

To
The Members of
ALPS INDUSTRIES LIMITED

Report on the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of **ALPS INDUSTRIES LIMITED** ("the Company") which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of the 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, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements 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 31st, 2020 and loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

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. 146966.65 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.

Emphasis of Matters

We draw attention to the following matters in the Notes to Financial Statements:

The note no 38 related to preparation of financial statement on going concern basis on the expectation of the company to get the necessary resolution for restructuring/settlement of debts and to meet its financial obligation and continuation of giving effect to earlier consented scheme though now revoked.

Key Audit Matters - Meaning

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section we have determined that there are no key audit matters to be communicated in our report.



Other Matter

Due to continuous spreading of COVID-19 across India, the Indian Government announced a strict 21-day lockdown on March 24, 2020, which was further extended till June 30, 2020 across the India and still going on with relaxations in parts. This has resulted in restriction on physical visit to client locations and the need for carrying alternative audit procedures as per the Standards on Auditing prescribed by the Institute of Chartered Accountants of India (ICAI).

In view of above stated situation, the entire audit was carried out based on remote access of the data as provided by the management. This has been carried out based on the advisory on "Specific Considerations while conducting Distance Audit/Remote Audit/ Online Audit under current Covid-19 situation" issued by the Auditing and Assurance Standards Board of ICAI. We have been represented by the management that the data provided for our audit purposes is correct, complete, reliable and are directly generated by the accounting system of the Company without any further manual modifications.

We bring to the attention of users that the audit of the financial statements has been performed in the aforesaid conditions.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("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 Indian Accounting Standards (IND AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 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. Board of Directors are also responsible for overseeing the Company's financial reporting process.



Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under and the Order issued under section 143(11) of the Act.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the standalone financial statements.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

As required by Section 143(3) of the Act, based on our audit 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 Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow 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 Indian Accounting Standards prescribed under section 133 of the Act.



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(e) On the basis of the written representations received from the directors as on 31st March 2020 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020, 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of 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, 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 financial statements- Refer Note No. 36 & 37 to the financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amount which were required to be transferred to the Investor Education and Protection Fund by the Company.

For R. K. Govil & Co.
Chartered Accountants
(Firm Reg. No. : 000748C)



(Rajesh Kumar Govil)
Partner
Membership No : 013632

Place: Ghaziabad
Date: July 31, 2020
UDIN: 20013632AAAAD8577

ANNEXURE "A" TO INDEPENDENT AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2020, we report that:

1) (a) The Company has maintained proper records, showing full particulars including quantitative details and situation of its fixed assets.

(b) As explained to us, the management has physically verified all the fixed assets during the year except the assets lying at erstwhile Jaspur and Kashipur units which are not in its possession, in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company. We have been informed that no material discrepancies were noticed on such physical verification during the year.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(2) (a) The inventory has been physically verified during the year by the management in phased manner.

(b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) The Company has maintained proper records of inventories. As explained to us, the discrepancies noticed on physical verification as compared to book records were not material and have been dealt with in the books of account.

(3) According to the information and explanation given to us, the company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register required to be maintained under section 189 of the Act. Accordingly paragraph 3 (iii) of the order is not applicable.

(4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

(5) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public.

(6) We were informed that company has maintained cost records pursuant to Companies (Cost Records and Audit) Rules, 2014 as amended and prescribed by the Central Government under section 148(1) of the Companies Act, 2013 and we are of the opinion that prima facie, the prescribed cost records have been maintained. We have however not made a detailed examination of the records with a view to determine whether they are accurate and complete.



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(7) (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues applicable to it with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income-tax, Service Tax, Sales-tax, Duty of Custom, Duty of Excise, Cess, Goods and Service Tax and other aforesaid statutory dues were outstanding as at 31st March, 2020 for a period of more than six months from the date they became payable.

(b) The disputed statutory dues aggregating to Rs. 8.15 Lakh as on 31st March, 2020 have not been deposited on account of matters pending before appropriate authorities are as under:

Name of the Statute	Nature of Dues	Amount	Forum where Dispute is Pending
Nagar Nigam Act	Sewerage Tax	Rs. 8.15 Lakh	Ld. Commisioner, Nagar Nigam, Gzb.

(8) During last year the consent to the DRS interalia containing the restructuring of the debts of the company have been revoked by the consented secured lenders and demand raised for the dues outstanding in terms of their original sanctions. The company has protested to the said revocation and also submitted a revised restructuring/settlement scheme which is pending consideration with them (refer note no. 38), we are unable to express any opinion about the default of Principal / Interest and period of default, if any.

(9) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.

(10) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(11) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(12) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.



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(13) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

14) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(15) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(16) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For R. K. Govil & Co.
Chartered Accountants
(Firm Reg. No. : 000748C)



(Rajesh Kumar Govil)
Partner
Membership No : 013632

Place: Ghaziabad
Date: July 31, 2020
UDIN: 20013632AAAAD8577

ANNEXURE "B" TO INDEPENDENT AUDITORS' REPORT

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 **ALPS INDUSTRIES LIMITED** (the Company) as of **31 March 2020** 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 ('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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both 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 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 control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, 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 Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting 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 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 authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

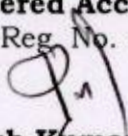
Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 to future periods are subject to the risk that the internal financial control over financial reporting 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, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, 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 R. K. Govil & Co.
Chartered Accountants
(Firm Reg. No. : 000748C)


(Rajesh Kumar Govil)
Partner
Membership No : 013632



Place: Ghaziabad
Date: July 31, 2020
UDIN: 20013632AAAADE8577

To
The Members of
ALPS INDUSTRIES LIMITED

Report on the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying consolidated financial statements of **ALPS INDUSTRIES LIMITED** (hereinafter referred to as "the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), comprising the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows for the year then ended, and a summary of the 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, except, for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements give the information required by 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, 2020, and its loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

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. 146966.65 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.

Emphasis of Matters

We draw attention to the following matters in the Notes to Financial Statements:
To note no 38 related to preparation of financial statement on going concern basis on the expectation of the company to get the necessary resolution for restructuring/settlement of debts and to meet its financial obligation and continuation of giving effect to earlier consented scheme though now revoked.

Key Audit Matters- Meaning

Key audit matters are those matters that, in our professional judgment, were of *most significance in the audit of the financial statements of the current period*. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon and we do not provide a separate opinion on these



matters. In addition to the matter described below to be the key audit matters to be communicated in our report. Key audit matters are selected from matters communicated with those charged with governance.

Other Matters

1. We have relied upon the unaudited financial statements of M/s Alps USA Inc., the subsidiary company, whose financial statements reflect total assets of Rs. 398.79 Lac as at 31st March, 2020, total expense of Nil, cash flows amounting to nil for the year then ended. These unaudited financial statements, as approved by the Board of Directors of this company and translated from US\$ into INR have been furnished to us by the Management and our report insofar as it relates to the amounts included in respect of this subsidiary is based solely on such approved unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to 'the Group'.

2. Our opinion on the Consolidated Financial Statements, and our report on other legal and regulatory requirements below, except, for the effects of the matter described in the Basis for Qualified Opinion paragraph above, is not qualified in respect of the above Emphasis of Matters and Other Matters.

3. Due to continuous spreading of COVID-19 across India, the Indian Government announced a strict 21-day lockdown on March 24, 2020, which was further extended till June 30, 2020 across the India and still going on with relaxations in parts. This has resulted in restriction on physical visit to client locations and the need for carrying alternative audit procedures as per the Standards on Auditing prescribed by the Institute of Chartered Accountants of India (ICAI).

In view of above stated situation, the entire audit was carried out based on remote access of the data as provided by the management. This has been carried out based on the advisory on "Specific Considerations while conducting Distance Audit/Remote Audit/ Online Audit under current Covid-19 situation" issued by the Auditing and Assurance Standards Board of ICAI. We have been represented by the management that the data provided for our audit purposes is correct, complete, reliable and are directly generated by the accounting system of the Company without any further manual modifications.

We bring to the attention of users that the audit of the financial statements has been performed in the aforesaid conditions.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the Indian Accounting Standards (IND AS)



prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Financial Statements. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the 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. Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made there under including the accounting standards and matters which are required to be included in the audit report.

I. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

II. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the



accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

III. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the consolidated financial statements.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law maintained by the Holding Company, its subsidiaries included in the Group, including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company.

(c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant 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 Indian Accounting Standards prescribed under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Holding Company and of its subsidiary companies, none of the directors of the Group companies, is disqualified as on 31st March, 2020 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 over financial reporting of the Holding Company, its subsidiary companies, the operating effectiveness of such controls, refer to our separate Report in Annexure A.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our



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opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated financial statements disclose the impact of pending litigations as at March 31, 2020 on the consolidated financial position of the Group (Refer Note No. 36 & 37).
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There was no amount which was required to be transferred to the Investor Education and Protection Fund by the Company.

For R. K. Govil & Co.
Chartered Accountants
(Firm Reg. No. : 000748C)



(Rajesh Kumar Govil)
Partner
Membership No : 013632

Place: Ghaziabad
Date: July 31, 2020
UDIN: 20013632AAAADF8815

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

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 the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of Alps Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary companies, are responsible for establishing and maintaining internal financial controls based on "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 (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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, 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 Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting 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 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 authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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

Because of the inherent limitations of internal financial controls over financial reporting, 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 to future periods are subject to the risk that the internal financial control over financial reporting 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 Holding Company, its subsidiary companies, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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 R. K. Govil & Co.
Chartered Accountants
(Firm Reg. No.: 000748C)

(Rajesh Kumar Govil)
Partner
Membership No : 013632



Place: Ghaziabad
Date: July 31, 2020
UDIN: 20013632AAAADF8815

STANDALONE AND CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND FINANCIAL YEAR ENDED ON 31ST MARCH 2020.
UNDER REGULATION 33 OF THE SEBI LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS REGULATIONS, 2015

Rs. in Lakh

Particulars	3 months ended		Preceding 3 months ended in current year		Corresponding 3 months ended in the previous year		Year to date figure of Current Year ended		Year to date figure of Current Year ended		Year to date figure of Previous Year ended	
	(Standalone) Audited (Refer to Note No. 2)	(Consolidated) Audited (Refer to Note No. 2)	31.12.2019	31.12.2019	31.03.2019	(Consolidated) Audited (Refer to Note No. 2)	31.03.2020	Audited	31.03.2020	Audited	31.03.2019	(Consolidated) Audited
I Revenue												
II (a) Income from operations	6430.6	6430.6	7,550.43	7,550.43	8,291.96	8,291.96	31,320.18	31,320.18	37,115.19	37,115.19	37,115.19	37,115.19
III (b) Other Income	387.02	387.26	274.93	274.98	242.55	242.55	873.85	874.14	630.58	636.15	636.15	636.15
IV Total Revenue (II+III)	6,817.62	6,817.86	7,825.36	7,825.41	8,534.51	8,534.51	32,194.03	32,194.32	37,745.77	37,751.34	37,751.34	37,751.34
V Expenditure												
(a) Cost of Material consumed	4023.4	4023.4	4,499.79	4,499.79	5,253.19	5,253.19	19,879.76	19,879.76	24,440.84	24,440.84	24,440.84	24,440.84
(b) Purchase of stock-in-trade	0	0	-	-	-	-	-	-	-	-	-	-
(c) Excise Duty	0	0	-	-	-	-	-	-	-	-	-	-
(d) Goods and service Tax(GST)	0	0	-	-	-	-	-	-	-	-	-	-
(e) Changes in inventories of finished goods, Work in progress & stock in trade	-245.94	-245.94	395.12	395.12	184.96	184.96	100.87	100.87	(273.41)	(273.41)	(273.41)	(273.41)
(f) Employee Benefit expense	1040.3	1040.3	1,119.35	1,119.35	1,103.50	1,103.50	4,655.93	4,655.93	4,722.36	4,722.36	4,722.36	4,722.36
(g) Finance cost	1466.71	1466.71	1,448.26	1,448.26	1,454.58	1,460.14	5,753.17	5,753.17	5,784.20	5,783.60	5,783.60	5,783.60
(h) Depreciation & Amortisation expenses	96.85	98.01	339.57	340.73	833.23	834.40	1,481.82	1,486.52	3,378.92	3,383.66	3,383.66	3,383.66
(i) Impairment of Assets	4665.81	4665.81	-	-	-	-	4,665.81	4,665.81	4,665.81	4,665.81	4,665.81	4,665.81
(j) Other expenses	1839.3071	1491.3071	2,332.97	2,333.32	1,940.24	1,942.70	8,161.86	7,815.01	8,256.95	8,260.16	8,260.16	8,260.16
Total Expenses	12,886.44	12,539.60	10,135.06	10,136.57	10,769.70	10,778.89	44,699.22	44,357.07	46,309.89	46,317.24	46,317.24	46,317.24
VI (Loss)/Profit before exceptional items and tax (IV-V)	(6,068.82)	(5,721.74)	(2,309.70)	(2,311.16)	(2,235.19)	(2,244.38)	(12,505.19)	(12,162.75)	(8,564.12)	(8,565.90)	(8,565.90)	(8,565.90)
VII Exceptional Items	-123,8429	-123,8429	741.62	741.62	-	-	995.61	995.61	2,239.07	2,239.07	2,239.07	2,239.07
VIII (Loss)/Profit before tax (VI-VII)	(6,192.66)	(5,845.58)	(1,568.08)	(1,569.54)	(2,235.19)	(2,244.38)	(11,509.58)	(11,167.14)	(6,325.05)	(6,326.83)	(6,326.83)	(6,326.83)
IX Tax expense												
(a) Income tax	0	85.43	-	-	-	-	-	-	85.43	-	-	-
(b) Deferred tax	0	0	-	-	-	-	-	-	-	-	-	-
X (Loss)/Profit after tax (VIII-IX)	(6,192.66)	(5,931.01)	(1,568.08)	(1,569.54)	(2,235.19)	(2,244.38)	(11,509.58)	(11,252.57)	(6,325.05)	(6,326.83)	(6,326.83)	(6,326.83)
Other comprehensive income												
XI Total comprehensive income (X+XI)	(6,192.66)	(5,931.01)	(1,568.08)	(1,569.54)	(2,235.19)	(2,244.38)	(11,509.58)	(11,252.57)	(6,325.05)	(6,326.83)	(6,326.83)	(6,326.83)
Attributable to :												
Owners	(6,192.66)	(5,903.67)	(1,568.08)	(1,569.11)	(2,235.19)	(2,241.60)	(11,509.58)	(11,223.83)	(6,325.05)	(6,326.29)	(6,326.29)	(6,326.29)
Non Controlling Interest	-	(27.36)	-	(0.43)	-	(2.78)	-	(28.76)	-	(0.54)	-	(0.54)
Profit for the period attributable to :												
Owners	(6,192.66)	(5,903.67)	(1,568.08)	(1,569.11)	(2,235.19)	(2,241.60)	(11,509.58)	(11,223.83)	(6,325.05)	(6,326.29)	(6,326.29)	(6,326.29)
Non Controlling Interest	-	(27.36)	-	(0.43)	-	(2.78)	-	(28.76)	-	(0.54)	-	(0.54)
Other comprehensive income for the period attributable												
Owners	-	-	-	-	-	-	-	-	-	-	-	-
Non Controlling Interest	-	-	-	-	-	-	-	-	-	-	-	-
XIII Paid up equity share capital (face value of Re. 10/- each)	3911.41	3911.41	3,911.41	3,911.41	3,911.41	3,911.41	3,911.41	3,911.41	3,911.41	3,911.41	3,911.41	3,911.41
XIV Earnings per share (face value of Rupee 10/- each) (not annualised)	(15.84)	(13.07)	(4.00)	(4.02)	(5.71)	(5.73)	(29.43)	(28.77)	(16.17)	(16.18)	(16.18)	(16.18)

For Alps Industries Ltd.
Chartered Accountant
Managing Director

ALPS INDUSTRIES LIMITED
CIN : L51109UP1972PLC003544

Registered Office : 57/2, Site-IV Industrial Area, Sahibabad, Ghaziabad-201010 U.P.INDIA
Ph.: 0120-4161716, Email Id.:ajaygupta@alpsindustries.com, investorgrievance@alpsindustries.com

**STANDALONE AND CONSOLIDATED AUDITED SUMMARY OF STATEMENT OF ASSET AND LIABILITIES FOR THE
FINANCIAL YEAR ENDED ON MARCH 31, 2020.**

Particulars	(Rs. In Lakhs)			
	Audited			
	Standalone As at 31.03.2020	Consolidated As at 31.03.2020	Standalone As at 31.03.2019	Consolidated As at 31.03.2019
ASSETS				
Non- current assets				
Property, plant and equipment	15,054.60	15,064.84	28,732.06	28,747.00
Capital Work In Progress	-	-	5.29	5.29
Other Intangibles Assets	141.47	141.47	195.21	195.21
Intangible assets under Development	-	-	-	-
Financial assets				
Investments	374.89	128.78	727.20	129.00
Loans	423.46	423.46	338.13	338.13
Deferred tax assets (net)	-	-	-	-
Other Non- Current assets	1,065.90	1,065.90	1,141.02	1,141.02
Total of non- current assets (a)	17,060.32	16,824.45	31,138.91	30,555.65
Current assets				
Inventories	2,565.00	2,565.00	2,963.07	2,963.07
Financial assets				
Investment	-	-	-	-
Trade receivables	2,181.89	2,181.89	3,005.52	3,005.52
Cash and cash equivalents	127.25	131.43	262.00	299.27
Other bank Balance	250.28	250.28	86.39	86.39
Other financial assets	13.80	7.19	18.31	11.70
Current Tax Assets	168.69	180.38	166.37	178.51
Other current assets	465.96	474.84	668.02	668.45
Total of current assets (b)	5,772.87	5,791.01	7,169.68	7,212.91
Total of assets (a+b)	22,833.19	22,615.46	38,308.59	37,768.56
EQUITY AND LIABILITIES				
Equity				
Equity share capital	3,911.41	3,911.41	3,911.41	3,911.41
Other equity	(59,281.07)	(59,459.75)	(47,771.49)	(48,234.96)
Non Controlling Interest	-	(20.30)	-	8.46
Total of equity (a)	(55,369.66)	(55,568.64)	(43,860.08)	(44,315.09)
LIABILITIES				
Non- current liabilities				
Financial Liability				
Borrowings	39,656.31	39,566.56	40,056.01	39,966.26
Provisions	315.42	315.42	282.61	282.61
Total of non current liabilities (b)	39,971.73	39,881.98	40,338.62	40,248.87
Current liabilities				
Financial liabilities				
Borrowings	33,446.76	33,446.76	37,227.40	37,227.40
Trade Payables	2,461.66	2,461.66	2,313.02	2,313.02
Other financial liabilities	2,072.12	2,141.41	1,995.28	2,000.01
Other current liabilities	210.40	212.11	254.48	254.48
Provisions	40.18	40.18	39.87	39.87
Total of current liabilities (c)	38,231.12	38,302.12	41,830.05	41,834.78
Total of liabilities (d = b+c)	78,202.85	78,184.10	82,168.67	82,083.65
Total of equity and liabilities (a+d)	22,833.19	22,615.46	38,308.59	37,768.56

For Alps Industries Ltd.


 (Sandeep Agarwal)
 Managing Director

ALPS INDUSTRIES LIMITED
AUDITED STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2020

(A)	CASH FLOW FROM OPERATING ACTIVITIES	Rs. In Lakh	
		Year Ended 31.03.2020	Year Ended 31.03.2019
	Net Profit/ (Loss) Before Tax and Extraordinary items	(12,505.19)	(8,564.12)
	Adjustment for :		
	Transition Adjustment	0.01	
	Depreciation/Amortization	1,481.82	3,378.92
	Interest Received	(26.94)	(33.57)
	Finance Cost	5,753.17	5,784.20
	Loss on Disposal of Assets	133.94	162.77
	Exceptional Items	995.61	2,239.07
	Provision for diminution in Value on Investment with Subsidiary Impairment of Assets	352.30	
		4,665.81	13,355.72
	Operating Profit/Loss Before Working Capital Changes	850.53	2,967.27
	Adjustment for Working Capital Changes		
	Increase/(Decrease) in Financial Liabilities		
	Borrowings	(3,780.65)	4,940.26
	Trade Payables	148.64	343.46
	Other financial liabilities	76.84	(2,946.94)
	Increase/(Decrease) in Other Current Liabilities	(44.07)	117.03
	Increase/(Decrease) in Provisions	33.13	(34.72)
	Decrease/(Increase) in Financial Assets		
	Trade receivables	823.63	16.09
	Other financial assets	4.51	31.87
	Decrease/(Increase) in Other Current Assets	202.05	236.22
	Decrease/(Increase) in Other Non Current Assets	75.12	178.06
	Decrease/(Increase) in Inventories	398.07	350.31
	Direct taxes received/(paid)	(2.32)	(53.54)
	Cash Flow Before Extraordinary Items	(2,065.05)	3,178.10
		(1,214.52)	6,145.37
	Net Cash Generated by Operating Activities	(1,214.52)	6,145.37
	(B) CASH FLOW FROM INVESTING ACTIVITIES		
	Expenditure on Property, Plant and Equipment	(24.48)	(461.11)
	Proceeds from Property, Plant and Equipment	7,479.41	69.18
	Interest Received	26.94	33.57
	(Increase)/Decrease in Fixed Deposits	(163.89)	35.98
	Decrease/(Increase) in Financial Assets		
	Decrease/(Increase) in Investment	-	0.20
	Net Cash from/ (used in) Investing Activities	7,317.98	(322.09)
	(C) CASH FLOW FROM FINANCING ACTIVITIES		
	Finance Cost	(5,753.17)	(5,784.20)
	Decrease/(Increase) in Financial Assets		
	Increase/(Decrease) in Loans	(85.34)	98.31
	Increase/(Decrease) in Financial Liabilities		
	Increase/(Decrease) in Long Terms Borrowing	(399.70)	(9.22)
	Net Cash from/ (used in) Financing Activities	(6,238.21)	(5,695.11)
		(6,238.21)	(5,695.11)
	Net Increase/(Decrease) in Cash & Cash Equivalents	(134.75)	128.18
	Opening Balance of Cash and Cash Equivalents	262.00	133.82
	Closing Balance of Cash and Cash Equivalents (refer note 8)	127.25	262.00

Notes:

- Figure in brackets are for decrease.
- Previous years figures have been regrouped or rearranged to make them comparable with those of current year.

As per our report of even date

For R.K.Govil & Co.
Chartered Accountants
(Firm Registration No. 000748C)

RAJESH KUMAR GOVIL
Partner
Membership No. 13632
Place : Ghaziabad
Date : July 31, 2020

A.K. Singhal
President (F&A)

Ajay Gupta
Company Secretary

For and on behalf of the Board

Sandeep Agarwal
Managing Director

P.K. Rajput
Executive Director

ALPS INDUSTRIES LIMITED
AUDITED CONSOLIDATED CASH FLOW STATEMENT FOR THE HALF YEAR ENDED 31 MARCH 2020

Rs. In Lakh

(A) CASH FLOW FROM OPERATING ACTIVITIES	Year Ended 31.03.2020	Year Ended 31.03.2019
Net Profit/ (Loss) Before Tax and Extraordinary items	(12,162.76)	(8,565.91)
Adjustment for :		
Transition Adjustment	(0.02)	(0.00)
Depreciation/Amortization	1,486.52	3,383.66
Interest Received	(26.94)	(36.33)
Finance Cost	5,753.17	5,783.60
Loss on Disposal of Assets	133.94	162.77
Exceptional Items	995.61	2,239.07
Provision for diminution in Value on Investment	0.22	
Impairment of Assets	4,665.81	-
Exchange Fluctuation	(0.96)	13,007.35
	(0.64)	11,532.14
Operating Profit/Loss Before Working Capital Changes	844.59	2,966.23
Adjustment for Working Capital Changes		
Increase/(Decrease) in Financial Liabilities		
Borrowings	(3,780.65)	4,940.26
Trade Payables	148.64	343.44
Other financial liabilities	141.39	(2,946.30)
Increase/(Decrease) in Other Current Liabilities	(42.36)	117.03
Increase/(Decrease) in Provisions	33.13	(34.72)
Decrease/(Increase) in Financial Assets		
Trade receivables	823.63	24.20
Other financial assets	4.51	31.87
Decrease/(Increase) in Other Current Assets	193.62	236.27
Decrease/(Increase) in Other Non Current Assets	75.12	178.06
Decrease/(Increase) in Inventories	398.07	350.31
Direct taxes received/(paid)	(87.31)	(2,092.21)
	(47.16)	3,193.26
Cash Flow Before Extraordinary Items	(1,247.62)	6,159.49
Net Cash Generated by Operating Activities	(1,247.62)	6,159.49
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Expenditure on Property, Plant and Equipment	(24.48)	(461.11)
Proceeds from Property, Plant and Equipment	7,479.41	69.18
Interest Received	26.94	36.33
(Increase)/Decrease in Fixed Deposits	(163.88)	35.98
Change in Minority of Snowflakes	-	-
Decrease/(Increase) in Financial Assets	-	-
Decrease/(Increase) in Investment	-	0.30
Net Cash from/ (used in) Investing Activities	7,317.99	-319.32
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Finance Cost	(5,753.17)	(5,783.60)
Decrease/(Increase) in Financial Assets	-	-
Increase/(Decrease) in Loans	(85.34)	98.31
Increase/(Decrease) in Financial Liabilities	-	-
Increase/(Decrease) in Long Terms Borrowing	(399.70)	(9.82)
	(6,238.21)	-5,695.11
Net Cash from/ (used in) Financing Activities	(6,238.21)	(5,695.11)
Net Increase(Decrease) in Cash & Cash Equivalents	(167.84)	145.06
Opening Balance of Cash and Cash Equivalents	299.27	154.21
Closing Balance of Cash and Cash Equivalents (refer note 9)	131.43	299.27

Notes:

- Figure in brackets are for decrease.
- Previous years figures have been regrouped or rearranged to make them comparable with those of current year.

As per our report of even date
For R.K.Govil & Co.
 Chartered Accountants
 (Firm Registration No. 000748C)

RAJESH KUMAR GOVIL
 Partner
 Membership No. 13632
 Place : Ghaziabad
 Date : July 31, 2020

A.K. Singhal
 President (F&A)

Ajay Gupta
 Company Secretary

For and on behalf of the Board

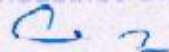
Sandeep Agarwal
 Managing Director

P.K. Rajput
 Executive Director

-:NOTES:-

1. The Audited Financial Results for the Quarter and Financial Year ended on March 31, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on July 31, 2020.
2. The figures of 4th quarter are balancing figures between audited figures in respect of full financial year and published year-to-date up to third quarter of the current financial year.
3. Due to losses incurred by the company during the financial year ended on March 31, 2020, no dividend has been recommended by the Board of Directors.
4. In terms of the Ind AS, there is only one reportable segment i.e. Textile Segment.
5. Effective from April 1, 2019, the Company adopted Ind-AS 116 -Leases, using the Modified retrospective Approach. The effect on adoption of Ind-AS 116 is insignificant on these financial statements.
6. The equity shares of the Company are listed at National Stock Exchange India Limited (NSE) under Scrip Code ALPSINDUS-EQ and Bombay Stock Exchange Limited (BSE) under Scrip Code 530715/ALPSIND. In terms of the resolution passed by the Board of Directors of the Company at their meeting held on May 30, 2016, and in pursuant to Regulations 6 and 7 of the SEBI (Delisting of Equity Shares) Regulation 2009, as amended from time to time, the Company has submitted with Bombay Stock Exchange Limited an application dated 9.6.2016 for Voluntary Delisting of its 39114100 Equity Shares from their platform which is still pending with them. The company has filed the Writ Petition before Allahabad High Court for necessary directions in this regard which is pending adjudication. Due to non-payment of annul listing fee, BSE had frozen the demat accounts of promoters and their group which upon payment of fee under protest has been de-frozen.
7. 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

For Alps Industries Ltd.



(Sandeep Agarwal)
Managing Director

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 properties located at 58/1, Site IV Industrial Area, Sahibabad, Ghaziabad (U.P.), B-2, Loni Road, Industrial Area, Ghaziabad (UP) and All that Plant & Machineries lying at 1 A, Sec.-10, IIE, SIDCUL, Haridwar 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 3 properties Viz. Leasehold Land, Building and Plant & Machineries lying at Plot nos. A-2 & A-3, Loni Road, Industrial Area, Ghaziabad (UP) and 1A, 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 the quarter and period 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.

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. 146966.65 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.

8. In compliance of SEBI Circular dated May 20, 2020, the management has assessed the impact of Covid-19 Pandemic situation on the financial results for the year ended March 31, 2020 and found that there is no material impact on the assets & liabilities and profit & loss account for the year ended on 31.3.2020. However in view of the continuation of Covid-19 pandemic situation, the impact on the future business and assets & liabilities of the company could not be assessed presently.

9. Mr. Krishan Kumar Agarwal, (DIN:00139252), the Promoter Director & Non Executive Chairman, informed to the Board that due to health reasons he is not in a position to continue as regular Director and Non Executive Chairman of the company and submitted his


(Sandeep Agarwal)
Managing Director

resignation dated 31.7.2020. After considering the request, the members of the board has accepted his resignation with immediate effect i.e. July 31, 2020. Accordingly he ceased to be director and non Executive Chairman of the company w.e.f. July 31, 2020.

10. In the previous Audit Report dated 30.05.2019 on the audited financial statements of the company for previous financial year ended on March 31, 2019, the auditors have given the following 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 133933.35 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.”

In case, company would have considered this as liability, its standalone net profit for the current quarter ending on 31.3.2020 would have been a loss of Rs. 153159.31 Lakh and loss for the year ended on 31.3.2020 would have been Rs. 158476.23 lakh (consolidated net profit for the quarter on 31.3.2020 would have a loss of Rs. 152897.66 lakh and loss for the year ended on 31.3.2020 would have been Rs. 158219.22 lakh) as against already stated standalone net Loss for the quarter ended on 31.3.2020 of Rs. 6192.66 lakh and net loss for the year ended on 31.3.2020 Rs. 11509.58 lakh (consolidated net loss for the current quarter ended on 31.3.2020 Rs. 5931.01 lakh and net loss for the year ended on 31.3.2020 Rs. 11252.57 lakh) and the accumulated loss and loan liabilities at the end of the quarter and year ended on March 31, 2020 would have been higher by Rs. 146966.65 lakh.

The management's view is detailed in para 7 above. The impact, if any, of the revised settlement/restructuring which is under active consideration with the lenders, will be given effect in the financial statements of the year of final settlement with them.

11. The winding up petition u/s 433 of the Companies Act, 1956 filed by the Kotak Mahindra Bank against the Company is under consideration of the Hon'ble Allahabad High Court as on date.



(Anoop Kumar)
Managing Director

12. The figures for the previous quarter/period and the year have been regrouped, re-casted and rearranged, wherever considered necessary.

DATE : JULY 31, 2020

PLACE : GHAZIABAD

BY ORDER OF THE BOARD



(SANDEEP AGARWAL)

MANAGING DIRECTOR

DIN: 00139439

ALPS INDUSTRIES LIMITED

CIN : L51109UP1972PLC003544 Registered Office : 57/2, Site-IV Industrial Area, Sahibabad, Ghaziabad-201010 U.P.INDIA
Ph.: 0120-4161716, Email Id.:ajaygupta@alpsindustries.com, investorgrievance@alpsindustries.com

Audited Statement of Standalone Related party Transactions for the Financial year ending on 31 March, 2020 as per format as applicable to the respective IndAS

Sl. No.	Nature of Transaction	Subsidiary	Wholly owned Subsidiary	Entities Controlled by subsidiaries, KMP and their relatives				Remuneration to Directors / Relatives
		Alps Energy Pvt. Ltd	Alps USA INC.	Narad Fabric Pvt. Ltd/	Pacific Texmark Pvt. Ltd	Aspen Enterprises	Peek Texfab Limited	
a.	Sale of Goods	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	-
b.	Rent Paid	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	10.80 (10.80)	-
c.	Interest Paid	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	-
d.	Interest Received	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	-
e.	Advance/Loans taken	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	-
f.	Repayment of Advance /Loans	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	-
g.	Sitting fee to KMP							
	Non-Executive Chairman	-	-	-	-	-	-	0.20
		-	-	-	-	-	-	(0.40)
	Remuneration to KMP							
	Managing Director	-	-	-	-	-	-	Nil
		-	-	-	-	-	-	(Nil)
	Executive Director(WTD)	-	-	-	-	-	-	Nil
		-	-	-	-	-	-	(4.62)
	President Account and Finance	-	-	-	-	-	-	18.26
		-	-	-	-	-	-	(18.96)
	Company Secretary	-	-	-	-	-	-	8.67
		-	-	-	-	-	-	(8.86)
h.	Salary to relative of KMP							
	Mrs. Indu Singhal	-	-	-	-	-	-	7.00
		-	-	-	-	-	-	(8.00)
i.	Balance at the yearend (cr.)	89.75 (89.75)	NIL NIL	NIL NIL	NIL NIL	NIL NIL	NIL NIL	- -
j.	Balance at the yearend (dr.)	NIL NIL	6.61 (6.61)	NIL NIL	NIL NIL	NIL NIL	NIL NIL	- -

Note :- The figure shown in brackets are the corresponding figure of previous financial year.

For Alps Industries


 (Sandeep Arora)
 Managing Director

ALPS INDUSTRIES LIMITED

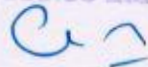
CIN : L51109UP1972PLC003544 Registered Office : 57/2, Site-IV Industrial Area, Sahibabad, Ghaziabad-201010 U.P.INDIA
Ph.: 0120-4161716, Email Id.:ajaygupta@alpsindustries.com, investorgrievance@alpsindustries.com

Audited Statement of Consolidated Related party Transactions for the Financial year ending on 31 March, 2020 as per format as applicable to the respective IndAS

Sl. No.	Nature of Transaction	Entities Controlled by subsidiaries, KMP and their relatives				Remuneration to Directors / Relatives
		Narad Fabric Pvt. Ltd.	Pacific Texmark Pvt. Ltd.	Aspen Enterprises	Peek Texfab Limited	
a.	Sale of Goods	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	-
b.	Rent Paid	NIL (NIL)	NIL (NIL)	NIL (NIL)	10.80 (10.80)	-
c.	Interest Paid	NIL (NIL)	- (NIL)	NIL (NIL)	NIL (NIL)	-
d.	Interest Received	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	-
e.	Advance/Loans taken	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	-
f.	Repayment of Advance /Loans	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	-
g.	Sitting fee to KMP					
	- Non-Executive Chairman	-	-	-	-	0.20 (0.40)
	Remuneration to KMP					
	Managing Director	-	-	-	-	Nil (Nil)
	Executive Director(WTD)	-	-	-	-	Nil (4.62)
	President Account and Finance	-	-	-	-	18.26 (18.96)
	Company Secretary	-	-	-	-	8.67 (8.86)
h.	Salary to relative of KMP					
	Mrs. Indu Singhal	-	-	-	-	7.00 (8.00)
i.	Balance at the yearend (cr.)	NIL NIL	NIL NIL	NIL NIL	NIL NIL	- -
j.	Balance at the yearend (dr.)	NIL NIL	NIL NIL	NIL NIL	NIL NIL	- -

Note :- The figure shown in brackets are the corresponding figure of previous financial year.

For Alps Industries Ltd.



(Sandeep Agarwal)
Managing Director

Alps Industries Ltd.

REGD./CORP. OFFICE

57/2, Site-IV, Industrial Area
Sahibabad, Ghaziabad - 201010
Uttar Pradesh (India)

ALPS/062/SE11/2020-21

July 31, 2020

<p>The General Manager Market Operations Deptt., National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot No. C/1, G-Block, Bandra-Kurla Complex Bandra (E), Mumbai - 400 051 Ph - 91-22-2659 8101 - 8114 Fax : 022 - 26598237/38/ 2659 8100 Email - cmlist@nsc.co.in</p>	<p>Ms. Erika D'Sa, (Relationship Manager) Corporate Relationship Deptt., Bombay Stock Exchange Limited, 1ST Floor New Trading Ring, Rotunda Building, P. J. Towers, Dalal Street, Fort, Mumbai-400 001. 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 2019-20.

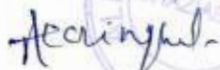
Dear Sir,

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, 2020. As required the Statement on Impact of Audit Qualifications is enclosed.

This is for your kind information and record, please.

FOR ALPS INDUSTRIES LIMITED



(A.K. 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, 2020 IN TERMS OF REGULATION 33 OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AS AMENDED ON 9TH 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, 2020.				
(See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016)				
Rs. in Lakh				
1.	SI No.	particulars	Audited Figures (as reported before adjusting for qualification)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover/Total Income	33189.64	33189.64
	2.	Total Expenditure	44699.22	191665.87
	3.	Net Profit/(Loss)	(11509.58)	(158476.23)
	4.	Earnings per share (in Rs.)	(29.43)	(405.06)
	5.	Total Assets	22833.19	22833.19
	6.	Total Liabilities	78202.85	225169.50
	7.	Net Worth	(55369.66)	(202336.31)
	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	<i>'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. 146966.65 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.'</i>
b.	Type of Audit qualification (Qualified opinion/Disclaimer of Opinion/ Adverse Opinion)	Qualified Opinion
c.	Frequency of qualification	Since Financial Year 2017-18



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		<p>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 & part of principal secured loan, waived earlier, and impact on retained earnings thereon totaling to Rs. 146966.65 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.</p>
e.	Audit Qualification where the impact is not quantified by the Auditor :-	
(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



(Rajesh Kumar Govil)
Partner
Membership
No.013632
Firm Regn No. -
000748C

Place: Ghaziabad
Dated: July 31, 2020

UDIN: 20013632 AAAA DEB 577

Ca 2
Sandeep Agarwal
Managing Director
DIN : 00139439

[Signature]
Prabhat Krishna
(Audit Committee
Chairman)
DIN: 02569624

[Signature]
A.K. Singhal
President
(Corporate
F&A)
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, 2020 IN TERMS OF REGULATION 33 OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AS AMENDED ON 9TH 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 ON MARCH 31, 2020.

(See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016)

(Rs. in Lakh)

1.	SI No.	Particulars	Audited Figures(as reported before adjusting for qualification)	Adjusted Figures(audited figures after adjusting for qualifications)
	1.	Turnover/Total Income	33189.93	33189.93
	2.	Total Expenditure	44442.50	191409.15
	3.	Net Profit/(Loss)	(11252.57)	(158219.22)
	4.	Earnings per share (in Rs.)	(28.77)	(405.51)
	5.	Total Assets	22615.46	22615.46
	6.	Total Liabilities	78184.10	225150.75
	7.	Net Worth	(55568.64)	(202535.29)
	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	<i>'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. 146966.65 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.'</i>
b.	Type of Audit qualification (Qualified opinion/Disclaimer of Opinion/ Adverse Opinion)	Qualified Opinion
c.	Frequency of qualification	Since Financial Year 2017-18



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	(Whether appeared first time/repetitive/since hoe long continuing)	
	<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, under the provisions of SARFAESI, has auctioned properties located at 58/1, Site IV Industrial Area, Sahibabad, Ghaziabad (U.P.), B-2, Loni Road, Industrial Area, Ghaziabad (UP) and All that Plant & Machineries lying at 1 A, Sec.-10, IIE, SIDCUL, Haridwar 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 3 properties Viz. Leasehold Land, Building and Plant & Machineries lying at Plot nos. A-2 & A-3, Loni Road, Industrial Area, Ghaziabad (UP) and 1A, 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</p>



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		<p>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 & part of principal secured loan, waived earlier, and impact on retained earnings thereon totaling to Rs. 146966.65 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.</p>
e.	Audit Qualification where the impact is not quantified by the Auditor :-	
(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



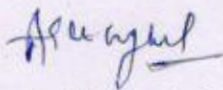
(Rajesh Kumar Govil)
Partner
Membership
No.013632
Firm Regn. No. -
000748C

Place: Ghaziabad
Dated: July 31, 2020

UDIN: 20013632AAAA 2F8B15


Sandeep Agarwal
Managing Director
DIN : 00139439


Prabhhat Krishna
(Audit Committee
Chairman)
DIN: 02569624


A.K. Singhal
President
(Corporate
F&A)
CFO