 March 2019		as at 31 March 2018	
(At lower of cost and net realisable value)				
Raw Materials	55.35		51.90	
(includes material in transit Rs. 1.43 Crore (Previous year Rs. 6.48 Crore)				
Work-in-progress	136.41		164.08	
Finished goods	99.00		116.84	
		290.76		332.82
Stores and Spares		28.49		22.91
Packing Material		6.31		4.51
Total		**325.56**		**360.24**

NOTE:

i) Value of inventories above is stated after provisions of Rs. 16.79 crore (previous year Rs. 18.25 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.

10 TRADE RECEIVABLES

(Rs. in Crore)

Particulars	as at 31 March 2019	as at 31 March 2018
Unsecured, considered good	174.81	213.65
Unsecured, considered doubtful	(9.24)	(6.29)
	165.57	**207.36**
Credit impaired	**11,072.61**	**11,076.09**
Less: provision for doubtful debts	**(11,072.61)**	**(11,076.09)**
	-	-
Total	**165.57**	**207.36**

Notes:

(i) Refer note no. 45(A)(II) for related party balance.

11 CASH AND CASH EQUIVALENTS

(Rs. in Crore)

Particulars	as at 31 March 2019	as at 31 March 2018
Cash and Cash equivalents		
Cash on hand	0.11	0.08
Balance with Bank		
In Current Accounts	14.82	31.41
Total	**14.93**	**31.49**

12 OTHER BANK BALANCES

(Rs. in Crore)

Particulars	as at 31 March 2019	as at 31 March 2018
(a) OTHER FINANCIAL ASSETS		
Non Current		
Balance with Bank		
Balances / Deposits held as margin money or security against borrowings, guarantee and other commitments	107.05	149.91
Total	107.05	149.91
(b) OTHER BANK BALANCES		
Current		
Balance with Bank		
In earmarked accounts		
Unclaimed dividend accounts	0.51	0.86
Balances / Deposits held as margin money or security against borrowings, guarantee and other commitments	9.39	11.31
Total	**9.90**	**12.17**

13 OTHER CURRENT FINANCIAL ASSETS

(Rs. in Crore)

Particulars	as at 31 March 2019	as at 31 March 2018
Unsecured, considered good		
Advance to Staff	2.72	2.22
Unutilised Export Incentives	0.13	0.42
	2.85	**2.64**
Unsecured, considered doubtful		
Inter Corporate Deposits	0.70	0.70
Interest Subsidy Receivable	-	35.42
Advance to Staff	0.06	-
Unutilised DEPB Licence	0.24	0.30
	1.00	36.41
Less : Provision for doubtful receivable	(1.00)	(36.41)
Total	**2.85**	**2.64**

14 CURRENT TAX ASSETS (NET)

(Rs. in Crore)

Particulars	as at 31 March 2019	as at 31 March 2018
Advance Tax (net of provision for tax)	40.10	36.08
Total	**40.10**	**36.08**

15 EQUITY SHARE CAPITAL

(Rs. in Crore)

Particulars	as at 31 March 2019	as at 31 March 2018
Authorised		
400,00,00,000 Equity shares of Rs. 10/- each	4,000.00	4,000.00
	4,000.00	**4,000.00**
Issued, Subscribed and fully paid-up		
1,377,317,895 Equity shares of Rs.10/- each fully paid up	1,377.32	1,377.32
Less:- Alok Benefit Trust is holding 869,1000 Equity Shares [Previous Year 869,1000] of Rs. 10/- of Alok Industries Limited, the sole beneficiary of which is the Company.	(8.69)	(8.69)
	1,368.63	**1,368.63**
Add : 13,921 Equity shares forfeited of Rs. 10/- each, Rs. 5/- paid up	0.01	0.01
Total	**1,368.64**	**1,368.64**

(i) Reconciliation of number of shares and amount outstanding at the beginning and end of the year

Particulars	as at 31 March 2019		as at 31 March 2018	
	No.of shares	**Rs.in Crores**	**No.of shares**	**Rs.in Crores**
Equity shares of Rs.10/- each				
At the beginning of the year	1,377,317,895	1,377.32	1,377,317,895	1,377.32
Less : Shares issued	-	-	-	-
At the end of the year	1,377,317,895	1,377.32	1,377,317,895	1,377.32

a) The above includes, 22,485,000 Equity shares allotted to the shareholders of Grabal Alok Impex Limited during the year end March 2012, pursuant to the Scheme of Amalgamation for consideration other than cash.

(ii) Shareholders holding more than 5 percent shares in the Company				
Name of the Shareholder	as at 31 March 2019		as at 31 March 2018	
	No of shares	%	No of shares	%
Alok Knit Exports Private Limited	108,519,133	7.88%	286,998,681	20.84%

(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

(Rs. in Crore)

Particulars	as at 31 March 2019		as at 31 March 2018	
Capital Reserve				
Balance as per last Balance Sheet	11.72		11.72	
			-	
		11.72		11.72
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.				
Capital Redemption Reserve				
Balance as per last Balance Sheet	9.10		9.10	
			-	
		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	
			-	
		993.65		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.				
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				
Debenture Redemption Reserve				
Balance as per last Balance Sheet	81.97		81.97	

Particulars	as at 31 March 2019		as at 31 March 2018	
Less: Transferred from / (to) Statement of Profit and Loss (Refer note i below)	-		-	
		81.97		81.97
Note: The Company has issued Redeemable Non Convertible Debentures. Accordingly, the Companies (Share Capital and Debentures) Rules, 2014 (as amended), require the Company to create DRR out of the profits of the Company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of the debentures issued before the redemption of debentures. in view of inadequacy of profit / reserve available for dividend, the Company has not created DRR in respect of Redeemable Non Convertible Debentures.				
Foreign Currency Monetary Item Translation Reserve (FCMITR)				
Balance as per last Balance Sheet	(2.32)		(2.09)	
Add : Addition during the year	(15.68)		(0.78)	
Less : Amortisation for the year	8.66		0.55	
		(9.34)		(2.32)
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.				
(Deficit)/Surplus in the Statement of Profit and Loss				
Retained earnings	(17,942.46)		262.90	
Add :				
Effect of change in method of inventory valuation from FIFO to weighted average (Refer note 38)	-		3.19	
Excess provision dividend tax for earlier years	0.10			
Profit/(Loss) for the year	2,282.13		(18,217.34)	
Other Comprehensive income (net of tax)	1.69		8.80	
		(15,658.54)		(17,942.46)
Total		**(14,290.82)**		**(16,567.71)**
Notes : (i) Currently the company is under CIRP and based on the resolution plan appropriate treatment will be made and no fresh DRR is created during the year.				

17 LONG-TERM BORROWINGS

(Rs. in Crore)

PARTICULARS		As At 31 March 2019			As At 31 March 2018		
		Overdue	Current Maturities	Non Current	Overdue	Current Maturities	Non Current
a) Debentures (Secured) (Refer (i) and (iv) below)							
		453.50	75.00	-	447.65	108.34	75.00
	(i)	453.50	75.00	-	447.65	108.34	75.00
b) Term Loans							
- Secured (Refer (ii), (iii) and (iv) below)							
From banks							
- Rupee Loans		4,637.63	996.80	5,458.94	4,337.46	1,215.16	6,439.72
- Foreign currency loans		918.21	129.40	216.57	594.09	425.07	335.25
	(ii)	5,555.84	1,126.20	5,675.51	4,931.55	1,640.23	6,774.97
From Financial Institutions							
- Rupee Loans*		530.33	78.04	195.21	494.53	203.04	273.25
- Foreign currency loans		147.96	-	-	169.25	-	-
	(iii)	678.29	78.04	195.21	663.78	203.04	273.25
- Unsecured (Refer note (iv) below)							
From banks							
- Rupee Loans		46.91	-	-	53.35	-	-
- Foreign currency loans		65.79	-	-	73.29	-	-
	(iv)	112.70	-	-	126.64	-	-
c) Other loans & advances							
- Secured							
Vehicle loan from Banks		-	-	-	0.06	0.12	-
(Secured by vehicles under hypothecation with banks)	(v)	-	-	-	0.06	0.12	-
Total	**(i) to (v)**	**6,800.33**	**1,279.24**	**5,870.72**	**6,169.68**	**1,951.73**	**7,123.22**

* includes priority loan amounting to Rs. 109.96 crore

(i) a) Debentures outstanding at the period end redeemable at par are as follows

Particulars	Nos	31-Mar-19 (Rs. Crores)	31-Mar-18 (Rs. Crores)	Date of Redemption
12.00% Redeemable Non convertible Debentures	375	37.50	37.50	1-Feb-20
12.00% Redeemable Non convertible Debentures	375	37.50	37.50	1-Aug-19
12.00% Redeemable Non convertible Debentures	375	37.50	37.50	1-Feb-19
13.00% Redeemable Non convertible Debentures	334	33.34	33.34	18-Oct-18
12.00% Redeemable Non convertible Debentures	375	37.50	37.50	1-Aug-18
12.00% Redeemable Non convertible Debentures	375	37.50	37.50	1-Feb-18
13.00% Redeemable Non convertible Debentures	333	33.33	33.33	18-Oct-17
12.00% Redeemable Non convertible Debentures	375	37.50	37.50	1-Aug-17
15.50% Redeemable Non convertible Debentures	366	36.66	36.66	2-Mar-17
12.00% Redeemable Non convertible Debentures	375	37.50	37.50	1-Feb-17
13.00% Redeemable Non convertible Debentures	333	33.33	33.33	18-Oct-16
12.00% Redeemable Non convertible Debentures	375	37.50	37.50	1-Aug-16
11.50% Redeemable Non convertible Debentures	560	55.50	55.50	29-Jun-16
15.50% Redeemable Non convertible Debentures	367	36.34	36.34	2-Mar-16
Accrued Interest			102.49	
Total		**528.50**	**630.99**	

b) All the debentures are secured by pari passu charge on the immovable property situated at Mouje Irana, Taluka Kadi, District Mehsana in the state of Gujarat. Further, Debentures of Rs. 300 Crore are secured by first pari passu charge created on fixed assets of the company and Debentures of Rs. 228.50 Crore are secured by subservient charge on fixed and current assets of the Company (excluding Land and Building).

(ii) Security for term loans

(Rs. in Crore)

Nature of security	Banks	Financial Institutions	Total
Exclusive charge on Plant & Machinery and specific assets financed *	397.25	-	397.25
	(480.48)	(-)	(480.48)
Pari passu first charge created on the entire fixed assets of the Company #	11,428.81	803.58	12,232.39
	(12,299.64)	(970.82)	(13,270.46)
Subservient charge on all movable and current assets of the Company	531.50	147.96	679.46
	(566.64)	(169.25)	(735.89)
Total	**12,357.56**	**951.54**	**13,309.10**
	(13,346.76)	**(1,140.07)**	**(14,486.83)**

* Includes loans aggregating to Rs. 68.19 Crore (Previous year Rs. 81.27 Crore) which are further secured by personal guarantees of promoter directors / corporate guarantee of promoter group companies

Includes Bank loans aggregating to Rs. 2238.70 Crore (Previous year Rs. 2,284.50 Crore) & Financial Institution loans aggregating to Rs. 100 Crore (Previous year Rs. 100 Crore) which are further secured by personal guarantees of promoter directors / corporate guarantee of promoter group Companies.

Includes Bank loans aggregating Rs. 519.88 Crore (Previous year 519.88) secured by charge created on part of the land owned by Alok Infrastructure Limited, wholly owned subsidiary of the Company. The company is taking necessary steps for creation of such charge.

(iii) Terms of repayment of Secured Term Loans

a) Non-current

(Rs. in Crore)

Particulars	Rate of Interest	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years	Total
Rupee Term Loan From Bank	9.45% - 18.50%	882.11	1,020.55	1,121.32	2,434.97	5,458.95
	(10% - 16%)	(980.78)	(882.11)	(1,020.55)	(3,556.28)	(6,439.72)
Foreign Currency Term Loan From Banks	1.03% - 5.51%	135.20	70.56	10.81	-	216.57
	(1.30% - 7.50%)	(126.02)	(130.51)	(68.55)	(10.16)	(335.25)
Rupee Term Loan From Financial Institutions	9.00% - 15.00%	80.38	20.74	23.30	70.79	195.21
	(9.00% - 15.00%)	(78.04)	(80.38)	(20.74)	(94.09)	(273.25)
Total		**1,097.69**	**1,111.85**	**1,155.42**	**2,505.76**	**5,870.72**
		(1,184.84)	**(1,093.00)**	**(1,109.84)**	**(3,660.53)**	**(7,048.21)**

b) Current

(Rs. in Crore)

Particulars	Rate of Interest	Overdue	Current Maturities
Rupee Term Loan From Banks	9.45% - 18.50%	4,637.62	996.81
	(10% - 16%)	(4,337.46)	(1,215.16)
Foreign Currency Term Loan From Banks	1.03% - 5.51%	918.21	129.40
	(1.30% - 7.50%)	(594.09)	(425.07)
Rupee Term Loan From Financial Institutions	9.00% - 15.00%	530.33	78.04
	(9.00% - 15.00%)	(494.53)	(203.04)
Foreign Currency Term Loan From Financial Institutions	3.44% - 3.44%	-	-
	(2.96% - 5.40%)	(169.25)	-
Total		**6,086.17**	**1,204.24**
		(5,595.33)	**(1,843.27)**

(iv) 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 : (Rs. 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
	-	(37.50)	(33.33)	(376.82)	(447.65)
b) Term Loans					
- Secured					
From banks :					
- Rupee Loans	137.42	452.96	177.93	3,869.32	4,637.63
	(190.71)	(438.78)	(303.83)	(3,404.14)	(4,337.47)
- Foreign currency loans	161.52	127.09	92.25	537.35	918.21
	(41.86)	(20.59)	(29.82)	(501.82)	(594.10)
From Financial Institutions :					
- Rupee Loans	1.23	1.23	67.89	459.99	530.33
	(26.06)	(5.29)	(27.31)	(435.86)	(494.54)
- Foreign currency loans	-	-	-	147.96	147.96
	-	-	-	(169.25)	(169.25)
- Unsecured					
From banks :					
- Rupee Loans				46.91	46.91
	(4.82)	(7.59)	(4.50)	(36.44)	(53.35)
- Foreign currency loans				65.79	65.79
	(8.16)	(5.73)	(4.23)	(55.17)	(73.29)
Total	**337.66**	**614.62**	**375.57**	**5,472.47**	**6,800.33**
	(271.61)	**(515.49)**	**(403.02)**	**(4,979.50)**	**(6,169.62)**

b) Interest :

(Rs. in Crore)

Particulars	0-30 days	31-90 days	91-180 days	Above 180 days	Total
a) Debentures				207.86	207.86
	(59.52)	(16.81)	-	(97.02)	(173.35)
b) Term Loans					
- Secured					
From banks :					
- Rupee Loans				2,582.34	2,582.34
	(865.19)	(264.59)	-	(1,681.49)	(2,811.27)
- Foreign currency loans				100.83	100.83
	(32.90)	(13.18)	-	(48.12)	(94.19)
From Financial Institutions :					
- Rupee Loans				326.37	326.37
	(83.86)	(22.77)	-	(140.88)	(247.51)
- Foreign currency loans				21.39	21.39
	(3.45)	(1.26)	-	(1.33)	(6.03)
- Unsecured					
From banks :					
- Rupee Loans				10.75	10.75
	(0.21)	(0.42)	-	(1.43)	(2.06)
- Foreign currency loans				1.24	1.24
	(0.79)	(0.33)	-	(1.35)	(2.46)
Total	**-**	**-**	**-**	**3,250.77**	**3,250.77**
	(1,045.90)	**(319.36)**	**-**	**(1,971.60)**	**(3,336.87)**

Previous period figures are given in brackets.

(v) The Approved Resolution Plan for the Company is currently under implementation and the maturity of financial obligations would be crystallised once the resolution plan is implemented. Hence due to non availability of data of repayments schedule of borrowings, borrowings are classified current / non current based on normal circumstances / existing terms of loan.

18 PROVISIONS

(Rs. in Crore)

Particulars	as at 31 March 2019	as at 31 March 2018
Non Current		
Gratuity	29.60	25.40
Leave encashment	11.05	10.28
TOTAL	**40.65**	**35.68**
Current		
Gratuity	-	-
Leave encashment	3.61	5.58
TOTAL	**3.61**	**5.58**

Note: refer note 48 for Disclosure related to provisions

19 SHORT-TERM BORROWINGS

(Rs. in Crore)

Particulars	As at 31 March 2019		As at 31 March 2018	
Working capital loans :				
Cash Credit accounts, working capital demand loan etc. (Refer (i) below)				
From Banks (Secured)		9,097.55		9,727.05
[Includes Rs. 134.84 Crore (Previous year Rs. 126.79 Crore) loans in foreign currency]				
From Financial Institutions (Secured)		129.58		180.04
From Financial Institutions (Unsecured)		12.36		12.36
Temporary Overdrawn Bank Balances		46.75		0.44
Inter Corporate Deposit (Secured) $		-		28.68
Inter Corporate Deposit (Unsecured)		1.00		2.52
Short term loan				
Secured (Refer (ii) and (iv) below)				
-Rupee Loans				
From Financial Institutions		70.50		75.82
Overdue/Recalled Loans				
Non Convertible Debentures				
Debentures (Secured) (Refer Note 17(i) and (iv) above)		453.50		447.65
Long term borrowings				
Secured (Refer Note 17(ii) and (iv) above)				
-Rupee Loans				
From Banks	4,637.63		4,337.46	
From Financial Institutions	530.33		494.53	
	5,167.96		4,831.99	
Foreign currency loans				
From Banks	918.21		594.09	
From Financial Institutions	147.96		169.25	
	1,066.17	6,234.13	763.34	5,595.33
Hire Purchase Loans		-		0.06
Unsecured (Refer Note 17(iv) above)				
-Foreign currency loans				
From Banks		65.79		73.30
From Financial Institutions				
-Rupee Loans				
From Banks		46.91		53.35
Demand loan				
Secured (Refer (iii) and (iv) below)				
-Rupee Loans				
From Financial Institutions		334.50		444.05
Unsecured				
-Foreign currency loans		455.28		505.05
From Financial Institutions				
Total		**16,947.85**		**17,145.70**

(Rs. in Crore)

Nature of security	Banks	Financial Institutions	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
	(9,636.28)	(180.05)	(9,816.33)
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
	(90.77)	-	(90.77)
Total	9,097.55	129.58	9,227.13
	(9,727.05)	(180.05)	(9,907.09)
(ii) Security for short term loans			
Subservient charge on all movable and current assets of the Company @	-	70.50	70.50
	(-)	(75.82)	(75.82)
(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
	(-)	(444.05)	(444.05)

Includes Bank loans aggregating Rs. 2330.97 Crore (Previous year Rs. 2329.62 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 Rs. 44.86 Crore (Previous year Rs. 43.69 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 Rs. 70.50 Crore (Previous period Rs. 75.82 Crore) secured by charge created on part of the land owned by Alok Infrastructure Limited, wholly owned subsidiary of the Company.

$ Includes Rs. NIL (previous year Rs. 28.68 crore) secured by second charge on one floor of Peninsula Business Park 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 :

(Rs. in Crore)

Particulars	0-30 days	31-90 days	91 to 180 Days	Above 180 Days	Total
Secured					
- Rupee loans					
From Financial Institutions	-	-	-	405.00	405.00
	(6.19)	(16.36)	(11.31)	(486.03)	(519.89)
- Foreign currency loans					
From Banks	-	-	-	455.28	455.28
	(80.12)	(1.36)	(-)	(426.29)	(505.05)
Total	**-**	**-**	**-**	**860.28**	**860.28**
	(86.30)	**(15.00)**	**(11.31)**	**(912.32)**	**(1,024.94)**

b) Interest :

(Rs. in Crore)

Particulars	0-30 days	31-90 days	91 to 180 Days	Above 180 Days	Total
Secured					
- Rupee loans					
From Banks	-	-	-	-	-
	(0.54)	(0.61)	(-)	(0.61)	(1.76)
- Rupee loans					
From Financial Institutions	-	-	-	93.66	93.66
	(0.95)	(2.86)	(-)	(23.34)	(25.25)
- Foreign Currency Loan					
From Banks	-	-	-	42.81	42.81
	(18.19)	(7.86)	(-)	(14.91)	(40.95)
Working capital loans	-	-	-	2,045.79	2,045.79
	(819.34)	(238.28)	(-)	(1,630.68)	(2,688.30)
Inter Corporate Deposits	-	-	-	0.28	0.28
	(16.28)	(2.91)	(-)	(13.43)	(32.62)
Total	**-**	**-**	**-**	**2,182.55**	**2,182.55**
	(853.40)	**(252.50)**	**(-)**	**(1,682.97)**	**(2,788.87)**

Previous period figures are given in brackets.

20 TRADE PAYABLE

(Rs. in Crore)

Particulars	as at 31 March 2019	as at 31 March 2018
Total outstanding dues of micro enterprises and small enterprises (Refer a below)	102.62	11.91
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Acceptances	116.65	143.93
Other than Acceptances	543.74	630.41
Total	**763.01**	**786.25**

Refer note no 45(A)(II) for related party balance.

a. Disclosure Under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2018-19, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act;

	Particulars	as at 31-Mar-19	as at 31-Mar-18
(i)	Principal amount remaining unpaid to any supplier as at the end of the accounting year	102.62	11.91
(ii)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	14.72	13.31
(iii)	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv)	The amount of interest due and payable for the year	17.36	1.41
(v)	The amount of interest accrued and remaining unpaid at the end of the accounting year	32.08	14.72
(vi)	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	-	0.69

The above information has been determined on the basis of information available with the Company.

21 OTHER FINANCIAL LIABILITIES

(Rs. in Crore)

	as at 31 March 2019	as at 31 March 2018
Current maturities of long-term borrowings (Refer note no.17)	1,279.24	1,951.73
Interest accrued but not due	6.52	10.07
Interest accrued and due	5,465.40	6,224.82
Unclaimed dividends (Refer note below)	0.51	0.86
Creditors for Capital Goods	27.41	27.41
Total	**6,779.08**	**8,214.89**

Note: There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund.

22 OTHER CURRENT LIABILITIES

(Rs. in Crore)

Particulars	as at 31 March 2019	as at 31 March 2018
Other payables		
Advance from customers	76.98	73.02
Advance from Related parties (Refer note no. 45(A)(II))	-	114.95
Towards statutory liabilities	13.29	13.32
Others	205.32	144.40
Total	**295.59**	**345.69**

23 CURRENT TAX LIABILITIES

(Rs. in Crore)

Particulars	as at 31 March 2019	as at 31 March 2018
Provision for taxation (net of advance tax)	121.53	121.53
Total	**121.53**	**121.53**

24 REVENUE FROM OPERATIONS

(Rs. in Crore)

	Particulars	Year ended 31 March 2019		Year ended 31 March 2018	
a)	Sale of product (net of returns)				
	Sales - Local (inclusive of excise duty upto 30 June 2017)	2,177.73		4,410.24	
	Less: Discount	(19.07)	2,158.66	(15.93)	4,394.31
	Sales - Export	820.22		930.38	
	Less: Discount	(4.21)	816.00	(7.56)	922.83
			2,974.66		**5,317.14**
b)	Sale of services				
	Job work charges collected		148.84		59.06
c)	Other operating revenue				
	Sale of Scrap		5.26		5.76
	Total		**3,128.76**		**5,381.95**

25 OTHER INCOME

(Rs. in Crore)

Particulars	Year ended 31 March 2019		Year ended 31 March 2018	
Interest Income				
- Bank fixed deposits	5.28		5.82	
- Others	0.77		1.73	
		6.05		7.56
Dividend Income :				
On Long Term Investments	0.65		1.98	
		0.65		1.98
Profit On Sale Of DEPB		-		1.61
Profit On Sale Of fixed assets (net)		-		57.32
Exchange rate difference (net)		-		13.94
Rent Received		0.31		1.37
Sundry Credit Balances written back		117.30		19.29
Other non operating Income		0.01		2.62
		117.62		96.14
Total		**124.32**		**105.68**

26 COST OF MATERIALS CONSUMED

(Rs. in Crore)

Particulars	as at 31 March 2019	as at 31 March 2018
Raw Material Consumed		
Opening Stock	51.90	2,908.86
Add: Purchases	2,109.22	2,332.18
Less: Closing Stock	(55.35)	(51.90)
Total	**2,105.77**	**5,189.13**

27 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS

(Rs. in Crore)

Particulars	as at 31 March 2019		as at 31 March 2018	
CLOSING STOCK *				
Finished Goods	99.00		116.84	
Work-in-progress	136.41		164.08	
		235.41		280.92
LESS : OPENING STOCK				
Finished Goods	116.84		126.07	
Work-in-progress	164.08		128.64	
		280.92		254.71
Total		**45.51**		**(26.21)**

* Refer note no 9

28 EMPLOYEE BENEFIT EXPENSES

(Rs. in Crore)

Particulars	as at 31 March 2019	as at 31 March 2018
Salaries and Wages	231.15	251.94
Contribution to Provident and Other Funds	14.07	15.92
Employees welfare expenses	7.73	7.82
Total	**252.95**	**275.68**

29 FINANCE COSTS

(Rs. in Crore)

Particulars	as at 31 March 2019	as at 31 March 2018
Interest expense (refer note 35)	4,060.40	4,627.67
Interest on late payment of taxes	(0.24)	6.61
Other borrowing cost	97.84	48.59
Total	**4,158.00**	**4,682.87**

30 DEPRECIATION AND AMORTISATION EXPENSE

(Rs. in Crore)

Particulars	as at 31 March 2019	as at 31 March 2018
Depreciation of Property Plant and Equipment (refer note 2)	532.73	524.85
Depreciation on Investment Properties (refer note 3)	0.24	0.43
Amortization of Intangible Assets (refer note 4)	0.20	2.52
Total	**533.17**	**527.80**

31 OTHER EXPENSES

(Rs. in Crore)

Particulars	Year ended 31 March 2019		Year ended 31 March 2018	
Stores and Spares Consumed		59.88		70.45
Packing Materials Consumed		109.71		114.46
Power and Fuel		448.30		389.68
Processing Charges		17.12		36.61
Labour Charges		55.35		61.45
Freight, Coolie and Cartage		36.12		42.95
Legal and Professional Fees		7.97		12.73
Rent		9.63		9.42
Rates and Taxes		6.73		5.34
Repairs and Maintenance				
Plant and Machinery	10.48		10.68	
Factory Building	1.96		2.37	
Others	2.88		3.36	
		15.32		16.41

Particulars	Year ended 31 March 2019		Year ended 31 March 2018	
Commission on Sales		29.31		36.78
Exchange rate difference (net)		8.24		-
Provision for Doubtful Debts		(0.53)		10,952.51
Provision for Doubtful Advances		29.35		486.64
Bad debts written off (net)		-		585.51
Directors Remuneration		1.58		5.80
Directors Fees and Commission		-		0.01
Auditors' remuneration				
Audit and related fees	1.00		1.00	
Tax related services				
Certification fees	0.07		0.10	
		1.07		1.10
Insurance		10.60		8.53
Loss on sale of assets (net)		0.01		-
Diminution in value of investment		-		18.52
Impairment of Fixed assets (refer note 56)		-		31.56
Sundry Balance Written off		1.14		66.60
CIRP Expenses		14.40		12.31
Loss on sale of investment		0.52		3.42
Miscellaneous Expenses		59.83		27.40
(Miscellaneous expenses includes claim for damaged goods, agency and clearing charges, security expenses etc.)				
TOTAL		**921.64**		**12,996.17**

32 Exceptional Items

(Rs. in Crore)

Particulars	as at 31 March 2019	as at 31 March 2018
Reversal of Interest expenses accrued (refer note 35)	7,045.19	-
Total	**121.53**	**121.53**

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 18 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").

During the CIR process, only one resolution plan dated 12 April, 2018 ("Resolution Plan") was received from JM Financial Asset Reconstruction Company Limited, JM Finance ARC – March 18 Trust and Reliance Industries Limited jointly ("Resolution Applicants").

Pursuant to its order dated 08 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 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 manage the affairs of the Company and to maintain the Company as a going concern. Considering this the financial statements are being presented on a 'Going Concern' basis.

Implementation of the Approved Resolution Plan, inter alia, shall result into the following:

- Payments to stakeholders - The Resolution Plan contemplates, inter alia, payments amounting to
  - (i) upto an aggregate of INR 234 crore towards payment of CIRP cost and any excess CIRP cost;
  - (ii) INR 19.33 crore towards the liquidation value due to the Company's workmen;
  - (iii) INR 4.83 crore to certain operational creditors of the Company who are owed up to INR 3 lacs as on the insolvency commencement date; and
  - (iv) INR 5,052 crore (less any excess CIRP cost in terms of the Resolution Plan) towards repayment to financial creditors of the Company out of which INR 200 crore will be paid by the Trust for purchase/assignment of the outstanding financial debt as set out under the Resolution Plan ("Outstanding ARC Debt").
- Infusion of funds – Infusion of need based working capital funds for an approximate amount of INR 441.84 crore (less excess CIRP cost and INR 53.68 crore towards workmen and employees due at the sole discretion of Resolution Applicant) and infusion of an amount of INR 500 crore for capital expenditure.
- Reduction of existing share capital – The Resolution Plan proposes reduction of the Company's share capital without any payout to the shareholders, by reducing the face value of each issued and outstanding equity share of the Company from INR 10 to Re. 1.
- Issuance of Securities – Reliance Industries Limited (RIL) will infuse (i) INR 250 crore into the Company against issuance of 83,33,33,333 shares constituting 21.25% of the issued and paid up equity share capital of the Company; (ii) INR 250 crore into the Company against issuance of optionally convertible preference shares of face value of Re 1 each. Further, the JMFARC- March - 2018 -Trust will convert a portion of the Outstanding ARC Debt into equity shares such that it holds 171,06,66,667 equity shares constituting 43.63% of the issued and paid up equity share capital and will further invoke pledges on 13,59,11,844 equity shares assigned by Financial Creditors, such that it holds in total 47.09% of the issued and paid up equity share capital of the Company.

- Existing Promoter Group - Post the additional issue of equity and conversion of Outstanding ARC Debt, Existing Promoter Group shall hold 6.66% of the Company's issued and paid up equity share capital, which, subject to necessary approvals, shall be cancelled through selective capital reduction without any payout to the Existing Promoter Group ("Promoter Capital Reduction"). Post and subject to the Promoter Capital Reduction, the Trust and/or RIL will further convert such portion of the Outstanding ARC Debt and/or the transferred Outstanding ARC Debt into equity shares of the Company, such that post such conversion, the Trust and RIL will in aggregate hold 75% of the Company's issued and paid up equity share capital. The public shareholding will be 25%.
- 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 Approved Resolution Plan), the RAs shall jointly acquire control over the Company. The board of directors and management team of the Company (including key managerial personnel) shall be reconstituted by the RAs.

34 As per the Approved Resolution Plan, RBI approval, which is a condition precedent petitions to the implementation of the plan, is yet to be received. Certain creditors of the Company have filed with the Hon'ble National Company Law Appellate Tribunal, New Delhi ("Appellate Tribunal"), inter alia, praying for certain reliefs and are pending adjudication by the respective tribunals. No stay on the implementation of the plan has been granted by the Hon'ble Appellate Tribunal.

35 Since the Resolution Plan for the Company has now been approved by the Adjudicating Authority, accrual of interest on the borrowings is restricted to insolvency commencement date (i.e. 18 July 2017). Accordingly the interest from 18 July 2017 till the date of order is reversed during the year amounting to Rs. 7045.19 crore and the same is disclosed as Exceptional Items.

36 During the year, the Company has incurred a net gain of Rs. 2,283.82 crore and as of 31 March 2019, the Company's accumulated losses amounted to Rs. 15,658.54 crore, as against the Company's Net worth of Rs. (15,199.07) crore as at 31 March 2018. Total liabilities of the Company as on 31 March 2019 exceeded total assets by Rs. 12,922.18 crore.

37 The Company has already made adequate provision as per the Expected Credit Loss (ECL) policy. In view of the terms of the Approved Resolution Plan, the Company has continued with the provision for trading receivables made in the year 2017-18. The resolution plan for the company is yet to be implemented.

38 During the year the company has changed method of inventory valuation from FIFO basis to Weighted Average basis which is one of the method of valuation permitted under Ind AS 2 'Inventories'. The transition to weighted average basis will eliminate manual intervention and provide a consistent basis for inventory valuation going forward and it will enable the Company to utilise the full functionalities of the ERP system that uses weighted average method of Inventory valuation.

In accordance with Ind AS 8 'Accounting Policies, Changes in Accounting estimates and Errors', the Company is required to give effect of the change in accounting policy retrospectively. However considering the impracticability for giving effect to the huge volume of inventory in the earlier years as well as number of years involved, the Company has given effect of the change in accounting policy from 01 April 2017.

As at 01 April 2017, on account of above change in accounting policy the value of inventory has been increased by Rs. 3.19 crore and retained earning has been increased by Rs. 2.09 crore (net of tax). The effect on the retained earning has been given effect to as of 01 April 2018.

Impact of this change in accounting policy on the published results / financial statements for the earlier periods / year is as under:

Sr. No.	Particulars	Quarter ended June 2017	Quarter ended Sep 2017	Quarter ended Dec 2017	Quarter ended March 2018	Year ended March 2018
1	Increase / (Decrease) in Inventory	13.57	0.97	(2.38)	1.47	1.47
2	Increase / (Decrease) in Deferred tax Assets	(4.70)	(0.34)	0.83	(0.51)	(0.51)
3	Increase / (Decrease) in Other equity	8.87	0.63	(1.55)	0.96	0.96
4	Increase / (Decrease) in Cost of consumption	(10.38)	12.60	3.35	(3.85)	1.72
5	Increase / (Decrease) in Loss before tax	(10.38)	12.60	3.35	(3.85)	1.72
6	Increase / (Decrease) in Income tax	3.59	(4.36)	(1.16)	1.33	(0.60)
7	Increase / (Decrease) in Net Loss after tax	(6.79)	8.24	2.19	(2.52)	1.12

39 Contingent Liabilities in respect of :

(Rs. in Crore)

Sr. No.	Particulars	31-Mar-19	31-Mar-18
A	Custom 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	1.72
C	Corporate guarantees / Standby Letter of Credit given to banks for loans taken by subsidiary companies	-	0.00
D	Bills discounted	3.29	37.33
E	Claims against the Company not acknowledged as debts:		
	a) Income taxes	536.70	2.32
	b) Maharashtra Value Added Tax	1.31	1.43
	c) Other tax demands	1.44	0.85
	d) Others – disputes under litigation	67.27	108.11
	Take or Pay claim filed by GAIL (India) Limited under their long term Gas Sale Agreement	794.30	506.43
	e) Others	10.10	-
	f) Certain cases were filed by the lenders/ suppliers in respect of dishonour of cheque issued for repayment of borrowings including interest and outstanding dues and further interest till non-payment	Amount Unascertained	Amount Unascertained
	g) Certain cases were filed/notices issued by the lenders in respect of delayed / non-payment of borrowings including interest by the Company or it's subsidiary company and further interest till non-payment	Amount Unascertained	Amount Unascertained
F	The Company has issued letters for providing financial support to certain subsidiaries	Nil	Nil

40 Capital Commitments

(Rs. in Crore)

Particulars	31-Mar-19	31-Mar-18
Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances) towards Land	7.17	25.03

41 The net deferred tax assets as on 31 March 2019 are Rs. 1423.11 crore (Previous Year Rs. 1423.11 crore). Pursuant to its order dated 08 March 2019, the Adjudicating Authority approved the resolution plan submitted by the Resolution Applicants for the Company under Section 31 of the Insolvency and Bankruptcy Code, 2016. Reliable projections of future taxable income, therefore, shall be available only when the Approved Resolution Plan is implemented. 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.

42 (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 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 Rs. 133.38 crore. The Company's accumulated losses amounted to Rs. 996.51 crore. The Company's net worth amounted to Rs. 789.39 crore. Total liabilities as on 31 March 2019 exceeded total assets by Rs. 919.77 crore.

(c) Further, Alok Infra has not carried out any impairment testing of investment property and therefore the correct carrying value of loan given to Alok Infrastructure Ltd by the Company is unascertainable.

43 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.

44 Revenue from operation for the previous year up to 30 June 2017 includes excise duty which is discontinued with effect from 01 July 2017 upon implementation of Goods & Service Tax (GST). In accordance with Ind AS 18 Revenue GST is not included in Revenue from operations.

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 parties disclosure are as below:

(i)	**Subsidiaries**	
	a. Alok Industries International Limited	g. Alok Infrastructure Limited
	b. Alok International Inc.	# Liquidation under process
	c. Alok International (Middle East) FZE	h. Springdale Information and Technologies Private Limited #
	d. Alok Worldwide Limited	i. Kesham Developers & Infotech Private Limited #
	e. Mileta, a.s.	j. Alok Singapore Pte Ltd.
	f. Alok Global Trading (Middle East)	k. Grabal Alok (UK) Limited #
	FZE (Liquidated on 12 Sept 2017)	l. Grabal Alok International Limited
(ii)	**Entities under common control**	
	a. Alok Denims (India) Limited	e. Alok Knit Exports Private Limited
	b. Alok Textile Traders	f. Ashok Realtors Private Limited
	c. Triumphant Victory Holdings Limited	g. Nirvan Exports
	d. D. Surendra & Co.	h. Pramatex Enterprises
(iii)	**Joint Venture**	
	a. Aurangabad Textiles & Apparel Parks Limited	b. New City Of Bombay Mfg. Mills Limited
(iv)	**Key Management Personnel (KMP)**	
	a. Ashok B. Jiwrajka-Director, (Executive Director & CEO (Home Textiles) upto 10.03.2018)	g. Keshav Dattaram Hodavdekar, Independent Director
	b. Dilip B. Jiwrajka,-Director (Managing Director & CEO (Apparel Fabrics) upto 10.03.2018)	h. Suneet Shukla (Nominee Director of IFCI Limited w.e.f. 15.05.2017)
	c. Surendra B. Jiwrajka,-Director (Joint Managing Director & CEO (Polyester) upto 10.03.2018)	i. Atanu Sen (Nominee Director of SBI) (resigned w.e.f. 14.09.2018)
	d. Surinder Kumar Bhoan, Independent Director	j. Pradeep Kumar Rath (Nominee Director of LIC of India)(resigned w.e.f. 09.05.2018)
	e. Tulsi N. Tejwani, Executive Director & CEO (Weaving)	k. Sunil O. Khandelwal, Chief Financial Officer
	f. Senthil kumar Arumugham, Executive Director & CEO (Processing)	l. K. H. Gopal, Company Secretary
		Relatives of KMP
		a. Alok A. Jiwrajka
		b. Niraj D. Jiwrajka
		c. Varun S. Jiwrajka
		d. Vidhi Jiwrajka
(vi)	**Firms in which KMP and Relatives of KMP are interested**	a. AVAN Packaging & Boards
		b. Linear Design
		c. C. J. Corporation
(vii)	**Resolution Professional (till 08 March 2019)**	Ajay Joshi
(viii)	**Member of Monitoring Committee (MC) (from 08 March 2019)**	Ajay Joshi

II. Transactions with related parties are as below.

(Rs. in Crore)

Transaction	Entities under common control		Subsidiaries		Joint Venture Company	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Sales of Goods	-	-	-	3.77	-	-
Commission on Sales	-	-	-	8.18	-	-
Long term Loan given	-	-	-	0.86	-	-
Short term Loan given	-	-	-	18.61	-	-
Outstanding as at 31st March						
Long term Loan	-	-	871.60	936.92	-	-
Non-current Investments	-	-	-	-	92.38	92.38
Trade payables	43.97	40.48	-	-	-	-
Advance Trade receivables	-	-	-	114.95	-	-

Transaction with Key Management Personnel

(Rs. in Crore)

Transaction	Key Management Personnel		Relatives of Key Management Personnel		Firms in which relatives of key management persons interested	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Sales of Goods	-	-	-	-	-	0.11
Purchase of Packing materials	-	-	-	-	56.79	56.84
Rent	-	-	0.20	0.20	-	-
Consultancy Charges	-	-	-	-	-	0.22
Directors Sitting Fee	-	0.01	-	-	-	-
Remuneration	4.00	8.32	0.90	0.90	-	-
Outstanding as at 31st March						
Trade receivables	-	-	-	-	0.00	-
Trade payables	-	-	-	-	22.72	23.99

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

(Rs. in Crore)

Transaction	2018-19	2017-18
Short-term Employee benefits	0.03	0.07
Post-employment benefits	0.72	0.70
Total compensation of Key managerial personnel	**0.75**	**0.77**

Disclosure in respect of significant transaction of the same type with related parties during the year

Transaction	2018-19	2017-18
Sales of Goods		
Alok International (Middle East) FZ	-	3.46
C. J. Corporation	-	0.11
Alok Infrastructure ltd	-	0.32
	-	**3.88**
Purchase of Packing materials		
C. J. Corporation	56.79	56.84
	56.79	**56.84**

Transaction	2018-19	2017-18
Rent Expense		
Varun S. Jiwrajka	0.10	0.10
Vidhi S. Jiwrajka	0.10	0.10
	0.20	**0.20**
Consultancy Charges		
Avan Packaging & Boards	-	0.20
	-	**0.20**
Directors Sitting Fee		
Surinder Kumar Bhoan	-	0.00
K. D. Hadavdekar	-	0.00
Atanu Sen	-	0.00
Life Insurance Corporation of	-	0.00
IFCI Limited	-	0.00
IDBI Bank Ltd	-	0.00
	-	**0.01**
Remuneration		
Ashok B. Jiwrajka	0.04	1.45
Dilip B. Jiwrajka	0.04	1.45
Sunrendra B. Jiwrajka	0.04	1.45
Sunil O. Khandelwal	1.23	1.28
K. H. Gopal	1.19	1.24
Tulsi Tejwani	0.69	0.68
Senthil Kumar	0.77	0.77
Alok A Jiwrajka	0.30	0.30
Niraj Jiwrajka	0.30	0.30
Varun Jiwrajka	0.30	0.30
	4.90	**9.22**
Commission on Sales		
Alok International (Middle East) FZE	-	7.98
Alok Global Trading (ME) FZE	-	0.04
Alok Singapore Pte. Ltd.	-	0.16
	-	**8.18**
Long term Loan Effective Interest		
Alok Infrastructure ltd	135.38	122.05
	135.38	**122.05**
Effective Interest on Investment		
Triumphant Victory Holdings Limited	9.82	1.87
	9.82	**1.87**
Provision		
Alok Infrastructure ltd	158.86	129.56
Triumphant Victory Holdings Limited	9.82	1.87
	168.68	**131.43**
Long term Loan Repayment		
Alok Infrastructure ltd	41.84	50.90
	41.84	**50.90**
Short term Loan given		
Alok International Inc.	-	18.61
	-	**18.61**
Sundry Creditors		
Alok Knit Exports Pvt Ltd	3.48	5.54
Alok Denim India Ltd	0.00	0.06
AVAN PACKAGING AND BOARDS	2.35	-
	5.83	**5.60**
Sundry Creditors		
C. J. Corporation	55.72	52.68
	55.72	**52.68**
Sundry Balance Written back (Advance from Customer)		
Alok Singapore Pte Ltd.	89.61	-
Alok International (Middle East) FZE	25.34	-
	114.95	**-**

IV. Transaction with Resolution Professional & Member of Monitoring Committee

Transaction	Current Year	Previous Year
Professional Fees	0.68	0.49

B. Joint Venture

The Company has interests in the following jointly controlled entities, which are incorporated in India.

(Rs. In Crores)

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%	47.49	14.08	0.02	0.67	0.10
		(49.00%)	(48.16)	(14.09)	(17.77)	(17.93)	(0.08)
Aurangabad Textile and Apparel Park Limited							
	India	49.00%	7.39	0.13	0.08	0.45	-
		(49.00%)	(7.77)	(0.14)	(0.33)	(0.65)	-

Previous period figures are given in brackets.

46 Corporate Insolvency Resolution Process(CIRP) Cost

CIRP cost incurred during the Year ended 31.03.2019

Transaction	31-March-19	31-March-18
Fees to Resolution Professional (RP) and MC	0.68	0.49
Advisor to RP / MC	8.28	6.15
Counsel to RP / MC	3.90	1.90
Other Professional Fees	0.91	2.92
Other Misc. Exp. (Including Meeting & communication Exp.)	0.64	0.85
	14.40	**12.31**
Interest, processing fees to ECL Finance Ltd.	21.93	11.82
Total CIRP Cost	**36.34**	**24.13**

47 Earnings per share (EPS)

	Transaction	31.03.2019	31.03.2018
a.	Face value of equity shares per share (in Rupees)	10	10
b.	**Basic and Diluted EPS**		
	Net profit available for equity shareholders (in Rs. Crore)	2,282.12	(18,217.34)
	Weighted average number of equity shares - Basic (Nos.)	1,36,86,26,895	1,35,79,41,329
	Basic EPS (in Rs.)	16.67	(134.15)
	Weighted average number of equity shares - Diluted (Nos.)	1,36,86,26,895	1,35,79,41,329
	Diluted EPS (in Rs.)	16.67	(134.15)

48 Disclosures Pursuant to – “Employee benefits”:

i) <u>Defined contribution plans:</u>

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 Rs. 3.60 Crore (Previous year Rs. 4.57 Crore).

ii) <u>Defined benefit plans:</u>

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 31 March 2019 as required under Ind AS 19.

(Rs. in crores)

	Particulars	**Gratuity (funded) as on 31-Mar-19**	**Gratuity (funded) as on 31-Mar-18**
I.	**Change in Defined Benefit Obligation**		
	Opening Defined Benefit Obligation	35.56	40.39
	Current Service Cost	5.15	6.34
	Interest Cost	2.61	2.99
	Actuarial (Gain)	(2.33)	(14.10)
	Past Service cost – Vested Benefit	-	3.15
	Benefits Paid	(2.73)	(3.21)
	Closing Defined Benefit Obligation	**38.26**	**35.56**
II.	**Change in Fair Value of Plan Assets**		
	Opening Fair value of Plan Assets	10.17	12.88
	Expected Return on Plan Assets	0.75	0.95
	Actuarial gain/(loss)	0.26	(0.64)
	Contribution by Employer	0.21	0.19
	Benefits Paid	(2.73)	(3.21)
	Closing fair value of plan assets	**8.66**	**10.17**
III.	**Net Liability recognised in the Balance Sheet**	**29.60**	**25.39**
IV.	**a) Expense recognised in statement of Profit and Loss**		
	Current Service Cost	5.15	6.34
	Past Service Cost	-	3.16
	Loss/(Gain) on Settlement	-	-
	Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	1.86	2.03
	Total included in employment expenses	**7.01**	**11.53**
	b) Included in other Comprehensive Income	(2.60)	(13.46)
V.	**Actual return on Plan Assets**	0.49	0.20
VI.	**Investments details** (Invested through Trustees of Alok Industries Limited Employees Group Gratuity Assurance Scheme) : Insurer Managed Funds		
	Insurer Managed Funds	8.66	10.17
		100.00%	100.00%
VII.	**The assumptions used in accounting for the gratuity are set out below:**		
	Discount rate	7.45%	7.35%
	Rate of increase in compensation levels of covered employees	6.00%	6%
	Expected Rate of return on plan assets *	7.45%	7.35%
	Mortality rate	100%	100%
	Attrition / withdrawal rate#	8%	20%
VIII.	**Future contribution :**		
	Amount expected to be contributed in the next 12 months	35.06	29.46

* 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.

in view of the approved resolution plan being implemented by the management is of the opinion that the attrition rate to be revised to 8%.

Experience Adjustments:

(Rs. in crores)

Particulars	Period / Year Ended				
	31-March-19	31-March-18	31-March-17	31-March-16	31-March-15
Defined benefit obligation	38.26	35.56	40.39	36.21	32.01
Plan Assets	8.66	10.17	12.88	13.16	15.56
Surplus / (Deficit)	(29.60)	(25.39)	(27.51)	(23.05)	(16.45)
Experience Adjustments on Plan Liabilities	(0.82)	(4.18)	(2.35)	(0.96)	(4.93)
Experience Adjustments on Plan Assets				(0.29)	0.69

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:

(Rs. in crores)

Particulars	31-March-19	31-March-18
Defined Benefit Obligation (Base)	38.26	35.56

(Rs. in crores)

Particulars	31-March-19		31-March-18	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+1%) (% change compared to base due to sensitivity)	41.49 *8.4%*	35.45 *-7.3%*	37.10 *4.3%*	34.15 *-4.0%*
Salary Growth Rate (-/+1%) (% change compared to base due to sensitivity)	35.53 *-7.1%*	41.34 *8.0%*	34.21 *-3.8%*	37.00 *4.0%*
Attrition Rate (-/+50% of attrition rates) (% change compared to base due to sensitivity)	36.80 *-3.8%*	39.03 *2.0%*	34.57 *-2.8%*	35.76 *0.5%*
Mortality Rate (-/+10% of mortality rates) (% change compared to base due to sensitivity)	38.25 *0.0%*	38.27 *0.0%*	35.56 *0.0%*	35.56 *0.0%*

Maturity Profile of Defined Benefit Obligation

(Rs. in crores)

Expected cash flows over the next (valued on undiscounted basis):	Amount
1 year	4.74
2 to 5 years	15.33
6 to 10 years	17.77
More than 10 years	43.35

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

(Rs. in crores)

Particulars	31-March-19	31-March-18
Current Liability (Short Term)	3.61	5.58
Non-Current Liability (Long Term)	11.05	10.28
Present value of obligation as at the end	**14.66**	**15.86**

b) Expenses recognized in Statement of Profit and Loss

(Rs. in crores)

Particulars	31-March-19	31-March-18
Present value of obligation as at the beginning	15.86	17.44
Present value of obligation as at the end	14.66	15.86
Benefit Payment	2.84	3.83
Actual return on plan assets	-	-
Acquisition adjustment	-	-
Expenses Recognized in Income Statement	**1.63**	**2.26**

c) Financial Assumptions

(Rs. in crores)

Particulars	31-March-19	31-March-18
Discount rate (per annum)	7.45%	7.35%
Salary growth rate (per annum)	6.00%	6.00%

d) Expenses recognized in Statement of Profit and Loss

(Rs. in crores)

Particulars	31-March-19	31-March-18
Present value of obligation as at the beginning	100%	100%
Normal retirement age	60 years	60 years
Attrition / Withdrawal rate (per annum)	8%	20%
Rate of Leave Availment (per annum)	10%	10%
Rate of Leave Encashment during employment (per annum)	**0%**	**0%**

49 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.

50 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 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”).

When the Approved Resolution Plan is implemented, there would be changes in the Capital Structure of the company as discussed in Notes to the accounts and the new management will take over. The framework and the strategies for effective capital management, thus, will be formulated post the implementation of the Resolution Plan by the new management.

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 are as follows:

(Rs. in crores)

Particulars	31 March 2019	31 March 2018
Debt (A)	24,097.81	26,220.64
Equity (B)	(12,922.18)	(15,200.53)
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 subject to the Company's established policy, procedures and control 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 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 Company Credit Policy.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

(Rs. in crores)

Particulars		31 March 2019	31 March 2018
Gross debtors	A	11,247.42	11,289.74
Opening Loss allowance provision	B	11,082.38	129.86
Loss allowance during the year (net of bad debt)	C	(0.53)	10,952.52
Total Loss Allowance	D	11,081.85	11,082.38
Net debtors	E	165.57	207.36
Expected loss rate for the year	C/A*100	0.00%	97.01%
Expected loss rate cumulative	D/A*100	98.53%	98.16%

The Company has already made adequate provision as per the Expected Credit Loss (ECL) policy. In view of the terms of the Approved Resolution Plan, the Company has continued with the provision for trading receivables made in the year 2017-18.

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 as a result of adverse exchange rate movement during the relevant period. The Company has exports and to that extent it has natural hedge to cover foreign exchange risk on account of imports/expenses in foreign currency. Thus to that extent it is able to mitigate fluctuations in currency rates. Once the Approved Resolution Plan is implemented, the new management may decide to obtain limits to enter into derivative contracts for mitigation of currency risk on its net exposure.

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.

Currency	Change in rate (upward)	Effect on profit before tax		Change in rate (downward)	Effect on profit before tax	
		31.03.2019	31.03.2018		31.03.2019	31.03.2018
AED	+5%	(5.61)	(5.26)	-5%	5.61	5.26
CHF	+5%	(0.01)	0.02	-5%	0.01	(0.02)
Euro	+5%	(0.93)	(1.04)	-5%	0.93	1.04
GBP	+5%	(4.11)	(3.92)	-5%	4.11	3.92
JPY	+5%	0.00	0.05	-5%	(0.00)	(0.05)
USD	+5%	(70.62)	(61.95)	-5%	70.62	61.95

P&L impact during the year including impact on fixed assets and unhedged exposure is as follows:

Impact on P&L of Rs. 81.28 crore (negative if change in rate is upward), on Fixed Assets of Rs. 53.85 crore (negative if change in rate is upward)

ii) Interest rate risk

In the normal circumstances, the Company manages interest rate risk by having a balanced portfolio of fixed and variable rate of interest on loans and borrowings. However, since the company was under CIR Process and currently under process of implementation of the resolution plan, it is not required to meet any interest obligation till the resolution plan is implemented.

Interest rate sensitivity

Not relevant as explained above.

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 Company does not actively trade these investments. During the year the company has made provision for diminution in value of its investments in subsidiary companies amounting to Rs. 9.82 crore (Previous year Rs. 27.10 crore).

C. Liquidity Risk:

i) Liquidity risk management

During the year, a resolution plan was approved by the Hon'ble NCLT. Till the time the Approved Resolution Plan is implemented, the Company does not have any sources of funds infusion. The company has to manage its cash flows on a day to day basis to maintain operations that for the most of the year was about 30% capacity utilization. The company is dependent upon timely receipt of sales proceeds and delays in sales realizations can severely impact the current level of operations.

ii) Maturities of financial liabilities

The Approved Resolution Plan for the Company is currently under implementation and the maturity of financial obligations would be crystallised once the resolution plan is implemented.

In the normal circumstances and existing terms of financial creditors the obligation of the company towards financial liabilities would have been as under:

(Rs. 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			1,097.69	1,111.85	1,155.42	2,505.76	5,870.72
			(1,184.84)	(1,168.00)	(1,109.84)	(3,660.53)	(7,123.22)
Short term borrowings							
Cash Credit Facilities/Working Capital Loan	9,056.95						9,056.95
	(9,653.52)						(9,653.52)
Pre-shipment, Post-shipment facilities	183.42						183.42
	(183.17)						(183.17)
Bill Discounting with Bank	33.51						33.51
	(70.84)						(70.84)
Overdue/Recalled Loans & Other Loans	7,661.61						7,661.61
	(7,225.81)						(7,225.81)
Trade payables							
Trade payables-Micro and small enterprises		102.62					102.62
		(11.91)					(11.91)
Trade payables-other than micro and small enterprises		543.74					543.74
		(630.41)					(630.41)
Acceptances		116.65					116.65
		(143.93)					(143.93)
Other financial liabilities							
Deposits from dealers and agents	6.39						6.39
	(6.39)						(6.39)
Deposits against rental arrangements	3.02						3.02
	(3.16)						(3.16)
Current maturities of long-term debt		1,279.24					1,279.24
		(1,951.73)					(1,951.73)
Interest accrued on borrowings	5,433.32	6.52					5,439.83
	(6,210.10)	(10.07)					(6,220.17)
Other Interest accrued	32.08						32.08
	(14.72)						(14.72)
Unclaimed/Unpaid dividends	0.51						0.51
	(0.86)						(0.86)
Creditors for Capital Supplies/Services		27.41					27.41
		(27.41)					(27.41)
	22,410.82	**2,076.17**	**1,097.69**	**1,111.85**	**1,155.42**	**2,505.76**	**30,357.72**
	(23,368.57)	**(2,775.45)**	**(1,184.84)**	**(1,168.00)**	**(1,109.84)**	**(3,660.53)**	**(33,267.25)**

iii) Financing arrangements

Under the Approved Resolution Plan and as explained in Note to the accounts, there would be a infusion of funds for meeting working capital and capital expenditure requirements of the company once the plan is implemented.

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.

(Rs. in crores)

(a) Non Derivative financial instruments				
		Trade Receivables (Net of Provisions)	Other Bank Balances	Total
On Demand	2018-19	99.67	-	99.67
	2017-18	(149.48)	-	(149.48)
Less Than 1 Year	2018-19	65.90	115.88	181.78
	2017-18	(57.88)	(160.52)	(218.43)
1-2 Years	2018-19	-	-	-
	2017-18	-	-	-
2-3 Years	2018-19	-	0.11	0.11
	2017-18	-	(0.02)	(0.02)
Beyond 3 Years	2018-19	-	0.44	0.44
	2017-18	-	(0.66)	(0.66)
Total	**2018-19**	**165.57**	**116.43**	**282.00**
	2017-18	**(207.36)**	**(161.23)**	**(368.59)**

51 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.

(Rs. in crores)

Sr. No.	Particulars	Carrying value		Fair value	
		31 March 2019	31 March 2018	31 March 2019	31 March 2018
	Financial Asset				
(a)	**Carried at amortised cost**				
(i)	Trade receivable	165.57	207.36	165.57	207.36
(ii)	Security deposits	3.28	5.40	3.28	5.40
(iii)	Loans to related parties	-	-	-	-
(iv)	Other receivables	2.85	2.64	2.85	2.64
(v)	Cash and cash equivalent	14.93	31.49	14.93	31.49
(vi)	Other bank balances	9.90	12.17	9.90	12.17
(vii)	Other financial assets	107.05	149.91	107.05	149.91
	Financial Liabilities				
a)	**Carried at amortised cost**				
(i)	Borrowings	24,097.81	26,220.64	24,097.81	26,220.64
(ii)	Trade payable	763.01	786.25	763.01	786.25
(iii)	Other payables	5,499.84	6,263.16	5,499.84	6,263.16

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 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 non-current 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 31 March 2019:

Rs. in Crores

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		3.28		Discounted cash flows	Forecast cash flows, discount rate, maturity
			(5.40)			
(iI)	Other receivables		2.85			
			(2.64)			
(b)	**Financial liability measured at amortised cost**					
(i)	Borrowings		24,097.81		Discounted cash flows	Forecast cash flows, discount rate, maturity
			(26,220.64)			
(ii)	Other payables		5,499.84			
			(6,263.16)			

(Previous year figures given in brackets)

During the year ended 31 March 2019 and 31 March 2018 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 value of loans from banks and other financial liabilities, security deposit, as well as other financial liabilities is presently considered same as carrying value as the eventual capital structure and associated attributes to determine fair value will be known only when the Resolution Plan is implemented. The Company

being under the CIR Process, the treatment of the loans shall be in accordance with the resolution plan and therefore it is not possible to forecast what would be the carrying value of the loans for applying fair value measurement.

- 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 values 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.
- Since the company is under CIR Process, there is no obligation to service borrowings. Interest on all borrowings is being accrued as per the interest rate prevailing on the date of the commencement of CIRP viz 18th July 2017.

52 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 Rs. 9.63 crore (previous year Rs. 9.42 crore).

53 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 :

(Rs. in crores)

Name of the Company	Balance as at 31-Mar-19	Maximum balance during year ended 31-Mar-19	Balance as at 31-Mar-18	Maximum balance during year ended 31-Mar-18
	(Net off provisions)		(Net off provisions)	
Alok Infrastructure Limited	871.60	1,372.99	936.92	1,325.61
Alok Industries International Limited	-	2.49	-	2.49
Alok International Inc.	-	316.11	-	316.11
Alok Singapore Pte Ltd	-	25.36	-	25.36
Alok International (Middle East) FZE	-	52.34	-	52.34
Alok Worldwide Limited	-	861.95	-	861.95
Alok Global Trading (ME) FZE	-	-	-	60.61
Grabal Alok International Limited	-	0.13	-	0.13
Grabal Alok (UK) Ltd	-	76.35	-	76.35
Triumphant Victory Holdings Limited	-	238.29	-	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)

   i. During the previous year on 02.03.2018 the guarantee given for Grabal Alok (UK) Ltd. of USD 14.50 million equivalents to Rs. 96.57 crore was invoked by lender and converted to loan in the books of Alok Industries Ltd.

   ii. During the previous year on 01.07.2017 the Company received demand notice from lender of Alok International (Middle East) FZE for guarantee given and demanded the outstanding amounts of USD 5.70 million equivalent to Rs. 36.04 crore and the same now converted to loan in the books of Alok Industries Ltd.

d. Security provided – Refer Note no. 12 (utilised for business purpose) of the audited standalone financial statement.

54 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.

Sr. No.	Particulars	Rs. In Crore
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.

55 In view of the liquidity crunch since 2014, the Company has stopped paying debenture interest and such interest payment is due for a period beyond one year as at the Balance Sheet date. A clarification was sought by the Regional Director, Ministry of Company Affairs (RD), amongst others, as to why this non-payment for financial year ending 31.03.2016, should not be treated as a violation of Section 164(2) and 167 of the Companies Act, 2013. The Company responded that it had availed financial assistance by way of issuance of non-convertible redeemable debenture on a private placement basis and not a public issue. The Company further stated that a close reading of Section 164(2) would reveal that its provisions would be attracted when the Company accepts debentures and deposits from many (i.e. public at large) and not from a single entity on a private placement basis. Accordingly, directors retiring by rotation at the ensuing Annual General Meeting and eligible for re-appointment, continue to render themselves eligible for such reappointment, subject to the terms of Approved Resolution Plan.

56 Impairment of fixed assets

The Company current level of operations, at about 30% of the capacity, may not be an indication of the future performance of the Company. Pursuant to its order dated 08 March 2019, the Adjudicating Authority approved the resolution plan submitted by the Resolution Applicants for the Company under Section 31 of the Insolvency and Bankruptcy Code, 2016. Pending implementation of the Resolution Plan, reliable projections of availability of future cash flows of the Company supporting the carrying value of Property, Plant and Equipment cannot be determined, hence are not available. Accordingly Impairment testing under Ind AS has not been performed while presenting these Ind AS financial statements.

57 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:

(Rs. in Crore)

Particulars	Currency	As at 31-March-2019	As at 31-March-2018
Trade Receivables	USD	103.71	105.43
	EUR	1.48	1.89
Loans & Advances	USD	0.45	13.85
	GBP	0.01	0.00
	EUR	0.11	0.49
	CHF	0.00	0.63
	JPY	0.07	0.99
Borrowings	USD	2145.11	1938.69
	EUR	328.98	343.36
	GBP	81.56	77.90

(Rs. in Crore)

Particulars	Currency	As at 31-March-2019	As at 31-March-2018
Trade Payables	USD	122.17	126.03
	EUR	2.60	2.72
	GBP	0.59	0.52
	CHF	0.30	0.29
	AED	2.95	2.77
	DKK	0.02	0.02
Current Liabilities	USD	9.07	7.97
	EUR	5.92	6.40
	AED	109.18	102.42

The company has not entered into any derivative contracts during the year and the previous year.

58 Reconciliation of provisions

a) Reconciliation of loss allowance provision for Investments

(Rs. in crores)

Particulars	31-March-19	31-March-18
Balance as at beginning of the year	214.54	187.44
Impairment losses recognised in the year	9.82	27.10
Amounts written off during the year as uncollectible	0.00	-
Balance at end of the year	224.36	214.54

b) Reconciliation of loss allowance provision for Loans to subsidiaries

(Rs. in crores)

Particulars	31-March-19	31-March-18
Balance as at beginning of the year	1,868.54	1,228.64
Impairment losses recognised in the year	98.84	639.91
Amounts written off during the year as uncollectible	-	-
Amounts recovered during the year	-	-
Balance at end of the year	1,967.38	1,868.54

c) Reconciliation of loss allowance provision for Interest Subsidy receivable

(Rs. in crores)

Particulars	31-March-19	31-March-18
Balance as at beginning of the year	35.42	31.37
Provision for doubtful receivables recognised in the year	-	4.04
Amounts written off during the year as uncollectible	35.42	
Amounts recovered during the year	-	-
Balance at end of the year	-	35.42

d) Reconciliation of loss allowance provision for Service Tax receivable

(Rs. in crores)

Particulars	31-March-19	31-March-18
Balance as at beginning of the year	-	32.02
Provision for doubtful receivables recognised in the year	-	-
Amounts written off during the year as uncollectible	-	32.02
Amounts recovered during the year	-	-
Balance at end of the year	-	-

e) **Reconciliation of loss allowance provision for ICD Given**

(Rs. in crores)

Particulars	31-March-19	31-March-18
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	-	-
Amounts recovered during the year	-	-
Balance at end of the year	0.70	0.70

f) **Reconciliation of loss allowance provision for Export Incentives Receivable**

(Rs. in crores)

Particulars	31-March-19	31-March-18
Balance as at beginning of the year	0.43	2.58
Provision for doubtful receivables recognised in the year	1.65	0.43
Amounts written off during the year as uncollectible	-	-
Amounts recovered during the year	0.43	2.58
Balance at end of the year	1.65	0.43

g) **Reconciliation of loss allowance provision for Advance to vendors**

(Rs. in crores)

Particulars	31-March-19	31-March-18
Balance as at beginning of the year	0.51	1.64
Provision for doubtful receivables recognised in the year	2.61	-
Amounts written off during the year as uncollectible	-	-
Amounts recovered during the year	-	1.13
Balance at end of the year	3.12	0.51

59 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure and are given in brackets.

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: 14 June 2019

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: 14 June 2019

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 2019

(Rs. in 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	(533.84)	89.10	622.93	-	-	-	(34.07)	-	(34.07)	-	(34.07)
2	Alok Singapore Pte Ltd. (* Rs. 49.00/-)	USD	0.00	(129.30)	15.45	144.75	-	-	-	(2.19)	-	(2.19)	7.56	(9.76)
3	Alok International (Middle East) FZE	AED	1.31	(9.97)	47.09	55.76	-	-	-	-	-	-	0.64	(0.64)
4	Alok Infrastructure Limited	INR	0.05	(919.82)	996.91	1,916.68	(0.00)	60.37	5.47	(133.38)	-	(133.38)	-	(133.38)
5	Grabal Alok International Limited**	USD	71.03	(718.40)	3.99	651.37	-	-	-	(129.87)	-	(129.87)	29.62	(159.50)
6	Grabal Alok (UK) Limited	GBP	-	-	-	-	-	-	-	-	-	-	-	-
7	Alok Industries International Limited	USD	0.22	(1,773.31)	174.34	1,947.44	-	-	0.98	0.31	-	0.31	106.06	(105.75)
8	Mileta, a.s.	CZK	69.66	31.68	230.03	128.69	-	163.10	2.70	(15.82)	0.03	(15.85)	-	(15.85)
9	Alok Worldwide Limited (*Rs. 6,252/-)	USD	0.00	1.18	907.52	906.35	-	0.59	-	0.01	-	0.01	(0.06)	0.07
10	Alok Global Trading (Middle East) FZE (* Rs. 16,985/-)	AED	-	0.00	-	-	-	-	-	-	-	-	-	-

Note :

For converting the figure given in foreign currency 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	69.1713	69.8889
2	AED	18.8893	19.0331
3	CZK	3.0116	3.0116

** Capital Including Preference share capital of Rs. 70.81 Crores

FORM AOC-1

To the Financial Statements for the year ended 31st March, 2019

Statement containing salient features of the financial statement of subsidiaries/ joint ventures

Part "A": Subsidiaries (Rs. in crores)

		Name of the subsidiary							
		Alok Infra-structure Limited	**Alok World Wide Limited**	**Alok Singapore Pte Ltd.**	**Alok Inter-national (middle east) FZE**	**Alok Inter-national, Inc.**	**Alok Indus-tries Inter-national Limited**	**Grabal Alok Inter-national 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	69.66
3	Reserves & Surplus	(919.82)	1.18	(129.30)	(9.97)	(533.84)	(1,773.31)	(718.40)	31.68
4	Total Assets	996.91	907.52	15.45	47.09	89.10	174.34	3.99	230.03
5	Total liabilities	1,916.68	906.35	144.75	55.76	622.93	1,947.44	651.37	128.69
6	Investments	-	-	-	-	-	-	-	-
7	Turnover	60.37	0.59	-	-	-	-	-	163.10
8	Profit/(Loss) before taxation	(133.38)	0.01	(2.19)	-	(34.07)	0.31	(129.87)	(15.82)
9	Provision for taxation	-	-	-	-	-	-	-	0.03
10	Profit/ (Loss) after taxation	(133.38)	0.01	(2.19)	-	(34.07)	0.31	(129.87)	(15.85)
11	Other Comprehensive Income	-	(0.06)	7.56	0.64	-	106.06	29.62	-
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

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 audited Balance sheet date	31.03.2019	31.03.2019
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) Extent 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 audited Balance Sheet	68.19	14.82
6	Profit / (Loss) for the year		
	I) Considered in consolidation	(0.65)	(0.37)
	II) Not considered in consolidation	(0.68)	(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**

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: 14 June 2019

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
(Resolution Professional)

Place: Mumbai
Date: 14 June 2019

INDEPENDENT AUDITORS' REPORT

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, 2019, 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, 2019, consolidated profits, 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.60 of the consolidated Ind AS financial 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 Ind AS financial statements is not ascertainable. The audit report on the consolidated Ind AS financial statements for the year ended 31st March, 2018 was also qualified in respect of this matter.*

(ii) *As mentioned in note no.46 of the consolidated Ind AS financial statements, the Holding Company continued to recognize deferred tax assets upto March 31, 2017, Rs. 1423.11 crore. Pending implementation of Approved Resolution Plan and absence of probable 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 Ind AS financial statements for the year ended 31st March, 2018 was also qualified in respect of this matter.*

(iii) *As mentioned in the note no. 49 of the consolidated Ind AS financial statements, the Impairment testing of the assets of the wholly own subsidiary, Alok Infrastructure Limited is not carried out. Therefore the adequacy of the carrying value of the above assets in the consolidated Ind AS financial statements are not ascertainable.*

(iv) *The consolidated Ind AS financial statements include the unaudited Ind AS financial statement of two subsidiary whose Ind AS Financial Statements reflect total assets of Rs.319.13crore as at 31st March, 2019, total revenue of Rs. 165.80crore, net loss after tax of Rs. 49.92crore, and total comprehensive income amounting to Rs (49.92) crore for the 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 atRs.1.08crore in the consolidated Ind AS financial statements. Our opinion, in so far as it relates to the amounts included in respect of these two subsidiaries and two joint control entities, is based solely on such Unaudited Ind AS Financial Statements. We are not in a position to comment on the consequential impact, if any, arising out of subsequent audit of these entities, on the consolidated Ind AS financial statements. Our opinion on the consolidated Ind AS financial statement is modified in respect of our reliance on the Ind AS financial statements / financial information certified by the Management of the company. The audit report on the Ind AS consolidated Ind AS financial statement for the year ended 31st March, 2018 was also qualified in respect of this matter.*

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.

Material Uncertainty Related to Going Concern

(i) We draw attention to note no. 36 of the consolidated Ind AS financial statement, which indicate that the Holding Company recordeda total comprehensive income of Rs. 2,283.82 crore during the year, ended March 31, 2019 and, as of that date, the Holding Company's current liabilities exceeded its total assets by Rs. 12,922.18 crore. A material uncertainty exists that may cast significant doubt on the Holding Company's ability to continue as a going concern in the event the Approved Resolution Plan is not implemented.

(ii) Independent Auditors of Alok Infrastructure Ltd in their audit report on Ind As Financial Statements for the year ended March 31, 2019 have incorporated in their report, Material Uncertainty Related to Going Concern paragraph, as under:

'We draw attention to note no.49(b) of the consolidated Ind AS financial statement, which indicates that the Alok Infrastructure Ltd. incurred a net loss of Rs.133.38crore during the year ended March 31, 2019 and, as of that date, the Alok Infrastructure Ltd total liabilities exceeded its total assets by Rs. 919.77crore. As stated in note no.49(a) of the consolidated Ind AS financial 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 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. 44 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 tracked 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, general counsel and tax teams; • assessing the 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 satisfied ourselves that the level of provisioning at March 31, 2019 is 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.	**Change in method of inventory valuation from FIFO basis to Weighted Average basis:** - Refer note. 1(m), and note 40 There is a high level of judgment required in an assessment of the methodology and the appropriateness of the valuation policy and inputs used by the Holding Company's management to value the Inventory.	**Principal Audit Procedures:** Our audit procedures included, among other things, an assessment of the methodology and the appropriateness of the valuation models and inputs used by Holding Company's management to value inventory. As part of these audit procedures we assessed the accuracy of key inputs used in the valuation and appropriate disclosure were made as per the Ind AS requirement. Based on these procedures we have not noted any material differences. We have assessed the appropriateness of the related disclosures in notes 40 of the consolidated Ind AS financial statements, and considered them to be reasonable
3.	**Implementation of Hon' ble NCLT orders under IBC code and Resolution Plan related impacts:** - Refer note no. 35, 36, and 37 of the consolidated Ind AS financial statements. The Holding Company is subject to various challenges on matters relating to the IBC, including Implementation of NCLT order under IBC code and Resolution Plan related impacts. The transactions are complex and there are areas of uncertainty relating to the manner in which the law/regulation will apply and transaction will be recorded in books along with other compliances. This requires high level of judgment in an assessment of above matters.	**Principal Audit Procedures:** We used our expertise to gain an understanding of the NCLT orders under IBC code, Resolution Plan and its related implication by reference to relevant records made available by the Holding Company. The implementation of NCLT orders under IBC code and Resolution Plan and recording in books had been appropriately made to reflect all the direct or incidental impact that could be given effect upto March 31, 2019. • We evaluated the design and implementation of controls in respect of identifying uncertain positions and scheme of entries relating to the transaction, which we found to be satisfactory for the purposes of our audit. We also evaluated the related accounting policy for provisioning for tax exposures and found it to be appropriate; • Went through correspondence received by the Company from NCLT, updating our evidence for audit; • discussed with the Holding Company's management the advice and action they had taken with regards to the transaction and reviewed any associated documents; and • discussed certain aspects of the matter directly with the Companies legal and compliance team/advisers. We concluded that the position adopted in the financial statements was reasonable based on the work we performed, in particular. • We have assessed the appropriateness of the related disclosures in notes of the consolidated financial statements, and considered them to be reasonable.

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 Board's Report, Report on Corporate governance 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 necessary as per in the applicable laws and regulations

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

The Holding Company's Board 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.

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

We did not audit the financial statements/financial information of a six subsidiaries, whose financial statements reflect total assets of Rs. 2,145.31 crore as at March 31, 2019, total revenues of Rs. 67.42 crore, total net loss after tax of Rs. 265.13 crore and total comprehensive income of Rs. (408.96) 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 six 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 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, 2019 and taken on record by the MC of the Holding Company, none of the directors are disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act. Further as explained in the note no. 59 of Ind AS consolidated financial statements and based on the audit reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act, except for the terms mentioned in Approved Resolution Plan of holding company.

(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. Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph in "Annexure B", the Company has, in all material respects, an adequate internal financial controls system; and

(g) With respect to the matter to be included in the Auditors' report under Section 197(16): In our opinion and according to the information, explanation given to us and based on the reports of the statutory auditors of such subsidiary company incorporated in India which were not audited by us, the remuneration paid during the current year by the Parent Company and its subsidiary which are incorporated in India is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary which are incorporated in India, is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

(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.

   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, 2019 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

D. V. Ballal
Partner
M. No. 13107

Place : Mumbai
Date : June 14, 2019

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

Devdas V. Bhat
Partner
M. No. 048094

Place : Mumbai
Date : June 14, 2019

ANNEXURE“A”TOTHEINDEPENDENTAUDITOR’S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ALOK INDUSTRIES LIMITED

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, 2019, 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.

Basis for Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weakness has been identified as at March 31, 2019:

The Holding Company's internal financial controls over obtaining certain bank balance confirmations were not operating effectively, which could potentially result in affecting the expenses such as interest, bank charges etc and bank balances in the books of the Holding Company. The audit report on the consolidated Ind AS financial statement for the year ended 31st March, 2018 was also qualified in respect of this matter.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

Qualified Opinion

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 matters described in the Basis for Qualified Opinion paragraph above, 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 2019, 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, 2019 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 July 10, 2018.

Our Report is not modified 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 : June 14, 2019

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

Devdas V. Bhat
Partner
M. No. 048094

Place : Mumbai
Date : June 14, 2019

Consolidated Balance sheet as at 31st March 2019

(Rs. in Crores)

PARTICULARS	NOTE NO.	As at 31-Mar-19	As at 31-Mar-18
I ASSETS			
(1) Non-current Assets			
(a) Property, Plant and Equipment	2	14,716.51	15,221.86
(b) Capital work-in-progress	2	0.53	4.45
(c) Investment property	3	855.05	838.71
(d) Other Intangible assets	2	0.85	2.25
(e) Financial assets			
(i) Investments	4	95.57	94.61
(ii) Loans	5	20.82	5.61
(iii) Other financial assets	11	107.05	149.91
(f) Deferred tax assets (net)	6	1,227.08	1,226.28
(g) Current tax assets (net)	14	43.19	38.87
(h) Other non-current assets	7	50.58	57.27
		17,117.23	**17,639.82**
(2) Current Assets			
(a) Inventories	8	420.76	510.33
(b) Financial Assets			
(i) Trade receivables	9	243.14	309.93
(ii) Cash and cash equivalents	10	27.70	54.63
(iii) Other balances with banks	11	9.90	12.17
(iv) Loans	12	1.40	0.74
(v) Other financial assets	13	3.08	2.87
(c) Other current assets	15	194.61	171.36
		900.59	1,062.03
TOTAL ASSETS		**18,016.35**	**18,701.85**
II EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	1,368.64	1,368.64
(b) Other equity	17	(15,985.59)	(18,044.33)
		(14,616.95)	(16,675.69)
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	6,125.30	7,367.16
(b) Provisions	19	40.67	35.70
(c) Current tax Liabilities (net)	21	121.53	121.53
(d) Other non-current liabilities	20	0.02	0.02
		6,287.52	**7,524.41**
(2) Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	22	17,678.10	17,845.93
(ii) Trade payables	23		
- Dues to micro and small enterprises		102.62	11.91
- Dues to Others		955.12	1,051.18
(iii) Other financial liabilities	24	7,115.69	8,510.53
(b) Other current liabilities	25	490.97	426.70
(c) Provisions	19	4.75	6.88
		26,347.25	**27,853.13**
TOTAL EQUITY AND LIABILITIES		**18,017.82**	**18,701.85**
Significant accounting policies	1		
The accompanying notes are an integral part of the financial statements	2 to 64		

As per our report of even date attached

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

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

For NBS & Co.
Chartered Accountants
FRN - 110100W

Devdas V. Bhat
Partner
M. No.: 048094

Place: Mumbai
Date: 14th June 2019

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: 14th June 2019

Consolidated statement of Profit & Loss account for the year ended 31st March 2019

(Rs. in Crores)

PARTICULARS		NOTES	Year Ended 31-Mar-19	Year Ended 31-Mar-18
(1)	**INCOME**			
	Revenue from Operations	26	3,352.24	5,562.08
	Other Income	27	18.53	256.61
	Total Income		**3,370.77**	**5,818.69**
(2)	**EXPENSES**			
	Cost of materials consumed	28	2,215.54	5,280.46
	Purchase of Traded Goods		8.82	8.55
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	29	49.91	(2.62)
	Excise Duty on sale of goods		-	48.33
	Employee benefits expense	30	300.89	323.19
	Finance costs	31	4,308.74	4,711.33
	Depreciation and amortisation expense	32	549.51	544.61
	Other expenses	33	906.25	13,473.71
	Total Expenses		**8,339.66**	**24,387.54**
(3)	**Loss before exceptional items and tax**		**(4,968.89)**	**(18,568.87)**
(4)	**Exceptional items**		**(7,045.19)**	**-**
(5)	**Loss before tax from continuing operations**		**2,076.30**	**(18,568.87)**
(6)	**Tax Expense**			
	- Current tax		0.86	15.79
	- Deferred tax		(1.74)	(5.36)
	Total Tax Expenses		(0.88)	10.43
(7)	**Loss after tax before share of profit from joint ventures**		**2,077.18**	**(18,579.30)**
(8)	**Share of profit from joint ventures accounted for using equity method**		**(1.02)**	**(0.48)**
(9)	**Loss for the year from continuing operations**		**2,076.16**	**(18,579.78)**
(10)	**Other Comprehensive Income**			
	A (i) Items that will not be reclassified to profit or loss		2.60	13.46
	(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.90)	(4.66)
	B (i) Items that will be reclassified to profit or loss		(231.70)	3.45
	(ii) Income tax relating to items that will be reclassified to profit or loss		80.19	(1.19)
	Total Other Comprehensive Income for the period		**(149.82)**	**11.06**
(11)	**Total comprehensive Income for the year (9) + (10)**		**1,926.34**	**(18,568.72)**
(12)	**Earnings per equity share (for continuing operation):**			
	1) Basic	52	15.17	(136.82)
	2) Diluted	52	15.17	(136.82)
Significant accounting policies		1		
The accompanying notes are an integral part of the financial statements		2 to 64		

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: 14th June 2019

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: 14th June 2019

Consolidated Statement of Changes in Equity for the year ended 31 March 2019

A. Equity Share Capital

	As at 31.03.2019	As at 31.03.2018
Balance at the beginning of the reporting year	**1,368.64**	**1,357.87**
Changes in Equity Share capital during the reporting year	-	10.77
Balance at the end of the reporting year	**1,368.64**	**1,368.64**

B. Other Equity

	Reserves and Surplus									Items of Other Comprehensive Income	Total
	Capital Reserve	Capital Reserve on consolidation	Securities Premium Reserve	Capital Redemption Reserve	General Reserve	Debenture Redemption Reserve	Foreign Currency Monetary Item Translation Difference Account	Foreign Currency Translation Reserve	Retained Earnings		
Balance as on 1 April 2017	14.49	14.52	993.65	9.10	280.90	81.97	(2.09)	(250.75)	(725.32)	(85.00)	331.47
Translation difference on restatement	0.28										0.28
Addition during the year							(0.78)	189.68	(18,579.78)	2.26	191.16
Amotisation for the year							0.55				0.55
Transferred from Debenture Redemption Reserve						-			-		-
Items of OCI for the year, net of tax									8.80		8.80
Balance as on 31 March 2018	**14.77**	**14.52**	**993.65**	**9.10**	**280.90**	**81.97**	**(2.32)**	**(61.07)**	**(19,293.11)**	**(82.74)**	**(18,044.33)**
Balance as on 1 April 2018	**14.77**	**14.52**	**993.65**	**9.10**	**280.90**	**81.97**	**(2.32)**	**(61.07)**	**(19,293.11)**	**(82.74)**	**(18,044.33)**
Translation difference on restatement	(0.00)	-									(0.00)
Excess provision dividend tax for earlier years									0.10		0.10
Addition during the year							(13.18)	0.00	2,076.16	(12.18)	(25.36)
Amotisation for the year							6.15				6.15
Items of OCI for the year, net of tax									1.69		1.69
Balance as on 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)**

The accompanying notes are an integral part of these Abridged Consolidated 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: 14th June 2019

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
(Resolution Professional)

Place: Mumbai
Date: 14th June 2019

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2019

(Rs. in Crores)

PARTICULARS		Year Ended 31-Mar-19	Year Ended 31-Mar-18
A]	**Cash Flow from Operating Activities**		
	Net Profit Before Tax	2,076.30	(18,568.87)
	Adjustments for:		
	Loss of subsidiary not considered	-	-
	Depreciation / Amortisation	549.51	544.61
	Diminution in the value of investment	1.33	42.32
	Provision for impairment of fixed assets and intangibles	2.33	35.41
	Employee Stock Option outstanding		-
	Exchange rate difference	58.47	186.72
	Dividend Income	(0.65)	(0.01)
	Interest Expense	4,308.74	4,711.33
	Interest Income	(7.17)	(20.19)
	Capital Reserve	(0.00)	0.28
	Capital Reserve (on Consolidation)	-	-
	Other Comprehensive income	(10.48)	11.06
	(Profit)/Loss on sale of fixed assets (net)	(6.17)	(59.02)
	Provision for Gratuity & leave encashment	3.00	(4.06)
	Provision for acc. special legal regulation	(0.16)	0.29
	Sundry Credit Balances written back	(3.06)	4.36
	Loss/(Profit) on sale of investments (net)	0.52	45.41
	Provision for Doubtful Debts	16.81	11,853.35
	Provision for Doubtful Advances	(68.35)	600.33
	Fixed assets written off on liquadition of subsidiary	-	112.83
	Custom duty & Interest payable on non fulfillment of export obligation	48.60	-
	Exceptional Items (reversal of Interest)	(7,045.19)	-
	Operating Profit/(Loss) before working capital changes	(78.62)	(503.85)
	Adjustments for		
	Decrease / (Increase) in Inventories	89.56	2,872.09
	(Increase) in Trade Receivables	112.77	(2,092.46)
	(Increase)/Decrease in Loans & Advances and Other assets	28.73	(100.54)
	(Decrease)/Increase in Current Liabilities	(32.70)	(271.75)
	Cash used in operations	119.73	(96.51)
	Income Taxes Paid	(4.32)	(1.38)
	Net cash used in Operating Activities	**115.41**	**(97.89)**
B]	**Cash flow from Investing Activities**		
	Purchase of Fixed Assets	(11.28)	(22.78)
	Proceeds from sale of fixed assets	(0.03)	95.44
	Purchase of Investments	(3.83)	(39.58)
	Proceeds from sale of Investments	-	60.82
	Fixed Deposits and earmarked balances matured/(placed)	45.14	105.51
	Dividends Received	0.65	0.01
	Interest Received	7.17	11.61
	Net cash generated from Investing Activities	**37.88**	**211.03**
C]	**Cash flow from Financing Activities**		
	Proceeds from Term borrowings	259.26	286.67
	Proceeds from short term borrowings (Net)	(566.42)	80.03
	Interest Paid	127.03	(515.66)
	Net cash Generated from Financing Activities	(180.13)	(148.96)
	Net Increase/(decrease) in Cash and Cash equivalents (A+B+C)	**(26.84)**	**(35.82)**
	Cash and Cash equivalents at the beginning of the Year	**54.70**	**90.52**
	Cash and Cash equivalents pursuant to amalgamation	**-**	**-**
	Cash and Cash equivalents at the end of the Year	**27.86**	**54.70**

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 :

(Rs. in Crores)

	31-Mar-19 (Rs. Crore)	31-Mar-18 (Rs. Crore)
Cash on hand	0.22	0.23
Balance with banks in current accounts	26.38	53.20
Balance with banks in deposit accounts	-	0.32
Cheques, Drafts on hand	1.10	0.88
Other bank balances	9.90	12.17
	37.60	**66.80**
Add: Other Bank balances held in Deposit / Margin account with Bank (refer note 11)	107.05	149.91
Less : Earmarked balances/deposits with bank	(116.95)	(162.08)
Add: Overdrawn Bank balances	-	-
Add : Exchange Difference	0.16	0.07
Total Cash and Cash equivalents	**27.86**	**54.70**

3 Amendment to Ind AS 7

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.

(Rs. in Crores)

Particulars	as at 31.03.2018	Cash Flows	Non Cash changes					as at 31.03.2019
			Interest	Foreign exchange movement	Guarantee Invocation	Others	Current / non-current classification	
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	-	-	1,980.61	17,678.10
Other financial liabilities	2,202.15	-	-	15.89	-	-	(672.49)	1,545.55

Particulars	as at 31.03.2017	Cash Flows	Non Cash changes					as at 31.03.2018
			Interest	Foreign exchange movement	Guarantee Invocation	Others	Current / non-current classification	
Borrowings - Non current	9,261.75	(0.89)	-	38.20	(23.39)	1.29	(1,909.80)	7,367.16
Borrowings - current	14,182.71	332.99	1,518.25	11.99	37.25	10.85	1,751.88	17,845.93
Other financial liabilities	2,061.33	(4.05)	-	0.79	(13.85)	-	157.92	2,202.15

As per our report of even date attached

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

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

For NBS & Co.
Chartered Accountants
FRN - 110100W

Devdas V. Bhat
Partner
M. No.: 048094

Place: Mumbai
Date: 14th June 2019

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: 14th June 2019

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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.

The Company was admitted under NCLT process on 18 July 2017 and Mr. Ajay Joshi has been appointed as Resolution Professional (RP) to manage the operations in terms of the IBC, 2016. Upon admission of the insolvency petition, the powers of the Board of Directors of the Company stand suspended. Post approval of the plan by NCLT and based on the order of NCLT, Monitoring Committee was formed to monitor the operations of the parent company till new management takes over.

The Consolidated Financial Statements were certified by Chief Financial Officer and Company Secretary and taken on record by the Resolution Professional at meeting held on 14 June 2019.

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

i) Ind AS 116 Leases : On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

• Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors

• Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application. Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as:

• Its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or

• An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application. Certain practical expedients are available under both the methods.

The Group is currently evaluating the method and impact of transaction.

ii) **Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments:** On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The standard permits two possible methods of transition –

a) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and

b) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019.

The Group is currently evaluating the method and impact of transaction.

Amendment to Ind AS 12 – Income taxes : On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the method and impact of transaction.

iii) **Amendment to Ind AS 19 – plan amendment, curtailment or settlement-** On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after April 1, 2019.

The Group is currently evaluating the method and impact of transaction.

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.

Revenue includes excise duty as it is paid on production and is a liability of the manufacturer. 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 determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee:

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, unless the payments are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increase.

Company as a lessor:

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases or another systematic basis is available. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

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. Remeasurements 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.

Remeasurement 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.

2. Property, Plant & Equipment

Property, Plant & Equipment As at 31 March 2019

(Rs. in Crores)

Description Of Assets	Gross carrying value				Depreciation/Amortisation				Net carrying value	
	As at 1 April 2018	Additions / Adjustment	Deductions / Adjustment	As at 31 March 2019	As at 1 April 2018	For the Period	Adjustments On Sale/Trf.	Total Upto 31 March 2019	As at 31 March 2019	As at 31 March 2018
Land										
Freehold	4,627.44	0.78	-	4,628.22	-	-	-	-	4,628.22	4,627.44
Leasehold	35.94	-	-	35.94	1.32	0.45	-	1.77	34.17	34.62
Building	3,166.76	0.93	(4.12)	3,171.81	239.36	81.03	(4.12)	324.51	2,847.30	2,927.40
Office Premises	101.37	0.00	(3.90)	105.27	5.07	1.99	-	7.06	98.21	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 & Peripherals	5.49	0.60	0.97	5.12	4.22	0.47	0.46	4.23	0.89	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	42.32	8.26	14.70
Vehicles	11.95	0.01	0.67	11.29	7.07	1.81	(0.40)	9.28	2.01	4.88
Tools & Equipment	54.28	0.27	(0.06)	54.61	11.66	3.20	(0.05)	14.91	39.70	42.62
Total	**17,155.12**	**40.60**	**(112.81)**	**17,308.54**	**1,933.26**	**548.34**	**(110.43)**	**2,592.03**	**14,716.51**	**15,221.86**
Capital work in progress									**0.53**	**4.45**

Property, Plant & Equipment As at 31 March 2018

(Rs. in Crores)

Description Of Assets	Gross carrying value				Depreciation/Amortisation				Net carrying value	
	As at 1 April 2017	Additions / Adjustment	Deductions / Adjustment	As at 31 March 2018	As at 1 April 2017	For the Period	Adjustments On Sale/Trf.	Total Upto 31 March 2018	As at 31 March 2018	As at 31 March 2017
Land										
Freehold	4,625.10	2.34	-	4,627.44	-	-	-	-	4,627.44	4,625.10
Leasehold	35.94	-	-	35.94	0.87	0.45	-	1.32	34.62	35.07
Building	3,218.70	0.78	52.72	3,166.76	164.00	81.61	6.24	239.36	2,927.40	3,054.71
Office Premises	98.79	0.00	(2.58)	101.37	(5.04)	1.74	(8.37)	5.06	96.31	103.84
Plant and Equipment (refer note 1 below)	9,072.68	61.88	43.40	9,091.16	1,205.04	439.83	25.78	1,619.09	7,472.07	7,867.64
Computer & Peripherals	5.95	0.10	0.56	5.49	4.06	0.67	0.50	4.22	1.27	1.89
Office Equipment	8.56	0.05	0.43	8.19	6.81	0.63	(0.18)	7.63	0.56	1.75
Furniture and Fixtures	156.96	0.09	104.50	52.55	43.47	9.93	15.56	37.85	14.70	113.49
Vehicles	12.35	0.34	0.74	11.95	4.52	2.60	0.04	7.07	4.88	7.83
Tools & Equipment	54.45	0.35	0.52	54.28	8.64	3.16	0.15	11.66	42.62	45.81
Total	**17,289.48**	**65.92**	**200.28**	**17,155.12**	**1,432.37**	**540.61**	**39.72**	**1,933.26**	**15,221.86**	**15,857.12**
Capital work in progress									**4.45**	**6.08**

NOTE :

1. Plant and Equipments includes Exchange difference (net) of Rs. 33.41 Crores (Previous Period Rs. 48.71 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.

Intangible assets As at 31 March 2019

(Rs. in Crores)

Description Of Assets	Gross carrying value				Amortisation				Net carrying value	
	As at 1 April 2018	Additions / Adjustment	Deductions / Adjustment	As at 31 March 2019	As at 1 April 2018	For the Period	Adjustments On Sale/Trf.	Total Upto 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	0.25	0.57
Computer Software	5.75	-	3.34	2.39	4.07	0.22	2.49	1.80	0.60	1.68
Total (A+B)	**19.17**	**-**	**4.69**	**14.46**	**16.91**	**0.22**	**3.51**	**13.62**	**0.85**	**2.25**

Intangible assets As at 31 March 2018

(Rs. in Crores)

Description Of Assets	Gross carrying value				Amortisation				Net carrying value	
	As at 1 April 2017	Additions / Adjustment	Deductions / Adjustment	As at 31 March 2018	As at 1 April 2017	For the Period	Adjustments On Sale/Trf.	Total Upto 31 March 2018	As at 31 March 2018	As at 31 March 2017
Trademarks / Brands	10.90	2.52	-	13.42	10.01	2.35	(0.49)	12.84	0.57	0.89
Computer Software	5.52	0.38	0.15	5.75	3.37	0.51	(0.19)	4.07	1.68	2.15
Total (A+B)	**16.42**	**2.90**	**0.15**	**19.17**	**13.38**	**2.86**	**(0.68)**	**16.91**	**2.25**	**3.04**

3. Investment Property

Investment Property As at 31 March 2019

(Rs.in Crores)

Description Of Assets	Gross carrying value				Depreciation/Amortisation				Net carrying value	
	As at 1 April 2018	Additions / Adjustment	Deductions / Adjustment	As at 31 March 2019	As at 1 April 2018	For the Period	Adjustments On Sale/Trf.	Total Upto 31 March 2019	As at 31 March 2019	As at 31 March 2018
Investment Property										
Land	808.66	21.19	-	829.85	-	-	-	-	829.85	808.66
Office Premises	23.48	-	3.90	19.58	1.50	0.71	-	2.21	17.37	21.98
Factory Building	8.73	-	-	8.73	0.66	0.24	-	0.90	7.83	8.07
Total (A+B)	**840.87**	**21.19**	**3.90**	**858.16**	**2.16**	**0.95**	**-**	**3.11**	**855.05**	**838.71**

Investment Property As at 31 March 2018

(Rs.in Crores)

Description Of Assets	Gross carrying value				Depreciation/Amortisation				Net carrying value	
	As at 1 April 2017	Additions / Adjustment	Deductions / Adjustment	As at 31 March 2018	As at 1 April 2017	For the Period	Adjustments On Sale/Trf.	Total Upto 31 March 2018	As at 31 March 2018	As at 31 March 2017
Investment Property										
Land	809.89	1.61	2.84	808.66	-	-	-	-	808.66	809.89
Factory Building	86.11	4.32	66.95	23.48	1.45	0.96	0.91	1.50	21.98	84.66
Office Premises	8.73	-	-	8.73	0.48	0.18	-	0.66	8.07	8.25
Total (A+B)	**904.73**	**5.93**	**69.79**	**840.87**	**1.93**	**1.14**	**0.91**	**2.16**	**838.71**	**902.80**

Note : Information regarding Income and expenditure of Investment property

Particulars	31 March 2019	31 March 2018
Rental income derived from Investment properties (See Note 27)	1.34	2.65
Direct operating expenses (including repairs and maintenance) generating rental income	(0.93)	(0.93)
Profit arising from investment properties before depreciation and indirect expenses	**0.41**	**1.72**
Less: Depreciation	(0.95)	(1.14)
Profit arising from investment properties before indirect expenses	**-0.54**	**0.58**

NOTE:

1. The Company's investment property consists of a residential and commercial properties in india.
2. The Company has no restrictions on the realisability of its investment properties and no contractual obligation to purchase, construct or develop investment properties or for repairs, Maintenance and enhancements.

4 INVESTMENTS

(Rs. in Crores)

Particulars	As at 31-Mar-19		As at 31-Mar-18	
a) In Equity Instrument				
In Joint Ventures				
Aurangabad Textiles & Apparel Parks Limited 1,019,200 Equity Share of Rs. 10/-	17.25		17.25	
Less: Dividend received	(0.33)		(0.55)	
Add : Share of profit	0.17	17.09	0.53	17.25
New City Of Bombay Mfg. Mills Limited 4,493,300 Equity Share of Rs. 10/-	75.13		75.13	
Less: Dividend received	(2.92)		(4.67)	
Add : Share of profit	6.22	78.43	6.87	77.33
In Others				
Trimphant Victory Holdings Limited (Rs. 90.14/-) (Face value of USD 1 each) [2 equity share of USD 1 each Rs. 90.14 each]	0.00		0.00	
Less : Provision for diminution in value of investment	(0.00)	-	(0.00)	-
Dombivali Nagari Sahakari Bank Limited (Face value of Rs.50 each) [10,000 Equity Shares of Rs. 50/- each]		0.05		0.05
New India Co-op Bank Ltd. (Rs. 3000/-) (300 Equity Shares of Rs 10 each)		0.00		-
Saraswat Bank Limited (Rs. 25,000/-) [2,500 Equity Shares of Rs. 10/- each (Pledged against financial availed by company)]		0.00		0.00
Wel-Treat Environ Management Organisation (Rs. 36,500/-) [3,650 Equity Shares of Rs. 10/- each]		0.00		0.00
PowerCor LLC				
Subscription towards 5% Group B Membership interest	51.22		48.17	
Less: Provision	(51.22)		(48.17)	
		-		-
Aisle 5 LLC				
22 senior units of the equity capital	9.06		8.52	
Less: Provision	(9.06)		(8.52)	
		-		-
b) Investment in Preference shares (Unquoted) (Other Investments)				
In Others				
0% Cumulative redeemable preference shares of Triumphant Victory Holdings Limited [35,466,960 Shares USD 1 each]	177.72		167.90	
Less : Provision for diminution in value of investment (Refer Note No. 50 (B))	(177.72)		(167.90)	
		-		-
		95.57		**94.61**
Aggregate amount of unquoted investments		**333.59**		**319.21**
Aggregate amount of impairment in value of investment		**(238.02)**		**(224.60)**

5 LOANS

(Rs. in Crores)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Non-current unsecured, considered goods		
Lease and security deposits	20.82	5.61
	20.82	**5.61**

6 DEFERRED TAX

(Rs. in Crores)

Particulars	As at 31-Mar-19	As at 31-Mar-18
a) Deferred tax liability (net) comprises of timing difference on account of		
Deferred Tax Liability		
Depreciation	3,282.45	3,283.25
Property, plant & equipment and intangible assets	229.97	229.97
Investment in associate	17.93	17.93
Provision for doubtful debts and advances	-	-
Deferred Tax Liability	**3,530.35**	**3,531.15**
b) Deferred tax asset (net) comprises of timing difference on account of		
Deferred Tax Asset		
Provision for impairment (building)	5.97	5.97
Dim in the value of investments	-	-
redeemable Preference shares	13.97	13.97
Provision for employee benefits	12.33	12.33
Provision for doubtful debts and advances	(229.63)	(229.63)
Interest not Paid	2,050.54	2,050.54
Unabsorbed Depreciation carried forward	673.63	673.63
Business Loss carried forward	2,230.62	2,230.62
Deferred Tax Asset	**4,757.43**	**4,757.43**
Net Deferred tax asset (Refer note no. 44)	**1,227.08**	**1,226.28**

7 OTHER NON-CURRENT ASSETS

(Rs. in Crores)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Unsecured considered good		
Capital advances	50.58	57.27
Prepaid expenses	-	-
TOTAL	**50.58**	**57.27**

8 INVENTORIES

(At lower of cost and net realisable value)

(Rs. in Crores)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Stock-in-trade :		
Raw materials	70.39	67.85
(Includes material in transit Rs. 1.43 crores (Previous period Rs. 6.48 crores)		
Work-in-progress	157.02	183.95
Finished goods	148.94	170.83
Stock in trade (acquired for trading)	8.50	9.59
Stores and spares	29.60	24.03
Packing material	6.31	4.51
Real estate project cost	-	49.57
	420.76	**510.33**

Note:

(i) Value of inventories above is stated after provision of Rs. 16.79 crs. (previous year Rs. 25 crs) 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

(Rs. in Crores)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Debts outstanding for a period exceeding six months from due date	11,287.82	11,145.02
Less : Provision for doubtful debts	11,081.85	11,079.81
	205.97	**65.21**
Other Debts	145.58	340.34
Less : Provision for doubtful debts	108.41	95.61
	37.17	**244.73**
	243.14	**309.93**
Unsecured, Considered good	243.14	309.93
Unsecured, Considered doubtful	11,190.26	11,175.42
	11,433.40	**11,485.36**
Less : Provision for doubtful debts (Refer note no. 37)	(11,190.26)	(11,175.42)
	243.14	**309.93**

10 CASH AND CASH EQUIVALENTS

(Rs. in Crores)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Cash and Cash equivalents		
Cash on hand	0.22	0.23
Balance with Bank		
(i) In Current Accounts	26.38	53.20
(ii) In Deposit Accounts [Including interest accrued thereon]	-	0.32
Cheques, Drafts on hand	1.10	0.88
	27.70	**54.63**

11 OTHER BALANCES WITH BANKS

Particulars	As at 31-Mar-19	As at 31-Mar-18
OTHERS		
Non Current		
Balance with Bank		
Balances / Deposits held as margin money or security against borrowings, guarantee and other commitments	107.05	149.91
Total other bank balances	**107.05**	**149.91**
Current		
In earmarked accounts		
Unclaimed dividend accounts	0.51	0.86
Balances / Deposits held as margin money or security against borrowings, guarantee and other commitments	9.39	11.31
Total other bank balances	**9.90**	**12.17**

Margin monies include Rs. 2.03 Crores (Previous period Rs. 2.03 Crores) which have an original maturity of more than 12 months and Rs. 1.00 Crores (Previous period Rs. 1.00 Crores) which have a maturity of more than 12 months from the Balance Sheet date.

12 LOANS

(Rs. in Crores)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Unsecured, considered good		
Loans and advances :		
To related parties (Refer note no 42(B)(c))	311.08	310.41
Less : Provision	(309.67)	(309.67)
To Staff	-	-
Others		
Advance to others	12.58	11.83
Loans to Vendors	-	-
Advance Tax (Net of provision for tax)	-	-
	13.98	12.57
Less : Provision	12.58	11.83
	1.40	0.74
Unsecured Considered doubtful		
Advance to others	12.58	45.07
Less : Provision	12.58	45.07
	-	-
Unsecured, Considered good	1.40	0.74
Unsecured, Considered doubtful	334.83	366.58
	336.24	367.32
Less : Provision for doubtful advances	(334.83)	(366.58)
	1.40	**0.74**

13 OTHER FINANCIAL ASSETS

(Rs. in Crores)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Unsecured, considered good		
Advance to Staff (Refer note below)	2.95	2.45
Unutilised DEPB Licence	0.13	0.42
Interest Subsidy Receivable	-	-
Inter Corporate Deposits	-	-
	3.08	2.87
Unsecured, considered doubtful		
Inter Corporate Deposits	0.70	0.70
Less : provision	(0.70)	(0.70)
	-	-
Interest Subsidy Receivable	35.41	35.41
Less : Provision for Interest Subsidy Receivable	(35.41)	(35.41)
	-	-
Unutilised DEPB licence	0.30	0.30
Less : Provision for unutilised DEPB licence	(0.30)	(0.30)
	-	-
	3.08	**2.87**

Advance to staff includes Rs. Nil (Previous period Rs. Nil) due from key management personnel of the Company [maximum amount outstanding during the period Rs. Nil (Previous period Rs. 0.02 Crores)

14 CURRENT TAX ASSETS (NET)

(Rs. in Crores)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Advance Tax (net of provision for tax)	43.19	38.87
	43.19	**38.87**

15 OTHER CURRENT ASSETS

(Rs. in Crores)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Unsecured considered good		
Advance to vendors	12.75	31.85
Advance to Others	14.63	14.32
Prepaid expenses	2.60	1.32
Balances with Central Excise Authorities	153.03	93.99
Export Incentive Receivable	11.55	29.83
Deposits others	0.05	0.05
	194.61	**171.36**
Unsecured considered doubtful		
Export Incentive	1.40	0.13
Advance to vendors	3.12	0.51
	4.52	**0.64**
Less: provision for doubtful receivables	(4.52)	(0.64)
	194.61	**171.36**

16 SHARE CAPITAL

(Rs. in Crores)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Authorised		
400,00,00,000 Equity shares of Rs. 10/- each	4,000.00	4,000.00
	4,000.00	**4,000.00**
Issued Subscribed and fully paid up	**1,377.32**	**1,377.32**
1,377,317,895 (previous period 1,377,317,895) Equity shares of Rs.10/- each	1,377.32	1,377.32
Less:- Alok Benefit Trust is holding 8,691,000 Equity Shares [Previous Year 8,691,000] of Rs. 10/- of Alok Industries Limited, the sole beneficiary of which is the Company.	(8.69)	(8.69)
Add : 13,921 Equity Shares forfeited of Rs. 10/- each, Rs. 5/- paid up	0.01	0.01
	1,368.64	**1,368.64**

Additional information :

(i) Reconciliation of number of shares and amount outstanding at the beginning and end of the year

Particulars	As at 31-Mar-19		As at 31-Mar-18	
	No. of shares	Rs. in Crores	No. of shares	Rs. in Crores
Equity shares of Rs.10/- each				
At the beginning of the year	1,377,317,895	1,377.32	1,377,317,895	1,377.32
Add: Shares issued	-	-	-	-
At the end of the year	**1,377,317,895**	**1,377.32**	**1,377,317,895**	**1,377.32**

a) The above includes, 22,485,000 Equity shares alloted to the shareholders of Grabal Alok Impex Limited during the year ended March 2012, pursuant to the Scheme of Amalgamation for consideration other than cash.

(ii) Shareholders holding more than 5 percent shares in the Company

Name of the Shareholder	As at 31-Mar-19		As at 31-Mar-18	
	No of shares	%	No of shares	%
Alok Knit Exports Private Limited	108,519,133	7.88%	286,998,681	20.84%

(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. The dividend proposed by the Board of Directors is subject to the approval of the shareholders. 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

(Rs. in Crores)

Particulars	As at 31-Mar-19		As at 31-Mar-18	
Capital Reserve				
Balance as per last Balance Sheet	14.77		14.49	
Add: Translation difference on restatement	(0.00)	14.77	0.28	14.77
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
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 i below)	-	81.97	-	81.97
Note: The Company has issued Redeemable Non Convertible Debentures. Accordingly, the Companies (Share Capital and Debentures) Rules, 2014 (as amended), require the Company to create DRR out of the profits of the Company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of the debentures issued before the redemption of debentures. in view of inadequacy of profit/reserve available for dividend, the Company has not created DRR in respect of Redeemable Non Convertible Debentures.				

(Rs. in Crores)

Particulars	As at 31-Mar-19		As at 31-Mar-18	
Foreign Currency Translation Reserve				
Balance as per last Balance Sheet	(61.07)		(250.74)	
Add: for the year	0.00	(61.07)	189.68	(61.07)
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 Difference Account				
Balance as per last Balance Sheet	(2.32)		(2.09)	
Add : Addition during the year	(13.18)		(0.78)	
Less : Amortisation for the year (Refer note ii below)	6.15	(9.35)	0.55	(2.32)
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	(82.74)		(85.00)	
Add: Transferred from Statement of Profit and Loss	(12.18)	(94.92)	2.26	(82.74)
Surplus in Statement of Profit and Loss				
Balance as per last Balance Sheet	(19,293.11)		(725.32)	
Effect of change in method of inventory valuation from FIFO to weighted average	-		-	
Excess provision dividend tax for earlier years	0.10		-	
(Loss)/Profit for the year	2,076.16		(18,579.78)	
Items of OCI for the year, net of tax	1.69		8.80	
(i) Transferred from/(to) Debenture Redemption Reserve (Refer note i below)	-		-	
		(17,215.16)		(19,293.11)
The (Deficit)/Surplus is arising out of the operations and would be dealt with accordingly.				
Total		**(15,985.59)**		**(18,044.33)**

Note :

(i) Currently the company is under CIRP and based on the resolution plan appropriate treatment will be made and no fresh DRR is created during the year.

18 LONG-TERM BORROWINGS

(Rs. in Crores)

Particulars		As at 31-Mar-19			As at 31-Mar-18		
		Overdue	Current Maturities	Non Current	Overdue	Current Maturities	Non Current
Debentures/Bonds							
Debentures (Secured) (Refer note no. (i) and (vii) below)	(i)	453.50	75.00	-	447.65	108.34	75.00
Zero coupon debentures from related party (Unsecured) Refer note no 49(B)(a) and (ii) below	(ii)	-	266.30	241.24	-	250.42	226.84
Term Loans (Secured) (Refer note no. (iii) , (iv) and (vii) below)							
(a) From banks							
-Rupee Loans		4,637.64	996.81	5,458.94	4,337.46	1,215.16	6,439.72
-Foreign currency loans		918.21	129.40	229.55	594.09	425.07	351.99
	(iii)	**5,555.85**	**1,126.21**	**5,688.49**	**4,931.55**	**1,640.23**	**6,791.71**
(b) From Financial Institutions							
-Rupee Loans		530.33	78.04	195.21	494.53	203.04	273.25
-Foreign currency loans		147.96	-	-	169.25	-	-
	(iv)	**678.29**	**78.04**	**195.21**	**663.78**	**203.04**	**273.25**
		6,234.14	1,204.25	5,883.70	5,595.33	1,843.27	7,064.96
Term Loans (Unsecured) (Refer note no. (v) and (vii) below)							
From Banks							
-Rupee Loans		46.91	-	-	53.35	-	-
-Foreign Currency Loans		65.79	-	-	73.29	-	-
	(v)	**112.70**	**-**	**-**	**126.64**	**-**	**-**
Other loans & advances (Refer note no. (vi) below)							
Vehicle loan from Banks (Secured)	(vi)	-	-	0.36	0.06	0.12	0.36
(Secured by vehicles under hypothecation with banks)							
	(i) to (vi)	**6,800.33**	**1,545.55**	**6,125.30**	**6,169.68**	**2,202.15**	**7,367.16**

* Includes priority loan amounting to Rs. 109.96 crore

(i) a) Debentures outstanding at the period end are redeemable at par as follows

Particulars	Nos	31-Mar-19 (Rs. Crores)	31-Mar-18 (Rs. Crores)	Date of Redemption
12.00% Redeemable Non convertible Debentures	375	37.50	37.50	01-Feb-20
12.00% Redeemable Non convertible Debentures	375	37.50	37.50	01-Aug-19
12.00% Redeemable Non convertible Debentures	375	37.50	37.50	01-Feb-19
13.00% Redeemable Non convertible Debentures	334	33.34	33.34	18-Oct-18
12.00% Redeemable Non convertible Debentures	375	37.50	37.50	01-Aug-18
12.00% Redeemable Non convertible Debentures	375	37.50	37.50	01-Feb-18
13.00% Redeemable Non convertible Debentures	333	33.33	33.33	18-Oct-17
12.00% Redeemable Non convertible Debentures	375	37.50	37.50	01-Aug-17
14.50% Redeemable Non convertible Debentures	366	36.66	36.66	02-Mar-17

Particulars	Nos	31-Mar-19 (Rs. Crores)	31-Mar-18 (Rs. Crores)	Date of Redemption
12.00% Redeemable Non convertible Debentures	375	37.50	37.50	01-Feb-17
13.00% Redeemable Non convertible Debentures	333	33.33	33.33	18-Oct-16
12.00% Redeemable Non convertible Debentures	375	37.50	37.50	01-Aug-16
11.50% Redeemable Non convertible Debentures	560	55.50	55.50	29-Jun-16
15.50% Redeemable Non convertible Debentures	367	36.34	36.34	02-Mar-16
Accrued Interest		-	102.49	
Total		**528.50**	**630.99**	

b) All the debentures are secured by pari passu charge on the immovable property situated at Mouje Irana, Taluka Kadi, District Mehsana in the state of Gujarat. Further, Debentures of Rs. 300 Crores are secured by first pari passu charge created on fixed assets of the company and Debentures of Rs. 228.50 Crores are secured by subservient charge on fixed and current assets of the Company (excluding Land and Building).

(ii) 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.

(iii) Security for term loans

(Rs. in Crores)

Nature of security	Banks	Financial Institutions	Total
Exclusive charge on Plant & Machinery and specific assets financed*	397.25	-	397.25
	(480.48)	-	(480.48)
Pari passu first charge created on the entire fixed assets of the Company #	11,441.80	803.58	12,245.38
	(12,316.39)	(970.82)	(13,287.21)
Subservient charge on all movable and current assets of the Company @	531.50	147.96	679.46
	(566.64)	(169.25)	(735.89)
Total	**12,370.55**	**951.54**	**13,322.09**
	(13,363.51)	**(1,140.07)**	**(14,503.58)**

* Includes loans aggregating to Rs. 68.19 crores (Previous period Rs. 81.27 crores) which are further secured by personal guarantees of promoter directors / corporate guarantee of promoter group companies

\# Includes bank loans aggregating to Rs. 2238.70 crores (Previous period Rs. 2284.50 crores) & Financial Institution loans aggregating to Rs. 100 crores (previous period Rs. 100 crores) which are further secured by personal guarantees of promoter directors / corporate guarantee of promoter group Companies.

\# Includes bank loans aggregating to Rs. 519.88 Crores (Previous period Rs. 519.88 crores) secured by charge created on part of the land owned by Alok infrastructure etc. The company is king necessary steps for creation of such charge.

a) Non-current

(Rs. in Crores)

Particulars	Rate of Interest	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years	Total
Rupee Term Loan From Bank	9.45% - 18.50%	882.11	1,020.55	1,121.32	2,434.97	5,458.95
	(10% - 16%)	(980.78)	(882.11)	(1,020.55)	(3,556.28)	(6,439.72)
Foreign Currency Term Loan From Banks	1.03% - 5.51%	148.19	70.56	10.81	-	229.56
	(1.30% - 7.30%)	(142.77)	(130.51)	(68.55)	(10.16)	(352.00)
Rupee Term Loan From Financial Institutions	9.00% - 15.00%	80.38	20.74	23.30	70.79	195.21
	(9.00% - 15.00%)	(78.04)	(80.38)	(20.74)	(94.09)	(273.25)
Total		**1,110.68**	**1,111.85**	**1,155.43**	**2,505.76**	**5,883.72**
		(1,201.59)	**(1,093.00)**	**(1,109.84)**	**(3,660.53)**	**(7,064.96)**

* Rate of interest is without considering interest subsidy under TUF Scheme and penal interest

b) Current

(Rs. in Crores)

Particulars	Rate of Interest	Overdue	Current Maturities
Rupee Term Loan From Banks	9.45% - 18.50%	4,637.64	996.81
	(10% - 16%)	(4,337.46)	(1,215.16)
Foreign Currency Term Loan From Banks	1.03% - 5.51%	918.21	129.40
	(1.30% - 7.50%)	(594.09)	(425.07)
Rupee Term Loan From Financial Institutions	9.00% - 15.00%	530.33	78.04
	(9.00% - 15.00%)	(494.53)	(203.04)
Foreign Currency Term Loan From Financial Institutions	3.44% - 3.44%	147.96	-
	(2.96% - 5.40%)	(169.25)	(-)
Total		**6,234.14**	**1,204.25**
		(5,595.33)	**(1,843.27)**

(v) Terms of repayment of other loans and advances

(Rs. in Crores)

Nature of security	Banks
Vehicle loans are secured by vehicles under hypothecation with banks	0.36
	(0.48)

(Rs. in Crores)

Particulars	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years	Total
Vehicle Loan	0.13	0.23	-	-	0.36
	(0.13)	(0.35)	(-)	(-)	(0.48)

(vi) 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 : (Rs. in Crores)

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
	-	(37.50)	(33.33)	(376.82)	(447.65)
b) Term Loans					
- Secured					
From banks :					
-Rupee Loans	137.42	452.96	177.93	3,869.32	4,637.63
	(190.71)	(438.78)	(303.83)	(3,404.14)	(4,337.46)
-Foreign currency loans	161.52	127.09	92.25	537.35	918.21
	(41.86)	(20.59)	(29.82)	(501.82)	(594.09)
From Financial Institutions :					
-Rupee Loans	1.23	1.23	67.89	459.99	530.33
	(26.06)	(5.29)	(27.31)	(435.86)	(494.54)
-Foreign currency loans	-	-	-	147.96	147.96
	(0.81)	0.43	(-)	(168.87)	(170.11)
- Unsecured					
From banks :					
-Rupee Loans	-	-	-	46.91	46.91
	(4.82)	(7.59)	(4.50)	(36.44)	(53.35)
-Foreign currency loans	-	-	-	65.79	65.79
	(8.16)	(5.73)	(4.23)	(55.17)	(73.29)
Total	**337.67**	**614.62**	**375.57**	**5,472.48**	**6,800.33**
	(272.42)	**(515.92)**	**(403.02)**	**(4,979.12)**	**(6,170.48)**

b) Interest : (Rs. in Crores)

Particulars	0-30 days	31-90 days	91-180 days	Above 180 days	Total
a) Debentures	-	-	-	207.86	207.86
	(59.52)	(16.81)	(-)	(97.02)	(173.35)
b) Term Loans					
- Secured					
From banks :					
-Rupee Loans	-	-	-	2,582.34	2,582.34
	(865.19)	(264.59)	(-)	(1,681.49)	(2,811.27)
-Foreign currency loans	-	-	-	100.83	100.83
	(32.90)	(13.18)	(-)	(48.12)	(94.19)
From Financial Institutions :					
-Rupee Loans	-	-	-	326.37	326.37
	(83.86)	(22.77)	(-)	(140.88)	(247.51)
-Foreign currency loans	-	-	-	21.39	21.39
	(3.45)	(1.26)	(-)	(1.33)	(6.03)
- Unsecured					
From banks :					
-Rupee Loans	-	-	-	10.75	10.75
	(0.21)	(0.42)	(-)	(1.43)	(2.06)
-Foreign currency loans	-	-	-	1.24	1.24
	(0.79)	(0.33)	(-)	(1.35)	(2.46)
Total	**-**	**-**	**-**	**3,250.78**	**3,250.78**
	(1,045.92)	**(319.36)**	**(-)**	**(1,971.62)**	**(3,336.87)**

Previous period figures are given in brackets

(vii) The approved resolution plan for the company is currently under implementation and the maturity of financial obligation would be crystallised once the resolution plan is implemented. Hence due to non availability of data of repayments schedule of borrowings, borrowings are classified current / non current based on normal circumstances/existing terms of loan.

19 PROVISIONS

(Rs. in Crores)

Particulars	As at 31-Mar-2019			As at 31-Mar-2018		
	Non-Current	Current	Total	Non-Current	Current	Total
For employee benefits	29.62	-	29.63	25.42	0.00	25.42
Gratuity Level encashment	11.05	3.72	14.76	10.28	5.69	15.97
Others	-	1.03	1.03	-	1.19	1.19
TOTAL	**40.67**	**4.75**	**45.42**	**35.70**	**6.88**	**42.58**

20 OTHER LONG-TERM LIABILITIES

(Rs. in Crores)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Advance from customers	0.02	0.02
	0.02	**0.02**

21 CURRENT TAX LIABILITIES

(Rs. in Crores)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Provision for taxation (net of advance tax)	121.53	121.53
	121.53	**121.53**

22 SHORT TERM BORROWINGS

(Rs. in Crores)

Particulars	As at 31-Mar-19		As at 31-Mar-18	
Working capital loans				
Cash Credit accounts, working capital demand loan etc. (Secured) (Refer note no. (ii) below)				
From Banks (Includes Rs. 134.84 Crores (Previous period Rs.126.79 Crores) loans in foreign currency)	9,097.55		9,727.05	
From Financial Institutions / Others	129.58		180.05	
From Banks / Financial Institutions / Others (Unsecured)	95.63	9,322.76	95.63	10,002.73
Short term loan				
Secured (Refer note no. (iii) and (iv) below)				
Rupee Loans				
From Financial Institutions	102.49	102.49	114.49	114.49
Inter Corporate Deposit (Secured)		-		28.68
Inter Corporate Deposit (Unsecured)		1.00		2.52
Temporary Overdrawn Bank Balances		46.76		0.45
From Related party (Unsecured) (Refer note no 42(B)(b))		614.97		578.28
Overdue / Recalled loans				
Non Convertible Debentures				
Debenture (Secured) (Refer note no. 18(i) and (vii) above)		453.50		447.65

(Rs. in Crores)

Particulars	As at 31-Mar-19		As at 31-Mar-18	
Long term borrowings				
Secured (Refer note no. 18(i) to (vii) above)				
From Banks				
Rupee Loans	4,637.64		4,337.46	
Foreign currency loans	918.21	5,555.85	594.09	4,931.55
From Financial Institutions				
Rupee Loans	530.33		494.53	
Foreign currency loans	147.96	678.29	169.25	663.78
Unsecured				
From Banks				
Rupee Loans	46.91		53.35	
Foreign currency loans	65.79	112.70	73.29	126.64
Hire Purchase Loans		-		0.06
Short term borrowings				
Demand Loan				
Secured (Refer (iii) and (iv) below)				
From Financial Institutions				
Rupee Loans		334.50		444.05
Unsecured				
Foreign currency loans				
From Financial Institutions		455.28		505.05
		17,678.10		**17,845.93**

Additional information :

Disclosure of security

(Rs. in Crores)

Nature of security	Banks	Financial Institutions / Others	TOTAL
(i) Security for working capital loans :			
(a) Hypothecation of company's current assets and mortgage of certain immovable properties belonging to the company / Guarantor. # (b) Second charge created / to be created on all fixed assets (excluding land and building) of the company #	9,006.13 (9,636.72)	129.58 (180.05)	9,135.71 (9,816.77)
Subservient charge created on all moveable and current assets of the company and further secured by personal guarantees of promoter directors *	91.42 (90.77)	- (-)	91.42 (90.77)
TOTAL	**9,097.55** **(9,727.49)**	**129.58** **(180.05)**	**9,227.13** **(9,907.53)**

(Rs. in Crores)

Nature of security	Banks	Financial Institutions / Others	TOTAL
(ii) Security for short term loans			
(a) Hypothecation of company's current assets on first pari passu basis. (b) First mortgage charge created on all fixed assets of the company on pari passu basis.	-	-	-
	(-)	(-)	(-)
Pari Passu first charge on the entire fixed assets of the company *	-	-	-
	(-)	(-)	(-)
Subservient charge on all moveable and current assets of the Company@	-	102.49	102.49
	(-)	(114.48)	(114.48)
Fixed Deposit placed with the bank.	-	-	-
	(-)	(-)	(-)
TOTAL	**-**	**102.49**	**102.49**
	(-)	**(114.48)**	**(114.48)**
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
	(-)	(444.05)	(444.05)
TOTAL	**-**	**334.50**	**334.50**
	(-)	**(444.05)**	**(444.05)**

\# Includes Bank loans aggregating Rs. 2330.97 Crore (Previous year Rs. 2329.62 Crore) for which charge is being created on part of the land owned by Alok Infrastructure Limited.

* Includes Bank loans aggregating Rs. 44.86 Crore (Previous year Rs. 43.69 Crore) secured by charge created / is being created on part of the land owned by Alok Infrastructure Limited.

@ Includes loans aggregating Rs. 70.50 Crore (Previous period Rs. 75.82 Crore) secured by charge created on part of the land owned by Alok Infrastructure Limited.

$ Includes Rs. NIL (previous year Rs. 28.68 crore) secured by second charge on one floor of Peninsula Business Park 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 : (Rs. in Crores)

Particulars	0-30 days	31-90 days	91 to 180 Days	Above 180 Days	Total
Secured					
Rupee loans					
From Banks			-	-	-
	(-)	(-)	(-)	(-)	(-)
From Financial Institutions	-	-	-	436.99	436.99
	(6.19)	(16.36)	(11.31)	(486.03)	(519.89)
Unsecured					
Foreign currency loans					
From Financial Institutions	-	-	-	455.28	455.28
	(80.12)	1.36	(-)	(426.29)	(505.05)
Total	**-**	**-**	**-**	**892.27**	**892.27**
	(86.31)	**(15.00)**	**(11.31)**	**(912.32)**	**(1,024.94)**

b) Interest : (Rs. in Crores)

Particulars	0-30 days	31-90 days	91 to 180 Days	Above 180 Days	Total
Secured					
-Rupee loans					
From Banks	-	-	-	-	-
	(1.47)	(2.35)	(3.46)	(10.96)	(18.23)
-Rupee loans					
From Financial Institutions	-	-	-	93.66	93.66
	0.95	(2.86)	(-)	(23.34)	(27.15)
-Foreign Currency Loan					
From Banks	-	-	-	42.81	42.81
	(18.19)	(7.86)	(-)	(14.91)	(40.95)
From Financial Institution	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)
-Working capital loans	-	-	-	2,045.79	2,045.79
	(819.34)	(238.28)	(-)	(1,630.68)	(2,688.30)
-Inter Corporate Deposits	-	-	-	0.28	0.28
	(16.28)	(2.91)	(-)	(13.43)	(32.62)
Total	**-**	**-**	**-**	**2,182.54**	**2,182.54**
	(856.23)	**(254.26)**	**(3.46)**	**(1,693.32)**	**(2,807.27)**

Previous period figures are given in brackets

23 TRADE PAYABLE

(Rs. in Crores)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Total outstanding dues of micro enterprises and small enterprises (Refer a below)	102.62	11.91
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Acceptances	116.65	143.93
Other than Acceptances	588.55	675.04
Creditors for Services	249.92	232.21
	1,057.74	**1,063.09**

Refer note no 50(B) for related party balance.

a) Disclosure Under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2018-19, to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act;

(Rs. in Crores)

Particulars	As at 31-Mar-19	As at 31-Mar-18
(i) Principal amount remaining unpaid to any supplier As at the end of the accounting period	102.62	11.91
(ii) Interest due thereon remaining unpaid to any supplier As at the end of the accounting period	14.72	13.31
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the period	17.36	1.41
(v) The amount of interest accrued and remaining unpaid at the end of the accounting period	32.08	14.72
(vi) 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	-	0.69

The above information has been determined on the basis of information available with the Company.

24 OTHER FINANCIAL LIABILITIES

(Rs. in Crores)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Current maturities of long-term borrowings (Refer note no. 18)	1,545.55	2,202.15
Interest accrued but not due	6.52	10.07
Interest accrued and due	5,495.05	6,241.30
Creditors for Capital Goods	27.41	27.41
Unclaimed dividends (Refer note below)	0.51	0.86
Other Payable	40.65	28.74
	7,115.69	**8,510.53**

NOTE : There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund.

25 OTHER CURRENT LIABILITIES

(Rs. in Crores)

Particulars	As at 31-Mar-19	As at 31-Mar-18
Other payables		
Advance from customers	228.47	224.52
Towards statutory liabilities	19.49	20.09
Others	243.01	182.09
	490.97	**426.70**

26 REVENUE FROM OPERATIONS

(Rs. in Crores)

Particulars	Year Ended 31-Mar-19		Year Ended 31-Mar-18	
a) Sale of product (Net of returns)				
Sales - Local (inclusive of excise duty upto 30.06.2017)	2,257.98		4,431.59	
Less : Discount	(19.08)	2,238.90	(15.93)	4,415.66
Sales - Export	963.44		1,089.16	
Less : Discount	(4.21)	959.23	(7.56)	1,081.60
b) Sale of services				
Job work charges collected		148.85		59.06
c) Other operating revenue				
Sale of Scrap		5.26		5.76
		3,352.24		**5,562.08**

27 OTHER INCOME

(Rs. in Crores)

Particulars	Year Ended 31-Mar-19	Year Ended 31-Mar-18
Interest Income :		
On Long Term Investments		
- Bank fixed deposits	5.29	5.84
- Interest on investment	0.98	3.92
- Others	0.90	10.43
	7.17	**20.19**
Dividend Income :		
On Long Term Investments	0.65	0.01
	0.65	**0.01**
Profit on sale of fixed assets (net)	6.18	59.16
(Loss) / Profit On Sale Of DEPB	-	1.61
Exchange rate difference (net)	-	14.64
Rent received	1.34	2.65
Sundry credit balances written back	3.06	19.50
Other non operating Income	0.13	138.85
	10.71	**236.41**
	18.53	**256.61**

28 COST OF MATERIALS CONSUMED

(Rs. in Crores)

Particulars	Year Ended 31-Mar-19	Year Ended 31-Mar-18
Raw Material Consumed		
Opening Stock	67.85	66.38
Add: Purchases	2,218.08	5,280.21
Less: Closing Stock	(70.39)	(67.85)
	2,215.54	**5,278.74**

29 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(Rs. in Crores)

Particulars	Year Ended 31-Mar-19	Year Ended 31-Mar-18
CLOSING STOCK AS ON 31 MARCH		
Finished Goods	148.94	170.83
Work-in-progress	157.02	183.95
Stock in Trade (Traded Goods)	8.50	9.59
	314.46	**364.37**
LESS : OPENING STOCK AS ON 1 APRIL		
Finished Goods	170.83	206.01
Work-in-progress	183.95	148.22
Stock in Trade (Traded Goods)	9.59	7.52
	364.37	**361.75**
	(49.91)	**2.62**

30 EMPLOYEE BENEFIT EXPENSES

(Rs. in Crores)

Particulars	Year Ended 31-Mar-19	Year Ended 31-Mar-18
Salaries and Wages	267.09	287.59
Contribution to Provident and Other Funds	25.81	27.50
Employees welfare expenses	7.99	8.10
	300.89	**323.19**

31 FINANCE COSTS

(Rs. in Crores)

Particulars	Year Ended 31-Mar-19	Year Ended 31-Mar-18
Interest expense: (Refer Note no. 46)	4,075.36	4,652.96
(Net of interest subsidy Rs. Nil Crores (Previous period Rs.Nil))		
Interest on late payment of taxes	(0.24)	6.61
Other borrowing cost	233.62	51.76
	4,308.74	**4,711.33**

32 DEPRECIATION AND AMORTISATION EXPENSE

(Rs. in Crores)

Particulars	Year Ended 31-Mar-19	Year Ended 31-Mar-18
Depreciation of Property Plant and Equipment (See Note 2)	548.34	540.61
Amortization of Intangible Assets (See Note 2)	0.22	2.86
Depreciation on Investment Properties (See Note 3)	0.95	1.14
	549.51	**544.61**

33 OTHER EXPENSES

(Rs. in Crores)

Particulars	Year Ended 31-Mar-19		Year Ended 31-Mar-18	
Business Promotion Expenses		0.36		0.05
Stores and Spares Consumed		59.88		70.45
Packing Materials Consumed		109.71		114.46
Power and Fuel		459.99		400.05
Processing Charges		17.12		36.61
Labour Charges		55.35		61.45
Donation		0.00		0.13
Freight, Coolie and Cartage		40.85		47.83
Legal and Professional Fees		7.71		17.57
Rent		28.43		15.16
Rates and Taxes		7.08		5.66
Repairs and Maintenance				
Plant and Machinery	10.48		10.68	
Factory Building	3.24		3.72	
Others	3.73		4.43	
		17.45		18.83
Commission on Sales		35.05		38.75
Exchange rate difference (net)		9.25		(6.02)
Provision for Doubtful Debts		16.81		10,975.09
Provision for Doubtful Advances		(69.49)		534.86
Bad debts and other advances written off (net)		-		878.26
Sundry Balance Written back		-		23.87
Directors Remuneration		1.58		5.80
Directors Fees and Commission		-		0.01
Auditors' remuneration (excluding service tax)				
Audit and related fees	1.83		1.99	
Tax related services	-		-	
Certification fees	0.07	1.90	0.10	2.09
Insurance		11.91		9.78
Loss on sale of long term investment (net)		0.52		45.41
Loss on sale of fixed assets (net)		0.01		0.14
Diminution in value of investment		1.33		42.32
Provision for impairment of fixed assets and intangibles (Refer Note no. 60)		2.33		35.41
Sundry Balance Written off		1.14		66.60
CIRP Expenses		14.71		12.31
Miscellaneous Expenses		75.27		20.78
(Miscellaneous expenses includes Bank charges, Agency and clearing charges, security expenses etc.)				
		906.25		**13,473.71**

34 EXCEPTIONAL ITEMS

(Rs. in Crores)

Particulars	Year Ended 31-Mar-19	Year Ended 31-Mar-18
Reversal of Interest expenses accrued (refer note no.37)	7,045.19	-
	7,045.19	**-**

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 company under the provisions of the Insolvency and Bankruptcy Code, 2016 (the "Code").

During the CIR process, only one resolution plan dated 12 April, 2018 ("Resolution Plan") was received from JM Financial Asset Reconstruction Company Limited, JM Finance ARC – March 18 Trust and Reliance Industries Limited jointly ("Resolution Applicants").

Pursuant to its order dated 08 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 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 manage the affairs of the Company and to maintain the Company as a going concern. Considering this the financial statements are being presented on a 'Going Concern' basis.

Pursuant to approval of the Resolution Plan, the same, inter alia, upon implementation shall result into the following:

a) Payments to stakeholders - The Resolution Plan contemplates, inter alia, payments amounting to

   (i) upto an aggregate of INR 234 crores towards payment of CIRP cost and any excess CIRP cost;

   (ii) INR 19.33 crores towards the liquidation value due to the Company's workmen;

   (iv) INR 4.83 crores to certain operational creditors of the Company who are owed up to INR 3 lacs as on the insolvency commencement date; and

   (v) INR 5,052 crores (less any excess CIRP cost in terms of the Resolution Plan) towards repayment to financial creditors of the Company out of which INR 200 crores will be paid by the Trust for purchase/ assignment of the outstanding financial debt as set out under the Resolution Plan ("Outstanding ARC Debt").

b) Infusion of funds – Infusion of need based working capital funds for an approximate amount of INR 441.84 crores (less excess CIRP cost and INR 53.68 crores towards workmen and employees due at the sole discretion of Resolution Applicant) and infusion of an amount of INR 500 crores for capital expenditure.

c) Reduction of existing share capital – The Resolution Plan proposes reduction of the Company's share capital without any payout to the shareholders, by reducing the face value of each issued and outstanding equity share of the Company from INR 10 to Re. 1.

d) Issuance of Securities – Reliance Industries Limited (RIL) will infuse (i) INR 250 crores into the Company against issuance of 83,33, 33, 333 shares constituting 21.25% of the issued and paid up equity share capital of the Company; (ii) INR 250 crores into the Company against issuance of optionally convertible preference shares of face value of Re 1 each. Further, the JMFARC- March - 2018 -Trust will convert a portion of the Outstanding ARC Debt into equity shares such that it holds 171,06,66,667 equity shares constituting 43.63% of the issued and paid up equity share capital and will further invoke pledges on 13,59,11,844 equity shares assigned by Financial Creditors, such that it holds in total 47.09% of the issued and paid up equity share capital of the Company.

e) Existing Promoter Group - Post the additional issue of equity and conversion of Outstanding ARC Debt, Existing Promoter Group shall hold 6.66% of the Company's issued and paid up equity share capital, which, subject to necessary approvals, shall be cancelled through selective capital reduction without any payout to the Existing Promoter Group ("Promoter Capital Reduction"). Post and subject to the Promoter Capital Reduction, the Trust and/or RIL will further convert such portion of the Outstanding ARC Debt and/or the transferred Outstanding ARC Debt into equity shares of the Company, such that post such conversion, the Trust and RIL will in aggregate hold 75% of the Company's issued and paid up equity share capital. The public shareholding will be 25%.

f) 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'.

g) Taking over of management – On the Closing Date (as defined under the Approved Resolution Plan), the RAs shall jointly acquire control over the Company. The board of directors and management team of the Company (including key managerial personnel) shall be reconstituted by the RAs.

36 As per the Approved Resolution Plan, RBI approval, which is a condition precedent to the implementation of the plan, is yet to be received. Certain creditors of the Company have filed with the Hon'ble National Company Law Appellate Tribunal, New Delhi ("Appellate Tribunal"), inter alia, praying for certain reliefs and are pending adjudication by the respective tribunals. No stay on the implementation of the plan has been granted by the Hon'ble Appellate Tribunal.

37 Since the Resolution Plan for the Company has now been approved by the Adjudicating Authority, accrual of interest on the borrowings is restricted to insolvency commencement date (i.e. 18 July 2017). Accordingly the interest from 18 July 2017 till the date of order is derecognised during the year amounting to Rs. 7045.19 crore.

38 During the year, the parent Company has incurred a net gain of Rs. 2283.82 crore and as of 31 March 2019, the parent Company's accumulated losses amounted to Rs. 15,658.54 crore, as against the parent Company's Net worth of Rs. (15,199.07) crore as at 31 March 2018. Total liabilities of the parent Company as on 31 March 2019 exceeded total assets by Rs. 12,922.18 crore.

39 The parent Company has already made adequate provision as per the Expected Credit Loss (ECL) policy. In view of the terms of the Approved Resolution Plan, the parent Company has continued with the provision for trade receivables made in the year 2017-18. The resolution plan for the parent company is also yet to be implemented.

40 During the year the parent company has changed method of inventory valuation from FIFO basis to Weighted Average basis which is one of the method of valuation permitted under Ind AS 2 'Inventories'. The transition to weighted average basis will eliminate manual intervention and provide a consistent basis for inventory valuation going forward and it will enable the parent Company to utilise the full functionalities of the ERP system that uses weighted average method of Inventory valuation.

In accordance with Ind AS 8 'Accounting Policies, Changes in Accounting estimates and Errors', the Company is required to give effect of the change in accounting policy retrospectively. However considering the huge volume of inventory in the earlier years as well as number of years involved, the Company has given effect of the change in accounting policy from 01 April 2017.

As at 01 April 2017, on account of above change in accounting policy the value of inventory has been increased by Rs. 3.19 crore and retained earning has been increased by Rs. 2.09 crore (net of tax). The effect on the retained earning has been given effect to as of 01 April 2018.

Impact of this change in accounting policy on the published results for the earlier periods / year is as under:

Sr. No.	Particulars	Quarter ended June 2017	Quarter ended Sep 2017	Quarter ended Dec 2017	Quarter ended March 2018	Year ended March 2018
1	Increase / (Decrease) in Inventory	13.57	0.97	(2.38)	1.47	1.47
2	Increase / (Decrease) in Deferred tax Assets	(4.70)	(0.34)	0.83	(0.51)	(0.51)
3	Increase / (Decrease) in Other equity	8.87	0.63	(1.55)	0.96	0.96
4	Increase / (Decrease) in Cost of consumption	(10.38)	12.60	3.35	(3.85)	1.72
5	Increase / (Decrease) in Loss before tax	(10.38)	12.60	3.35	(3.85)	1.72
6	Increase / (Decrease) in Income tax	3.59	(4.36)	(1.16)	1.33	(0.60)
7	Increase / (Decrease) in Net Loss after tax	(6.79)	8.24	2.19	(2.52)	1.12

41 The subsidiary companies considered in the consolidated financial statements are:

Sr. No.	Name of the subsidiary companies	Country of Incorporation	Ownership Interest	Ownership Interest
			31-Mar-19	31-Mar-18
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%
9	Alok Global Trading (Middle East) FZE #	Dubai	-	100%

* Consolidated based on unaudited financial statement / information.

Liquidated on 12th September 2017

42 Joint venture companies considered in the consolidated financial statements are:

Sr. No.	Name of the joint venture companies	Country of Incorporation	Ownership Interest	Ownership Interest
			31-Mar-19	31-Mar-18
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.

\# Liquidated on 12th September 2017

43 Disclosure of additional information pertaining to the parent company, subsidiaries, associates and joint venture companies :

(Rs. in crores)

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-Mar-19		31-Mar-19		31-Mar-19		31-Mar-19	
		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%	-
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)
Associates									
Indian									
1	Ashford Infotech Private Limited	-	-	-	-	-	-	-	-
2	Alspun Infrastructure Limited	-	-	-	-	-	-	-	-
Inter-company eliminations		-15.14%	2,213.30	5.30%	110.10	5.13%	(7.69)	5.32%	102.42
		100.00%	**(14,616.96)**	**100.00%**	**2,076.12**	**100.00%**	**(149.82)**	**100.00%**	**1,926.34**

(Rs. in crores)

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-Mar-18		31-Mar-18		31-Mar-18		31-Mar-18	
		As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated Total Comprehensive Income	Amount	As % of consolidated Total Comprehensive Income	Amount
Parent Company									
	Alok Industries Limited	91.15%	(15,200.53)	98.04%	(18,215.61)	-79.60%	(8.80)	98.05%	(18,206.81)
Subsidiaries									
Indian									
1	Alok Infrastructure Limited	4.72%	(786.39)	1.15%	(213.72)	0.00%	-	1.15%	(213.72)
Foreign									
1	Alok Industries International Limited	10.00%	(1,667.34)	1.80%	(335.29)	-45.58%	(5.04)	1.83%	(340.31)
2	Grabal Alok International Limited	2.93%	(487.88)	0.00%	(0.45)	-13.97%	(1.54)	0.01%	(2.00)
3	Grabal Alok (UK) Limited	0.00%	-	0.17%	(30.81)	0.00%	-	0.17%	(30.81)
4	Mileta, a. s.	-0.72%	120.56	-0.05%	8.60	0.00%	-	-0.05%	8.60
5	Alok International Inc.	3.00%	(499.77)	2.55%	(473.21)	0.00%	-	2.55%	(473.21)
6	Alok Worldwide Limited	-0.01%	1.11	0.00%	0.00	0.13%	0.01	0.00%	0.02
7	Alok Singapore Pte Ltd.	0.72%	(119.55)	-1.96%	364.49	16.59%	1.83	-1.97%	366.32
8	Alok International (Middle East) FZE	0.05%	(8.02)	0.07%	(13.17)	-1.43%	(0.16)	0.07%	(13.33)
9	Alok Global Trading (Middle East) FZE	0.00%	0.00	-0.73%	135.51	6.77%	0.75	-0.73%	136.26
Joint Venture companies									
Indian									
1	New City of Bombay Mfg. Mills Limited	-	-	0.00%	(0.16)	0.00%	-	0.00%	(0.16)
2	Aurangabad Textile and Apparel Park Limited	-	-	0.00%	(0.32)	0.00%	-	0.00%	(0.32)
Associates									
Indian									
1	Ashford Infotech Private Limited	-	-	-	-	0.00%	-	0.00%	-
2	Alspun Infrastructure Limited	-	-	-	-	0.00%	-	0.00%	-
Inter-company eliminations		-11.82%	1,970.67	-1.06%	196.09	57.68%	6.38	-1.09%	202.46
		100.00%	**(16,677.15)**	**100.00%**	**(18,578.07)**	**100.00%**	**11.06**	**100.00%**	**(18,566.99)**

44 Contingent Liabilities in respect of:

(Rs. in crores)

Sr. No.	Particulars		31-Mar-19	31-Mar-18
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	1.72
C	Corporate guarantees / Standby Letter of Credit given to banks for loans taken by subsidiary companies		-	-
D	Bills discounted		3.29	37.33
E	Claims against company not acknowledged as debt			
	a)	Income Taxes	536.70	2.32
	b)	Maharashtra Value Added tax	18.64	18.76
	c)	Other tax demands	1.44	0.85
	d)	Others – disputes under litigation	71.99	108.11
		Take or Pay claim filed by GAIL (India) Limited under their long term Gas Sale Agreement	794.30	506.43*
	e)	Others	10.10	-
	f)	Certain cases were filed by the lenders/ suppliers in respect of dishonour of cheque issued for repayment of borrowings including interest and outstanding dues and further interest till non-payment	Amount Unascertained	Amount Unascertained
	g)	Certain cases were filed/notices issued by the lenders in respect of delayed/ non-payment of borrowings including interest by the Company or it's subsidiary company and further interest till non-payment	Amount Unascertained	Amount Unascertained
F	The Company has issued letter for providing financial support to certain subsidiaries		Nil	Nil
G	Contingent liability with respect to unpaid property tax on land under litigation/ encroachment		Amount Unascertained	Amount Unascertained

* Claim not admitted by the Resolution Professional under the provisions of the Insolvency & Bankruptcy Code, 2016.

45 Capital Commitment

(Rs. in crores)

Particulars	31-Mar-19	31-Mar-18
Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances) towards land.	7.17	7.17

46 The net deferred tax assets of the parent company as on 31 March 2019 is Rs. 1423.11 crores (Previous Year Rs. 1423.11 crores). The Resolution Plan for the parent company is under consideration of the Adjudicating Authority. Reliable projections of future taxable income, therefore, shall be available only when the Resolution Plan is implemented. 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 has been carried forward.

47 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.

48 Revenue from operation for the period upto 30 June 2017 includes excise duty which is discontinued with effect from 01 July 2017 upon implementation of Goods & Service Tax (GST). In accordance with Ind AS 18 Revenue GST is not included in Revenue from operations

49 (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 Rs. 133.38 crore. The Company's accumulated losses amounted to Rs. 996.51 crore. The Company's networth amounted to Rs. 789.39 crore. Total liabilities as on 31st March, 2019 exceeded total assets by Rs. 919.77 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.

50 Related Party Disclosure

A Names of related parties and nature of relationship

As per Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures", Company's related parties disclosed as below:

I	**Associate companies**	
	Alspun Infrastructure Limited (till 14 March 2018)	Ashford Infotech Private Limited (till 17 November 2017)
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 Management Personnel (KMP)**	**Relatives of Key Management Personnel (KMP)**
	Ashok B. Jiwrajka, Executive Director & CEO (Home Textiles)	Alok A. Jiwrajka (Chief Operating Officer)
	Dilip B. Jiwrajka, Managing Director & CEO (Apparel Fabrics)	Niraj D. Jiwrajka (Joint Chief Operating Officer)
	Surendra B. Jiwrajka, Joint Managing Director & CEO (Polyester)	Varun S. Jiwrajka (Joint Chief Operating Officer)
	Surinder Kumar Bhoan, Independent Director	
	Tulsi N. Tejwani, Executive Director & CEO (Weaving)	
	Senthilkumar Arumugham, Executive Director & CEO (Processing)	
	Keshav Dattaram Hodavdekar, Independent Director	
	Suneet Shukla (Nominee Director of IFCI Limited w.e.f. 15.05.2017)	
	Atanu Sen (Nominee Director of SBI) (resigned w.e.f. 26.06.2018)	
	Pradeep Kumar Rath (Nominee Director of LIC of India)(resigned w.e.f. 09.05.2018)	
	Sunil O. Khandelwal, Chief Financial Officer	
	K. H. Gopal, Company Secretary	
V	**Firms in which KMP and relatives of KMP are interested**	
	AVAN Packaging and Boards	C. J. Corporation
	Linear Design	
VI	**Resolution Professional (till 08 March 2019)**	
	Ajay Joshi	
VII	**Member of Monitoring Committee (MC) (from 08 March 2019)**	
	Ajay Joshi	

B Transactions with related parties alongwith disclosure of transactions more than 10%

(Rs. In crores)

Transactions	Entities under common control		Joint venture company	
	2018-19	2017-18	2018-19	2017-18
Outstanding as at 31 March				
Long term Borrowings	507.55	477.26	-	-
Short term Borrowings	614.96	578.27	-	-
Short term Loans & Advances	1.41	0.76	-	-
Non current Investments	-	-	92.38	92.38
Trade payables	43.97	45.89	-	-

(Rs. In crores)

Transactions	Key Management Personnel		Relatives of Key Management Personnel		Firms in which KMP and relatives of KMP are interested	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Outstanding as at 31 March						
Trade payables	-	-	-	-	22.72	23.99
During the year ended						
Sale of goods	-	-	-	-	-	0.11
Purchase of packing material	-	-	-	-	56.79	56.84
Rent expenses	-	-	0.20	0.20	-	-
Consultancy charges	-	-	-	-	-	0.22
Directors sitting fee	-	0.01	-	-	-	-
Remuneration	4.00	8.32	0.90	0.90	-	-
Rent income	-	-	-	-	-	0.02

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

(Rs. in crores)

Transactions	2018-19	2017-18
Short term Employee benefits	0.03	0.07
Post employment benefits	0.72	0.70
Total compensation of Key managerial personnel	0.75	0.77

Disclosure in respect of significant transaction of the same type with related parties during the year

(Rs. in crores)

Transactions	31-Mar-19	31-Mar-18
Long term borrowings translation difference		
Triumphant Victory Holdings Limited	30.28	(10.54)
	30.28	(10.54)
Short term Borrowings translation difference		
Triumphant Victory Holdings Limited	36.68	1.82
	36.68	1.82
Short term Loans & Advances Repayment		
Alspun Infrastructure Limited	-	(0.17)
Triumphant Victory Holdings Limited	-	(0.00)
Alok Knit Exports Private Limited	0.65	(0.53)
AVAN Packaging and Boards & Alok Knit Exports Ltd	-	(0.01)
	0.65	(0.71)
Short term Loans & Advances Provisions		
Triumphant Victory Holdings Limited	-	(0.00)
	-	(0.00)
Non Current Investments Redeemed		
Alspun Infrastructure Limited	-	(21.80)
Ashford Infotech Private Limited	-	(77.09)
	-	(98.89)
Non Current Investments Provisions		
Triumphant Victory Holdings Limited	(177.72)	(167.90)
	(177.72)	(167.90)
Trade payables		
Alok Denims (India) Limited	42.75	42.75
Alok Knit Exports Private Ltd.	1.22	3.14
C. J. Corporation	22.72	21.64
Linear Design	-	2.35
	66.68	69.88
Sale of goods		
C. J. Corporation	-	0.11
	-	0.11
Purchase of packing material		
C. J. Corporation	56.79	56.84
	56.79	56.84
Rent expenses		
Varun Jiwrajka	0.10	0.10
Vidhi Jiwrajka	0.10	0.10
	0.20	0.20
Consultancy charges		
AVAN Packaging and Boards & Alok Knit Exports Ltd	-	0.22
	-	0.22
Directors sitting fee		
Surinder Kumar Bhoan	-	0.00
K. D. Hadavdekar	-	0.00
Atanu Sen	-	0.00
Life Insurance Corporation Of	-	0.00

(Rs. in crores)

Transactions	**31-Mar-19**	**31-Mar-18**
Ifci Limited	-	0.00
Idbi Bank Ltd	-	0.00
	-	0.01
Remuneration		
Ashok B. Jiwrajka	0.04	1.45
Dilip B. Jiwrajka	0.04	1.45
Surendra B. Jiwrajka	0.04	1.45
Sunil O. Khandelwal	1.23	1.28
K. H. Gopal	1.19	1.24
Tulsi Tejwani	0.69	0.68
Senthil Kumar	0.77	0.77
Alok A Jiwrajka	0.30	0.30
Niraj Jiwrajka	0.30	0.30
Varun Jiwrajka	0.30	0.30
	4.90	9.21
Rent income		
C. J. Corporation	-	0.02
	-	0.02

Excludes gratuity and long term compensated absences, wherever applicable which are actuarially valued at Company level and where separate amounts are not identifiable

C Transaction with Resolution Professional & Member of Monitoring Committee

(Rs. in crores)

Transactions	**31-Mar-19**	**31-Mar-18**
Professional fees	0.68	0.49

D Joint Venture

The parent Company has interests in the following jointly controlled entities, which are incorporated in India.

(Rs. in crores)

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%	47.49	14.08	0.02	0.67	0.10
		(49.00%)	(48.16)	(14.09)	(17.77)	(17.93)	(0.08)
Aurangabad Textile and Apparel Park Limited	India	49.00%	7.39	0.13	0.08	0.45	-
		(49.00%)	(7.77)	(0.14)	(0.33)	(0.65)	-

51 Corporate Insolvency Resolution Process (CIRP) Cost

CIRP cost incurred during the year ended 31.03.2018

(Rs. in crores)

Transactions	31-Mar-19	31-Mar-18
Fees to Resolution Professional (RP) and MC	0.68	0.49
Advisor to RP / MC	8.28	6.15
Counsel to RP / MC	3.90	1.90
Other Professional Fees	0.91	2.92
Other Misc. Exp. (Including Meeting & communication Exp.)	0.64	0.85
Interest, processing fees to ECL Finance Ltd.	21.93	11.82
Total CIRP Cost	**36.34**	**24.13**

52 Earnings per share (EPS)

Sr. No.	Particulars	31-Mar-19	31-Mar-18
a.	Face value of equity shares per share (In Rupees)	10	10
b.	Basic and Diluted EPS		
	Net profit available for equity shareholders (Rs. in crore)	2,076.16	(18,579.78)
	Weighted average number of equity shares - Basic (Nos.)	1,368,626,895	1,357,941,329
	Basic EPS (Rupees)	15.17	(136.82)
	Weighted average number of equity shares - Diluted (Nos.)	1,368,626,895	1,357,941,329
	Diluted EPS (Rupees)	15.17	(136.82)

53 Disclosures Pursuant to – "Employee benefits":

i. Defined contribution plans:

a 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 Rs. 3.60 Crores (Previous year Rs. 4.57 Crores)

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 31 March 2019 as required under Ind AS 19

(Rs. in crores)

Particulars	Gratuity (funded) as at 31-Mar-19	Gratuity (funded) as at 31-Mar-18
I. Change in Defined Benefit Obligation		
Opening Defined Benefit Obligation	35.56	40.39
Current Service Cost	5.15	6.34
Interest Cost	2.61	2.99
Actuarial gain	(2.33)	(14.10)
Past Service cost – Vested Benefit	-	3.15
Benefits Paid	(2.73)	(3.21)
Closing Defined Benefit Obligation	**38.26**	**35.56**
II. Change in Fair Value of Plan assets		
Opening Fair value of Plan assets	10.17	12.88
Expected Return on Plan Assets	0.75	0.95
Actuarial gain/(loss)	0.26	(0.64)
Contribution by Employer	0.21	0.19
Benefits Paid	(2.73)	(3.21)
Closing Fair Value of Plan Assets	**8.66**	**10.17**
III. Net Liability recognised in the Balance Sheet	**29.60**	**25.39**

Expense to be recognised in statement of Profit and Loss

(Rs in Crores)

Particulars	Year ended 31-Mar-19	Year ended 31-Mar-18
IV. a) Expense to be recognised in statement of Profit and Loss		
Current Service Cost	5.15	6.34
Interest on Defined Benefit Obligation	1.86	2.03
Expected Return on Plan Assets	-	-
Net Actuarial (gain)/loss	-	-
Past Service cost	-	3.16
Total Included in Employment Expenses	**7.01**	**11.53**
IV. b) Included in other Comprehensive Income	**(2.60)**	**(13.46)**
V. Actual Return on Plan Assets	0.49	0.20
Vi. Investments details (Invested through Trustees of Alok Industries Limited Employees Group Gratuity Assurance Scheme) :		
VI. Insurer Managed Fund	8.66	10.17
	100%	**100%**

The assumptions used in accounting for gratuity are set out below:

(Rs in Crores)

Particulars	31-Mar-19	31-Mar-18
Discount rate	7.45%	7.35%
Rate of increase in compensation levels of covered employees	6.00%	6.00%
Expected Rate of return on plan assets *	7.45%	7.35%
Mortality Rate	100%	100%
Attrition / Withdrawal Rate #	8%	20%
VIII. Future contribution :		
Amount expected to be contributed in the next 12 months	35.06	29.46

* 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.

\# in view of the approved resolution plan being implemented by the management is of the opinion that the attrition rate to be revised to 8%

Experience Adjustments

(Rs in Crores)

Particulars	Year / Period ended				
	31-Mar-19	31-Mar-18	31-Mar-17	31-Mar-16	31-Mar-15
Defined benefit obligation	38.26	35.56	40.41	36.44	32.39
Plan Assets	8.66	10.17	13.24	13.49	15.87
Surplus / (Deficit)	(29.60)	(25.39)	(27.17)	(22.95)	(16.52)
Experience Adjustments on plan Liabilities	(0.82)	(4.18)	(2.35)	(1.06)	(5.06)
Experience Adjustments on plan Assets	-	-	-	(0.29)	0.69

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:

(Rs in Crores)

Particulars	31-Mar-19	31-Mar-18
Defined Benefit Obligation (Base)	38.26	35.56

Particulars	31-Mar-19		31-Mar-18	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	41.49	35.45	37.10	34.15
(% change compared to base due to sensitivity)	8.40%	-7.30%	4.30%	-4.00%
Salary Growth Rate (- / + 1%)	35.53	41.34	34.21	37.00
(% change compared to base due to sensitivity)	-7.10%	8.00%	-3.80%	4.00%
Attrition Rate (- / + 50% of attrition rates)	36.80	39.03	34.57	35.76
(% change compared to base due to sensitivity)	-3.80%	2.00%	-2.80%	0.50%
Mortality Rate (- / + 10% of mortality rates)	38.25	38.27	35.56	35.56
(% change compared to base due to sensitivity)	0.00%	0.00%	0.00%	0.00%

Maturity Profile of Defined Benefit Obligation:

(Rs in Crores)

Expected cash flows over the next (valued on undiscounted basis):	Amount
1 year	4.74
2 to 5 years	15.33
6 to 10 years	17.77
More than 10 years	43.35

(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

(Rs. in crores)

	31 March 2019	31 March 2018
Current Liability (Short Term)	3.61	5.58
Non-Current Liability (Long Term)	11.05	10.28
Present value of obligation as at the end	14.66	15.86

ii) Expenses recognized in Statement of Profit and Loss

(Rs. in crores)

	31 March 2019	31 March 2018
Present value of obligation as at the beginning	15.86	17.44
Present value of obligation as at the end	14.66	15.86
Benefit Payment	2.84	3.83
Actual return on plan assets	-	-
Acquisition adjustment	-	-
Expenses Recognized in Income Statement	1.63	2.26

iii) Financial Assumptions

(Rs. in crores)

	31 March 2019	31 March 2018
Discount rate (per annum)	7.45%	7.35%
Salary growth rate (per annum)	6.00%	6.00%

iv) Financial Assumptions

(Rs. in crores)

	31 March 2019	31 March 2018
Present value of obligation as at the beginning	100%	100%
Normal retirement age	60 years	60 years
Attrition / Withdrawal rate (per annum)	8.00%	20.00%
Rate of Leave Availment (per annum)	10.00%	10.00%
Rate of Leave Encashment during employment (per annum)	0%	0%

54 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.

55 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.

(Rs. in crores)

Sr. No.	Particulars	Carrying value		Fair value	
		31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
	Financial Asset				
(a)	**Carried at amortised cost**				
(i)	Investment in preference shares	-	-	-	-
(ii)	Trade receivable	243.14	309.93	243.14	309.93
(iii)	Security deposits	20.82	5.61	20.82	5.61
(iv)	Loans to related parties	1.40	0.74	1.40	0.74
(v)	Other receivables	3.08	2.87	3.08	2.87
(vi)	Cash and cash equivalent	37.60	66.81	37.60	66.81
(vii)	Other financial assets	107.05	149.91	107.05	149.91
	Financial Liabilities				
(a)	**Carried at amortised cost**				
(i)	Borrowings	25,348.95	27,415.24	25,348.95	27,415.24
(ii)	Trade payable	1,057.74	1,063.09	1,057.74	1,063.09
(iii)	Other payables	5,570.14	6,308.38	5,570.14	6,308.38

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 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 2019:

Rs. in Crores

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	-	20.82	-		
			(5.61)			
(iii)	Loans to related parties	-	1.40	-		
			(0.74)			
(iv)	Other receivables	-	3.08	-		
			(2.87)			
(b)	**Financial liability measured at amortised cost**					
(i)	Borrowings	-	25,348.95	-	Discounted cash flows	Forecast cash flows, discount rate, maturity
			(27,415.24)			
(ii)	Other payables	-	5,570.14	-		
			(6,308.38)			

(Previous year figures given in brackets)

During the year ended 31 March 2019 and 31 March 2018 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 value of loans from banks and other financial liabilities, security deposit, as well as other financial liabilities is presently considered same as carrying value as the eventual capital structure and associated attributes to determine fair value will be known only when the Resolution Plan is implemented. The Company being under the CIR Process, the treatment of the loans shall be in accordance with the resolution plan and therefore it is not possible to forecast what would be the carrying value of the loans for applying fair value measurement.
- 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 parent Company.
- The fair values of quoted equity instruments are derived from quoted market prices in active markets.
- The parent Company presently has not entered into any foreign exchange forward contracts.
- Since the company is under CIR Process, there is no obligation to service borrowings. Interest on all borrowings is being accrued as per the interest rate prevailing on the date of the commencement of CIRP viz 18th July 2017.

56 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 parent Company under Section 31 of the Insolvency and Bankruptcy Code, 2016 ("Code").

When the Approved Resolution Plan is implemented, there would be changes in the Capital Structure of the parent company as discussed in Notes to the accounts and the new management will take over. The framework and the strategies for effective capital management, thus, will be formulated post the implementation of the Resolution Plan by the new management.

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 are as follows:

Particulars	**31-Mar-19**	**31-Mar-18**
Debt (A)	25,348.95	27,415.24
Equity (B)	(14,616.95)	(16,675.69)
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 established by the new management 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 provided 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.

(Rs. in crores)

Particulars		31 March 2019	31 March 2018
Gross debtors	A	11,433.40	11,485.36
Opening Loss allowance provision	B	11,175.42	208.71
Loss allowance during the year (net of bad debt)	C	14.83	10,966.72
Total Loss Allowance	D	11,190.26	11,175.42
Net debtors	E	243.14	309.93
Expected loss rate for the year	C/A*100	0.13%	95.48%
Expected loss rate cumulative	D/A*100	97.87%	97.30%

The parent Company has already made adequate provision as per the Expected Credit Loss (ECL) policy. In view of the terms of the Approved Resolution Plan, the parent Company has continued with the provision for trade receivables made in the year 2017-18.

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 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 as a result of adverse exchange rate movement during the relevant period. The Company has exports and to that extent it has natural hedge to cover foreign exchange risk on account of imports. Thus to that extent it is able to mitigate fluctuations in currency rates. The company being under the CIR Process, it has no limits available to enter into derivative contracts for mitigation of currency risk on its net exposure.

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.

(Rs. in crores)

Currency	Change in rate (upward)	Effect on profit before tax		Change in rate (downward)	Effect on profit before tax	
		31-Mar-19	31-Mar-18		31-Mar-19	31-Mar-18
AED	5%	(5.61)	(5.26)	-5%	5.61	5.26
CHF	5%	(0.02)	0.02	-5%	0.02	(0.02)
DKK	5%	(0.00)	(0.00)	-5%	0.00	0.00
Euro	5%	(0.93)	(17.33)	-5%	0.93	17.33
GBP	5%	(4.11)	(4.12)	-5%	4.11	4.12
HKD	5%	(0.00)	(0.00)	-5%	0.00	0.00
JPY	5%	0.00	0.05	-5%	(0.00)	(0.05)
SGD	5%	(0.00)	(0.00)	-5%	0.00	0.00
USD	5%	(134.02)	(141.86)	-5%	134.02	141.86
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 Rs. 144.67 crore (negative if change in rate is upward), on Fixed Assets of Rs. 53.85 crore (positive if change in rate is upward)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

ii) Interest rate risk

In the normal circumstances, the parent Company manages interest rate risk by having a balanced portfolio of fixed and variable rate of interest on loans and borrowings. However, since the parent company was under CIR Process and currently under process of implementation of the resolution plan, it is not required to meet any interest obligation till the resolution plan is implemented.

Interest rate sensitivity

Not relevant as explained above.

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 Rs. 14.75 crore (Previous year Rs. 51.66 crore)

C Liquidity Risk:

i) Liquidity risk management

During the year, a resolution plan was approved by the Hon'ble NCLT. Till the time the Approved Resolution Plan is implemented, the parent Company does not have any sources of funds infusion. The parent company has to manage its cash flows on a day to day basis to maintain operations that for the most of the year was about 30% capacity utilization. The parent company is dependent upon timely receipt of sales proceeds and delays in sales realizations can severely impact the current level of operations.

ii) Maturities of financial liabilities

Since the company is presently under CIR Process, it is not required to meet any loan repayment or interest obligation. In the normal circumstances the obligation of the company towards financial liabilities would have been as under:

31 March 2019 (Rs. in crores)

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 - MSME	-	102.62	-	-	-	-	102.62
Trade payables - other than MSME	-	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
	18,288.78	**2,637.21**	**1,110.68**	**1,111.85**	**1,155.43**	**2,505.76**	**26,809.71**

31 March 2018 (Rs. in crores)

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	8,144.94	-	1,201.59	1,093.00	1,109.85	3,660.53	15,209.91
Short term borrowings							-
Cash Credit Facilities/ Working Capital Loan	9,749.17		-	-	-	-	9,749.17
Pre-shipment, Post-shipment facilities	183.17	-	-	-	-	-	183.17
Bill Discounting with Bank	70.84	-	-	-	-	-	70.84
Trade payables							-
Trade payables - MSME	-	11.91	-	-	-	-	11.91
Trade payables - other than MSME	-	907.24	-	-	-	-	907.24
Acceptances	-	143.93	-	-	-	-	143.93
Other financial liabilities							-
Deposits from dealers and agents	6.39	-	-	-	-	-	6.39
Deposits against rental arrangements	3.06	-	-	-	-	-	3.06
Other long term liabilities							-
Current maturities of long-term debt	-	2,202.15	-	-	-	-	2,202.15
Interest accrued on borrowings	6,241.30	10.07	-	-	-	-	6,251.37
Other Interest accrued	14.72	-	-	-	-	-	14.72
Unclaimed / Unpaid dividends	0.86	-	-	-	-	-	0.86
Creditors for Capital Supplies / Services		27.41					27.41
	24,414.46	**3,302.71**	**1,201.59**	**1,093.00**	**1,109.85**	**3,660.53**	**34,782.14**

iii) Financing arrangements

Under the Approved Resolution Plan and as explained in Note to the accounts, there would be a infusion of funds for meeting working capital and capital expenditure requirements of the parent company once the plan is implemented.

iv) Maturities of financial assets

The following table details the parent 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 parent Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Non derivative financial instruments (Rs. in crores)

		Trade receivables	Other bank balances	Total
On demand	2018-19	142.06	-	142.06
	2017-18	(252.05)	-	(252.05)
Less than 1 Year	2018-19	106.31	115.88	222.19
	2017-18	(57.88)	(160.54)	(218.42)
1-2 Years	2018-19	-	-	-
	2017-18	-	-	-
2-3 Years	2018-19	-	0.11	0.11
	2017-18	-	(0.02)	(0.02)
Beyond 3 Years	2018-19	-	0.44	0.44
	2017-18	-	(0.66)	(0.66)
Total	2018-19	248.36	116.43	364.79
	2017-18	(309.93)	(161.22)	(471.15)

(Previous year figures given in brackets)

57 The company has taken premises on operating lease. Lease rentals paid during the year are recognised as an expense as per Ind AS-17 “Leases”.

Details of lease rentals payable in future are as follows:

(Rs. in crores)

Sr. No.	Due	31-Mar-19	31-Mar-18
1	Not later than 1 year	0.91	0.91
2	Later than one year and not later than 5 years	-	-
3	Later than 5 years	-	-
	Total	**0.91**	**0.91**

Lease rental expense aggregating to Rs. 28.43 crores (previous period Rs. 15.16 crores) recognised in statement of Profit & Loss

58 During an earlier year, Triumphant Victory Holdings limited ("TVHL") a promoter group company, obtained a loan from Axis Bank. Such loan is secured by all assets of Grabal Alok (UK) Limited, the Company's majority owned subsidiary company.

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.

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.

59 In view of the liquidity crunch since 2014, the parent Company has stopped paying debenture interest and such interest payment is due for a period beyond one year as at the Balance Sheet date. A clarification was sought by the Regional Director, Ministry of Company Affairs (RD), amongst others, as to why this non-payment for financial year ending 31.03.2016, should not be treated as a violation of Section 164(2) and 167 of the Companies Act, 2013. The parent Company responded that it had availed financial assistance by way of issuance of non-convertible redeemable debenture on a private placement basis and not a public issue. The parent Company further stated that a close reading of Section 164(2) would reveal that its provisions would be attracted when the parent Company accepts debentures and deposits from many (i.e. public at large) and not from a single entity on a private placement basis. Accordingly, directors retiring by rotation at the ensuing Annual General Meeting and eligible for re-appointment, continue to render themselves eligible for such reappointment, subject to the terms of Approved Resolution Plan.

60 Impairment of fixed assets

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. Pursuant to its order dated 08 March 2019, the Adjudicating Authority approved the resolution plan submitted by the Resolution Applicants for the parent Company under Section 31 of the Insolvency and Bankruptcy Code, 2016. Pending implementation of the Resolution Plan, reliable projections of availability of future cash flows of the parent Company supporting the carrying value of Property, Plant and Equipment cannot be determined, hence are not available. Accordingly Impairment testing under Ind AS has not been performed while presenting these Ind AS financial statements.

61 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: (Rs. in crores)

Particulars		31-Mar-19	31-Mar-18
Trade Receivables	USD	103.71	105.43
	EUR	1.48	1.89
Loans & Advances	USD	0.45	13.85
	GBP	0.01	-
	EUR	0.11	0.49
	CHF	-	0.63
	JPY	0.07	0.99
Borrowings	USD	2,145.11	1,938.69
	EUR	328.98	343.36
	GBP	76.38	77.90
Trade Payables	USD	122.17	126.03
	EUR	2.60	2.72
	GBP	0.59	0.52
	CHF	0.30	0.29
	AED	2.95	2.77
	DKK	0.02	0.02
Current Liabilities	USD	9.07	7.97
	EUR	5.92	6.40
	AED	109.18	102.42

The parent company has not entered into any derivative contracts during the year and the previous year.

62 Reconciliation of provision

A) Reconciliation of loss allowance provision for Investments

(Rs. in crores)

Particulars	31-Mar-19	31-Mar-18
Balance as at beginning of the year	201.79	159.46
Impairment losses recognised in the year	1.33	42.32
Amounts written off during the year as uncollectible	-	-
Balance at end of the year	203.11	201.79

B) Reconciliation of loss allowance provision for Interest Subsidy receivable

(Rs. in crores)

Particulars	31-Mar-19	31-Mar-18
Balance as at beginning of the year	35.42	31.37
Provision for doubtful receivables recognised in the year	-	4.05
Amounts written off during the year as uncollectible	35.42	-
Amounts recovered during the year	-	-
Balance at end of the year	-	35.42

C) Reconciliation of loss allowance provision for Service Tax receivable

(Rs. in crores)

Particulars	31-Mar-19	31-Mar-18
Balance as at beginning of the year	-	32.51
Provision for doubtful receivables recognised in the year	-	
Amounts written off during the year as uncollectible	-	32.51
Amounts recovered during the year	-	
Balance at end of the year	-	-

D) Reconciliation of loss allowance provision for ICD Given (Rs. in crores)

Particulars	31-Mar-19	31-Mar-18
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 provision for Export Incentives Receivable (Rs. in crores)

Particulars	31-Mar-19	31-Mar-18
Balance as at beginning of the year	0.43	2.58
Provision for doubtful receivables recognised in the year	1.65	0.43
Amounts written off during the year as uncollectible	-	-
Amounts recovered during the year	0.43	2.58
Balance at end of the year	1.65	0.43

F) Reconciliation of loss allowance provision for Advance to vendors (Rs. in crores)

Particulars	31-Mar-19	31-Mar-18
Balance as at beginning of the year	0.51	1.64
Provision for doubtful receivables recognised in the year	2.61	-
Amounts written off during the year as uncollectible	-	-
Amounts recovered during the year	-	1.13
Balance at end of the year	3.12	0.51

63 Note on liquidation of subsidiary / sale of stake :

During the year under review, one subsidiary company, Alok Global Trading (Middle East) FZE was voluntarily liquidated.

Alok Infrastructure Limited divested its entire stake in the equity and preference capital of two joint venture companies, namely, Ashford Infotech Private Limited and Alspun Infrastructure Limited during the financial year ending 31st March 2018.

64 Previous period's figures have been regrouped / reclassified wherever necessary to correspond with the current period's classification / disclosure.

Signatures to Notes 1 to 64

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: 14th June 2019

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: 14th June 2019

ALOK INDUSTRIES LIMITED

(CIN: L17110DN1986PLC000334)

Registered Office: 17/5/1 & 521/1, Village Rakholi / Saily, Silvassa – 396 230,
Union Territory of Dadra & Nagar Haveli

Attendance Slip

Folio No. / DP ID No. & Client ID	
No. of Equity Shares held	

I hereby record my presence at the 32nd Annual General Meeting of **ALOK INDUSTRIES LIMITED** being held at Alok Public School, Alok City, Silvassa-Khanvel Road, Silvassa – 396230, Union Territory of Dadra and Nagar Haveli on 24th December 2019 at 12:00 noon.

Name of Shareholder (In Block Letters)	
Name of the Proxy holder / Authorised Representative	

* Applicable for investors holding shares in Electronic Mode

** Strike out whichever is not applicable

Signature of the Shareholder/Proxy/Authorised Representative

NOTE:

1. A member / proxy / authorised representative wishing to attend the Meeting must complete this Admission Slip before coming to the Meeting and hand it over at the entrance.
2. If you intend to appoint a proxy, please complete, stamp, sign and deposit the Proxy Form given below at the Company's Registered Office at least 48 hours before the Meeting.

ALOK INDUSTRIES LIMITED

(CIN: L17110DN1986PLC000334)

Registered Office: 17/5/1 & 521/1, Village Rakholi / Saily, Silvassa – 396 230,
Union Territory of Dadra & Nagar Haveli

PROXY FORM

(Form MGT. 11)

[Pursuant to section 105(6) of Companies Act, 2013 and
Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s)	
Registered Address	
Email ID	
Folio No. / Client ID No.	
DP ID No.	

I / We, being the member(s) of ________________________________ shares of the above named Company hereby appoint:

1. Name..Address..

   ....

   Emailid..Signature...

or failing him

2. Name..Address..

   ....

   Emailid..Signature...

or failing him

3. Name..Address..

   ....

   Emailid..Signature...

as my/our Proxy in my/our absence to attend and vote for me/us and on my/our behalf at the 32nd Annual General Meeting of ALOK INDUSTRES LIMITED to be held on 24th December 2019 at 12:00 Noon. and at any adjournment thereof in respect of such resolutions as are indicated below.

Item No.	Particulars	Type of Resolution	Vote	
			For	Against
1	Adoption of Financial Statements for FY 2018-19.	Ordinary		
2	Re-appointment of Shri Ashok B. Jiwrajka as Director.	Ordinary		
3	Re-appointment of Shri Dilip B. Jiwrajka as Director.	Ordinary		
4	Ratify the remuneration of the Cost Auditors for the financial year ending 31st March, 2020.	Ordinary		

Signed this …………………………… day of …………………….......… 2019.

Signature Affix Revenue Stamp

Signature of the Shareholder …………………………………………………

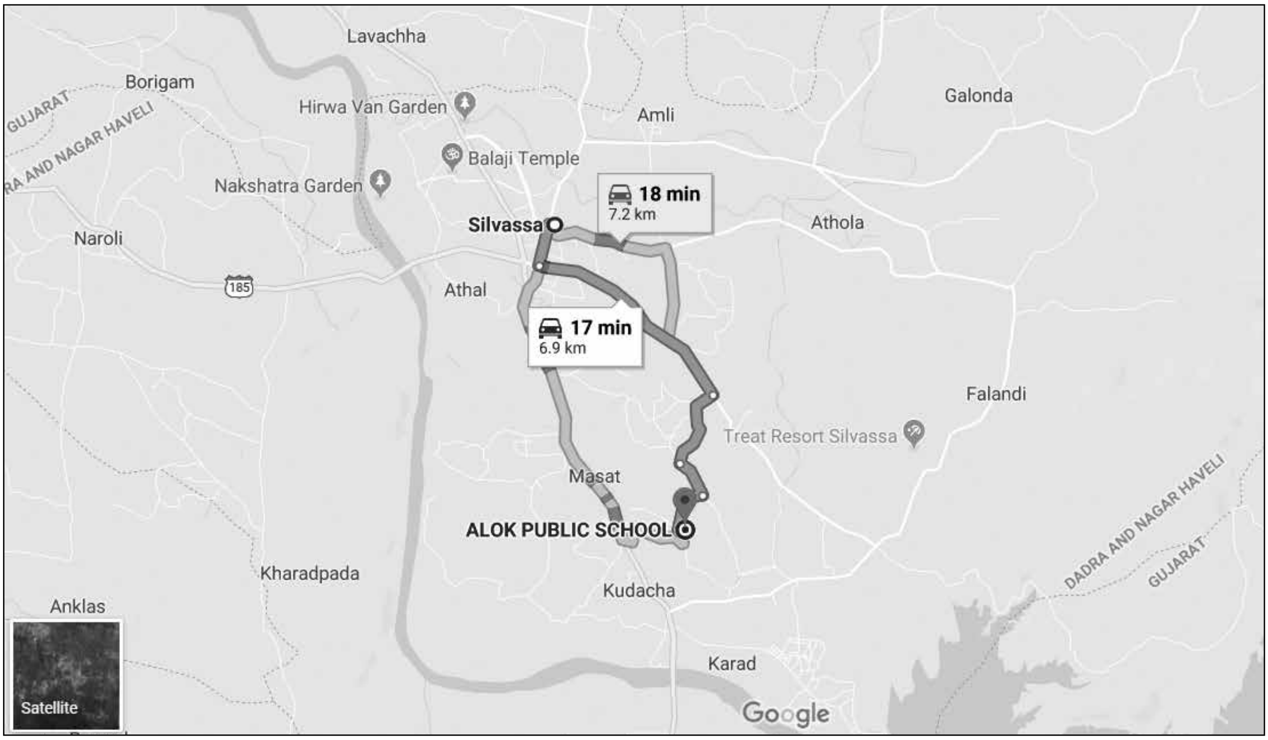
Signature of the Proxy Holder(s) ....

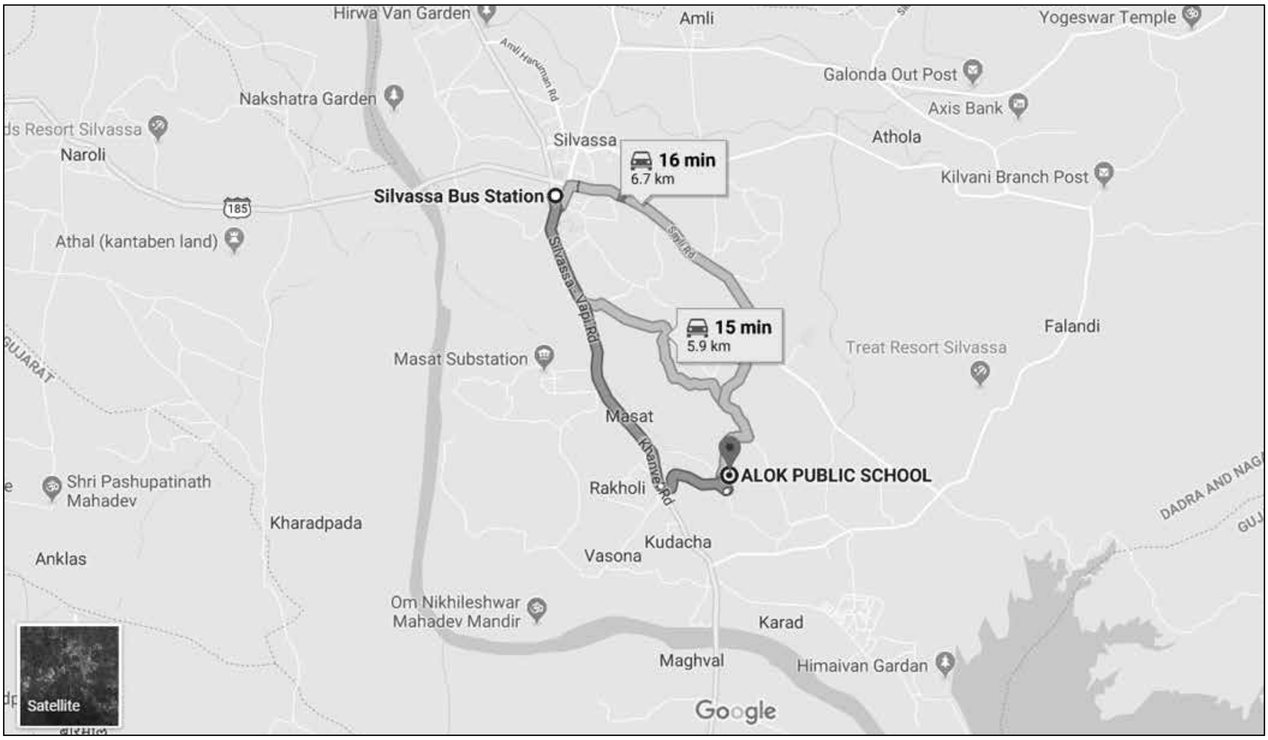
* Strike out whichever is not applicable.

Notes:

The proxy, in order to be effective, should be duly completed, stamped, signed and must be deposited at the Registered Office of the Company not less than **48 hours** before the time fixed for the Meeting

ROUTE MAP


Lavachha
Borigam
GUJARAT
DRA 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
Silvassa
Athola
Naroli
16 min
6.7 km
Kilvani Branch Post
Silvassa Bus Station
185
Athal (kantaben land)
Silvassa - Vapi Rd
15 min
5.9 km
Falandi
Masat Substation
Treat Resort Silvassa
GUJARAT
Masat
ALOK PUBLIC SCHOOL
Shri Pashupatinath
Mahadev
Rakholi
Khanvel Rd
DADRA AND NAG
Kharadpada
Anklas
Kudacha
Vasona
Om Nikhileshwar
Mahadev Mandir
Karad
Maghval
Himaivan Gardan
Satellite
Google

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REGISTERED OFFICE

17/5/1, 521/1, Village Rakholi/ Saily,
Silvassa, The Union Territory of
Dadra and Nagar Haveli-396 230
Tel No. 0260 3087000
Fax No. 0260 2645289

CORPORATE OFFICE

Tower B, 2nd & 3rd Floor, Peninsula Business Park,
Ganpatrao Kadam Marg, Lower Parel,
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Tel: +91 22 61787000
E-mail: info@alokind.com