

# 34th ANNUAL REPORT

## 2020-21



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## 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)*

## 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

# DIRECTORS' REPORT to the Shareholders



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:

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)
<b>Total Comprehensive Income</b>	<b>(5,852.14)</b>	<b>1,224.56</b>	<b>(5,624.28)</b>	<b>1,013.55</b>

(₹ in crore)

## 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](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](http://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\\_Subsiidiaries.pdf](https://www.alokind.com/Downloads/Policy_for_Determining_Material_Subsiidiaries.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](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](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](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:

- Mr. Tulsi Tejwani- resigned as Executive Director & CEO (Weaving) and ceased to be KMP with effect from 14th September, 2020.
- 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.
- Mr. Bijay Agrawal was appointed as a KMP designated as CFO of the Company with effect from 16th September, 2020.

- 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](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