34th ANNUAL REPORT

2020-21

ALOK
INDUSTRIES LIMITED
™ INNOVATIVE TEXTILE SOLUTIONS

Contents

ANNUAL GENERAL MEETING

DATE
Tuesday, 21st September, 2021

TIME
12:30 p.m.

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

BOARD OF DIRECTORS AND CORPORATE INFORMATION

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

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

Rahul Dutt
(Independent Director)

Mumtaz Bandukwala
(Independent Director)

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

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

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

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

Bankers

State Bank of India
ICICI Bank Limited
HDFC Bank Limited

Manager
Sunil O. Khandelwal

Chief Financial Officer
Bijay Agrawal

Company Secretary
Hitesh Kanani

Statutory Auditors
S R B C & CO LLP.
Chartered Accountants

Internal Auditors
Bhandarkar & Co.
Chartered Accountants

HPVS & Associates
Chartered Accountants

Legal Advisors
INDUSLAW

Listing & Code
BSE Limited (521070)

National Stock Exchange of India Limited (ALOKINDS)

Registered Office:
17/5/1, 521/1, Village Rakholi/ Saily,
Silvassa-396 230,
Union Territory of Dadra and Nagar Haveli.
Tel No. 0260-6637000
Fax No. 0260-2645289
Website: www.alokind.com
Email: investor.relations@alokind.com

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

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

Corporate Identity Number
L17110DN1986PLC000334

Other Details
ISIN for Equity Shares: INE270A01029

To the Members,

The Board of Directors present the 34th Annual Report of the Company, along with the financial statements for the Financial Year ended 31st March, 2021.

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

Pursuant to its order dated 8th March, 2019 ("NCLT Order"), the Adjudicating Authority approved the resolution plan ("Approved Resolution Plan") submitted by JM Financial Asset Reconstruction Company Limited ("JMFARC"), JMFARC – March 2018 – Trust ("ARC Trust") and Reliance Industries Limited ("RIL") ("Resolution Applicants") for the Company under Section 31 of the Code. In accordance with the provisions of the Code and the NCLT order, the Approved Resolution Plan is binding on the corporate debtor and its employees, members, creditors, guarantors and other stakeholders involved in the resolution plan.

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

During the CIR Process (i.e. between 18th July, 2017 and 8th March, 2019), the RP and NCLT Approval Date and Closing Date (i.e. between 8th March, 2019 and 14th September, 2020), the Monitoring Committee were entrusted with the management of the affairs of the Company and the powers of the board of directors were suspended. The Monitoring Committee was in office for part of the Financial Year to which this Directors' report primarily pertains. The mandate of the Monitoring Committee was to manage the affairs of the Company as a going concern and supervise the implementation of the Resolution Plan. The Monitoring Committee, at their Closing Meeting held on 14th September, 2020, inter-alia, reconstituted the Board of Directors of the Company ("Reconstituted Board") and upon conclusion of this Meeting, the Monitoring Committee stood dissolved.

Further during the year, as on the Closing Date, as per the approved Resolution Plan, Reliance Industries Limited (RIL) and JM Financial Asset Reconstruction Company Limited (acting in its capacity as Trustee of ARC Trust) (JMFARC) holding jointly 75% of the shareholding in the Company, have acquired joint control of the Company. RIL has been classified as the Promoter of the Company. JMFARC (acting in its capacity as Trustee of ARC Trust) is the 'Person Acting in Concert' (PAC) with RIL. There is however no provision for PAC in the prescribed format of shareholding pattern and hence, they have been shown as part of the Promoter Group in the shareholding pattern filed by the Company with the Stock Exchanges.

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

1. FINANCIAL RESULTS:

The Company's performance (standalone and consolidated) for the Financial Year ended 31st March, 2021 is summarized below:

(₹ in crore)

Particulars	Standalone		Consolidated	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Revenue from operations	3,735.31	3,140.28	3,847.59	3,297.68
Operating Profit / (Loss) before Interest, Depreciation and Taxes	(432.63)	(221.40)	223.25	(107.51)
Minority Interest and Share in Profit of Associates	-	-	(1.04)	(0.99)
Profit / (Loss) exceptional items and taxes	(1,190.78)	(830.09)	(562.18)	(744.63)
Exception Item	(3,241.10)	2,052.55	(3,892.05)	2,052.55
Profit / (Loss) Before Tax (after exceptional items)	(4,431.88)	1,222.46	(4,454.23)	1,307.92
Tax Expenses (including Deferred Tax)	1,423.11	(0.73)	1,219.09	(2.31)
Profit /(Loss) after Tax	(5,854.99)	1,223.19	(5,673.32)	1,310.23
Other Comprehensive Income	2.85	1.37	49.04	(296.68)
Total Comprehensive Income	**(5,852.14)**	**1,224.56**	**(5,624.28)**	**1,013.55**

2. TRANSFER TO RESERVES:

No amount has been transferred to Reserves for the Financial Year under review.

3. DIVIDEND:

On account of the Loss After Tax reported by the Company during the Financial Year 2020-21, the Board of Directors do not recommend any dividend (previous year Nil).

The Dividend Distribution Policy of the Company approved by the Board of Directors of the Company is in line with the requirements of Listing Regulations. The Policy is available on the Company's website and can be accessed through the link: https://www.alokind.com/Downloads/Alok-Dividend_Distribution_Policy-18.01.2020.pdf.

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

(a) The Highlights of the Company's Performance (Standalone) for the Financial Year Ended 31st March, 2021 are as under:

Total sales of the Company increased by 18.95% to ₹ 3,735.31 crore from ₹ 3,140.28 crore in the previous year.

Domestic sales increased by 17.19% to ₹ 2,778.11 crore from ₹ 2,370.53 crore in the previous year.

Export sales increased by 24.35% to ₹ 957.20 crore from ₹ 769.75 crore in previous year.

Operating EBITDA (before exceptional items) was negative at ₹ 432.63 crore as compared to negative EBITDA (before exceptional items) of ₹ 221.40 crore in the previous year.

Operating Profit Before Tax (PBT) (before exceptional items) was negative at ₹ 1,190.78 crore as compared to negative PBT (before exceptional items) of ₹ 830.09 crore in the previous year.

The reported Loss After Tax (after exceptional item) for the year was ₹ 5,854.99 crore as compared to Profit After Tax (after exceptional item) of ₹ 1,223.19 crore.

(b) The Highlights of the Company's Performance (Consolidated) for the Financial Year Ended 31st March, 2021 are as under:

The Company achieved a consolidated revenue of ₹ 3,847.59 crore marginally higher by 16.68% as compared to consolidated revenue of ₹ 3,297.68 crore in the previous year.

Operating EBITDA (before exceptional items) was ₹ 223.25 crore as compared to negative EBITDA (before exceptional items) of ₹ 107.51 crore in the previous year.

Operating Profit Before Tax (PBT) (before exceptional items) was negative at ₹ 562.18 crore as compared to negative PBT (before exceptional items) of ₹ 744.63 crore in the previous year.

The reported consolidated Loss After Tax (after exceptional item) for the year was ₹ 5,673.32 crore as compared to Profit After Tax (after exceptional item) of ₹ 1,310.23 crore in the previous year.

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

5. CONSOLIDATED FINANCIAL STATEMENTS:

In accordance with the provisions of the Act and Listing Regulations read with relevant Accounting Standards issued by the Institute of Chartered Accountants of India, the consolidated financial statements forms part of this Annual Report. The audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries are available on Company's website at www.alokind.com. These documents are also available for inspection by the Members at the Registered Office of the Company during business hours on all working days, except Saturdays, Sundays and National Holidays up to the date of the 34th AGM.

6. EXCEPTIONAL ITEMS RECOGNIZED IN PREVIOUS YEAR FINANCIAL STATEMENTS:

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

Exceptional Item for the year 2020-21 was Loss of ₹ 3,241.10 crore comprising of (i) Impairment loss on assets of ₹ 8,264.22 crore; (ii) Gain on extinguishment of liability on account of reduction of certain portion of Assigned Debt as per the Approved Resolution Plan of ₹ 4,964.68 crore; and (iii) Gain on extinguishment of liability on account of invocation of pledged shares as per the Approved Resolution Plan of ₹ 58.44 crore.

7. EROSION OF NETWORTH

Net worth as at 31st March, 2021 was negative at ₹ 16,265.37 crore. Accumulated losses have resulted in the erosion of over 642.95% of peak net worth of ₹ 2,995.73 crore during the immediately preceding four Financial Years.

8. MATERIAL DEVELOPMENTS:

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

(a) DURING THE FINANCIAL YEAR 2019-20:

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

The existing Paid-Up Equity Capital of the Company stood reduced by reducing the face value of the Equity Shares from ₹ 1377.31 crore divided into 137.73 crore Equity Shares of ₹ 10/- each fully paid up to ₹ 137.73 crore divided into 137.73 crore Equity Shares of ₹ 1/- each fully paid.

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

The Authorized Share Capital of the Company has been reclassified from ₹ 4000.00 crore comprising 400.00 crore Equity Shares of ₹ 10/- each to ₹ 3500.00 crore comprising 3500.00 crore Equity Shares of ₹ 1/- each and 500.00 crore Preference Shares of ₹ 1/- each.

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

The Company allotted 83.33 crore Equity Shares at ₹ 3/- per share and 250.00 crore - 9% Optionally Convertible Preference Shares at ₹ 1/- per share aggregating to ₹ 499.99 crore on preferential basis for cash to RIL in accordance with the Approved Resolution Plan. There has been no variation in the use of funds so raised.

(iv) Payment of dues to eligible Financial Creditors:

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

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

In accordance with the Approved Resolution Plan, the financial creditors have assigned an amount of ₹ 22,682.60 crore to JMFARC being the balance debt eligible to be assigned. Further as per the Approved Resolution Plan, JMFARC further assigned an amount of ₹ 5,000 crore to RIL.

(b) DURING THE FINANCIAL YEAR 2020-21:

(i) Transfer of Pledged shares held by outgoing Promoters of the Company:

13,59,11,844 Equity Shares of the Company pledged, by the outgoing promoters of the Company, as security with the Financial Creditors were invoked by the Financial Creditors on behalf of JMFARC (acting in its capacity as Trustee of ARC Trust) and transferred to JMFARC (acting in its capacity as Trustee of ARC Trust).

(ii) Conversion of debts into Equity share capital of the Company:

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

(iii) Re-classification of Resolution Applicant as new Promoter of the Company:

Pursuant to the implementation of the resolution plan, RIL and JMFARC (acting in its capacity as Trustee of ARC Trust) have taken joint control of the Company. RIL has been classified as the Promoter of the Company. JMFARC (acting in its capacity as Trustee of ARC Trust) is the 'Persons Acting in Concert' (PAC) with RIL. There is however no provision for PAC in the prescribed format of shareholding pattern and hence they have been shown as part of the Promoter group in the shareholding pattern filed by the Company with the Stock Exchanges.

(iv) Extinguishment of Equity Shares held by erstwhile Promoters of the Company and re-classification of outgoing Promoters of the Company:

The outgoing Promoter and Promoters' Group shareholding of 10,827 equity shares have been cancelled and extinguished without any payout to the outgoing Promoter and Promoters' Group as set out under the Approved Resolution Plan. Further, the outgoing Promoter and Promoters' Group of the Company, in accordance with the Approved Resolution Plan, are reclassified as 'non-promoters' and their shareholding, if any, has been classified as 'non-promoter non-public'.

All the activities, as per the Approved Resolution Plan have been implemented during the year.

(v) Change in Statutory Auditor:

In terms of the Approved Resolution Plan, there has been a change in the Statutory Auditors of the Company. Details of the same are given in Point No. 28 hereinbelow.

9. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security provided is proposed to be utilised by the recipient are provided in the standalone financial statements (Refer Note 17 to the standalone financial statements).

10. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The details pertaining to overview of the industry, important changes in the industry, external environment and outlook along with other information as required are given in the Management Discussion and Analysis Report, forms part of this Annual Report.

11. CREDIT RATING:

The details of credit ratings are disclosed in the Management Discussion and Analysis Report, which forms part of this Annual Report.

12. SHARE CAPITAL:

The paid-up Share Capital of the Company as on 31st March, 2021 was ₹ 746.52 crore consisting of 496.52 crore Equity Shares of ₹ 1/- each and 250.00 crore fully paid-up 9% Optionally Convertible Preference Shares of ₹ 1/- each.

During the year under review, pursuant to the conversion notices served by RIL and JMFARC (acting in its capacity as Trustee of JMFARC – March 2018 – Trust) respectively, in terms of the Resolution Plan approved by the Hon'ble NCLT, the Company allotted 115.32 crore and 160.14 crore Equity Shares of the face value of ₹ 1/- each, fully paid up, to RIL and JMFARC (acting in its capacity as Trustee of JMFARC – March 2018 – Trust) respectively.

13. SUBSIDIARIES, JOINT VENTURE AND ASSOCIATE COMPANIES:

During the year under review, no Company became / ceased to be a subsidiary, joint venture or associate of the Company. Details of subsidiary, associate and joint venture of the Company as on 31st March, 2021, are as follows:

Sr. No.	Subsidiaries
1.	Alok Infrastructure Limited
2.	Alok International Inc.
3.	Alok International (Middle East) FZE
4.	Alok Global Trading (Middle East) FZE (business license cancelled on 12th September 2017)
5.	Alok Singapore PTE Limited
6.	Alok Worldwide Limited
	Step-down subsidiaries
1.	Alok Industries International Limited
2.	Grabal Alok International Limited
3.	Grabal Alok (UK) Limited (under liquidation effective 10th July 2017)
4.	Mileta, a.s.
5.	Kesham Developers & Infotech Private Limited (Under a voluntary winding up process effective 20th February 2012)
6.	Springdale Information & Technologies Private Limited (Under a voluntary winding up process effective 20th February 2012)
	Joint Ventures
1.	New City of Bombay Manufacturing Mills Limited
2.	Aurangabad Textiles and Apparel Parks Limited
3.	Triumphant Victory Holdings Limited
	Associates
	NIL

None of the above subsidiaries are 'Material Subsidiary' as defined in the Listing Regulations. As required under Regulations 16(1)(c) of the Listing Regulations, the Board of Directors has approved the Policy for determining Material Subsidiaries ("Policy"). The details of the Policy are available on the Company's website and can be accessed through the link: https://www.alokind.com/Downloads/Policy_for_Determining_Material_Subsidiaries.pdf.

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

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

14. SUBSIDIARIES OPERATIONS:

Alok Infrastructure Limited has been admitted under the Corporate Insolvency Resolution Process in terms of the Insolvency and Bankruptcy Code, 2016 ('Code') on 24th October, 2018. It is understood that the Resolution Professional of Alok Infrastructure Limited has subsequently filed an application under Section 12A of the Code for withdrawing the petition for commencement of insolvency proceedings and the same was approved by the Adjudicating Authority on 22nd March, 2021.

15. CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES:

The Corporate Social Responsibility and Governance (CSR&G) Committee as on 31st March, 2021 comprises of Ms. Mumtaz Bandukwala (Chairperson of the Committee), Mr. Rahul Dutt and Mr. V. Ramachandran. As on 31st March, 2021, the composition of the CSR&G Committee conforms to the requirements of Section 135 of the Act.

The CSR Policy of the Company inter alia includes CSR activities to be undertaken by the Company in line with Schedule VII of the Act. The Policy on CSR as approved by the Board of Directors in accordance with the requirements of the Act is available on the Company's website and can be accessed through the link : https://www.alokind.com/Downloads/CSR_Policy.pdf and is also annexed herewith and marked as **Annexure-1** to this Directors' Report.

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

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

16. BUSINESS RISK MANAGEMENT:

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

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

The Company has a robust Business Risk Management framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimise adverse impact on the business objectives and enhance the Company's competitive advantage.

As the powers of the Board of Directors continued to remain suspended as per the terms of the Approved Resolution Plan, no meetings of the Risk Management Committee were held from 1st April, 2020 till 14th September, 2020.

Post 14th September, 2020, the Company has reconstituted Risk Management Committee. The current constitution and role of the Committee is in compliance with the requirements of Regulation 21 of the Listing Regulations. Pursuant to the provisions of Act and Listing Regulations, the Company has adopted Risk Management Policy. The details of the Risk Management Policy are available on the Company's website and can be accessed through the link: https://www.alokind.com/Downloads/Risk_policy.pdf.

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

17. VIGIL MECHANISM / WHISTLE – BLOWER POLICY:

Pursuant to the provisions of Section 177(9) of the Act, read with the Rules made thereunder, the Company has adopted a 'Whistle-Blower Policy' for Directors and Employees to report genuine concerns and to provide adequate safeguards against victimization of persons who may use such mechanism.

The functioning process of this mechanism has been more elaborately mentioned in the Corporate Governance Report which forms part of this Annual Report. The said Policy is available on Company's website and can be accessed through the link: https://www.alokind.com/Downloads/Whistle_Blower_Policy.pdf

18. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

i. Directors:

Pursuant to commencement of the CIR Process, the powers of the Board of Directors of the Company were suspended and were exercised by the Resolution Professional / the Monitoring Committee, in accordance with the provisions of the Code / Approved Resolution Plan.

As per the Approved Resolution Plan, on the Closing Date i.e. 14th September, 2020, erstwhile Directors of the Company were deemed to have vacated office and new Board of Directors of the Company was re-constituted by the Monitoring Committee and further upon conclusion of the Closing Meeting, the Monitoring Committee stood dissolved.

(a) Composition:

Since the date of reconstitution of the Board by the Monitoring Committee, the composition of the Board is in accordance with the provisions of Section 149 of the Act and Regulation 17 of the Listing Regulations. As on 31st March, 2021, the composition of the Board is as follows:

Name of the Director	Designation
Mr. A. Siddharth (DIN:00016278)	Non- Executive, Independent Director and Chairman of the Board
Mr. Hemant Desai (DIN: 00008531)	Nominee Director (Non-Executive) representing RIL
Mr. V. Ramachandran (DIN:02032853)	Nominee Director (Non-Executive) representing RIL
Mr. Anil Kumar Rajbanshi (DIN:03370674)	Nominee Director (Non-Executive) representing RIL
Mr. Samir Chawla (DIN:03499851)	Nominee Director (Non-Executive) representing JMFARC
Mr. Rahul Dutt (DIN:08872616)	Non- Executive, Independent Director
Ms. Mumtaz Bandukwala (DIN:07129301)	Non- Executive, Independent Director

At the 33rd Annual General Meeting (AGM) held on 29th December, 2020 Members of the Company have approved the respective appointments of the above Directors, who were appointed as Additional Directors.

(b) Retirement by Rotation:

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Hemant Desai (DIN: 00008531), retires by rotation as a Director at the AGM and being eligible, offers himself for reappointment.

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

ii. Key Managerial Personnel:

During the year under review, the following changes took place in the Key Managerial Personnel (KMP) of the Company:

a) Mr. Tulsi Tejwani- resigned as Executive Director & CEO (Weaving) and ceased to be KMP with effect from 14th September, 2020.

b) Mr. Sunil Khandelwal resigned as CFO of the Company with effect from close of business hours of 15th September, 2020 and was appointed as a KMP designated as Manager of the Company, for a period of 5 years with effect from 16th September, 2020. The appointment was subsequently approved by the Members at the 33rd AGM of the Company held on 29th December, 2020.

c) Mr. Bijay Agrawal was appointed as a KMP designated as CFO of the Company with effect from 16th September, 2020.

d) Mr. K. H. Gopal resigned as Company Secretary, Compliance Officer and Key Managerial Personnel of the Company with effect from close of business hours of 18th January, 2021 and Mr. Hitesh Kanani, a Fellow Member of Institute of Company Secretaries of India was appointed as a KMP designated as the Company Secretary and Compliance Officer of the Company, with effect from 19th January, 2021.

The aforesaid appointments were made in compliance of applicable provisions of the Act and Listing Regulations.

19. NUMBER OF MEETINGS OF THE BOARD:

As the powers of the Board of Directors continued to remain suspended as per the terms of the Approved Resolution Plan, no meetings of the Board of Directors of the Company were held from 1st April, 2020 till 14th September, 2020. However, during the said period, two meetings of the Monitoring Committee were held.

After the Reconstitution of Board on 14th September, 2020, the Board met 4 (four) times during the Financial Year 2020-21 on 14th September, 2020, 15th September, 2020, 12th November, 2020 and 18th January, 2021. The maximum time gap between any two Board Meetings was not more than 120 days as required under Regulation 17 of the Listing Regulations, Section 173 of the Act and Secretarial Standard on Meetings of the Board of Directors.

20. BOARD EVALUATION:

Pursuant to the applicable provisions of the Act and Listing Regulations, the Board has carried out an annual evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees.

The Company has a Policy for performance evaluation of the Board, Committees, and other individual Directors (including Independent Directors) which include criteria for performance evaluation of Non-Executive Directors and Executive Directors.

The Board's functioning was evaluated on various aspects, including inter alia degree of fulfilment of key responsibilities, Board structure, composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.

Directors were evaluated on aspects such as attendance and contribution at Board/Committee Meetings and guidance/support to the management outside Board/ Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active participation by all Board Members.

Areas on which the Committees of the Board were assessed included degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

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

In addition, Independent Directors were evaluated based on parameters such as qualification, experience, knowledge and competency, fulfilment of functions, ability to function as a team, initiative, commitment, independence, independent views and judgement, availability, attendance and participation in the discussion at the Meetings, adherence to the Code of Conduct of the Company as well as the Code for Independent Directors as applicable, understanding the environment in which the Company operates and contribution to strategic decision and raising valid concerns to the Board, interpersonal relations with other Directors and management, objective evaluation of Board's performance, rendering independent unbiased opinion, safeguarding of confidential information and maintaining integrity.

The details of the Policy on evaluation of Board's performance are available on the Company's website and can be accessed through the link: https://www.alokind.com/Downloads/Policy_on_Appointment_and_Evaluation_of_Board_of_Directors,KMP&SM.pdf.

The terms and conditions of appointment of Independent Directors are also available on the Company's website and can be accessed through the link: https://www.alokind.com/Downloads/Alok-Terms-and-Conditions-of-appointment-of-the-Independent-Directors-14.09.2020.pdf.

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

21. BOARD COMMITTEES:

As the powers of the Board of Directors continued to remain suspended as per the terms of the Approved Resolution Plan, no meetings of the Committees of Board of Directors of the Company were held from 1st April, 2020 till 14th September, 2020.

After reconstitution of the Board on 14th September, 2020, the following Committees were constituted/ reconstituted:

A. Audit Committee

B. Nomination and Remuneration Committee

C. Stakeholders' Relationship Committee

D. Corporate Social Responsibility and Governance Committee

E. Risk Management Committee

F. Managing Committee

The composition of various Committees of the Board is in accordance with the requirements of applicable provisions of Act and Listing Regulations. As on 31st March, 2021, the composition of various Committees of the Board is as follows:

A. Audit Committee:

1. Mr. A. Siddharth, Chairman of the Committee
2. Mr. Rahul Dutt
3. Mr. V. Ramachandran

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

B. Nomination and Remuneration Committee:

1. Mr. Rahul Dutt, Chairman of the Committee
2. Mr. A. Siddharth
3. Mr. Hemant Desai

C. Stakeholders' Relationship Committee:

1. Mr. A. Siddharth, Chairman of the Committee
2. Ms. Mumtaz Bandukwala
3. Mr. Anil Kumar Rajbanshi
4. Mr. V. Ramachandran

D. Corporate Social Responsibility and Governance (CSR&G) Committee:

1. Ms. Mumtaz Bandukwala, Chairperson of the Committee
2. Mr. Rahul Dutt
3. Mr. V. Ramachandran

E. Risk Management Committee:

1. Ms. Mumtaz Bandukwala, Chairperson of the Committee
2. Mr. Anil Kumar Rajbanshi
3. Mr. V. Ramachandran
4. Mr. Bijay Agrawal - Chief Financial Officer
5. Mr. Sunil O. Khandelwal - Manager

F. Managing Committee: [Voluntary Committee]

1. Mr. V. Ramachandran
2. Mr. Bijay Agrawal - Chief Financial Officer
3. Mr. Sunil O. Khandelwal - Manager
4. Mr. K. H. Gopal - President - (Corporate Affairs & Legal

22. DECLARATION BY INDEPENDENT DIRECTORS:

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

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

b) they are in compliance of Code of Conduct; and

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

23. DIRECTORS APPOINTMENT AND REMUNERATION POLICY:

The Board on the recommendation of the Nomination and Remuneration Committee, framed a Policy for selection and appointment of Directors & Senior Management and their remuneration. The Policy of the Company on Directors appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Directors and other matters provided under Section 178(3) of the Act and Regulation 19 of the Listing Regulations is available on the Company's website and can be accessed through the link: https://www.alokind.com/Downloads/Alok-Remuneration_Policy_for_Directors_KMPs_and_Other_Employees-28.05.2015.pdf and is also annexed herewith and marked as **Annexure-3** to this Directors' Report.

24. DIRECTORS' RESPONSIBILITY STATEMENT:

Your Directors make the following statements in terms of Section 134(3)(c) of the Act that:

(i) in the preparation of the annual accounts for the year ended 31st March, 2021, the applicable accounting standards read with requirements set out under Schedule III to the Act have been followed and there are no material departures from the same;

(ii) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2021 and of the losses of the Company for the year ended on that date;

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

(iv) the Directors have prepared the annual accounts on a going concern basis;

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

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

25. CORPORATE GOVERNANCE:

The Company is committed to maintain the highest standards of Corporate Governance and adheres to the Corporate Governance requirements set out by the SEBI. The report on Corporate Governance as stipulated under the Listing Regulations, forms part of this Annual Report. The requisite Certificate from the Secretarial Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

26. RELATED PARTY TRANSACTIONS:

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

The Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions as approved by the Board is available on the Company's website and can be accessed through the link: https://www.alokind.com/Downloads/Policy_on_Materiality_of_Related_Party_Transactions_and_Dealing_with_Rel.pdf.

There were no materially significant related party transactions which could have potential conflict with the interests of the Company at large. Members may refer to Note 42 to the standalone financial statements which sets out related party disclosures pursuant to Ind AS.

27. INTERNAL FINANCIAL CONTROLS:

The Company has an internal financial control system commensurate with the size and scale of its operations and the same has been operating effectively. The Internal Auditor evaluates the efficacy and adequacy of internal control system, accounting procedures and policies adopted by the Company for efficient conduct of its business, adherence to Company's policies, safeguarding of Company's assets, prevention and detection of frauds and errors and timely preparation of reliable financial information etc. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon were presented to the Audit Committee of the Board.

28. AUDITORS:

(a) Statutory Auditors:

M/s NBS & Co., Chartered Accountants, Mumbai (Firm Registration No. 110100W) and M/s Shah Gupta & Co., Chartered Accountants (Firm Registration No.109574W) were appointed as the Joint Statutory Auditors of the Company at the Annual General Meeting held on 24th September, 2016 for a term of 5 consecutive years. However, as per the Approved Resolution Plan, M/s. NBS & Co. and M/s. Shah Gupta & Co. vacated their office, and M/s. S R B C & CO LLP (ICAI Regn. No. 324982E/E300003) were appointed as the Statutory Auditor to fill the vacancy caused by the vacation of office.

Further, the Re-constituted Board at its meeting held on 12th November, 2020, recommended the appointment of M/s. S R B C & CO LLP (ICAI Regn. No. 324982E/E300003) as the Statutory Auditor of the Company to hold office from the conclusion of the 33rd AGM till conclusion of 38th AGM for a term of 5 consecutive years which was approved by the shareholders of the Company at the 33rd AGM held on 29th December, 2020.

The Statutory Auditors' Report on the standalone and consolidated financial statements of the Company for the Financial Year ended 31st March, 2021 is issued with unmodified opinion. Their Report on the said financial statements of the Company, forms part of this Annual Report.

(b) Cost Auditors:

Pursuant to the provisions of Section 148 of the Act, read with the Rules made thereunder, the Company has appointed M/s. B.J.D. Nanabhoy & Co., Cost Accountants, Mumbai (Reg No. FRN-000011) to undertake the audit of the cost records of the Company for the Financial Year ended 2021-22.

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

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

(c) Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Act, read with the Rules made thereunder, and Regulation 24A of the Listing Regulations, the Company had appointed Mr. Virendra G Bhatt, Company Secretary in Practice, (Membership No.: A 1157; Certificate of Practice No.: 124) to undertake the Secretarial Audit of the Company for the Financial Year ended 2020-21. The Report given by the Secretarial Auditor is annexed herewith and marked as **Annexure-4** to this Directors' Report.

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

29. CORPORATE GOVERNANCE REPORT AND CERTIFICATE:

In compliance with Regulation 34 read with Schedule V(C) of Listing Regulations, a report on Corporate Governance and the Certificate as required under Schedule V(E) of Listing Regulations received from the Secretarial Auditors of the Company, forms part of this Annual Report.

30. COMPLIANCE OF SECRETARIAL STANDARDS:

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

31. BUSINESS RESPONSIBILITY REPORT:

In compliance with Regulation 34 of Listing Regulations, the Business Responsibility Report detailing the various initiatives taken by the Company on environmental, social and governance front is forms part of this Annual Report. The Board of Directors has adopted a Business Responsibility Policy. The said Policy is available on Company's website and can be accessed through the link: https://www.alokind.com/Downloads/Business_Responsibility_Policy-26.04.2021.pdf.

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

The disclosure of particulars with respect to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required pursuant to provisions of Section 134(3)(m) of the Act, read with the Rules made thereunder, is annexed herewith and marked as **Annexure-5** to this Directors' Report.

33. ANNUAL RETURN:

The Annual Return of the Company as on 31st March, 2021, is available on the Company's website and can be accessed through the link: https://www.alokind.com/Downloads/Annual_Return_2020-21.pdf.

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

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Committee has been set up to redress the complaints received regarding sexual harassment at workplace. Appropriate reporting mechanisms are in place for ensuring protection against sexual harassment.

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

35. PARTICULARS OF EMPLOYEES:

In terms of the provisions of Section 197(12) of the Act, read with the Rules made thereunder, a statement showing the names of the top ten employees in terms of remuneration drawn and names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules, forms part of this Directors' Report.

Disclosures relating to remuneration and other details as required pursuant to provisions of Section 197(12) of the Act, read with the Rules made thereunder, forms part of this Directors' Report.

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

36. GENERAL DISCLOSURE:

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

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

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

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

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

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

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

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

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

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

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

k. Except the implementation of the CIRP Process as per the Approved Resolution Plan as explained earlier:

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

   ii. There are no significant material changes and commitments affecting the financial position of the Company, which have occurred between the end of the Financial Year of the Company to which the financial statements relate and the date of this Annual Report.

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

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

37. INDUSTRIAL RELATIONS:

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

38. ACKNOWLEDGEMENTS:

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

By order of the Board
For **Alok Industries Limited**

A. Siddharth
Chairman

Place: Mumbai
Date: 19th July, 2021

Annexure-1

CORPORATE SOCIAL RESPONSIBILITY POLICY

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

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

The Policy in brief:

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

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

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

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

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

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

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

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

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

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

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

9) Rural development projects.

Annexure-2

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

1. **Brief outline on CSR Policy of the Company:**

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

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

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

3. Provide the web-link where Composition of CSR&G Committee, CSR Policy and CSR projects approved by the Board are disclosed on the Company's website and can be accessed through the link: https://www.alokind.com/Downloads/CSR_Policy.pdf

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report)- N.A.

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

Sl. No.	Financial Year	Amount available for set-off from preceding Financial Years (in ₹)	Amount required to be set-off for the Financial Year, if any (in ₹)
N.A			

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

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

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

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

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

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

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
N.A.					

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current Financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
N.A.												

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
N.A.									

(d) Amount spent in Administrative Overheads: NIL

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

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

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

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

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding Financial Years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
N.A.							

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed /Ongoing
N.A.								

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

(Asset-wise details).

(a) Date of creation or acquisition of the capital asset(s): N.A.

(b) Amount of CSR spent for creation or acquisition of capital asset: N.A.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: N.A.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): N.A.

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

Place: Mumbai
Date: 19th July, 2021

Mumtaz Bandukwala
(Chairman CSR&G Committee)

A. Siddharth
Director

Annexure-3

REMUNERATION POLICY

1. Introduction:

1.1 Alok Industries Limited (Alok) recognises the importance of aligning the business objectives with specific and measureable individual objectives and targets. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:

1.1.1 Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the Company successfully.

1.1.2 Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.

1.1.3 Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

2. Scope and Exclusion:

2.1 This Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

3. Terms and References:

In this Policy, the following terms shall have the following meanings:

3.1 **"Director"** means a director appointed to the Board of the Company.

3.2 **"Key Managerial Personnel"** means

(i) the Chief Executive Officer or the Managing Director or the Manager;

(ii) the Company Secretary;

(iii) the Whole-Time Director;

(iv) the Chief Financial Officer; and

(v) such other officer as may be prescribed under the Companies Act, 2013 ("the Act").

3.3 **"Nomination and Remuneration Committee"** means the Committee constituted by Alok's Board in accordance with the provisions of Section 178 of the Act and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

4. Policy:

4.1 Remuneration to Executive Directors and Key Managerial Personnel

4.1.1 The Board, on the recommendation of the Nomination and Remuneration (NR) Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.

4.1.2 The Board, on the recommendation of the NR Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.

4.1.3. The remuneration structure to the Executive Directors and Key Managerial Personnel shall include the following components:

(i) Basic Pay

(ii) Perquisites and Allowances

(iii) Commission (Applicable in case of Executive Directors)

(iv) Retiral benefits

4.1.4. The Annual Plan and Objectives for Executive Directors and Senior Executives (Managing Committee) shall be reviewed by the NR Committee.

4.1.5. The Board on the recommendation of the NR Committee shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits approved by the shareholders.

4.1.6. Non-Executive Directors shall be entitled to sitting fees for attending the meetings of the Board and the Committees thereof.

4.2 Remuneration to other employees

4.2.1 Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

Annexure-4

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

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

To,
The Members
Alok Industries Limited

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

Based on my verification of the Alok Industries Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2021 ("audit period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Alok Industries Limited for the Financial Year ended on 31st March, 2021 according to the provisions of:

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

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

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

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

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

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

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

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

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

   Though the following laws are prescribed in the format of Secretarial Audit Report by the Government, the same were not applicable to the Company for the Financial Year ended 31st March, 2021:-

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

   (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

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

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

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

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

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

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

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

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

I further report that:

Pursuant to the implementation of the Resolution Plan, Reliance Industries Limited ('RIL') and JM Financial Asset Reconstruction Company Limited ('JMFARC') (acting in its capacity as Trustee of ARC Trust) have taken joint control of the Company. RIL has been classified as the Promoter of the Company. JMFARC (acting in its capacity as Trustee of ARC Trust) is the 'Persons Acting in Concert' (PAC) with RIL but considering that there is no provision for PAC in the prescribed format of shareholding pattern, they have been shown as part of the Promoter group with explanatory note. Further, the outgoing promoters of the Company, in accordance with the Approved resolution Plan, has been reclassified as 'non-promoters' and their shareholding is classified as 'non-promoter non-public' pursuant to receipt of the approvals from the Stock Exchanges.

The Monitoring Committee has on 10th September, 2020, allotted 115,32,00,000 equity shares of the face value of ₹ 1/- (Rupee One Only) each arising out of conversion of debt to equity to Reliance Industries Limited, allotted 160,14,00,000 equity shares of the face value of ₹ 1/- (Rupee One Only) each arising out of conversion of debt to equity to JM Financial Asset Reconstruction Company Limited (acting in its capacity as Trustee of JMFARC- March 2018 – Trust); and reduced the capital by cancellation and extinguishment of 10,827 equity shares of the face value of ₹ 1/- held by the Promoters of the Company.

For the compliance with the other applicable laws, I rely on the Certificate of Compliance given by the Key Managerial Personnel.

I further Report that:

1. With effect from 14th September, 2020, the Monitoring Committee stood dissolved, the erstwhile Board of Directors vacated their office and the Board has been reconstituted with new members. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. I have observed that the Company has given adequate notice to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except that the Board Meetings held on shorter notice and a system exists for seeking and obtaining further information and clarifications on agenda items before the meeting and for meaningful participation at the Meeting.
3. I was informed and I observed from the minutes of the Board and Committee Meetings that all the decisions at the Meetings were carried out unanimously.
4. There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
5. I further report that during the audit period, there were no instances of:
    i. Public / Rights /debentures / sweat equity etc.
    ii. Issue of equity shares under Employee Stock Option Scheme;
    iii. Redemption / Buy-back of securities;
    iv. Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013 which would have major bearing on the Company's affairs;
    v. Merger / amalgamation / reconstruction etc.;
    vi. Foreign Technical Collaborations.

Virendra G. Bhatt
Practicing Company Secretary
ACS No.: 1157 / COP No.: 124
Peer Review Cert. No.: 491/2016
UDIN: A001157C000651895

Date: 19th July, 2021
Place: Mumbai

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

ANNEXURE TO THE SECRETARIAL AUDIT REPORT

To,
The Members
Alok Industries Limited

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

I further report that:

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. My responsibility is to express an opinion on these Secretarial Records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. Where ever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
4. I have not verified the correctness and appropriateness of the books of accounts of the Company and have relied on the Report of the Statutory Auditors of the Company.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.
7. I have conducted online verification and examination of records, as facilitated by the Company due to Covid-19 and subsequent lockdown situation for the purpose of issuing this Report.

Virendra G. Bhatt
Practicing Company Secretary
ACS No.: 1157 / COP No.: 124
Peer Review Cert. No.: 491/2016
UDIN: A001157C000651895

Date: 19th July, 2021
Place: Mumbai

Annexure-5

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

A. CONSERVATION OF ENERGY:

In view of the conclusion of the implementation of the approved Resolution Plan on 14th September, 2020, the Company could only undertake limited measures towards conservation of energy.

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

1. Power saving by installing Inverter Drives in place of DOL in Drawline Blowers;
2. Power savings by making common bus bar DC supply of PSF Cutter's tension and cutter motor Inverters;
3. Power savings by installing LED tube fixtures in place of conventional fluorescent fixtures;
4. Saving in coal boiler due to increase in feed water temperature with secondary heat recovery from boiler blow down;
5. Power saving in PSF Boiler by installing VFD for Feed Water pump;
6. Saving in VAM cooling tower and Compressor cooling tower after VFD installation.
7. Energy savings by stopping unused pack pre-heaters.

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

The Company did not spend any amount on steps needed to utilize alternate sources of energy and will explore possibilities in the new Financial Year.

c) Capital investment on energy conservation equipment:

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

B. TECHNOLOGY ABSORPTION:

(i) Efforts made towards technology absorption:

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

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

None

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

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

(iv) Expenditure incurred on research and development:

None

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Foreign Exchange earned in terms of actual inflows: ₹ 895.67 crore

Foreign Exchange outflow in terms of actual outflows: ₹ 244.87 crore.

For and on behalf of the Board of Directors

A. Siddharth
Chairman

Mumbai, 19th July, 2021

Alok Industries ('Alok' or 'the Company') is an integrated textile Company with a product range comprising of cotton and polyester goods. Alok's main plants are in Vapi, Gujarat and Silvassa and the Company has a wide customer base across the world that includes global retail brands, importers, private labels, and domestic clientele.

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

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

As per the Approved Resolution Plan, during the period between the NCLT Approval Date (as defined in the Approved Resolution Plan) and the Closing Date (as defined in the Approved Resolution Plan) ("Interim Period"), a monitoring committee was constituted ("Monitoring Committee"), comprising 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. The powers of the Board of Directors continued to remain suspended as per the terms of the Approved Resolution Plan.

The Monitoring Committee was in office till the reconstitution of the Board of Directors of the Company. 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 Monitoring Committee, at their Closing Meeting held on 14th September 2020, inter-alia, reconstituted the Board of Directors of the Company ("Reconstituted Board") and upon conclusion of this Meeting, the Monitoring Committee stood dissolved.

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

1. Economic Overview

1.1. Global Economy Overview

The global economy contracted by 3.3% in CY 2020, as all major economies barring China slipped into recession with COVID-induced lockdowns. Advanced Economies' (AE) decline of 4.7% was steeper than Emerging Markets (EM) decline of 2.2%. Within the AE complex, the decline in Euro Area (-6.6%) was much sharper than that in the US (-3.5%). Within the EMs, China's GDP grew 2.3%. Despite the steep global decline in CY 2020, global GDP decline was lower than initially feared primarily due to unprecedented monetary policy support from global central banks and fiscal stimulus from governments. Global fiscal stimulus reached ~US$18.6 trillion by March 2021 (23% of GDP) while monetary stimulus by global central banks reached US$16.6 trillion (21% of GDP).

Global trade volume (goods and services) contracted by 9.6% in CY 2020 after a modest 1% increase in CY 2019. Global trade also started recovering in 4Q FY 2021 as merchandise trade volume turned positive on y-o-y basis from November 2020. Global trade is forecast to grow 8% in CY 2021 with merchandise volumes recovering faster than services volumes. The global economy is expected to see a rebound in 2021 with the International Monetary Fund (IMF) expecting 6% growth, with US stimulus and vaccine optimism leading to further opening -up of the economies. The growth recovery is likely to be led by the US and China – the US is estimated to grow 6.4% in 2021 and China by 8.4%. Governments and Central Banks are expected to maintain supportive policies until the recovery is firmly underway. The strength of recovery will depend on vaccine roll-out.

1.2. Indian Economy Review

The Indian economy is estimated to decline by 8% in FY 2020-21, the first year of contraction since 1980. India's economic decline was sharper than other key economies due to strict and early lockdowns to control the spread of COVID-19. However, growth has continued to recover and was back in positive territory (+0.4%) in 3Q FY 2021 after a decline of 24.4% and 7.3% respectively in 1Q FY 2021 and 2Q FY 2021. India saw a V-shaped recovery as most consumption and industrial indicators were back in positive growth territory in the September-December quarter after being in deep negative in the June quarter.

Among other industrial indicators, electricity demand growth is now positive and GST collections have remained robust at above ₹1 trillion mark. Digital adoption saw acceleration during the crisis, particularly in the usage of digital payments. UPI payments grew more than 100% y-o-y in 2021 as monthly transaction volumes crossed ₹4 trillion or nearly 25% of GDP on that run rate. The external sector exhibited resilience as current account turned surplus for the first time since 2004, on weaker domestic demand, falling oil prices and strength in India's services exports. FDI and equity FII flows were strong, driving India's forex reserves to an all-time high of ~US$580 billion by the end of FY 2020-21, against ~US$475 billion by the end of FY 2019-20.

The Reserve Bank of India (RBI), and the central and state governments provided critical support to the economy during the crisis. The RBI maintained loose monetary policy, cutting repo rates by 115 bps during early CY 2020. To keep funding markets easy, the RBI maintained liquidity surplus through various monetary measures.

1.3. Global (T&A) Market Overview

The global apparel consumption in 2020 was estimated to be US$ 1.2 trillion, declining by 22% from 2019, due to the pandemic. EU-27 was the largest apparel consumer market followed by USA, China, and Japan. They together contributing ~50% of the global apparel market consumption.

The global apparel demand is expected to grow at a CAGR of 3.5% to reach US$ 2 trillion by 2025. China and India are expected to be the fastest growing apparel markets both growing in double digits, with China and India valued at US$ 340 and US$ 135 billion respectively by 2025.

Table 1: Current and projected global apparel market size (Values in US$ Bn.)

Country	Value 2019	Value 2020	Y-o-Y change	Projected CAGR (2019-2025)	Value 2025 (P)
EU-27	264	219	-17%	1%	280
USA	235	171	-27%	2%	265
China & HK	181	173	-4%	11%	340
Japan	106	83	-21%	0.5%	110
India	78	55	-29%	10%	135
Brazil	48	34	-30%	4%	60
Canada	33	27	-19%	2%	37
RoW	690	517	-25%	2%	780
Total	**1,635**	**1,280**	**-22%**	**3.5%**	**2,007**

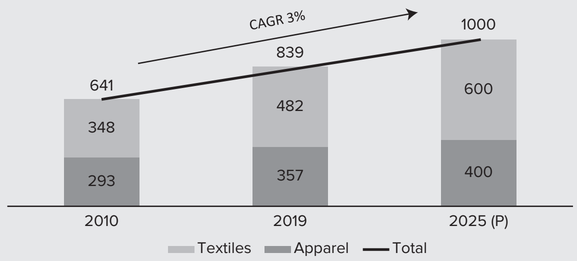
Data Source: Wazir Analysis

1.3.1. Trade

Global apparel trade is estimated to fall by at least 30%. In 2019, global trade stood at US$ 839 billion, growing at a 4% CAGR since 2005. In 2019, Apparel constituted 58% share of global textile & apparel trade followed by fabric which accounted for 19% of the total trade. Global trade is estimated to reach US $ 1,000 billion by 2025.

The post pandemic 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.

***Figure 1:** Global textile & apparel trade (Values in US$ Bn.)*



Data Source: UN Comtrade

1.3.2. Key Exporters

China stood as the largest exporter with 34% share in the global trade, however, has registered a loss of nearly 10% in its global share since 2015. The share has mainly been taken up by Vietnam and Bangladesh, currently 2nd and 3rd in global trade, respectively. India stood at 5th position in global trade with 4% overall share. It is also the third largest textile exporter in the world.

Detailed exports from various countries are shown in the table below:

Table 2: Top exporters of textile & apparel (Values in US$ Bn.)

Country	Exports			Share 2019 (%)
	Textile	Apparel	Total	
China	134.6	149.9	284.5	34%
Vietnam	10.2	33.7	43.9	5%
Bangladesh	1.8	40.9	42.7	5%
Germany	15.5	23.8	39.3	5%
India	20.2	16.2	36.4	4%
Italy	12.8	23.6	36.4	4%
Turkey	12.2	16.1	28.2	3%
USA	21.7	5.2	26.9	3%
Spain	5	14.3	19.3	2%
France	5.6	12	17.6	2%
RoW	117.2	146.3	263.5	31%
Total	**356.8**	**481.9**	**838.7**	

Data Source: UN Comtrade

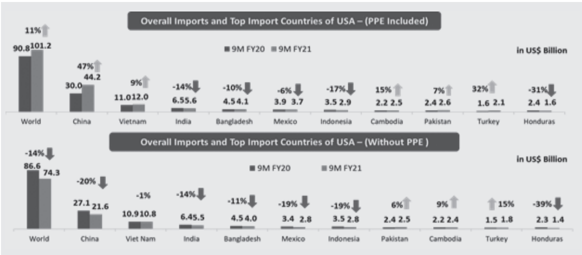
1.4. Import Scenario of Major Markets

US and EU are the two major markets for apparel. Both markets have seen decline in apparel imports due to the pandemic. However, both the markets have seen a V-shaped recovery in 2020 and are expected to recover further in future.

1.4.1.US imports

Textile and apparel imports to the US have declined by 14% in 9M FY21 (Excluding PPE Imports). USA's overall imports have witnessed decent growth in the 9-month period of current financial year (FY21), however the growth are majorly driven by the extensive imports of PPE.

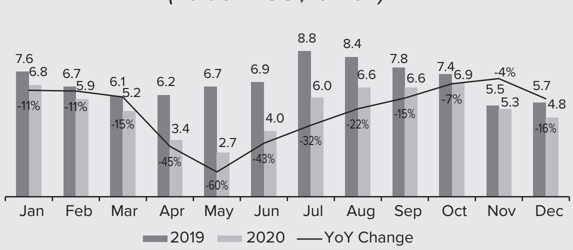
Figure 2. Top exporters to US (9M FY21)



Data Source: UN Comtrade

In the year 2020, US apparel store sales were approx. 30% down as compared to 2019. US apparel imports recovered steadily after hitting a low in May 2020. CY20 apparel imports stood at US$ 64 bn., approx. 23% less than the year prior.

Figure 3: *Apparel Imports to US 2020 (Value in US$ billion)*

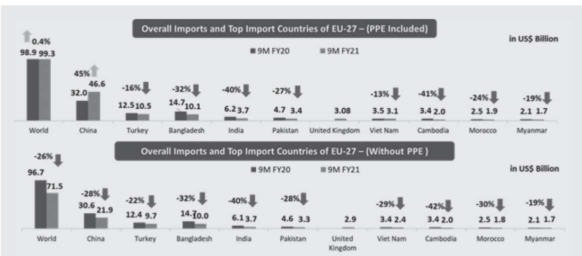


Data Source: The Office of Textiles and Apparel (OTEXA), USA

1.4.2. EU imports

T&A Imports of EU have declined by 26% in 9M FY21 (Excluding PPE Imports). EU's overall imports have witnessed a marginal growth in the 9-month period of current financial year (FY21), however the growth was majorly driven by the extensive imports of PPE.

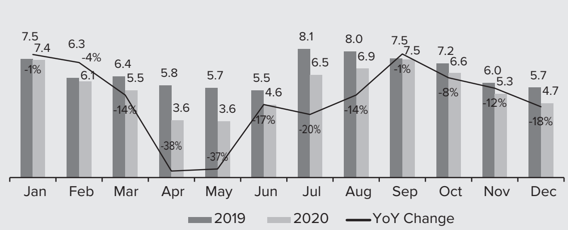
Figure 4. Top exporters to EU (9M FY21)



Data Source: UN Comtrade

EU-27 apparel imports are recovering steadily since Jun. 2020. but have started to decline again since October due the second wave of Covid-19 in EU. Jan. to Dec. 2020 apparel imports were € 68.4 bn., approx. 14% less than same period last year.

Figure 5: *Apparel Imports to EU 2020 (Value in € billion)*

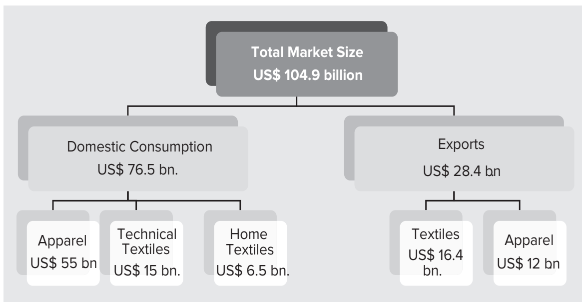


Consumption in all the apparel categories was impacted negatively in 2020. Sales for kids wear and casual wear is expected to recover faster, while ethnic wear and formal wear will recover at a slower pace.

Figure 6. Category-wise expected pace of recovery

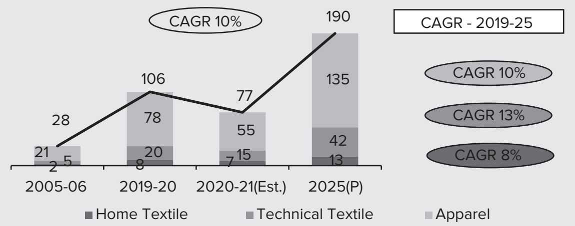
1.5. Indian Textile and Apparel Industry

Indian domestic T&A market is estimated at US$ 76.5 billion in 2020-21, which declined by 30% from 2019 due to the imposition of nationwide lockdown. Within this, the apparel market suffered the most and fell around 30%, followed by home textile – 25% and technical textile - 19%. The overall T&A exports are estimated at US$ 28.4 billion, which has declined by 15% from 2019, with US$ 16.4 billion of textile and US$ 12 billion apparel exports.



Before the pandemic, India's domestic textile and apparel market was growing at a ~10% CAGR since 2005. The market, post the recovery, is expected to reach US$ 190 billion by 2025. Technical textile growth is expected to be the fastest at 13%, followed by Apparel growth at 10%, home textile growth at 8%. Segment wise CAGR and market size is shown in figure below:

Figure 7: *India's domestic textile & apparel market (Values in US$ Bn.)*

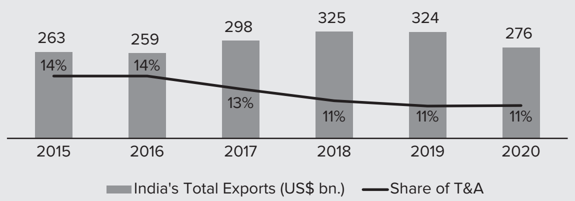


Data Source: DGCIS & Wazir Analysis

1.5.1. Indian Exports Scenario

Textile and apparel sector is a major contributor to India's total export earnings. Currently, it contributes to 11% of total export earnings of US$ 276 billion. The share of the sector in exports has declined from 14% in 2015 to 11% in 2020.

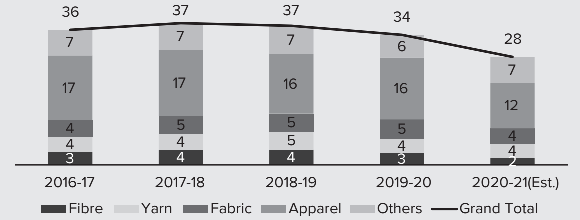
Figure 8: *India's Textile and Apparel export share in the total trade*



Data Source: DGCI&S

Overall, India holds fifth position with 4% share of global textile & apparel exports. The textile & apparel exports in FY21 are expected to be about US$ 28 billion, declining at a 4% CAGR since FY17.

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

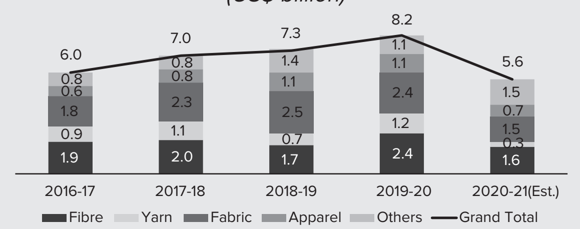


Source: DGCI&S

1.5.2. Indian Imports Scenario

India's textile & apparel import is expected to be around US$ 5.6 billion in FY21. The imports in FY21 declined by 32% as compared to FY20.

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

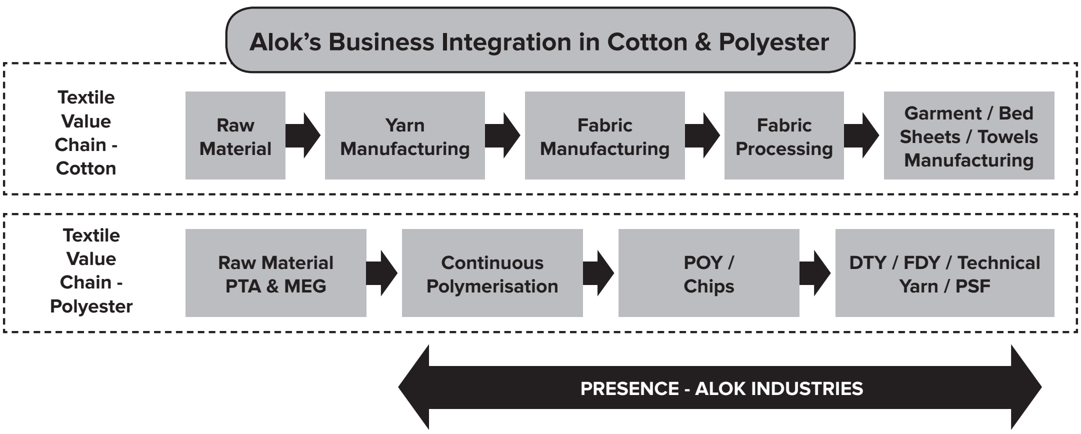


Data Source: DGCI&S

2. Alok Business Segments

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

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



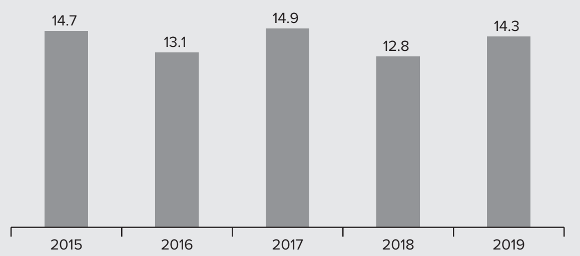
Alok is one of the largest vertically integrated textile manufacturers in India. The company has a dominant presence in the cotton and polyester value chain with operations spanning from yarn to finished products. The company operates under the following four divisions:

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

2.1. Spinning Business Environment/ Outlook

The global trade of cotton yarn was valued at US$ 14.3 billion in 2019, it has declined at a CAGR of 1% since 2015. In 2020, cotton produced in XUAR region of China, which supplies 70% of the world's cotton demand, was banned in the US for using forced labor resulting in shift of fibre and yarn sourcing to India and Vietnam causing significant increase in demand of cotton and yarn prices.

Figure 11: *Global Trade of Cotton Yarn (US$ Billion)*



Data Source: UN Comtrade

In terms of yarn manufacturing capabilities, India has production facilities for both natural and man-made yarn. India has an installed capacity of 53 million spindles, producing approximately 5,713 million kg yarn in 2019-20. India is one of the largest producers and exporter of cotton yarn in the world with a production of 3,996 million kgs of 100% Cotton Spun Yarn in 2019-20.

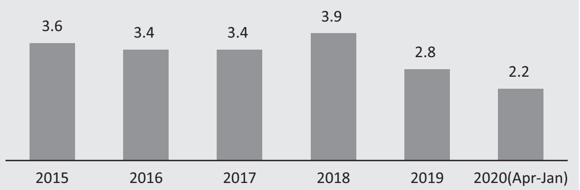
Table 3: India's Spun Yarn Production in Million Kg

Yarn	2015-16	2019-20	CAGR
100% Cotton Spun Yarn	4,138	3,996	-1%
Blends and other spun Yarn	1,527	1,663	2%
Total Spun Yarn	**5,665**	**5,713**	

Source: Office of Textile Commissioner, Govt. of India

India's export of cotton yarn stood at US$ 2.2 billion in 2020-21 (Apr to Jan). Due to the ongoing trade tensions with China, demand for Indian cotton textile increased internationally, despite the pandemic. The cotton yarn exports registered a significant jump in YoY growth from -40% in Q1FY21 to 15% in Q2FY21.

Figure 12: *India's Exports of Cotton Yarn (US$ Billion)*



Data Source: DGCI&S

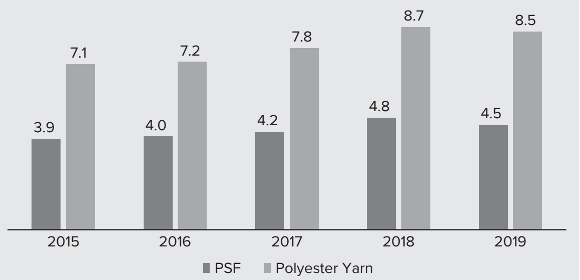
Indian spinners over the last few decades have invested extensively in bringing in the latest spinning technologies and infrastructure to India. Alok is also one of the major players in the Indian spinning industry with focus on modern infrastructure and research & product development at the same time.

2.2. Polyester Business Environment/ Outlook

Globally, the demand of polyester-based textiles is growing faster than cotton. Currently, polyester accounts for more than 55% of the total fibre consumption in the world and is estimated to be 60% (78 million tons) by 2025.

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

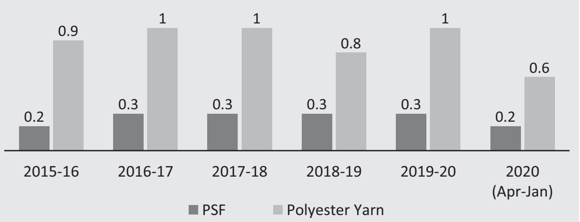
Figure 13: *Global Trade of Polyester (US$ Billion)*



Data Source: UN Comtrade

India has a production capacity of 1,085 million kg of polyester staple fibre and 3,934 million kg of polyester filament yarn. It is the second largest producer of polyester globally. India's exports of polyester registered a value of US$ 0.6 billion in FY20 (Apr-Jan).

Figure 14: *India's Exports of Polyester (US$ Billion)*



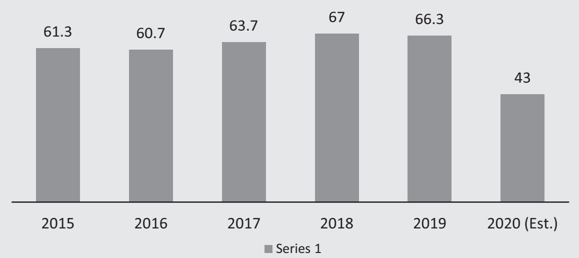
Data Source: DGCI&S

The growth in the volume of polyester consumption is driven by growth in consumption of finished product categories like sportswear, technical textiles and women's wear. India has a presence of complete polyester value chain in the country and therefore it must leverage its expertise and capture the growing demand of polyester based textiles.

2.3. Home Textiles Business Environment / Outlook

The global trade of home textiles is estimated to decline by approx. 35% and reach around US$ 43 bn. when compared to home textile trade in 2019. Post COVID, the global demand for home textiles is expected to increase with higher focus towards health and hygiene among consumers.

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

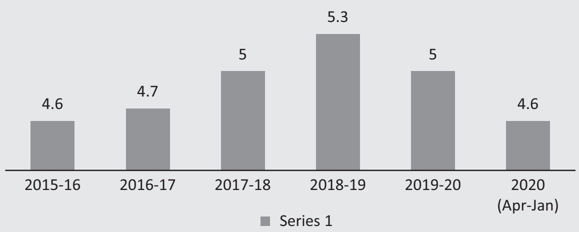


Data Source: UN Comtrade

The Indian home textiles exports stood around US$ 4.6 billion in FY21(Apr-Jan). India over the last few years has successful managed to build its position as a large manufacturer of Home textiles in the World, only behind China, with a share of 8% in the global home textile trade.

India exports its home textiles products primarily to EU and USA, which constitute more than 70% of India's home textiles export markets.

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

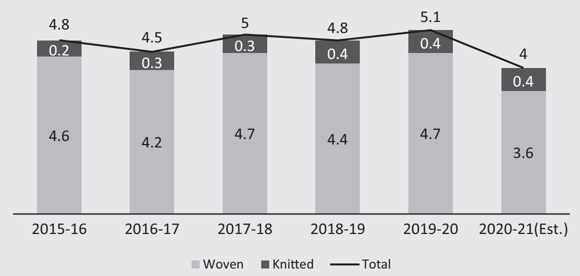


Data Source: DGCI&S

2.4. Apparel & Fabrics Business Environment / Outlook

India's fabric exports stood at US$ 4.0 bn. in FY21 (Apr to Jan) of which woven fabric is US$ 2.2 bn. and knitted fabric is US$0.4 bn. The segment is one of the worst hit by COVID-19. India is currently the third largest fabric producer in the world, and its production is dominated by woven fabrics with a share of ~90%. The exports of knitted fabrics have shown faster recovery than woven fabric when compared to same period in 2019.

Figure 17: *India's Exports of Woven Fabric (US$ Billion)*



Data Source: UN Comtrade

The fabric production in India is around 76,288 million sq. m, which has grown at 4% CAGR in the past five years. Decentralized sector had the major share of 97%, while the rest was of mill sector. However, the production of mill sector has declined at a CAGR of 3% while decentralized sector production has increased at 5% CAGR.

Table 4: India's Fabric Production (million sq. m)

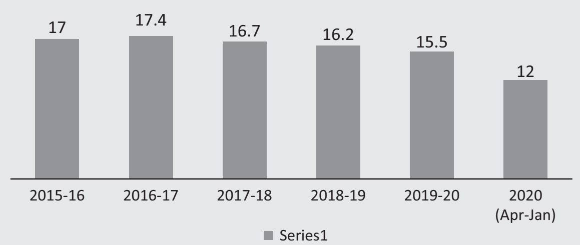
Fabric Production Mn Sq. m	Production 2013-14	Production 2019-20	Share (2018-19) (%)	CAGR
Mill Sector	2,315	2,022	3%	-3%
Decentralized Sector	62,269	74,266	97%	5%
Total fabric (Excluding Khadi, Wool and Silk)	**64,584**	**76,288**		**4%**

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

As mentioned above, it is estimated that the global apparel trade is likely to decline by at least 30%, though it is also projected that the trade will bounce back in even shorter time period. Prior to the COVID-19, the global apparel trade was growing steadily at a CAGR of 4% since 2015.

India's apparel exports fell significantly in FY21 (Apr-Jan) period the apparel exports stood at US$ 12 bn. which is 26% less than last year, same period.

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



Data Source: DGCI&S

Nevertheless, the government is keen to support the apparel industry through several policy initiatives and has recently launched Product Link Subsidy Scheme (PLI) with an aim to position India as a global champion in Textiles and Apparel Industry. These initiatives are expected to bring some much-needed push for growth of the textile industry in the near future.

Alok has manufacturing presence in the entire textile value chain and hence, is in a good position to gain competitive advantage in the post COVID scenario as the focus will be on vertical integration of operations, supply diversification outside EU, USA and manufacturing excellence.

3. **Financial Performance (Stand Alone)**

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

During the current financial year, the Company averagely operated at around 50% level partly due to impact of COVID-19 pandemic especially in the first quarter of the year in which Company was almost non-operational except for safety textiles (PPE suits & Masks) business and partly due to non-operation of few machines for want of spare parts / critical parts which were received in the latter part of the year. The company should derive benefit of the enhanced operations during the current financial year (2021-22).

Company reported profit of ₹ 407.03 crore at operating EBITDA level without considering provisions / impairments (previous year EBITDA loss of (₹ 36.20 crore). After considering provisions / impairments, Company reported EBITDA loss of (₹ 432.63 crore) (previous year loss of (₹ 221.40 crore). Due to exceptional loss of ₹ 3,241.10 crore on account of Net of impairment of fixed assets ₹ 8,264.22 crore and profit on conversion of debt-to-equity ₹ 5,023.12 crore, PBT level loss was (₹ 4,431.89 crore) (previous year profit ₹ 1,222.46 crore). In the previous year, exceptional item was related to the write back of operational & financial creditors (overseas) in accordance with the terms of Approved Resolution Plan.

Table 5 gives the summarized profit and loss statement of the Company in the current financial year compared to the previous financial year. The brief analysis of the stand-alone results, which relates to the textile business of the Company, is also given in below table.

Table 5: Summarized Profit and Loss Account (stand-alone)

PROFIT & LOSS ACCOUNT	31st March 2021 ₹ Crore	31st March 2020 ₹ Crore
Domestic Sales	2,778.11	2,370.53
Export Sales	957.2	769.75
Net Sales	3,735.31	3,140.28
Other Income	21.66	85.19
TOTAL INCOME	**3,756.98**	**3,225.47**
Material Costs	2,133.14	2,174.77
Employee Benefits	307.41	256.99
Other Expenses - without provisions	909.4	829.91
TOTAL EXPENSES	**3,349.95**	**3,261.67**
OPERATING EBIDTA before provisions	**407.03**	**-36.2**
Other Expenses – provisions	839.66	185.2
OPERATING EBIDTA after provisions	**-432.63**	**-221.4**
Depreciation	-285.43	-529.45
OPERATING EBIT	**-718.06**	**-750.85**
Interest & Finance Costs	-472.72	-79.24
OPERATING PBT	**-1,190.78**	**-830.09**
Exceptional Items	-3,241.10	2,052.55
OPERATING PBT & Exceptional items	**-4,431.88**	**1,222.46**
Add / (Less): Provision for Taxes	-1,423.11	0.73
PROFIT AFTER TAX	**-5,854.99**	**1,223.19**
Other Comprehensive Income	2.85	1.37
Total Comprehensive Income	**-5,852.14**	**1,224.56**

Profit and Loss Analysis

- **Net Sales** for the year was ₹ 3,735.31 crore comprising of domestic sales of ₹ 2,778.11 crore and export sales of ₹ 957.20 crore. In the previous year, the total sales were ₹ 3,140.28 crore comprising of domestic sales ₹ 2,370.53 crore and export sales of ₹ 769.75 crore. The Company's level of operations was averaged at 50%. The sales during the year recorded a growth of 18.9% over the previous year despite lower level of operations in Q1 due to COVID pandemic.
- **Other Income** for the year was ₹ 21.66 crore (previous year ₹ 85.19 crore). The major part of the other income comprises of interest income on fixed deposit with banks ₹ 8.83 crore (previous year ₹ 8.48 crore), foreign currency exchange rate difference of ₹ 6.45 crore (previous year ₹ 11.64 crore), insurance claim received on Key man insurance ₹ 4.64 crore (previous year ₹ Nil) and Sundry Credit balance written back ₹ 1.15 crore (previous year ₹ 64.36 crore).
- **Material Cost** for the current financial year was ₹ 2,133.14 crore as compared to ₹ 2,174.77 crore in the previous period. As a percentage of sales, material cost decreased from 69.25% in the previous period to 57.11% in the current year due to decreasing raw material price trend both in cotton & polyester.

- **People Costs** in the current financial year marginally increased to ₹ 307.41 crore as compared to ₹ 256.99 crore in the previous period. As a percentage to sales, it was 8.23% in FY 2020-21 and 8.18% in FY 2019-20.
- **Other Expenses (without Provisions)** in the current year were ₹ 909.40 crore as compared to ₹ 829.91 crore in the previous period. The major items of other expenses for the year was Power & Fuel ₹ 516.81 crore (previous year ₹ 496.50 crore), Labour charges ₹ 98.21 crore (previous year ₹ 72.27 crore), stores & spares consumed ₹ 63.91 crore (previous year ₹ 61.21 crore), process charges ₹ 60.27 crore (previous year ₹ 19.57 crore), Repairs & Maintenance ₹ 24.30 crore (Previous year ₹ 21.07 crore) and insurance ₹ 21.10 crore (Previous year ₹ 26.05 crore), miscellaneous expenses ₹ 55.84 crore) (Previous year ₹ 66.96 crore) among others.
- **Other Expenses (Provisions)** Provisions for doubtful advances / impairment of investments included in the other expenses was amounting to ₹ 839.66 crore compared to ₹ 185.20 crore in the previous year.
- **Operating Earnings before Interest, Depreciation, Tax and Amortization (EBIDTA) without provisions / impairments** for the year was profit of ₹ 407.03 crore as compared to loss of (₹ 36.20 crore) in the previous year.
- **Operating Earnings before Interest, Depreciation, Tax and Amortization (EBIDTA) after provisions / impairments** for the year was loss of (₹ 432.63 crore) as compared to loss of (₹ 221.40 crore) in the previous year.
- **Depreciation** was ₹ 285.43 crore for the current year as compared to ₹ 529.45 crore in the previous year.
- **Interest & Finance Cost** for the current year was ₹ 472.72 crore as compared to ₹ 79.24 crore in the previous year.
- **Operating PBT** for the year was loss of (₹ 1,190.78 crore) as compared to loss of (₹ 830.09 crore) in the previous year.
- **Exceptional Item** for the year was expenses ₹ 3,241.10 crore (previous year income ₹ 2,052.55 crore), mainly due to impairment of fixed assets ₹ 8,264.22 crore and profit on conversion of debt-to-equity ₹ 5,023.12 crore. In the previous year, it was relating to the write back of operational & financial creditors (overseas) in accordance with the terms of Approved Resolution Plan.
- **Net (Loss) / Profit After Tax** there was a loss of (₹ 5,854.99 crore) in the current year against profit of ₹ 1,223.19 crore in the previous period. In both the years the (loss) / profit is on account of exceptional items.

Key Ratios

Table 6 gives the Key ratios of the Company (stand-alone).

Table 6: Key Ratios (stand-alone)

Sr. No	Particulars	31 March 2021	31 March 2020
1	Debtors Turnover – Days	27	19
2	Inventory Turnover – Days	86	39
3	Interest Coverage	0.86	(0.46)
4	Current Ratio	1.36	2.96
5	Debt – Equity	(0.31)	(0.46)
6a	Operating Profit Margin (%) without considering provisions/ impairments	10.90%	-1.15%
6b	Operating Profit Margin (%)	-11.58%	-7.05%
7	Net Profit Margin (%)	-156.75%	38.95%

Comments on Ratios:

- **Debtors Turnover Days:** Debtor turnover days (27 days) increased during the year as compared to previous year debtor turnover days (19 days). In absolute amount debtors as on 31 March 2021 increased to ₹ 280.49 crore as compared to ₹ 163.37 crore as on 31 March 2020. The increase in debtors was mainly on account of increase in the operations of Apparel Fabrics (woven, knitting, embroidery, garments & hemming) and Home Textiles (bedding & towel) businesses where our outstanding are between 45 days- 60 days.
- **Inventory Turnover Days:** Inventory turnover days (86 days) also increased during the current year as compared to inventory turnover days (39 days) in the previous year. This is mostly on account of increase in level of operations across all the business segments of the company. Our integrated cotton segments (Spinning, Apparel Fabrics and Home Textiles) are required to keep sufficient inventories of raw materials (30 days - 60 day) to carry on smooth operations. Moreover, turn around period (work in process) in our Apparel Fabric and Home Textiles segments is ranging from 30 days- 45 days. Similarly, Finished Goods are on an average 30 days in Apparel fabric and Home Textiles Segments.
- **Interest Coverage Ratio:** Our interest outgo for the year was ₹ 472.72 crore as compared to previous year interest of ₹ 79.24 crore. With increase in operations, our operating EBITDA for the year was ₹ 407.03 crore (previous year loss of ₹36.2 crore), the interest coverage ratio has accordingly, improved to 0.86 times as compared to (-0.46) times in the previous year.

- **Current Ratio:** The current ratio for FY 2020-21 was 1.36 times as compared to 2.96 times in the previous year, mainly on account of increase in current liabilities. The total current assets for the year were ₹ 1677.68 crore as compared to ₹ 1273.57 crore in the previous year. The current liabilities for the year were ₹ 1234.33 crore as compared to ₹ 430.90 crore in the previous year. Increase in Current Assets as well as Current Liabilities were in accordance with the increase in level of activities.

- **Debt/ Equity Ratio:** The Net worth of the Company continued to remain negative in FY 2020-21 also, but the negative net worth increased to (₹ - 16,265.37 crore) as compared to negative net worth of (₹ - 10,688.68 crore) in FY 2019-20. The main reason for increase in negative net worth was on account loss of ₹ 5,854.99 crore during the year due to exceptional items of ₹ 3,241.10 crore), mainly due to impairment of fixed assets ₹ 8,264.22 crore and profit on conversion of debt-to-equity ₹ 5,023.12 crore. In the previous year, it was exceptional income of ₹ 2,052.55 crores relating to the write back of operational & financial creditors (overseas) in accordance with the terms of Approved Resolution Plan. There was also negative impact of de-recognition of deferred tax assets of ₹ 1,423.11 crore during the current year.

- **Operating EBITDA before considering Provisions:** Operating Earnings before Interest, Depreciation, Tax and Amortization (EBIDTA) without considering provisions/impairments for the year was profit of ₹ 407.03 crore (10.90%) as compared to loss of (₹ 36.20 crore) (-1.15%) in the previous year.

  Operating EBITDA after considering Provisions: Operating Earnings before Interest, Depreciation, Tax and Amortization (EBIDTA) for the year after considering provisions of ₹ 839.66 crore was loss of (₹ 432.63 crore) (-11.58%). The provisions in previous year was ₹ 185.20 crore and operating loss was (₹ 221.40 crore) (-7.05%). The provisions during the year of ₹ 839.66 crore was mainly on account of provisions in the value of loans given to subsidiary etc.

- **Net (Loss) / Profit After Tax:** Net (Loss)/ Profit After Tax was a loss of ₹ 5,854.99 crore in the current year on account of provisions in the value of loans given to subsidiary etc. of ₹ 839.66 crore, loss due to exceptional items of ₹ 3,241.10 crore and de-recognition of deferred tax of ₹ 1,423.11 crore. As compared to this, in the previous year there was a net profit of ₹ 1,223.19 crore on account of exceptional item of ₹ 2,052. 55 crores relating to write back of operational & financial creditors (overseas) in accordance with the terms of Approved Resolution Plan. The Net profit Margin for the year was negative (-156.75) % as compared to 38.95% in the previous year.

Cash Flows

Table 7 gives the abridged cash flow statement of the Company.

Table 7: Summarized Cash Flow Statement

(₹ Crore)

PARTICULARS	31st March, 2021	31st March, 2020
Net cash (used in) / generated from operating activities	320.50	(172.03)
Net cash (used in) / generated from investing activities	(194.70)	36.36
Net cash (used in) / generated from financing activities	(333.05)	504.11
Net (Decrease)/Increase in Cash and Cash equivalents	**(207.25)**	**368.44**
Cash and Cash equivalents as at year end		
At the beginning of the year	383.59	15.15
At the end of the year	176.34	383.59
Net (Decrease)/Increase in Cash and Cash equivalents	**(207.25)**	**368.44**

Textiles Business: Operations Review

Overview

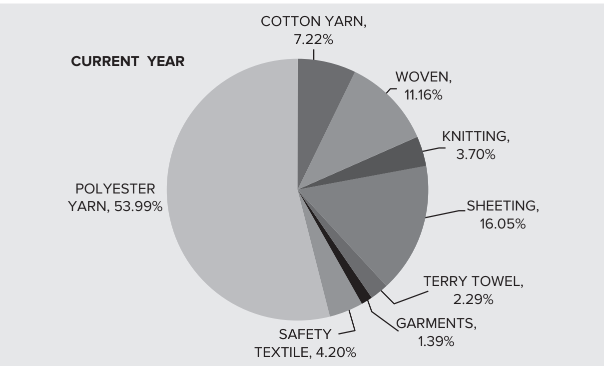
Alok is into single business segment i.e. Textiles. Within Textiles, Alok's business comprises of Cotton Yarn, Apparel Fabric (Wovens, Knits & Garments), Home Textiles (Sheeting & Terry Towel), and Polyester Yarn. The division wise sales and its bifurcation into domestic and export is given in table 8 and Chart-19 below:

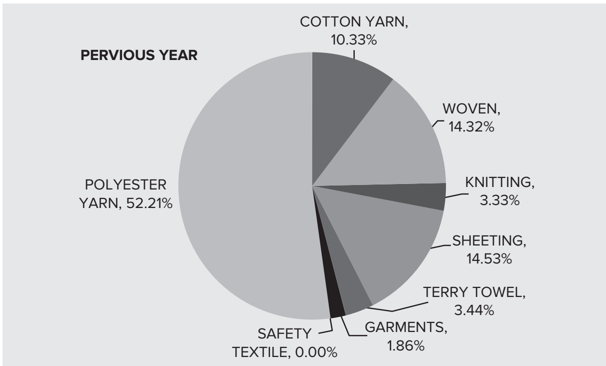
Table 8: Snapshot of Alok's product-group wise sales distribution

(₹ Crore)

PARTICULARS	12 M YTD ENDED 31 MAR 2021				12 M YTD ENDED 31 MAR 2020				CHANGE
	LOCAL	EXPORT	TOTAL	% TO TOTAL SALES	LOCAL	EXPORT	TOTAL	% TO TOTAL SALES	
COTTON YARN	227.41	42.43	269.85	7.22%	324.18	0.18	324.35	10.33%	-16.81%
APPAREL FABRIC									
WOVEN	321.12	95.85	416.96	11.16%	336.62	113.08	449.70	14.32%	-7.28%
KNITTING	72.87	65.46	138.33	3.70%	44.29	60.13	104.42	3.33%	32.47%
	393.98	**161.31**	**555.29**	**14.86%**	**380.91**	**173.21**	**554.12**	**17.65%**	**0.21%**
BEDDING	27.77	571.70	599.47	16.05%	13.23	442.90	456.13	14.53%	31.43%
TERRY TOWEL	41.88	43.54	85.43	2.29%	57.21	50.77	107.98	3.44%	-20.89%
GARMENTS	38.72	13.19	51.91	1.39%	48.64	9.65	58.29	1.86%	-10.95%
SAFETY TEXTILE	142.27	14.62	156.89	4.20%	0.00	0.00	0.00	0.00%	-
POLYESTER YARN	1,906.08	110.41	2,016.49	53.99%	1,546.37	93.04	1,639.41	52.21%	23.00%
TOTAL	**2,778.12**	**957.21**	**3,735.32**	**100.00%**	**2,370.53**	**769.75**	**3,140.28**	**100.00%**	**18.95%**

Chart 19: Share of different product groups in total sales





As apparent from Chart 19, polyester yarn accounts for highest share in total sales with a share of 53.99% (52.21% in the previous year). This is followed by sheeting (Bed sheets) whose share was about at same level of 16.05% (14.53% in the previous year), followed by woven fabrics whose share in the current year was 11.16% down from 14.32% in the previous year. The share of cotton spinning for the current year was 7.22% as compared to 10.33% in the previous year. The share of Safety Textiles, a new segment added in the current year, had a share of 4.20% share. The share of knitted fabrics for the current year was 3.70% as compared to 3.33% in the previous year. The share of terry towels for the current year was 2.29% as compared to 3.44% in the previous period and lastly garment share was 1.39% as compared to 1.86% in the previous year.

Exports

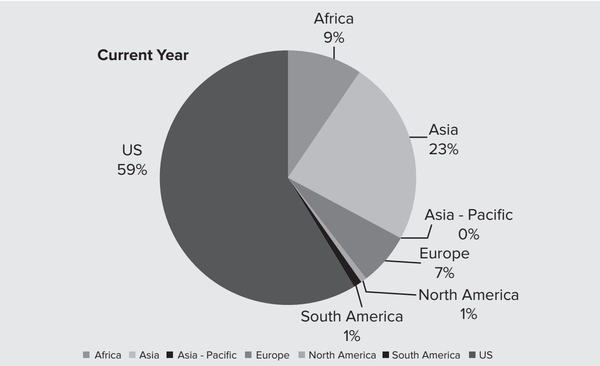
Alok's export business has increased to ₹ 957.21 crore in the current year as against ₹ 769.75 crore in the previous period.

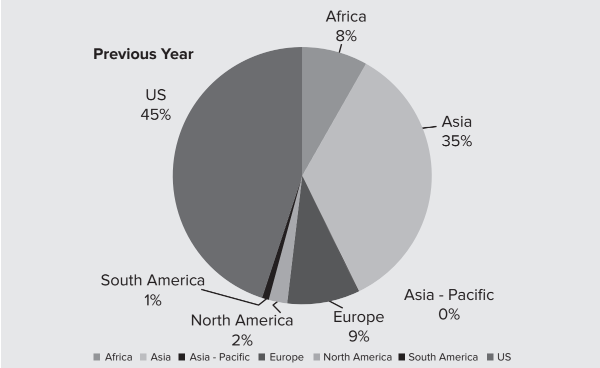
Table 9 gives the share of different regions in Alok's exports. The same is represented by way of a pie chart in chart 20. USA remains the dominant market with 58.64% share in the current year. The share of Asia has decreased from 34.59% in the previous year to 23.41% in the current year, and Europe has come down from 9.01 % in the previous year to 6.69% in the current year. Share of African continent has increased to 9.45% in the current year as compared to 8.19% in the previous year.

Table 9: Regional Distribution of Exports

Regions	YTD 31 Mar 2021 (12 months)			YTD 31 Mar 2020 (12 months)		
	₹ Crore	US$ Mln	% of Exports	₹ Crore	US$ Mln	% of Exports
Africa	90.46	12.41	9.45%	63.06	8.98	8.19%
Asia	224.07	30.66	23.41%	266.29	38.10	34.59%
Asia – Pacific	0.13	0.02	0.01%	0.51	0.07	0.07%
Europe	64.06	8.76	6.69%	69.33	9.89	9.01%
North America	7.03	0.97	0.73%	17.81	2.51	2.31%
South America	10.14	1.40	1.06%	6.60	0.94	0.86%
US	561.32	76.68	58.64%	346.14	49.16	44.97%
Total	**957.21**	**130.88**	**100.00%**	**769.75**	**109.65**	**100.00%**

Chart 20: Share of different regions in Alok's exports





Manufacturing & Business Excellence:

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

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

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

New Business Opportunity:

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

COVID-19 pandemic has also brought new ways of doing business. The work from home and virtual meetings is now the new normal while at the same time COVID-19 pandemic has impacted the normal operations of the Company by way of interruption in production, supply chain disruption, availability of manpower, lock-down/ closure of markets etc. The detailed analysis of the risk and threats associated with the Company's business are covered in detailed under the Section "Risk & Risk Mitigation".

Quality, Safety, Health and Environment

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

The Company's adherence to internationally recognized certification standards and compliances has been recognized by renowned certification bodies (see Table 10). Today, the Company has the following certifications/ accreditations:

Table 10: Major Certification - Divisions, Plants & Locations Covered

Certification	Division / Plant / Location
ISO 9001:2015 (QMS) ISO 14001:2015 (EMS) ISO 45001:2018(OHSAS) (Integrated Management System)	• Process House, Vapi (Normal & Wider width) • Knits Processing, Vapi • Terry Towel, Vapi • Weaving, Silvassa • CP, POY, FDY, PSF and Texturizing, Silvassa • Spinning and Knitting, Silvassa • Embroidery, Silvassa • Made Ups, Vapi • Made Ups Garments, Vapi
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 GRS: Global Recycle Standards. RCS: Recycled Claim Standards	• Head Office, Mumbai • Spinning & Knitting Division, Silvassa • Weaving Division, Silvassa • Process House (Normal & Wider Width), Vapi • Made-ups & Garments Division, Silvassa • Knit Processing, Vapi • Terry Towel Division, Vapi • Hemming Division, Silvassa • Made-ups Division, Vapi • Embroidery Division, Silvassa • POY Units, Silvassa
Fair Trade- FLOCERT: Fair-trade Standard for Fibre Crops for Small Producer Organizations	• Spinning & Knitting Division, Silvassa • Weaving Division, Silvassa • Process House (Normal & Wider Width), Vapi • Made-ups & Garments Division, Silvassa • Knit Processing, Vapi • Terry Towel Division, Vapi • Hemming Division, Silvassa • Made-ups Division, Vapi
OEKO Tex Standard – Product Class I & II	• Made –ups (Product Class I & II)-Conventional & Organic • Woven & Knitted Fabric (Product Class I & II) Conventional & Organic • Texturized Yarn (Product Class I) • Cotton and blended yarn (Product Class I) Conventional & Organic • Terry Towels (Product Class I) Conventional & Organic • Garments (Product Class I) Conventional & Organic • Woven and Knitted Fabric-(Commission dying and printing) (Product Class I) • Woven Micro Polyester (Product Class I)
STeP Certification (Sustainable Textile Production) & Made In Green Label	• Process House, Vapi (Normal & Wider width) • Knits Processing, Vapi • Terry Towel, Vapi • Made Ups, Vapi • Garments, Vapi

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

- Egyptian Cotton Certificate - License for using Cotton Egyptian
- SUPIMA Cotton Certificate- License for using Cotton Supima
- Cotton USA – License for using Cotton USA
- IATF (International Automotive Task Force) 16949:2016 –Polyester Plant, Silvassa.
- NABL Lab Certification ISO 17025:2005 at Vapi NWP Lab.
- Silvassa SMUGMT Unit for Medical Devices-Isolation Gowns and Protective Coveralls

- Silvassa- Safety & Textile Unit for Medical Devices- Face Masks in various Fabrics and Non-Woven Masks.

In addition to the certifications, Alok's performance, especially in exports of cotton goods and polyester yarn have been recognized through successive awards from TEXPROCIL and SRTEPC in the past for many years.

Subsidiaries

Textiles: Mileta

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

Mileta has high end technological skill in yarn-dyed fabrics and hemming that results in higher per unit realisations. The Mileta range of products includes high quality shirting, batistes and voiles, complete line of functional table linen, bed linen and handkerchiefs.

For the year ended 31st March 2021, Mileta has achieved sales of ₹ 115.42 crore and made a loss of ₹ (18.42) crore as compared to sales of ₹ 162.25 crore and loss of ₹ (5.47) crore in 31st March 2020.

UK Retail: Store Twenty One

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

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

Investment: Alok Infrastructure Limited

The Company had made some investments in the realty sector through its 100% subsidiary Alok Infrastructure Limited. The plan was to create value and monetise the same at the right opportunity. However, depressed market conditions in the real estate space resulted in the Company having to dispose off some of its assets at losses. The Company has also provided for the loans / advances to the extent not recoverable from its subsidiaries.

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

The Resolution Professional of Alok Infra has informed that under the advice of the Committee of Creditors, an application under section 60 (5) read with section 12A and other applicable provisions of the Code has been filed on 5th April, 2019 for withdrawing the insolvency petition of Alok Infra. The order for withdrawal was passed by the Hon'ble National Company Law Tribunal, Mumbai on 22nd March 2021.

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

Consolidated Results

Tables 11, 12 and 13 give the profit and loss highlights, balance sheet highlights and Company wise sales of Alok as a consolidated entity.

Table 11: Consolidated Profit and Loss Summary

Particulars	FY 2020-21 Amount Crore	FY 2019-20 Amount Crore
Net Sales	3,847.59	3,297.68
Other Income	26.60	38.51
Total Income	**3,874.19**	**3,336.19**
Material Costs	2,182.90	2,245.46
People Costs	356.23	306.53
Other Expenses	1,111.81	891.71
Total Expenses	**3,650.94**	**3,443.70**
Operating EBIDTA	**223.25**	**(107.51)**
Depreciation	(295.10)	(541.84)
Operating EBIT	**(71.85)**	**(649.35)**
Interest	(489.29)	(94.29)
Operating Profit Before Tax	**(561.14)**	**(743.64)**
Exceptional Items	(3,892.05)	2,052.55
Profit Before Tax after Exceptional items	**(4,453.19)**	**1,308.91**
Add: Provision For Taxes	(1,219.09)	2.31
Profit After Tax	**(5,672.28)**	**1,311.22**
Share Of Profit / (Loss) From Associates (Net)	(1.04)	(0.99)
Profit After Minority Interest	**(5,673.32)**	**1,310.23**
Other Comprehensive Income	49.04	(296.68)
Total Comprehensive Income	**(5,624.28)**	**1,013.55**

Table 12: Consolidated Balance Sheet Summary

(₹ Crore)

Particulars	As at 31.03.2021	As at 31.03.2020
Share Holders Fund	(17,656.75)	(12,307.92)
Non-Current Liabilities	22,798.65	28,275.39
Current Liabilities	2,91.36	2,138.33
Total Equity and Liabilities	**8,043.26**	**18,105.80**
Non-Current Assets	6,195.22	16,683.73
Current Assets	1,848.04	1,422.07
Total Assets	**8,043.26**	**18,105.80**

Table 13: Company wise sales in total Consolidated Sales

₹ Crores

Sr. No	Name of the company	31.03.2021		31.03.2020	
		Sales	Profit/(Loss)	Sales	Profit/(Loss)
1	Alok Industries Limited	3,735.32	(5,852.14)	3,140.28	1,224.56
2	Alok Infrastructure Limited	0.04	(469.88)	0.19	(13.50)
3	Alok International Inc.	-	1.22	-	99.96
4	Mileta A.S	112.23	(18.32)	157.22	(5.47)
5	Alok Industries International Limited	-	42.28	-	(158.11)
6	Grabal Alok International Limited	-	17.61	-	(58.16)
7	Alok World Wide Limited	-	(0.03)	-	0.11
8	Alok Singapore Pte Limited	-	3.60	-	(14.97)
9	Alok International (Middle East) FZE	-	(3.92)	-	(0.67)
	Total	**3,847.59**	**(6,279.59)**	**3,297.69**	**1,073.75**
	Effect of elimination entries	-	655.30	-	(60.20)
	Consolidated (Loss) / Profit	3,847.59	(5,624.29)	3,297.69	1,013.55

Human Resource

Alok’s human resource is the strong foundation for creating many possibilities for its business. During the year, your company added employee talent through seamless integration of human & material assets. The efficient operations of manufacturing units, new market development and expansion in product ranges were the highlights of people effort. Employee productivity continued to be the focus area during the year and various initiatives were undertaken for its improvement. With an employee strength including contract workers of ~ 24500, your company strives to become an ‘Employer of Choice’ within the industry. To achieve this goal, the company's HR policies and practices are being geared up. To bring about Transparency, Uniformity and Consistency, several policies have been developed for the employees, which have been well received and have provided an empowering environment to employees. The Performance Management System ('PMS') is being introduced to bring fairness and transparency. More rigors has been brought into the PMS process by introduction of a Performance Review mechanism which will help to promote performance driven culture. Also, continuous training & development initiatives to improve skill gap, and constant focus on building capability of our employees and vendor partners helped in talent management process. The overall industrial relation scenario was cordial and the management of COVID-19 pandemic situation within company work premises were all under control during the year.

Sustainable Business Practices and Corporate Social Responsibility (CSR)

Alok has always focused on sustainable business practices. Several initiatives by the company aimed at reducing environmental footprint by way of proactive actions like redesigning production, cleaner production processes, preventive engineering, waste reduction and transition to renewable energy, have all paved the way for a sustainable future for the company. As such, in your company this sustainable business movement has always been a component of the broader movement toward greater corporate social responsibility. It has developed a variety of strategies for dealing with this intersection of societal needs, the natural environment, and corresponding business imperatives. With the conclusion of the IBC process, the Company will refocus on incorporation of sustainable business principles and practices.

Risks & Risk Mitigation

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

Threats:

The company is concerned about the various threats that it is exposed to which includes factors such as rising competition in the market both on the domestic & export front, duty free access to competing countries in US & European markets, uncertain business environment including impact of COVID-19 pandemic, fluctuating rupee, cost of raw material and its availability, slowdown in demand & change in fashion trends, possibility of increase in interest rates, etc. Besides this, the Company is also exposed to factors such as the change in government policies, duties & taxes, availability of power from the grid, availability of labour etc. The Company tries to mitigate these risks by taking quick actions and proactive initiatives and minimize the impact of these risk to the extent possible. Some of these threats are discussed briefly here and in detail in the respective risk factors.

- **No free trade agreement with Europe:** Competing Countries like Bangladesh, and Vietnam get duty-free access to the European markets, while India pays 9-10 % duty on exports. This is because Bangladesh is a least developed country (LDC) and is given preferential treatment by developed countries. And, Vietnam has a free trade pact with the European Union.

- **Increasing Competition from low cost producing countries:** Labour in India is relatively more expensive as compared to other low-cost producers like Vietnam, Pakistan, and Bangladesh. An Indian garment worker earns about $ 250 month, while a Bangladeshi worker gets only $ 105. And the monthly wage of a worker in Vietnam is $ 215. Moreover, the productivity of a Bangladeshi worker is better than that of Indian workers.

- **Exchange-rate of Rupee:** Overvalued rupee affects the competitiveness of the textile sector as exports become more expensive. Comparatively, Bangladeshi Taka is weaker than Indian rupee making its exports cheaper. Also, Vietnamese dong has been pegged to the US dollar, making the exchange rate more stable in comparison to India. This threat is discussed under the risk "Currency Risk".

- **Raw material prices & availability:** The raw material prices (cotton, cotton yarn, MEG & PTA) are subject to market conditions and can vary upward & downward during the year. Raw material being substantial portion of our Cost, about 55% - 60%, any such movement therefore has an impact over company's performance. This threat is discussed in detail under the risk "Raw Material".

- **Slow-down in demand/ change in fashion:** The Company's performance also depends upon the demand situation. Any slowdown in demand may lead to decline in production/ sales and thus impact profitability. Similarly, company's value-added segment of Apparel Fabrics and to some extent Home Textile, are also subject to change in fashions and consumer behaviour. This threat is discussed in detail under the Risk "Markets".

- **Increase in Interest rates:** The Company has taken term loans and working capital limits loans from the banks on floating rate basis. Any increase in interest rate would have impact on the bottom line of the Company. This threat is also discussed in detail under the risk "Financial Risk".

- **Rigid Labour related Policies:** Indian labour laws are quite rigid and it is difficult to lay-off workers. This impacts the operation if there is a drop in demand and operations needs to be curtailed or if there is seasonality in the business. Further there are tendencies amongst workers to make unions and show their strength. Compared to this, the labour laws in the competing countries are quite flexible giving their entrepreneurs an upper hand.

- **Change in Government Policies:** The business also has a threat of sudden change in government policies like policies relating to export & import of certain products, change in customs duty structure, change in export incentives, change in GST rates, etc.

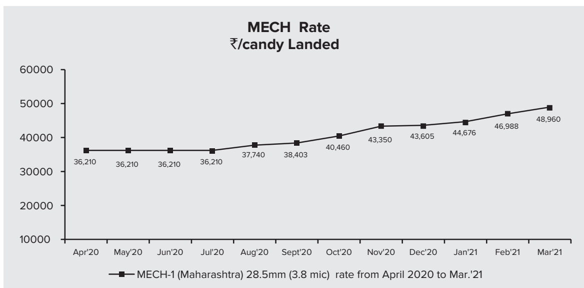
Please also refer the other risks provided in this section "Risk & Risk Mitigation".

Raw Material

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

Being an agricultural commodity, prices of cotton are affected by a range of factors like changes in weather conditions affecting sowing, government policies and regulations. Governing taxes, tariffs, duties, subsidies, import and export restrictions on agricultural commodities. All of these influence pricing and demand supply situation in this industry. The planting of certain crops versus other uses of agricultural resources, the location and size of crop production, volume and types of imports and exports, etc. determine availability of cotton. As the Chart 21 below shows cotton prices during 2019-20 were in decreasing trend.

Chart 21: Price Movement of Cotton MECH

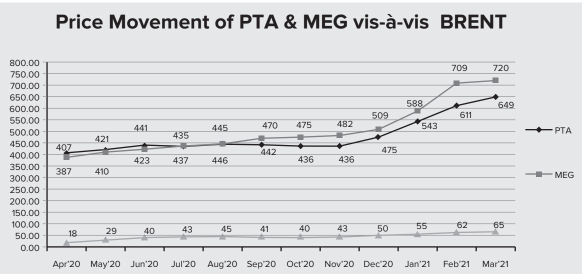


The Cotton price increased from ₹ 36,210/- per candy (356 kgs. Ginned Cotton) in April 2020 to ₹ 48,960/- per candy in March 2021. Till July 2020, the prices were stable at ₹ 36,210/- per candy however, thereafter it continuously kept increasing and reached a peak of ₹ 48,960/- per candy in March 2021.

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

For the Company's polyester yarn operations, PTA and MEG are the major raw materials that are required in the manufacturing of Partially Oriented Yarn (POY) and other polyester yarn. Being, petrochemical products, prices of PTA and MEG are linked to naphtha prices and ethylene prices, respectively, which in turn fluctuate in line with fluctuations in the crude oil prices as can be seen from the Chart 22 below.

Chart 22: Price Movement of PTA & MEG



As can be seen from the chart 22 above, both PTA and MEG prices during the financial year 2020-21 were having upward trend in tandem with the price of crude oil (Brent).

PTA prices moved from bottom of USD 407 per ton in April 2020 and showed a rising trend and reached peak of USD 649 per ton in March 2021.

MEG prices also increased from bottom of ₹ 387 per ton in April 2020 to peak of USD 720 per ton in March 2021.

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

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

Markets

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

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

India, for past few years, no longer enjoys preferred market access in terms of concessional import duties in major exporting countries like USA & Europe. This is making countries like Bangladesh comparatively more price competitive. As a result, while the overall demand for textile products in Company's major markets is not declining, other nations like Bangladesh are competing aggressively to capture market share. The Company is progressively widening its markets with increasing focus on Asia and some countries in Africa to mitigate the challenges that are likely to arise in the developed markets. The Company has been able to retain key customers in USA and Europe, albeit with lower volumes. Now that the Resolution Plan has been implemented by the Resolution Applicants, the Company is confident of bringing into its fold, customers who have moved away in the last two years, given the quality of the products and capacity to supply large volumes consistently.

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

The Company has been a leading supplier of polyester yarns over the years given its large capacity, the quality, and the range of its products. After infusion of funds by the Resolution Applicants, the Company has been able to optimise its polyester capacity. As the operations are now getting stabilized, the Company is confident of re-establishing itself as a premium supplier of polyester yarn and fibre.

Information Technology Risk

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

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

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

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

Some of the initiatives being taken by the Company to improve the overall IT infrastructure are as under:

- We have migrated from a locally hosted mailing solution to cloud based Microsoft solution.
- Old and obsolete IT systems are being replaced with new systems.
- Switched over to a more reliable Wide Area Network to Jio with higher bandwidth to ensure seamless and reliable connectivity.
- SAP data is replicated online through different technologies at different geographic locations. This ensures highest RPO of a few minutes' data. However RTO with present infrastructure is high and required landscape for better RTO is being included in the SAP re-implementation project.

Financial Risk

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

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

Currency Risk

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

Impact of COVID-19 Pandemic

The COVID-19 pandemic had impacted the normal business operations of the Company by way of interruption in production, supply chain disruption, unavailability of personnel, closure/lock down of production facilities etc. during the lock-down period However, production and supply of goods gradually commenced at various manufacturing locations of the Company after obtaining due permissions from the appropriate government authorities during the lockdown period/ lifting of restrictions post lock- down. With the immediate need during the pandemic, Company also started Safety Textiles division to manufacture PPE suits and Masks, though demand for these products gradually reduced after first quarter for FY 2020-21.

The situation relating to pandemic is, however, dynamic and changing rapidly giving rise to uncertainty around the extent and timing of the potential future impact of the pandemic which may be different from that estimate made by the Company. We have clearly seen the impact of second wave of the pandemic in the first quarter of FY 2021-22. The Company has made detailed assessment of its business scenario for the current year (FY 2021-22) and do not foresee any major challenges on this account. The Company is closely monitoring and would account for any material changes arising out of future economic conditions and impact on its business.

Outlook

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

Internal Control and Adequacy

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

Cautionary Statement

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

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

CORPORATE INSOLVENCY RESOLUTION PROCESS

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

Pursuant to its order dated 8th March, 2019 ("NCLT Order"), the Adjudicating Authority approved the resolution plan ("Approved Resolution Plan") submitted by JM Financial Asset Reconstruction Company Limited ("JMFARC"), JMFARC – March 2018 – Trust ("ARC Trust") and Reliance Industries Limited ("RIL") ("Resolution Applicants") for the Company under Section 31 of the Code. In accordance with the provisions of the Code and the NCLT order, the Approved Resolution Plan is binding on the corporate debtor and its employees, members, creditors, guarantors and other stakeholders involved in the Resolution Plan.

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

During the CIR Process (i.e. between 18th July, 2017 and 8th March, 2019) the RP and NCLT Approval Date and Closing Date (i.e. between 8th March, 2019 and 14th September, 2020), the Monitoring Committee were entrusted with the management of the affairs of the Company. The Monitoring Committee was in office for the part of the period to which this report primarily pertains. The mandate of the Monitoring Committee was to manage the affairs of the Company as a going concern and supervise the implementation of the Resolution Plan. The Monitoring Committee, at their Closing Meeting held on 14th September, 2020, inter-alia, reconstituted the Board of Directors of the Company ("Reconstituted Board") and erstwhile Board of Directors were deemed to have vacated office and further upon conclusion of the Closing Meeting, the Monitoring Committee stood dissolved.

Further during the year, as on the Closing Date, as per the approved Resolution Plan, RIL and JMFARC (acting in its capacity as Trustee of ARC Trust) holding jointly 75% of the shareholding in the Company, have acquired joint control of the Company. RIL has been classified as the Promoter of the Company. JMFARC (acting in its capacity as Trustee of ARC Trust) is the 'Person Acting in Concert' ("PAC") with RIL. There is however no provision for PAC in the prescribed format of shareholding pattern and hence, they have been shown as part of the Promoter Group in the shareholding pattern filed by the Company with the Stock Exchanges.

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

COMPANY'S GOVERNANCE PHILOSOPHY

The philosophy and practice of corporate governance can be summarised as:

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

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

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

Your Company confirms the compliance of Corporate Governance as contained in Chapter IV of the Listing Regulations as amended.

BOARD OF DIRECTORS

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

A. Composition and Category of Directors

As explained earlier in this report, the Monitoring Committee, at their Closing Meeting held on 14th September, 2020, inter-alia, reconstituted the Board of Directors of the Company ("Reconstituted Board") and erstwhile Board of Directors were deemed to have vacated office and further upon conclusion of the Closing Meeting, the Monitoring Committee stood dissolved.

Since the date of reconstitution of the Board by the Monitoring Committee (from 14th September, 2020) the Reconstituted Board is in compliance with the provisions of Section 149 of the Companies Act, 2013 ("the Act") and Regulation 17 of Listing Regulations with regard to the composition of the Board.

As on 31st March, 2021, the Board consists of seven Directors comprising three Independent Directors including one Woman Director and four Non–Executive Directors. Commensurate with the size of the Company, complexity and nature of underlying business, the composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. The Independent Directors bring external perspective and independence to decision making.

All the Independent Directors have confirmed to the Board that they meet the criteria for Independence in terms of the definition of 'Independent Director' stipulated under Regulation 16 (1) (b) of the Listing Regulations and Section 149 of the Act. These confirmations have been placed before the Board. None of the Independent Directors hold office as an Independent Director in more than seven listed companies as stipulated under Regulation 17A of the Listing Regulations. The maximum tenure of Independent Directors is determined in accordance with the Act and rules made thereunder, in this regard, from time to time.

All the Directors have made necessary disclosures regarding their directorships as required under Section 184 of the Act and the Committee positions held by them in other companies as stipulated under Regulation 26 of Listing Regulations. All the Directors of the Company are in compliance of Regulation 17A and 26 of the Listing Regulations regarding their Directorships, Committee Membership and Chairmanship of the Committee. All the Directors of the Company except Independent Directors are liable to retire by rotation.

B. Profile of Directors

A brief profile of each of the Directors as on 31st March, 2021 is as below:

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

  Mr. A. Siddharth (DIN: 00016278), aged 68 years, is the Non-Executive Independent Director-Chairman of the Company. Mr. Siddharth is a Commerce and Law graduate from the Mumbai University, a fellow member of the Institute of Chartered Accountants of India and an associate member of the Institute of Company Secretaries of India. He was associated with Deloitte, Haskins & Sells for over 4 decades and served as Partner for 33 years. He has vast and varied experience in the field of Audit of domestic as well as multinational companies in sectors such as Manufacturing, Hospitality, Technology and Non-Banking Financial Services.

  Presently, he is on the Board of Reliance Industrial Infrastructure Limited and Indiabulls Housing Finance Limited.

- **Mr. Hemant Desai, Nominee Director (Non-Executive) representing RIL**

  Mr. Hemant Desai (DIN: 00008531), aged 69 years, is the Non-Executive Director of the Company. Mr. Desai is Managing Director, Gujarat Chemical Port Limited (GCPL), a joint venture of RIL and Six PSUs of Govt. of Gujarat. GCPL has modern port infrastructure and facilities for handling 5 MMTPA of liquid hydrocarbons, cryogenic petrochemicals and chemicals. He is part of the core leadership team at RIL for the past more than three decades. He is Advisor and Mentor in RIL Group leading diverse corporate initiatives of Petrochemicals Complex at Hazira and Dahej, Man-made fibres business, Jamnagar Refinery and SEZ, its related industrial infrastructure of Power, Ports, Petroleum and Gas Pipelines, Petro-Retail outlets. He is also actively involved with RIL's fast growing Consumer businesses of Retail, Jio 4G and Broadband.

He is spearheading various business and public institutions as Chairman of Hazira Area Industries Association (HAIA) (Hazira has attracted investments worth US$ 27 Bn), Board of Management of Hazira Notified Area and Gujarat Captive Jetty Association. He is a Member of Board of Governors, Auro University, a deemed University in Surat, Gujarat.

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

  Mr. Anil Kumar Rajbanshi (DIN: 03370674), aged 64 years, is the Non-Executive Director of the Company. Mr. Rajbanshi is the Ex-Chairman of The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC) and is a long-standing Member of Committee of Administration of SRTEPC. He is also the member of the National Committee of Textiles of CII and FICCI. He represents RIL and SRTEPC in Textiles Committee and represents RIL at Sasmira. He has many years of experience of working with major fibre producers and has been involved with the Indian Man-made fibre textiles industry since 1989.

  He is the Senior Executive Vice President & Head Corporate Affairs of PETCHEM at RIL. He is the Director of Recron (Malaysia) Sdn Bhd, a RIL Group Company that operates the world's largest integrated textile complex. He was knighted by Government of Malaysia in 2008.

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

  Mr. V. Ramachandran (DIN:02032853), aged 50 years, is the Non-Executive Director of the Company. Mr. Ramachandran is a Commerce graduate from the Bharathiar University and an associate member of the Institute of Chartered Accountants of India, the Institute of Cost Accountants of India and the Institute of Company Secretaries of India. He has over 25 years of work experience in audit, accounting, finance, taxation and corporate law functions across various sectors such as manufacturing, telecommunications, technology and infrastructure. He has been associated with the RIL group since 2004.

- **Mr. Samir Chawla, Nominee Director (Non-Executive) representing JMFARC**

  Mr. Samir Chawla (DIN:03499851), aged 53 years, is the Non-Executive Director of the Company. Mr. Chawla has over 26 years of experience in Banking and Financial Services Sector and is associated with JM Financial Asset Reconstruction Company Limited (JMFARC) since October 2017. Prior to JMFARC, for 4 years, he had a venture which helped companies in restructuring. He holds PGDM from IIM Calcutta and B. Tech from IIT Kanpur.

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

  Mr. Rahul Dutt (DIN:08872616), aged 44 years, is the Non-Executive Independent Director of the Company. Mr. Dutt is a legal professional with Bachelor's degree in Law from the Government Law College, Mumbai (2000). He has a master's degree with distinction in Law from the UK (University of Leicester, 2001). He is a member of the Bar Council of Maharashtra & Goa, and a partner in the Mumbai office of the law firm M/s. Khaitan & Co. He was recognized as a Notable Practitioner for expertise in Corporate M&A by Asia Law Profile.

  He has over 15 years' work experience with focus on mergers and acquisitions, joint ventures, infrastructure, technology licensing and business contracts across various sectors such as petrochemicals, petro-marketing, telecommunications, retail, and sports.

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

  Ms. Mumtaz Bandukwala (DIN:07129301), aged 55 years, is the Non-Executive Independent Director of the Company. Ms. Bandukwala is a commerce and law Graduate and has been a practicing Solicitor since the last almost 30 years. Her specialization has mainly been in the Companies Act and Securities laws. She has handled several mergers and private equity investments in companies in India. She has also handled arbitrations and property matters.

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

BOARD PROCEDURE

The Board meets at regular intervals to discuss and decide on Company / Business Policy and Strategy apart from other Board business. The Board Meetings (including Committee Meetings) of the Company are scheduled in advance to facilitate the Directors to plan their schedule and to ensure meaningful participation in the meetings.

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

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

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

The Company Secretary is responsible for convening of the Board and Committee Meetings and preparation of respective Agenda and recording of minutes of the meetings.

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

INFORMATION PROVIDED TO THE BOARD

The Board of Directors of the Company has complete access to any information within the Company. At the Meetings, the Board is provided with all the relevant information on important matters affecting the working of the Company as well as all other relevant details that require deliberation by the Members of the Board.

POST-MEETING FOLLOW-UP

The important decisions taken at the Board/Committee Meetings are communicated to the departments concerned promptly.

COMPOSITION OF THE BOARD OF DIRECTORS, CATEGORY, ATTENDANCE AT BOARD MEETINGS, LAST ANNUAL GENERAL MEETING, RELATIONSHIP BETWEEN DIRECTORS INTER-SE, NO. OF OTHER DIRECTORSHIPS AND COMMITTEE MEMBERSHIPS/CHAIRMANSHIPS OF EACH DIRECTOR IN VARIOUS COMPANIES, NO. OF SHARES/ CONVERTIBLE INSTRUMENTS HELD BY NON-EXECUTIVE DIRECTORS

As the powers of the Board of Directors continued to remain suspended as per the terms of the Approved Resolution Plan, no meetings of the Board of Directors of the Company were held from 1st April, 2020 till 14th September, 2020. However, during the said period, two meetings of the Monitoring Committee were held.

Post reconstitution of Board on 14th September, 2020, the Board met 4 (four) times during the Financial Year 2020-21 on 14th September, 2020, 15th September, 2020, 12th November, 2020 and 18th January, 2021. The details of attendance of each Director at the Board Meetings held during the year and the last Annual General Meeting (AGM) along with the number of Companies and Committees where he/she is a Director, Member, Chairman/Chairperson and the relationship between the Directors inter-se, as on 31st March, 2021, are given below:

Name of the Director	Category	Board Meeting Attendance		Attendance at the last AGM held on 29th December, 2020	No. of Directorship in other listed and unlisted public Companies	No. of Chairmanship/ Membership of committee position(s) held in other public companies	No. of shares/ convertible instruments held by non-executive directors
		Held	Attended				
Mr. A. Siddharth	Non-Executive, Independent	4	4	Yes	2	3 (including 1 as Chairman)	Nil
Mr. Hemant Desai*	Non-Executive, Non-Independent	4	4	No	1	Nil	Nil
Mr. Anil Kumar Rajbanshi*	Non-Executive, Non-Independent	4	4	Yes	Nil	Nil	Nil
Mr. V. Ramachandran*	Non-Executive, Non-Independent	4	4	No	1	Nil	Nil

Name of the Director	Category	Board Meeting Attendance		Attendance at the last AGM held on 29th December, 2020	No. of Directorship in other listed and unlisted public Companies	No. of Chairmanship/ Membership of committee position(s) held in other public companies	No. of shares/ convertible instruments held by non-executive directors
		Held	Attended				
Mr. Samir Chawla**	Non-Executive, Non-Independent	4	4	No	Nil	Nil	Nil
Mr. Rahul Dutt	Non-Executive, Independent	4	4	No	Nil	Nil	Nil
Ms. Mumtaz Bandukwala	Non-Executive, Independent	4	4	No	Nil	Nil	Nil

*Nominee Director representing RIL

**Nominee Director representing JMFARC

a. Number of Directorships in other listed Companies pertains to Company whose securities are listed on the stock exchanges.

b. The Committees considered for the purpose are those prescribed under Regulation 26 of the Listing Regulations viz. Audit Committee and Stakeholders' Relationship Committee of Indian Public Limited Companies (excluding Alok Industries Limited).

c. Directorships in other Public Companies and Committee Memberships details are based on the disclosures received from the Directors, as on 31st March, 2021.

d. Directorship in other Companies excludes Private Limited Companies, Foreign Companies and Section 8 of the Act.

e. The number of Directorship(s) and Committee Membership(s) / Chairmanship(s) of all Directors is / are within the respective limits prescribed under the Act and the Listing Regulations.

f. All the Independent Directors fulfill the criteria of being independent as mentioned under Regulation 16(1)(b) of Listing Regulations read with Section 149(6) of the Act. The Company has issued formal letters of appointment to Independent Directors in the manner as provided in the Act. The terms and conditions of appointment of Independent Directors including their roles, responsibilities and duties are available on the Company's website and can be accessed through the link: https://www.alokind.com/Downloads/Alok-Terms-and-Conditions-of-appointment-of-the-Independent-Directors-14.09.2020.pdf.

g. There is no relationship between directors inter-se.

The details pertaining to the directorships held by a Director in other listed companies as on 31st March, 2021 is as follows:

Name of the Director	Name of the Listed Entity	Nature of Directorship
Mr. A. Siddharth	1. Reliance Industrial Infrastructure Limited	Non-Independent Non-Executive Director.
	2. Indiabulls Housing Finance Limited	Non-Executive Independent Director
Mr. Hemant Desai	Nil	Nil
Mr. Anil Kumar Rajbanshi	Nil	Nil
Mr. V. Ramachandran	Nil	Nil
Mr. Samir Chawla	Nil	Nil
Mr. Rahul Dutt	Nil	Nil
Ms. Mumtaz Bandukwala	Nil	Nil

SEPARATE MEETING OF INDEPENDENT DIRECTORS

As stipulated by Section 149(8) read with Schedule IV of the Act and Regulation 25 of the Listing Regulations, a separate meeting of the Independent Directors of the Company was held during the year, without the attendance of Non-Independent Directors and Members of the management, to review the performance of the Chairman, Non-Independent Directors, various Committees of the Board and the Board as a whole. The Independent Directors also reviews the quality, content and timeliness of the flow of information from the Management to the Board and its Committees which is necessary to perform reasonably and discharge their duties.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

As stipulated by Regulation 25 of the Listing Regulations, the Company familiarizes its Independent Directors on their roles, rights, responsibilities, nature of the industry in which the Company operates, business model of the Company, etc. The Board members are provided with necessary documents / brochures, reports and internal policies to enable them to familiarise with the Company's procedures and practices. Periodic presentations are made at the Board and Committee meetings on business and performance updates of the Company. Details of such familiarisation programmes for the Independent Directors are available on the Company's website and can be accessed through the link: https://www.alokind.com/Downloads/Alok-Familiarisation_Programme_for_Independent_Directors-14.09.2020.pdf.

CONFIRMATION OF INDEPENDENT DIRECTORS

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

EVALUATION OF BOARD'S PERFORMANCE

Pursuant to the provisions of the Act and Listing Regulations, the Board has carried out an annual evaluation of its own performance, performance of the Directors as well as the working of its Committees.

The Nomination and Remuneration Committee have defined the evaluation criteria for the Board, its Committees and Directors. The said criteria provides certain parameters like attendance, acquaintance with business, communication inter se between board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, benchmarks established by global peers etc., which is in compliance with applicable laws, regulations and guidelines.

The performance evaluation of the Independent Directors were carried out by the entire Board, excluding the Director being evaluated. The performance evaluation of the Chairman and the Non-Independent Directors were carried out by the Independent Directors. All Individual Director also reviewed the performance of the Board.

The Directors were satisfied with the evaluation results, which reflected the overall functioning of the Board and its Committees. The details of the Policy on evaluation of Board's performance is available on the Company's website and can be accessed through the link: https://www.alokind.com/Downloads/Policy_on_Appointment_and_Evaluation_of_Board_of_Directors,KMP&SM.pdf.

SUCCESSION PLANNING

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

CORE SKILLS / EXPERTISE / COMPETENCIES AVAILABLE WITH THE BOARD

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

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

- Leadership experience
- Strategic Planning
- Industry Knowledge & Experience
- Financial, Regulatory / Legal & Risk Management
- Financial Restructuring and Turn around
- Defense of Trade Remedy Measures filed by or against the company in India and abroad
- Corporate Governance
- Experience and exposure in Policy shaping and industry advocacy

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

Name of the Director	Designation	Skills / Expertise / Competencies
Mr. A. Siddharth	Non-Executive, Independent Director and Chairman of the Board	Leadership Strategic Planning Industry knowledge & experience Financial, Regulatory / Legal & Risk Management Corporate Governance Experience and exposure in Policy shaping and industry advocacy
Mr. Hemant Desai	Nominee Director (Non-Executive) representing RIL	Leadership Strategic Planning Industry knowledge & experience Financial, Regulatory / Legal & Risk Management Corporate Governance Experience and exposure in Policy shaping and industry advocacy

Name of the Director	Designation	Skills / Expertise / Competencies
Mr. Anil Kumar Rajbanshi	Nominee Director (Non-Executive) representing RIL	Leadership Strategic Planning Industry knowledge & experience Financial, Regulatory / Legal & Risk Management Corporate Governance Experience and exposure in Policy shaping and industry advocacy Defense of Trade Remedy Measures filed by or against the company in India and abroad
Mr. V. Ramachandran	Nominee Director (Non-Executive) representing RIL	Leadership Strategic Planning Industry knowledge & experience Financial, Regulatory / Legal & Risk Management Corporate Governance
Mr. Samir Chawla	Nominee Director (Non-Executive) representing JMFARC	Leadership Strategic Planning Financial Restructuring and Turn arounds Corporate Governance
Mr. Rahul Dutt	Non-Executive, Independent Director	Leadership Strategic Planning Industry knowledge & experience Financial, Regulatory / Legal & Risk Management Corporate Governance Experience and exposure in Policy shaping and industry advocacy
Ms. Mumtaz Bandukwala	Non-Executive, Independent Director	Leadership Financial, Regulatory / Legal & Risk Management Corporate Governance

CODE OF CONDUCT

The Company has adopted a Code of Conduct for the Directors and Senior Management of the Company. The same is available on the Company's website and can be accessed through the link: https://www.alokind.com/codeofconduct.html. The Members of the Board and Senior Management of the Company have submitted their affirmation on compliance with the Code for the effective period. The declaration by the Manager to that effect forms part of this Report.

BOARD COMMITTEES

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

After reconstitution of the Board on 14th September, 2020, the following Committees were constituted/reconstituted:

a. Audit Committee

b. Nomination and Remuneration Committee

c. Stakeholders' Relationship Committee

d. Corporate Social Responsibility & Governance Committee

e. Risk Management Committee

f. Managing Committee

a. AUDIT COMMITTEE

- **Composition**

  The Audit Committee as on 31st March, 2021 comprises of Mr. A. Siddharth- Independent Director (Chairman of the Committee), Mr. Rahul Dutt and Mr. V. Ramachandran. As on 31st March, 2021, the composition of the Audit Committee conforms to the requirements of Section 177 of the Act and Regulation 18 of the Listing Regulations. The Company Secretary acts as the Secretary to the Committee.

- **Meetings and Attendance**

  As the powers of the Board of Directors continued to remain suspended as per the terms of the Approved Resolution Plan, no meetings of the Audit Committee were held from 1st April, 2020 till 14th September, 2020.

  The Audit Committee met four times during the year on 15th September, 2020, 12th November, 2020, 18th January, 2021 and 17th March, 2021. The maximum gap between any two meetings of the Audit Committee of the Company was not more than 120 days as specified under Regulation 18 of the Listing Regulations. The attendance of each Committee Member is as follows:

Name of the Director	Number of meetings during the Financial Year 2020-21	
	Held	Attended
Mr. A. Siddharth	04	04
Mr. Rahul Dutt	04	04
Mr. V. Ramachandran	04	04

  Mr. Sunil O. Khandelwal, Manager, Mr. Bijay Agrawal, Chief Financial Officer and Mr. K. H. Gopal, President (Corporate Affairs & Legal) are permanent invitees to the Audit Committee Meetings. In addition, representatives of Statutory Auditors & Internal Auditors and other Executives of the Company as are considered necessary, attend these Meetings. The Chairman of the Audit Committee was present at the 33rd AGM of the Company held on 29th December, 2020.

- **Terms of Reference**

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

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommend appointment, remuneration and terms of appointment of auditors, including cost auditors, of the Company.
- Approval of payment to statutory auditors, including cost auditors, for any other services rendered by them.
- Review with the management, the annual financial statements and auditor's report thereon before submission to the Board for its approval, with particular reference to:
  - a. matters required to be included in the Directors' responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
  - b. changes, if any, in accounting policies and practices and reasons for the same;
  - c. major accounting entries involving estimates based on the exercise of judgements by management;
  - d. significant adjustments made in the financial statements arising out of audit findings;
  - e. compliance with listing and other legal requirements relating to financial statements;
  - f. disclosure of any related party transactions;
  - g. modified opinion(s) in the draft audit report.
- Review with the management, the quarterly financial statements before submission to the Board for approval.
- Review with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for the purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Review and monitor the auditor's independence and performance and effectiveness of audit process.

- Approval or any subsequent modification of transactions with related parties of the Company.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Review with the management, performance of statutory and internal auditors.
- Review with the management adequacy of the internal control systems.
- Review the adequacy of internal audit function, if any, including the structure of internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- Discuss with internal auditors of any significant findings and follow up there-on.
- Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
- Look into the reasons for substantial defaults, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividend) and creditors.
- Review the functioning of the Whistle Blower mechanism / oversee the vigil mechanism.
- Approval of appointment of Chief Financial Officer after assessing qualifications, experience and background etc. of the candidate.
- Mandatorily review the following:
  a. Management Discussion and Analysis of financial condition and results of operations
  b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management
  c. Management letters / letters of internal control weaknesses issued by the statutory auditors
  d. Internal audit reports relating to internal control weaknesses
  e. Appointment, removal and terms of remuneration of the chief internal auditor
  f. Statement of deviations:
     i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations.
     ii. annual statement of funds utilized for purpose other than those stated in the offer document / prospectus in terms of Regulation 32(7) of the Listing Regulations.
- Review financial statements, in particular the investments made by the Company's unlisted subsidiaries
- Note report of compliance officer as per SEBI (Prohibition of Insider Trading) Regulations, 2015.
- Formulate the scope, functioning, periodicity of and methodology for conducting the internal audit.
- Review show cause, demand, prosecution notices and penalty notices, which are materially important.
- Review any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
- Review any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that may have negative implications on the Company.
- Details of any joint venture or collaboration agreement.
- Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Review the utilization of loans and / or advances from / investment by the holding Company in the subsidiary exceeding 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.

- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholder.
- Carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable.

b. NOMINATION AND REMUNERATION COMMITTEE

❖ **Composition**

The Nomination and Remuneration Committee as on 31st March, 2021 comprises of Mr. Rahul Dutt (Chairman of the Committee), Mr. A. Siddharth and Mr. Hemant Desai. As on 31st March, 2021, the composition of the Nomination and Remuneration Committee conforms to the requirements of Section 178 of the Act and Regulation 19 of the Listing Regulations.

❖ **Meetings and Attendance**

As the powers of the Board of Directors continued to remain suspended as per the terms of the Approved Resolution Plan, no meetings of the Nomination and Remuneration Committee were held from 1st April, 2020 till 14th September, 2020.

The Nomination and Remuneration Committee met 2 times during the year on 15th September, 2020 and 18th January, 2021. The attendance of each Committee Member is as follows:

Name of the Director	Number of meetings during the Financial Year 2020-21	
	Held	Attended
Mr. Rahul Dutt	02	02
Mr. A. Siddharth	02	02
Mr. Hemant Desai	02	02

❖ **Terms of Reference**

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

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

❖ **Criteria for Board Membership**

The Nomination and Remuneration Committee has laid down the following criteria for Board Membership:

(i) Directors

- Must have relevant experience in Finance/ Law/ Management/ Sales/Marketing/ Administration/ Research / Corporate Governance / Technical Operations or the other disciplines related to Company's business.
- Should possess the highest personal and professional ethics, integrity and values.
- Must be willing to devote sufficient time and energy in carrying out their duties and responsibilities.
- Any person to be appointed as Director shall not possess the disqualifications contained in the Act.

(ii) Independent Director

An Independent Director shall comply and meet with all the criteria laid down in Listing Regulations and the Act read with the Rules made thereunder. Further, the Independent Director shall adhere to the Code of Conduct adopted by the Company.

❖ **Performance evaluation criteria of Independent Directors**

Independent Directors are evaluated based on parameters such as qualification, experience, knowledge and competency, fulfilment of functions, ability to function as a team, initiative, commitment, independence, independent views and judgement, availability, attendance and participation in the discussion at the Meetings, adherence to the Code of Conduct of the Company as well as the Code for Independent Directors as applicable, understanding the environment in which the Company operates and contribution to strategic decision and raising valid concerns at the Board, interpersonal relations with other directors and management, objective evaluation of Board's performance, rendering independent unbiased opinion, safeguarding of confidential information and maintaining integrity.

❖ **Nomination and Remuneration Policy**

The Nomination and Remuneration Committee is fully empowered to determine/approve and revise, subject to necessary approvals, the remuneration of managerial personnel after taking into account the financial position of the Company, trends in the industry, qualifications, experience, past performance and past remuneration, etc. The Non-Executive Non-Independent Directors have waived their sitting fees for attending Board and Committee meetings.

As required by Section 178(3) of the Act and Regulation 19 of the Listing Regulations the Company has adopted Nomination and Remuneration Policy. The Policy is available on the Company's website and can be accessed through the link: https://www.alokind.com/Downloads/Alok-Remuneration_Policy_for_Directors_KMPs_and_Other_Employees-28.05.2015.pdf and is also annexed herewith and marked as **Annexure-3** to the Directors' Report.

❖ **Remuneration to Directors**

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

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

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

- Since Nominee Directors (Non-Executive) have waived their sitting fees for attending Board and Committee meetings, other Non-executive Directors may be paid sitting fees for attending the Meetings of the Board and of Committees of which they may be Members and commission within regulatory limits, as recommended by the Nomination and Remuneration Committee and approved by the Board.
- Overall remuneration should be reasonable and sufficient to attract, retain and motivate Non- Executive Directors aligned to the requirements of the Company; taking into consideration the challenges faced by the Company and its future growth imperatives. Remuneration paid should be reflective of the size of the Company, complexity of the sector/ industry/Company's operations.
- The remuneration payable shall be inclusive of any remuneration payable for services rendered in any other capacity, unless the services rendered are of a professional nature and the Nomination and Remuneration Committee is of the opinion that the Director possesses requisite qualification for the practice of the profession.

(iii) Remuneration of Non-Executive Independent Directors

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

(iv) Remuneration of Executive Directors

The Company as on 31st March, 2021, does not have any Executive Director. Further, as on 31st March, 2021, the Company has no stock option plans and hence such instrument does not form part of the remuneration package payable to any Directors. The Company did not advance any loans to any of the Directors during the year under review.

The details of remuneration and sitting fees paid to the Non-Executive Independent Directors of the Company during the Financial Year 2020- 21 are as follows:

(Amount in ₹)

Name of Directors	Salary	Other benefits / Bonus	Performance Incentive / Commission	Sitting fees	Stock Options/ Pension	Total	Notice period
Mr. A. Siddharth	-	-	-	2,40,000	-	2,40,000	-
Mr. Rahul Dutt	-	-	-	2,40,000	-	2,40,000	-
Ms. Mumtaz Bandukwala	-	-	-	1,60,000	-	1,60,000	-

c. STAKEHOLDERS' RELATIONSHIP COMMITTEE

❖ **Composition**

The Stakeholders' Relationship Committee as on 31st March, 2021 comprises of Mr. A. Siddharth (Chairman of the Committee), Mr. Anil Kumar Rajbanshi, Ms. Mumtaz Bandukwala and Mr. V. Ramachandran. As on 31st March, 2021, the composition of the Stakeholders' Relationship Committee conforms to the requirements of Section 178 of the Act and Regulation 20 of the Listing Regulations.

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

❖ **Meetings and Attendance**

As the powers of the Board of Directors continued to remain suspended as per the terms of the Approved Resolution Plan, no meetings of the Stakeholders' Relationship Committee were held from 1st April, 2020 till 14th September, 2020.

The Stakeholders' Relationship Committee met once during the year on 15th January, 2021. The attendance of each Committee Member is as follows:

Name of the Director	Number of meetings during the Financial Year 2020-21	
	Held	Attended
Mr. A. Siddharth	01	01
Mr. Anil Kumar Rajbanshi	01	01
Ms. Mumtaz Bandukwala	01	01
Mr. V. Ramachandran	01	01

❖ **Terms of Reference**

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

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

- Review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the security shareholders of the Company.
- Carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable.

❖ **Details of Shareholders' Complaints**

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

Complaints pending as on 1st April, 2020	0
Complaints received during the Financial Year	5
Complaints resolved during the Financial Year	5
Complaints pending as on 31st March, 2021	0

d. CORPORATE SOCIAL RESPONSIBILITY AND GOVERNANCE COMMITTEE

❖ **Composition**

The Corporate Social Responsibility and Governance Committee as on 31st March, 2021 comprises of Ms. Mumtaz Bandukwala (Chairperson of the Committee), Mr. Rahul Dutt and Mr. V. Ramachandran. As on 31st March, 2021, the composition of the Corporate Social Committee conforms to the requirements of Section 135 of the Act.

❖ **Meetings and Attendance**

As the powers of the Board of Directors continued to remain suspended as per the terms of the Approved Resolution Plan, no meetings of the Corporate Social Responsibility and Governance Committee were held from 1st April, 2020 till 14th September, 2020.

The Corporate Social Responsibility and Governance Committee met once during the year on 23rd February, 2021. The attendance of each Committee Member is as follows:

Name of the Director	Number of meetings during the Financial Year 2020-21	
	Held	Attended
Ms. Mumtaz Bandukwala	01	01
Mr. Rahul Dutt	01	01
Mr. V. Ramachandran	01	01

❖ **Terms of Reference**

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

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

- Review and assess the adequacy of the Company's Corporate Governance Manual, Code of Conduct for Directors and Senior Management, the Code of Ethics and other internal policies and guidelines and monitor that the principles described therein are being incorporated into the Company's culture and business practices.
- Formulate / approve codes and / or policies for better governance.
- Provide correct inputs to the media so as to preserve and protect the Company's image and standing.
- Disseminate factually correct information to investors, institutions and the public at large.
- Establish oversight on important corporate communication on behalf of the Company with the assistance of consultants / advisors, if necessary.
- Ensure institution of standardized channels of internal communications across the Company to facilitate a high level of disciplined participation.
- Carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable.

e. RISK MANAGEMENT COMMITTEE

❖ **Composition**

The Risk Management Committee as on 31st March, 2021 comprises of Ms. Mumtaz Bandukwala (Chairperson of the Committee), Mr. Anil Kumar Rajbanshi, Mr. V. Ramachandran, Mr. Bijay Agrawal and Mr. Sunil O. Khandelwal. As on 31st March, 2021, the composition of the Risk Management Committee conforms to the requirements of Regulation 21 of the Listing Regulations.

❖ **Meetings and Attendance**

The Risk Management Committee met once during the year on 23rd February, 2021. The attendance of each Committee Member is as follows:

Name of the Director	Number of meetings during the Financial Year 2020-21	
	Held	Attended
Ms. Mumtaz Bandukwala	01	01
Mr. Anil Kumar Rajbanshi	01	01
Mr. V. Ramachandran	01	01
Mr. Bijay Agrawal	01	00
Mr. Sunil O. Khandelwal	01	01

❖ **Terms of Reference**

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

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

f. MANAGING COMMITTEE

The Managing Committee as on 31st March, 2021 comprises of Mr. V. Ramachandran, Mr. Bijay Agrawal, Mr. Sunil O. Khandelwal and Mr. K. H. Gopal.

❖ **Meetings and Attendance**

The Managing Committee met once during the year 24th February, 2021. The attendance of each Committee Member is as follows:

Name of the Director	Number of meetings during the Financial Year 2020-21	
	Held	Attended
Mr. V. Ramachandran	01	01
Mr. Bijay Agrawal	01	01
Mr. Sunil O. Khandelwal	01	01
Mr. K. H. Gopal	01	01

❖ **Terms of Reference**

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

DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF NON-MANDATORY (DISCRETIONARY) REQUIREMENTS

Except as stated elsewhere in detail in this report, the Company has complied with all mandatory requirements of Listing Regulations.

NON-MANDATORY (DISCRETIONARY) REQUIREMENTS UNDER REGULATION 27 OF THE LISTING REGULATIONS

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

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

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

❖ **Reporting of Internal Auditor**

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

MATERIAL SUBSIDIARY

The details of the Policy on determining material subsidiary of the Company is available on the Company's website and can be accessed through the link: https://www.alokind.com/Downloads/Policy_for_Determining_Material_Subsidiaries.pdf.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Company has obtained a Certificate from its Secretarial Auditors confirming compliance with the provisions relating to Corporate Governance laid down in Listing Regulations. This Certificate is annexed to the Corporate Governance Report for the Financial Year 2020-21.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report is given in a separate section forms part of this Annual Report.

STEPS FOR PROHIBITION OF INSIDER TRADING

In compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a 'Code to Regulate, Monitor and Report Trading in Securities of the Company by Directors, Promoters, Designated Persons and specified Connected Persons of the Company and Material Subsidiaries of the Company' and 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' to ensure prohibition of Insider Trading in the Organisation. The objective of the Code is to prevent purchase and / or sale of shares of the Company by an Insider on the basis of unpublished price sensitive information.

Under this Code, Designated Persons are prohibited from dealing in the shares of the Company during the closure of Trading Window. They are required to obtain compliance approval when trading in securities beyond a specified limit. They are prohibited from executing a contra trade for a period of six months. They are also required to make relevant periodic disclosures as defined in the Code.

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

❖ **Details of Whistle Blower Policy**

The Vigil Mechanism approved by the Board provides a formal mechanism for all Directors and Employees of the Company to approach the Chairman of the Audit Committee of the Company and make protective disclosures regarding the unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. Under the Policy, every Director, employee or vendor of the Company has an assured access to the Chairman of the Audit Committee. Details of the Vigil Mechanism are given in the Directors' Report and no personnel has been denied access to the Audit Committee. The whistle blower Policy is available on the Company's website and can be accessed through the link: https://www.alokind.com/Downloads/Whistle_Blower_Policy.pdf.

❖ **Disclosures**

- Details of all related party transactions form a part of the financial statements as required under Ind AS-24 and the same forms part of the this Annual Report. These are not having any potential conflict with the interests of the Company at large. The Related Party Transactions Policy is available on the Company's website and can be accessed through the link: https://www.alokind.com/Downloads/Policy_on_Related_Party_Transactions.pdf

- The web link with respect to the Policy for determining 'material subsidiaries' and Policy on dealing with related party transactions are mentioned in the Board's Report.
- During Financial Year 2020-21, total consolidated fees of ₹ 161,00,000/- was paid to the Statutory Auditors, for all the services rendered to the Company.
- There were no complaints of sexual harassment of women at workplace received by the Company during Financial Year 2020-21.
- The Board of Directors confirm that during the year they have accepted all mandatory recommendations received from its Committees.
- No transaction of material nature has been made by the Company with its Promoters, Directors and their Relatives, Management, etc. that may have potential conflict with the interest of Company at large.
- The Company publishes its criteria of making payment of sitting fee/remuneration to its Non-Executive Directors in the Annual Report.
- A new appointee on the Board discloses his shareholding including as a beneficial owner in the Company prior to his appointment. These details are also disclosed in the notice to the general meeting called for the appointment of Directors.

DETAILS OF NON-COMPLIANCE

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 letter dated 17th June, 2019 in relation to delay in submission of quarterly financial results for the quarter ending March, 2019 and by BSE Limited vide email dated 19th September, 2018 and letter dated 17th June, 2019 in relation to delay in submission of quarterly financial results for the quarters ending June, 2018 and March, 2019 respectively, required to be submitted with the Stock Exchanges under Regulation 33 of the Listing Regulations. The Company had provided suitable explanations in this regard to the Stock Exchanges.

The Company thereafter paid ₹ 81,000/- to National Stock Exchange of India Limited on 13th February, 2020 towards delay of 14 days in submission of financial results for the quarter and year ended 31st March, 2019.

The Company had complied with and adopted the mandatory requirements of the Listing Regulations except (i) non-compliance with respect to submission of financial results mentioned in above paragraph, 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 Listing Regulations. The Company has vide e-mail dated 16th November, 2018 to SEBI confirmed the compliance of the relevant provisions under the Listing Regulations dealing with disclosures and submissions required to be made with respect to non-convertible debentures for the period ending 30th September, 2018. Further, the Company has sought relief from the non-compliance of the certain provisions of the Listing Regulations for the period prior to commencement of the CIR Process of the Company. SEBI had, post conclusion of the hearing in the subject matter, imposed a penalty of ₹ 12 lakhs on the Company, which was contested at the Securities Appellate Tribunal, Mumbai ("SAT"). SAT had ruled that no penalty is payable and this decision has been contested by SEBI at the Supreme Court. A decision in this regard is awaited.

COMPLIANCE OF CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46(2) (B) TO (I) OF LISTING REGULATIONS FOR THE FINANCIAL YEAR 2020-21:

Sr. No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes/No/N.A.)
1	Board of Directors	17	Composition of Board	Yes
			Meeting of Board of Directors and quorum	
			Review of Compliance Reports	
			Plans for orderly succession for appointments	
			Code of Conduct	
			Fees/Compensation to the Non-Executive Directors	
			Minimum Information to be placed before the Board	
			Compliance Certificate by Manager and CFO	
			Risk Management Plan, risk assessment & minimization procedures	
			Performance evaluation of Independent Directors	
			Recommendation of Board for each item of special business	

Sr. No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes/No/N.A.)
2	Maximum Number of Directorship	17A	Directorship in listed entities	Yes
3	Audit Committee	18	Composition & Presence of the Chairperson of the Committee at the Annual General Meeting	Yes
			Meeting and quorum	
			Role of the Committee and Review of information by the Committee	
4	Nomination & Remuneration Committee	19	Composition	Yes
			Meeting and quorum	
			Presence of the Chairperson of the Committee at the Annual General Meeting	
			Role of the Committee	
5	Stakeholders' Relationship Committee	20	Composition	Yes
			Meeting	
			Presence of the Chairperson of the Committee at the Annual General Meeting	
			Role of the Committee	
6	Risk Management Committee	21	Composition	Yes
			Meeting and quorum	
			Role of the Committee	
7	Vigil Mechanism	22	Formulation of Vigil Mechanism for Directors and Employee	Yes
			Adequate safeguards against victimisation	
			Direct access to the Chairperson of Audit Committee	
8	Related Party Transaction	23	Policy on Materiality of Related Party Transactions and dealing with for Related Party Transaction	Yes
			Prior approval including omnibus approval of Audit Committee for all Related Party Transactions and periodical review of related party transaction by the Committee	
			Disclosure on related party transactions.	
9	Subsidiaries of the Company	24	Appointment of Company's Independent Director on the Board of unlisted material subsidiaries	N.A.
			Review of financial statements and investments of unlisted subsidiaries by the Audit Committee	Yes
			Minutes of the Board of Directors of the unlisted subsidiaries are placed at the meeting of the Board of Directors	
			Significant transactions and arrangements of unlisted subsidiaries are placed at the meeting of the Board of Directors	
10	Secretarial Audit	24A	Secretarial Audit of the Company	Yes
			Secretarial Audit of material unlisted subsidiaries incorporated in India	N.A.
			Annual Secretarial Compliance Report	Yes
11	Obligations with respect to Independent Directors	25	Maximum Directorship & Tenure	Yes
			Meeting of Independent Directors	
			Review of Performance by the Independent Directors	
			Cessation and appointment of Independent Directors	
			Familiarization of Independent Directors	
			Declaration from Independent Director that he / she meets the criteria of independence are placed at the meeting of Board of Directors	
			Directors and Officers insurance for all the Independent Directors	

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

GENERAL SHAREHOLDER INFORMATION AND OTHER DISCLOSURES

Information on general body meetings

Date, Time and Venue of 34th Annual General Meetings (AGM) :	Tuesday, 21st September, 2021 at 12:30 p.m. at Alok Public School, Alok City, Silvassa-Khanvel Road, Silvassa-396230, Union Territory of Dadra and Nagar Haveli

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

AGM	Day, Date & Time	Venue
31st AGM	Thursday, 27th December, 2018 at 12:00 Noon.	Alok Public School, Alok City, Silvassa-Khanvel Road, Silvassa-396230, Union Territory of Dadra and Nagar Haveli
32nd AGM	Tuesday, 24th December, 2019 at 12:00 Noon.	Alok Public School, Alok City, Silvassa-Khanvel Road, Silvassa-396230, Union Territory of Dadra and Nagar Haveli
33rd AGM	Tuesday, 29th December, 2020 at 12:30 p.m.	Alok Public School, Alok City, Silvassa-Khanvel Road, Silvassa-396230, Union Territory of Dadra and Nagar Haveli

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

31st AGM

Subject matter of the Resolutions	Type of Resolutions
1. There was no matter that required passing of Special Resolution.	--

32nd AGM

Subject matter of the Resolutions	Type of Resolutions
1. There was no matter that required passing of Special Resolution.	--

33rd AGM

Subject matter of the Resolutions	Type of Resolutions
1. Appointment of Mr. Sunil O. Khandelwal as Manager.	Special Resolution

Postal Ballot

During the year, no Resolution was passed through Postal Ballot. There is no immediate proposal for passing any resolution through postal ballot.

Extraordinary General Meeting (EGM)

During the year, no EGM was held.

Financial Year

1st April, 2020 to 31st March, 2021.

Financial Calendar

(Tentative) Results for the quarter ending

June, 2021 – Fourth week of July, 2021

September, 2021 – Fourth week of October, 2021

December, 2021 – Fourth week of January, 2022

March, 2022 – Fourth week of April, 2022

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

The Company does not have any outstanding GDRs / ADRs /Warrants as on 31st March, 2021. Pursuant to the implementation of the Approved Resolution Plan, the admitted dues of the financial creditors including Non-Convertible Debenture Holders have been settled. During the year the Company had issued 250.00 crore - 9% Optionally Convertible Preference Shares ("OCPS") of the face value of ₹ 1/- each per share aggregating ₹ 250 Crore, issued in accordance with the Approved Resolution Plan and same are pending conversion as on 31st March, 2021. OCPS shall be convertible into 1 Equity Share on or before 18 months from the date of allotment at the option of the holder of the OCPS.

If OCPS are converted, Equity Share Capital of the Company shall be enhanced to 746.52 crore Equity Shares of ₹ 1/- each aggregating to ₹ 746.52 Crore from 496.52 crore Equity Shares of ₹ 1/- each aggregating to ₹ 496.52 Crore. In case of non-conversion of OCPS on or before 18 months from the date of allotment, each outstanding OCPS shall be redeemed by the Company on the last day of the 10th anniversary of the date of allotment of the OCPS, by paying an amount at least equal to the outstanding OCPS Subscription Amount and there shall be no impact on Equity Share Capital of the Company.

Unclaimed Dividend and shares transferred to Investor Education and Protection Fund

In accordance with the provisions of sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") dividends which remain unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account shall be transferred by the company to the Investor Education and Protection Fund ("IEPF") Authority.

Further, the IEPF Rules also mandate companies to transfer all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more in the name of IEPF. In accordance with the said IEPF Rules and its amendments, the Company had sent notices to all the Shareholders whose shares were due for transfer to the IEPF Authority and simultaneously published newspaper advertisement.

The Members whose dividend/shares are transferred to the IEPF Authority can claim their shares/dividend from the IEPF Authority following the procedure prescribed in the Rules.

Further, pursuant to SEBI circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018, the dividend processing bank needs to ensure that any dividend instrument (such as Demand Drafts /Warrants, etc.) lying unpaid beyond the validity period of the instrument shall be cancelled and the unpaid dividend amount is credited back to the relevant dividend bank account of the issuer company.

In pursuance to the above, the dividend processing Bank has reversed the demand drafts pertaining to the dividend till Financial Year 2012-13, lying un-encashed beyond the validity period of the demand drafts. The Company has transferred entire unclaimed dividend amount to IEPF Authority on 31st March, 2021.

The details of Dividend remitted to IEPF Authority during the year:

Financial Year	Dividend declared on	Amount transferred to IEPF (in ₹)	Date of transfer to IEPF
2012-13	27/12/2013	34,31,226/-*	26/02/2021

*includes ₹ 1,16,121/- paid towards interest on dividend

Shares transferred/ credited to IEPF Authority

During the year 2020-21, the Company transferred 34,88,741 Equity Shares to IEPF Authority corresponding to unclaimed dividend for the year 2008-09, 2009-10, 2010-11, 2011-12 and 2012-13. The IEPF Authority holds 34,88,741 Equity Shares in the Company as on 31st March, 2021.

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

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

The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 31st March, 2021 on the Company's website and can be accessed through the link: https://www.alokind.com/Downloads/unclaimed_equity_dividend&transfer_of_shares_to_iepf.pdf

Members of the Company whose unclaimed dividend or shares associated therewith has been transferred by the Company to the IEPF Authority in compliance with the statutory requirements as aforesaid, may visit the Company's website through the link: https://www.alokind.com/downloads/Alok Industries IEPF_R10.pdf to understand the procedure in detail along with the supporting documents to be provided for claiming back the said unclaimed dividend or shares from IEPF Authority.

Unclaimed shares lying in the Suspense Account

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

Sr. No.	Particulars	No. of Shareholders	No. of Equity Shares Outstanding*
I	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year i.e. 1st April, 2020	3	1800
II	Number of shareholders who approached the Company for transfer of shares from suspense account during the year	Nil	Nil
III	Number of shareholders to whom shares were transferred from suspense account during the year	Nil	Nil
IV	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year 31st March, 2021.	79	30540

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

Means of Communication to Shareholders

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

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

Share Transfer System

The Stakeholders' Relationship Committee has been authorized to oversee and review all matters connected with transfer of Company's securities.

The Company ensures that the Compliance Certificate pursuant to Regulations 40(9) and 40(10) of the Listing Regulations are filed with the Stock Exchanges within the prescribed timeline.

As mandated by SEBI, requests for effecting transfer of securities (except in case of transmission or transposition of securities) cannot be processed from 1st April, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, Members holding shares in physical form are requested to take necessary action to dematerialize their holdings.

Annual Secretarial Compliance Report

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

No Disqualification Certificate from Company Secretary in Practice

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

CEO and CFO Certification

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

Registrar and Share Transfer Agents

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

Dematerialisation of Shares and Liquidity

As on 31st March, 2021 almost the entire equity capital was held in the dematerialized form with NSDL and CDSL. Only 22,28,575 shares were held in physical form.

The distribution of shares in physical and electronic modes as at 31st March, 2020 and 31st March, 2021 are as follows:

Categories	Position as at 31st March, 2021		Position as at 31st March, 2020	
	No. of Shares	% to total shareholding	No. of Shares	% to total shareholding
Physical	22,28,575	0.04	25,20,208	0.11
Demat:				
NSDL	4,40,39,88,844	88.70	1,66,88,35,796	75.49
CDSL	55,90,22,982	11.26	53,92,95,224	24.40
Sub-total	4,96,30,11,826	99.96	2,20,81,31,020	99.89
Total	**4,96,52,40,401**	**100.00**	**2,21,06,51,228**	**100.00**

Listing on Stock Exchanges and Stock Codes

The Company's Equity Shares are listed and traded on the following Stock Exchanges:

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

The ISIN Number of Company's Equity Shares (Face Value of ₹ 1/- each) is INE270A01029 and ISIN Number of Company's Optionally Convertible Preference Shares (Face Value of ₹ 1/- each) is INE270A03025. The Company has paid listing fees for the Financial Year 2020-21 to both the Stock Exchanges where its shares are listed.

Name and designation of Compliance Officer:

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

Commodity price risk or foreign exchange risk and hedging activities

The Company is subject to commodity price risks due to fluctuation in prices of key raw materials. The Company has in place a robust risk management framework for identification, monitoring and mitigation of commodity price and foreign exchange risks. The risks are tracked and monitored on a regular basis and mitigation strategies are adopted in line with the risk management framework. During the Financial Year 2020-21, the Company has managed the commodity as well as foreign exchange risk and hedged to the extent considered necessary. The details of foreign currency exposure are disclosed in Notes to the financial statements.

Credit Rating

The Company has been reaffirmed the rating of CARE AA (CE); Stable outlook by CARE Ratings Limited vide their communication dated 6th January, 2021, for the Term Loans/ Working Capital facilities of the Company. There has been no change in ratings during the year.

Details of utilization of funds raised through preferential allotment

The Company had allotted 83.33 crore equity shares at ₹ 3/- per share (face value of ₹ 1/- for cash at a premium of ₹ 2/- per share) and 250.00 crore - 9% Optionally Convertible Preference Shares at ₹ 1/- per share aggregating to ₹ 499.99 crore for cash to RIL on 28th February, 2020 in accordance with the Approved Resolution Plan. The said funds raised by the Company, have been utilised in the manner as provided in Resolution Plan. As of 31st March, 2021, the utilization of funds against this preferential allotment was ₹ 237.68 crore.

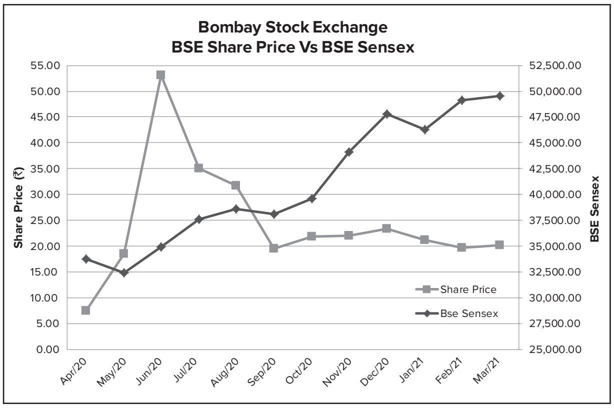
Market Price Data Equity Shares

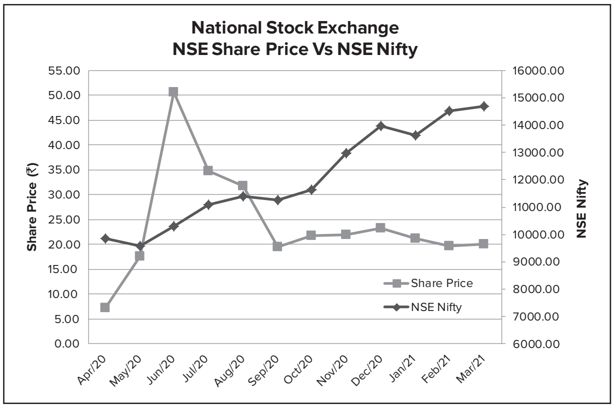
The details of high/low/closing market price of the Equity Shares of the Company at BSE and NSE during the Financial Year 2020-21 are provided in the table below:

Month	BSE				NSE			
	High	Low	Close	Total Volume	High	Low	Close	Total Volume
April-2020	8.03	3.73	7.42	15,39,81,822	7.70	3.80	7.25	13,23,52,510
May-2020	18.59	7.50	18.59	23,27,47,404	17.65	7.60	17.65	9,56,93,590
June-2020	53.10	19.50	53.10	17,04,75,358	50.60	18.50	50.60	3,09,95,160
July-2020	61.40	26.00	35.05	29,32,71,368	58.50	25.45	34.80	37,87,56,219
August-2020	44.60	31.70	31.70	14,36,39,746	44.30	31.70	31.70	34,32,72,499
September-2020	33.25	19.55	19.55	7,55,04,353	33.20	19.55	19.55	31,48,46,992
October-2020	24.80	18.65	21.80	7,38,66,844	24.80	18.65	21.85	27,44,31,074
November-2020	26.40	20.80	21.95	4,68,90,534	26.45	20.85	21.95	25,57,01,289
December-2020	25.25	19.85	23.30	6,64,69,701	25.30	19.90	23.30	29,62,70,721
January-2021	24.50	20.55	21.25	5,17,87,683	24.50	20.55	21.25	23,55,48,790
February-2021	21.85	19.65	19.75	2,56,94,615	21.85	19.60	19.75	16,47,22,737
March-2021	23.30	19.25	20.15	4,36,25,738	23.20	19.25	20.15	29,09,46,026

Stock Performance:

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





Distribution of Shareholding

The shareholding distribution of Equity Shares as at 31st March, 2021 is provided in the table below:

Category	No. of Folios	% of Shareholders	No. of shares	% of Capital
1-500	2,77,610	62.35	4,83,64,294	0.97
501-1000	61,931	13.91	5,24,93,510	1.06
1001-2000	39,925	8.97	6,29,86,599	1.27
2001-3000	17,128	3.85	4,45,47,470	0.90
3001-4000	8,911	2.00	3,23,39,730	0.65
4001-5000	9,068	2.03	4,32,44,666	0.87
5001-10000	14,860	3.34	11,26,79,715	2.27
Above 10000	15,795	3.55	4,56,85,84,417	92.01
Total	**4,45,228**	**100.00**	**4,96,52,40,401**	**100.00**

Shareholding Pattern

The shareholding pattern of the Company as at 31st March, 2021 is provided in the table below:

Category	31st March, 2021		31st March, 2020	
	No. of Shares	% of Capital	No. of Shares	% of Capital
Promoters*	3,72,38,45,177	75.00	13,59,22,671	6.15
Mutual Funds/UTI	6,01,788	0.01	200	0.00
Financial Institutions/Banks	1,31,359	0.00	4,89,18,683	2.21
Insurance Companies	3,55,29,499	0.72	3,82,463	0.02
Foreign Institutional Investors	-	-	-	-
NRIs & OCBs	2,41,72,666	0.49	2,61,45,177	1.18
Body Corporates	4,47,13,463	0.90	92,68,74,964	41.93
Individuals	1,04,65,16,325	21.07	1,00,96,66,441	45.67
Others	8,97,30,124	1.81	6,27,40,629	2.84
Total	**4,96,52,40,401**	**100.00**	**2,21,06,51,228**	**100.00**

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

Plant Locations (Operational):

Spinning	■ 412, Saily, Silvassa, Union Territory of Dadra & Nagar Haveli.
Weaving	■ 17/5/1 and 521/1, Rakholi / Saily, Silvassa, Union Territory of Dadra & Nagar Haveli.
	■ 209/1, Silvassa, Village Dadra, Union Territory of Dadra & Nagar Haveli.
Knitting	■ 412, Saily, Silvassa, Union Territory of Dadra & Nagar Haveli.
Processing	■ 261/P6, Village Balitha, Taluka Pardi, Dist. Valsad, Gujarat.
	■ 254, Village Balitha, Taluka Pardi, Dist. Valsad, Gujarat.
Garments	■ 374/2/2, Saily, Silvassa, Union Territory of Dadra & Nagar Haveli.
	■ 17/5/1, Rakholi, Silvassa, Union Territory of Dadra & Nagar Haveli.
Made ups	■ 374/2/2, Saily, Silvassa, Union Territory of Dadra & Nagar Haveli.
	■ 149/150, Village Morai, Taluka Pardi, Dist. Valsad, Gujarat.
POY / Texturizing	■ 521/1, Saily, Silvassa, Union Territory of Dadra & Nagar Haveli.
Hemming	■ 103/2, Rakholi, Silvassa, Union Territory of Dadra & Nagar Haveli.
Continuous Polymerization Plant	■ 17/5/1 and 521/1, Rakholi / Saily, Silvassa, Union Territory of Dadra & Nagar Haveli.
Terry Towel Unit	■ 263/P1 and 251/2P1, Village Balitha, Taluka Pardi, Dist. Valsad, Gujarat.
Packing Unit	■ 87/1/1/1 and 96/1, Village Falandi, Silvassa, Union Territory of Dadra & Nagar Haveli.
Embroidery	■ Survey No.249/1P, Village Vasona, Silvassa, Union Territory of Dadra & Nagar Haveli.

Address for Correspondence

For shares held in physical form:

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

For shares held in demat form

Investors' concerned Depository Participant(s) and / or Link Intime India Private Limited.

Any query on the Annual Report

Secretarial Department
Alok Industries Limited
Tower B, 2nd and 3rd Floors, Peninsula Business Park, G. K. Marg, Lower Parel, Mumbai – 400013.
Tel: +91 (022) 61787 000
Fax: +91 (022) 61787118
E-mail: investor. relations@alokind.com;
Website: www.alokind.com

CORPORATE GOVERNANCE CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

To,
The Members of the
Alok Industries Limited
17/5/1, 521/1, Village - Rakholi / Saily,
Union Territory of Dadra and Nagar Haveli,
Silvassa, Dadra and Nagar Haveli – 396230

I have examined the compliance of Corporate Governance by the **Alok Industries Limited** ('the Company') for the year ended 31st March, 2021, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') as referred to in Regulation 15(2) of the SEBI Listing Regulations for the year ended 31st March, 2021.

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

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

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

Virendra G. Bhatt
Practicing Company Secretary
ACS No.: 1157 / COP No.: 124
Peer Review Cert. No.: 491/2016
UDIN: A001157C000651884

Date: 19th July, 2021
Place: Mumbai

Note:

I have conducted online verification and examination of records, as facilitated by the Company due to Covid-19 and subsequent lockdown situation for the purpose of issuing this Certificate.

CERTIFICATE BY THE MANAGER AND CHIEF FINANCIAL OFFICER:

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

To,
The Board of Directors
Alok Industries Limited

1. We have reviewed financial statements and the cash flow statement of Alok Industries Limited ("the Company") for the year ended 31st March, 2021 and to the best of our knowledge and belief:

   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.

4. We have indicated to the Auditors and the Audit Committee that:

   i. there are no significant changes in internal controls over financial reporting during the year;

   ii. there are no significant changes in accounting policies during the year; and

   iii. there are no instances of significant fraud of which we have become aware.

	Sunil O. Khandelwal	**Bijay Agrawal**
Mumbai, 19th July, 2021	Manager	Chief Financial Officer

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

This is to confirm that the Company has adopted a Code of Conduct for its Board Members and Senior Management. In accordance with the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that the Company has in respect of the Financial Year 2020-21 obtained from all the members of the Board and Senior Management Personnel, the affirmation that they have complied with the 'Code of Conduct' as applicable to them.

Sunil O. Khandelwal
Manager

Place : Mumbai
Date : 19th July, 2021

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS FROM COMPANY SECRETARY PRACTICE

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

To,
The Members of
Alok Industries Limited
17/5/1, 521/1, Village - Rakholi / Saily,
Union Territory of Dadra and Nagar Haveli,
Silvassa, Dadra and Nagar Haveli – 396230

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

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its Officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:-

Sr. No.	Name of the Director	DIN	Date of appointment in Company
1.	Hemant Ishwarlal Desai	00008531	14/09/2020
2.	Siddharth Achuthan	00016278	14/09/2020
3.	Venkataraman Ramachandran	02032853	14/09/2020
4.	Anil Rajbanshi Kumar	03370674	14/09/2020
5.	Samir Chawla	03499851	14/09/2020
6.	Mumtaz Bandukwala	07129301	14/09/2020
7.	Rahul Yogendra Dutt	08872616	14/09/2020

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

Virendra G. Bhatt
Practicing Company Secretary
ACS No.: 1157 / COP No.: 124
Peer Review Cert. No.: 491/2016
UDIN: A001157C000651873

Date: 19th July, 2021
Place: Mumbai

Note:

I have conducted online verification and examination of records, as facilitated by the Company due to Covid-19 and subsequent lockdown situation for the purpose of issuing this Certificate.

BUSINESS RESPONSIBILITY REPORT

Pursuant to Regulation 34(2) (f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Corporate Identity Number(CIN) of the Company	L17110DN1986PLC000334
Name of the Company	Alok Industries Limited (Alok / the Company)
Registered address	Survey Nos. 17/5/1 & 521/1, Village Rakholi/ Saily, Silvassa-396230 Union Territory of Dadra & Nagar Haveli Tel: 0260-6637000; Fax: 0260-2645289
Website	www.alokind.com
E-mail id	investor.relations@alokind.com
Financial Year reported	2020-21
Sector(s) that the Company is engaged in (industrial activity code-wise)	**S. No** / **Name and Description of main products / services** / **NIC Code of the Product/ service** 1 / Manufacturer and Seller of Textile products / 2350, 2351, 2360, 2622, 2650, 2673, 3061 and 3062
List three key products/services that the Company manufactures/ provides (as in balance sheet)	a) Apparel Fabrics, b) Home Textiles c) Polyester Yarn
Total number of locations where business activity is undertaken by the Company:	
(a) Number of International Locations (Provide details of major 5)	1 (One), Sri Lanka
(b) Number of National Locations	3 (Three) Mumbai, Vapi and Silvassa
Markets served by the Company – Local/State/ National/ International/	In addition to serving Indian markets, Alok exported to 25 countries worldwide during Financial Year 2020-21.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

Paid -up capital (₹)	₹ 746.52 crore as on 31st March, 2021.
Total Turnover (₹)	₹ 3,735.31 crore for the year ended 31st March, 2021.
Total loss after taxes (₹)	(₹ 5,854.99 crore) for the year ended 31st March, 2021.
Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	As the average of net profits of the Company during the previous three financial years was negative, no amount was required to be spent on CSR mandatorily during 2020-21.
List of activities in which expenditure in above has been incurred:-	NA

SECTION C: OTHER DETAILS

1.	**Does the Company have any Subsidiary Company/**	The Company has 12 subsidiary Companies including 6 direct subsidiaries and 6 step down subsidiaries (3 under liquidation).
2.	**Do the Subsidiary Company/ Companies participate in the BR Initiatives of the Parent Company? If yes, then indicate the number of such subsidiary Company(s).**	The subsidiaries of the Company are separate legal entities and follow BR initiatives as per rules and regulations as may be applicable to them.
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	Alok was under the Corporate Insolvency Resolution (CIR) process since 18th July, 2017 as detailed elsewhere in this Annual Report. The resolution plan submitted by the resolution applicants, duly approved by the adjudicating authority, was implemented during the financial year 2020-21. During the financial year 2020-21, the new management undertook repairs, maintenance, upgradation and modernization of the textile operations at all plants and operations are still stabilizing. The Company has not mandated any supplier, distributor etc. to participate in the BR initiatives of the Company. However, they are encouraged to adopt BR Initiatives and follow the concept expected from responsible businesses.

SECTION D: BR INFORMATION

1 Details of Director/ Directors responsible for BR

Details of Director/ Directors responsible for implementation of the BR Policy/ Policies:	i.	Name	:	Mr. A. Siddharth
	ii.	DIN	:	00016278
	iii.	Designation	:	Chairman
	iv.	Tel. Number	:	+91 (022) 61787000
	v.	Email id	:	investor.relations@alokind.com
Details of BR head	Mr. A. Siddharth			

2 Principle-wise (as per National Voluntary Guidelines) BR Policy/Policies

a) Details of compliance (Reply in Y/N)

Sr.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a Policy/Policies for:	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the Policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the Policy conform to any national/ international standards? If yes, specify? (50 words)	The Policies conform to the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business, National Guidelines on Responsible Business Conduct notified by Ministry of Corporate Affairs, Government of India.								
4	Has the Policy been approved by the Board? If yes, has it been signed by the MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the Policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link to view the Policy online	https://www.alokind.com/Downloads/Business_Responsibility_Policy-26.04.2021.pdf								
7	Has the Policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the Policy/ Policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the Policy/ Policies to address stakeholders' grievances related to the Policy/ Policies?	Yes, any grievance or feedback related to the Policies can be sent to investor.relations@alokind.com.								
10	Has the Company carried out independent audit/ evaluation of the working of this Policy by an internal or external agency?	The Policy, on a voluntary basis, was framed prior to Alok being admitted to the CIR process and the new Board of Directors was re-constituted only on 14th September, 2020 in accordance with the approved resolution plan. The Policies are being evaluated internally from time to time and updated whenever required.								

b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The Company has not understood the Principle	NOT APPLICABLE								
2	The Company is not at a stage where it finds itself in a position to formulate and implement the Policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

7. Governance related to BR

a. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, annually, more than 1 year.

The BR performance of the Company is annually assessed by the BR Head during the year.

b. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

Pursuant to Regulation 34 of the Listing Regulations, the Company publishes a Business Responsibility Report as an Annexure to the Directors' Report on an annual basis.

Business Responsibility Report of the Company is available at the Company's website and can be accessed through the link: https://www.alokind.com/downloads/Alok-Business_Responsibility_Report_2020-21.pdf

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1 Businesses should conduct and govern themselves with ethics, transparency and accountability

1. **Does the Policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs /Others?**

The Policy relating to ethics, transparency and accountability covers the Company and its group companies including Joint Ventures and Associate Companies and the Suppliers / Contractors / NGOs dealing with the Company are also encouraged to maintain ethical standards in all their practices. The employees are encouraged to work on the principle that they should "act ethically even when nobody is watching"

The Company has adopted a "Code of Business Conduct and Ethics" which mandates the Directors, Senior Management and Employees of the Company to act honestly, ethically and with integrity and deal fairly with the Company's customers, suppliers, dealers, investors and competitors.

The essence of Company's governance philosophy is based on fairness, transparency, accountability and responsibility aligned with best management practices and ethical values. Company has put in place Vigil Mechanism Policy which serves as a tool for its directors and employees to report any genuine concerns about unethical behaviour, actual or suspected without fear of reprisal.

With the implementation of the Code to Regulate, Monitor and Report Trading in Securities of the Company by Directors, Promoters, Designated Persons and specified Connected Persons of the Company and Material Subsidiaries of the Company, the Company has created awareness amongst the employees to deal with price sensitive information in an ethical manner and not deal in securities of Company when in possession of such information for unlawful gains.

The aforementioned Codes/Policies have been uploaded on the website of the Company www.alokind.com under the "Investor Relations" section.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

The Company has in place, a mechanism for dealing with complaints received from various stakeholders. The details of shareholders complaints received and resolved during the financial year 2020-21 are provided in the Corporate Governance Report.

Principle 2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

The Company understands its obligations relating to social and environmental concerns, risks and opportunities. The Company ensures fulfillment of compliance obligations that relate to its products, environmental aspects and occupational health and safety. During the financial year under review, the Company was engaged in manufacturing of following main products; a) Apparel Fabrics b) Home Textiles c) Polyester Yarn.

The products of the Company are manufactured in compliance with applicable laws, regulations and the products are supplied in the Business to Business segment. The Company's manufacturing processes have adequate systems and processes which ensure protection of environmental factors like reduction of emissions, discharge of pollutants and hazardous waste and treatment thereof in systematic manner to minimize adverse environmental impact. The Company prioritizes domestic sourcing wherever possible. Efforts are also made to transport maximum cargo via ship/rail.

The manufacturing process also takes care of other aspects like minimizing and treatment of occupational disease, safety measures to avoid accidents, fire / leakages by adopting certain measures including a) selecting right equipment, processes, inputs and tracking emissions and b) organizing safety awareness programs, safety training, structural audit. The Company also provides employment opportunities to local people around its manufacturing plants.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional):**

   a. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

      The Company is committed to environment sustainability. The Company works towards reduction and optimal utilization of energy, water, raw material, logistics etc. by incorporating new techniques and innovative ideas.

      As consumption per unit depends on the product mix and other variables there are no specific standards to ascertain reduction achieved at each product level.

   b. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

      The Company operates in Business to Business segment therefore the Company's products do not have any broad-based impact in the reduction of consumption of energy and water by its consumers. The Company is generally committed to reduce waste, conservation of raw material, resources and energy through various initiatives, technological upgradation.

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

   The Company has a structured procedure for sourcing to ensure raw materials are sourced in an optimal and sustainable manner. The Company procures key raw material like raw cotton from Maharashtra, Gujarat and Madhya Pradesh, Cotton Yarn from Tamil Nadu, Maharashtra, PTA, MEG and Furnace Oil from Gujarat and Chemicals and Dyes from Maharashtra and Gujarat. The sourcing of raw materials like cotton, cotton yarn, PTA, MEG were made through rail wagons and road transport.

4. **Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

   The Company believes in inclusive growth and encourages local sourcing wherever possible. The Company is promoting and encouraging surrounding areas local small suppliers, civil, housekeeping, horticulture contractors and transporters which help them in securing work contracts. Most of such local suppliers are categorized under MSME (Micro, Small & Medium Enterprises) sector. To ensure improvement of capacity and capability of such local suppliers the Company ensures the timely payments against the respective services rendered by them. The Company do avail/employ people residing in vicinity of plants of the Company, whenever required, for the purpose of its manufacturing activities. The Company is providing technical and safety training, as required in plant, which makes them more reliable and employable in safe ways.

5. **Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as 10%). Also, provide details thereof, in about 50 words or so.**

   The Company encourages the use of recycled products and has set up a recycled polyester unit to recycle polyester and polyester yarn waste and flakes to produce 100% recycled polyester fiber. In view, however of the reduced capacity utilization, over the past few years, the percentage of recycling is not significant. Solid waste at the processing plant is managed through an external solid waste management Company. Alok also has an effluent treatment plant for primary, secondary and tertiary treatment of effluent.

Principle 3 Businesses should promote the well-being of all employees

1. Please indicate the total number of employees: 24481
2. Please indicate the total number of employees hired on temporary/contractual/casual basis: 11188
3. Please indicate the number of Permanent Women Employees: 1131
4. Please indicate the number of permanent employees with disabilities: 32
5. Do you have an employee association that is recognized by management: Yes/No No
6. What percentage of your permanent employees is members of this recognized employee association? N.A.
7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

Category	No. of complaints pending at the beginning of the financial year	No. of complaints filed during the financial year	No. of complaints Resolved during the financial year	No. of complaints pending as on end of the financial year
Child labor/ forced labor/ involuntary labor	Nil	Nil	Nil	Nil
Sexual harassment	Nil	Nil	Nil	Nil
Discriminatory employment	Nil	Nil	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

Sr. No	Category of Employees	% of training given at Silvassa location	% of training given at Vapi Location
a)	Permanent Employees	90%	90%
b)	Permanent Women Employees	90%	85%
c)	Casual/Temporary/ Contractual Employees	80%	75%
d)	Employees with Disabilities	N/A	N/A

Principle 4 Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has the Company mapped its internal and external stakeholders? Yes/No

Yes. The stakeholders have been mapped and the key stakeholders are as follows: a) Government and regulatory authorities b) Investors and Shareholders c) Employees d) Customers e) Local Communities f) Suppliers/contractors g) Lenders.

The Stakeholders' Relationship Committee of the Company specifically looks into various aspects of interest of shareholders, and other security holders of the Company.

Also at plant locations the management engages with other stakeholders to understand and resolve any concern of the stakeholders.

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders.

The Company is committed to the welfare of marginalized and vulnerable sections of the society. The Company engages with its stakeholders on an on-going basis. The Company has also identified specific areas like empowering underprivileged/vulnerable stakeholders which help them to improve their standard of living.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

The Company has always strived to contribute to different sections of the society. Beyond business, the objective of Company's social initiatives are conceptualized to create inclusive growth for the lesser privileged sections of the society. In light of the fact that the Resolution Plan was fully implemented only in September 2020, the Company is gradually stabilizing its operations and regaining normalcy. The Company will in due course take up certain special initiatives as directed by the new management.

Principle 5 Businesses should respect and promote human rights

1. **Does the Policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

   The Company strictly follows highest ethics including protection of human rights while conducting its business activities. The Company's stand on human rights, include non-discrimination, prohibition of child and enforced labour, freedom of association and the right to engage in collective bargaining.

   The Company's Policy for Prevention of Sexual Harassment of Women at workplace is applicable to all the employees including contractual and also covers contractual, temporary, visitors.

   The Whistle Blower Policy/Vigil Mechanism of the Company also provides a mechanism for directors and employees of the Company to approach the Chairman of the Audit Committee of the Board to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Code of Conduct or any other unethical or improper activity.

   The Company has also extended strong support to manpower by covering them in Group Mediclaim Policy. The Company abides by all the rules and regulations related to human rights which are applicable in the area of operations.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   The Company has not received any complaints pertaining to sexual harassment or principles related to human rights and there is no complaint pending to be resolved in this respect, during financial year 2020-21.

Principle 6 Business should respect, protect, and make efforts to restore the environment

1. **Does the Policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.**

   The Company has a Policy on Conservation and Preservation of the Environment. All the plants of the Company maintain the generation of emissions and waste within the permissible limits given by State Pollution Control Boards (SPCB) to minimize adverse impact on environment.

   The Company has adopted an integrated approach towards addressing biological diversity at various sites. There has been greenery developed in and around the manufacturing sites leading to reduced dust, improved micro-climate conditions, enhanced ambience for natural flora and fauna, reduction in evaporation losses of water, and so on.

   The Company while dealing with its suppliers/contractors and other concerned parties, always ensures to conducts its dealings in accordance with Policy on Conservation and Preservation of the Environment.

2. **Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

   The Company understands the global issue of climate change and aims to initiate maximum possible actions to address it. The Company is committed to;

   i) Addressing environmental issues through efficient use of natural resources, promote use of renewable energy, minimization of wastes, water management, protecting the biodiversity and reducing carbon footprint.

   ii) Effective implementation of environmental management system to prevent, mitigate and control environmental damages.

3. **Does the Company identify and assess potential environmental risks? Y/N**

   Yes, the Company assesses the potential impacts of its operations on the environment through the implementation of measures for the conservation and preservation of the environment. Potential environmental risks are identified and suitable steps taken to measure and mitigate risk through a structured approach.

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

   Owing to the fact that the implementation of the approved resolution plan was completed during the year under review, the Company could not take up any project related to Clean Development Mechanism (CDM).

5. **Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

   No

6. **Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Yes, the emissions/waste generated by the Company are within the permissible limits given by CPCB/SPCB for air emissions, effluent quality and discharge, solid and hazardous waste generation and disposal.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of financial year.

As on 31st March, 2021, there was no pending show cause or legal notices received from CPCB or SPCB.

Principle 7 Businesses, when engaged in influencing public and regulatory Policy, should do so in a responsible manner

1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

The Company is a member of Apparel Export Promotion Council, Synthetic and Rayon Textiles Export Promotion Council and The Cotton Textiles Export Promotion Council.

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Yes, the Company has been raising various issues for the Industry through the above-mentioned associations.

Principle 8 Businesses should support inclusive growth and equitable development

1. Does the Company have specified programmes/ initiatives/projects in pursuit of the Policy related to Principle 8? If yes details thereof.

The Company has adopted a Corporate Social Responsibility (CSR) Policy which governs the CSR activities as per the said Policy. As the average net profit of the Company during the previous three financial years was negative, it was not mandated to spend any amount on CSR during 2020-21.

2. Are the programmes/projects undertaken through in-house team/own foundation/ external NGO/ government structures/any other organization?

Not Applicable as no such programmes were undertaken for the reason stated in (1) above.

3. Have you done any impact assessment of your initiative?

No.

4. What is your Company's direct contribution to community development projects- Amount in Rs. and the details of the projects undertaken.

As the average net profit of the Company during the previous three financial years was negative, it was not mandated to spend any amount on CSR during 2020-21

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

As and when the Company undertakes expenditure on CSR as per its CSR Policy, it will ensure that, community development initiatives, if any, are successfully adopted by the community.

Principle 9 Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year

None.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./ Remarks (additional information)

The Company displays product information on labels as mandated by law supplemented by additional information as per the requirements of the customer.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

None

4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

The Company proposes to examine the need to carry out consumer surveys basis the market segment and the products dealt in by the Company and act accordingly.

AUDITOR'S REPORT on Standalone Financial Statement

To the Members of Alok Industries Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Alok Industries Limited ("the Company"), which comprise the Balance sheet as at March 31 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 34 of the standalone financial statements in respect of the Resolution Plan approved by the National Company Law Tribunal vide it's order dated March 8, 2019 under section 31(1) of the Insolvency and Bankruptcy Code, 2016. The Company has accounted the assigned debt as per the aforesaid resolution plan at cost overriding the Indian Accounting Standards which would require the Company to recognize the assigned debt at it's fair value and accordingly recognize the imputed interest cost over the period of the loan. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

Key audit matters	How our audit addressed the key audit matter
Impairment of assets	
a) In the current year, consequent to NCLT approved resolution plan, the Board of Directors of the Company have been re-constituted and the new management has formulated its strategy and business plan. Basis these discounted cash flow projections, the value in use of the property, plant and equipment has been determined and accordingly the Company has recognized an impairment loss of ₹ 8,264.22 cr and disclosed the same as an exceptional item in the standalone financial statements. The value in use is sensitive to changes in certain inputs / assumptions used for forecasting the discounted cash flow projections due to inherent uncertainty involved in these assumptions. b) The new management has also reviewed the recoverability of all assets and accordingly the Company has recorded impairment allowance / write offs in respect of the following items in the standalone financial statements:- • GST input credit reversed under protest – ₹ 41.80 cr • VAT receivables relating to open assessments – ₹ 10.69 cr • Deferred tax assets – ₹ 1,423.11 cr • Investments in joint ventures – ₹ 92.38 cr c) In the current year, the NCLT has passed the order for withdrawal of the corporate insolvency resolution process with respect to Alok Infrastructure Limited, a wholly owned subsidiary of the Company. Post this, the subsidiary has performed a valuation of its investment properties / inventories with the help of external valuation specialists and accordingly considered impairment in its books. Accordingly, the Company has recorded an impairment allowance of ₹ 689.48 cr in respect of the loan given to the said subsidiary. Considering the materiality of the above items and inherent uncertainty of assumption used in valuation and estimating the impairment loss, including the fact that some of these were subject matter of audit qualifications in the previous year, the same has been considered as a key audit matter. Refer Note 38, 39, 40 & 51, of the standalone financial statements.	Our audit procedures included and were not limited to the following: • Obtained the cash flow projections as approved by the Board of Directors. • Assessed the valuation methodology applied in determining the value in use. In making this assessment, we evaluated the objectivity and independence of Company's external specialists involved in the process. • Assessed key assumptions applied to arrive at the value in use by involving internal valuation specialists. • Obtained management assessment of recoverability of assets and assessed the same with respect to underlying documentation available with the Company. • Obtained the NCLT order dated March 22, 2021 for withdrawal of the CIR in respect of Alok Infrastructure Limited. • Assessed the impairment allowance made on the investments in the subsidiary basis the impairment recorded in the subsidiary financial statements. • Performed inquiry procedures with auditor of Alok Infrastructure Limited on Discussed the audit procedures performed by them, including; o Procedures on the valuation report issued by the external specialists in respect of the subsidiary investment properties/ inventories; o Accounting for impairment and the disclosures made in its financial statements in this regard. o Procedures for determining the carrying value of liabilities including contingent liabilities recorded in the subsidiary financial statements. • Assessed key valuation aspects of the investment properties / inventories of Alok Infrastructure Limited by engaging internal valuation specialists. • Assessed the accounting for impairment made in the standalone financial statements in accordance with Ind-AS. • Assessed the disclosures made in the standalone financial statements.
Capitalization of property, plant and equipment and change in useful life	
In the earlier years, prior to implementation of the NCLT approved resolution plan, the Company was operating at a lower capacity utilization and overall maintenance activity at the plant was curtailed due to lack of working capital. Consequently, many of the plant and machinery remained idle / non-functional and in most cases the machinery's operating speed was reduced, resulting in lower efficiency and production. During the year ended March 31, 2021, the Company has incurred expenditure of ₹ 199.20 cr, largely related to purchase of spares to overhaul the existing plant and machinery in order to improve their efficiency and increase the capacity utilization. Judgement is involved to ensure that the aforesaid expenditure meets the specific recognition criteria under Ind AS 16, 'Property, Plant and Equipment'. Further, the Company has based on internal technical assessment revised the useful life for the continuous polymerisation plant to 40 years. Assessment of useful life of plant and machinery involves management judgment, technical assessment, consideration of historical experiences, anticipated technological changes, etc. Accordingly, the same is considered as a key audit matter. Refer Note 1(g), 2, 30 & 32 of the standalone financial statements.	Our audit procedures included and were not limited to the following: • Obtained approval of the Board of Directors with respect to planned capital expenditure. • Obtained management technical assessment on how the expenditure improves the efficiency and performance of the plant and machinery. • Assessed the design and operating effectiveness of controls of the Company relating to capitalization of PPE (including capital work in progress). • Assessed on test basis for samples selected, that the recognition criteria under Ind AS 16 is met. • Assessed management assessment of estimation of useful life and impact recognised on account of the change made. • Assessed disclosures made in the standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
Accounting of assigned debt and gain on extinguishment of liability	
a) In terms of the NCLT approved resolution plan, debt of ₹ 22,682.60 cr was assigned to JM Financial Asset Reconstruction Company (acting in its capacity as trustee of JMFARC – March 2018 – Trust) ('JM') and Reliance Industries Limited ('RIL'). As per the aforesaid plan, the assigned debt shall not carry any interest for first 8 years from the closing date, after which the terms of such loans shall be mutually agreed among the resolution applications (JM and RIL) and the Company. The Company has obtained a legal view that any interest accrual on the assigned debt in the books of accounts will be a contravention of the order issued by the NCLT. Accordingly, the Company has accounted the assigned debt at cost, rather than fair value as required by Ind AS. b) Further, JM and RIL have converted such portion of their assigned debt (as per the resolution plan) into equity, such that their joint equity holding in the Company is 75%. Pursuant to such conversion, the proportionate reduction in the outstanding assigned debt as per clause 1.2 (xii) of the approved resolution plan is ₹ 5,240.14 cr. The price at which the conversion has taken place has been determined in accordance with the approved resolution plan and legal view taken by the Company to determine the date of conversion under the applicable law. As the fair value of the shares determined by an external valuation specialist was negative, the difference between the face value of the shares issued and the amount by which the assigned debt has been proportionately reduced has been recognized as an exceptional gain (₹ 4,964.68 cr) in the standalone financial statements. In this respect, the Company has taken a legal view for determining that shares have to be issued at face value in a situation when the fair value determined is negative. c) Also, as per the resolution plan, the pledged equity shares were transferred to JM and accordingly the debt assigned to JM has been proportionately reduced by the value of such shares determined basis the lower of the trading price prevailing on BSE Limited or National Stock of Exchange Limited one day before the date of invocation. Accordingly, extinguishment of financial liability of ₹ 58.44 cr has been recognized as exceptional gain in the standalone financial statements. The above being significant transactions for the year, the same has been considered as a key audit matter. Refer Note 34 & 40 of the standalone financial statements.	Our audit procedures included and were not limited to the following: • Obtained the fair valuation report from the management and assessed the objectivity and independence of the external valuation expert as per the auditing standards. • Assessed key assumptions in determining fair value by engaging internal valuation specialists. • Obtained the legal views from independent law firms from the management and assessed their objectivity and independence as per the auditing standards. • Read the legal views obtained by the management from independent law firms for the issue of shares to be done at face value when fair value is negative; for determining the date of conversion of debt into equity and for interpretation of clause 1.2(xi) of the resolution plan with respect to interest accrual. • Assessed whether the conversion of assigned debt into equity has been made in accordance with the NCLT resolution plan. • Assessed the accounting treatment applied by the Company in accordance with Ind-AS. • Assessed disclosures made in the standalone financial statements of the Company.
Contingent liabilities	
As at March 31, 2021, the Company had the following matters where management has assessed the possibility of outflow of resources embodying economic benefits. a) Take or pay obligation under the long term gas sale agreement. Refer Note 36 of the standalone financial statements. b) Tax liabilities with respect to open assessments for assessment years prior to the closing date as per the NCLT approved resolution plan. Refer Note 36 of the standalone financial statements. Management's judgement regarding recognition and measurement of provisions for these matters is inherently uncertain and might change over time as the outcomes of the litigations / discussions are determined. Accordingly, it has been considered as a key audit matter.	Our audit procedures included and were not limited to the following: • Assessed the management's position through discussions with the in-house legal expert. • Discussed with the management on the development in these matters during the year ended March 31, 2021 along with obtaining underlying documentation for the same, including communication with counterparties. • Assessed management assessment with respect to possibility of outflow of resources embodying economic benefits in relation to these matters. • Reviewed the disclosures made in the standalone financial statements in this regard. • Obtained representation letter from the management on the assessment of these matters.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Director's report, management discussion and analysis section of the annual report, corporate governance report and business responsibility report, but does not include the standalone financial statements and our auditor's report thereon.

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

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

Responsibilities of Management for the Standalone Financial Statements

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

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The standalone financial statements of the Company for the year ended March 31, 2020, included in these standalone financial statements, have been audited by the predecessor auditor who expressed a qualified opinion on those statements on July 31, 2020.

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, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
    (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
    (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
    (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
    (f) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
    (g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
    (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
        i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 36 to the standalone financial statements;
        ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

per Pramod Kumar Bapna
Partner
Membership Number: 105497
UDIN: 21105497AAAAAR5365

Place of Signature: Mumbai
Date: April 26, 2021

(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 fixed assets.

(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management and audit procedures performed by us, the title deeds of immovable properties included in property, plant and equipment and investment properties are held in the name of the Company, except in the case of certain immovable properties (gross block of ₹ 3,940 crores) which are pledged with the erstwhile lenders and not available with the Company. The same has not been independently confirmed by the erstwhile lenders, however, we have sighted the letters sent by the Company to these erstwhile lenders for release of the original title deeds to the Company.

(ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at year end and no material discrepancies were noticed in respect of such confirmations.

(iii) According to the information and explanations given to us and audit procedures performed by us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company except that the Company has granted interest free loans in earlier years to its subsidiaries and a Company and which were outstanding as at the year end [₹ 2,838.98 crores (against which an impairment allowance of ₹ 2,656.86 crores is made)].

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

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

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

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

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

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.

(ix) In our opinion and according to the information and explanations given by the management and audit procedures performed by us, the Company has not raised any money by way of term loans during the year. However, according to the information and explanations given by the management, term loans outstanding as at the year end were raised in earlier years and utilized for the purpose of which they were obtained. According to the information and explanations given by the management and audit procedures performed by us, the Company has not raised any money by way of initial public offer / further public offer / debt instruments.

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

(xi) According to the information and explanations given by the management and audit procedures performed by us, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management and audit procedures performed by us, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has made preferential allotment or private placement of equity shares during the year for the purpose of part conversion of assigned debt into equity as per the NCLT approved resolution plan. Accordingly, no funds have been raised through the transaction and hence the provision relating to utilization of funds for the purpose of which they were raised is not applicable.

Further, the Company had raised ₹ 500 crores by way of preferential allotment of equity and optionally convertible preference shares in the previous year as per the NCLT approved resolution plan. According to the information and explanations given by the management and overall examination of the balance sheet, these funds have been utilized for capital expenditure and meeting working capital requirements. The unutilised amount as at March 31, 2021 of ₹ 150 crores are invested in fixed deposits as at the year end.

The Company has not made any preferential allotment or private placement of fully or partly convertible debentures during the year under review.

(xv) According to the information and explanations given by the management and audit procedures performed by us, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

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

per Pramod Kumar Bapna
Partner
Membership Number: 105497
UDIN: 21105497AAAAAR5365

Place of Signature: Mumbai
Date: April 26, 2021

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, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. 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 with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2021, 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 **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Pramod Kumar Bapna
Partner
Membership Number: 105497
UDIN: 21105497AAAAAR5365

Place of Signature: Mumbai
Date: April 26, 2021

STANDALONE BALANCE SHEET

As At 31st March, 2021

(₹ In Crore)

Particulars	Note	As at 31st March, 2021	As at 31st March, 2020
Assets			
(1) Non-current assets			
(a) Property, plant and equipment	2	5,744.86	14,062.14
(b) Capital work-in-progress		10.50	-
(c) Investment property	3	6.01	7.58
(d) Other intangible assets	4	0.14	0.71
(e) Right-of-use assets	5	13.57	33.75
(f) Financial assets			
(i) Investments	6	0.05	92.43
(ii) Loans	7	184.88	874.61
(iii) Other financial assets	13(a)	1.79	0.98
(g) Deferred tax assets (net)	8	-	1,423.11
(h) Other assets	9	99.68	92.86
Total non-current assets		**6,061.48**	**16,588.17**
(2) Current assets			
(a) Inventories	10	884.57	334.75
(b) Financial assets			
(i) Trade receivables	11	280.49	163.37
(ii) Cash and cash equivalents	12	176.34	383.59
(iii) Bank balances other than (ii) above	13(b)	71.83	86.70
(iv) Loans	7	-	-
(v) Others	14	28.59	46.18
(c) Other assets	9	235.86	199.56
Total current assets		**1,677.68**	**1,214.15**
Total assets		**7,739.16**	**17,802.32**
Equity and liability			
(1) Equity			
(a) Equity share capital	15	496.53	221.08
(b) Other equity	16	(16,761.90)	(10,909.76)
Total equity		**(16,265.37)**	**(10,688.68)**
Liability			
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	22,736.60	28,030.50
(ii) Other financial liabilities	22	-	2.03
(b) Provisions	18	33.60	27.57
Total non-current liabilities		**22,770.20**	**28,060.10**
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	110.86	-
(ii) Trade payables	20		
- Total outstanding dues to micro, small and medium enterprises		21.72	17.99
- Total outstanding dues to others		961.79	333.63
(iii) Other payables	21	71.48	46.07
(iv) Other financial liabilities	22	45.49	13.29
(b) Other current liabilities	23	19.24	17.85
(c) Provisions	18	3.75	2.07
Total current liabilities		**1,234.33**	**430.90**
Total equity and liability		**7,739.16**	**17,802.32**
Summary of significant accounting policies	1		
The accompanying notes are an integral part of the financial statements	2 - 53		

As per our report of even date

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

per **Pramod Kumar Bapna**
Partner
Membership Number: 105497

Place: Mumbai
Date: 26th April, 2021

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

A. Siddharth
(Chairman)

Bijay Agrawal
(Chief Financial Officer)

Anil Rajbanshi
(Non-Executive,
Non Independent Director)

Hitesh Kanani
(Company Secretary)

Place: Mumbai
Date: 26th April, 2021

STANDALONE STATEMENT OF PROFIT AND LOSS
For The Year Ended 31st March, 2021

ALOK INDUSTRIES LIMITED

(₹ In Crore)

Particulars			Note	Year ended 31st March, 2021	Year ended 31st March, 2020
(1)	**Revenue**				
	(a)	Revenue from operations	24	3,735.31	3,140.28
	(b)	Other income	25	21.66	85.19
	Total revenue			**3,756.97**	**3,225.47**
(2)	**Expenses:**				
	(a)	Cost of materials consumed	26	2,477.55	2,187.59
	(b)	Changes in inventories of finished goods and work-in-progress	27	(344.41)	(12.82)
	(c)	Employee benefits expense	28	307.41	256.99
	(d)	Finance costs	29	472.72	79.24
	(e)	Depreciation and amortisation expense	30	285.43	529.45
	(f)	Other expenses	31	1,749.05	1,015.11
	Total expenses			**4,947.75**	**4,055.56**
(3)	**Loss before tax and exceptional items (1-2)**			(1,190.78)	(830.09)
(4)	Exceptional items		40	(3,241.10)	2,052.55
(5)	**Profit / (Loss) before tax (3-4)**			**(4,431.88)**	**1,222.46**
(6)	**Tax expenses / (benefits)**				
	(i)	Current tax		-	-
	(ii)	Deferred tax	8	1,423.11	(0.73)
	(iii)	Adjustment of tax relating to earlier periods		-	-
	Net tax expenses / (benefits)			**1,423.11**	**(0.73)**
(7)	**Profit / (Loss) for the period (5-6)**			(5,854.99)	1,223.19
(8)	**Other comprehensive income**				
	(i)	Items that will not be reclassified to statement of profit and loss Remeasurements gains /(losses) on defined benefit plans		2.85	2.10
	(ii)	Income tax on (i) above		-	(0.73)
	Total other comprehensive income			**2.85**	**1.37**
(9)	**Total comprehensive income for the year net of tax (7+8)**			**(5,852.14)**	**1,224.56**
(10)	**Earnings per equity share**		43		
	Earnings per share after exceptional item (face value of ₹ 1 each)				
	(a)	Basic (₹)		(15.68)	8.45
	(b)	Diluted (₹)		(15.68)	3.10
	Earnings per share before exceptional item (face value of ₹ 1 each)				
	(a)	Basic (₹)		(7.00)	(5.73)
	(b)	Diluted (₹)		(7.00)	(5.73)
Summary of significant accounting policies			1		
The accompanying notes are an integral part of the financial statements			2 - 53		

As per our report of even date

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

per **Pramod Kumar Bapna**
Partner
Membership Number: 105497

Place: Mumbai
Date: 26th April, 2021

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

A. Siddharth
(Chairman)

Bijay Agrawal
(Chief Financial Officer)

Anil Rajbanshi
(Non-Executive,
Non Independent Director)

Hitesh Kanani
(Company Secretary)

Place: Mumbai
Date: 26th April, 2021

STANDALONE STATEMENT OF CHANGES IN EQUITY

For The Year Ended 31st March, 2021

A) Equity share capital (refer note 15)

(₹ In Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening balance	221.08	1,377.33
Changes in equity share capital during the year		
Issue of equity shares during the year	275.46	83.33
Reduction in face value of shares from ₹ 10/- per share to ₹ 1/- per share	-	(1,239.59)
Closing balance	**496.53**	**221.08**

B) Other equity (refer note 16)

(₹ In Crore)

Particulars	Equity Component of Compound Financial Instrument	Reserves & Surplus						Foreign Currency Monetary Item Translation Reserve (FCMITR)	"Other Comprehensive Income"	Total Other Equity
		Capital Reserve	Capital Redemption Reserve	Securities Premium	General Reserve	Debenture Redemption Reserve (DRR)	Retained Earnings			
Balance as at 1st April, 2019	-	11.72	9.10	993.65	280.62	81.97	(15,674.95)	(9.34)	16.41	(14,290.82)
Addition/reduction during the year										
Profit / (Loss) for the Year	-	-	-	-	-	-	1,223.19	-	-	1,223.19
Addition during the year FCMITR	-	-	-	-	-	-	-	9.34	-	9.34
Addition to capital reserve due to reduction of face value of equity shares and other adjustments	-	1,970.13	-	-	-	-	-	-	-	1,970.13
Issue of Equity shares as per Approved Resolution plan	-	-	-	166.66	-	-	-	-	-	166.66
DRR transferred to retained earnings	-	-	-	-	-	(81.97)	81.97	-	-	-
Dividend on preference shares	-	-	-	-	-	-	(2.03)	-	-	(2.03)
Optionally Convertible Preference Shares	12.40	-	-	-	-	-	-	-	-	12.40
Other Comprehensive Income	-	-	-	-	-	-	-	-	1.37	1.37
Balance as at 31st March, 2020	**12.40**	**1,981.85**	**9.10**	**1,160.31**	**280.62**	**-**	**(14,371.82)**	**-**	**17.78**	**(10,909.76)**
Addition/Reduction during the Year										
Profit / (Loss) for the Year	-	-	-	-	-	-	(5,854.99)	-	-	(5,854.99)
Addition to capital reserve on extinguishment of shares (₹ 10,827/-)	-	0.00	-	-	-	-	-	-	-	0.00
Other Comprehensive Income	-	-	-	-	-	-	-	-	2.85	2.85
Balance as at 31st March, 2021	**12.40**	**1,981.85**	**9.10**	**1,160.31**	**280.62**	**-**	**(20,226.81)**	**-**	**20.63**	**(16,761.90)**

Summary of significant accounting policies 1

The accompanying notes are an integral part of the financial statements 2 - 53

As per our report of even date

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

per **Pramod Kumar Bapna**
Partner
Membership Number: 105497

Place: Mumbai
Date: 26th April, 2021

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

A. Siddharth
(Chairman)

Bijay Agrawal
(Chief Financial Officer)

Anil Rajbanshi
(Non-Executive,
Non Independent Director)

Hitesh Kanani
(Company Secretary)

Place: Mumbai
Date: 26th April, 2021

STANDALONE CASH FLOW STATEMENT

For The Year Ended 31st March, 2021

(₹ In Crore)

	Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
A]	**Cash Flow from Operating Activities**		
	Profit/(loss) before tax after exceptional items as per the statement of profit and loss	(4,431.88)	1,222.46
	Adjustments for:		
	Depreciation and impairment of property, plant and equipment, investment property and intangible assets	285.43	532.32
	Finance cost	472.72	98.57
	Interest income	(8.97)	(8.68)
	Net unrealised exchange (gain) / loss	(5.78)	(11.91)
	(Gain)/Loss on sale of Property, Plant and Equipment (net)	0.03	0.01
	Impairment allowance on trade and other receivables	747.28	182.33
	Diminution in value of investment	92.38	-
	Loss on Transfer of Investments	-	8.69
	Bad debts written off (net)	0.19	0.15
	Sundry credit balance written back	(1.15)	(63.78)
	Exceptional Items (refer note 40)	3,241.10	(2,052.55)
	Operating profit/(Loss) before working capital changes	**391.35**	**(92.39)**
	Adjustments for		
	Decrease/(increase) in inventories	(549.82)	(9.18)
	Decrease / (increase) in trade receivable	(117.86)	(15.28)
	Decrease/(increase) in other assets	(72.12)	(235.46)
	(Decrease)/Increase in trade payable	635.09	233.62
	(Decrease)/Increase in provisions	10.56	(12.54)
	(Decrease)/Increase in other liabilities	26.96	(39.10)
	Cash (used in) / generated from operations	**324.15**	**(170.33)**
	Income taxes (paid) / refunded	(3.65)	(1.70)
	Net cash (used in) / generated from operating activities	**320.50**	**(172.03)**
B]	**Cash flow from Investing Activities**		
	Purchase of property plant & equipment, including CWIP & capital advances	(217.46)	(1.48)
	Sale of fixed assets	0.09	0.06
	Fixed deposit (placed) / matured (net)	14.19	29.10
	Interest received	8.49	8.68
	Net cash generated / (used in) investing activities	**(194.70)**	**36.36**

(₹ In Crore)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
C] Cash flow from Financing Activities		
Proceeds from issue of Equity Shares (including Share premium)	-	250.00
Proceeds from issue of Preference Shares	-	250.00
Proceeds from term borrowings	-	5,137.00
Repayment of term borrowings	-	(5,046.89)
Proceeds from short term borrowings (net)	110.86	-
Interest paid	(443.91)	(86.00)
Net cash generated from / (used in) financing activities	**(333.05)**	**504.11**
Net (Decrease)/Increase in Cash and Cash equivalents (A+B+C)	(207.25)	368.43
Cash and Cash equivalents at the beginning of the year	383.59	15.15
Cash and Cash equivalents at the end of the period (refer note 12)	**176.34**	**383.59**

Non-cash investing and financing activities (refer note 17)

Summary of significant accounting policies (refer note 1)

The accompanying notes are an integral part of the financial statements (refer note 2 - 53)

As per our report of even date

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

per **Pramod Kumar Bapna**
Partner
Membership Number: 105497

Place: Mumbai
Date: 26th April, 2021

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

A. Siddharth
(Chairman)

Bijay Agrawal
(Chief Financial Officer)

Anil Rajbanshi
(Non-Executive,
Non Independent Director)

Hitesh Kanani
(Company Secretary)

Place: Mumbai
Date: 26th April, 2021

CORPORATE INFORMATION

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

Pursuant to an application made by the State Bank of India, the Hon'ble National Company Law Tribunal, Ahmedabad bench ("Adjudicating Authority"), vide its order dated 18th July, 2017, had ordered the commencement of the corporate insolvency resolution ("CIR") process in respect of the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 (the "Code"). Pursuant to its order dated 8th March, 2019 ("NCLT Order"), the Adjudicating Authority approved the resolution plan submitted by the Resolution Applicants for the Company under Section 31 of the Insolvency and Bankruptcy Code, 2016 ("Code") ("Approved Resolution Plan"). As per the terms of Section 31 of the Code, the Resolution Plan shall be binding on the Company, its employees, members, creditors, guarantors and other stakeholders involved in the Resolution Plan. During the year, the Company has completed all the implementation steps as required in the Resolution Plan.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation:

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

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

a. Derivative financial instruments,

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

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

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

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

The financial statements are presented in ₹, which is the functional currency and all values are rounded to the nearest crore (₹ 00,00,000), except when otherwise indicated.

b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of services and the normal time between the acquisition of assets and their realisation into cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities

c) Foreign Currency Transactions and Translation

The management of the Company has determined Indian rupee ("₹") as the functional currency of the Company. In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency ("foreign currencies") are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Exchange differences on monetary items are recognised in statement of profit and loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Company initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Company determines the transaction date for each payment or receipt of advance consideration.

d) Revenue from contract with customers:

The Company recognises revenue from the following major sources, acting in the capacity of principal:

- Sale of consumer product
- Other operating revenue

Sale of consumer product

The Company sells textile Products. The Company recognizes revenue on the sale of goods, net of discounts, sales incentives, estimated customer returns and rebates granted, commission, if any, when control of the goods is transferred to the customer.

Discounts given include rebates, price reductions and other incentives given to customers. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Export Incentives

Export benefits arising from Duty Drawback scheme, Merchandise Export Incentive Scheme and other eligible export incentives are recognised on post export basis at the rate at which the entitlements accrue and is included in the 'Other Operating Income' (Revenue from operation).

Nature, timing of satisfaction of performance obligation and transaction price (Fixed and variable)

The Company recognises revenue when it transfers control of a product or service to a customer.

The control of goods is transferred to the customer depending upon the terms or as agreed with customer or delivery basis (i.e. at the point in time when goods are delivered to the customer or when the customer purchases the goods from the Company warehouse). Control is considered to be transferred to customer when customer has ability to direct the use of such goods and obtain substantially all the benefits from it such as following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when onselling the goods and bears the risks of obsolescence and loss in relation to the goods.

Based on the terms of the contract and as per business practice, the Company determines the transaction price considering the amount it expects to be entitled in exchange of transferring promised goods or services to the customer. It excludes amount collected on behalf of third parties such as taxes.

The Company provides volume discount and rebate schemes, to its customers on certain goods purchased by the customer once the quantity of goods purchased during the period exceeds a threshold specified in the contract. Volume discount and rebate schemes give rise to variable consideration. To estimate the variable consideration to which it will be entitled, the Company considers that either the expected value method or the most likely amount method, depending on which of them better predicts the amount of variable consideration for the particular type of contract.

Rendering of services

Revenue from rendering of services is recognised over time considering the time elapsed. The transaction price of these services is recognised as a contract liability upon receipt of advance from the customer, if any, and is released on a straight line basis over the period of service.

Contract assets, contract liabilities and trade receivables

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues (which we refer to as unearned revenues) and advance from customers are classified as contract liabilities. A receivable is recognised by the Company when the control over the goods is transferred to the customer such as when goods are delivered as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. The average credit period on sale of goods is 7 to 90 days.

Dividend and Interest income

Dividend income from investments is recognised when the Company's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

e) **Income taxes:**

Current tax

Current tax payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Ind AS financial statements and the corresponding tax bases used in the computation of taxable profit. While preparing standalone Ind AS financial statements, temporary differences are calculated using the carrying amount as per standalone Ind AS financial statements and tax bases as determined by reference to the method of tax computation.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profits will be available against which deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

f) Leases:

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows

- Building 2 to 3 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

g) Property, Plant and Equipment

Assets held for use in the production or supply of goods or services, for rental to others or for administrative purposes, are stated in the standalone balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated, however, it is subject to impairment.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Likewise, subsequent cost incurred to overhaul the plant and machineries and major inspection costs are recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.

Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Stand-by equipment and servicing equipment are recognised as property, plant and equipment if they are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one period. Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital work-in-progress'.

Depreciation methods, estimated useful lives and residual value:

Depreciation is recognised so as to write off the cost of assets (other than freehold land) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Depreciation on property, plant and equipment has been provided on straight line method as per the useful life prescribed in Schedule II of the Company's Act, 2013, except in case of following assets, where useful life used is different than those prescribed in part C of Schedule II:

Asset category	Estimated useful life
Buildings	50 to 60 years
Plant and Machinery	15 to 40 years

Based on technical evaluation done by the Chartered Engineer, the management believes that the useful lives as given above, best represent, the period over which management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

The residual values are not more than 5% of the original cost of the asset.

The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed at each financial year end and any changes there in are considered as change in estimate and accounted prospectively.

h) Intangible assets:

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses, if any. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in statement of profit and loss when the asset is derecognised.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows

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

i) Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

The Company may incur borrowing costs during an extended period in which it suspends the activities necessary to prepare an asset for its intended use or sale. Such costs are costs of holding partially completed assets and do not qualify for capitalisation. However, an entity does not normally suspend capitalising borrowing costs during a period when it carries out substantial technical and administrative work. The Company also does not suspend capitalising borrowing costs when a temporary delay is a necessary part of the process of getting an asset ready for its intended use or sale.

The Company shall cease capitalising borrowing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

j) Investment Property:

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

The Company depreciates building component of investment property over 30 years from the date of original purchase.

The Company, based on technical assessment made by technical expert and management estimate, depreciates the building over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. In determining the amount of consideration from the derecognition of investment property the Company considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any).

Transfers are made to (or from) investment property only when there is a change in use.

k) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

I. **Financial Assets**

A) **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

B) **Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost

  A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

- Debt instruments at fair value through other comprehensive income (FVTOCI)

  A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

- Debt instruments at fair value through profit or loss (FVTPL)

  FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

  In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

  All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

  If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to statement of profit & loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

  Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

C) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

D) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

E) Investments in subsidiaries, associates and joint ventures

The Company has elected to account for its equity investments in subsidiaries, associates and joint ventures under IND AS 27 on Separate Financials Statements, at cost. At the end of each reporting period the Company assesses whether there are indicators of diminution in the value of its investments and provides for impairment loss, where necessary.

II. Financial Liabilities

A) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

B) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- <u>Financial liabilities at fair value through profit or loss</u>

  Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

  Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognised in OCI. These gains/loss are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

- Loans and Borrowings

  This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

  Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

- Financial guarantee contracts

  Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

  The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the contractual payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

C) De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

D) Compound instruments

The component parts of compound instruments (optionally convertible preference share) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible instrument, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in statement of profit and loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible instruments are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible instrument using the effective interest method.

III. Reclassification of financial assets / liabilities

After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations.

IV. Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of Company or the counterparty.

V. Derivatives and hedging activities

The Company enters derivatives like forwards contracts to hedge its foreign currency risks. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently marked to market at the end of each reporting period with profit/loss being recognised in statement of profit and loss. Derivative assets/ liabilities are classified under "other financial assets/ other financial liabilities". Profits and losses arising from cancellation of contracts are recognised in the statement of profit and loss.

l) Inventories:

Finished goods are stated at the lower of cost and net realisable value. Raw material, packing materials and stores & spares are stated at costs unless the finished goods in which they will be incorporated are expected to be sold below cost. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials, Packing Materials and stores & spares: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

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

m) Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit and loss.

n) Provisions and contingent liabilities:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A contingent liability is:-

a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

b) a present obligation that arises from past events but is not recognised because:-

   i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

   ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

A contingent asset is disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date

o) Retirement and other employee benefits:

Post-employment benefits

- Payments to defined contribution benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to statement of profit and loss. Past service cost is recognised in statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:
- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Re-measurement.

The Company presents the first two components of defined benefit costs in statement of profit and loss in the line item “Employee benefits expense”, and the last component in Other Comprehensive Income which is immediately reflected in retained earnings and is not reflected in statement of profit and loss account. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company’s defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Terminal benefits

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, performance incentives and similar benefits other than compensated absences in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of compensated absences are measured on the basis of actuarial valuation as on the balance sheet date.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

p) Earnings per share:

Basic earnings per share is calculated by dividing the profit/loss attributable to the owners of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share adjusts the figure used in determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

q) Operating segment

The management views the Company's operation as a single segment engaged in business of "Textiles" Hence there is no separate reportable segment under Ind AS 108 'Operating segment'.

r) Onerous contracts

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

s) Government Grant

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

t) Key sources of estimation uncertainty and critical accounting judgements

In the course of applying the accounting policies, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future periods.

Key sources of estimation uncertainty

a) Useful lives of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Refer Note 2 and 30 for further disclosure.

b) Impairment of property plant and equipment

Determining whether the property, plant and equipment are impaired requires an estimate in the value in use of cash generating units. It requires to estimate the future cash flows expected to arise from the cash generating units and a suitable discount rate in order to calculate present value. When the present value of the cash flows are less than carrying value of property, plant and equipment a material impairment loss may arise. Refer Note 2 and 40 for further disclosure.

c) Impairment of investments in and loan given to subsidiaries and joint ventures

Determining whether the investments in and loan given to subsidiaries and joint ventures are impaired requires an estimate in the value in use. In considering the value in use, the Management have anticipated the future cash flows, discount rates and other factors of the underlying businesses/ companies. In certain cases, the Company engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. Refer Note 6, 7, 41 and 51 for further disclosure.

d) Provisions, liabilities and contingencies

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of an outflow of resources embodying economic benefits are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized. Refer Note 36 for further disclosure.

e) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Refer Note 8 and 38 for further disclosure.

f) Employee benefit plans

The cost of defined benefit gratuity plan and other post-employment benefits are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Refer Note 28 and 44 for further disclosure.

g) Lease

The application of Ind AS 116 requires Company to make judgements and estimates that affect the measurement of right-of-use assets and liabilities. In determining the lease term, we consider all facts and circumstances that create an economic incentive to exercise renewal options (or not exercise termination options). Assessing whether a contract includes a lease also requires judgement. Estimates are required to determine the appropriate discount rate used to measure lease liabilities.

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company ‘would have to pay’, which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

h) Changes in accounting policies and disclosures

Application of the following amendments to the existing standards did not have any significant impact on the standalone financial statements of the Company:

(i) Ind AS 103 – Business Combinations

(ii) Ind AS 107 – Financial Instruments: Disclosures

(iii) Ind AS 109 – Financial Instruments

(iv) Ind AS 116 – Leases

The Company has not early adopted any standards, amendments that have been issued but are not yet effective / notified.

Note '2' Property, Plant and Equipment

(₹ in Crore)

Description of assets	Gross Block				Depreciation / impairment					Net book value	
	As at 1st April, 2020	Additions	Deductions	As at 31st March, 2021	As at 1st April, 2020	For the year	Deductions	Impairments (refer note 40)	As at 31st March, 2021	As at 31st March, 2021	As at 31st March, 2020
Freehold land	4,627.06	0.00	-	4,627.06	-		-	2,737.02	2,737.02	1,890.04	4,627.06
Building	3,185.25	2.83	-	3,188.08	392.17	41.82	-	1,640.52	2,074.51	1,113.57	2,793.09
Plant and Equipment	9,176.31	199.20	0.13	9,375.38	2,584.01	238.70	0.13	3,837.08	6,659.66	2,715.72	6,592.30
Furniture and Fixtures	53.56	0.25	-	53.81	45.97	0.69	-	4.20	50.86	2.95	7.59
Vehicles	11.07	0.82	0.98	10.91	10.00	0.11	0.93	0.42	9.60	1.31	1.06
Office Equipment	7.42	0.15	0.01	7.56	7.01	0.04	0.01	0.15	7.19	0.37	0.41
Office Premises	2.83	0.00	-	2.83	0.23	0.03	-	1.54	1.80	1.03	2.61
Computer and Peripherals	5.62	5.11	1.92	8.81	4.31	0.66	1.85	0.84	3.96	4.85	1.30
Tools and Equipment	54.92	1.68	-	56.60	18.20	2.18	-	21.20	41.58	15.02	36.72
Total	**17,124.04**	**210.04**	**3.04**	**17,331.04**	**3,061.90**	**284.23**	**2.93**	**8,242.97**	**11,586.18**	**5,744.86**	**14,062.14**

Description of assets	Gross Block				Depreciation / impairment					Net book value	
	As at 1st April, 2019	Additions	Deductions	As at 31st March, 2020	As at 1st April, 2019	For the year	Deductions	Impairments	As at 31st March, 2020	As at 31st March, 2020	As at 31st March, 2019
Freehold land	4,627.06	-	-	4,627.06	-	-	-	-	-	4,627.06	4,627.06
Building	3,185.27	-	0.02	3,185.25	313.58	78.59	-	-	392.17	2,793.09	2,871.69
Plant and Equipment	9,183.09	0.26	7.04	9,176.31	2,146.40	441.80	4.19	-	2,584.01	6,592.30	7,036.69
Furniture and Fixtures	53.56	0.00	-	53.56	42.32	3.64	-	-	45.97	7.59	11.23
Vehicles	11.26	-	0.19	11.07	9.27	0.86	0.12	-	10.00	1.07	2.00
Office Equipment	7.37	0.05	-	7.42	6.86	0.15	-	-	7.01	0.41	0.51
Office Premises	2.83	0.00	-	2.83	0.18	0.05	-	-	0.23	2.61	2.65
Computer and Peripherals	4.87	0.75	-	5.62	4.10	0.21	-	-	4.31	1.30	0.77
Tools and Equipment	54.63	0.29	0.00	54.92	14.87	3.33	-	-	18.20	36.72	39.76
Total	**17,129.93**	**1.35**	**7.25**	**17,124.04**	**2,537.58**	**528.63**	**4.31**	**-**	**3,061.90**	**14,062.14**	**14,592.36**

NOTE :

1. Certain property plant and equipment are pledge against borrowings the details relating to which have been described in note 17 pertaining to borrowings.
2. The title deeds of immovable properties included in property, plant and equipment and investment properties are held in the name of the Company, except in the case of certain immovable properties (gross block of ₹ 3,940 crores) which are pledged with the erstwhile lenders and not available with the Company. The Company has sent written requests to these erstwhile lenders for release of these original title deeds to the Company.

Note '3' Investment Property

(₹ in Crore)

Description of assets	Gross Block				Depreciation / impairment					Net book value	
	As at 1st April, 2020	Additions	Deductions	As at 31st March, 2021	As at 1st April, 2020	For the year	Deductions	Impairments (refer note 40)	As at 31st March, 2021	As at 31st March, 2021	As at 31st March, 2020
Building	8.73	-	-	8.73	1.14	0.22	-	1.35	2.71	6.01	7.58
Total	**8.73**	**-**	**-**	**8.73**	**1.14**	**0.22**	**-**	**1.35**	**2.71**	**6.01**	**7.58**

Description of assets	Gross Block				Depreciation / impairment					Net book value	
	As at 1st April, 2019	Additions	Deductions	As at 31st March, 2020	As at 1st April, 2019	For the year	Deductions	Impairments	As at 31st March, 2020	As at 31st March, 2020	As at 31st March, 2019
Building	8.73	-	-	8.73	0.90	0.24	-	-	1.14	7.58	7.83
Total	**8.73**	**-**	**-**	**8.73**	**0.90**	**0.24**	**-**	**-**	**1.14**	**7.58**	**7.83**

Note : Information regarding Income and expenditure of Investment property

(₹ In Crore)

Particulars	31 March 2021	31 March 2020
Rental income derived from Investment properties (See Note 25)	0.43	0.27
Less: Direct operating expenses (including repairs and maintenance) arising from investment property that generates rental income	0.06	0.03
Profit arising from investment properties before depreciation	**0.36**	**0.24**
Less: Depreciation	0.22	0.24
Profit arising from investment properties before indirect expenses	**0.14**	**0.00**

Note:

(a) The Company's investment property consists of Residential flats and commercial buildings in India.

(b) Investment property are pledge against borrowings the details relating to which have been described in note 17 pertaining to borrowings.

As at 31 March 2021 and 31 March 2020, the fair values of the properties are ₹ 10.48 crore and ₹ 11.85 crore respectively, based on the internal assessment made by the Company considering publically available market values.

Note '4' Intangible assets

(₹ in Crore)

Description of assets	Gross Block				Depreciation / impairment					Net book value	
	As at 1st April, 2020	Additions	Deductions	As at 31st March, 2021	As at 1st April, 2020	For the year	Deductions	Impairments (refer note 40)	As at 31st March, 2021	As at 31st March, 2021	As at 31st March, 2020
Trademarks / Brands	12.39	-	-	12.39	11.77	0.62	-	-	12.39	-	0.62
Computer Software	1.61	0.14	-	1.74	1.52	0.08	-	-	1.60	0.14	0.08
Total	**14.00**	**0.14**	**-**	**14.14**	**13.29**	**0.70**	**-**	**-**	**13.99**	**0.14**	**0.71**

Description of assets	Gross Block				Depreciation / impairment					Net book value	
	As at 1st April, 2019	Additions	Deductions	As at 31st March, 2020	As at 1st April, 2019	For the year	Deductions	Impairments	As at 31st March, 2020	As at 31st March, 2020	As at 31st March, 2019
Trademarks / brands	12.39	-	-	12.39	11.77	-	-	-	11.77	0.62	0.62
Computer software	1.61	-	-	1.61	1.39	0.13	-	-	1.52	0.09	0.22
Total	**14.00**	**-**	**-**	**14.00**	**13.16**	**0.13**	**-**	**-**	**13.29**	**0.71**	**0.83**

Note '5' Right-of-use assets

(₹ in Crore)

Description of assets	Gross Block				Depreciation / impairment					Net book value	
	As at 1st April, 2020	Additions	Deductions	As at 31st March, 2021	As at 1st April, 2020	For the year	Deductions	Impairments (refer note 40)	As at 31st March, 2021	As at 31st March, 2021	As at 31st March, 2020
Leasehold land	35.96	-	-	35.96	2.21	0.28	-	19.90	22.39	13.57	33.75
Total	**35.97**	**-**	**-**	**35.97**	**2.21**	**0.28**	**-**	**19.90**	**22.39**	**13.57**	**33.75**

Description of assets	Gross Block				Depreciation / impairment					Net book value	
	As at 1st April, 2019	Additions	Deductions	As at 31st March, 2020	As at 1st April, 2019	For the year	Deductions	Impairments	As at 31st March, 2020	As at 31st March, 2020	As at 31st March, 2019
Leasehold land	35.96	-	-	35.96	1.76	0.45	-	-	2.21	33.75	34.20
Total	**35.96**	**-**	**-**	**35.96**	**1.76**	**0.45**	**-**	**-**	**2.21**	**33.75**	**34.20**

6 Investments

Non-current, unquoted

(₹ In Crore)

	Particulars	Number of units		Amount	
		As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
a)	**Investment in equity shares**				
	In subsidiary companies - (at cost fully paid up)				
i)	Alok International Inc. (₹ 43,225/-) (face value of USD 1 each)	1,000	1,000	0.00	0.00
ii)	Alok Infrastructure Limited (face value of ₹ 10 each)	50,000	50,000	0.05	0.05
	(Pledged against finance availed by Alok Infrastructure Limited)				
iii)	Alok Singapore Pte. Limited (₹ 49/-) (face value of USD 1 each)	1	1	0.00	0.00
	(Pledged against finance availed by Alok Singapore Pte. Limited)				
iv)	Alok International (Middle East) FZE (face value of AED 1 million each)	1	1	1.31	1.31
	(Pledged against finance availed by Alok International (Middle East) FZE)				
v)	Alok Worldwide Limited (₹ 6,252/-) (face value of USD 1 each)	100	100	0.00	0.00
vi)	Grabal Alok (UK) Limited			45.27	45.27
	Less : Impairment in value of investment			(46.63)	(46.63)
				-	-
	In Joint Venture (fully paid up at cost) (refer note 41)				
	Aurangabad Textiles & Apparel Parks Limited (face value of ₹ 10 each)	1,019,200	1,019,200	17.25	17.25
	New City Of Bombay Mfg. Mills Limited (face value of ₹ 10 each)	4,493,300	4,493,300	75.13	75.13
	Less : Impairment in value of investment			(92.38)	-
				-	**92.38**
	Others (fully paid up at cost)				
i)	Triumphant Victory Holdings Limited (₹ 90.14/-) (Face value of USD 1 each)	2	2	0.00	0.00
	Less : Impairment in value of investment			(0.00)	(0.00)
				-	-
ii)	Dombivali Nagari Sahakari Bank Limited (Face value of ₹ 50 each)	10,000	10,000	0.05	0.05
iii)	New India Co-op Bank Limited (face value of ₹ 10 each) (investment value ₹ 3000/-)	300	300	0.00	0.00
iv)	Saraswat Bank Limited (face value of ₹ 10 each) (investment value ₹ 25,000/-)	2,500	2,500	0.00	0.00
	(Pledged against finance availed by Company)				
v)	Wel-Treat Environ Management Organisation (face value of ₹ 10 each) (investment value ₹ 36,500/-)	3,650	3,650	0.00	0.00
				0.05	**0.05**

(₹ In Crore)

Particulars	Number of units		Amount	
	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
b) In Preference shares - others (fully paid up at amortised cost)				
Triumphant Victory Holdings Limited (0% Redeemable cumulative Preference shares, face value of USD 1 each)	35,466,960	35,466,960	199.79	188.22
Less : Impairment in value of investment			(199.79)	(188.22)
			-	-
Total			**0.05**	**92.43**
Aggregate amount of unquoted investments			338.86	327.29
Aggregate amount of impairment in value of investments			(338.81)	(234.85)

7 Loans

Non-current

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured, considered good		
Loan to related party (refer note 42)	182.12	871.60
Security deposits	2.76	3.01
Assets which have significant increase in credit risk	1,190.87	501.39
	1,375.75	**1,376.00**
Less: impairment allowance (refer note 51)		
Assets which have significant increase in credit risk	(1,190.87)	(501.39)
Total	**184.88**	**874.61**
Loans, current		
Unsecured, considered doubtful		
Loans to related parties which have significant increase in credit risk (refer note 42)	1,465.99	1,465.99
	1,465.99	**1,465.99**
Less: impairment allowance		
Loan which have significant increase in credit risk	(1,465.99)	(1,465.99)
Total	-	-

8 Deferred tax assets (Net)

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Deferred tax asset (net) comprises of timing difference on account of		
Deferred Tax Asset		
Provision for employee benefits	9.40	10.35
Provision for doubtful debts, advances and investments	832.03	4,923.68
Unabsorbed depreciation carried forward	642.05	675.60
Business loss carried forward	830.20	822.10
Less : Deferred Tax Liability		
Difference between tax and book base of fixed assets	(710.69)	(3,216.52)
Re-measurement gains on defined benefit plans	-	(0.73)
Deferred Tax Asset	**1,603.00**	**3,214.48**
Deferred tax Asset not recognised (refer note 38)	(1,603.00)	(1,791.37)
Net Deferred Tax Asset	-	**1,423.11**

Deferred tax related to items recognised in OCI during in the year:

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Net loss/(gain) on remeasurements of defined benefit plans	-	(0.73)
Deferred tax charged to OCI	**-**	**(0.73)**

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Tax losses (revenue in nature) (Refer note a below)	5,849.70	5,415.19
Total	**5,849.70**	**5,415.19**

a) Unused tax losses of revenue nature include losses of ₹ 3,298.64 crore (Previous year ₹ 3,229.10 crore) that are available for offsetting for eight years against future taxable profits of the Company in which the losses arose.

(₹ in Crore)

Financial year	As at 31st March, 2021	As at 31st March, 2020
2015-16	520.89	520.89
2016-17	1,071.68	1,071.68
2017-18	1,636.53	1,636.53
2020-21	69.54	-
Total	**3,298.64**	**3,229.10**

Further, unutilised tax losses of revenue nature include unabsorbed depreciation of ₹ 2,551.06 crore (Previous Year ₹ 2,186.09 crore) which are available for offsetting against future taxable profits indefinitely.

Reconciliation of deferred tax asset (net):

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening balance as of 1 April	1,423.11	1,423.11
Tax income/(expense) during the period recognised in the statement of profit or loss	(1,423.11)	(0.73)
Tax income/(expense) during the period recognised in the statement of OCI	-	0.73
Closing balance as at 31 March (refer note 38)	**-**	**1,423.11**
Current Tax comprise of		
Profit/(loss) before tax	(4,431.88)	1,222.46
Enacted tax rate in India	25.168%	34.944%
Expected income tax expense / (benefit) at statutory tax rate	**(1,115.42)**	**427.17**
Tax effect of		
Income not chargable to tax	(1,264.22)	-
Expenses allowed	(94.77)	(140.84)
Expenses disallowed	2,365.05	233.36
Utilisation of brought forward losses	-	(519.70)
Net income tax expense / (benefit)*	**(109.36)**	**-**
Current tax expense	-	-
Effect of tax pertaining to prior years	-	-
Current tax provision	**-**	**-**

* Being a tax loss, the current tax expenses for the year is Nil.

9 Other assets

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non current		
Unsecured, considered good		
Capital advances (refer note below)	54.23	51.06
Advance tax (net of provision for tax) (refer note 36(3))	45.45	41.80
Total	**99.68**	**92.86**
Current		
Unsecured, considered good		
Balance with statutory authorities	204.74	177.63
Prepaid expenses	18.17	18.69
Advance to vendors	12.95	3.24
	235.86	**199.56**
Unsecured, considered doubtful		
Balance with statutory authorities	52.49	-
Advance to vendors	156.10	156.09
Less: impairment allowance	(208.59)	(156.09)
	-	-
Total	**235.86**	**199.56**

Note

In earlier years, the Company had entered into an agreement with the erstwhile promotors to buy land and hold it in trust on behalf of the Company. Post execution of the sale agreement and conversion of land to 'Non-Agricultural' purpose, the land will be transferred in the name of the Company. As of 31st March, 2021, the advances paid of ₹ 30 crore are disclosed as part of capital advances. On completion of the process, the land will be capitalised in the books. Further, also refer Note 37 for contractual capital commitments.

10 Inventories

(At lower of cost and net realisable value)

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Raw materials	231.71	54.51
(includes material in transit ₹ 26.82 crore (Previous year ₹ 1.56 crore)		
Work-in-progress	358.23	144.40
Finished goods (includes material in transit ₹ 17.42 crore (Previous year ₹ 2 crore)	234.41	103.83
Stores and spares	48.64	25.97
Packing material	11.58	6.04
Total	**884.57**	**334.75**

NOTE:

i) Value of inventories above is stated after provision of ₹ 10.34 crore (previous year ₹ 63.09 crore) for write down to net realisable value and provision for slow moving and obsolete items.

11 Trade receivables

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Receivables from related parties (refer note 42)	10.02	-
Others	270.47	163.37
Receivables which have significant increase in credit risk	79.13	74.79
	359.62	**238.16**
Less Impairment allowance		
Receivables which have significant increase in credit risk	(79.13)	(74.79)
Net receivables	**280.49**	**163.37**
Movement of impairment allowance		
Opening balance	74.79	11,081.85
Changes in loss allowance:		
Increase in impairment allowance based on expected credit loss	4.34	31.37
Decrease in impairment allowance (refer note 35)	-	(11,038.43)
Closing balance	**79.13**	**74.79**

12 Cash and cash equivalents

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
On current accounts	18.98	83.48
In fixed deposit accounts	157.32	300.00
Cash on hand	0.04	0.11
Total	**176.34**	**383.59**

For lien created on fixed deposits, refer note 19.

Changes in liabilities due to financial activities

Particulars	As at 31st March, 2020	Cash Flows	Conversion of loan to equity	Others*	As at 31st March, 2021
Borrowings - non current	28,030.50	-	(5,293.90)	-	22,736.60
Borrowings - current	-	110.86	-	-	110.86
Other financial liabilities	12.57	(12.57)	-	38.73	38.73

Particulars	As at 31st March, 2019	Cash Flows	Adjustment as per resolution plan	Others*	As at 31st March, 2020
Borrowings - non current	5,870.72	340.11	21,819.67	-	28,030.50
Borrowings - current	16,944.56	-	(16,944.56)	-	-
Other financial liabilities	6,751.16	-	(6,751.16)	12.57	12.57

* includes interest accrued

13 Other bank balances

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Other financial assets		
Non current		
Balance with banks		
Balances / deposits held as margin money or security against borrowings, guarantee and other commitments	1.79	0.98
Total	**1.79**	**0.98**
(b) Other bank balances		
Current		
Balance with bank		
In earmarked accounts		
Unclaimed dividend accounts	-	0.34
Balances / deposits held as margin money or security against borrowings, guarantee and other commitments	71.83	86.36
Total	**71.83**	**86.70**

14 Other current financial assets

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured, considered good		
Advance to staff	0.30	2.48
Export incentives (scripts on hand)	1.48	-
Export incentive receivable	23.99	42.99
Contract assets	2.16	0.71
Derivative instrument	0.66	-
	28.59	**46.18**
Unsecured, considered doubtful		
Export incentives (scripts on hand)	0.24	0.24
Export incentive receivable	2.42	1.47
Inter corporate deposits	0.66	0.66
	3.32	2.37
Less : impairment allowance	(3.32)	(2.37)
	-	-
Total	**28.59**	**46.18**

15 Equity share capital

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Authorised		
35,00,00,00,000 Equity shares of ₹ 1/- each	3,500.00	3,500.00
500,00,00,000 Preference shares of ₹ 1/- each	500.00	500.00
	4,000.00	**4,000.00**
Issued, subscribed and fully paid up capital	**496.52**	**221.07**
496,52,40,401 Equity shares of ₹1/- each (Previous year 221,06,51,228 Equity shares of ₹ 1/- each) fully paid up	496.52	221.07
	496.52	**221.07**
Add : 13,921 Equity Shares forfeited of ₹ 10/- each, ₹ 5/- paid up (₹ 69,605/-)	0.01	0.01
Total	**496.53**	**221.08**

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

(₹ in Crore)

Particulars	No. of shares		Amount	
	31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020
At the beginning of the year	2,210,651,228	1,377,317,895	221.08	1,377.33
Add: issue of Shares as per Approved Resolution Plan (refer note b and c below	2,754,600,000	833,333,333	275.46	83.33
Less : equity shares cancelled (₹ 10,827/-) (refer note d below)	(10,827)	-	(0.00)	-
Less : reduction in face value of shares from ₹ 10/- per share to ₹ 1/- per share (refer note a)	-	-	-	(1,239.59)
At the end of the year	**4,965,240,401**	**2,210,651,228**	**496.53**	**221.08**

a) During the previous year, in accordance with the Approved Resolution Plan, the face value of the Company's equity has been reduced from ₹ 10/- per share to ₹ 1/- per share.

b) During the previous year, in accordance with the Approved Resolution Plan, the Company has issued and allotted 83,33,33,333 equity of ₹ 1/- each at a premium of ₹ 2/- per share to Reliance Industries Limited (RIL) on 28th February, 2020.

c) During the year, in accordance with the Approved Resolution Plan, the Company on 10th September, 2020, further allotted on preferential basis:- 115,32,00,000 equity shares of the face value of ₹ 1/- (Rupee One only) each, fully paid up, to RIL, pursuant to conversion of debt; and 160,14,00,000 equity shares of the face value of ₹ 1/- (Rupee One only) each, fully paid up, to JM Financial Asset Reconstruction Company Limited acting in its capacity as a Trustee of 'JMFARC- March 2018 – Trust'- (JMFARC), pursuant to conversion of debt. Accordingly the same has been issued for a consideration other than cash.

d) In accordance with the Approved Resolution Plan, 10,827 equity shares belonging to the erstwhile promoters of the company stand cancelled and extinguished.

(ii) Shareholders holding more than 5 percent shares in the Company

Name of the Shareholder	No. of shares		As at	
	31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020
Reliance Industries Limited	1,986,533,333	833,333,333	40.01%	37.70%
JM Financial Asset Reconstruction Company Limited Acting in its capacity as Trustee of JMFARC-March 2018-Trust	1,737,311,844	-	34.99%	-

(iii) Rights, preferences and restrictions attached to equity shares

i) The Company has one class of equity shares having a par value of 1 per share. Each holder of equity share is entitled to one vote per share.

ii) Right to receive dividend as may be approved by the Board of Directors / Annual General Meeting.

iii) The equity shares are not repayable except in the case of a buy back, reduction of capital or winding up in terms of the provisions of the Companies Act, 2013.

iv) Every member of the Company holding equity shares has a right to attend the General Meeting of the Company and has a right to vote in proportion to his share of the paid-up capital of the Company.

v) In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the company, after distribution of all preferential amounts, in proportion to their shareholding.

16 Other Equity

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Capital reserve		
Balance as per last balance sheet	1,981.85	11.72
Add: on extinguishment of shares (₹ 10,827/-)(refer note below)	0.00	-
Add: due to reduction in face value of shares and other adjustments	-	1,970.13
	1,981.85	**1,981.85**
Note:		
Refer note 15(i)(d) This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.		
Capital redemption reserve		
Balance as per last balance sheet	9.10	9.10
Add : Addition during the year	-	-
	9.10	**9.10**
Note:		
Capital redemption reserve was created during the year ended 31 March 2012, on merger of Grabal Alok Impex Limited (Subsidiary of the Company). This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.		
Securities premium		
Balance as per last balance sheet	1,160.31	993.65
Add : Addition during the year	-	166.66
	1,160.31	**1,160.31**
Note:		
Securities premium is used to record the excess of the amount received over the face value of the shares. This reserve will be utilised in accordance with the provision of the Companies Act, 2013.		
General reserve		
Balance as per last balance sheet	280.62	280.62
Add : Addition during the year	-	-
	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 (DRR)		
Balance as per last balance sheet	-	81.97
Less: Transferred from / (to) Statement of Profit and Loss	-	(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	-	(9.34)
Add : Addition during the year	-	9.34
	-	**-**
Note:		
Exchange differences relating to Long term foreign currency loan has been transferred to this account amortised over the balance year of the loan.		
Equity component of compound financial instrument		
9% Optionally Convertible Preference Shares	**12.40**	**12.40**

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Other comprehensive income (net of tax)		
Balance as per last Balance Sheet	17.78	16.41
Add : Addition during the year	2.85	1.37
	20.63	**17.78**
Note: This relates to the remeasurement impact of defined benefit plans and income tax effect of the same.		
(Deficit)/surplus in the statement of profit and loss		
Retained earnings	(14,371.82)	(15,674.95)
Profit/(Loss) for the year	(5,854.99)	1,223.19
Transferred from DRR	-	81.97
Less: Dividend on preference shares	-	(2.03)
	(20,226.81)	**(14,371.82)**
Note: This represents the surplus/ (deficit) of the statement of profit or loss. The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the separate financial statements of the Company and also considering the requirements of the Companies Act, 2013.		
Total	**(16,761.90)**	**(10,909.76)**

17 Long-term borrowings

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured at amortised cost		
9% Optionally Convertible Preference Shares (refer note (i) below)	237.60	237.60
	237.60	**237.60**
Secured term loans at amortised cost		
- Term Loans (Refer (ii), (iii) and (iv) below)		
From banks	5,114.98	5,110.30
From Asset Reconstruction Company (ARC)	14,517.44	22,682.60
From Body Corporate	2,866.58	-
	22,499.00	**27,792.90**
Total	**22,736.60**	**28,030.50**

Note:

(i) Optionally Convertible Preference Shares :

During the previous year as per the Approved Resolution Plan, On 28th February 2020, the Company has issued and allotted 250,00,00,000 9% Optionally Convertible Preference Shares (OCPS) of ₹ 1/- each to Reliance Industries Limited (RIL). (i) RIL is entitled to convert these OCPS into equity shares of the Company (1:1 basis) at any time on or before 18 months from their date of allotment i.e. 28th February 2020. (ii) if RIL does not convert the OCPS into equity shares with in the period of 18 months, OCPS shall be redeemed at the end of 10 years from the date of allotment. (iii) dividend @9% per annum on outstanding amount is payable on cumulative basis.

(ii) Security for term loans

(₹ in Crore)

Nature of security	Banks	ARC	Body Corporate	Total
Primary:	5,114.98	-	-	5,114.98
First charge on pari-passu basis over all fixed assets of the Company.	(5,110.30)	(-)	(-)	(5,110.30)
Collateral:				
(1) First charge on pari-passu basis over the fixed assets of Alok Infrastructure Limited (a wholly owned subsidiary);				
(2) Second charge on all current asset of the Company (both present & future).				
Second charge over all movable and immovable assets of the Company and fixed assets of Alok Infrastructure Limited, mortgaged/ to be mortgaged in favour of the above Term Loan lenders.	-	-	2,866.58	2,866.58
	(-)	(-)	(-)	(-)
Subordinate charge to the charge created in favour of RIL, over all movable and immovable assets of the Company and Alok Infrastructure Limited.	-	14,517.44	-	14,517.44
	(-)	(22,682.60)	(-)	(22,682.60)
Total	**5,114.98**	**14,517.44**	**2,866.58**	**22,499.00**
	(5,110.30)	**(22,682.60)**	**(-)**	**(27,792.90)**

(previous year figures in brackets)

(iii) Terms of repayment of Secured Term Loans

Non-current (₹ in Crore)

Particulars	effective rate of interest	1-3 Years	3-4 Years	Beyond 4 Years	Total
Rupee term loan from bank					
	8%p.a. - 9%p.a.	939.59	954.48	3,220.91	5,114.98
	(8%p.a. - 9%p.a.)	(334.84)	(604.75)	(4,170.71)	(5,110.30)
Rupee term loan from Asset Reconstruction Company					
	refer note 'a' below	-	-	14,517.44	14,517.44
	refer note 'a' below	(-)	(-)	(22,682.60)	(22,682.60)
Rupee term loan from body corporate					
	refer note 'a' below	-	-	2,866.58	2,866.58
	refer note 'a' below	(-)	(-)	(-)	(-)
Total		**939.59**	**954.48**	**20,604.93**	**22,499.00**
		(334.84)	**(604.75)**	**(26,853.31)**	**(27,792.90)**

(previous year figures in brackets)

Note a - As per the approved resolution plan, loans from asset reconstruction company and body corporate are interest free for a period of 8 years, post which the terms of the assigned debt shall be mutually agreed among the resolution applicants and the Company (Refer note 34).

(iv) During the current year, in accordance with the Approved Resolution Plan, JMFARC Limited and Reliance Industries Limited have converted debt amounting to ₹ 5,298.58 crore into equity, whereby the Company has issued 2,75,46,00,000 equity shares at face value ₹ 275.46 crore, (refer note 15). Since it is non cash item; it is not reflected in the statement of cash flow.

18 Provisions

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non current		
Gratuity (refer note 44)	20.74	20.65
Leave encashment	12.86	6.92
Total	**33.60**	**27.57**
Current		
Leave encashment	3.75	2.07
Total	**3.75**	**2.07**

19 Current borrowings

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Working capital loans : (secured, at amortised cost)		
Cash credit / overdraft accounts (refer note below)	110.86	-
Total	**110.86**	**-**

Note

These are repayable on demand and secured by lien on the fixed deposits of the Company kept with State Bank of India. The loan is repayable on demand and carrying interest of 3% to 5% p.a.

20 Trade payable

(₹ in Crore)

Particulars	As At 31st March, 2021	As At 31st March, 2020
Total outstanding dues of micro enterprises and small enterprises (refer note below)	21.72	17.99
Total outstanding dues of trade payables other than micro enterprises and small enterprises	961.79	333.63
Total	**983.51**	**351.62**

Refer note 42 for related party balance.

Disclosure Under the Micro and Small Enterprises Development Act, 2006 are provided to the extent the Company has received intimation from the "Suppliers" regarding their status under the Act;

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	21.72	17.99
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the previous accounting year	0.63	32.08
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) Interest provided earlier not payable as per the terms of approved resolution plan	-	(32.08)
(v) The amount of interest due and payable for the year	0.52	0.63
(vi) The amount of interest accrued and remaining unpaid at the end of the accounting year	1.14	0.63
(vii) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

The information has been given in respect of such vendor to the extent they could be identified as Micro and Small Enterprise as on the basis of information available with the Company.

21 Other payable

(₹ in Crore)

Particulars	As At 31st March, 2021	As At 31st March, 2020
Others (includes outstanding expenses & salaries & wages payable)	71.48	46.07
Total	**71.48**	**46.07**

22 Other financial liabilities

(₹ in Crore)

Particulars	As At 31st March, 2021	As At 31st March, 2020
Non current		
Interest accrued but not due	-	2.03
Total	**-**	**2.03**
Current		
Interest accrued and due	1.14	12.57
Interest accrued but not due	37.59	-
Unclaimed dividends	-	0.34
Creditors for capital goods	6.76	0.38
Total	**45.49**	**13.29**

23 Other current liabilities

(₹ in Crore)

Particulars	As At 31st March, 2021	As At 31st March, 2020
Contract liabilities	13.55	8.74
Statutory dues payable	5.69	9.11
Total	**19.24**	**17.85**

24 Revenue From Operations

(₹ in Crore)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
a) **Sale of product**		
Sales - local	2,713.98	2,325.83
Sales - export	901.17	714.05
b) **Sale of services**		
Job work charges	56.69	40.02
	3,671.84	**3,079.90**
c) **Other operating revenue**		
Export incentives	56.03	55.70
Sale of scrap	7.44	4.68
Total	**3,735.31**	**3,140.28**

Timing of revenue recognition

(₹ in Crore)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Goods transferred at a point in time	3,615.15	3,039.88
Services transferred at a point in time	56.69	40.02
Total revenue from contracts with customers	**3,671.84**	**3,079.90**

Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

(₹ in Crore)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Revenue as per contracted price	3,761.33	3,120.00
Less: Discounts	(12.47)	(9.82)
Less: Sales return	(42.60)	(4.21)
Less: Commission	(34.42)	(26.07)
Revenue from contracts with customers	**3,671.84**	**3,079.90**

Performance Obligation

The performance obligation is satisfied upon delivery of the goods and payment is generally due within 7 to 90 days from delivery. Some contracts provide customers with a right of return and volume rebates which give rise to variable consideration subject to constraint. There are no material unsatisfied performance obligation outstanding at the year end.

Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers

(₹ in Crore)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Trade receivables (refer note 11)	359.62	238.16
Contract assets (refer note 14)	2.16	0.71
Contract liabilities (refer note 23)	13.55	8.74

Trade receivables are non interest bearing and are generally on terms of 7 to 90 days.

Contract assets includes amounts related to contractual right to consideration for completed performance objectives not yet invoiced.

Contract liabilities include payments received in advance of performance under the contract, and are realised with the associated revenue recognised under the contract.

Set out below is the amount of revenue recognised from:

(₹ in Crore)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Amounts included in contract liabilities at the beginning of the year	8.74	76.98
Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	8.74	76.98
Revenue recognised from performance obligations satisfied in previous years	-	-

25 Other income

(₹ in Crore)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest income		
- Bank fixed deposits	8.83	8.48
- Others	0.14	0.20
Dividend income :		
- Others (previous year ₹ 456/-)	-	0.00
Exchange rate difference (net)	5.71	11.64
Gain on financial instruments at fair value through profit or loss	0.74	-
Sundry credit balances written back	1.15	64.36
Rental income	0.43	0.27
Other non operating income	4.66	0.24
Total	**21.66**	**85.19**

26 Cost of materials consumed

(₹ in Crore)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Raw material consumed		
Inventory at the beginning of the year (refer note 10)	54.51	55.35
Add: Purchases	2,505.81	2,086.06
Less: Inventory at the end of the year (refer note 10)	(231.71)	(54.51)
	2,328.61	**2,086.90**
Packing Materials Consumed		
Inventory at the beginning of the year (refer note 10)	6.04	6.31
Add: Purchases	154.48	100.42
Less: Inventory at the end of the year (refer note 10)	(11.58)	(6.04)
	148.94	**100.68**
Total	**2,477.55**	**2,187.59**

27 Changes In Inventories of Finished Goods, Work-In-Progress

(₹ in Crore)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Closing stock (refer note 10)		
Finished goods	234.41	103.83
Work-in-progress	358.23	144.40
	592.64	**248.23**
Less : Opening stock (refer note 10)		
Finished goods	103.83	99.00
Work-in-progress	144.40	136.41
	248.23	**235.41**
Total	**(344.41)**	**(12.82)**

28 Employee benefit expenses

(₹ in Crore)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Salaries and wages	289.79	241.78
Contribution to provident and other funds (refer note 44)	4.91	4.93
Employees welfare expenses	6.24	6.20
Gratuity expense (refer note 44)	6.47	4.08
Total	**307.41**	**256.99**

29 Finance costs

(₹ in Crore)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest expense on:		
Term Loans	448.12	59.43
Working Capital	1.61	9.34
Preference shares	22.47	7.85
Others	0.52	2.62
Total	**472.72**	**79.24**

30 Depreciation and amortisation expense

(₹ in Crore)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Depreciation of property plant and equipment (refer note 2)	284.23	528.63
Depreciation on investment properties (refer note 3)	0.22	0.24
Amortization of intangible assets (refer note 4)	0.70	0.13
Right-of-use assets (refer note 5)	0.28	0.45
Total	**285.43**	**529.45**

Note

During the year, the management, based on internal technical evaluation, reassessed the estimates relating to useful life of certain assets of plant and machinery. The Company has revised the useful life of those assets to 40 years which were earlier in the range of 20-25 years. The change in estimate has been accounted prospectively and accordingly depreciation for the year ended 31st March, 2021 has reduced by ₹ 24.82 crore.

31 Other expenses

(₹ in Crore)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Stores and spares consumed	63.91	61.21
Power and fuel	516.81	496.50
Processing charges	60.27	19.57
Labour charges	98.21	72.27
Freight, coolie and cartage	34.28	18.16
Legal and professional fees	11.26	15.92
Rent	14.76	9.20
Rates and taxes	6.00	6.72
Repairs and maintenance		
Plant and machinery	18.26	14.29
Factory building	1.06	1.49
Others	4.98	5.30
Impairment allowance for doubtful debts (refer note 11)	4.34	31.37
Impairment allowance for doubtful financial/non-financial assets (refer note 7, 9 & 14)	742.94	150.97
Sundry balance written off	0.19	4.85
Directors' sitting fees (refer note 42)	0.06	-
Payment to auditor (refer note below)	2.00	1.36
Insurance	21.10	26.05
Loss on sale of assets (net)	0.03	0.01
Impairment of investment in joint ventures (refer note 41)	92.38	-
Loss on sale of investment	-	8.69
Miscellaneous Expenses	56.21	71.19
Total	**1,749.05**	**1,015.11**
Note:		
Payment to auditor		
Audit fees (including limited review)	1.80	1.25
Certification fees	0.10	0.11
Other services	0.10	-
Total	**2.00**	**1.36**

32 Pursuant to the commencement of the corporate insolvency resolution process ('CIRP') in July 2017, in the previous year the National Company Law Tribunal vide its order dated 8th March, 2019 had approved the resolution plan submitted by JM Financial Asset Reconstruction Company Limited, JM Finance ARC – March 19 Trust and Reliance Industries Limited ('the resolution applicants') under Section 31 of the Insolvency and Bankruptcy Code, 2016 ('IBC'). This approved resolution plan shall be binding on the Company, its employees, members, creditors, guarantors and other stakeholders involved in the resolution plan. In the previous year, the Company had commenced the implementation of the steps as required under Annexure 2 of the approved resolution plan vis a vis pay-outs of various CIRP costs and dues to workmen / employees, financial and operational creditors; assignment of debt to resolution applicants; reduction of capital etc.

In the current year, the Company has completed the remaining steps as laid down in Annexure 2 of the resolution plan and the resolution applicants have obtained joint control over the Company and the Board of Directors have been re-constituted on 14th September, 2020, being the closing date as determined by the Company in terms of the resolution plan.

With a view to improve the performance of the Company, the re-constituted Board has adopted a 8 year business plan with specific focus on utilising the existing capacities and upgrading the efficiency / productivity of the existing machinery at the manufacturing plants. Though the Company has incurred a loss of ₹ 1,190.78 crore (before exceptional items) for the year ended 31st March, 2021 and has accumulated losses of ₹ 16,761.90 crore as on 31st March, 2021, the Company has no immediate loan obligations and its current assets exceed the current liabilities by ₹ 443.35 crore. Accordingly, the financial statements have been prepared on a going concern basis.

33 The World Health Organisation declared outbreak of Coronavirus Disease (COVID-19) as a global pandemic on 11th March, 2020. Consequently, Government of India declared a nation-wide lockdown on 23rd March, 2020 and the Company temporarily suspended operations in all its units in compliance with the lockdown instructions issued by the Central and State Governments. COVID-19 has impacted the normal business operations of the Company by way of interruption in production, supply chain disruption, unavailability of personnel, closure/ lock down of production facilities etc. during the lock-down period which was extended till 17th May, 2020. However, post this date, production and supply of goods had commenced at manufacturing locations of the Company after obtaining due permissions from the appropriate government authorities. Based on the same, the Company does not expect any material adverse effect on the operations of the Company.

The Company has taken into account the possible impact of Covid-19 in preparation of the financial statements, including its assessment of the recoverable value of its assets based on the internal and external information up to the date of approval of these financial statements and current indicators of future economic conditions.

34 As per Clause 1.2 (xi) of Approved Resolution Plan, the outstanding debt assigned to Resolution Applicants shall not carry interest for the first 8 years from the Closing Date (as defined in the Approved Resolution Plan), hence such debt has been measured at cost. After such period of 8 years, the terms of assigned debt shall be mutually agreed among the Resolution Applicants and the Company. The Approved Resolution Plan has an overriding effect on the requirements of Ind AS, as per legal view obtained by the Company in this regard. Hence, had the Company applied the Ind AS, it would have recognised the assigned debt at its fair value and accordingly recognized the imputed interest cost over the period of loan in the statement of profit and loss.

35 As on June 2017, the Company had an amount of ₹ 11,623.94/- crore receivable from trading debtors on account of sale of fabric ("Outstanding Trading Dues"). As at 31st March 2019 the Company had created full provision against said receivables by charging it to the statement of profit and loss in earlier years. As per the Approved Resolution Plan, if any of the trading debtors make payment towards the Outstanding Trading Dues or any person is required to contribute to the assets of the Company under any legal process against the Outstanding Trading Dues and has contributed the same, such amounts (net of any income tax payable by the Company on account of such receipt of the Outstanding Trading Dues) shall be deposited in a designated escrow account ("Escrow Account") to be opened in the name of the Company.

Accordingly, the Company has an obligation to deposit into the escrow account any collections received out of the "Outstanding Trading Dues" or otherwise, as stated above, for the benefit of the Financial Creditors and as a result therefore, the risk and reward associated with the Outstanding Trading Dues now belong to the Financial Creditors. The Company has not received any amounts towards Outstanding Trading Dues in the current year.

36 Contingent Liabilities in respect of :

(₹ in crore)

Sr. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
A	Customs duty on shortfall in export obligation in accordance with EXIM Policy	61.14	110.04
B	Guarantees given by the Company	-	10.00
C	Claims against the company not acknowledged as debts	0.12	21.95
D	Take or Pay claim filed by GAIL (India) Limited under their long term Gas Sale Agreement (refer note 4 below)	110.12	491.83

Note

1 The Company has also issued a letter of comfort to Alok Infrastructure Limited, wholly owned subsidiary company in order to meet its financial obligations. As on March 31, 2021, management has assessed that the possibility of outflow of resources embodying economic benefits with respect to the letter of comfort issued is remote.

2 Claims / Debts against the Company upto the closing date which are addressed under the NCLT approved resolution plan are not included in contingent liabilities though many of such claims / debts may be pending for disposal at various judicial forums. As per clause 3.3.4 of the aforesaid resolution plan, these liabilities stands extinguished. Accordingly, the management has assessed that the possibility of outflow of resources embodying economic benefits with respect to such claims / debts is remote.

3 All direct and indirect tax liabilities relating to assessments of earlier year upto the closing date stand extinguished as per the NCLT approved resolution plan. Further, the implementation of the resolution plan does not have any effect over claims or receivables owed to the Company. Accordingly, the Company has assessed that any receivables due to the Company, evaluated based on merits of underlying litigations, from various governmental agencies continues to subsist.

4 The Company has entered into Gas Sale Agreement (GSA) / Gas Transmission Agreement (GTA) dated 27th May, 2013 with GAIL India Limited ('GAIL') for the supply of re-liquified natural gas (RLNG) to the delivery point and for transmission of gas from the delivery point to the unit. The tenure of the agreements was for a period of 15 years and includes a take or pay clause in the contract. Upto the closing date i.e 14th September, 2020, GAIL has raised claims of ₹ 1,090 crores invoking the take or pay clause under the contract. GAIL was covered as an operational creditor under the NCLT approved resolution plan which provides for Nil payment if dues of operational creditors are above ₹ 3 lacs. Aggrieved by the order, GAIL has filed an appeal with National Company Law Appellate Tribunal (NCLAT) which is pending for disposal. As stated in Note 36, all claims upto the closing date i.e. 14th September, 2020 stands extinguished as per the approved resolution plan. Further, in light of the various recent judicial pronouncements made by the NCLAT and the Hon'ble Supreme Court of India in IBC related cases, it is established that the provisions of section 32A of the IBC are absolute and binding. Accordingly, Company considers that the aforesaid claim / demand relating to those upto the closing date is remote.

37 Capital Commitments

(₹ in crore)

Particulars	31st March, 2021	31st March, 2020
Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances)	48.55	7.83

38 The Company has re-assessed the Deferred Tax assets recognized in earlier years, based on the new management's business plan and accordingly determined that there is no reasonable certainty that these deferred tax assets will be utilised in future. On the basis of such assessment the parent company has not recognised any deferred tax assets as at March 31, 2021 and has reversed its opening deferred tax assets of ₹ 1,423.11 crore.

39 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.

40 Exceptional Items

(₹ in crore)

PARTICULARS		Year ended 31st March, 2021	Year ended 31st March, 2020
1)	Gain on extinguishment of liability on account of invocation of pledged shares as per resolution plan (refer note 'a' below)	4,964.68	-
2)	Gain on extinguishment of liability on account of reduction of certain portion of assigned debt as per the Approved Resolution Plan (refer note 'b' below)	58.44	-
3)	Impairment loss on assets (refer note 'c' below)	(8,264.22)	-
4)	Extinguishment of operational creditors (including the Central Government, State Government or local authority) as per the resolution plan (refer note 'd' below)	-	938.97
5)	Write-back of non-assignable loans of financial creditors as per the resolution plan (refer note 'e' below)	-	1,093.51
6)	Extinguishment of other current and non-current liabilities as per resolution plan	-	20.06
		(3,241.10)	**2,052.55**

a) In terms of the Approved Resolution Plan, JM and Reliance Industries Limited ('RIL') have converted such portion of their assigned debt into equity, such that their joint equity holding in the Company is 75%. Pursuant to such conversion, the proportionate reduction in Outstanding ARC Debt as per clause 1.2 (xii) of the Approved Resolution Plan is ₹ 5,240.14 crore. The price at which the conversion has taken place has been determined in accordance with the Approved Resolution Plan and applicable law and consequently, the difference between the issue of 275.46 crore equity shares at face value and the amount by which the assigned debt has been proportionately reduced as stated above has been recognised as exceptional gain in the statement of profit and loss.

b) In terms of the Approved Resolution Plan, 13,59,11,844 pledged equity shares were transferred to JM Financial Asset Reconstruction Company Limited (acting in its capacity as Trustee for JMFARC-March - 2018 –Trust) (referred as "JM"). Further, as per the aforesaid Plan, the debt assigned to JM has been proportionately reduced by the value of such shares (₹ 58.44 crore) determined basis the lower of the trading price prevailing on BSE Limited or National Stock Exchange of India Limited one day before the date of invocation. Accordingly, extinguishment of financial liability amounting to ₹ 58.44 crore has been recognised as exceptional gain in the statement of profit and loss.

c) The Company has been incurring operational losses over the past few years working at capacity utilization of about 30-35%. The carrying value of assets is based on a value in use calculation which uses cash flow projections based on financial budgets approved by the management covering a seven year period, and a discount rate of 11.61% per annum. Based on the dynamics of the sector in which Company operates, the management has assumed long term growth rate of 0% to calculate the terminal value. Accordingly, the Company has recognized an impairment loss of ₹ 8,264.22 crore on tangible assets during the year and is included in exceptional items for the year in the Statement of Profit and Loss.

Exceptional Item - for the year ended 31st March, 2020

d) In previous year, as per the resolution plan, in respect of operational creditors of whom erstwhile resolution professional had admitted claims up to ₹ 3 lakh, the Company has already paid the dues. With respect to other operational creditors outstanding as on the insolvency commencement date, the Company has recognized a gain of ₹ 938.97 crore on account of extinguishment of such liabilities as an exceptional item in these financial statements.

e) In previous year, in respect of financial creditors the Company has already paid / provided as per the resolution plan. No financial creditor now has any further rights or claim against the Company, in respect of the period prior to the insolvency commencement date or in respect of the amounts written back. Accordingly, the company has recognised a gain of ₹ 1,093.51 crore on account of extinguishment of such financial liability as an exceptional item.

41 In the current year, management has performed an impairment assessment of the recoverability of the carrying value of its investments in the joint ventures i.e Aurangabad Textiles & Apparel Parks Limited and New City of Bombay Mfg. Mills Limited and accordingly impaired the full value in the books. In doing so, management has taken into consideration the Company's share in expected recovery of assets of the joint ventures, net of any liabilities and guarantees given by the Company in respect of the joint ventures.

42 Related Party Disclosure

As per Indian Accounting Standard 24 (IndAS-24) "Related Party Disclosures", Company's related party disclosures are as below:

A. List of related parties where control exists and relationships

(A) Subsidiaries

Sr. No.	Name of the Enterprise
1	Alok Infrastructure Limited
2	Alok Singapore PTE Limited
3	Alok International (Middle East) FZE
4	Alok Worldwide Limited
5	Alok International Inc.
6	Alok Industries International Limited
7	Grabal Alok International Limited
8	Mileta a.s.

(B) Joint Ventures

Sr. No.	Name of the Enterprise
1	New City of Bombay Mfg Mills Limited
2	Aurangabad Textiles and Apparel Parks Limited

(C) Parties having joint control over the Company

Sr. No.	Name of the Enterprise
1	Reliance Industries Limited (previous year since 01st March, 2020)
2	JM Financial Asset Reconstruction Company Limited Acting in its capacity as Trustee of JMFARC-March 2018-Trust

(D) Key Management Personnel (KMP)

Sr. No.	Name of the KMP
1	Siddharth Achuthan, (Non-Executive, Independent Director)
2	Anil Rajbanshi, (Non-Executive, Non Independent Director)
3	Hemant Desai (Non-Executive, Non Independent Director)
4	Venkataraman Ramachandran (Non-Executive, Non Independent Director)
5	Samir Chawla (Non-Executive, Non Independent Director)
6	Rahul Dutt (Non-Executive, Independent Director)
7	Mumtaz Bandukwala (Non-Executive, Independent Director)
8	Ashok B. Jiwrajka, Director (till 14th September, 2020)
9	Dilip B. Jiwrajka, Director (till 14th September, 2020)
10	Surendra B. Jiwrajka, Director (till 14th September, 2020)
11	Surinder Kumar Bhoan, Independent Director (till 14th September, 2020)
12	Tulsi N. Tejwani, Executive Director (till 14th September, 2020)
13	Bijay Agrawal, Chief Financial Officer (Since 16th September, 2020)
14	Sunil O. Khandelwal, (Chief Financial Officer till 16th September, 2020)
15	Hitesh Kanani, Company Secretary (since 18th January, 2021)
16	K. H. Gopal, (Company Secretary till 18th January, 2021)
17	Ajay Joshi (Member of Monitoring committee till 14th September, 2020)

(E) Relatives of KMP

Sr. No.	Name of the Enterprise
1	Alok A. Jiwrajka (till 14th September, 2020)
2	Niraj D. Jiwrajka (till 14th September, 2020)
3	Varun S. Jiwrajka (till 14th September, 2020)
4	Vidhi Jiwrajka (till 14th September, 2020)

(F) Firms in which KMP and Relatives of KMP are interested

Sr. No.	Name of the Enterprise
1	Avan Packaging & Boards (till 14th September, 2020)
2	Linear Design (till 14th September, 2020)
3	C. J. Corporation (till 14th September, 2020)
4	Alok Knit Exports Ltd (till 14th September, 2020)
5	Alok Denim India Ltd (till 14th September, 2020)

(G) Members of the same Group i.e. Reliance Industries Limited

Sr. No.	Name of the Enterprise
1	Reliance Retail Limited

B. Transactions with related parties and outstanding balances are as below.

(₹ in crore)

Transaction	Parties having joint control over the Company		Subsidiaries		Joint Venture		Members of the same Group i.e. Reliance Industries Limited	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Sales of goods	62.70	0.05	-	-	-	-	25.74	-
Purchase of goods	1,800.65	101.15	-	-	-	-	-	-
Purchase of fixed assets	1.06						0.76	-
Rent expense	-	-	5.98	-	-	-	-	-
Issue of equity shares	275.46	83.33	-	-	-	-	-	-
Share premium on above issue	-	166.67	-	-	-	-	-	-
Issue of 9% optionally convertible preference shares	-	250.00	-	-	-	-	-	-
Assignment of borrowings as per the resolution plan	-	22,682.60	-	-	-	-	-	-
Conversion of debt into equity as per the resolution plan	5,298.58	-	-	-	-	-	-	-
Outstanding as at 31st March								
9% Optionally convertible preference shares	250.00	250.00	-	-	-	-	-	-
Borrowings	17,384.02	22,682.60					-	-
Long term loan given (Gross)	-	-	2,605.66	2,605.66	-	-	-	-
Impairment allowance on loans given	-	-	(2,423.54)	(1,734.06)	-	-	-	-
Long term loan given (net of impairment)	**-**	**-**	**182.12**	**871.60**	**-**	**-**	**-**	**-**
Non-current investments	-	-	46.63	46.63	92.38	92.38	-	-
Impairment in the value of investment	-	-	(46.63)	(46.63)	(92.38)	-	-	-
Non-current investments (net of impairment)	**-**	**-**	**-**	**-**	**-**	**92.38**	**-**	**-**
Trade receivables (Gross)	6.84	-	3.18	3.18	-	-	-	-
Impairment provision	(3.05)	-	(3.18)	(3.18)	-	-	-	-
Trade receivables net of impairment	**3.79**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Advance from customers	-	(0.18)	-	-	-	-	-	-
Trade payables	485.65	109.98	1.65	-	-	-	-	-

Transactions with Key Management Personnel, Relatives of KMP & Company / Firms in which KMP & relatives of KMP are interested

(₹ in crore)

Transaction	Key Management Personnel		Relatives of Key Management Personnel		Company/ Firms in which relatives of key management persons interested	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Purchase of goods	-	-	-	-	12.18	42.93
Rent expense	-	-	0.10	0.20	-	-
Directors sitting fee	0.06	-	-	-	-	-
Remuneration*	3.75	4.87	0.45	0.90	-	-
Outstanding as at 31st March						
Trade receivables (₹ 26/-)	-	-	-	-	-	0.00
Trade payables	-	-	-	-	-	4.39

* This do not include the provision made for gratuity and expenses for Leave Encashment as they are determined on an actuarial basis for the Company as a whole

C. Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured, interest free and will be settled in cash. There have been no guarantees received or provided for any related party receivables or payables.

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

(₹ in crore)

Transaction	Year ended	
	31st March, 2021	31st March, 2020
Sales of Goods		
Reliance Industries Ltd.	62.70	0.05
	62.70	**0.05**
Purchase of goods		
C. J. Corporation (till 14th September, 2020)	12.18	42.93
Reliance Industries Ltd.	1,800.65	101.15
	1,812.83	**144.08**
Purchase of property, plant & equipment		
Reliance Industries Limited	1.06	-
	1.06	**-**
Rent Expense		
Varun S. Jiwrajka (till 14th September, 2020)	0.05	0.10
Vidhi S. Jiwrajka (till 14th September, 2020)	0.05	0.10
Alok International Inc.	5.98	-
	6.08	**0.20**
Remuneration*		
Bijay Agrawal (since 16th September, 2020)	0.35	-
Hitesh Kanani (since 18th January, 2021)	0.21	-
Sunil O. Khandelwal	1.53	1.73
K. H. Gopal (till 18th January, 2021)	1.25	1.66
Tulsi Tejwani (till 14th September, 2020)	0.40	0.74
Senthil Kumar (till 20th January, 2020)	-	0.74
Alok A Jiwrajka (till 14th September, 2020)	0.15	0.30
Niraj Jiwrajka (till 14th September, 2020)	0.15	0.30
Varun Jiwrajka (till 14th September, 2020)	0.15	0.30
	4.20	**5.77**

(₹ in crore)

Transaction	Year ended	
	31st March, 2021	31st March, 2020
Sitting Fees		
Siddharth Achuthan	0.02	-
Rahul Dutt	0.02	-
Mumtaz Bandukwala	0.02	-
	0.06	
Issue of equity shares		
Reliance Industries Limited	115.32	83.33
JM Financial Asset Reconstruction Company	160.14	-
	275.46	**83.33**
Share premium on issue of equity shares		
Reliance Industries Limited	-	166.66
	-	**166.66**
9% Optionally convertible preference shares		
Reliance Industries Limited	-	250.00
	-	**250.00**
Assignment of borrowings as per the resolution plan		
JM Financial Asset Reconstruction Company *	-	22,682.60
	-	**22,682.60**
Conversion of debt into equity pas per resolution plan		
Reliance Industries Limited	2,133.42	-
JM Financial Asset Reconstruction Company	3,165.16	-
	5,298.58	**-**

*Out of the total assigned debt of ₹ 22,682.60 crs, an amount of ₹ 5,000 cr has been assigned by JM Financial Asset Reconstruction Company to Reliance Industries Limited.

Outstanding balances

(₹ in crore)

Particulars	Year ended	
	31st March, 2021	31st March, 2020
Equity		
Reliance Industries Limited	198.65	83.33
JM Financial Asset Reconstruction Company	160.14	-
	358.79	**83.33**
Share premium on issue of equity shares		
Reliance Industries Limited	166.66	166.66
	166.66	**166.66**
Borrowings		
(a) 9% Optionally convertible preference shares (including debt and equity component)		
Reliance Industries Limited	250.00	250.00
	250.00	**250.00**
(b) Borrowings		
Reliance Industries Limited	2,866.58	-
JM Financial Asset Reconstruction Company	14,517.44	22,682.60
	17,384.02	**22,682.60**
Trade payables		
C. J. Corporation	-	4.34
Reliance Industries Limited	485.65	109.98
Alok International Inc.	1.65	-
Alok Denim India Ltd	-	0.05
	487.30	**114.37**

(₹ in crore)

Particulars	Year ended	
	31st March, 2021	31st March, 2020
Loan given to Subsidiaries		
Alok Infrastructure Limited	1,372.99	1,372.99
Alok Industries International Limited	2.48	2.48
Grabal Alok (UK) Limited	76.35	76.35
Alok International Inc.	315.61	315.61
Alok Worldwide Limited	838.10	838.10
Grabal Alok International Limited	0.13	0.13
	2,605.66	**2,605.66**
Impairment allowance on loans given		
Alok Infrastructure Limited	(1,190.87)	(501.39)
Alok Industries International Limited	(2.48)	(2.48)
Grabal Alok (UK) Limited	(76.35)	(76.35)
Alok International Inc.	(315.61)	(315.61)
Alok Worldwide Limited	(838.10)	(838.10)
Grabal Alok International Limited	(0.13)	(0.13)
	(2,423.54)	**(1,734.06)**
Investments in Subsidiary		
Alok Infrastructure Limited	0.05	0.05
Alok International Inc.	0.00	0.00
Alok Worldwide Limited	0.00	0.00
Grabal Alok (UK) Limited	45.27	45.27
Alok Singapore Pte Limited	0.00	0.00
Alok International (Middle East) FZE	1.31	1.31
	46.63	**46.63**
Impairment in value of investment in subsidiary		
Alok Infrastructure Limited	(0.05)	(0.05)
Alok International Inc.	(0.00)	(0.00)
Alok Worldwide Limited	(0.00)	(0.00)
Grabal Alok (UK) Limited	(45.27)	(45.27)
Alok Singapore Pte Limited	(0.00)	(0.00)
Alok International (Middle East) FZE	(1.31)	(1.31)
	(46.63)	**(46.63)**
Investments in joint venture		
New City of Bombay Mfg Mills Limited	75.13	75.13
Aurangabad Textiles and Apparel Parks Limited	17.25	17.25
	92.38	**92.38**
Impairment in value of investment in joint venture		
New City of Bombay Mfg Mills Limited	(75.13)	-
Aurangabad Textiles and Apparel Parks Limited	(17.25)	-
	(92.38)	**-**
Trade receivables		
Reliance Industries Limited	6.84	-
Alok International Inc.	2.85	-
Alok Infrastructure Limited	0.33	-
	10.02	**-**
Trade receivables (Impairment allowance based on expected credit loss)		
Reliance Industries Limited	3.05	-
Alok International Inc.	2.85	-
Alok Infrastructure Limited	0.33	-
	6.23	**-**
Advance from customers		
Reliance Industries Limited	-	(0.18)

E. Transaction with Ajay Joshi (Member of Monitoring Committee)

(₹ in crore)

Transaction	2020-21	2019-20
Professional Fees including reimbursement of Out of Pocket Expenses	-	0.72

43 Earnings per share (EPS)

The earnings and weighted average number of equity shares used in the calculation of basic and diluted earnings per share are as follows:

(₹ in crore)

Particulars	31st March, 2021	31st March, 2020
Profit for the year attributable to equity holders of Company after exceptional items	(5,854.99)	1,223.19
Profit for the year attributable to equity holders of Company before exceptional item	(2,613.89)	(829.36)
Weighted average number of equity shares outstanding for Basic EPS	3,735,108,798	1,448,094,151
Add : Weighted average number of potential equity shares on account of 9% Optionally convertible preference shares	2,500,000,000	2,500,000,000
Weighted average number of equity shares outstanding for diluted EPS	6,235,108,798	3,948,094,151
Earnings per share after exceptional item		
Basic (in ₹)	(15.68)	8.45
Diluted (in ₹)	(15.68)	3.10
Earnings per share before exceptional item		
Basic (in ₹)	(7.00)	(5.73)
Diluted (in ₹)	(7.00)	(5.73)

44 Disclosures Pursuant to – "Employee benefits":

i) Defined contribution plans:

The Company's contribution to Provident Fund for the year 2020-2021 aggregating to ₹ 4.17 crore (Previous Year: ₹ 4.05 crore), ₹ 0.74 crore (Previous Year: ₹ 0.88 crore) for ESIC has been recognised in the statement of profit and loss under the head employee benefits expense. (Refer Note 28).

ii) Defined benefit plans:

a) Gratuity Plan:

The Company makes annual contribution to the Employee's Company Gratuity Assurance Scheme, a funded defined benefit plan for qualifying employees. The Fund invests in the scheme of insurance with the Life Insurance Corporation of India, First Life Insurance Company Limited, SBI Life Insurance Company Limited and Canara HSBC Oriental Bank of Commerce. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to fifteen days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs on completion of five years of service.

The following table sets out the status of the gratuity plan for the year ended 31st March, 2021 as required under Ind AS 19.

(₹ in crore)

Particulars		Gratuity (funded) as at	
		31st March, 2021	31st March, 2020
I.	**Change in Defined Benefit Obligation**		
	Opening Defined Benefit Obligation	40.15	38.26
	Current Service Cost	5.24	4.56
	Interest Cost	2.51	2.86
	Actuarial (Gain)	(2.89)	(2.60)
	Benefits Paid	(3.86)	(2.93)
	Closing Defined Benefit Obligation	**41.15**	**40.15**
II.	**Change in Fair Value of Plan Assets**		
	Opening Fair value of Plan Assets	19.50	8.66
	Return on Plan Assets	1.22	0.65
	Actuarial gain/(loss)	-	(0.50)
	Contribution by Employer	3.59	13.63
	Benefits Paid	(3.90)	(2.93)
	Closing fair value of plan assets	**20.41**	**19.50**

(₹ in crore)

Particulars		Gratuity (funded) as at	
		31st March, 2021	31st March, 2020
III.	**Net Liability recognised in the Balance Sheet**	**20.74**	**20.65**
IV.	**a) Expense recognised in statement of Profit and Loss**		
	Current Service Cost	5.18	1.87
	Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	1.29	2.21
	Total included in employment expenses	**6.47**	**4.08**
	b) Included in other Comprehensive Income	**(2.85)**	**(2.10)**
V.	**Actual return on Plan Assets**	**1.18**	**0.15**
VI.	**Investments details (Invested through Trustees of Alok Industries Limited Employees Group Gratuity Assurance Scheme):**		
	Insurer Managed Funds	20.41	19.50
		100%	100%
VII.	**The assumptions used in accounting for the gratuity are set out below:**		
	Discount rate	6.25%	6.25%
	Rate of increase in compensation levels of covered employees	6.00%	6.00%
	Rate of return on plan assets *	6.25%	6.25%
	Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
	Attrition / withdrawal rate	8%	8%
VIII.	**Future contribution :**		
	Amount expected to be contributed in the next 12 months	27.75	26.18

* Expected rate of return on plan assets is based on expectation of the average long term rate of return expected to prevail over the estimated term of the obligation on the type of the investments assumed to be held by respective insurance companies, since the fund is managed by Insurer. The estimates of future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotions and other relevant factors.

Experience Adjustments:

(₹ in crore)

Particulars	Year Ended				
	31st March, 2021	31st March, 2020	31st March, 2019	31st March, 2018	31st March, 2017
Defined benefit obligation	41.15	40.15	38.26	35.56	40.39
Plan Assets	20.41	19.50	8.66	10.17	12.88
Surplus / (Deficit)	(20.75)	(20.65)	(29.60)	(25.39)	(27.51)
Experience Adjustments on Plan Liabilities	(2.89)	(6.16)	(0.82)	(4.18)	(2.35)

Asset Allocation:

Since the investments are held in the form of deposit with the fund managers, these are not volatile and the market value of assets is the cost value of assets and has been accordingly considered for the above disclosure.

Sensitivity Analysis:

(₹ in crore)

Particulars	31st March, 2021	31st March, 2020
Defined Benefit Obligation (Base)	41.15	40.14

(₹ in crore)

Particulars	31st March, 2021		31st March, 2020	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+1%)	44.66	38.09	43.61	37.13
(%change compared to base due to sensitivity)	8.5%	-7.4%	8.6%	-7.5%
Salary Growth Rate (-/+1%)	38.23	44.44	37.25	43.41
(% change compared to base due to sensitivity)	-7.1%	8.0%	-7.2%	8.1%
Attrition Rate (-/+50% of attrition rates)	41.06	41.09	40.00	40.14
(% change compared to base due to sensitivity)	-0.2%	0.1%	-0.4%	-0.0%
Mortality Rate (-/+10%of mortality rates)	41.14	41.15	40.14	40.15
(%change compared to base due to sensitivity)	0.0%	0.0%	0.0%	0.0%

Maturity Profile of Defined Benefit Obligation

(₹ in crore)

Expected cash flows over the next (valued on undiscounted basis):	Amount
1 year	4.98
2 to5years	15.66
6 to10years	17.58
More than10years	37.38

45 Segment Information:

The Chief Operating Decision Maker (CODM) monitors the operating results at the Company level for the purpose of making decisions about resource allocation and performance assessment. Accordingly, the Company operates in a single primary segment namely "Textiles", which constitutes a reportable segment as per Ind AS 108.

a. Geographic Information

(₹ in crore)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Revenue from operations from customers within India	2,770.67	2,365.85
Revenue from operations from customers outside India	901.17	714.05
	3,671.84	**3,079.90**

b. Major Customer

There are no customers who individually contribute more than 10%of Company's total Revenue.

c. Segment assets

(₹ in crore)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Assets within India	7,581.48	17,707.93
Assets outside India	157.68	94.39
	7,739.16	**17,802.32**

46 Capital Management and Financial Management Framework:

The Company being in a working capital intensive industry, its objective is to maintain a strong credit rating, healthy ratios and establish a capital structure that would maximize the return to stakeholders through optimum mix of debt and equity.

The Company's capital requirement is mainly to fund its capex, working capital, repayment of principal and interest on its borrowings. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets. The Company is not subject to any externally imposed capital requirements.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Since net worth of the Company is negative, debt equity ratio is not calculated.

The key risks associated with day to day operations of the Company and working capital management are given below:

A. Credit Risk:

Credit risk is the risk that counter party will not meet its obligation under a financial instrument or customer contract leading to a financial loss. The Company is exposed to credit risk mainly from trade receivables and other financial assets.

i) Trade Receivables:

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Company uses expected credit loss model to assess the impairment loss or gain. The Company uses a provision matrix and forward-looking information and an assessment of the credit risk over the expected life of the financial asset to compute the expected credit loss allowance for trade receivables. Concentrations of credit risk with respect to trade receivables are limited.

The following table gives details in respect of percentage of revenue generated from the top ten customers.

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Revenue from top 10 customers	26%	28%

ii) Other Financial Assets & loans

The Company has limited credit risk arising from cash and cash equivalents as the deposits are maintained with banks and financial institutions with high credit rating. Further, other financial assets mainly comprises of Export incentives and balances with statutory authorities (GST input credit balances) which are recoverable from Government. Hence, these are low risk items and the Company evaluates the recoverability of these financial assets at each reporting date and wherever required, a provision is created against the same.

The Company had in earlier years given loans to its subsidiaries/a company in which erstwhile directors were interested of ₹ 1,465.99 crore, which are fully provided for in the books. The net exposure of ₹ 689.48 crore is with respect of one wholly owned subsidiary whereby the company has impaired to the extent of the fair valuation of the subsidiary's investment properties / inventories.

B. Market Risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks – interest rate risk, currency risk and other price risk in a fluctuating market environment. Financial instrument affected by market risks includes loans and borrowings, deposits, derivatives and other financial assets.

i) Currency Risk

The Company's functional currency is Indian Rupees (INR). The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Company's revenue from export markets and the costs of imports. The Company has exports and to that extent has a natural hedge as a mitigation measure to cover foreign exchange risk on account of imports/ expenses in foreign currency.

The Company manages its foreign currency risk by entering into forward contracts.

Derivatives outstanding as at the reporting date (in respective currency) as at 31st March, 2021

Particulars of Transactions	Currency	Foreign Currency (in million)	INR. in crore
Forward cover to Sale USD – Trade Receivables	USD	24	176.64

Particulars of unhedged foreign currency exposure as at the reporting date

Particulars of Transactions	Currency	31st March 2021		31st March 2020	
		Foreign Currency (in million)	INR. (in crore)	Foreign Currency (in million)	INR. (in crore)
Import trade payable	USD	2.126	15.53	0.520	3.92
	EUR	0.404	3.47	0.066	0.55
	GBP	-	-	0.015	0.14
	CHF	0.263	2.05	-	-
	JPY	28.146	1.87	-	-
	BDT	-	-	0.010	0.00
Export trade receivable	USD	27.021	197.37	18.409	138.78
	EUR	0.730	6.27	0.170	1.41
	GBP	-	-	0.013	0.12

Foreign Currency Sensitivity

5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit and negative number below indicates a decrease in profit.

Following is the analysis of change in profit and pre-tax equity where the Indian Rupee strengthens and weakens by 5% against the relevant currency:

(₹ in crore)

Currency	Effect on profit before tax Change in rate (upward 5%)		Effect on profit before tax Change in rate (downward 5%)	
	31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020
CHF	(0.10)	(0.00)	0.10	0.00
Euro	0.14	0.05	(0.14)	(0.05)
JPY	(0.09)	(0.01)	0.09	0.01
USD	9.09	(5.22)	(9.09)	5.22

ii) Interest rate risk

a. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate. The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

b. The profile of the Company's fixed and floating rate borrowings is given below:

(₹ in crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Variable interest rate borrowings	5,225.84	5,110.30
Fixed interest rate borrowings	237.60	237.60

The Company has a long term borrowing of ₹ 17,384.02 crore which is interest free for a period of 8 years as per the resolution plan (Refer note 34). Being interest free, there is no interest rate risk on this loan for the next 8 years.

Interest rate sensitivity

If interest rates had been 50 basis points higher/lower and all other variables were held constant, following is the impact on profit and pre-tax equity. A positive effect is decrease in profit and negative effect is increase in profit.

(₹ in crore)

Particulars	Currency	Increase / decrease in basis points	Effect on profit before tax
31st March, 2021	INR	50	26.13
	INR	(50)	(26.13)
31st March, 2020	INR	50	25.55
	INR	(50)	(25.55)

iii) Commodity Price Risk

Commodity price risk arises due to fluctuation in prices of raw materials like PTA, MEG, cotton and yarn. The company has a risk management framework aimed at prudently managing the risk arising from the volatility in commodity prices and freight costs. The Company's commodity risk is managed centrally through well-established trading operations and control processes.

C. Financial risk management objectives

The Company has a Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Company's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.

D. Liquidity Risk:

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure for capex. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents provide liquidity in the short-term and long-term. The Company has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk through cash generated from operations, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. As at 31st March, 2021, the Company's current assets exceeds its current liabilities by ₹ 443.35 crore.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(₹ in crore)

Particulars	Year	On Demand	Less Than 1 Year	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years	Total
(a) Non Derivative financial instruments								
9% Optionally convertible preference shares	2020-21	-	-	-	-	-	250.00	250.00
	2019-20	(-)	(-)	(-)	(-)	(-)	(250.00)	(250.00)
Long term borrowings	2020-21	-	-	334.84	604.75	954.48	20,604.93	22,499.00
	2019-20	(-)	(-)	(-)	(334.84)	(604.75)	(26,853.31)	(27,792.90)
Short term borrowings								
Cash Credit Facilities/ Working Capital Loan	2020-21	110.86	-	-	-	-	-	110.86
	2019-20	0.00	(-)	(-)	(-)	(-)	(-)	0.00
Trade payables								
Trade payables-Micro and small enterprises	2020-21	-	21.72	-	-	-	-	21.72
	2019-20	(-)	(17.99)	(-)	(-)	(-)	(-)	(17.99)
Trade payables-other than micro and small enterprises	2020-21	-	961.79	-	-	-	-	961.79
	2019-20	(-)	(333.63)	(-)	(-)	(-)	(-)	(333.63)
Other payables	2020-21	-	71.48	-	-	-	-	71.48
	2019-20	(-)	(46.07)	(-)	(-)	(-)	(-)	(46.07)
Other financial liabilities								
Interest accrued on borrowings	2020-21	37.59	-	-	-	-	-	37.59
	2019-20	(2.03)	(-)	(-)	(-)	(-)	(-)	(2.03)
Other Interest accrued	2020-21	-	1.14	-	-	-	-	1.14
	2019-20	(-)	(12.57)	(-)	(-)	(-)	(-)	(12.57)
Unclaimed/Unpaid dividends	2020-21	-	-	-	-	-	-	-
	2019-20	(-)	(0.34)	(-)	(-)	(-)	(-)	(0.34)
Creditors for Capital Supplies/Service	2020-21	-	6.76	-	-	-	-	6.76
	2019-20	(-)	(0.38)	(-)	(-)	(-)	(-)	(0.38)
Total	**2020-21**	**148.45**	**1,062.90**	**334.84**	**604.75**	**954.48**	**20,854.93**	**23,960.34**
	2019-20	**(-)**	**(410.98)**	**(-)**	**(334.84)**	**(604.75)**	**(27,103.31)**	**(28,453.88)**

47 Fair value Measurement

(₹ in crore)

Sr. No.	Particulars	Fair value as at	
		31st March, 2021	31st March, 2020
A.	**Financial Assets**		
I)	**Measured at amortised cost**		
(i)	Investments	0.05	92.43
(ii)	Loans	184.88	874.61
(iii)	Trade receivable	280.49	163.37
(iv)	Other receivables	27.93	46.18
(v)	Cash and cash equivalent	176.34	383.59
(vi)	Other bank balances	71.83	86.70
(vii)	Other financial assets	1.79	0.98
II)	**Measured at fair value through profit & loss (FVTPL)**		
	Other financial assets		
	Derivative Asset (Forward Contract)	0.66	-
	Total Financial Assets	**743.97**	**1,647.86**
B	**Financial Liabilities**		
I)	**Measured at amortised cost**		
(i)	Borrowings (refer note 34)	22,847.46	28,030.50
(ii)	Trade payable	983.51	351.63
(iii)	Other financial liabilities	45.49	15.32
(iv)	Other payables	71.48	46.07
II)	**Measured at fair value through profit & loss (FVTPL)**		
	Nil	-	-
	Total Financial Liabilities	**23,947.94**	**28,443.52**

Set out below, is a fair value measurement hierarchy and comparison by class of carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts which are reasonable approximations of their fair values:

As at 31-Mar-2021				Fair values measurement using		
Particulars	Valuation Techniques	Carrying values	Fair Values	Level 1	Level 2	Level 3
Other financial assets						
Derivative Asset (Forward Contract) (Previous year nil)	Mark to Market	0.66	0.66		0.66	

Fair value hierarchy

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instrument by valuation technique:

(i) Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities;

(ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

(iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

There has been no transfers between level 1 & level 2 during the period.

48 Operating Leases

Company as a lessee

The Company has lease contracts for land used in its operations, which has a lease terms of 95 years. Refer note 5 for disclosure relating to right of use assets.

As per the terms of lease, the Company was required to make one-time advance lease payment for the leased land. Hence, following the terms of the leased agreement, the Company has made the one-time lease payment and consequently, there are no lease liabilities recorded in the Balance Sheet as at 31st March, 2021.

Company as a lessor

The Company has entered into leases on its investment property portfolio consisting of certain Residential flats and commercial buildings (see Note 3). These leases have terms of between 5 and 20 years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. Rental income recognised by the Company during the year is ₹ 0.43 crore (2020: ₹ 0.27 crore). There are no non-cancellable leases.

49 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 in which erstwhile directors were interested for the business purpose are as under. There are interest free loan granted by the Company in earlier years when the Companies Act, 1956 was effective:

(₹ in crore)

Name of the Company	As at 31st March, 2021	Maximum balance during year ended 31st March, 2021	As at 31st March, 2020	Maximum balance during year ended 31st March, 2020
	(Net off provisions)	(Gross)	(Net off provisions)	(Gross)
Alok Infrastructure Limited	182.12	1,372.99	871.60	1,372.99
Alok Industries International Limited	-	2.48	-	2.48
Alok International Inc.	-	315.61	-	315.61
Alok Worldwide Limited	-	838.10	-	838.10
Grabal Alok International Limited	-	0.13	-	0.13
Grabal Alok (UK) Limited	-	76.35	-	76.35
Triumphant Victory Holdings Limited	-	233.32	-	233.32

b. There are no investments made during the year.

c. Corporate Guarantees given by the Company in respect of loans taken by subsidiary companies (proposed to be utilised for business) - Nil

d. Security provided – Nil

50 As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects.

A CSR committee has been formed by the 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.

The Company has incurred losses in current and in previous years, Accordingly, as the average net profit for immediately preceding three financial years is NIL there are no amounts required to be spend on corporate social responsibility under section 135 of the Companies Act, 2013.

51 In the current year, on 22nd March, 2021, the NCLT has passed the order for withdrawal of the corporate insolvency resolution process for Alok Infrastructure Limited, wholly owned subsidiary of the Company. Post this, the subsidiary has also performed a valuation of its investment properties / inventories with the help of external valuation specialists and accordingly considered impairment in its books. Management believes the fair value considered by the subsidiary is reasonable considering that the same was done by the valuer for the lenders. Based on the results of such impairment testing, the Company has also impaired its loan given to the said subsidiary further by ₹ 689.48 crores in the current year and disclosed the same in Note 31. Accordingly, the overall impairment allowance as on 31st March, 2021 amounting to ₹ 2,656.86 crore on loans receivable is adequate to meet the loss that may be sustained in recovering the outstanding loans given.

52 The Company has made preferential allotment/ private placement of equity shares during the year for the purpose of part conversion of assigned debt into equity as per the NCLT approved resolution plan. Further, the Company in the previous year had raised ₹ 500 crores by way of preferential allotment of equity and optionally convertible preference shares as per the NCLT approved resolution plan. These funds have been utilized for capital expenditure and meeting working capital requirements. The unutilised amount as at 31st March, 2021 of ₹ 150 crores are invested in fixed deposits as at the year end. Post the formation of the new Board in accordance with the approved resolution plan, the new management has the authority, as deemed appropriate, for utilization of the aforesaid money raised by way of preferential allotment.

53 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our report of even date

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

per **Pramod Kumar Bapna**
Partner
Membership Number: 105497

Place: Mumbai
Date: 26th April, 2021

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

A. Siddharth
(Chairman)

Bijay Agrawal
(Chief Financial Officer)

Anil Rajbanshi
(Non-Executive,
Non Independent Director)

Hitesh Kanani
(Company Secretary)

Place: Mumbai
Date: 26th April, 2021

To the Members of Alok Industries Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Alok Industries Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its joint ventures comprising of the consolidated Balance sheet as at March 31 2021, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and joint ventures, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and joint ventures as at March 31, 2021, their consolidated loss including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

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

Emphasis of Matter

We draw attention to Note 35 of the consolidated financial statements in respect of resolution plan approved by the National Company Law Tribunal vide its order dated March 9, 2019 under section 31(1) of the Insolvency and Bankruptcy Code, 2016. The Holding Company has accounted the assigned debt as per the aforesaid resolution plan at cost, overriding the Indian Accounting Standards which would require the Holding Company to recognize the assigned debt at its fair value and accordingly recognized the imputed interest cost over the period of loan. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Impairment of assets	
a) In the current year, consequent to NCLT approved resolution plan, the Board of Directors of the Holding Company have been re-constituted and the new management has formulated its strategy and business plan. Basis these discounted cash flow projections, the value in use of the property, plant and equipment has been determined and accordingly the Holding Company has recognized an impairment loss of ₹ 8,264.22 cr and disclosed the same as an exceptional item in the consolidated financial statements. The value in use is sensitive to changes in certain inputs / assumptions used for forecasting the discounted cash flow projections due to inherent uncertainty involved in these assumptions. b) The new management has also reviewed the recoverability of all assets and accordingly the Holding Company has recorded impairment allowance / write offs in respect of the following items in the consolidated financial statements:- • GST input credit reversed under protest – ₹ 41.80 cr • VAT receivables relating to open assessments – ₹ 10.69 cr • Deferred tax assets – ₹ 1,423.11 cr • Investments in joint ventures – ₹ 92.38 cr c) In the current year, the NCLT has passed the order for withdrawal of the corporate insolvency resolution process with respect to Alok Infrastructure Limited, a wholly owned subsidiary of the Holding Company. Post this, the subsidiary has performed a valuation of its investment properties / inventories with the help of external valuation specialists and accordingly considered impairment of ₹ 650.95 crores, which is disclosed as an exceptional item in the consolidated financial statements. The auditors of Alok Infrastructure Limited have also reported a key audit matter on the same. Considering the materiality of the above items and inherent uncertainty of assumption used in valuation and estimating the impairment loss, including the fact that some of these were subject matter of audit qualifications in the previous year, the same has been considered as a key audit matter. Refer Note 42, 43 & 44 of the consolidated financial statements.	Our audit procedures included and were not limited to the following: • Obtained the cash flow projections as approved by the Board of Directors. • Assessed the valuation methodology applied in determining the value in use. In making this assessment, we evaluated the objectivity and independence of Holding Company's external specialists involved in the process. • Assessed key assumptions applied to arrive at the value in use by involving internal valuation specialists. • Obtained management assessment of recoverability of assets and assessed the same with respect to underlying documentation available with the Holding Company. • Obtained the NCLT order dated March 22, 2021 for withdrawal of the Corporate Insolvency Resolution in respect of Alok Infrastructure Limited. • Assessed key valuation aspects of the investment properties / inventories of Alok Infrastructure Limited by engaging internal valuation specialists. • Assessed the accounting for impairment made in the consolidated financial statements in accordance with Ind-AS. • Assessed the disclosures made in the consolidated financial statements. • In respect of the key audit matter reported to us by the auditor of Alok Infrastructure Limited, we performed inquiry of the audit procedures performed by them to address the key audit matter. As reported to us by the subsidiary auditor, the following procedures have been performed by them:- o Testing of controls and procedures for identification of impairment indicators. o Assessment of the valuation methodologies adopted and assumptions used by the independent valuation expert to determine the fair value of the assets.
Capitalization of property, plant and equipment and change in useful life	
In the earlier years, prior to implementation of the NCLT approved resolution plan, the Holding Company was operating at a lower capacity utilization and overall maintenance activity at the plant was curtailed due to lack of working capital. Consequently, many of the plant and machinery remained idle / non-functional and in most cases the machinery's operating speed was reduced, resulting in lower efficiency and production. During the year ended March 31, 2021, the Holding Company has incurred expenditure of ₹ 199.20 cr, largely related to purchase of spares to overhaul the existing plant and machinery in order to improve their efficiency and increase the capacity utilization. Judgement is involved to ensure that the aforesaid expenditure meets the specific recognition criteria under Ind AS 16, 'Property, Plant and Equipment'. Further, the Holding Company has based on internal technical assessment revised the useful life for the continuous polymerisation plant to 40 years. Assessment of useful life of plant and machinery involves management judgment, technical assessment, consideration of historical experiences, anticipated technological changes, etc. Accordingly, the same is considered as a key audit matter. Refer Note 1(h), 2, 31 & 33 of the consolidated financial statements.	Our audit procedures included and were not limited to the following: • Obtained approval of the Board of Directors with respect to planned capital expenditure. • Obtained management technical assessment on how the expenditure improves the efficiency and performance of the plant and machinery. • Assessed the design and operating effectiveness of controls of the Holding Company relating to capitalization of PPE (including capital work in progress). • Assessed on test basis for samples selected, that the recognition criteria under Ind AS 16 is met. • Assessed management assessment of estimation of useful life and impact recognised on account of the change made. • Assessed disclosures made in the consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Accounting of assigned debt and gain on extinguishment of liability	
a) In terms of the NCLT approved resolution plan, debt of ₹ 22,682.60 cr was assigned to JM Financial Asset Reconstruction Company (acting in its capacity as trustee of JMFARC – March 2018 – Trust) ('JM') and Reliance Industries Limited ('RIL'). As per the aforesaid plan, the assigned debt shall not carry any interest for first 8 years from the closing date, after which the terms of such loans shall be mutually agreed among the resolution applications (JM and RIL) and the Holding Company. The Holding Company has obtained a legal view that any interest accrual on the assigned debt in the books of accounts will be a contravention of the order issued by the NCLT. Accordingly, the Holding Company has accounted the assigned debt at cost, rather than fair value as required by Ind AS. b) Further, JM and RIL have converted such portion of their assigned debt (as per the resolution plan) into equity, such that their joint equity holding in the Holding Company is 75%. Pursuant to such conversion, the proportionate reduction in the outstanding assigned debt as per clause 1.2 (xii) of the approved resolution plan is ₹ 5,240.14 cr. The price at which the conversion has taken place has been determined in accordance with the approved resolution plan and legal view taken by the Holding Company to determine the date of conversion under the applicable law. As the fair value of the shares determined by an external valuation specialist was negative, the difference between the face value of the shares issued and the amount by which the assigned debt has been proportionately reduced has been recognized as an exceptional gain (₹ 4,964.68 cr) in the consolidated financial statements. In this respect, the Holding Company has taken a legal view for determining that shares have to be issued at face value in a situation when the fair value determined is negative. c) Also, as per the resolution plan, the pledged equity shares were transferred to JM and accordingly the debt assigned to JM has been proportionately reduced by the value of such shares determined basis the lower of the trading price prevailing on BSE Limited or National Stock of Exchange Limited one day before the date of invocation. Accordingly, extinguishment of financial liability of ₹ 58.44 cr has been recognized as exceptional gain in the consolidated financial statements. The above being significant transactions for the year, the same has been considered as a key audit matter. Refer Note 35 & 44 of the consolidated financial statements.	Our audit procedures included and were not limited to the following: • Obtained the fair valuation report from the management and assessed the objectivity and independence of the external valuation expert as per the auditing standards. • Assessed key assumptions in determining fair value by engaging internal valuation specialists. • Obtained the legal views from independent law firms from the management and assessed their objectivity and independence as per the auditing standards. • Read the legal views obtained by the management from independent law firms for the issue of shares to be done at face value when fair value is negative; for determining the date of conversion of debt into equity and for interpretation of clause 1.2(xi) of the resolution plan with respect to interest accrual. • Assessed whether the conversion of assigned debt into equity has been made in accordance with the NCLT resolution plan. • Assessed the accounting treatment applied by the Company in accordance with Ind-AS. • Assessed disclosures made in the consolidated financial statements of the Company.
Contingent liabilities	
As at March 31, 2021, the Holding Company had the following matters where management has assessed the possibility of outflow of resources embodying economic benefits. a) Take or pay obligation under the long term gas sale agreement. Refer Note 40 of consolidated financial statements. b) Tax liabilities with respect to open assessments for assessment years prior to the closing date as per the NCLT approved resolution plan. Refer Note 40 of consolidated financial statements. Management's judgement regarding recognition and measurement of provisions for these matters is inherently uncertain and might change over time as the outcomes of the litigations / discussions are determined. Accordingly, it has been considered as a key audit matter.	Our audit procedures included and were not limited to the following: • Assessed the management's position through discussions with the in-house legal expert. • Discussed with the management on the development in these matters during the year ended March 31, 2021 along with obtaining underlying documentation for the same, including communication with counterparties. • Assessed management assessment with respect to possibility of outflow of resources embodying economic benefits in relation to these matters. • Reviewed the disclosures made in the consolidated financial statements in this regard. • Obtained representation letter from the management on the assessment of these matters.

Key audit matters	How our audit addressed the key audit matter
The auditors of Alok Infrastructure Limited have reported a key audit matter with respect to ₹.17.33 cr paid under protest by the subsidiary to Peninsula Land Limited in view of the settlement of arbitration proceedings between the subsidiary company and Peninsula Land Limited through execution of a consent award dated June 17, 2017. As per the consent terms, the subsidiary was liable to pay Maharashtra Valued Added Tax (MVAT) and interest thereon in respect to the purchase of real estate property. In so far as the MVAT amount is concerned, the same has been paid by the subsidiary. There is however, an outstanding claim with respect to the potential interest on MVAT which not been fully crystallized as the issue with respect to the liability to pay interest is pending before the Hon'ble Supreme Court.	• In respect of the key audit matter reported to us by the auditor of Alok Infrastructure Limited, we performed inquiry of the audit procedures performed by them to address the key audit matter. As reported to us by the subsidiary auditor, the following procedures have been performed by them: - o Obtained and read the consent award dated June 17, 2017 between the Company and Peninsula Land Limited. o Assessed management assessment with respect to possibility of outflow of resources embodying economic benefits in relation to the matter. o Reviewed the disclosures made in the consolidated financial statements in this regard. o Obtained representation letter from the management on the assessment of these matters.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Director's report, management discussion and analysis section of the annual report, corporate governance report and business responsibility report, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint ventures are responsible for assessing the ability of the Group and of its joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its joint ventures are also responsible for overseeing the financial reporting process of the Group and of its joint ventures.

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and joint ventures of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of 7 subsidiaries, whose financial statements include total assets of ₹ 1,568.49 Cr as at March 31, 2021, total revenues of ₹ 0.04 crores and net cash outflows of ₹ 4.58 crores for the year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the report(s) of such other auditors.

(b) The accompanying consolidated financial statements include unaudited financial statements and other unaudited financial information in respect of 1 subsidiary, whose financial statements and other financial information reflect total assets of ₹ 209.93 crores as at March 31, 2021, and total revenue of ₹ 115.42 crores and net cash inflows of ₹ 10.66 crores for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. The consolidated financial statements also include the Group's share of net loss of 1.04 crores for year ended March 31, 2021, as considered in the consolidated financial statements, in respect of 2 joint ventures, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of the subsidiary and joint ventures, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary and joint ventures, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

(c) The consolidated financial statements of the Company for the year ended March 31, 2020, included in these consolidated financial statements, have been audited by the predecessor auditor who expressed an qualified opinion on those statements on July 31, 2020.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and joint ventures, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon, have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

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

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and joint ventures, none of the directors of the Group's companies, its joint ventures, incorporated in India, is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to consolidated financial statements of the Holding Company and its subsidiary companies and joint ventures, incorporated in India, refer to our separate Report in "Annexure 1" to this report;

(g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and joint ventures incorporated in India, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Holding Company, its subsidiaries and joint ventures incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and joint ventures, as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and joint ventures in its consolidated financial statements – Refer Note 40 to the consolidated financial statements;

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and joint ventures, incorporated in India during the year ended March 31, 2021.

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

per Pramod Kumar Bapna
Partner
Membership Number: 105497
UDIN: 21105497AAAAAQ6602

Place of Signature: Mumbai
Date: April 26, 2021

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

In conjunction with our audit of the consolidated financial statements of Alok Industries Limited (hereinafter referred to as the "Holding Company") as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

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

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

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

Opinion

In our opinion, the Group and its joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to this 1 subsidiary, which is a company incorporated in India, is based on the corresponding reports of the auditor of such subsidiary incorporated in India.

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

per Pramod Kumar Bapna
Partner
Membership Number: 105497
UDIN: 21105497AAAAAQ6602

Place of Signature: Mumbai
Date: April 26, 2021

CONSOLIDATED BALANCE SHEET
As At 31st March, 2021

(₹ In Crore)

Particulars	Note	As at 31st March, 2021	As at 31st March, 2020
Assets			
(1) Non-current assets			
(a) Property, plant and equipment	2	5,828.27	14,144.46
(b) Capital work-in-progress		10.76	0.35
(c) Investment property	3	201.10	854.10
(d) Other intangible assets	4	0.16	0.72
(e) Right-of-use assets	5	13.57	33.75
(f) Financial assets			
(i) Investments	6	0.05	94.58
(ii) Loans	7	20.24	20.55
(iii) Other financial assets	13(a)	1.79	0.98
(g) Deferred tax assets (net)	8	5.07	1,426.23
(h) Other assets	9	114.21	108.01
Total non-current assets		**6,195.22**	**16,683.73**
(2) Current assets			
(a) Inventories	10	964.37	420.42
(b) Financial assets			
(i) Trade receivables	11	347.59	241.22
(ii) Cash and cash equivalents	12	193.65	396.17
(iii) Bank balances other than (ii) above	13(b)	77.48	92.90
(iv) Loans	7	-	1.53
(v) Others	14	28.59	46.17
(c) Other assets	9	236.36	223.66
Total current assets		**1,848.04**	**1,422.07**
Total assets		**8,043.26**	**18,105.80**
Equity and liability			
(1) Equity			
(a) Equity share capital	15	496.53	221.08
(b) Other equity	16	(18,153.28)	(12,529.00)
Total equity		**(17,656.75)**	**(12,307.92)**
Liability			
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	22,765.05	28,041.32
(ii) Other financial liabilities	23	-	2.03
(b) Provisions	18	33.60	27.56
(c) Current tax Liabilities (net)	19	-	6.92
(d) Deferred tax liabilities (net)	8	-	197.56
Total non-current liabilities		**22,798.65**	**28,275.39**
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	1,152.14	1,072.91
(ii) Trade payables	21		
- Total outstanding dues to micro, small and medium enterprises		21.72	17.99
- Total outstanding dues to others		1,073.39	446.08
(iii) Other payables	22	121.47	85.56
(iv) Other financial liabilities	23	338.54	318.44
(b) Other current liabilities	24	190.20	194.19
(c) Provisions	18	3.90	3.16
Total current liabilities		**2,901.36**	**2,138.33**
Total equity and liability		**8,043.26**	**18,105.80**
Summary of significant accounting policies	1		
The accompanying notes are an integral part of the consolidated financial statements	2 to 56		

As per our report of even date

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

per **Pramod Kumar Bapna**
Partner
Membership Number: 105497

Place: Mumbai
Date: 26th April, 2021

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

A. Siddharth
(Chairman)

Bijay Agrawal
(Chief Financial Officer)

Anil Rajbanshi
(Non-Executive,
Non Independent Director)

Hitesh Kanani
(Company Secretary)

Place: Mumbai
Date: 26th April, 2021

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

For The Year Ended 31st March, 2021

ALOK INDUSTRIES LIMITED

(₹ In Crore)

Particulars	Note	Year ended 31st March, 2021	Year ended 31st March, 2020
(1) Revenue			
(a) Revenue from operations	25	3,847.59	3,297.68
(b) Other income	26	26.60	38.51
Total revenue		**3,874.19**	**3,336.19**
(2) Expenses:			
(a) Cost of materials consumed	27	2,514.87	2,243.75
(b) Purchase of traded goods		6.61	9.17
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	28	(338.58)	(7.46)
(d) Employee benefits expense	29	356.23	306.53
(e) Finance costs	30	489.29	94.29
(f) Depreciation and amortisation expense	31	295.10	541.84
(g) Other expenses	32	1,111.81	891.71
Total expenses		**4,435.33**	**4,079.83**
(3) Loss before share of profit/(loss) of Joint Ventures, exceptional items and tax (1-2)		(561.14)	(743.64)
(4) Share of loss from joint ventures		(1.04)	(0.99)
(5) Loss before exceptional items and tax (3+4)		(562.18)	(744.63)
(6) Exceptional items	44	3,892.05	(2,052.55)
(7) Profit / (Loss) before tax (5-6)		**(4,454.23)**	**1,307.92**
(8) Tax expenses / (benefits)			
(i) Current tax		-	-
(ii) Deferred tax		1,224.34	(2.31)
(iii) Adjustment of tax relating to earlier periods		(5.25)	-
Net tax expenses / (benefits)		**1,219.09**	**(2.31)**
(9) Profit / (Loss) after tax for the year (7-8)		(5,673.32)	1,310.23
(10) Other comprehensive income			
(a) (i) Items that will not be reclassified to statement of profit and loss Remeasurements gains /(losses) on defined benefit plans		2.85	2.10
(ii) Income tax on (a)(i) above		-	(0.73)
(b) (i) Items that will be reclassified to statement of profit and loss		46.19	(298.05)
Total other comprehensive income		**49.04**	**(296.68)**
(11) Total comprehensive Income for the year net of tax (9+10)		**(5,624.28)**	**1,013.55**
(12) Earnings per equity share			
Earnings per share after exceptional item (face value of ₹ 1 each)			
(a) Basic (₹)	48	(15.19)	9.05
(b) Diluted (₹)	48	(15.19)	3.32
Earnings per share before exceptional item (face value of ₹ 1 each)			
(a) Basic (₹)	48	(4.77)	(5.13)
(b) Diluted (₹)	48	(4.77)	(5.13)
Summary of significant accounting policies	1		
The accompanying notes are an integral part of the consolidated financial statements	2 to 56		

As per our report of even date

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

per **Pramod Kumar Bapna**
Partner
Membership Number: 105497

Place: Mumbai
Date: 26th April, 2021

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

A. Siddharth
(Chairman)

Bijay Agrawal
(Chief Financial Officer)

Anil Rajbanshi
(Non-Executive,
Non Independent Director)

Hitesh Kanani
(Company Secretary)

Place: Mumbai
Date: 26th April, 2021

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Year Ended 31st March, 2021

A) Equity share capital (refer note 15)

(₹ In Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening balance	221.07	1,377.32
Changes in equity share capital during the year		
Issue of equity shares during the year	275.46	83.33
Reduction in face value of shares from ₹ 10/- per share to ₹ 1/- per share	-	(1,239.59)
Closing balance	**496.53**	**221.07**

B) Other equity (refer note 16)

(₹ In Crore)

Particulars	Equity Component of Compound Financial Instrument	Reserves & Surplus							Foreign Currency Monetary Item Translation Difference Account (FCMITR	Foreign Currency Translation Reserve	Other Comprehensive Income	Total Equity attributable to equity holders of the company
		Capital Reserve	Capital Reserve on consolidation	Capital Redemption Reserve	Securities Premium	General Reserve	Debenture Redemption Reserve (DRR)	Retained Earnings				
Balance as at 1 April 2019	-	14.77	14.52	9.10	993.65	280.90	81.97	(17,215.18)	(9.34)	(61.07)	(94.92)	(15,985.59)
Addition / Reduction during the year												
Profit / (Loss) for the Year	-	-	-	-	-	-	-	1,310.23	-	-	-	1,310.23
Addition during the year FCMITR									9.34	-	(11.49)	(2.15)
Addition to capital reserve due to reduction of face value of equity shares and other adjustments	-	1,970.12	-	-	-	-	-	-	-	-	-	1,970.12
Issue of Equity shares as per Approved Resolution plan	-	-	-	-	166.66	-	-	-	-	-	-	166.66
DRR transferred to retained earnings	-	-	-	-	-	-	(81.97)	81.97	-	-	-	-
Dividend on preference shares	-	-	-	-	-	-	-	(2.03)	-	-	-	(2.03)
Optionally Convertible Preference Shares	12.40	-	-	-	-	-	-	-	-	-	-	12.40
Other Comprehensive Income	-	-	-	-	-	-	-	1.36	-	-	-	1.36
Balance as at 31 March 2020	**12.40**	**1,984.89**	**14.52**	**9.10**	**1,160.31**	**280.90**	**-**	**(15,823.65)**	**-**	**(61.07)**	**(106.41)**	**(12,529.00)**
Addition / Reduction during the year												
Profit / (Loss) for the Year	-	-	-	-	-	-	-	(5,673.32)	-	-	-	(5,673.32)
Addition to capital reserve on extinguishment of shares (₹ 10,827/-)	-	0.00	-	-	-	-	-	-	-	-	-	0.00
Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	49.04	49.04
Balance as at 31 March 2021	**12.40**	**1,984.90**	**14.52**	**9.10**	**1,160.31**	**280.90**	**-**	**(21,496.97)**	**-**	**(61.07)**	**(57.37)**	**(18,153.28)**

Summary of significant accounting policies 1

The accompanying notes are an integral part of the consolidated financial statements 2 - 56

As per our report of even date

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

per **Pramod Kumar Bapna**
Partner
Membership Number: 105497

Place: Mumbai
Date: 26th April, 2021

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

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(Chairman)

Bijay Agrawal
(Chief Financial Officer)

Anil Rajbanshi
(Non-Executive,
Non Independent Director)

Hitesh Kanani
(Company Secretary)

Place: Mumbai
Date: 26th April, 2021

CONSOLIDATED CASH FLOW STATEMENT

For The Year Ended 31st March, 2021

(₹ In Crore)

	Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
A]	**Cash Flow from Operating Activities**		
	Profit/(loss) before tax after exceptional items as per the statement of profit and loss	(4,454.23)	1,307.92
	Adjustments for:		
	Depreciation and impairment of property, plant and equipment, investment property and intangible assets	295.10	541.84
	Impairment of fixed assets	-	2.87
	Finance cost	489.29	113.63
	Interest income	(9.26)	(11.30)
	Net unrealised exchange gain / loss	(5.78)	(21.04)
	(Gain)/Loss on sale of property, plant and equipments (net)	(1.07)	(0.90)
	Impairment allowance on trade and other receivables	136.59	3.98
	Diminution in the value of investment	93.48	-
	Loss on transfer of investments	-	8.69
	Share of profit/(loss) from Joint Ventures	1.04	0.99
	Exceptional Items (refer note 44)	3,892.05	(2,052.55)
	Sundry credit balances written back	(4.06)	(1.14)
	Exchange difference arising on conversion debited to foreign currency translation reserve	46.18	(10.13)
	Operating Profit/(Loss) before working capital changes	**479.33**	**(117.14)**
	Adjustments for		
	Decrease / (Increase) in inventories	(543.95)	0.34
	Decrease / (Increase) in trade receivables	(108.68)	(15.70)
	Decrease / (Increase) in other assets	(125.64)	(55.40)
	(Decrease)/Increase in trade payable	637.15	51.81
	(Decrease)/Increase in provisions	10.56	(12.61)
	(Decrease)/Increase in other liabilities	0.51	(122.49)
	Cash (used in) / generated from operating activities	**349.29**	**(271.20)**
	Income taxes (paid) / refunded	(3.98)	5.35
	Net cash (used in) / generated from operating activities	**345.30**	**(265.84)**
B]	**Cash flow from Investing Activities**		
	Purchase of property plant & equipment, including CWIP & capital advances	(227.25)	(4.44)
	Sale of fixed assets	0.09	0.06
	Fixed deposit (placed) / matured (net)	14.60	22.05
	Interest received	9.26	11.30
	Net cash (used in) / generated from Investing Activities	**(203.30)**	**28.97**

CONSOLIDATED CASH FLOW STATEMENT
For The Year Ended 31st March, 2021

(₹ In Crore)

Particulars		Year ended 31st March, 2021	Year ended 31st March, 2020
C]	**Cash flow from Financing Activities**		
	Proceeds from issue of Equity Shares (including Share premium)	-	250.00
	Proceeds from issue of Preference Shares	-	250.00
	Proceeds from term borrowings	28.89	5,231.59
	Repayment of term borrowings	(11.26)	-
	Proceeds from short term borrowings (Net)	79.23	-
	Repayment of term borrowings	-	(5,037.63)
	Interest paid	(441.39)	(94.97)
	Net cash (used in) / generated from financing activities	**(344.53)**	**598.99**
	Net (decrease)/Increase in Cash and Cash equivalents (A+B+C)	(202.52)	362.12
	Add : Cash and Cash equivalents at the beginning of the year	396.17	34.05
	Cash and Cash equivalents at the end of the year (refer note 12)	**193.65**	**396.17**

Non-cash investing and financing activities (refer note 17)

Summary of significant accounting policies (refer note 1)

The accompanying notes are an integral part of the financial statements (refer note 2 to 56)

As per our report of even date

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

per **Pramod Kumar Bapna**
Partner
Membership Number: 105497

Place: Mumbai
Date: 26th April, 2021

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

A. Siddharth
(Chairman)

Bijay Agrawal
(Chief Financial Officer)

Anil Rajbanshi
(Non-Executive,
Non Independent Director)

Hitesh Kanani
(Company Secretary)

Place: Mumbai
Date: 26th April, 2021

CORPORATE INFORMATION

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

Pursuant to an application made by the State Bank of India, the Hon'ble National Company Law Tribunal, Ahmedabad bench ("Adjudicating Authority"), vide its order dated 18th July, 2017, had ordered the commencement of the corporate insolvency resolution ("CIR") process in respect of the parent Company under the provisions of the Insolvency and Bankruptcy Code, 2016 (the "Code"). Pursuant to its order dated 8th March, 2019 ("NCLT Order"), the Adjudicating Authority approved the resolution plan submitted by the Resolution Applicants for the parent Company under Section 31 of the Insolvency and Bankruptcy Code, 2016 ("Code") ("Approved Resolution Plan"). As per the terms of Section 31 of the Code, the Resolution Plan shall be binding on the parent Company, its employees, members, creditors, guarantors and other stakeholders involved in the Resolution Plan. During the year, the parent Company has completed all the implementation steps as required in the Resolution Plan.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

This Note provides a list of the significant Accounting Policies adopted by Alok Industries Limited (the Parent Company), it's Subsidiaries (collectively referred as the Group) and Joint Ventures; in the preparation of these Consolidated Financial Statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Basis of preparation:

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

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

a. Derivative financial instruments,

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

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

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

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

The financial statements are presented in ₹, which is the functional currency and all values are rounded to the nearest crore (₹ 00,00,000), except when otherwise indicated.

b) Principles of consolidation and equity accounting:

i) Subsidiary companies

Subsidiary companies are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary companies are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the Financial Statements of the parent and its subsidiary companies line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting Policies of subsidiary companies have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interest in the results and equity of subsidiary companies are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of changes in equity and Balance Sheet respectively.

ii) Associate companies

Associate companies are all entities over which the Group has significant influence, but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associate companies are accounted for using the equity method of accounting.

iii) Joint arrangements

Under Ind AS 111 Joint arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. Interest in Joint Venture Company is accounted for using the equity method.

iv) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise share of the Group in post-acquisition profit and loss of the investee in profit and loss, and share of the Group in Other Comprehensive Income of the investee in Other Comprehensive Income. Dividends received or receivable from associate company and Joint Venture Company are recognised as a reduction in the carrying amount of the investment.

When the Group share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associate company and Joint Venture Company are eliminated to the extent of the Group interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting Policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in (l) below.

v) Changes in ownership interest

The Group treats transactions with non-controlling interest that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interest to reflect their relative interest in the subsidiary companies.

Any difference between the amount of the adjustment to non-controlling interest and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purpose of subsequently accounting for the retained interest as an associate company, joint venture company or financial asset. In addition, any amounts previously recognised in Other Comprehensive Income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in Other Comprehensive Income are reclassified to the Statement of Profit and Loss.

If the ownership interest in a joint venture company or an associate company is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in Other Comprehensive Income are reclassified to the Statement of Profit and Loss where appropriate.

c) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of services and the normal time between the acquisition of assets and their realisation into cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities

d) Foreign Currency Transactions and Translation

The management of the Group has determined Indian rupee ("₹") as the functional currency of the Group. In preparing the financial statements of the Group, transactions in currencies other than the Group's functional currency ("foreign currencies") are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Exchange differences on monetary items are recognised in statement of profit and loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

e) Revenue from contract with customers:

The Group recognises revenue from the following major sources, acting in the capacity of principal:

- Sale of consumer product
- Other operating revenue

Sale of consumer product

The Group sells textile Products. The Group recognizes revenue on the sale of goods, net of discounts, sales incentives, estimated customer returns and rebates granted, commission, if any, when control of the goods is transferred to the customer.

Discounts given include rebates, price reductions and other incentives given to customers. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Export Incentives

Export benefits arising from Duty Drawback scheme, Merchandise Export Incentive Scheme and other eligible export incentives are recognised on post export basis at the rate at which the entitlements accrue and is included in the 'Other Operating Income' (Revenue from operation).

Nature, timing of satisfaction of performance obligation and transaction price (Fixed and variable)

The Group recognises revenue when it transfers control of a product or service to a customer.

The control of goods is transferred to the customer depending upon the terms or as agreed with customer or delivery basis (i.e. at the point in time when goods are delivered to the customer or when the customer purchases the goods from the Group warehouse). Control is considered to be transferred to customer when customer has ability to direct the use of such goods and obtain substantially all the benefits from it such as following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when onselling the goods and bears the risks of obsolescence and loss in relation to the goods.

Based on the terms of the contract and as per business practice, the Group determines the transaction price considering the amount it expects to be entitled in exchange of transferring promised goods or services to the customer. It excludes amount collected on behalf of third parties such as taxes.

The Group provides volume discount and rebate schemes, to its customers on certain goods purchased by the customer once the quantity of goods purchased during the period exceeds a threshold specified in the contract. Volume discount and rebate schemes give rise to variable consideration. To estimate the variable consideration to which it will be entitled, the Group considers that either the expected value method or the most likely amount method, depending on which of them better predicts the amount of variable consideration for the particular type of contract.

Rendering of services

Revenue from rendering of services is recognised over time considering the time elapsed. The transaction price of these services is recognised as a contract liability upon receipt of advance from the customer, if any, and is released on a straight line basis over the period of service.

Contract assets, contract liabilities and trade receivables

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues (which we refer to as unearned revenues) and advance from customers are classified as contract liabilities. A receivable is recognised by the Group when the control over the goods is transferred to the customer such as when goods are delivered as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. The average credit period on sale of goods is 7 to 90 days.

Dividend and Interest income

Dividend income from investments is recognised when the Group's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

f) Income taxes:

Current tax

Current tax payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Ind AS financial statements and the corresponding tax bases used in the computation of taxable profit. While preparing standalone Ind AS financial statements, temporary differences are calculated using the carrying amount as per standalone Ind AS financial statements and tax bases as determined by reference to the method of tax computation.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses to the extent that it is probable that taxable profits will be available against which deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

g) Leases:

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows

- Building 2 to 3 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

ii) Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

h) Property, Plant and Equipment

Assets held for use in the production or supply of goods or services, for rental to others or for administrative purposes, are stated in the consolidated balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated, however, it is subject to impairment.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Likewise, subsequent cost incurred to overhaul the plant and machineries and major inspection costs are recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit and loss.

Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Stand-by equipment and servicing equipment are recognised as property, plant and equipment if they are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes and are expected to be used during more than one period. Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as 'Capital work-in-progress'.

Depreciation methods, estimated useful lives and residual value:

Depreciation is recognised so as to write off the cost of assets (other than freehold land) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Depreciation on property, plant and equipment has been provided on straight line method as per the useful life prescribed in Schedule II of the Company's Act, 2013, except in case of following assets, where useful life used is different than those prescribed in part C of Schedule II:

Asset category	Estimated useful life
Buildings	50 to 60 years
Plant and Machinery	15 to 40 years

Based on technical evaluation done by the Chartered Engineer, the management believes that the useful lives as given above, best represent, the period over which management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

The residual values are not more than 5% of the original cost of the asset.

The residual values, useful lives and method of depreciation of property, plant and equipment are reviewed at each financial year end and any changes there in are considered as change in estimate and accounted prospectively.

i) Intangible assets:

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses, if any. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in statement of profit and loss when the asset is derecognised.

Useful lives of intangible assets

Estimated useful lives of the intangible assets are as follows

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

j) Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

The Group may incur borrowing costs during an extended period in which it suspends the activities necessary to prepare an asset for its intended use or sale. Such costs are costs of holding partially completed assets and do not qualify for capitalisation. However, an entity does not normally suspend capitalising borrowing costs during a period when it carries out substantial technical and administrative work. The Group also does not suspend capitalising borrowing costs when a temporary delay is a necessary part of the process of getting an asset ready for its intended use or sale.

The Group shall cease capitalising borrowing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

k) Investment Property:

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

The Group depreciates building component of investment property over 30 years from the date of original purchase.

The Group, based on technical assessment made by technical expert and management estimate, depreciates the building over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Though the Group measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. In determining the amount of consideration from the derecognition of investment property the Group considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any).

Transfers are made to (or from) investment property only when there is a change in use.

I) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

I. Financial Assets

A) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

B) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost

  A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

- Debt instruments at fair value through other comprehensive income (FVTOCI)

  A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

- Debt instruments at fair value through profit or loss (FVTPL)

  FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

  All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

  If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

C) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

D) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

E) Investments in joint ventures

The Group has elected to account for its equity investments in joint ventures under IND AS 27 on Separate Financials Statements, as per the equity method. At the end of each reporting period the Group assesses whether there are indicators of diminution in the value of its investments and provides for impairment loss, where necessary.

II. Financial Liabilities

A) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

B) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- Financial liabilities at fair value through profit or loss

  Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

- Loans and Borrowings

  This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

  Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

- Financial guarantee contracts

  Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

  The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the contractual payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

C) De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

D) Compound instruments

The component parts of compound instruments (optionally convertible preference share) issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible instrument, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in statement of profit and loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible instruments are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible instrument using the effective interest method.

III. Reclassification of financial assets / liabilities

After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations.

IV. Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of Group or the counterparty.

V. Derivatives and hedging activities

The Group enters derivatives like forwards contracts to hedge its foreign currency risks. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently marked to market at the end of each reporting period with profit/loss being recognised in statement of profit and loss. Derivative assets/ liabilities are classified under "other financial assets/ other financial liabilities". Profits and losses arising from cancellation of contracts are recognised in the statement of profit and loss.

m) Inventories:

Finished goods are stated at the lower of cost and net realisable value. Raw material, packing materials and stores & spares are stated at costs unless the finished goods in which they will be incorporated are expected to be sold below cost. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials, Packing Materials and stores & spares: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

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

n) Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in statement of profit and loss.

o) Provisions and contingent liabilities:

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A contingent liability is:-

a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

b) a present obligation that arises from past events but is not recognised because:-

   i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

   ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible;
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

A contingent asset is disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date

p) Retirement and other employee benefits:

Post-employment benefits

- Payments to defined contribution benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions. For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to statement of profit and loss. Past service cost is recognised in statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:
- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Re-measurement.

The Group presents the first two components of defined benefit costs in statement of profit and loss in the line item “Employee benefits expense”, and the last component in Other Comprehensive Income which is immediately reflected in retained earnings and is not reflected in statement of profit and loss account. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Group’s defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Terminal benefits

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, performance incentives and similar benefits other than compensated absences in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of compensated absences are measured on the basis of actuarial valuation as on the balance sheet date.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

q) Earnings per share:

Basic earnings per share is calculated by dividing the profit/loss attributable to the owners of the Group by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per share adjusts the figure used in determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

r) Operating segment

The management views the Group's operation as a single segment engaged in business of "Textiles" Hence there is no separate reportable segment under Ind AS 108 'Operating segment'

s) Onerous contracts

If the Group has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Group recognises any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

t) Government Grant

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

u) Key sources of estimation uncertainty and critical accounting judgements

In the course of applying the accounting policies, the Group is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future periods.

Key sources of estimation uncertainty

a) Useful lives of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Refer Note 2 and 31 for further disclosure.

b) Impairment of property plant and equipment, investment property and right-of-use assets

Determining whether the property, plant and equipment, investment property and Right-of-use assets are impaired requires an estimate in the value in use of cash generating units. It requires to estimate the future cash flows expected to arise from the cash generating units and a suitable discount rate in order to calculate present value. When the present value of the cash flows are less than carrying value of property, plant and equipment a material impairment loss may arise. Refer Note 2, 3 and 44 for further disclosure.

c) Impairment of investments in joint ventures

Determining whether the investments in joint ventures are impaired requires an estimate in the value in use. In considering the value in use, the Management have anticipated the future cash flows, discount rates and other factors of the underlying businesses/companies. In certain cases, the Group engages third party qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. Refer Note 6 and 46 for further disclosure.

d) Provisions, liabilities and contingencies

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Group. Potential liabilities that are possible but not probable of an outflow of resources embodying economic benefits are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized. Refer Note 40 for further disclosure.

e) Taxes

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. Refer Note 8 and 42 for further disclosure.

f) Employee benefit plans

The cost of defined benefit gratuity plan and other post-employment benefits are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Refer Note 29 and 49 for further disclosure.

g) Lease

The application of Ind AS 116 requires Group to make judgements and estimates that affect the measurement of right-of-use assets and liabilities. In determining the lease term, we consider all facts and circumstances that create an economic incentive to exercise renewal options (or not exercise termination options). Assessing whether a contract includes a lease also requires judgement. Estimates are required to determine the appropriate discount rate used to measure lease liabilities.

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group ‘would have to pay’, which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

h) Changes in accounting policies and disclosures

Application of the following amendments to the existing standards did not have any significant impact on the consolidated financial statements of the Group:

(i) Ind AS 103 – Business Combinations

(ii) Ind AS 107 – Financial Instruments: Disclosures

(iii) Ind AS 109 – Financial Instruments

(iv) Ind AS 116 – Leases

The Group has not early adopted any standards, amendments that have been issued but are not yet effective / notified.

Note '2' Property, Plant and Equipment

(₹ in Crore)

Description of assets	Gross Block				Depreciation / impairment					Net book value	
	As at 1st April, 2020	Additions	Deductions	As at 31st March, 2021	As at 1st April, 2020	For the year	Deductions	Impairments (refer note 44)	As at 31st March, 2021	As at 31st March, 2021	As at 31st March, 2020
Freehold Land	4,628.22	0.00	-	4,628.22	-	-	-	2,737.02	2,737.02	1,891.20	4,628.22
Building	3,171.81	2.83	-	3,174.64	405.35	42.92	-	1,640.52	2,088.79	1,085.85	2,766.46
Plant and Equipment	9,235.68	209.44	0.13	9,444.99	2,626.23	244.86	0.15	3,837.08	6,708.02	2,736.97	6,609.45
Furniture and Fixtures	50.57	0.27	-	50.84	45.96	0.68	-	4.20	50.84	0.00	4.61
Vehicles	11.10	0.82	0.98	10.94	10.03	0.11	0.93	0.42	9.63	1.31	1.07
Office Equipment	7.34	0.15	0.01	7.48	7.01	0.04	0.01	0.15	7.19	0.29	0.33
Office Premises	105.27	0.00	-	105.27	9.02	1.96	-	1.54	12.52	92.75	96.25
Computer and Peripherals	5.87	5.11	1.92	9.06	4.47	0.66	1.85	0.84	4.12	4.94	1.40
Tools and Equipment	54.91	1.68	-	56.59	18.24	2.18	-	21.21	41.63	14.96	36.67
Total	**17,270.77**	**220.30**	**3.04**	**17,488.03**	**3,126.31**	**293.41**	**2.94**	**8,242.98**	**11,659.76**	**5,828.27**	**14,144.46**

Description of assets	Gross Block				Depreciation / impairment					Net book value	
	As at 1st April, 2019	Additions	Deductions	As at 31st March, 2020	As at 1st April, 2019	For the year	Deductions	Impairments	As at 31st March, 2020	As at 31st March, 2020	As at 31st March, 2019
Freehold Land	4,628.21	0.01	-	4,628.22	-	-	-	-	-	4,628.22	4,628.21
Building	3,171.83	-	0.02	3,171.81	324.51	80.84	-	-	405.35	2,766.46	2,847.31
Plant and Equipment	9,238.41	4.31	7.04	9,235.68	2,181.09	449.31	4.17	-	2,626.23	6,609.45	7,057.32
Furniture and Fixtures	50.57	0.00	-	50.57	42.32	3.64	-	-	45.96	4.61	8.25
Vehicles	11.29	-	0.19	11.10	9.29	0.86	0.12	-	10.03	1.07	2.00
Office Equipment	7.29	0.05	-	7.34	6.86	0.15	-	-	7.01	0.33	0.43
Office Premises	105.27	0.00	-	105.27	7.05	1.97	-	-	9.02	96.25	98.22
Computer and Peripherals	5.12	0.75	-	5.87	4.23	0.24	-	-	4.47	1.40	0.89
Tools and Equipment	54.62	0.29	0.00	54.91	14.91	3.33	-	-	18.24	36.67	39.71
Total	**17,272.61**	**5.41**	**7.25**	**17,270.77**	**2,590.26**	**540.34**	**4.29**	**-**	**3,126.31**	**14,144.46**	**14,682.34**

NOTE :

1. Certain property plant and equipment are charged against borrowings the details relating to which have been described in note 17 pertaining to borrowings.
2. The title deeds of immovable properties included in property, plant and equipment and investment properties are held in the name of the Parent Company, except in the case of certain immovable properties (gross block of ₹ 3,940 crores) which are pledged with the erstwhile lenders and not available with the Parent Company. The Parent Company has sent written requests to these erstwhile lenders for release of these original title deeds.

Note '3' Investment Property

(₹ in Crore)

Description of assets	Gross Block				Depreciation / impairment					Net book value	
	As at 1st April, 2020	Additions	Deductions	As at 31st March, 2021	As at 1st April, 2020	For the year	Deductions	Impairments (refer note 44)	As at 31st March, 2021	As at 31st March, 2021	As at 31st March, 2020
Land	829.85	-	-	829.85	-	-	-	642.95	642.95	186.90	829.85
Building	28.31	-	-	28.31	4.06	0.71	-	9.34	14.11	14.20	24.25
Total	**858.16**	**-**	**-**	**858.16**	**4.06**	**0.71**	**-**	**652.29**	**657.06**	**201.10**	**854.10**

Description of assets	Gross Block				Depreciation / impairment					Net book value	
	As at 1st April, 2019	Additions	Deductions	As at 31st March, 2020	As at 1st April, 2019	For the year	Deductions	Impairments	As at 31st March, 2020	As at 31st March, 2020	As at 31st March, 2019
Land	829.85	-	-	829.85	-	-	-	-	-	829.85	829.85
Building	28.31	-	-	28.31	3.11	0.95	-	-	4.06	24.25	25.19
Total	**858.16**	**-**	**-**	**858.16**	**3.11**	**0.95**	**-**	**-**	**4.06**	**854.10**	**855.04**

Note : Information regarding Income and expenditure of Investment property

(₹ In Crore)

Particulars	31 March 2021	31 March 2020
Rental income derived from Investment properties (See Note 26)	1.48	1.41
Less: Direct operating expenses (including repairs and maintenance) arising from invesment property that generates rental income	0.06	0.03
Profit arising from investment properties before depreciation	**1.41**	**1.38**
Less: Depreciation	0.71	0.95
Profit arising from investment properties before indirect expenses	**0.71**	**0.43**

Note:

(a) The Group's investment property consists of Land, residential flats and commercial buildings in India.

(b) Investment property are pledge against borrowings the details relating to which have been described in note 17 pertaining to borrowings.

As at 31 March 2021 and 31 March 2020, the fair values of the properties are ₹ 295.57 crore and ₹ 858.36 crore respectively, based on the internal assessment made by the Group considering publically available market values.

Note '4' Intangible assets

(₹ in Crore)

Description of assets	Gross Block				Depreciation / impairment					Net book value	
	As at 1st April, 2020	Additions	Deductions	As at 31st March, 2021	As at 1st April, 2020	For the year	Deductions	Impairments (refer note 44)	As at 31st March, 2021	As at 31st March, 2021	As at 31st March, 2020
Trademarks / Brands	12.08	-	(0.37)	12.45	11.83	0.62	-	-	12.45	0.00	0.25
Computer Software	2.40	0.14	0.37	2.17	1.93	0.08	-	-	2.01	0.16	0.47
Total	**14.48**	**0.14**	**-**	**14.62**	**13.76**	**0.70**	**-**	**-**	**14.46**	**0.16**	**0.72**

Description of assets	Gross Block				Depreciation / impairment					Net book value	
	As at 1st April, 2019	Additions	Deductions	As at 31st March, 2020	As at 1st April, 2019	For the year	Deductions	Impairments	As at 31st March, 2020	As at 31st March, 2020	As at 31st March, 2019
Trademarks / Brands	12.08	-	-	12.08	11.83	-	-	-	11.83	0.25	0.25
Computer Software	2.40	-	-	2.40	1.80	0.13	-	-	1.93	0.47	0.60
Total	**14.48**	**-**	**-**	**14.48**	**13.63**	**0.13**	**-**	**-**	**13.76**	**0.72**	**0.85**

Note '5' Right-of-use assets

(₹ in Crore)

Description of assets	Gross Block				Depreciation / impairment					Net book value	
	As at 1st April, 2020	Additions	Deductions	As at 31st March, 2021	As at 1st April, 2020	For the year	Deductions	Impairments (refer note 44)	As at 31st March, 2021	As at 31st March, 2021	As at 31st March, 2020
Leasehold land	35.94	-	-	35.94	2.19	0.28	-	19.90	22.37	13.57	33.75
Total	**35.94**	**-**	**-**	**35.94**	**2.19**	**0.28**	**-**	**19.90**	**22.37**	**13.57**	**33.75**

Description of assets	Gross Block				Depreciation / impairment					Net book value	
	As at 1st April, 2019	Additions	Deductions	As at 31st March, 2020	As at 1st April, 2019	For the year	Deductions	Impairments	As at 31st March, 2020	As at 31st March, 2020	As at 31st March, 2019
Leasehold land	35.94	-	-	35.94	1.77	0.42	-	-	2.19	33.75	34.17
Total	**35.94**	**-**	**-**	**35.94**	**1.77**	**0.42**	**-**	**-**	**2.19**	**33.75**	**34.17**

6 Investments

Non-current, unquoted

(₹ in Crore)

	Particulars	Number of units		As at	
		31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020
a)	**Investment in equity shares**				
	In Joint Venture (fully paid up at cost) (refer note 46)				
	Aurangabad Textiles & Apparel Parks Limited (face value of ₹ 10 each)	1,019,200	1,019,200	17.25	17.25
	Less: Dividend received			(0.33)	(0.33)
	Add : Share of profit			(0.57)	(0.20)
	Less : Impairment in value of investment			(16.35)	-
				-	**16.72**
	New City Of Bombay Mfg. Mills Limited (face value of ₹ 10 each)	4,493,300	4,493,300	75.13	75.13
	Less: Dividend received			(2.92)	(2.92)
	Add : Share of profit			4.93	5.59
	Less : Impairment in value of investment			(77.14)	-
				-	**77.80**
	Others (fully paid up at cost)				
	Trimphant Victory Holdings Limited (investment value ₹ 90.14/-) (Face value of USD 1 each)	2	2	0.00	0.00
	Less : Impairment in value of investment			(0.00)	(0.00)
				-	-
	Dombivali Nagari Sahakari Bank Limited (Face value of ₹ 50 each)	10,000	10,000	0.05	0.05
	New India Co-op Bank Ltd. (investment value ₹ 3,000/-) (Face value of ₹ 10 each)	300	300	0.00	0.00
	Saraswat Bank Limited (investment value ₹ 25,000/-) (Face value of ₹ 10 each)	2,500	2,500	0.00	0.00
	(Pledged against finance availed by company)				
	Wel-Treat Environ Management Organisation (investment value ₹ 36,500/-) (Face value of ₹ 10 each)	3,650	3,650	0.00	0.00
	PowerCor LLC (Face value of USD 1 each)				
	Subscription towards 5% Group B Membership interest			54.43	55.83
	Less : Impairment in value of investment			(54.43)	(55.83)
				-	-
	Aisle 5 LLC (Face value of USD 1 each)				
	22 senior units of the equity capital			9.63	9.88
	Less : Impairment in value of investment			(9.63)	(9.88)
				-	-
b)	**Investment in Preference shares - others (fully paid up at amortised cost)**				
	Triumphant Victory Holdings Limited	35,466,960	35,466,960	199.79	188.22
	(0% Redeemable cumulative Preference shares) (Face value of USD 1 each)				
	Less : Impairment in value of investment			(199.79)	(188.22)
				-	-
	Total			**0.05**	**94.58**
	Aggregate amount of unquoted investments			357.39	348.50
	Aggregate amount of impairment in value of investments			(357.34)	(253.92)

7 Loans

Non-current

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured, considered good		
Security deposits	20.24	20.55
Total	**20.24**	**20.55**
Current		
Unsecured, Considered good		
Loans to Related parties (Refer note 47)	-	1.53
Loan which have significant increase in credit risk	330.18	323.38
	330.18	**324.91**
Less: impairment allowance		
Loan which have significant increase in credit risk	(330.18)	(323.38)
	(330.18)	(323.38)
Total	**-**	**1.53**

8 Taxation

(a) Deferred tax asset (net) comprises of timing difference on account of

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Deferred Tax Asset		
Redeemable Preference shares	-	13.97
Provision for employee benefits	9.40	10.36
Provision for doubtful debts, advances and investments	956.06	5,043.61
Unabsorbed Depreciation carried forward	645.83	675.60
Business Loss carried forward	863.73	732.55
Long Term / Short Term Capital Loss	21.46	-
Less : Deferred Tax Liability		
Difference between tax and book base of fixed assets	(567.37)	(3,437.39)
Re-measurement gains on defined benefit plans	-	(0.73)
Others	-	(17.93)
Deferred Tax Asset	**1,929.11**	**3,020.04**
Deferred tax assets not recognised (refer note 42)	(1,924.04)	(1,791.37)
Net Deferred tax asset	**5.07**	**1,228.67**

Deferred tax related to items recognised in OCI during in the year:

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Net loss/(gain) on remeasurements of defined benefit plans	-	0.73
Deferred tax charged to OCI	**-**	**0.73**

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Tax losses (revenue in nature) (Refer note a below)	5,993.24	5,560.23
Tax losses (capital in nature) (Refer note b below)	42.52	42.52
	6,035.76	**5,602.75**

a) Unused tax losses of revenue nature include losses of ₹ 3,427.61 crore (Previous year ₹ 3,358.07) that are available for offsetting for eight years against future taxable profits of the Company in which the losses arose.

(₹ in Crore)

Financial year	31st March, 2021	31st March, 2020
2013-14	54.70	54.70
2015-16	520.89	520.89
2016-17	1,107.00	1,107.00
2017-18	1,666.67	1,666.67
2018-19	8.81	8.81
2020-21	69.54	-
	3,427.61	**3,358.07**

Further, unutilised tax losses of revenue nature include unabsorbed depreciation of ₹ 2,565.62 crore (Previous Year ₹ 2,202.16 crore) which are available for offsetting against future taxable profits indefinitely.

b) Unused tax losses of capital nature include losses of ₹ 42.52 crore (Previous year ₹ 42.52) that are available for offsetting for eight years against future taxable profits of the Company in which the losses arose.

(₹ in Crore)

Financial year	31st March, 2021	31st March, 2020
2013-14	4.14	4.14
2014-15	3.68	3.68
2017-18	34.70	34.70
	42.52	**42.52**

Reconciliation of deferred tax asset (net):

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Opening balance as of 1 April	1,228.67	1,225.63
Tax income/(expense) during the period recognised in profit or loss	(1,223.60)	2.31
Tax income/(expense) during the period recognised in OCI	-	0.73
Closing balance as at 31 March	**5.07**	**1,228.67**

(b) Current Tax comprise of

Profit/(loss) before tax	(4,454.23)	1,307.92
Enacted tax rate in India	25.168%	34.944%
Expected income tax expense / (benefit) at statutory tax rate	**(1,121.04)**	**457.04**
Tax effect of		
Income not chargeable to tax	(1,264.32)	-
Expenses allowed	(98.57)	(140.84)
Expenses disallowed	2,365.23	233.36
Utilisation of brought forward losses	-	(549.56)
Net Income tax expense / (benefit) *	**(118.70)**	**-**
Current Tax expense	-	-
Effect of tax pertaining to prior years	(5.25)	-
Current Tax Provision	**(5.25)**	**-**

* Being a tax loss, the current tax expenses for the year is Nil.

9 Other assets

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non current		
Unsecured considered good		
Capital advances (refer note a below)	67.13	63.24
Advance tax (net of provision for tax) (refer note 40)	47.08	44.77
Total	**114.21**	**108.01**
Current		
Unsecured, considered good		
Balances with Statutory Authorities	204.76	177.62
Advance to vendors	13.37	12.10
Prepaid expenses	18.17	18.69
Advance to Others	-	15.19
Deposits others	0.06	0.06
	236.36	**223.66**
Unsecured, considered doubtful		
Balance with Statutory Authorities	52.49	-
Advance to vendors	160.21	156.09
Less : Impairment allowance	(212.70)	(156.09)
	-	-
Total	**236.36**	**223.66**

Note

In earlier years, the Parent Company had entered into an agreement with the erstwhile promotors to buy land and hold it in trust on behalf of the Parent Company. Post execution of the sale agreement and conversion of land to 'Non-Agricultural' purpose, the land will be transferred in the name of the Parent Company. As of 31st March, 2021, the advances paid of ₹ 30 crore are disclosed as part of capital advances. On completion of the process, the land will be capitalised in the books. Further, also refer Note 41 for contractual capital commitments.

10 Inventories

(At lower of cost and net realisable value)

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Raw materials (includes material in transit ₹ 26.82 Crore (Previous year ₹ 1.56 Crore)	242.62	65.28
Work-in-progress	374.71	166.13
Finished goods (includes material in transit ₹ 17.42 crore (Previous year ₹ 2 crore)	280.31	149.04
Stock in trade	5.47	6.74
Stores and Spares	49.68	27.19
Packing Material	11.58	6.04
Total	**964.37**	**420.42**

NOTE:

i) Value of inventories above is stated after provision of ₹ 10.34 crore (previous year ₹ 63.09 crore) for write down to net realisable value and provision for slow moving and obsolete items.

ii) For inventory hypothecated as security (refer note 17).

11 Trade receivables

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Receivables from related parties (refer note 47)	20.97	-
Others	326.62	241.22
Receivables which have significant increase in credit risk	186.18	186.92
	533.77	**428.14**
Less: Impairment allowance		
Receivables which have significant increase in credit risk	(186.18)	(186.92)
Net receivables	**347.59**	**241.22**
Movement of impairment allowance		
Opening balance	186.92	11,190.26
Changes in loss allowance:		
Increase in Impairment allowance based on expected credit loss	7.05	31.59
Decrease in impairment allowance (refer note 36)	(7.79)	(11,034.93)
Closing balance	**186.18**	**186.92**

NOTE:

For trade receivable hypothecated as security (refer note 17)

12 Cash and cash equivalents

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
On current accounts	35.47	95.15
In fixed deposit accounts	157.32	300.00
Cheques, Drafts on hand	0.49	0.68
Cash on hand	0.37	0.34
Total	**193.65**	**396.17**

For lien created on fixed deposits, refer note 17 and 20.

Change in liabilities due to financial activities

Particulars	As at 31st March, 2020	Cash Flows	Conversion of loan to equity	Others*	As at 31st March, 2021
Borrowings - non current	28,041.32	17.63	(5,293.90)	-	22,765.05
Borrowings - current	1,072.91	79.23	-	-	1,152.14
Other financial liabilities	319.77	(56.86)	-	68.87	331.78

Particulars	As at 31st March, 2019	Cash Flows	Adjustment as per resolution plan	Others*	As at 31st March, 2020
Borrowings - non current	5,883.76	337.89	21,819.67	-	28,041.32
Borrowings - current	17,940.31	77.16	(16,944.56)	-	1,072.91
Other financial liabilities	7,022.03	(29.63)	(6,751.16)	78.53	319.77

* includes interest accrued

13 Other bank balances

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Other financial assets		
Non current		
Balance with banks		
Balances / Deposits held as margin money or security against borrowings, guarantee and other commitments	1.79	0.98
Total	**1.79**	**0.98**
(b) Other bank balances		
Current		
Balance with Bank		
In earmarked accounts		
Unclaimed dividend accounts	-	0.34
Balances / Deposits held as margin money or security against borrowings, guarantee and other commitments	77.48	92.56
Total	**77.48**	**92.90**

14 Other current financial assets

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Unsecured, considered good		
Advance to Staff	0.30	2.47
Export incentives (scripts on hand)	1.48	-
Export incentive receivable	23.99	42.99
Contract assets	2.16	0.71
Derivative instrument	0.66	-
	28.59	**46.17**
Unsecured, considered doubtful		
Export incentives (scripts on hand)	0.24	0.24
Export incentive receivable	2.42	1.47
Inter Corporate Deposits	0.66	0.66
	3.32	2.37
Less : Impairment allowance	(3.32)	(2.37)
	-	-
Total	**28.59**	**46.17**

15 Equity share capital

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Authorised		
35,00,00,00,000 Equity shares of ₹ 1/- each	3,500.00	3,500.00
500,00,00,000 Preference shares of ₹ 1/- each	500.00	500.00
	4,000.00	**4,000.00**
Issued, subscribed and fully paid up capital	**496.52**	**221.07**
496,52,40,401 Equity shares of ₹1/- each (Previous year 221,06,51,228 Equity shares of ₹ 1/- each) fully paid up	496.52	221.07
Add : 13,921 Equity Shares forfeited of ₹ 10/- each, ₹ 5/- paid up (₹ 69,605/-)	0.01	0.01
Total	**496.53**	**221.08**

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

(₹ in Crore)

Particulars	No. of shares		Amount	
	31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020
Equity shares of ₹ 10/- each				
At the beginning of the year	2,210,651,228	1,377,317,895	221.08	1,377.33
Add: issue of Shares as per Approved Resolution Plan (refer note b and c below)	2,754,600,000	833,333,333	275.46	83.33
Less : equity shares cancelled (₹ 10,827/-) (refer note d below)	(10,827)	-	(0.00)	-
Less : Reduction in Face value of shares from ₹ 10/- per share to ₹ 1/- per share (refer note a below)	-	-	-	(1,239.59)
At the end of the year	**4,965,240,401**	**2,210,651,228**	**496.53**	**221.08**

a) During the previous year, in accordance with the Approved Resolution Plan, the face value of the Parent Company's equity has been reduced from ₹ 10/- per share to ₹ 1/- per share.

b) During the previous year, in accordance with the Approved Resolution Plan, the Parent Company has issued and allotted 83,33,33,333 equity of ₹ 1/- each at a premium of ₹ 2/- per share to Reliance Industries Limited (RIL) on 28th February, 2020.

c) During the year, in accordance with the Approved Resolution Plan, the Parent Company on 10th September, 2020, further allotted on preferential basis:- 115,32,00,000 equity shares of the face value of ₹ 1/- (Rupee One only) each, fully paid up, to RIL, pursuant to conversion of debt; and 160,14,00,000 equity shares of the face value of ₹ 1/- (Rupee One only) each, fully paid up, to JM Financial Asset Reconstruction Company Limited acting in its capacity as a Trustee of 'JMFARC- March 2018 – Trust'- (JMFARC), pursuant to conversion of debt. Accordingly the same has been issued for a consideration other than cash.

d) In accordance with the Approved Resolution Plan, 10,827 equity shares belonging to the erstwhile promoters of the Parent Company stand cancelled and extinguished.

(ii) Shareholders holding more than 5 percent shares in the Parent Company

Name of the Shareholder	No. of shares		As at	
	31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020
Reliance Industries Limited	1,986,533,333	833,333,333	40.01%	37.70%
JM Financial Asset Reconstruction Company Limited Acting in its capacity as Trustee of JMFARC-March 2018-Trust	1,737,311,844	-	34.99%	-

(iii) Rights, preferences and restrictions attached to equity shares

i) The Parent Company has one class of equity shares having a par value of 1 per share. Each holder of equity share is entitled to one vote per share.

ii) Right to receive dividend as may be approved by the Board of Directors / Annual General Meeting.

iii) The equity shares are not repayable except in the case of a buy back, reduction of capital or winding up in terms of the provisions of the Companies Act, 2013.

iv) Every member of the Parent Company holding equity shares has a right to attend the General Meeting of the Parent Company and has a right to vote in proportion to his share of the paid-up capital of the Parent Company.

v) In the event of liquidation, the equity shareholders are eligible to receive remaining assets of the Parent Company, after distribution of all preferential amounts, in proportion to their shareholding.

16 Other Equity

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Capital reserve		
Balance as per last Balance Sheet	1,984.89	14.77
Add: on extinguishment of shares (₹ 10,827/-) (refer note below)	0.00	-
Add: due to reduction in face value of shares and other adjustments	-	1,970.12
	1,984.89	**1,984.89**
Note: Refer note 15(i)(d). This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.		
Capital Reserve (on Consolidation)		
Balance as per last Balance Sheet	14.52	14.52
Add : Addition during the year	-	-
	14.52	**14.52**
Capital redemption reserve		
Balance as per last Balance Sheet	9.10	9.10
Add : Addition during the year	-	-
	9.10	**9.10**
Note: Capital redemption reserve was created during the year ended 31 March 2012, on merger of Grabal Alok Impex Limited (Subsidiary of the Parent Company).		
Securities premium account		
Balance as per last Balance Sheet	1,160.31	993.65
Add : Addition during the year	-	166.66
	1,160.31	**1,160.31**
Note: Securities premium is used to record the excess of the amount received over the face value of the shares. This reserve will be utilised in accordance with the provision of the Companies Act, 2013.		
General reserve		
Balance as per last Balance Sheet	280.90	280.90
Add : Addition during the year	-	-
	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 (DRR)		
Balance as per last Balance Sheet	-	81.97
Less: Transferred from / (to) Statement of Profit and Loss	-	(81.97)
	-	**-**
Note: The Group 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 Translation Reserve		
Balance as per last Balance Sheet	(61.07)	(61.07)
Add: for the year	-	-
	(61.07)	**(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 Reserve (FCMITR)		
Balance as per last Balance Sheet	-	(9.34)
Add : Addition during the year	-	9.34
	-	**-**

Note: Exchange differences relating to Long term foreign currency loan has been transferred to this account amortised over the balance year of the loan.

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Other comprehensive income (net of tax)		
Balance as per last Balance Sheet	(106.41)	(94.92)
Add : Addition during the year	49.04	(11.49)
	(57.37)	**(106.41)**

Note: This relates to the remeasurement impact of defined benefit plans and income tax effect of the same.

Particulars	As at 31st March, 2021	As at 31st March, 2020
Equity component of compound financial instrument		
9% Optionally Convertible Preference Shares	**12.40**	**12.40**
(Deficit)/surplus in the statement of profit and loss		
Retained earnings	(15,823.65)	(17,215.18)
Profit / (Loss) for the year	(5,673.32)	1,310.23
Items of OCI for the year, net of tax	-	1.36
Less: Dividend on Preference shares	-	(2.03)
Transferred from DRR	-	81.97
	(21,496.97)	**(15,823.65)**

Note: This represents the surplus/ (deficit) of the statement of profit or loss. The amount that can be distributed by the Group as dividends to its equity shareholders is determined based on the separate financial statements of the Group and also considering the requirements of the Companies Act, 2013.

Particulars	As at 31st March, 2021	As at 31st March, 2020
Total	**(18,153.28)**	**(12,529.00)**

17 Long-term borrowings

Unsecured at amortised cost

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
a) 9% Optionally Convertible Preference Shares (refer note (i) below)	237.60	237.60
b) Secure term loans at amortised cost		
- Term Loans (Refer (ii), (iii) and (iv) below)		
- Loans from Banks	5,143.02	5,110.30
- Foreign currency loans	-	10.41
- Vehicle loan	0.41	0.41
- Rupee Loans - From Asset Reconstruction Company (ARC)	14,517.44	22,682.60
- Rupee Loans - From Body Corporate	**2,866.58**	
Total	**22,765.05**	**28,041.32**

Note:

(i) Optionally Convertible Preference Shares :

During the previous year as per the Approved Resolution Plan, On 28th February 2020, the Parent Company has issued and allotted 250,00,00,000 9% Optionally Convertible Preference Shares (OCPS) of ₹ 1/- each to Reliance Industries Limited (RIL). (i) RIL is entitled to convert these OCPS into equity shares of the Company (1:1 basis) at any time on or before 18 months from their date of allotment i.e. 28th February 2020. (ii) if RIL does not convert the OCPS into equity shares with in the period of 18 months, OCPS shall be redeemed at the end of 10 years from the date of allotment. (iii) dividend @9% per annum on outstanding amount is payable on cumulative basis.

(ii) a) Security for term loans - Parent Company - Alok Industries Limited

(₹ in Crore)

Nature of security	Banks	ARC	Body Corporate	Total
Primary: First charge on pari-passu basis over all fixed assets of the Company. **Collateral:** (1) First charge on pari-passu basis over the fixed assets of Alok Infrastructure Limited (a wholly owned subsidiary); (2) Second charge on all current asset of the Company (both present & future).	5,114.98 (5,110.30)	- (-)	- (-)	5,114.98 (5,110.30)
Second charge over all movable and immovable assets of the Parent Company and fixed assets of Alok Infrastructure Limited, mortgaged/ to be mortgaged in favour of the above Term Loan lenders.	- (-)	- (-)	2,866.58 (-)	2,866.58 (-)
Subordinate charge to the charge created in favour of RIL, over all movable and immovable assets of the Parent Company and Alok Infrastructure Limited.	- (-)	14,517.44 (22,682.60)	- (-)	14,517.44 (22,682.60)
Total	**5,114.98** **(5,110.29)**	**14,517.44** **(22,682.60)**	**2,866.58** **(-)**	**22,499.00** **(27,792.89)**

(previous year figures in brackets)

b) The balance borrowings from banks of ₹ 28.04 crore is secured by way of mortgage over property, plant and equipment, receivables and other movable assets owned by the subsidiary company i.e Mileta a.s.

c) Vehicle loan is secured by a charge on the underlying vehicles hypothecated with banks.

(iii) Terms of repayment of Secured Term Loans

Non-current (₹ in Crore)

Particulars	effective rate of interest	1-3 Years	3-4 Years	Beyond 4 Years	Total
Rupee Term Loan From Bank	8%p.a. - 9%p.a.	967.63	954.48	3,220.91	5,143.02
	(8%p.a. - 9%p.a.)	(486.95)	(678.10)	(3,971.94)	(5,137.00)
Rupee Loans - From Asset Reconstruction Company (ARC)	refer note 'a' below	-	-	14,517.44	14,517.44
	refer note 'a' below	-	-	(22,682.60)	(22,682.60)
Rupee Loans - From Body Corporate	refer note 'a' below	-	-	2,866.58	2,866.58
	refer note 'a' below	-	-	-	-
Vehicle loan		0.40	-	-	0.40
		(0.41)	-	-	(0.41)
Total		**968.03**	**954.48**	**20,604.93**	**22,527.44**
		(487.37)	**(678.10)**	**(26,654.54)**	**(27,820.01)**

(previous year figures in brackets)

Note a - As per the approved resolution plan, loans from asset reconstruction company and body corporate are interest free for a period of 8 years, post which the terms of the assigned debt shall be mutually agreed among the resolution applicants and the Parent Company (Refer note 35).

(iv) During the current year, in accordance with the Approved Resolution Plan, JMFARC Limited and Reliance Industries Limited have converted debt amounting to ₹ 5,298.58 crore into equity, whereby the Parent Company has issued 2,75,46,00,000 equity shares at face value ₹ 275.46 crore, (refer note 15). Since it is non cash item; it is not reflected in the statement of cash flow.

18 Provisions

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Non current		
Gratuity (refer note 49)	20.74	20.64
Leave encashment	12.86	6.92
Total	**33.60**	**27.56**
Current		
Leave encashment	3.75	2.07
Others	0.15	1.09
Total	**3.90**	**3.16**

19 Current tax liabilities

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Provision for taxation (net of advance tax) (refer note 40(2)	-	6.92
Total	**-**	**6.92**

20 Current borrowings

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Working capital loans :		
Secured, at amortised cost :		
Cash credit / overdraft accounts (Refer note a below)	110.86	-
From Banks / Financial Institutions (Refer note b below)	104.78	83.26
Others		
Unsecured, at amortised cost :		
Temporary Overdrawn Bank Balances	0.01	0.01
From Related party (Refer note c below)	936.49	960.46
Short term loan		
Secured, at amortised cost :		
Rupee Loans - From Financial Institutions	-	29.18
Total	**1,152.14**	**1,072.91**

Note:

a) These are repayable on demend and secured by lien on the fixed deposits of the Parent Company kept with State Bank of India. The loan is repayable on demand and carrying interest of 3% to 5% p.a.

b) Loan is repayable on demand and is secured by hypothecation of current assets of Alok Infrastructure Limited (Subsidiary)

c) These are repayable on demand (refer note 47)

21 Trade payable

(₹ in Crore)

Particulars	As At 31st March, 2021	As At 31st March, 2020
Total outstanding dues of micro enterprises and small enterprises (Refer a below)	21.72	17.99
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,073.39	446.08
Total	**1,095.11**	**464.07**

Refer note 47 for related party balance.

a) Disclosure Under the Micro and Small Enterprises Development Act, 2006 are provided as under for the year 2020-21, to the extent the Group has received intimation from the "Suppliers" regarding their status under the Act;

(₹ in Crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	21.72	17.99
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the previous accounting year	0.63	32.08
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) Interest provided earlier not payable as per the terms of approved resolution plan	-	(32.08)
(v) The amount of interest due and payable for the year	0.52	0.63
(vi) The amount of interest accrued and remaining unpaid at the end of the accounting year	1.14	0.63
(vii) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

The information has been given in respect of such vendor to the extent they could be identified as Micro and Small Enterprise as on the basis of information available with the Company.

22 Other payable

(₹ in Crore)

Particulars	As At 31st March, 2021	As At 31st March, 2020
Others (includes outstanding expenses & salaries & wages payable)	121.47	85.56
Total	**121.47**	**85.56**

23 Other financial liabilities

Unsecured, at amortised cost :

(₹ in Crore)

Particulars	As At 31st March, 2021	As At 31st March, 2020
Non current		
Interest accrued but not due	-	2.03
Total	**-**	**2.03**
Current		
Interest accrued but not due	37.63	-
Interest accrued and due	37.80	54.83
Creditors for Capital Goods	6.76	0.36
Unclaimed dividends	-	0.34
Current maturity of long term borrowings (refer note below)	256.35	262.91
Total	**338.54**	**318.44**

This represents loan taken by Alok Industries International Limited (Subsidiary) from Triumphant Victory Holdings Limited (Firm in which erstwhile KMP are interested), the same is repayable within the next one year. Refer note 47.

24 Other current liabilities

(₹ in Crore)

Particulars	As At 31st March, 2021	As At 31st March, 2020
Other payables		
Contract liabilities	174.28	173.44
Statutory dues payable	15.92	20.75
Total	**190.20**	**194.19**

25 Revenue From Operations

(₹ in Crore)

Particulars		Year ended 31st March, 2021	Year ended 31st March, 2020
a)	**Sale of product**		
	Sales - local	2,727.87	2,342.78
	Sales - export	999.56	854.50
		3,727.43	**3,197.28**
b)	**Sale of services**		
	Job work charges	56.69	40.02
		3,784.12	**3,237.30**
c)	**Other operating revenue**		
	Export incentives	56.03	55.70
	Sale of scrap	7.44	4.68
Total		**3,847.59**	**3,297.68**

Timing of revenue recognition

(₹ in Crore)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Goods transferred at a point in time	3,727.43	3,197.28
Services transferred at a point in time	56.69	40.02
Total revenue from contracts with customers	**3,784.12**	**3,237.30**

Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

(₹ in Crore)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Revenue as per contracted price	3,876.80	3,282.43
Less: Discounts	(12.47)	(9.82)
Less: Sales return	(42.60)	(4.21)
Less: Commission	(37.61)	(31.10)
Revenue from contracts with customers	**3,784.12**	**3,237.30**

Performance Obligation

The performance obligation is satisfied upon delivery of the goods and payment is generally due within 7 to 90 days from delivery. Some contracts provide customers with a right of return and volume rebates which give rise to variable consideration subject to constraint. There are no material unsatisfied performance obligation outstanding at the year end.

The performance obligations of the Group are part of contracts that have an original expected duration of less than one year and accordingly, the Group has applied the practical expedient and opted not to disclose the information about it's remaining performance obligations in accordance with paragraph 120 of IND AS 115.

Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers.

(₹ in Crore)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Trade receivables (refer note 11)	533.77	428.14
Contract assets (refer note 14)	2.16	0.71
Contract liabilities (refer note 24)	174.28	173.44

Trade receivables are non interest bearing and are generally on terms of 7 to 90 days.

Contract assets includes amounts related to contractual right to consideration for completed performance objectives not yet invoiced.

Contract liabilities include payments received in advance of performance under the contract, and are realised with the associated revenue recognised under the contract.

Set out below is the amount of revenue recognised from:

(₹ in Crore)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Amounts included in contract liabilities at the beginning of the year	173.44	228.47
Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	173.44	228.47
Revenue recognised from performance obligations satisfied in previous years	-	-

26 Other income

(₹ in Crore)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest Income :		
- Bank fixed deposits	9.12	8.74
- Others	0.14	2.56
	9.26	**11.30**
Dividend Income :		
- Others (previous year ₹ 456/-)	-	0.00
	-	**0.00**
Profit on sale of fixed assets (net)	1.10	0.91
Exchange rate difference (net)	5.30	11.08
Gain on financial instruments at fair value through profit or loss	0.74	-
Sundry credit balances written back	4.06	13.55
Rental income	1.48	1.41
Other non operating Income	4.66	0.26
	17.34	**27.21**
	26.60	**38.51**

27 Cost of materials consumed

(₹ in Crore)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Raw material consumed		
Inventory at the beginning of the year (refer note 10)	65.28	70.39
Add: Purchases	2,543.27	2,137.95
Less: Inventory at the end of the year (refer note 10)	(242.62)	(65.28)
	2,365.92	**2,143.07**
Packing Materials Consumed		
Inventory at the beginning of the year (refer note 10)	6.04	6.31
Add: Purchases	154.49	100.41
Less: Inventory at the end of the year (refer note 10)	(11.58)	(6.04)
	148.95	**100.68**
Total	**2,514.87**	**2,243.75**

28 Changes in inventories of finished goods, work-in-progress and stock-in-trade

(₹ in Crore)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Closing stock (refer note 10)		
Finished Goods	280.31	149.04
Work-in-progress	374.71	166.13
Stock in Trade (Traded Goods)	5.47	6.74
	660.49	**321.91**
Less : Opening stock (refer note 10)		
Finished Goods	149.04	148.94
Work-in-progress	166.13	157.01
Stock in Trade (Traded Goods)	6.74	8.50
	321.91	**314.45**
Total	**(338.58)**	**(7.46)**

29 Employee benefit expenses

(₹ in Crore)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Salaries and wages	326.38	278.87
Contribution to provident and other Funds (refer note 49)	16.89	16.22
Employees welfare expenses	6.49	7.36
Gratuity expense (refer note 49)	6.47	4.08
Total	**356.23**	**306.53**

30 Finance costs

(₹ in Crore)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest expense on:		
Term Loans	464.69	74.48
Working capital loans	1.61	9.34
Preference shares	22.47	7.85
Others	0.52	2.62
Total	**489.29**	**94.29**

31 Depreciation and amortisation expense

(₹ in Crore)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Depreciation of property plant and equipment (refer note 2)	293.41	540.31
Depreciation on investment properties (refer note 3)	0.71	0.95
Amortization of intangible assets (refer note 4)	0.70	0.13
Depreciation on right-of-use assets (refer note 5)	0.28	0.45
Total	**295.10**	**541.84**

Note

During the year, the management, based on internal technical evaluation, reassessed the estimates relating to useful life of certain assets of plant and machinery. The Parent Company has revised the useful life of those assets to 40 years which were earlier in the range of 20-25 years. The change in estimate has been accounted prospectively and accordingly depreciation for the year ended 31st March, 2021 has reduced by ₹ 24.82 crore.

32 Other expenses

(₹ in Crore)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Stores and spares consumed	63.91	61.21
Power and fuel	526.03	507.52
Processing charges	60.27	19.57
Labour charges	98.21	72.27
Freight, coolie and cartage	37.49	22.69
Legal and professional fees	11.26	19.54
Rent	15.86	19.01
Rates and taxes	6.29	6.97
Repairs and maintenance		
Plant and machinery	18.26	14.28
Factory building	2.13	2.13
Others	5.10	5.49
Impairment allowance for doubtful debts (refer note 11)	7.05	31.59
Impairment allowance for doubtful financial/non-financial assets (refer note 7, 9 & 14)	77.79	(32.40)
Sundry balance written back	-	12.41
Directors' sitting fees (refer note 47)	0.06	-
Payment to auditor (refer note below)	2.95	1.93
Insurance	22.51	27.38
Loss on sale of investment	-	8.69
Loss on sale of assets (net)	0.03	0.01
Impairment of investment in joint ventures (refer note 46)	93.48	-
Sundry balance written off	0.19	4.85
Miscellaneous expenses	62.94	86.57
Total	**1,111.81**	**891.71**
Note:		
Payment to auditor		
Audit fees (including limited review)	2.75	1.82
Certification fees	0.10	0.11
Other services	0.10	-
Total	**2.95**	**1.93**

33 Pursuant to the commencement of the corporate insolvency resolution process ('CIRP') in July 2017, in the previous year the National Company Law Tribunal vide its order dated 8th March, 2019 had approved the resolution plan submitted by JM Financial Asset Reconstruction Company Limited, JM Finance ARC – March 19 Trust and Reliance Industries Limited ('the resolution applicants') under Section 31 of the Insolvency and Bankruptcy Code, 2016 ('IBC'). This approved resolution plan shall be binding on the Parent Company, its employees, members, creditors, guarantors and other stakeholders involved in the resolution plan. In the previous year, the Parent Company had commenced the implementation of the steps as required under Annexure 2 of the approved resolution plan vis a vis pay-outs of various CIRP costs and dues to workmen / employees, financial and operational creditors; assignment of debt to resolution applicants; reduction of capital etc.

In the current year, the Parent Company has completed the remaining steps as laid down in Annexure 2 of the resolution plan and the resolution applicants have obtained joint control over the Parent Company and the Board of Directors have been re-constituted on 14th September, 2020, being the closing date as determined by the Parent Company in terms of the resolution plan.

With a view to improve the performance of the Parent Company, the re-constituted Board has adopted a 8 year business plan with specific focus on utilising the existing capacities and upgrading the efficiency / productivity of the existing machinery at the manufacturing plants. Though the Parent Company has incurred a loss of ₹ 1,190.78 crore (before exceptional items) for the year ended 31st March, 2021 and has accumulated losses of ₹ 16,761.90 crore as on 31st March, 2021, the Parent Company has no immediate loan obligations and its current assets exceed the current liabilities by ₹ 443.35 crore. Further, the group management is also in the process of realigning its strategy with respect to its subsidiary operations. The Group has no immediate loan obligations. Basis this, the Group has assessed that it will be able to meet its financial obligations for the next 12 months. Accordingly, the financial statements have been prepared on a going concern basis.

34 The World Health Organisation declared outbreak of Coronavirus Disease (COVID-19) as a global pandemic on 11th March, 2020. Consequently, Government of India declared a nation-wide lockdown on 23rd March, 2020 and the Group temporarily suspended Indian operations in all its units in compliance with the lockdown instructions issued by the Central and State Governments. COVID-19 has impacted the normal business operations of the Group by way of interruption in production, supply chain disruption, unavailability of personnel, closure/lock down of production facilities etc. during the lock-down period which was extended till 17th May, 2020. However, post this date, production and supply of goods had commenced at manufacturing locations of the Group after obtaining due permissions from the appropriate government authorities. Based on the same, the Group does not expect any material adverse effect on the operations of the Group.

The Group has taken into account the possible impact of Covid-19 in preparation of the financial statements, including its assessment of the recoverable value of its assets based on the internal and external information up to the date of approval of these financial statements and current indicators of future economic conditions.

35 As per Clause 1.2 (xi) of Approved Resolution Plan, the outstanding debt assigned to Resolution Applicants shall not carry interest for the first 8 years from the Closing Date (as defined in the Approved Resolution Plan), hence such debt has been measured at cost. After such period of 8 years, the terms of assigned debt shall be mutually agreed among the Resolution Applicants and the Parent Company. The Approved Resolution Plan has an overriding effect on the requirements of Ind AS, as per legal view obtained by the Parent Company in this regard. Hence, had the Parent Company applied the Ind AS, it would have recognised the assigned debt at its fair value and accordingly recognized the imputed interest cost over the period of loan in the statement of profit and loss.

36 As on June 2017, the Parent Company had an amount of ₹ 11,623.94/- crore receivable from trading debtors on account of sale of fabric ("Outstanding Trading Dues"). As at 31st March 2019 the Parent Company had created full provision against said receivables by charging it to the statement of profit and loss in earlier years. As per the Approved Resolution Plan, if any of the trading debtors make payment towards the Outstanding Trading Dues or any person is required to contribute to the assets of the Parent Company under any legal process against the Outstanding Trading Dues and has contributed the same, such amounts (net of any income tax payable by the Parent Company on account of such receipt of the Outstanding Trading Dues) shall be deposited in a designated escrow account ("Escrow Account") to be opened in the name of the Parent Company.

Accordingly, the Parent Company has an obligation to deposit into the escrow account any collections received out of the "Outstanding Trading Dues" or otherwise, as stated above, for the benefit of the Financial Creditors and as a result therefore, the risk and reward associated with the Outstanding Trading Dues now belong to the Financial Creditors. The Parent Company has not received any amounts towards Outstanding Trading Dues in the current year.

37 The subsidiary companies considered in the consolidated financial statements are:

Sr. No.	Name of the subsidiary companies	Country of Incorporation	Ownership Interest 31st March, 2021	Ownership Interest 31st March, 2020
1	Alok Infrastructure Limited	India	100%	100%
2	Alok International Inc.	USA	100%	100%
3	Mileta, a. s.*	Czech Republic	100%	100%
4	Alok Industries International Limited	British Virgin Island	100%	100%
5	Grabal Alok International Limited	British Virgin Island	100%	100%
6	Alok Singapore Pte Ltd.	Singapore	100%	100%
7	Alok International (Middle East) FZE	United Arab Emirates	100%	100%
8	Alok Worldwide Limited	British Virgin Island	100%	100%
9	Grabal Alok (UK) Limited **	British Virgin Island	99.87%	99.87%
10	Alok Global Trading (Middle East) FZE #	United Arab Emirates	100%	100%

* Consolidated based on unaudited financial statements / information which is not material to the Group.

** Grabal Alok (UK) Limited went under liquidation process in the United Kingdom with effect from 10 July, 2017. Hence not considered for consolidation for the year.

Alok Global Trading (Middle East) FZE liquidated on 12th September, 2017. Hence not considered for consolidation for the year.

38 Joint venture companies considered in the consolidated financial statements are:

Sr. No.	Name of the joint venture companies	Country of Incorporation	Ownership Interest 31st March, 2021	Ownership Interest 31st March, 2020
1	Aurangabad Textile and Apparel Park Limited *	India	49.00%	49.00%
2	New City of Bombay Mfg. Mills Limited *	India	49.00%	49.00%

* Consolidated based on unaudited financial statements / information and is not material to the Group.

39 Disclosure of additional information pertaining to the Parent company, subsidiaries and joint venture as per Schedule III of the Companies Act 2013 :

(₹ in crore)

Sr. No.	Name of the company in the group	Net Assets (Total assets minus total liabilities) 31st March, 2021		Share in Profit & Loss 31st March, 2021		Share in Other Comprehensive Income 31st March, 2021		Share in Total Comprehensive Income 31st March, 2021	
		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	92.12%	(16,265.37)	103.20%	(5,854.99)	5.82%	2.85	104.05%	(5,852.14)
	Subsidiaries								
	Indian								
1	Alok Infrastructure Limited	8.16%	(1,440.28)	8.28%	(469.88)	0.00%	-	8.35%	(469.88)
	Foreign								
1	Alok Industries International Limited	10.70%	(1,888.92)	0.10%	(5.90)	98.25%	48.18	-0.75%	42.28
2	Grabal Alok International Limited	3.90%	(687.93)	0.00%	-	35.90%	17.61	-0.31%	17.61
3	Mileta, a. s.	-0.47%	83.82	0.32%	(18.32)	0.00%	-	0.33%	(18.32)
4	Alok International Inc.	2.45%	(432.66)	0.00%	0.00	2.47%	1.21	-0.02%	1.22
5	Alok Worldwide Limited	-0.01%	1.25	0.00%	-	-0.07%	(0.03)	0.00%	(0.03)
6	Alok Singapore Pte Ltd.	0.80%	(140.67)	0.00%	-	7.34%	3.60	-0.06%	3.60
7	Alok International (Middle East) FZE	0.08%	(13.25)	0.07%	(4.11)	0.38%	0.19	0.07%	(3.92)

(₹ in crore)

Sr. No.	Name of the company in the group	Net Assets (Total assets minus total liabilities)		Share in Profit & Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		31st March, 2021		31st March, 2021		31st March, 2021		31st March, 2021	
		As % of consolidated net assets	Net assets	As % of consolidated Profit / Loss	Profit / (Loss)	As % of consolidated OCI	OCI	As % of consolidated TCI	TCI
	Joint Venture companies								
	Indian								
1	New City of Bombay Mfg. Mills Limited	-	-	0.01%	(0.67)	0.00%	-	0.01%	(0.67)
2	Aurangabad Textile and Apparel Park Limited	-	-	0.01%	(0.37)	0.00%	-	0.01%	(0.37)
	Inter-company eliminations	-17.71%	3,127.26	-12.00%	680.92	-50.10%	(24.57)	-11.67%	656.34
	Total	**100.00%**	**(17,656.75)**	**100.00%**	**(5,673.32)**	**100.00%**	**49.04**	**100.00%**	**(5,624.28)**

(₹ in crore)

Sr. No.	Name of the company in the group	Net Assets (Total assets minus total liabilities)		Share in Profit & Loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
		31st March, 2020		31st March, 2020		31st March, 2020		31st March, 2020	
		As % of consolidated net assets	Net assets	As % of consolidated Profit / Loss	Profit / (Loss)	As % of consolidated OCI	OCI	As % of consolidated TCI	TCI
	Parent Company								
	Alok Industries Limited	86.84%	(10,688.68)	93.36%	1,223.19	-0.46%	1.37	120.82%	1,224.56
	Subsidiaries								
	Indian								
1	Alok Infrastructure Limited	7.58%	(933.27)	-1.03%	(13.50)	0.00%	-	-1.33%	(13.50)
	Foreign								
1	Alok Industries International Limited	15.69%	(1,931.20)	0.09%	1.12	53.67%	(159.23)	-15.60%	(158.11)
2	Grabal Alok International Limited	5.73%	(705.54)	0.00%	-	19.60%	(58.16)	-5.74%	(58.16)
3	Mileta, a. s.	-0.78%	96.38	-0.42%	(5.47)	0.00%	-	-0.54%	(5.47)
4	Alok International Inc.	3.53%	(433.87)	12.38%	162.24	20.99%	(62.28)	9.86%	99.96
5	Alok Worldwide Limited	-0.01%	1.28	0.00%	-	-0.04%	0.11	0.01%	0.11
6	Alok Singapore Pte Ltd.	1.17%	(144.27)	-0.24%	(3.15)	3.98%	(11.82)	-1.48%	(14.97)
7	Alok International (Middle East) FZE	0.08%	(9.33)	0.00%	-	0.22%	(0.67)	-0.07%	(0.67)
	Joint Venture companies								
	Indian								
1	New City of Bombay Mfg. Mills Limited	-	-	-0.05%	(0.65)	0.00%	-	-0.06%	(0.65)
2	Aurangabad Textile and Apparel Park Limited	-	-	-0.03%	(0.37)	0.00%	-	-0.04%	(0.37)
	Inter-company eliminations	-19.83%	2,440.58	-4.06%	(53.18)	2.02%	(6.00)	-5.84%	(59.18)
	Total	**100.00%**	**(12,307.92)**	**100.00%**	**1,310.23**	**100.00%**	**(296.68)**	**100.00%**	**1,013.5**

40 Contingent Liabilities in respect of:

(₹ in crore)

Sr. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
A	Customs duty on shortfall in export obligation in accordance with EXIM Policy	61.14	110.04
B	Guarantees given by the Group	-	10.00
C	Claims against Group not acknowledged as debt	0.12	4.72
D	Maharashtra Value Added Tax (under arbitration as initiated by the aggrieved party as per Agreement)	17.33	17.33
E	Take or Pay claim filed by GAIL (India) Limited under their long term Gas Sale Agreement (refer note 3 below)	110.12	491.83
F	Professional Fees	-	4.73

Note

1) Claims / Debts against the Parent Company upto the closing date which are addressed under the NCLT approved resolution plan are not included in contingent liabilities though many of such claims / debts may be pending for disposal at various judicial forums. As per clause 3.3.4 of the aforesaid resolution plan, these liabilities stands extinguished. Accordingly, the management has assessed that the possibility of outflow of resources embodying economic benefits with respect to such claims / debts is remote.

2) All direct and indirect tax liabilities relating to assessments of earlier year upto the closing date stand extinguished as per the NCLT approved resolution plan. Further, the implementation of the resolution plan does not have any effect over claims or receivables owed to the Parent Company. Accordingly, the Parent Company has assessed that any receivables due to the Parent Company, evaluated based on merits of underlying litigations, from various governmental agencies continues to subsist.

3) The Parent Company has entered into Gas Sale Agreement (GSA) / Gas Transmission Agreement (GTA) dated 27th May, 2013 with GAIL India Limited ('GAIL') for the supply of re-liquified natural gas (RLNG) to the delivery point and for transmission of gas from the delivery point to the unit. The tenure of the agreements was for a period of 15 years and includes a take or pay clause in the contract. Upto the closing date i.e 14th September, 2020, GAIL has raised claims of ₹ 1,090 crores invoking the take or pay clause under the contract. GAIL was covered as an operational creditor under the NCLT approved resolution plan which provides for Nil payment if dues of operational creditors are above ₹ 3 lacs. Aggrieved by the order, GAIL has filed an appeal with National Company Law Appellate Tribunal (NCLAT) which is pending for disposal. As stated in Note 40, all claims upto the closing date i.e. 14th September, 2020 stands extinguished as per the approved resolution plan. Further, in light of the various recent judicial pronouncements made by the NCLAT and the Hon'ble Supreme Court of India in IBC related cases, it is established that the provisions of section 32A of the IBC are absolute and binding. Accordingly, Parent Company considers that the aforesaid claim / demand relating to those upto the closing date is remote.

41 Capital Commitment

(₹ in crore)

Particulars	31st March, 2021	31st March, 2020
Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances)	48.55	7.83

42 The Parent Company has re-assessed the Deferred Tax assets recognized in earlier years, based on the new management's business plan and accordingly determined that there is no reasonable certainty that these deferred tax assets will be utilised in future. On the basis of such assessment the Parent Company has not recognised any deferred tax assets as at 31st March, 2021 and has reversed it's opening deferred tax assets of ₹ 1,423.11 crore. Similarly Alok Infrastructure Limited has not recognised it's deferred tax assets as at 31st March, 2021 in the absence of reasonable certainty of utilisation.

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.

44 Exceptional Items

(₹ in crore)

Sr. No.	PARTICULARS	Year ended 31st March, 2021	Year ended 31st March, 2020
1)	Gain on extinguishment of liability on account of invocation of pledged shares as per resolution plan (refer note 'a' below)	4,964.68	-
2)	Gain on extinguishment of liability on account of reduction of certain portion of assigned debt as per the Approved Resolution Plan (refer note 'b' below)	58.44	-
3)	Impairment loss on assets (refer note 'c' below)	(8,264.22)	-
4)	Impairment loss on assets - Alok Infrastructure Limited (refer note 'd' below)	(650.95)	-
5)	Extinguishment of operational creditors (including the Central Government, State Government or local authority) as per the resolution plan (refer note 'e' below)	-	938.97
6)	Write-back of non-assignable loans of financial creditors as per the resolution plan (refer note 'f' below)	-	1,093.51
7)	Extinguishment of other current and non-current liabilities as per resolution plan	-	20.06
		(3,892.05)	**2,052.55**

a) In terms of the Approved Resolution Plan of Parent Company, JM and Reliance Industries Limited ('RIL') have converted such portion of their assigned debt into equity, such that their joint equity holding in the Parent Company is 75%. Pursuant to such conversion, the proportionate reduction in Outstanding ARC Debt as per clause 1.2 (xii) of the Approved Resolution Plan is ₹ 5,240.14 crore. The price at which the conversion has taken place has been determined in accordance with the Approved Resolution Plan and applicable law and consequently, the difference between the issue of 275.46 crore equity shares at face value and the amount by which the assigned debt has been proportionately reduced as stated above has been recognised as exceptional gain in the statement of profit and loss.

b) In terms of the Approved Resolution Plan of Parent Company, 13,59,11,844 pledged equity shares were transferred to JM Financial Asset Reconstruction Company Limited (acting in its capacity as Trustee for JMFARC- March - 2018 – Trust) (referred as "JM"). Further, as per the aforesaid Plan, the debt assigned to JM has been proportionately reduced by the value of such shares (₹ 58.44 crore) determined basis the lower of the trading price prevailing on BSE Limited or National Stock Exchange of India Limited one day before the date of invocation. Accordingly, extinguishment of financial liability amounting to ₹ 58.44 crore has been recognised as exceptional gain in the statement of profit and loss.

c) The Parent Company has been incurring operational losses over the past few years working at capacity utilization of about 30-35%. The carrying value of assets is based on a value in use calculation which uses cash flow projections based on financial budgets approved by the management covering a seven year period, and a discount rate of 11.61% per annum. Based on the dynamics of the sector in which Parent Company operates, the management has assumed long term growth rate of 0% to calculate the terminal value. Accordingly, the Parent Company has recognized an impairment loss of ₹ 8,264.22 crore on tangible assets during the year and is included in exceptional items for the year in the Statement of Profit and Loss.

d) In the current year, on 22nd March, 2021, the NCLT has passed the order for withdrawal of the corporate insolvency resolution process for Alok Infrastructure Limited, wholly owned subsidiary of the Company. Post this, the subsidiary has also performed a valuation of its investment properties / inventories with the help of external valuation specialists (based on market sale comparison method) and accordingly considered impairment in its books. The group management believes the fair value considered by the subsidiary is reasonable considering that the same was done by the valuer for the lenders.

Exceptional Item - for the year ended March 31, 2020

e) In previous year, as per the resolution plan, in respect of operational creditors of whom erstwhile resolution professional had admitted claims upto ₹ 3 lakh, the Parent Company has already paid the dues. With respect to other operational creditors outstanding as on the insolvency commencement date, the Parent Company has recognized a gain of ₹ 938.97 crore on account of extinguishment of such liabilities as an exceptional item in these financial statements.

f) In previous year, in respect of financial creditors the Parent Company has already paid / provided as per the resolution plan. No financial creditor now has any further rights or claim against the Parent Company, in respect of the period prior to the insolvency commencement date or in respect of the amounts written back. Accordingly, the Parent company has recognised a gain of ₹ 1,093.51 crore on account of extinguishment of such financial liability as an exceptional item.

45 Alok Infrastructure Limited was admitted under the corporate insolvency resolution ("CIR") process in terms of the Insolvency and Bankruptcy Code, 2016 ("Code"), vide an order dated 24 October 2018 of the Hon'ble National Company Law Tribunal, Mumbai ("Adjudicating Authority"). The Resolution Professional has subsequently, under the advice of the Committee of Creditors filed an Application under Section 12A of the Code withdrawing the insolvency petition. Accordingly the Adjudicating authority vide Order dated 22nd March, 2021 has allowed the withdrawl application filed by the Resolution Professional.

46 In the current year, Group has performed an impairment assessment of the recoverability of the carrying value of its investments in the joint ventures i.e Aurangabad Textiles & Apparel Parks Limited and New City of Bombay Mfg. Mills Limited and accordingly impaired the full value in the books. In doing so, Group has taken into consideration the Group's share in expected recovery of assets of the joint ventures, net of any liabilities and guarantees given by the Group in respect of the joint ventures.

47 Related Party Disclosure

A. Name and transactions / balances with related parties

Names of related parties and nature of relationship

As per Indian Accounting Standard (Ind AS) 24 "Related Party Disclosures", Group's related party disclosures are as below:

(A) Parties having joint control over the Company

Sr no.	Name of the enterprises
1	Reliance Industries Limited
2	JM Financial Asset Reconstruction Company Limited Acting in its capacity as Trustee of JMFARC-March 2018-Trust

(B) Joint Venture

Sr no.	Name of the enterprises
1	Aurangabad Textiles & Apparel Parks Limited
2	New City Of Bombay Mfg. Mills Limited

(C) Key Management Personnel (KMP)

Sr no.	Name of the KMP
1	Siddharth Achuthan, (Non-Executive, Independent Director)
2	Anil Rajbanshi, (Non-Executive, Non Independent Director)
3	Hemant Desai (Non-Executive, Non Independent Director)
4	Venkataraman Ramachandran (Non-Executive, Non Independent Director),
5	Samir Chawla (Non-Executive, Non Independent Director)
6	Rahul Dutt (Non-Executive, Independent Director)
7	Mumtaz Bandukwala (Non-Executive, Independent Director)
8	Ashok B. Jiwrajka, Director (till 14th September, 2020)
9	Dilip B. Jiwrajka, Director (till 14th September, 2020)
10	Surendra B. Jiwrajka, Director (till 14th September, 2020)
11	Surinder Kumar Bhoan, Independent Director (till 14th September, 2020)
12	Tulsi N. Tejwani, Executive Director (till 14th September, 2020)
13	Bijay Agrawal, Chief Financial Officer (since 16th September, 2020)
14	Sunil O. Khandelwal, (Chief Financial Officer till 16th September, 2020)
15	Hitesh Kanani, Company Secretary (since 18th January, 2021)
16	K. H. Gopal, (Company Secretary till 18th January, 2021)
17	Ajay Joshi (Member of Monitoring committee till 14th September, 2020)

(D) Relatives of KMP

Sr no.	Name of the enterprises
1	Alok A. Jiwrajka (till 14th September, 2020)
2	Niraj D. Jiwrajka (till 14th September, 2020)
3	Varun S. Jiwrajka (till 14th September, 2020)
4	Vidhi Jiwrajka (till 14th September, 2020)

(E) Firms in which KMP and relatives of KMP are interested

Sr no.	Name of the enterprises
1	Avan Packaging & Boards (till 14th September, 2020)
2	Linear Design (till 14th September, 2020)
3	C. J. Corporation (till 14th September, 2020)
4	Alok Knit Exports Ltd (till 14th September, 2020)
5	Alok Denim India Ltd (till 14th September, 2020)
6	Triumphant Victory Holdings Limited(till 14th September, 2020)

(F) Members of the same group i.e. Reliance Industries Limited

Sr no.	Name of the enterprises
1	Reliance Retail Limited

B. Transactions with related parties and outstanding balances are as below.

(₹ in crore)

Particulars	Parties having joint control over the Company		Members of the same group i.e. Reliance Industries Limited		Joint venture company	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Transactions						
Sales of Goods	62.70	0.05	25.74	-	-	-
Purchase of Goods	1,800.65	101.15	-	-	-	-
Purchase of Fixed Assets	1.06	-	0.76	-	-	-
Issue of Equity Shares	275.46	83.33	-	-	-	-
Share premium on above issue	-	166.67	-	-	-	-
Issue of 9% optionally convertible preference shares	-	250.00	-	-	-	-
Assignment of borrowings as per the resolution plan	-	22,682.60	-	-	-	-
Conversion of debt into equity as per the resolution plan	5,298.58		-	-	-	-
Outstanding as at 31 March						
9% Optionally convertible preference shares	250.00	250.00	-	-	-	-
Non-current Borrowings	17,384.02	22,682.60	-	-	-	-
Current Borrowings	104.78	83.26	-	-	-	-
Trade receivables	6.84	-	-	-	-	-
Impairment provision	(3.05)	-	-	-	-	-
Trade receivables net of impairment	3.79	-	-	-	-	-
Advance from customer	-	(0.18)	-	-	-	-
Non current Investments	-	-	-	-	93.48	94.53
Impairment in the value of investment	-	-	-	-	(93.48)	-
Non-current Investments (net of impairment)					-	94.53
Trade payables	485.65	109.98	-	-	-	-

Transactions and outstanding balance with Key Management Personnel, Relatives of KMP & Company / Firms in which KMP & relatives of KMP are interested

(₹ in crore)

Particulars	Key Management Personnel		Relatives of Key Management Personnel		Company/ Firms in which relatives of key management persons interested	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Transactions						
During the year ended						
Purchase of packing material	-	-	-	-	12.18	42.93
Rent expenses	-	-	0.10	0.20	-	-
Directors sitting fee	0.06	-	-	-	-	-
Remuneration *	3.75	4.87	0.45	0.90	-	-
Outstanding as at 31 March						
Short term Borrowings	-	-	-	-	-	1,223.37
Short term Loans & Advances	-	-	-	-	-	1.41
Trade payables	-	-	-	-	-	4.39

* This do not include the provision made for gratuity and expenses for Leave Encashment as they are determined on an actuarial basis for the Parent Company as a whole.

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured, interest free and will be settled in cash. There have been no guarantees received or provided for any related party receivables or payables.

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

(₹ in crore)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Short term Loans & Advances Repayment		
Alok Knit Exports Private Limited	-	0.65
	-	**0.65**
Sales of Goods		
Reliance Industries Ltd.	62.70	0.05
	62.70	**0.05**
Purchase of goods		
Reliance Industries Limited	1,800.65	101.15
C. J. Corporation	12.18	42.93
	1,812.82	**144.08**
Purchase of property, plant & equipment		
Reliance Industries Limited	1.06	-
	1.06	**-**
Rent Expense		
Varun S. Jiwrajka	0.05	0.10
Vidhi S. Jiwrajka	0.05	0.10
	0.10	**0.20**
Directors sitting fee		
Siddharth Achuthan	0.02	-
Rahul Dutt	0.02	-
Mumtaz Bandukwala	0.02	-
	0.06	**-**
Remuneration*		
Bijay Agrawal	0.35	-
Hitesh Kanani	0.21	-
Sunil O. Khandelwal	1.53	1.73
K. H. Gopal	1.25	1.66
Tulsi Tejwani	0.40	0.74
Senthil Kumar	-	0.75
Alok A Jiwrajka	0.15	0.30
Niraj Jiwrajka	0.15	0.30
Varun Jiwrajka	0.15	0.30
	4.20	**5.78**
Issue of equity shares		
Reliance Industries Limited	115.32	83.33
JM Financial Asset Reconstruction Company	160.14	-
	275.46	**83.33**
Share premium on issue of equity shares		
Reliance Industries Limited	-	166.66
	-	**166.66**
9% Optionally convertible preference shares		
Reliance Industries Limited	-	250.00
	-	**250.00**
Assignment of borrowings as per the resolution plan		
JM Financial Asset Reconstruction Company *	-	22,682.60
	-	**22,682.60**
Conversion of debt into equity pas per resolution plan		
Reliance Industries Limited	2,133.42	-
JM Financial Asset Reconstruction Company	3,165.16	-
	5,298.58	**-**
Borrowings - current		
JM Financial Asset Reconstruction Company	21.52	83.26
	21.52	**83.26**

*Out of the total assigned debt of ₹ 22,682.60 crore, an amount of ₹ 5,000 crore has been assigned by JM Financial Asset Reconstruction Company to Reliance Industries Limited.

Outstanding balances

(₹ in crore)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Non Current Investments Provisions		
Triumphant Victory Holdings Limited	-	(188.22)
	-	**(188.22)**
Investments in joint venture		
Aurangabad Textiles & Apparel Parks Limited	16.35	16.72
New City Of Bombay Mfg. Mills Limited	77.13	77.80
	93.48	**94.53**
Impairment in value of investment in joint venture		
Aurangabad Textiles & Apparel Parks Limited	(16.35)	-
New City Of Bombay Mfg. Mills Limited	(77.14)	-
	(93.49)	**-**
Borrowings - current		
JM Financial Asset Reconstruction Company	104.78	83.26
	104.78	**83.26**
Trade payables		
Alok Denims (India) Limited	-	0.05
Reliance Industries Limited	485.65	109.98
C. J. Corporation	-	4.34
	485.65	**114.37**
Trade receivable		
Reliance Industries Limited	6.84	-
	6.84	**-**
Advance from trade receivables		
Reliance Industries Limited	-	(0.18)
	-	**(0.18)**
Equity shares		
Reliance Industries Limited	198.65	83.33
JM Financial Asset Reconstruction Company	160.14	-
	358.79	**83.33**
Share premium on issue of equity shares		
Reliance Industries Limited	166.66	166.66
	166.66	**166.66**
Borrowings		
(a) 9% Optionally convertible preference shares (including debt and equity component)		
Reliance Industries Limited	250.00	250.00
	250.00	**250.00**
(b) Borrowings		
Reliance Industries Limited	2,866.58	-
JM Financial Asset Reconstruction Company	14,517.44	22,682.60
	17,384.02	**22,682.60**

C. Transaction with Ajay Joshi (Member of Monitoring Committee)

(₹ in crore)

Particulars	2020-21	2019-20
Professional Fees including reimbursement of Out of Pocket Expenses	-	0.72

D. Joint Venture

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

(₹ in crore)

Name of the company	Country of Incorporation	% of share holding	Amount of interest: Assets	Liabilities	Income	Expenses	Contingent liability
New City of Bombay Mfg. Mills Limited	India	49.00%	46.38	14.27	0.01	0.68	0.10
		(49.00%)	(46.92)	(14.13)	(0.02)	(0.64)	(0.10)
Aurangabad Textile and Apparel Park Limited	India	49.00%	6.66	0.14	0.01	0.39	-
		(49.00%)	(7.03)	(0.14)	(0.03)	(0.40)	-

Previous year figures are given in brackets.

48 Earnings per share (EPS)

The earnings and weighted average number of equity shares used in the calculation of basic and diluted earnings per share are as follows:

Sr. No.	Particulars	31st March, 2021	31st March, 2020
a.	Face value of equity shares per share (In Rupees)	1	1
b.	**Basic and Diluted EPS**		
	Profit for the year attributable to equity holders of Group after exceptional items	(5,673.32)	1,310.23
	Profit for the year attributable to equity holders of Group before exceptional item	(1,781.28)	(742.32)
	Weighted average number of equity shares outstanding for Basic EPS	3,735,108,798	1,448,094,151
	Add : Weighted average number of potential equity shares on account of issue of Preference shares	2,500,000,000	2,500,000,000
	Weighted average number of equity shares outstanding for diluted EPS	6,235,108,798	3,948,094,151
	Earnings per share after exceptional item		
	Basic (in ₹)	(15.19)	9.05
	Diluted (in ₹)	(15.19)	3.32
	Earnings per share before exceptional item		
	Basic (in ₹)	(4.77)	(5.13)
	Diluted (in ₹)	(4.77)	(5.13)

49 Disclosures Pursuant to – “Employee benefits”:

i) Defined contribution plans:

The Parent Company’s contribution to Provident Fund for the year 2020-2021 aggregating to ₹ 4.17 crore (Previous Year: ₹ 4.05 crore), ₹ 0.74 crore (Previous Year: ₹ 0.88 crore) for ESIC has been recognised in the statement of profit and loss under the head employee benefits expense. (Refer Note 29).

ii) Defined benefit plans:

Gratuity Plan:

The Company makes annual contribution to the Employee’s Company Gratuity Assurance Scheme, a funded defined benefit plan for qualifying employees. The Fund invests in the scheme of insurance with the Life Insurance Corporation of India, First Life Insurance Company Limited, SBI Life Insurance Company Limited and Canara HSBC Oriental Bank of Commerce. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to fifteen days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs on completion of five years of service.

The following table sets out the status of the gratuity plan for the year ended 31st March, 2021 as required under Ind AS 19.

(₹ in crore)

Particulars		Gratuity (funded) as at	
		31st March, 2021	31st March, 2020
I.	**Change in Defined Benefit Obligation**		
	Opening Defined Benefit Obligation	40.15	38.26
	Current Service Cost	5.24	4.56
	Interest Cost	2.51	2.86
	Actuarial gain	(2.89)	(2.60)
	Past Service cost – Vested Benefit	-	-
	Benefits Paid	(3.86)	(2.93)
	Closing Defined Benefit Obligation	**41.15**	**40.15**
II.	**Change in Fair Value of Plan Assets**		
	Opening Fair value of Plan Assets	19.50	8.66
	Expected Return on Plan Assets	1.22	0.65
	Actuarial gain/(loss)	-	(0.50)
	Contribution by Employer	3.59	13.63
	Benefits Paid	(3.90)	(2.93)
	Closing fair value of plan assets	**20.41**	**19.51**

(₹ in crore)

Particulars		Gratuity (funded) as at	
		31st March, 2021	31st March, 2020
III.	**Net Liability recognised in the Balance Sheet**	**20.74**	**20.64**
IV.	**a) Expense recognised in statement of Profit and Loss**		
	Current Service Cost	5.18	1.87
	Past Service cost	-	-
	Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	1.29	2.21
	Total included in employment expenses	**6.47**	**4.08**
	b) Included in other Comprehensive Income	**(2.85)**	**(2.10)**
V.	**Actual return on Plan Assets**	**1.18**	**0.15**
VI.	**Investments details (Invested through Trustees of Alok Industries Limited Employees Group Gratuity Assurance Scheme) :**		
	Insurer Managed Funds	20.41	19.50
		100%	100%
VII.	**The assumptions used in accounting for the gratuity are set out below:**		
	Discount rate	6.25%	6.25%
	Rate of increase in compensation levels of covered employees	6.00%	6.00%
	Expected Rate of return on plan assets *	6.25%	6.25%
	Mortality rate	100% of IALM 2012-14	100% of IALM 2012-14
	Attrition / withdrawal rate	8.00%	8.00%
VIII.	**Future contribution :**		
	Amount expected to be contributed in the next 12 months	27.75	26.18

* Expected rate of return on plan assets is based on expectation of the average long term rate of return expected to prevail over the estimated term of the obligation on the type of the investments assumed to be held by respective insurance companies, since the fund is managed by Insurer. The estimates of future salary increases, considered in actuarial valuation, takes into account the inflation, seniority, promotions and other relevant factors.

Experience Adjustments:

(₹ in crore)

Particulars	Year Ended				
	31st March, 2021	31st March, 2020	31st March, 2019	31st March, 2018	31st March, 2017
Defined benefit obligation	41.15	40.15	38.26	35.56	40.39
Plan Assets	20.41	19.51	8.66	10.17	12.88
Surplus / (Deficit)	(20.74)	(20.64)	(29.60)	(25.39)	(27.51)
Experience Adjustments on plan Liabilities	(2.89)	(6.16)	(0.82)	(4.18)	(2.35)

Asset Allocation:

Since the investments are held in the form of deposit with the fund managers, these are not volatile and the market value of assets is the cost value of assets and has been accordingly considered for the above disclosure.

Sensitivity Analysis:

(₹ in crore)

Particulars	31st March, 2021	31st March, 2020
Defined Benefit Obligation (Base)	41.15	40.15

(₹ in crore)

Particulars	31st March, 2021		31st March, 2020	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	44.66	38.09	43.61	37.13
(% change compared to base due to sensitivity)	8.50%	-7.40%	8.60%	-7.50%
Salary Growth Rate (- / + 1%)	38.23	44.44	37.25	43.41
(% change compared to base due to sensitivity)	-7.10%	8.00%	-7.20%	8.10%
Attrition Rate (- / + 50% of attrition rates)	41.06	41.09	40.00	40.15
(% change compared to base due to sensitivity)	-0.20%	0.10%	-0.40%	0.00%
Mortality Rate (- / + 10% of mortality rates)	41.14	41.15	40.14	40.15
(% change compared to base due to sensitivity)	0.00%	0.00%	0.00%	0.00%

Maturity Profile of Defined Benefit Obligation

(₹ in crore)

Expected cash flows over the next (valued on undiscounted basis):	Amount
1 year	4.98
2 to 5 years	15.66
6 to 10 years	17.58
More than 10 years	37.38

50 Segment Information:

The Chief Operating Decision Maker (CODM) monitors the operating results at the Group level for the purpose of making decisions about resource allocation and performance assessment. Accordingly, the Group operates in a single primary segment namely “Textiles”, which constitutes a reportable segment as per Ind AS 108.

a. Geographic Information

(₹ in crore)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Revenue from operations from customers within India	2,784.56	2,382.80
Revenue from operations from customers outside India	999.56	854.50
	3,784.11	**3,237.30**

b. Major Customer

There are no customers who individually contribute more than 10%of Group’s total Revenue.

c. Segment assets

(₹ in crore)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Assets within India	7,666.67	17,774.41
Assets outside India	376.59	331.39
	8,043.26	**18,105.80**

51 Fair value Measurement

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments that are recognised in the financial statements.

(₹ in crore)

Sr. No.	Particulars	Fair value as at 31st March, 2021	Fair value as at 31st March, 2020
A	**Financial Asset**		
(I)	**Measured at amortised cost**		
(i)	Investments	0.05	94.58
(ii)	Trade receivables	347.59	241.22
(iii)	Security deposits	20.24	20.55
(iv)	Loans to related parties	-	1.53
(v)	Other receivables	27.93	46.18
(vi)	Cash and cash equivalent	193.65	396.17
(vii)	Other bank balances	77.48	92.90
(viii)	Other financial assets	1.79	0.98
II)	**Measured at fair value through profit & loss (FVTPL)**		
	Other financial assets		
	Derivative Asset (Forward Contract)	0.66	-
	Total Financial Assets	**669.38**	**894.11**
B	**Financial Liabilities**		
I)	**Measured at amortised cost**		
(i)	Borrowings (refer note 35)	23,679.59	28,876.63
(ii)	Convertible Preference Shares	237.60	237.60
(iii)	Trade payables	1,095.11	464.07
(iv)	Other payables	460.01	406.03
	Total Financial Liabilities	**25,472.31**	**29,984.33**

Set out below, is a fair value measurement hierarchy and comparison by class of carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts which are reasonable approximations of their fair values:

As at 31-Mar-2021				**Fair values measurement using**		
Particulars	**Valuation Techniques**	**Carrying values**	**Fair Values**	**Level 1**	**Level 2**	**Level 3**
Other financial assets						
Derivative Asset (Forward Contract) (Previous year nil)	Mark to Market	0.66	0.66		0.66	

Fair value hierarchy

The Group uses the following hierarchy for determining and/or disclosing the fair value of financial instrument by valuation technique:

(i) Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities;

(ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;

(iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

There has been no transfers between level 1 & level 2 during the period.

52 Capital Management and Financial Risk Management Framework

The Group being in a working capital intensive industry, its objective is to maintain a strong credit rating, healthy ratios and establish a capital structure that would maximize the return to stakeholders through optimum mix of debt and equity.

The Group's capital requirement is mainly to fund its capex, working capital, repayment of principal and interest on its borrowings. The principal source of funding of the Group has been, and is expected to continue to be, cash generated from its operations supplemented by funding from bank borrowings and the capital markets. The Group is not subject to any externally imposed capital requirements.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Since net worth of the Group is negative, debt equity ratio is not calculated.

The key risks associated with day to day operations of the Group and working capital management are given below:

A Credit Risk:

Credit risk is the risk that counter party will not meet its obligation under a financial instrument or customer contract leading to a financial loss. The Group is exposed to credit risk mainly from trade receivables and other financial assets.

i) Trade Receivables

Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risk has been managed by the Group through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. On account of adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group uses a provision matrix and forward-looking information and an assessment of the credit risk over the expected life of the financial asset to compute the expected credit loss allowance for trade receivables. Concentrations of credit risk with respect to trade receivables are limited.

The following table gives details in respect of percentage of revenue generated from the top ten customers.

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Revenue from top 10 customers	25%	27%

ii) Other Financial Assets & loans

The Group has limited credit risk arising from cash and cash equivalents as the deposits are maintained with banks and financial institutions with high credit rating. Further, other financial assets mainly comprises of Export incentives and balances with statutory authorities (GST input credit balances) which are recoverable from Government. Hence, these are low risk items and the Group evaluates the recoverability of these financial assets at each reporting date and wherever required, a provision is created against the same.

B. Market Risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks – interest rate risk, currency risk and other price risk in a fluctuating market environment. Financial instrument affected by market risks includes loans and borrowings, deposits, derivatives and other financial assets.

i) Currency Risk

The Group's functional currency is Indian Rupees (INR). The Group undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Group's revenue from export markets and the costs of imports. The Group has exports and to that extent has a natural hedge as a mitigation measure to cover foreign exchange risk on account of imports/expenses in foreign currency.

The Group manages its foreign currency risk by entering into forward contracts.

Derivatives outstanding as at the reporting date (in respective currency) as at 31st March, 2021.

Particulars of Transactions	Currency	Foreign Currency (in million)	INR. in crore
Forward cover to Sale USD – Trade Receivables	USD	24	176.64

Particulars of unhedged foreign currency exposure as at the reporting date

Particulars of Transactions	Currency	31st March 2021		31st March 2020	
		Foreign Currency (in million)	INR. (in crore)	Foreign Currency (in million)	INR. (in crore)
Import trade payable	USD	2.126	15.53	0.520	3.92
	EUR	0.404	3.47	0.066	0.55
	GBP	-	-	0.015	0.14
	CHF	0.263	2.05	-	-
	JPY	28.146	1.87	-	-
	BDT	-	-	0.010	-
Export trade receivable	USD	27.021	197.37	18.409	138.78
	EUR	0.730	6.27	0.170	1.41
	GBP	-	-	0.013	0.12

Foreign Currency Sensitivity

5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit and negative number below indicates a decrease in profit.

Following is the analysis of change in profit and pre-tax equity where the Indian Rupee strengthens and weakens by 5% against the relevant currency:

(₹ in crore)

Currency	Effect on profit before tax Change in rate (upward 5%)		Effect on profit before tax Change in rate (downward 5%)	
	31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020
CHF	(0.10)	(0.00)	0.10	0.00
Euro	0.14	0.05	(0.14)	(0.05)
JPY	(0.09)	(0.01)	0.09	0.01
USD	9.09	(5.22)	(9.09)	5.22

Foreign currency exposure & sensitivity disclosed above excludes balances of foreign subsidiaries denominated in the local currency of the country of operation.

ii) Interest rate risk

a) Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Group are principally denominated in rupees with a mix of fixed and floating rates of interest. The Group has exposure to interest rate risk, arising principally on changes in base lending rate. The Group uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings.

b) The profile of the Group's fixed and floating rate borrowings is given below:

(₹ in crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Variable interest rate borrowings	5,358.67	5,149.89
Fixed interest rate borrowings	237.60	237.60

The Group has a long term borrowing of ₹ 17,384.02 crore which is interest free for a period of 8 years as per the resolution plan (Refer note 35). Being interest free, there is no interest rate risk on this loan for the next 8 years. Further subsidiaries Alok Industries International Inc and Alok World Wide Limited have interest free borrowings to the tune of ₹ 936.49 crore.

Interest rate sensitivity

If interest rates had been 50 basis points higher/lower and all other variables were held constant, following is the impact on profit and pre-tax equity. A positive effect is decrease in profit and negative effect is increase in profit.

(₹ in crore)

Particulars	Currency	Increase / decrease in basis points	Effect on profit before tax
31st March, 2021	INR	50.00	26.79
	INR	(50.00)	(26.79)
31st March, 2020	INR	50.00	26.17
	INR	(50.00)	(26.17)

iii) Commodity Price Risk

Commodity price risk arises due to fluctuation in prices of raw materials like PTA, MEG, cotton and yarn. The Group has a risk management framework aimed at prudently managing the risk arising from the volatility in commodity prices and freight costs. The Group's commodity risk is managed centrally through well-established trading operations and control processes.

C. Financial risk management objectives

The Group has a Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Group's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Group's activities to provide reliable information to the Management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Group.

D Liquidity Risk:

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Group requires funds both for short term operational needs as well as for long term capital expenditure for capex. The Group generates sufficient cash flow for operations, which together with the available cash and cash equivalents provide liquidity in the short-term and long-term. The Group has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk through cash generated from operations, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. As at 31st March, 2021, the Group's current liabilities exceeds its current assets by ₹ 1,053.32 crore.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The contractual maturity is based on the earliest date on which the Group may be required to pay.

31st March, 2021 (₹ in crore)

Particulars	On Demand	Less Than 1 Year	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years	Total
(a) Non Derivative financial instruments							
9% Optionally convertible preference shares	-	-	-	-	-	250.00	250.00
Long term borrowings	0.00	-	-	968.03	954.48	20,604.93	22,527.45
Short term borrowings							
Cash Credit Facilities/ Working Capital Loan	104.79	-	-	-	-	-	104.79
Borrowings from related parties	83.26	853.23	-	-	-	-	936.49
Trade payables							
Trade payables - Micro & Small enterprises	-	21.72	-	-	-	-	21.72
Trade payables - other than Micro & Small enterprises	-	1,073.39	-	-	-	-	1,073.39
Other payable	-	121.47	-	-	-	-	121.47
Other financial liabilities							
Interest accrued on borrowings	74.29	-	-	-	-	-	74.29
Other Interest accrued	-	1.14	-	-	-	-	1.14
Creditors for Capital Supplies / Services	-	6.76	-	-	-	-	6.76
Total	**262.34**	**2,077.71**	**-**	**968.03**	**954.48**	**20,854.93**	**25,117.50**

31st March, 2020

Particulars	On Demand	Less Than 1 Year	1-2 Years	2-3 Years	3-4 Years	Beyond 4 Years	Total
(a) Non Derivative financial instruments							
9% Optionally convertible preference shares						250.00	250.00
Long term borrowings	10.82	-	-	486.95	678.10	26,627.84	27,803.72
Short term borrowings							
Cash Credit Facilities/ Working Capital Loan	112.45	-	-	-	-	-	112.45
Borrowings from related parties	85.39	875.07	-	-	-	-	960.46
Trade payables							
Trade payables - Micro & Small enterprises	-	17.99	-	-	-	-	17.99
Trade payables - other than Micro & Small enterprises	-	446.08	-	-	-	-	446.08
Other payable	-	85.56	-	-	-	-	85.56
Other financial liabilities							
Interest accrued on borrowings	56.86	-	-	-	-	-	56.86
Unclaimed / Unpaid dividends	-	0.34	-	-	-	-	0.34
Creditors for Capital Supplies / Services	-	0.36	-	-	-	-	0.36
Total	**265.53**	**1,425.40**	**-**	**486.95**	**678.10**	**26,877.84**	**29,733.83**

(Previous year figures given in brackets)

53 Operating Leases

Group as a lessee

The Group has lease contracts for land used in its operations, which has a lease terms of 95 years. Refer note 5 for disclosure relating to right of use assets.

As per the terms of lease, the Group was required to make one-time advance lease payment for the leased land. Hence, following the terms of the leased agreement, the Group has made the one-time lease payment and consequently, there are no lease liabilities recorded in the Balance Sheet as at 31st March, 2021.

Group as a lessor

The Group has entered into leases on its investment property portfolio consisting of certain Residential flats and commercial buildings (see Note 3). These leases have terms of between 5 and 20 years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. Rental income recognised by the Group during the year is ₹ 1.48 crore (2019: ₹ 1.41 crore). There are no non-cancellable leases.

54 As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects.

A CSR committee has been formed by the Group as per the Act. The 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.

The Group has incurred losses in current and in previous years. Accordingly, as the average net profit for immediately preceding three financial years is NIL there are no amounts required to be spend on corporate social responsibility under section 135 of the Companies Act, 2013.

55 The Parent Company has made preferential allotment/ private placement of equity shares during the year for the purpose of part conversion of assigned debt into equity as per the NCLT approved resolution plan. Further, the Parent Company in the previous year had raised ₹ 500 crores by way of preferential allotment of equity and optionally convertible preference shares as per the NCLT approved resolution plan. These funds have been utilized for capital expenditure and meeting working capital requirements. The unutilised amount as at 31st March, 2021 of ₹ 150 crores are invested in fixed deposits as at the year end. Post the formation of the new Board in accordance with the approved resolution plan, the new management has the authority, as deemed appropriate, for utilization of the aforesaid money raised by way of preferential allotment.

56 Previous period's figures have been regrouped / reclassified wherever necessary to correspond with the current period's classification / disclosure.

As per our report of even date

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

per **Pramod Kumar Bapna**
Partner
Membership Number: 105497

Place: Mumbai
Date: 26th April, 2021

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

A. Siddharth
(Chairman)

Bijay Agrawal
(Chief Financial Officer)

Anil Rajbanshi
(Non-Executive,
Non Independent Director)

Hitesh Kanani
(Company Secretary)

Place: Mumbai
Date: 26th April, 2021

ANNEXURE

To the Financial Statements for the year ended 31st March, 2021

Salient Features of Financial Statements of Subsidiaries / Joint Ventures as per Section 129(3) of the Companies Act, 2013

Part "A": Subsidiaries

(₹ in Crore)

		Name of the subsidiary							
		Alok Infrastructure Limited	**Alok World Wide Limited**	**Alok Singapore Pte Ltd.**	**Alok International (Middle East) FZE**	**Alok International, Inc.**	**Alok Industries International Limited**	**Grabal Alok International Limited**	**Mileta a.s**
	The date since when subsidiary was acquired/ associated	1-Sep-06	15-Jul-13	28-Dec-11	1-Aug-11	5-May-08	25-Jan-07	1-Mar-12	14-Feb-27
1	Reporting Period	April - March	April - March	April - March	April - March	April - March	April - March	April - March	April - March
2	Reporting Currency	INR	USD	USD	AED	USD	USD	USD	CZK
3	Share Capital	0.05	0.00	0.00	1.31	0.00	0.22	71.03	75.93
4	Reserves & Surplus	(1,440.33)	1.25	(140.67)	(14.56)	(432.66)	(1,889.15)	(758.96)	7.89
5	Total Assets	337.59	964.38	13.20	45.58	22.98	180.52	4.25	210.72
6	Total liabilities	1,777.87	963.13	153.87	58.84	455.63	2,069.44	692.17	126.90
7	Investments	(0.00)				-			
8	Turnover	0.04	-	-	-	-	-	-	112.23
9	Profit/(Loss) before taxation	(641.08)	-	-	(4.11)	0.00	(5.90)	-	(19.54)
10	Provision for taxation	(171.20)	-	-	-	-	-	-	(1.22)
11	Profit/ (Loss) after taxation	(469.88)	-	-	(4.11)	0.00	(5.90)	-	(18.32)
12	Other Comprehensive Income	-	(0.03)	3.60	0.19	1.21	48.18	17.61	-
13	Total Comprehensive Income	(469.88)	(0.03)	3.60	(3.92)	1.22	42.28	17.61	(18.32)
14	Proposed Dividend	-	-	-	-	-	-	-	-
15	% of shareholding	100%	100%	100%	100%	100%	100%	100%	100%

Exchange rate as on 31.03.2021, 1 USD = 73.5047, 1 AED = 19.9335, 1 CZK = 3.2848

Exchange rate as on 31.03.2020, 1 USD = 75.3859, 1 AED = 20.3425, 1 CZK = 3.0335

Notes:

1. Names of Subsidiaries which are yet to commence operations: NA
2. Names of subsidiaries which have been liquidated or sold during the year: NA

ANNEXURE

To the Financial Statements for the year ended 31st March, 2021

Part "B": Joint Venture

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Joint Ventures

(₹ in Crore)

		Joint Venture	
		New City of Bombay Mfg. Mills Ltd.	**Aurangabad Textile and Apparel Park Ltd.**
	The date since when joint venture was acquired/ associated	20-Nov-07	20-Nov-07
1	Latest un-audited Balance sheet date	31.03.2021	31.03.2021
2	Shares of Joint Ventures held by the Company on the year end		
	i) Number	4,493,300	1,019,200
	ii) Amount of Investment in Joint Venture	4.49	1.02
	iii) Extend of Holding %	49%	49%
3	Description of how there is significant influence	There is significant influence due to percentage (%) of voting power	There is significant influence due to percentage (%) of voting power
4	Reason why the Joint venture is not consolidated	-	-
5	Net worth attributable to shareholding as per latest un-audited Balance Sheet	65.53	13.29
6	Profit / (Loss) for the year		
	I) Considered in consolidation	(0.67)	(0.37)
	II) Not considered in consolidation	(0.70)	(0.39)

1. Names of Joint Ventures which are yet to commence operations: NIL

2. Names of Joint Ventures which have been liquidated or sold during the year: NIL

The above statement also indicates performance and financial position of each of the joint ventures.

As per our report of even date attached

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

per Pramod Kumar Bapna
Partner
Membership Number: 105497

Place: Mumbai
Date: 26th April, 2021

For and on behalf of the Board

A. Siddharth
Chairman

Bijay Agrawal
Chief Financial Officer

Anil Rajbanshi
Non-Executive, Non Independent Director

Hitesh Kanani
Company Secretary

Place: Mumbai
Date: 26th April, 2021

NOTICE is hereby given that the **34th Annual General Meeting** of the Members of **ALOK INDUSTRIES LIMITED** ("the Company") will be held on **Tuesday, the 21st day of September, 2021 at 12:30 p.m.** at Alok Public School, Alok City, Silvassa-Khanvel Road, Silvassa – 396230, Union Territory of Dadra and Nagar Haveli, to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt (a) the audited standalone financial statement of the Company for the Financial Year ended 31st March, 2021 and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statement of the Company for the Financial Year ended 31st March, 2021 and the report of Auditors thereon and, in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolutions as an **Ordinary Resolutions:**

   a) **"RESOLVED THAT** the audited standalone financial statement of the Company for the Financial Year ended 31st March, 2021 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

   b) **"RESOLVED THAT** the audited consolidated financial statement of the Company for the Financial Year ended 31st March, 2021 and the report of Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

2. To appoint Mr. Hemant Desai, who retires by rotation as a Director and, in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Hemant Desai (DIN: 00008531), who retires by rotation at this Meeting be and is hereby appointed as a Director of the Company."

SPECIAL BUSINESS:

3. To ratify the remuneration of Cost Auditors for the Financial Year ending 31st March, 2022 and, in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT in accordance with the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration, as approved by the Board of Directors and set out in the Statement annexed to the Notice, be paid to the Cost Auditors appointed by the Board of Directors, to conduct the audit of cost records of the Company for the Financial Year ending 31st March, 2022, be and is hereby ratified."

By Order of the Board of Directors

Hitesh Kanani
Company Secretary and Compliance Officer
Membership No. F6188

Mumbai, 19th July, 2021

Registered Office:
Survey Nos.17/5/1 & 521/1,
Village Rakholi / Saily, Silvassa – 396 230,
Union Territory of Dadra & Nagar Haveli.
CIN: L17110DN1986PLC000334
Website: www.alokind.com
E-mail: investor.relations@alokind.com
Tel No. 0260-6637000; Fax No. 0260-2645289

NOTES:

1. A 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 ("AGM"/ "Meeting") is annexed hereto.

2. **A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Meeting.**

   A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The proxy holder shall prove his identity at the time of attending the Meeting.

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

4. In terms of the provisions of Section 152 of the Act, Mr. Hemant Desai, retires by rotation as a Director at this Meeting. Mr. Hemant Desai and his relatives shall be deemed to be interested in the Ordinary Resolution set out at Item No.2 of the Notice with regard to his re-appointment. Save and except above, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out at Item No. 2 of the Notice.

5. A detailed profile of Mr. Hemant Desai along with additional information required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Secretarial Standard on General Meetings is provided separately by way of an Annexure to the Notice.

6. In compliance with the MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail address is registered with the Company/ Depository Participants (DPs). Members whose e-mail address is not registered with the Company/ DPs, physical copies of Annual Report 2020-21 are being sent by the modes permitted under the Act. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website at www.alokind.com and websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively.

7. For receiving all communication (including Annual Report) from the Company electronically:

   a) Members holding the shares in physical mode and who have not registered / updated their e-mail address with the Company are requested to register / update the same by writing to the Registrar and Transfer Agents (RTA), M/s. Link Intime India Private Limited, C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai 400 083 Tel: (022) 4918 6270, Fax: (022) 4918 6060, e-mail: rnt.helpdesk@linkintime.co.in of the Company.

   b) Members holding the shares in dematerialized mode are requested to register / update their e-mail address with the relevant Depository Participant.

8. Institutional/ Corporate Members (that is, other than Individuals, HUFs, NRIs, etc.) intending to send their authorized representative(s) to attend the Meeting are required to send the Board Resolution / Power of Attorney / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s) authorized under the said Board Resolution to attend and vote on their behalf at the Meeting.

9. Members / Proxies / Authorized Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s) and copy(ies) of Annual Report.

10. In case of joint holders, the Member whose name appears as first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

11. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested and other documents as referred in the Notice are available for inspection by the Members at the Registered Office of the Company during business hours on all working days except Saturdays, Sundays and National Holidays up to the date of the AGM.

12. Members holding the shares in single name are advised to avail the facility of nomination in respect of the shares held by them pursuant to the provisions of Section 72 of the Act. Members holding the shares in physical form desiring to avail this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to the RTA of the Company. Members holding the shares in dematerialized mode may contact their respective DPs for availing this facility.

13. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off Date i.e. 14th September, 2021 only shall be entitled to avail the facility of remote e-voting. A person who is not a Member as on the Cut-off Date, should treat the Notice for information purpose only.

14. The Ministry of Corporate Affairs has notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules). As per these Rules, dividends which are not encashed / claimed by the shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules also mandate the companies to transfer the shares of shareholders whose dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority.

15. The Company has transferred the unpaid or unclaimed dividends declared, from time to time, to the IEPF Authority established by the Central Government. Details of dividends so far transferred to the IEPF Authority are available on the website of the IEPF Authority and can be accessed through the link: http://www.iepf.gov.in. Further the Company has also transferred to the IEPF Authority all the shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer. Details of the shares so far transferred to the IEPF Authority are available on the Company's website and can be accessed through the link: https://www.alokind.com/downloads/unclaimed_equity_dividend&transfer_of_shares_to_iepf.pdf. The said details have also been uploaded on the website of the IEPF Authority and can be accessed through the link: www.iepf.gov.in. Members may note that the shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from the IEPF Authority.

16. Members of the Company whose unclaimed dividend or the shares associated therewith have been transferred by the Company to the IEPF Authority in compliance with the statutory requirements as aforesaid, may visit the Company's website at https://www.alokind.com/downloads/AlokIndustries_IEPF_R10.pdf to understand the procedure in detail along with the supporting documents to be provided for claiming back the said unclaimed dividend or the shares from IEPF Authority.

17. Members are requested to address all correspondences, including shareholding related documents and dividend matters to the Company's RTA.

18. In accordance with the provisions of Schedule VI of Listing Regulations, the Company had opened a Demat Suspense Account with National Securities Depository Limited and as on 31st March, 2021, 30,540 Equity Shares are lying in the said account.

19. As per Regulation 40 of Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with the physical shares and for ease of portfolio management, Members holding the shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's RTA for assistance in this regard.

20. Members holding the shares in dematerialized form are requested to intimate the change of bank mandates, address, name, bank details, nomination, e-mail address etc., if any, to their respective DPs.

21. Members holding the shares in the physical form are requested to intimate the following directly to the Company's RTA.

    (a) Bank Mandate with full particulars;

    (b) Intimate changes, if any, in their address/ name, bank details, NECS/ECS, mandates, nominations, power of attorney etc. at an early date;

    (c) Apply for consolidation of folios, if shareholdings are under multiple folios in identical names or joint holding in the same order of names;

    (d) Send their Share Certificates for consolidation; and

    (e) Request for nomination forms for making nominations, as per the format prescribed under the Act. Members holding the shares in the dematerialized (electronic) form are requested to intimate the aforesaid changes directly to their DPs, as applicable.

22. Non-Resident Indian Members are requested to immediately inform the Company or its RTA or the concerned DP, as the case may be, about the following: (a) The change in the residential status on return to India for permanent settlement; (b) The particulars of the NRE account with a bank in India, if not furnished earlier.

23. **(A) PROCEDURE FOR REMOTE E-VOTING:**

Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Act read with the Rules made thereunder, as amended, and Regulation 44 of Listing Regulations, read with circular of SEBI on e-Voting Facility provided by Listed Entities, dated 9th December, 2020, the Company is providing to its Members facility to exercise their right to vote on resolutions proposed to be passed at AGM by electronic means (**"e-voting"**). Members may cast their votes remotely, using an electronic voting system on the dates mentioned herein below (**"remote e-voting"**).

The Company has engaged the services of National Securities Depository Limited (**'NSDL'**) as the agency to provide e-voting facility.

The manner of voting, including voting remotely by (a) Individual Shareholders holding the shares of the Company in demat mode, (b) shareholders other than individuals holding the shares of the Company in demat mode and shareholders holding the shares of the Company physical mode and (c) Members who have not registered their email addresses, is provided in the instructions given below.

The remote e-voting facility will be available during the following voting period:

Commencement of remote e-voting:	9:00 a.m. (IST) on 17th September, 2021
End of remote e-voting:	5:00 p.m. (IST) on 20th September, 2021

The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be forthwith disabled by Link Intime upon expiry of the aforesaid period.

Voting rights of a Member / Beneficial Owner (in case of electronic shareholding) shall be in proportion to his/her/its shareholding in the paid-up equity share capital of the Company as on the cut-off date, that is, 14th September, 2021 ("Cut-off Date").

The Board of Directors of the Company has appointed Mr. Virendra Bhatt, a Practising Company Secretary (Membership No.: A-1157), as Scrutiniser to scrutinise the remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the said purpose.

(B) INFORMATION AND INSTRUCTIONS RELATING TO E-VOTING:

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **“Beneficial Owner”** icon under **“Login”** which is available under **‘IDeAS’** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **“Access to e-Voting”** under e-Voting services and you will be able to see e-Voting page. Click on Company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or voting during the Meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **“Register Online for IDeAS Portal”** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or voting during the Meeting. 4. Shareholders/Members can also download NSDL Mobile App **“NSDL Speede”** facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or voting during the Meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding the shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold the shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold the shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding the shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for the shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on **"Forgot User Details/ Password?"** (If you are holding the shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **Physical User Reset Password?"** (If you are holding the shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding the shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of Company for which you wish to cast your vote during the remote e-Voting period and cast your vote during the General Meeting. For joining Virtual Meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of the shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to bhattvirendra1945@yahoo.co.in with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in

C) Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this Notice:

1. In case the shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the Share Certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to RTA at rnt.helpdesk@linkintime.co.in.
2. In case the shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to RTA at rnt.helpdesk@linkintime.co.in. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode.**

3. Alternatively shareholder/Members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

24. The facility for ballot / polling paper shall be made available at the AGM and the Members attending AGM who have not cast their vote by remote e-voting shall be able to vote at the AGM through ballot / polling paper.
25. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
26. Any person, who acquires the shares of the Company and becomes Member of the Company after dispatch of the Notice and holding the shares as of the cut-off date i.e. 14th September, 2021 may obtain the login ID and password by sending a request at evoting@nsdl.co.in.
27. 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.
28. The Scrutinizer shall after the conclusion of voting at the AGM, first scrutinize the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make and submit, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized in writing, who shall countersign the same and declare the result of the voting forthwith.
29. The Results of voting shall be declared within two working days of the conclusion of the AGM of the Company and subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to have been passed on the date of the Meeting, i.e., 21st September, 2021.
30. The Results declared along with the consolidated scrutinizer's report will be available on Company's website at www.alokind.com and on NSDL's website at www.evoting.nsdl.com. The results shall simultaneously be communicated to BSE Limited and National Stock Exchange of India Limited.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013.

The following Statement sets out the material facts relating to Item No. 3 mentioned in accompanying Notice:

Item No. 3:

Ratification of remuneration of the Cost Auditors:

The Board of Directors has, approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company, for the Financial Year ending 31st March, 2022, as per the following details:

Sr. No.	Name of the Cost Auditor	Industry	Cost Audit Fee (in ₹)
1.	M/s. B.J.D. Nanabhoy & Co.	Plastics and polymers and Textiles	₹ 99,000/-

In accordance with the provisions of Section 148 of the Act read with the Rules made thereunder, the remuneration payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board, has to be ratified by the Members of the Company.

Accordingly, ratification by the Members is sought for the remuneration payable to the Cost Auditors for the Financial Year ending 31st March, 2022 by passing an Ordinary Resolution as set out at Item No.3 of the Notice.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for ratification by the Members.

By Order of the Board of Directors

Hitesh Kanani
Company Secretary and Compliance Officer
Membership No. F6188

Mumbai, 19th July, 2021

Registered Office:
Survey Nos.17/5/1 & 521/1,
Village Rakholi / Saily, Silvassa – 396 230,
Union Territory of Dadra & Nagar Haveli.
CIN: L17110DN1986PLC000334
Website: www.alokind.com
E-mail: investor.relations@alokind.com
Tel No. 0260-6637000; Fax No. 0260-2645289

ANNEXURE TO THE NOTICE DATED 19TH JULY, 2021

Details of Director retiring by rotation at the Meeting:

Name	Mr. Hemant Desai (DIN:00008531)
Date of Birth/ Age	29th May, 1952/ 69 Years
Designation	Nominee Director (Non-Executive) representing Reliance Industries Limited.
Nationality	Indian
Profile	Provided in the Corporate Governance Report.
Experience (including expertise in specific functional area)	Various areas including Marketing, Strategic Planning, Finance and Corporate Affairs across industrial infrastructure of Power, Ports, Petroleum and Gas Pipelines, Petro-Retail outlets
Date of first appointment on the Board	14th September, 2020
Qualification	B.Com., Executive Education Programs at Duke University, USA and London Business School UK
Experience	More than 45 years
Terms and conditions of re-appointment	Mr. Hemant Desai, who was re-appointed as a Nominee Director (Non-Executive) representing Reliance Industries Limited of the Company at the Annual General Meeting held on 29th December, 2020, is liable to retire by rotation.
Details of remuneration sought to be paid	The Non-Executive Directors of the Company have unanimously decided to waive their sitting fees for attending the Meetings of the Board of Directors and/or the Committee(s).
Last drawn remuneration, if applicable	N.A.
Shareholding in the Company including shareholding as a beneficial owner	NIL
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	N.A.
The number of Meetings of the Board attended during the Year	4 (2020-21)
Directorship held in other companies as on date	▪ Hazira Area Industries Association ▪ Gujarat Chemical Port Limited ▪ Hazira Area HSEF (Health Safety Environment & Fire) Foundation
Membership/Chairmanship of Committees of other Companies as on date	1. Gujarat Chemical Port Limited Corporate Social Responsibility Committee — Member Investment Committee — Member

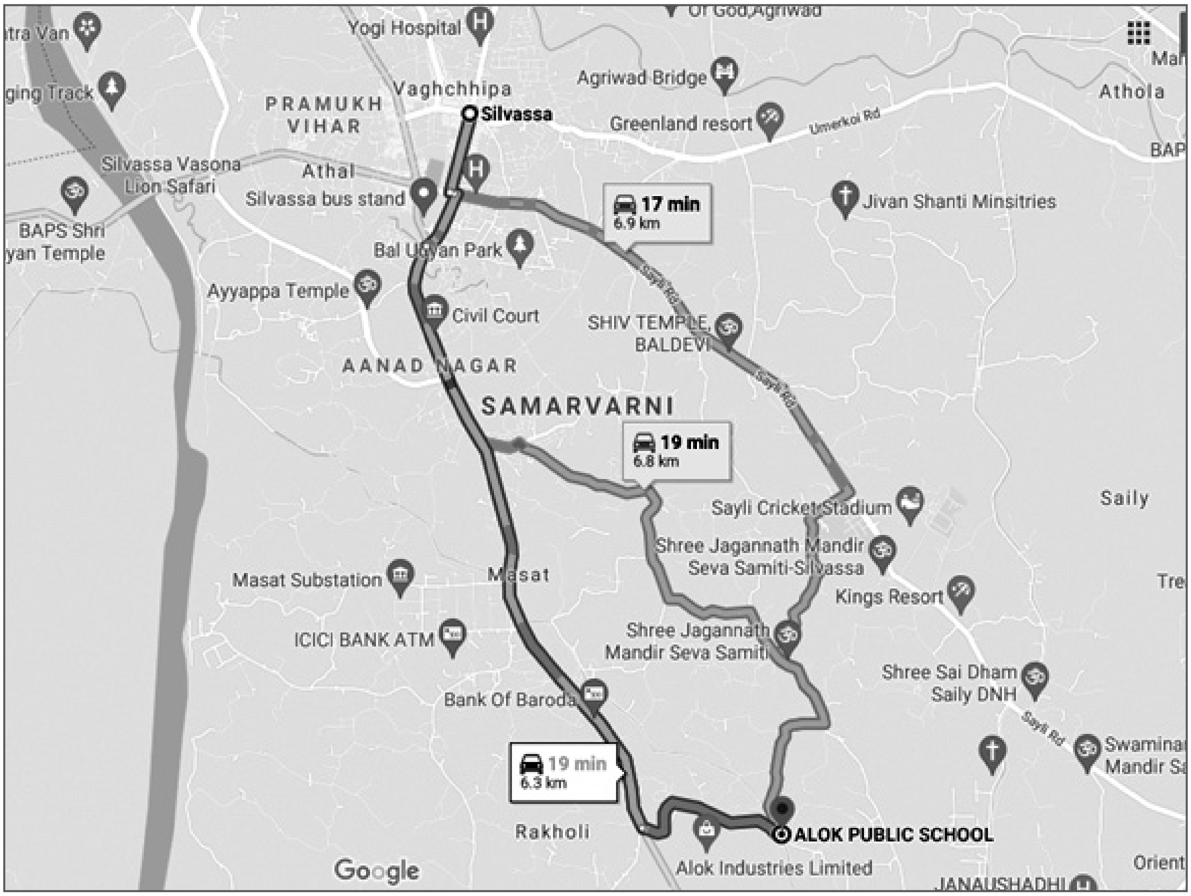
By Order of the Board of Directors

Hitesh Kanani
Company Secretary and Compliance Officer
Membership No.F6188

Mumbai, 19th July, 2021

34TH ANNUAL GENERAL MEETING TO BE HELD ON TUESDAY, 21ST SEPTEMBER, 2021 AT 12:30 P.M

MAP SHOWING LOCATION OF THE VENUE OF ANNUAL GENERAL MEETING OF ALOK INDUSTRIES LIMITED



Venue:

Alok Public School,

Alok City, Silvassa-Khanvel Road,

Silvassa – 396230,

Union Territory of Dadra and Nagar Haveli

ALOK
INDUSTRIES LIMITED
™ INNOVATIVE TEXTILE SOLUTIONS

ATTENDANCE SLIP

CIN: L17110DN1986PLC000334

Registered Office: Survey Nos.17/5/1 & 521/1, Village Rakholi/ Saily, Silvassa-396230, Union Territory of Dadra and Nagar Haveli
Website: www.alokind.com; e-mail: investor.relations@alokind.com; Tel.: 0260-6637000; Fax: 0260-2645289;

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL
Joint shareholders may obtain additional slip at the venue of the Meeting.

DP Id*	:	Folio No.	:
Client Id*	:	No. of Shares	:

NAME AND ADDRESS OF THE SHAREHOLDER:	

I hereby record my presence at the **THIRTY-FOURTH ANNUAL GENERAL MEETING** of the members of the Company held on **Tuesday, 21st September, 2021 at 12:30 p.m.** at Alok Public School, Alok City, Silvassa-Khanvel Road, Silvassa – 396230, Union Territory of Dadra and Nagar Haveli.

*Applicable for investors holding shares in electronic form

Signature of Shareholder / Proxy

ALOK
INDUSTRIES LIMITED
™ INNOVATIVE TEXTILE SOLUTIONS

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L17110DN1986PLC000334

Registered Office: Survey Nos.17/5/1 & 521/1, Village Rakholi/ Saily, Silvassa-396230, Union Territory of Dadra and Nagar Haveli
Website: www.alokind.com; e-mail: investor.relations@alokind.com; Tel.: 0260-6637000; Fax: 0260-2645289;

Name of the member(s)	:	e-mail Id	:
Registered address	:	Folio No. / *Client Id	:
		*DP Id	:

I/We being the member(s) of shares of Alok Industries Limited, hereby appoint:

1) ______________________of ________________________ having e-mail id ________________________or failing him

2) ______________________of ________________________ having e-mail id ________________________or failing him

3) ______________________of ________________________ having e-mail id ________________________

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **THIRTY-FOURTH ANNUAL GENERAL MEETING** of the members of the Company to be held on **Tuesday, 21st September, 2021 at 12:30 p.m.** at Alok Public School, Alok City, Silvassa-Khanvel Road, Silvassa – 396230, Union Territory of Dadra and Nagar Haveli and at any adjournment thereof in respect of such resolutions as are indicated below:

* I/We wish my above proxy to vote in the manner as indicated in the box below:

	Resolutions	For	Against
1.	Consider and adopt: a) audited financial statement for the Financial Year ended 31st March 2021 and the Reports of the Board of Directors and Auditors thereon.		
	b) audited consolidated financial statement for the Financial Year ended 31st March, 2021 and the Report of Auditors thereon.		
2.	Re-appointment of Mr. Hemant Desai as a Director retiring by rotation.		
3.	Ratification of the remuneration of the Cost Auditors for the Financial Year ending 31st March, 2022.		

P.T.O.

Signed this.................... day of.................2021

Signature of shareholder

Affix a Revenue Stamp

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Notes:

1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than forty-eight hours before the commencement of the Meeting.

2) A proxy need not be a member of the Company and shall prove his identity at the time of attending the Meeting.

3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

**4) This is only optional. Please put a '√' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote (on poll) at the Meeting in the manner he/she thinks appropriate.

5) Appointing a proxy does not prevent a member from attending the Meeting in person if he / she so wishes. When a Member appoints a proxy and both the Member and proxy attend the Meeting, the proxy will stand automatically revoked.

6) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

7) This form of proxy shall be signed by the appointer or his attorney duly authorised in writing, or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorised by it.

8) This form of proxy will be valid only if it is duly completed in all respects, properly stamped and submitted as per the applicable law. Incomplete form or form which remains unstamped or inadequately stamped or form upon which the stamps have not been cancelled will be treated as invalid.

9) Undated proxy form will not be considered valid.

10) If Company receives multiple proxies for the same holdings of a member, the proxy which is dated last will be considered valid; if they are not dated or bear the same date without specific mention of time, all such multiple proxies will be treated as invalid.

**Applicable for investors holding shares in electronic form.

REGISTERED OFFICE

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

CORPORATE OFFICE

Tower B, 2nd & 3rd Floor, Peninsula Business Park,
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