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

ALOK INDUSTRIES LIMITED
™ INNOVATIVE TEXTILE SOLUTIONS

April 18, 2019

To

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai- 400 001
Scrip Code : 521070

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block-G,
Bandra Kurla Complex, Bandra (E)
Mumbai- 400 051
Scrip Code: ALOKTEXT

Dear Sir,

Subject: Receipt of approval from the Competition Commission of India (one of the two conditions precedent for implementation of the Resolution Plan) and salient features of the resolution plan approved under Section 31 of the Insolvency and Bankruptcy Code, 2016, as amended in respect of the corporate insolvency resolution process of Alok Industries Limited.

Alok Industries Limited ("**Company**") had pursuant to its communication dated March 9, 2019 informed the Exchanges regarding the approval of the resolution plan of JM Financial Asset Reconstruction Company Limited, JMFARC-March 2018- Trust ("**Trust**") and Reliance Industries Limited ("**RIL**") (collectively referred to as "**RAs**") for the Company by the National Company Law Tribunal, Ahmedabad ("**NCLT**") *vide* its order dated March 8, 2019 ("**Resolution Plan**"). A copy of the approval order of the NCLT has earlier been submitted to the Exchanges. Pursuant to the above, the Company has been informed by the RAs vide their email dated April 17, 2019, that the Competition Commission of India has granted its approval for the transaction contemplated in the Resolution Plan. The approval of the Reserve Bank of India for foreign lenders debt (other conditions precedent) is yet to be received.

The Resolution Plan, as approved by the NCLT, is binding on the Company, employees, members, creditors, guarantors and other stakeholders involved, as per the provisions of the Insolvency & Bankruptcy Code, 2016. The Resolution Plan contains, *inter alia*, the following salient features:

1. Payments to stakeholders - The Resolution Plan contemplates, *inter alia*, payments amounting to (i) upto an aggregate of INR 284 crores towards payment of CIRP cost and any excess CIRP cost; (ii) INR 19.33 crores towards the liquidation value due to the Company's workmen; (iii) INR 4.83 crores to certain operational creditors of the Company who are owed upto INR 3 lacs as on the insolvency commencement date; and (iv) INR 5,052 crores (*less* any excess CIRP cost in terms of the Resolution Plan) towards repayment to financial creditors of the Company out of which INR 200 crores will be paid by the Trust for purchase/assignment of the outstanding financial debt as set out under the Resolution Plan ("**Outstanding ARC Debt**").

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

ISO 9001,ISO 14001, ISO 18001
Certified Company.

2. Infusion of funds – Infusion of need based working capital funds for an approximate amount of INR 441.84 crores (less excess CIRP cost) and infusion of an amount of INR 500 crores for capital expenditure.

3. Reduction of existing share capital – The Resolution Plan proposes reduction of the Company's share capital without any payout to the shareholders, by reducing the face value of each issued and outstanding equity share of the Company from INR 10 to Re. 1.

4. Issuance of Securities - RIL will infuse (i) INR 250 crores into the Company against issuance of approx. 21.25% of the issued and paid up equity share capital; (ii) INR 250 crores into the Company against issuance optionally convertible preference shares of face value of Re 1 each. Further, the Trust will convert a portion of the Outstanding ARC Debt into equity shares such that it holds 171,06,66,667 equity shares constituting 43.63% of the issued and paid up equity share capital and will further invoke pledges on 13,59,11,844 equity shares, such that it holds in total 47.09% of the issued and paid up equity share capital of the Company.

5. Existing Promoter Group - Post the additional issue of equity and conversion of Outstanding ARC Debt, Existing Promoter Group shall hold 6.66% of the Company's issued and paid up equity share capital, which, subject to necessary approvals, shall be cancelled through selective capital reduction without any payout to the Existing Promoter Group ("**Promoter Capital Reduction**"). Post and subject to the Promoter Capital Reduction, the Trust and/or RIL will further convert such portion of the Outstanding ARC Debt and/or the transferred Outstanding ARC Debt into equity shares of the Company, such that post such conversion, the Trust and RIL will in aggregate hold 75% of the Company's issued and paid up equity share capital. The public shareholding will be 25%.

6. Re-classification of Promoters - The Existing Promoter Group will be reclassified as 'non-promoters' of the Company in accordance with Applicable Law and their holding, if any, will be classified as 'non-promoter non-public'.

7. Taking over of management – On the Closing Date (as defined under the Resolution Plan), the RAs shall jointly acquire control over the Company. The board of directors and management team of the Company (including key managerial personnel) shall be reconstituted by the RAs.

This is for you information and records.

Thanking you,

Yours faithfully,
For Alok Industries Limited

Sr. Vice President (Legal & Secretarial)