

# ALOK INDUSTRIES LIMITED

Peninsula Towers, Peninsula Corporate Park, G. K. Marg, Lower Parel, Mumbai - 400 013.  
Tel.: 91 22 2499 6200 / 6500 Fax: 91 22 2493 6078



29<sup>th</sup> July, 2011

|                                                                                                                                                                                                                     |                                                                                                                                                                                                      |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Bombay Stock Exchange Limited</b><br>Listing Department,<br>P.J. Towers, Dalal Street,<br>Mumbai - 400 001.<br>Fax No.: 2272 2037 / 2272 2039                                                                    | <b>National Stock Exchange of India Limited</b><br>Exchange Plaza, 5th Floor,<br>Plot no. C/1, G Block,<br>Bandra-Kurla Complex,<br>Bandra (East), Mumbai-400 051.<br>Fax No.: 2659 8237 / 2659 8238 |
| <b>The Deputy General Manager,<br/>Bombay Stock Exchange Limited,</b><br>Corporate Relationship Department,<br>1st floor, Rotunda Building,<br>Dalal Street, Fort, Mumbai- 400 001.<br>Fax No.2272 3121 / 2272 2041 |                                                                                                                                                                                                      |

Dear Sirs,

Sub: **Outcome of the Board Meeting for considering the un-audited quarterly results for the quarter ended 30<sup>th</sup> June, 2011.**

We request you to refer our letter of 7<sup>th</sup> July, 2011 informing you about the meeting of the Board of Directors of our Company scheduled on 29<sup>th</sup> July, 2011. We have to inform you that the said Board Meeting was held as scheduled and amongst other things, the following matters were considered and approved:

- Un-audited Financial Results (Provisional) of the Company for the quarter ended 30<sup>th</sup> June, 2011 were considered and adopted after review and approval by the Audit Committee; We are enclosing herewith a copy of the said Un-audited results, for your record;
- Audited Financial Results of the Company for the year ended 31<sup>st</sup> March 2011 were adopted after review and approval by the Audit Committee. We are also enclosing herewith a copy of the said Audited results along with the Statement of Assets and Liabilities, for your record;
- Recommendation of equity dividend of 2.5% i.e. Rs.0.25 per share for the financial year ended 31<sup>st</sup> March 2011, subject to approval of members of the Company at the ensuing Annual General Meeting (AGM);
- Holding of the 25<sup>th</sup> Annual General Meeting of the members of the Company on Thursday, the 29<sup>th</sup> day of September 2011 at 12.00 noon;
- Closing of the Register of Members for the purpose of Annual General Meeting from Thursday, the 22<sup>nd</sup> day of September 2011 to Thursday, the 29<sup>th</sup> day of September 2011 (both days inclusive); and

...2/-

- (f) The proposal for amalgamation of Grabal Alok Impex Limited ('GAIL') into the Company as per terms and conditions mentioned in the Scheme of Amalgamation placed before the Board. The salient features of the proposed Scheme are as under:
- (i) Amalgamation of GAIL with the Company
  - (ii) The Appointed Date of the Scheme will be April 1, 2011;
  - (iii) The Company to issue its shares to the shareholders of GAIL as on record date, based on the swap ratio determined by the independent valuers, M/s Ernst & Young Private Limited and the fairness report provided by Fortune Financial Services (India) Limited and approved by the Board of Directors of the Company which is as under:
    - "1 (One) fully paid up equity share of Rs.10 each of the Company shall be issued and allotted for every 1 (One) equity share of Rs.10 each held in GAIL"
  - (iv) The Scheme is subject to approval of the shareholders, creditors, the Hon'ble High Court of Bombay and any other statutory or regulatory authorities, which by law may be necessary for the implementation of the Scheme.

We also attach herewith annexure containing details of Key Developments that took place during the quarter ended on 30<sup>th</sup> June 2011.

Yours truly,

**For ALOK INDUSTRIES LIMITED**

  
**K. H. GOPAL**  
**PRESIDENT (CORPORATE AFFAIRS) &**  
**SECRETARY**

- Cc:
- 1. **National Securities Depository Limited,**  
Trade World, 4<sup>th</sup> Floor,  
Kamala Mills Compound,  
Senapati Bapat Marg,  
Lower Parel, Mumbai - 400 013.
  - 2. **The Secretary,**  
**Central Depository Services (India) Limited,**  
16<sup>th</sup> Floor, P. J. Towers,  
Dalal Street, Fort,  
Mumbai - 400 023.

# **UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2011**

(Rs. Crore)

| PARTICULARS |                                                                                           | 1ST QUARTER ENDED                         |                                           | YEAR ENDED                             |
|-------------|-------------------------------------------------------------------------------------------|-------------------------------------------|-------------------------------------------|----------------------------------------|
|             |                                                                                           | 30.06.2011<br>[3 months]<br>(Provisional) | 30.06.2010<br>[3 months]<br>(Provisional) | 31.03.2011<br>[12 months]<br>(Audited) |
| 1.          | Net Sales / Income from operations                                                        | 1,644.89                                  | 1,098.97                                  | 6,388.44                               |
| 2.          | Other Income                                                                              | 0.70                                      | 0.05                                      | 6.42                                   |
| 3.          | <b>Total Income</b>                                                                       | <b>1,645.59</b>                           | <b>1,099.02</b>                           | <b>6,394.86</b>                        |
| 4.          | <b>Total Expenditure</b>                                                                  | <b>1,192.67</b>                           | <b>772.17</b>                             | <b>4,638.91</b>                        |
| a]          | (Increase) / Decrease in Stock in trade and work in progress                              | -284.66                                   | -104.34                                   | -216.23                                |
| b]          | Consumption of raw material                                                               | 1,090.69                                  | 617.36                                    | 3,567.36                               |
| c]          | Employee Cost                                                                             | 54.96                                     | 41.60                                     | 199.75                                 |
| d]          | Other Expenditure                                                                         | 331.68                                    | 217.55                                    | 1,087.63                               |
|             | <b>Profit Before Interest &amp; Depreciation</b>                                          | <b>452.92</b>                             | <b>326.85</b>                             | <b>1,756.35</b>                        |
| 5.          | Depreciation                                                                              | 164.97                                    | 99.32                                     | 518.79                                 |
| 6.          | Interest                                                                                  | 200.44                                    | 157.08                                    | 654.37                                 |
| 7.          | <b>Profit from ordinary activities Before Tax</b>                                         | <b>87.51</b>                              | <b>70.45</b>                              | <b>583.19</b>                          |
| 8.          | Provision for Tax – Current                                                               | 17.50                                     | 14.37                                     | 120.40                                 |
|             | – MAT Credit                                                                              | 0.00                                      | 0.00                                      | (42.25)                                |
|             | – Deferred                                                                                | 12.24                                     | 9.57                                      | 100.68                                 |
|             | <b>Net Profit from ordinary activities after Tax</b>                                      | <b>57.77</b>                              | <b>46.51</b>                              | <b>404.37</b>                          |
| 9.          | Extra ordinary items (Net of tax)                                                         | 0.00                                      | 0.00                                      | 0.00                                   |
| 10.         | <b>Net Profit for the period</b>                                                          | <b>57.77</b>                              | <b>46.51</b>                              | <b>404.37</b>                          |
| 11.         | Paid up Equity Share Capital<br>(Face Value Rs.10/- per equity Shares)                    | 787.79                                    | 787.79                                    | 787.79                                 |
| 12.         | Reserve excluding revaluation reserves (as per Balance Sheet of previous accounting year) | 2,308.27                                  | 1,928.40                                  | 2,309.79                               |
| 13.         | Earnings Per Share (Rs.)                                                                  |                                           |                                           |                                        |
|             | Basic                                                                                     | 0.73                                      | 0.59                                      | 5.13                                   |
|             | Diluted                                                                                   | 0.73                                      | 0.59                                      | 5.13                                   |
| 14.         | Aggregate of public share holdings                                                        |                                           |                                           |                                        |
|             | -Number of Shares                                                                         | 55,64,08,006                              | 56,44,21,927                              | 56,44,21,927                           |
|             | -Percentage of Shareholding                                                               | 70.63%                                    | 71.65%                                    | 71.65%                                 |
| 15.         | Promoter & Promoter Group Shareholding                                                    |                                           |                                           |                                        |
|             | <u>a) Pledged/Encumbered</u>                                                              |                                           |                                           |                                        |
|             | - Number of Shares                                                                        | 13,64,27,640                              | 20,22,42,838                              | 15,24,27,640                           |
|             | - Percentage of Shares (as a % of the total shareholding of promoter and promoter group)  | 58.96%                                    | 90.54%                                    | 68.24%                                 |
|             | -Percentage of Shares (as a % of the total share capital of the Company)                  | 17.32%                                    | 25.67%                                    | 19.35%                                 |
|             | <u>b) Non- encumbered</u>                                                                 |                                           |                                           |                                        |
|             | - Number of Shares                                                                        | 9,49,48,711                               | 2,11,33,513                               | 7,09,48,711                            |
|             | - Percentage of Shares (as a % of the total shareholding of promoter and promoter group)  | 41.04%                                    | 9.46%                                     | 31.76%                                 |
|             | -Percentage of Shares (as a % of the total share capital of the Company)                  | 12.05%                                    | 2.68%                                     | 9.00%                                  |

**For Alok Industries Limited**

*[Signature]*  
**President (Corporate Affairs) & Secretary**

**NOTES:**

1. The above results have been reviewed by the Audit Committee and taken on record by the Board of Directors of the Company at their meeting held on 29 July 2011. The same are subject to Limited Review by the statutory auditors of the Company.
2. Total Income has increased by 49.73% over the corresponding quarter of the previous year to reach Rs. 1,645.59 crore. Domestic sales increased by 57.24% over Q4, 2009-10 to reach Rs.1,042.72 crore, while export sales was Rs.602.19 crore – an increase of 38.16%
3. The Board of Directors of the company have considered and approved the proposal for amalgamation of Grabal Alok Impex Limited (GAIL) into the company as per the terms and conditions mentioned in the Scheme of Amalgamation placed before the Board, subject to necessary approvals from the statutory and regulatory authorities. The swap ratio as determined by M/s Ernst & Young Pvt. Ltd., independent valuer and the fairness report provided by M/s Fortune Financials Services (India) Ltd. and as approved by the Board is 1 (One) fully paid equity share of Rs. 10/- each of the company to be issued and allotted for every 1 (One) fully paid equity share of Rs. 10/- each held in GAIL.
4. The company has contracted the following deals relating to real estate held by its wholly owned subsidiary:
  - i. Two commercial floors out of Twenty floors in Tower 'B' of Peninsula Business Park, Lower Parel have been leased out to a leading FMCG MNC;
  - ii. One floor out of Eight floors in Ashford Centre, Lower Parel have been sold to a reputed domestic NBFC;
  - iii. Seventy Three Acres of land at Silvassa have been agreed to be sold to six different parties.
5. The Board considered and recommended equity dividend of 2.5% i.e. Rs. 0.25 per equity share for the financial year ending March 31, 2011, subject to the approval of the members at the Annual General Meeting, which has been fixed for Thursday the 29 September 2011.
6. No. of investor complaints at the beginning of the quarter were NIL, received during the quarter were 16, disposed off during the quarter were 16 and lying unsolved at the end of the quarter were NIL.
7. The entire operations of the Company relate to only one segment viz., textiles. The risk and returns are generally perceived by the management to be the same for all units and thus treated as one segment.
8. The figures of previous quarter/period have been reclassified/ regrouped wherever necessary to correspond with those of the current quarter/period.

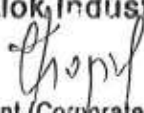
By order of the Board  
For ALOK INDUSTRIES LIMITED

Sd/-

DILIP B. JIWRAJKA  
Managing Director

Place: Mumbai  
Date: 29 July 2011

**For Alok Industries Limited**

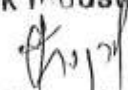
  
President (Corporate Affairs) & Secretary

**AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2011**

| PARTICULARS                                                                                   | YEAR ENDED                |                           |
|-----------------------------------------------------------------------------------------------|---------------------------|---------------------------|
|                                                                                               | 31.03.2011<br>[12 Months] | 31.03.2011<br>[12 Months] |
|                                                                                               | (Audited)                 | (Provisional)             |
| Net Sales / Income from operations                                                            | 6,388.44                  | 6,365.95                  |
| Other Income                                                                                  | 6.42                      | 4.96                      |
| <b>Total Income</b>                                                                           | <b>6,394.86</b>           | <b>6,370.91</b>           |
| Total Expenditure                                                                             | 4,638.51                  | 4,600.17                  |
| (Increase) / Decrease in Stock - in - trade                                                   | (216.23)                  | (314.25)                  |
| Material Consumption                                                                          | 3,567.36                  | 3,628.29                  |
| Staff Cost                                                                                    | 199.75                    | 197.15                    |
| Other Expenditure                                                                             | 1,087.63                  | 1,088.98                  |
| <b>Profit Before Interest &amp; Depreciation</b>                                              | <b>1,756.35</b>           | <b>1,770.74</b>           |
| Interest                                                                                      | 654.37                    | 681.98                    |
| Depreciation                                                                                  | 518.79                    | 524.43                    |
| <b>Profit Before Tax</b>                                                                      | <b>583.19</b>             | <b>564.33</b>             |
| Provision for Tax -Current                                                                    | 120.40                    | 112.47                    |
| -MAT credit                                                                                   | (42.25)                   | -                         |
| -Deferred                                                                                     | 100.68                    | 74.98                     |
| -Fringe Benefit                                                                               | -                         | -                         |
| <b>Profit After Tax</b>                                                                       | <b>404.37</b>             | <b>376.88</b>             |
| Extra ordinary items (net of tax)                                                             | -                         | -                         |
| <b>Net Profit for the period</b>                                                              | <b>404.37</b>             | <b>376.88</b>             |
| Paid up Equity Share Capital<br>(Face Value Rs. 10/- per equity shares)                       | 787.79                    | 787.79                    |
| Reserves excluding revaluation reserves (As<br>per Balance sheet of previous accounting year) | 2,309.79                  | 1,928.40                  |
| Earning Per Share (Rs.)                                                                       |                           |                           |
| Basic                                                                                         | 5.13                      | 4.78                      |
| Diluted                                                                                       | 5.13                      | 4.78                      |
| Aggregate of Public shareholdings                                                             |                           |                           |
| - Number of shares                                                                            | 564,421,927               | 564,421,927               |
| -Percentage of shareholding                                                                   | 71.65%                    | 71.65%                    |
| Promoters and Promoter Group Share Holding                                                    |                           |                           |
| a) Pledged/Encumbered                                                                         |                           |                           |
| - Number of Share                                                                             | 152,427,640               | 152,427,640               |
| - Percentage of Shares (as a % of the total<br>shareholding of promoter and promoter group)   | 68.24%                    | 68.24%                    |
| *-Percentage of Shares (as a % of the total<br>share capital of the Company)                  | 19.35%                    | 19.35%                    |
| b) Non- encumbered                                                                            |                           |                           |
| - Number of Share                                                                             | 70,948,711                | 70,948,711                |
| - Percentage of Shares (as a % of the total<br>shareholding of promoter and promoter group)   | 31.76%                    | 31.76%                    |
| -Percentage of Shares (as a % of the total<br>share capital of the Company)                   | 9.00%                     | 9.00%                     |

Note :- Above results have been reviewed by the Audit committee and taken on record by the board of directors at their meeting held on 29th July, 2011.

**For Alok Industries Limited**

  
**President (Corporate Affairs) & Secretary**

## KEY DEVELOPMENTS IN THE QUARTER

- The 'H&A' chain of stores opened an additional 20 shops during the quarter; taking the total number to 311 (including shop-in-shop); target is to have about 500 stores operational by March 2012. In Annual Survey, Franchise India has ranked H&A as one of the top 100 franchising opportunities in India for 2011
- 'Store Twenty One', the UK retail chain of value-format stores continued to do reasonably well during the quarter. Grabal Alok (UK) Ltd, the Company that operates these stores continued to generate positive EBITDA of £ 0.71 mln. The sales for Q1 2011-12 was at £ 31.47 mln as compared to £ 30.84 mln in the corresponding quarter of the previous period. As of today, there is a total of 219 stores
- The Board of Directors of the company have considered and approved the proposal for amalgamation of Grabal Alok Impex Limited (GAIL) into the company as per the terms and conditions mentioned in the Scheme of Amalgamation placed before the Board, subject to necessary approvals from the statutory and regulatory authorities. The swap ratio as determined by M/s Ernst & Young Pvt. Ltd., independent valuer and the fairness report provided by M/s Fortune Financials Services (India) Ltd. and as approved by the Board is 1 (One) fully paid equity share of Rs. 10/- each of the company to be issued and allotted for every 1 (One) fully paid equity share of Rs. 10/- each held in GAIL.
- Credit Analysis and Research Ltd (CARE) has maintained 'CARE A+' rating for the Company's long term facilities, while rating for the Company's short term commercial paper/MIBOR linked short term NCDs have been upgraded and assigned 'CARE A1+' rating
- The company has contracted the following deals relating to real estate held by its wholly owned subsidiary:
  - Two commercial floors out of Twenty floors in Tower 'B' of Peninsula Business Park, Lower Parel have been leased out to a leading FMCG MNC;
  - One floor out of Eight floors in Ashford Centre, Lower Parel have been sold to a reputed domestic NBFC;
  - Seventy Three Acres of land at Silvassa have been agreed to be sold to six different parties
- The Company has intensified efforts to sell / lease its prime commercial properties at Lower Parel, Mumbai (held by wholly owned subsidiaries) and is confident of making significant progress in this direction by the year end

**For Alok Industries Limited**

  
**President (Corporate Affairs) & Secretary**