

ALPS/088/SE11/2021-22

June 30, 2021

<p>The General Manager Market Operations Deptt., <b>National Stock Exchange of India Ltd.,</b> Exchange Plaza, 5th Floor, Plot No. C/1, G-Block, Bandra-Kurla Complex Bandra (E), <b>Mumbai - 400 051</b> Ph - 91-22-2659 8101 - 8114 Fax : 022 - 26598237/38/ 2659 8100 <b>Email - cmlist@nse.co.in</b></p>	<p>The Relationship Manager Corporate Relationship Deptt., <b>Bombay Stock Exchange Limited,</b> 1<sup>ST</sup> Floor New Trading Ring, Rotunda Building, P. J. Towers, Dalal Street, Fort, <b>Mumbai-400 001.</b> Ph - 022-22728995 Fax: 022 - 22723121 / 3719/2037/2039/2041/2061 Email - intern.erika@bseindia.com , corp.relations@bseindia.com</p>
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**RE: DECLARATION IN COMPLIANCE OF CIRCULAR CIR/CFD/CMD/56/2016 DATED 27.5.2016 ON THE MODIFIED OPINION AUDIT REPORTS FOR THE FINANCIAL YEAR 2020-21.**

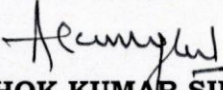
Dear Sir,

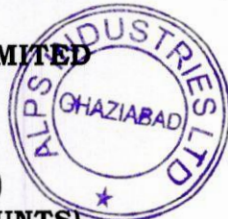
### DECLARATION

In terms of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the compliance of SEBI circular no- CIR/CFD/CMD/56/2016 dated 27.5.2016, we hereby declare that Audit Report on Standalone & Consolidated financial Statements of M/s. Alps Industries Limited, having its registered office at 57/2, Site IV, Industrial Area Sahibabad, Ghaziabad (U.P.), as provided by the Statutory Auditors of the company is modified Opinion and Qualified Opinion related to the financial year ended on March 31, 2021. As required the Statement on Impact of Audit Qualifications is enclosed.

This is for your kind information and record, please.

FOR **ALPS INDUSTRIES LIMITED**

  
(**ASHOK KUMAR SINGHAL**)  
**PRESIDENT (CORP. ACCOUNTS)**  
**DESIGNATED CHIEF FINANCIAL OFFICER (CFO)**





STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS (FOR AUDIT REPORT WITH MODIFIED OPINION) SUBMITTED ALONG-WITH ANNUAL FINANCIAL RESULTS FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2021 IN TERMS OF REGULATION 33 OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AS AMENDED ON 9<sup>TH</sup> MAY, 2018 AND CIR/CFD/CMD/56/2016 DATED MAY 30, 2016 (STANDALONE)

NAME OF THE COMPANY: ALPS INDUSTRIES LTD. (L51109UP1972PLC003544)

STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021. (See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016)				
				Rs. in Lakh
I.	SI No.	Particulars	Audited Figures (as reported before adjusting for qualification)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover/Total Income	26419.06	26419.06
	2.	Total Expenditure	33874.93	188757.14
	3.	Net Profit/(Loss)	-7455.87	-162338.08
	4.	Earnings per share (in Rs.)	-19.06	-415.04
	5.	Total Assets	19793.11	19793.11
	6.	Total Liabilities	82618.64	237500.85
	7.	Net Worth	-62825.53	-217707.74
	8.	Any other financial item(s)(as felt appropriate by the management) – Contingent Liability towards Derivative Contracts & Corporate Guarantee Etc.	-	-

I. AUDIT QUALIFICATION (EACH AUDIT QUALIFICATION SEPARATELY)

a.	Detail of Audit Qualification	"Refer to note no. 38 to the notes on accounts, the Company has not provided for its liability towards interest & part of principal loan, waived earlier, and impact of retained earnings in terms of draft rehabilitation scheme and now revoked by its consented lenders amounting to Rs. 154882.21 lakh, accordingly the loss for the year and loan liability would have been increased and shareholder's fund would have been reduced to that extent."
b.	Type of Audit qualification (Qualified opinion/Disclaimer of Opinion/ Adverse Opinion )	Qualified Opinion
c.	Frequency of qualification (Whether appeared first time/repetitive/since hoe long continuing)	Since Financial Year 2017-18

For Alps Industries Ltd.

(Sandeep Agarwal)  
Managing Director

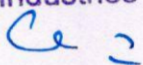


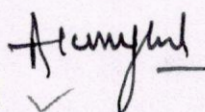
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d.	<p>Audit Qualification where the impact quantified by the Auditor, Management's Views:</p>	<p>During earlier year, the lenders having more than 83% of the secured debts of the Company revoked their consent to the DRS/settlement scheme circulated by erstwhile Hon'ble BIFR, interalia containing the restructuring of the debts of the Company, which was partly implemented. The Company objected to the said revocation of consent being unjustified and beyond terms of the scheme and further submitted an offer for settlement. M/s Edelweiss Assets Reconstruction Company Ltd., (presently holding more than 98% of the total secured debt of the Company) (EARC) in order to recover its dues from the Company has also filed an Original Application before Debts Recovery Tribunal, Lucknow Bench, which application is pending adjudication. In addition to above EARC has under the provisions of SARFAESI auctioned certain properties including during the year Leasehold Land, Building and Plant &amp; Machineries lying at Plot nos. A-2 &amp; A-3, Loni Road, Industrial Area, Ghaziabad (UP) and Lenders having first pari passu charge over these assets have adjusted their dues with the realization made thereof. EARC has also taken over the symbolic possession of properties being Leasehold Land &amp; Building at plot no. IA, Sec.-10, IIE, SIDCUL, Haridwar, under section 13(4) of the SARFAESI Act and issued a sale notice under Rule 8(6) and Rule 6(2) of the Security Interest (Enforcement) Rules, 2002. The adjustments as may arise on account of further action of lenders, if any, shall be made in the books of account in the year upon receipt of information from them. The Company once again submitted a revised settlement/restructuring proposal with lenders which is under active consideration with them. Management of the Company expects to get the revised settlement/restructuring proposal approved from lenders and accordingly, the Company would be meeting its revised financial obligations. Accordingly, the financial statements of the Company for year ended on March 31, 2020 have been prepared on going concern assumption basis and continue with the earlier consented restructuring scheme. The impact, arising upon approval of the revised settlement/ restructuring proposal, will be given effect in the financial statements of the year of final settlement with lenders.</p>
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For Alps Industries Ltd.

  
(Sandeep Agarwal)  
Managing Director









		Hence, no provision considered necessary in these accounts towards interest on entire secured loans & part of principal secured loan, waived earlier, and impact on retained earnings thereon totaling to Rs. 154882.21 Lakh as per provisions of earlier consented scheme, which the Company continues to give effect till the time revised settlement/restructuring proposal is finally approved by its lenders.
e.	<b>Audit Qualification where the impact is not quantified by the Auditor :-</b>	
(i)	Management's Estimation on the impact of audit qualification	N.A
(ii)	If management is unable to estimate the impact, reasons for the same	NA
(iii)	Auditor's Comments on (i) or (ii) above:	NA

For R.K. Govil & Co.  
Chartered Accountants



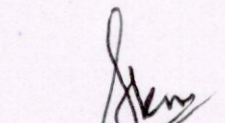
Dipender Gupta  
Partner  
Membership No. 558077  
Firm Regn. No. - 000748C



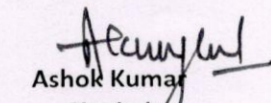
For & on behalf of Board  
For Alps Industries Ltd.



(Sandeep Agarwal)  
Managing Director  
Sandeep Agarwal  
Managing Director  
DIN : 00139439



Prabhat Krishna  
(Audit Committee  
Chairman)  
DIN: 02569624



Ashok Kumar  
Singhal  
President  
(Corporate F&A)  
CFO

Place: Ghaziabad  
Dated: June 30, 2021.

UPIN:-21538077AAAA DF1794



STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS (FOR AUDIT REPORT WITH MODIFIED OPINION) SUBMITTED ALONG-WITH ANNUAL FINANCIAL RESULTS FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2021 IN TERMS OF REGULATION 33 OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AS AMENDED ON 9<sup>TH</sup> MAY, 2018 AND CIR/CFD/CMD/56/2016 DATED MAY 30, 2016 (CONSOLIDATED)

NAME OF THE COMPANY: ALPS INDUSTRIES LTD. (L51109UP1972PLC003544)

STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021. (See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016)				
Rs. in Lakh				
I.	Sl No.	Particulars	Audited Figures (as reported before adjusting for qualification)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover/Total Income	26383.70	26383.70
	2.	Total Expenditure	33892.49	188774.70
	3.	Net Profit/(Loss)	-7508.79	-162391.00
	4.	Earnings per share (in Rs.)	-19.20	-415.17
	5.	Total Assets	19610.95	19610.95
	6.	Total Liabilities	82688.08	237570.29
	7.	Net Worth	-63077.13	-217959.34
	8.	Any other financial item(s)(as felt appropriate by the management) – Contingent Liability towards Derivative Contracts & Corporate Guarantee Etc.	-	-

II. AUDIT QUALIFICATION (EACH AUDIT QUALIFICATION SEPARATELY)

a.	Detail of Audit Qualification	"Refer to note no. 38 to the notes on accounts, the Company has not provided for its liability towards interest & part of principal loan, waived earlier, and impact of retained earnings in terms of draft rehabilitation scheme and now revoked by its consented lenders amounting to Rs. 154882.21 lakh, accordingly the loss for the year and loan liability would have been increased and shareholder's fund would have been reduced to that extent."
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For Alps Industries Ltd.



(Sandeep Agarwal)  
Managing Director



d.	<p>Audit Qualification where the impact quantified by the Auditor, Management's Views:</p>	<p>During earlier year, the lenders having more than 83% of the secured debts of the Company revoked their consent to the DRS/settlement scheme circulated by erstwhile Hon'ble BIFR, interalia containing the restructuring of the debts of the Company, which was partly implemented. The Company objected to the said revocation of consent being unjustified and beyond terms of the scheme and further submitted an offer for settlement. M/s Edelweiss Assets Reconstruction Company Ltd., (presently holding more than 98% of the total secured debt of the Company) (EARC) in order to recover its dues from the Company has also filed an Original Application before Debts Recovery Tribunal, Lucknow Bench, which application is pending adjudication. In addition to above EARC has under the provisions of SARFAESI auctioned certain properties including during the year Leasehold Land, Building and Plant &amp; Machinerics lying at Plot nos. A-2 &amp; A-3, Loni Road, Industrial Area, Ghaziabad (UP) and Lenders having first pari passu charge over these assets have adjusted their dues with the realization made thereof. EARC has also taken over the symbolic possession of properties being Leasehold Land &amp; Building at plot no. IA, Sec.-10, IIE, SIDCUL, Haridwar, under section 13(4) of the SARFAESI Act and issued a sale notice under Rule 8(6) and Rule 6(2) of the Security Interest (Enforcement) Rules, 2002. The adjustments as may arise on account of further action of lenders, if any, shall be made in the books of account in the year upon receipt of information from them.</p> <p>The Company once again submitted a revised settlement/restructuring proposal with lenders which is under active consideration with them. Management of the Company expects to get the revised settlement/restructuring proposal approved from lenders and accordingly, the Company would be meeting its revised financial obligations. Accordingly, the financial statements of the Company for year ended on March 31, 2020 have been prepared on going concern assumption basis and continue with the earlier consented restructuring scheme. The impact, arising upon approval of the revised settlement/ restructuring proposal, will be given effect in the financial statements of the year of final settlement with lenders.</p> <p>Hence, no provision considered necessary in these accounts towards interest on entire secured loans &amp; part of principal</p>
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For Alps Industries Ltd.

*Ce 2*  
 (Sandeep Agarwal)  
 Managing Director

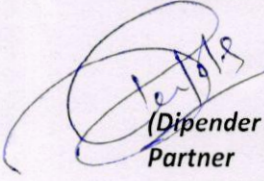
*Accountant*

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		secured loan, waived earlier, and impact on retained earnings thereon totaling to Rs. 154882.21 Lakh as per provisions of earlier consented scheme, which the Company continues to give effect till the time revised settlement/restructuring proposal is finally approved by its lenders.
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(i)	Management's Estimation on the impact of audit qualification	N.A
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(iii)	Auditor's Comments on (i) or (ii) above:	NA

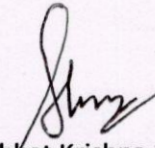
For R.K. Govil & Co.  
Chartered Accountants

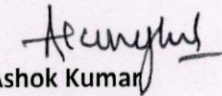
  
(Dipender Gupta)  
Partner  
Membership No. 53807  
Firm Regn. No. - 000748C



For & on behalf of Board  
For Alps Industries Ltd.

  
(Sandeep Agarwal)  
Managing Director  
Sandeep Agarwal  
Managing Director  
DIN : 00139439

  
Prabhat Krishna  
(Audit Committee  
Chairman)  
DIN: 02569624

  
Ashok Kumar  
Singhal  
President  
(Corporate F&A)  
CFO

Place: Ghaziabad  
Dated: June 30, 2021.

UDIN:- 21538077AAAADE5631