



Alps Industries Limited

47th Annual Report 2018-2019

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CORPORATE DIRECTORY**Manufacturing Facilities / Offices****Unit I****High Quality Compact Yarn**

Plot No. 1B, Sec. 10, I.I.E., SIDCUL,
Haridwar, Uttarakhand- 249403
Ph : 01334-239169 /8191848848/8191848886
Email – admharidwar@alpsindustries.com
GSTIN : 05AAACA7569D1ZU

Unit IV**R&T AGENCY**

Alankit Assignments Ltd.
Alankit Heights, 1E/13, Jhandewalan Extn.,
New Delhi – 110 055 (INDIA)
Ph : 91-11-42541234
Fax : 91-11-4254 1201
Email: alankit@alankit.com

COST AUDITORS

M/s. Gaurav Gupta & Associates.,
Cost Accountants

STATUTORY AUDITORS

M/s R.K. Govil & Co., Chartered Accountants

Unit II**Home Furnishing Made ups**

57/2, Site-IV Industrial Area, Sahibabad,
Ghaziabad – 201010 (U.P.)
Ph : 0120-4161700
Fax : 0120-2896041
Email –info@alpsindustries.com
GSTIN : 09AAACA7569D1ZM

Marketing office

57/2 Site-IV Industrial Area, Sahibabad,
Ghaziabad – 201010 (U.P.)
Ph : 0120-4161700
Email – yarns@alpsindustries.com
info@alpsindustries.com

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Ajay Gupta
57/2, Site-IV Industrial Area, Sahibabad,
Ghaziabad – 201010 (U.P.)
Ph (D) : 0120-4161716 (B)0120-4161700
Fax : 0120-2896041
Email ID : ajaygupta@alpsindustries.com
investorsgrievance@alpsindustries.com

Unit III**Automotive, Technical & Decorative Fabric**

Village–Aminagar, Bhoor Baral,
Meerut Delhi Road, Meerut – 250103 (U.P.)
Ph : 0121-7180001
Email -info@alpsindustries.com
GSTIN : 09AAACA7569D1ZM

REGISTERED AND CORPORATE OFFICE & SECRETARIAL DEPTT.

57/2, Site-IV Industrial Area, Sahibabad,
Ghaziabad – 201010 (U.P.)
Ph : 0120-4161700
Fax : 0120-2896041
Email – info@alpsindustries.com

CORPORATE IDENTIFICATION NUMBER(CIN)

L51109UP1972PLC003544

SECRETARIAL AUDITORS

M/s. D.K. Chawla & Co., Company Secretaries

Mr. K.K. Agarwal, Promoter & Non Executive Chairman (DIN: 00139252)

Mr. K. K. Agarwal is a qualified Textile Technologist from Government Central Textile Institute, Kanpur (UP) and has received many awards from Central/State Governments and various Export Promotion Councils for his valuable guidance. He has also enjoyed prestigious positions in various organizations like, Chairman-North Zone AIMO, Executive Member of FICCI, FIEO, CII & HEPC. He was member of Cotton Yarn Advisory Board. Textile Association (India) has also awarded him with "Life Time Achievement Award" in recognition of his immense services to textile industry for creating jobs for Textile graduates. The company had been awarded Gold Trophy for the 1st set of FIEO Export Excellence Award of Northern Region in Top Exporters, Uttar Pradesh under Non-MSME Category, under his guidance.

Mr. Agarwal is also involved in various social activities through educational organizations, since a long time. He is actively involved through trusts for helping under privileged children and providing free education, books, etc. to them. He is Chairman of Smt. Sushila Devi Chhabil Dass Charitable Trust and also the President of Chaudhary Chhabil Das Public School, a reputed institution in education in Ghaziabad having a considerable strength of the students.

He is currently the Non Executive Chairman and Founder-Promoter Director of the Company.

Mr. Sandeep Agarwal, Promoter & Managing Director (DIN: 00139439)

He is in the textile industry since last 30 years and under his acumen and dynamic leadership, the company had floated various Indian and overseas subsidiary companies. The company had also obtained significant recognitions/ certifications from different organizations. He is very meticulous in diversifying into value added products in domestic Home Furnishing business segment of the company. Under his acumen, leadership and strong patience, the company has been able to sail smoothly even in testing times.

Mr. Pramod Kumar Rajput, Executive Director (DIN: 00597342)

He is the Executive Director of the company and has been associated with it since a long time. He has experience in handling Commercial and Administrative affairs with prominent groups related to Textile Industry.

Mr. Prabhat Krishna, Independent Director (DIN: 02569624)

He is a B. Tech (Chem.) from IIT, Delhi. He has retired from State Bank of India as Assistant General Manager. He has a long and outstanding experience in the areas of Banking, & Corporate Finance. He is presently advisor to various Companies for Technical Consultancy & Rehabilitation. He is an independent and non executive director.

Mr. Tilak Raj Khosla, Independent Director (DIN: 02724242)

He is an Arts Graduate with Subordinate Accounts Services (S.A.S). He retired from the post of Dy. Controller of Defence Accounts under the Controller General of Defence Accounts in the Ministry of Defence. He has vast experience in the areas of accounts and auditing of Accounts in various positions like Auditor, Section Officer, Accounts Officer, Sr. Accounts Officer, Asstt. C.D.A. and Dy. C.D.A. He is an independent and non executive director.

Mr. Pradyumn Kumar Lamba, Independent Director (DIN: 02843166)

He is an Arts Graduate with qualified Subordinate Accounts Services (S.A.S.). He retired from the post of Dy. Controller of Defence Accounts under the Controller General of Defence Accounts in the Ministry of Finance. He has wide experience of about four decades in accounts and auditing of Accounts at various positions like Auditor, Section Officer, Accounts Officer, Asst. Accounts Officer, Asstt. C.D.A. and Dy. C.D.A. He is an independent and non executive director.

Ms. Deepika Shergill, Independent Director (DIN: 07093795)

She possesses over 37 years of exposure in the area of Human Resources, Learning & Development and Training with reputed companies. She is also a Visiting Faculty with various business colleges, and has professional interests in Art, Photography and writing.

To,
The Members,
Alps Industries Limited.

Your Directors have pleasure in presenting the 47th Annual Report, together with the Audited Statement of Accounts of the Company for the financial year ended on 31st March, 2019 in terms of the Companies Act' 2013 and rules & regulations made there under & Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. The Financial Statements have been prepared according to the relevant provisions of Companies (Indian Accounting Standards) Rules, 2015.

The Financial 'Performance of the Company, for the year ended March 31, 2019 is summarized below:

FINANCIAL RESULTS

(Rs. in Lakh)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Total Income	37745.77	37061.90
Operating Earnings/Losses before Financial Expenses, Depreciation & Amortization and Tax	599.01	(2619.44)
Finance Cost	5784.20	5449.59
Depreciation	3378.92	3520.04
Profit/Loss Before Tax	(8564.12)	(11589.07)
Provision for Tax	-	-
Profit/Loss After Tax	(8564.12)	(11589.07)
Exceptional Items	2239.07	-
Surplus of last year Add:	(6325.05)	(11589.07)
Surplus available for appropriation	(47771.49)	(41446.44)
Appropriations	-	-
Surplus carried to Balance Sheet	(47771.49)	(41446.44)
Surplus available for appropriation	-	-

OPERATING SCENARIO**GLOBAL OVERVIEW – DOMESTIC & EXPORTS**

The world economy and businesses across markets delivered a sustained performance despite tepid demand and a volatile political environment that prevailed last year. Indeed, the World Bank predicts global growth to remain at a robust 3.1 percent in the coming year. On the other hand, the emerging market and developing economies are projected to grow as much as 4.5 percent in 2018 and 4.7 percent in 2019 whilst accelerating in the next few years. With a tech-enabled and digitally-connected ecosystem, the world is shrinking. A single event (good or bad) in one market can disrupt an economy, by sheer virtue of their interconnections in terms of knowledge sharing, demand generation, talent-pools or basic export-import led trade realities. In fact, the eruption of trade-wars this year was a sad reaffirmation of the prevalent political domination and trapped many businesses in the cross-fire. This is what is called the 'blinking' effect with dominant countries and superpowers driving political bargains using their economic clout. Corporate need to be ready, as volatile and populist political measures could suddenly disrupt business.

The renewal of the policy and incentive push towards "Make in India" for textiles has resulted in localized R&D and cost benefits. Therefore, textile industry has been working to find cost-effective solutions to tackle these environmental issues. There are various other technical efforts that can be applied to textiles making the process cost effective. The process is cost effective as it avoids other costlier functional chemistries and is environment friendly.

Green technologies used to create surface to woven and nonwoven textile materials which is an eco friendly alternative for obtaining similar or better results. India Ratings maintained a stable outlook on the cotton and synthetic textiles sector for the this financial year. It expects the domestic demand for textiles to remain robust from end-users, supported by a strong rise in private consumption during the current FY19. It is expected that textile exports to rise, due to the depreciation of rupee against the US dollar. The rupee has depreciated at a higher rate against the US dollar during the year than the currencies of key apparel-exporting nations, The sector profitability is likely to improve gradually with players passing on increased raw material prices to end-users following healthy demand, a depreciating rupee and waning impact of the structural issues. However, the positive impact of improved demand and profitability will, be partly affected by working capital requirements on the back of cost inflation leading to steady reliance on debt. A lower-than-expected cotton production in 2017-2018 and a further decline in production in 2018-2019 due to a low acreage, along with high domestic consumption demand and high export demand from China, would further erode the domestic stock levels. An expected decline in the stock levels, along with a likely rise in minimum support price for the cotton season 2018-2019, would keep cotton prices elevated.

The government's decision to allow input credit on man-made fabric to 7 per cent of fabric price would lead to a decline in input prices for apparel manufacturers and further support their volume growth. To promote yarn, the government should extend the MEIS benefit to cotton yarn, which is currently provided to every other segment in the textile value chain including MMF spun yarns. The embedded taxes, which include central and states taxes and levies, are not refunded by way of drawback and exogenous costs like logistics, infrastructural costs, etc. account for more than 6% for spun yarn.

The government should consider increasing the MEIS provided on fabrics from 2% to 4% to bring it in line with the garments and bring uniformity in the supply chain. The increasing trade deficit with China Until a few years ago, India was the largest exporter of cotton yarn to China. However, in recent years India has lost this position to Vietnam which attracts zero percent import duty in China. Thus, the government should negotiate a zero percent import duty on India cotton yarns. The biggest game changer that could transform the Indian textile industry and put it at par with the competitors such is a free trade agreement (FTA) with EU, Australia, Canada and Britain for made-ups and garments. The global yarn production decreased by -9% between Q4/17 and Q1/18. Steps taken by the government to curb nonessential imports and anticipation of more measures to attract foreign inflows have boosted sentiment in the market Cotton prices in major producing centers have declined to nearly 10% below the government's MSP. The profit margins of textile mills improved during the second quarter of the current financial year. Input costs were low, driven largely by a fall in cotton prices. Meanwhile, a recent report from India Ratings forecasts robust demand for textiles from end-users in India, supported by a strong rise in private consumption expenditure during the rest of this financial year. The rising dollar has also lowered the potential for cotton import into India, as imported cotton would now become costlier than domestically available fibre. As the government has set ambitious goals to reduce the trade deficit gap and generate additional 500,000 job opportunities within the next few years, the government has to be serious towards the issues of the textile industry and other sectors too. Though the government's decision has affected the textile industry today, such decisions can leave a negative impact on other sectors also in the future. In case the government fails to address industrial problems, other industries will also shut down their operations gradually. As 'prevention is better than cure' it is expected that the government to take necessary steps to promote the industrial sector on time.

At micro level- overall performance

Your company started production on Transfer Printing machine installed in last FY and company has successfully launched the product & excellent feedbacks are coming from the market. In processing division company has taken up the process optimization targets that will reduce process cost as well as process time without impacting product quality. Your company has made a new fabric with the use of Linen yarn development sample appreciated by market based on the positive feedback on samples the commercial production started. Your company is very much optimistic on growth in sale of new product range. In the Auto and Technical Textiles segment, your company has done well and able to achieve the growth during the previous financial year. Your company is focusing more on to the heavy vehicles segments, Technical Textiles and Defence sector since your company expecting change in the policy for procurement of indigenous products. Your company also looking forward to expand the business in other segments likes Multiplexes and Protective Clothing, during the current financial year. Further company has ventured into fire retardant fabrics suitable for hotel industry and Defence sector for technical textiles. Your company have also reinvented commodity products to have good response from exports as well as domestic buyers. The company has started new products during the period under review in Yarn segment. Under the Made-up & Fabric Products, your company offers a range of furnishing products for house and office use and Under the Yarn products it offers a gray yarn for industrial use. Several initiatives were taken for update the quality and changing the product mix.

There are value added items with good demand in domestic and exports markets. Your company has also moved up in the value chain by starting production of Polyester/Cotton Grindles yarns. These yarns give special effects after dyeing and are in good demand. The efforts to change the Product Mix at our Yarn Spinning Mill at Haridwar, adding value added Mélange Yarn, affected the production, temporarily thus adversely affecting the productivity. In the Auto & Technical Textiles segment, your company is maintaining the growth during the previous financial year. Your company is focusing more on to the Technical Textiles sector. It is expected that the possibility of re-engineering the product constructions and raw materials utilization mix will give positive results. Under the Made-ups Division, company is growing and progressing very well in this segment in both Global and Domestic Markets. With changing global demands & stiff competition, your company has taken many steps towards its constant improvements, in creating new benchmarks in the industry, like constant improvements in design & development w.r.t advanced & versatile equipments, competent team which helps in reducing turnaround time from CADs to actual physical sample, ability to offer specific developments along with coordinated product across categories. Further relentless dedication of each and every employee who leave no stone unturned to take company to glorious height. Your company has formulated its strategies and has well identified key areas to improve performance in the current market scenario / environment. Your company is aggressively increasing share of business with existing customers & focusing on getting new strategic customers, focusing on increasing share of product categories, opening up for outsourcing products & services to meet the market demands. Further company has also undertaken various learning & development initiatives during the year for strengthening & upgrading its human capital. Constant efforts are being made to increase the throughput & reduce the OE. While we continue to strive and deliver through performance, we maintain our endeavour to be a socially responsible corporate. Under the Made-up & Fabric Products, your company offers a range of furnishing products for house and office use and Under the Yarn products it offers a gray yarn for industrial use. Several initiatives were taken for update the quality and changing the product mix.

During the period under review your company could improve the EBITDA which comes to Rs. 599.01 Lacs in comparison to Rs. (2619.44) Lacs in previous year due to efforts resulting in the reduction of personal cost and other operating cost in various units and improvement in profit margin due to high returns of products. The PAT has also improved to (Rs. 6325.05 lac) from (Rs.11547.34 Lac) which is partly from exceptional profit due to write back of debt payable to lenders due to settlement with lenders.

FUTURE OUTLOOK – TECHNICAL FRONT

In Meerut Unit, Company is expecting the possibility of re-engineering the product constructions and raw materials utilization mix. To upgrade the technological front various efforts are being taken. This will add new value added product range. Your company is optimistic for the market response of newly introduced product range by technological development. Your company is continually up-grading machines through technical improvements for productivity resulting in production enhancement. Your company is adding new customers & enhancing share of more profitable products to improve profitability. At this unit your company is focusing on improving plant performance in general and to produce quality oriented yarns for higher segment. The company is finding out the possibility of re-engineering the product constructions and raw materials utilization mix. In processing of products your company has taken up the process optimization project that will

reduce process cost as well as process time without impacting our product quality. Your company has also made a new fabric at commercial production level. Company is hopeful for growth in marketing of new product range. In other units also, we have been able to maintain the balanced technical performance in terms of utilization and productivity during the financial year under consideration. However company is planning for technology up gradation of old plant in the phased manner.

FINANCIAL RESTRUCTURING OF THE COMPANY

Earlier the lenders having more than 83% of the secured debts of the company revoked their consent to the DRS/settlement inter alia containing the restructuring of the debts of the company, which was circulated by erstwhile Hon'ble BIFR and partly implemented. Company protested against the said revocation of consent as being unjustified and beyond terms of scheme. Company had also submitted a revised restructuring scheme to restructure the entire debts of the company with Edelweiss Assets Reconstruction Company Ltd. (EARC), (presently holding about 93% of the total secured debt of the company) for their consideration but EARC and Syndicate Bank have issued demand notices U/s 13(2) of SARFAESI Act to the Company and its guarantors. Rejecting the reply of Company, EARC has taken over the symbolic possession of five idle units located at Plot No. 1-A, Sector 10 Integrated Industrial Estate, SIDCUL Haridwar, A-2 & A-3, Loni Road Indl. Area, Opp. Mohan Nagar, Ghaziabad, B-2 Loni Road Indl. Area, Opp. Mohan Nagar, Ghaziabad, and 58/1, Site IV Industrial Area, Sahibabad, Ghaziabad, under section 13 (4) of SARFAESI Act, 2002 and Rule 8(6) Of Security Interest (Enforcement) Rule, 2002. Also Company has repaid to EARC during the current year a sum of Rs. 7 crore and is in talks with its lenders and expected to conclude the settlement in current Year.

During the year, the company had received Order from the Pondicherry Industrial Promotion Development and Investment Corporation Limited (PIPDIC), Puducherry for cancellation of its lease and to take over the possession of the leased unit alleging non compliance of lease terms. Ignoring the reply of the company, PIPDIC has cancelled the lease and taken back the possession of the unit on 06.7.2018. Aggrieved with the action of PIPDIC, company had filed a Writ petition before Hon'ble High Court of Madras, Chennai for necessary reliefs. Ignoring the facts submitted by company in its defense, the Hon'ble Court has dismissed the writ of the company. Aggrieved with said dismissal Order passed by Hon'ble Single Bench, the Company has filed an appeal which is pending consideration with the Hon'ble Double Bench at High Court.

CREDENTIALS/CERTIFICATIONS

With the contribution and efforts of all concerned, the various credentials have been renewed /continued during the period under review viz.:

- Gots certificate Organic cotton.
- Oeko-tex renewal under process for Hohenstein Textile Testing Institute, Germany.
- IATF renewal is under process for manufacturing seat fabrics for the automotive application.
- Sedex certificate for social Audit.
- ? C-tpat certificate for Security Audit.
- walmart certificate for Supply Chain for Export units.
- ? • BSCI certificate for Social Audit.

MEASURES TO REDUCE/CONTROL COST

To active saving by optimum utilization, Air as per requirement of machine, the working pressure has been reduced and wastage of Air have been controlled in our Hardwar unit. On technical front, your company is continuously try to achieve the reduction in raw material cost by making different composition of mixing/purchase of cotton through commodity exchange, increase in machine productivity, better yarn yield with optimum use of raw material, control waste generation to bare minimum and best use of work force, best utilization of capacity with lowest Raw Material Cost and good quality of end product to fetch best yarn price. The spinning and weaving units have taken various important steps which includes buying of raw material in bulk quantity, directly from suppliers, after proper negotiation and studying market prices, reducing the fixed overheads, increase the utilization and efficiency of machineries to reduce the cost, standardize the production process flow chart to avoid the rejection, maintain the inventory level as per the requirement, constant check on power consumption, controlling/reducing rejections & re-processing, reusing / recycling all possible items, strict follow-up on regular maintenance schedule to avoid major break downs, increasing overall efficiency to reduce production cost, using low consumption LED lights.

In weaving unit the company is looking forward to analysis the possibility of re-engineering the product constructions and raw materials. Further focus is on the strict monitoring of the inventory and to procure the raw material in minimum lead time.

It will minimize the buffer stocks. In order to reduce marketing cost we are distributing the material through depot nearest to consumers. This will bring down the transportation and handling cost. To meet out the market competitiveness and improve the financial performance, the company is committed to reduce the cost, upgrade the efficiency and ensure optimum utilization of the current as well as fixed assets of the company.. In order to reduce the substantial logistic cost, the company is opting for land ports nearest to the units. Transportation cost reduced by finalizing the transport & courier contracts at best possible lowest rates for the goods movement of the Units. The unit located at Meerut has also optimized its cost structure by way of strong emphasis on consumption and control of waste, reduction & rationalization, inventory control & Manpower optimization. Use of Special flat inspection machine for inspection of fabric on similar method as buyer to save the overhead considerably on the inspection of material, reduced the soft water consumption through re-collecting the usable hot water and also by setting the machine liquor ratio, reduction in coating chemical cost. In Made up unit your company have implemented strict monitoring of the stocks by analyzing in minimum lead time. Energy audit observations and suggestions by competent agency were also implemented at the spinning unit during the period under review to save the Energy cost. This has resulted in significant cost savings.

GOVERNMENT INITIATIVES- TEXTILE SECTOR

The union interim budget has reduced the allocation of funds for Textile Industries due to low disbursements during the past. However, to clear the carried forward obligations, a much higher allocation will be needed. The budget for RoSL has also been reduced significantly which is a cause of great worry to the industry as this could lead to working capital blockages and delay in Remission of State Levies (ROSL) receipts. Further the industry has been expecting upward revision in RoSL rates which would need more funds. The textile and apparel industry is also set to gain from an overall farmer- and consumer-centric budget

The government's decision to increase allocation for the (ROSL) is set to boost textile sector. The increase in the budget allocation for the ROSL scheme is a step in the right direction. Increase in personal income tax and rebate limit would certainly raise disposable income of the middle class people of which a portion would come to textile and apparel sector. Consumption and consumer spend of middle class and rural India is expected to go up.

The low allocation for ATUF & ROSL schemes for textiles is worrisome as it is clearly not sufficient to meet obligations under the schemes, both backlog and expected fund requirements in 2019-20. The allocation for TUFs and ROSL is not sufficient to meet the requirements of the industry. Procurement of Cotton by CCI under Price Support Scheme has increased. This move of the government to doubling the income of the farmers is well appreciated by the industry. However, industry expect from the government to introduce direct subsidy System for the cotton farmers as it will ensure no direct impact on cotton prices. Allocation for Central Silk Board has also been increased, which is a welcome step by the government.

DIVIDEND

Due to the operational loss suffered by the company, your directors do not propose any dividend for the current financial year.

TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND

In terms of Section 124 of the Companies Act, 2013, there was no unclaimed dividend, relating to the financial year 2017-2018, which was due for remittance during the financial year 2018-2019. Hence no amount due to be transferred to the Investor Education and Protection Fund established by the Central Government.

DECLARATION BY INDEPENDENT DIRECTORS

All the Independent directors viz. Mr. Prabhat Krishna, Mr. Pradyumn Kumar Lamba, Mr. Tilak Raj Khosla and Ms. Deepika Shergill have submitted their disclosure to the Board that they fulfill all the requirements as to qualify for their continuity of appointment as an Independent Director under the provisions of section 149 of the Companies Act, 2013 as well as Regulations 16 & 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further in terms of Schedule V of regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from 01.04.2019, a certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority of all directors as on March 31, 2019 is being Annexed.

RISK MANAGEMENT PLAN

The Company has developed a very comprehensive risk management policy under which all key risks and mitigation plans are compiled into a Risk Matrix. The same is reviewed quarterly by senior management and also by the Audit Committee of the Board. In compliance of Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 related to corporate governance, the company is not mandatorily required to constitute the Risk Management Committee but for its own betterment has formulated the Risk Management plan, as up dated from time to time. The company continues to recognize that the Enterprise Risk Management is an integral part of good management practice. Hence Risk Management is an essential element in achieving business goals. In terms of Policy, the Company is committed for managing the risk in a manner appropriate to achieve its strategic objectives. The Company will keep investors informed of material changes to the Company's risk profile through its periodic reporting obligations and ad hoc investor presentations. The Company reviews and reports annually on its compliance of Corporate Governance Principles and recommendations for betterment, which include Risk Management and the internal control framework. Accordingly the Company has framed procedures to inform members of Board of Directors about risk assessment and minimization procedures. The detailed policy can be viewed at the website of the company i.e. www.alpsindustries.com.

POLICY FOR DETERMINATION OF "MATERIALITY".

In terms of the provisions of Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has framed and up dated a policy for determination of "Materiality" and the Board of Directors has appointed the Company Secretary & Compliance Officer as the "Materiality Officer" to take care of the relevant compliances. The detailed policy can be viewed at the website of the company i.e. www.alpsindustries.com.

POLICY FOR PRESERVATION OF DOCUMENTS

In terms of the provisions of Regulation 9 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the company has framed a policy for preservation of documents. The detailed policy can be viewed at the website of the company i.e. www.alpsindustries.com.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

In terms of section 177 of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has established a Vigil Mechanism policy for the Directors and Employees to report genuine concerns in such manner as prescribed under Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014 and such a vigil mechanism has provided for adequate safeguards against victimization of persons who use such mechanism and made provisions for direct access to the chairperson of the Audit Committee, in appropriate or exceptional cases, instances of unethical behavior, actual or suspected, fraud or violation of the company's code of conduct etc. This not only releases employees from their duty of confidentiality in the course of their work but also it can be used as a route for raising malicious or unfounded allegations against people in authority and / or colleagues in general. The scope of the policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies & assets of the company, and other matters or activities on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees. The detailed policy can be viewed at the website of the company i.e. www.alpsindustries.com.

NOMINATION & REMUNERATION, EVALUATION, BOARD DIVERSITY POLICY & FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS.

As mandated by the statutory provisions contained under section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination & Remuneration Committee of the Board has already formulated which is in force as on date. This policy contains guidelines on nomination and remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel of the Company and Evaluation and Board Diversity policy for directors. This policy may be treated as a benchmark for determining the qualifications, positive attributes and independence of a Director, criteria for evaluation of Independent Directors and the Board, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key

Managerial Personnel and Senior Management Personnel of the Company. To provide insights into the Company to enable the Independent Directors to understand the Company's business in depth that would facilitate their active participation in managing the Company, familiarization Program have been formulated and introduced by the Company to simplify the understanding of various responsibilities and rights of the Independent Directors during the year under review. The SEBI vide Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/004 dated January 5, 2017 has issued Guidance Note on Board Evaluation for all listed entities. It has been reviewed by the Board of Directors and noted the criteria for evaluation of Board as a Whole, Non Independent Directors and Independent Directors of the Company. Further in terms of SEBI circular SEBI/HO/CFD/CMD/CIR/P/2018/79 dated May 10, 2018 the Disclosures on Board Evaluation additional requirement like Observations of board evaluation carried out for the year, Previous year's observations and actions taken, and Proposed actions based on current year observations have been made part of policy. The board of directors of the company in their meeting held on 30.05.2018 has approved the revised policy on Board Evaluation and the same has been placed on the website of the company. The detailed policy can be viewed at the website of the company i.e. www.alpsindustries.com.

RELATIONSHIP WITH INVESTORS

To have the participation by all the valued investors in the voting pattern for any proposal and in terms of the compliance of the Section 108 of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014 made there under and in terms of Regulation 44(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has made arrangements for e-voting facility through which any investor can participate in the AGMs through e-voting and need not struggle to attend the meeting in person.

Further in terms of Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013 and Companies (Meetings of Board and its Powers) Rules, 2014 made thereunder, the Company has framed Stakeholder Relationship Committee which is fully committed and accountable to the valued investors, who have reposed the confidence in the company by investing their hard earned money in the company and supported the management in such a crucial time.

The relationship with the investors continues to be cordial. Your company's management is fully aware and dedicated for survival of the company and committed to take all efforts to resolve the investors' grievances received during the year to the satisfaction of the investors within a reasonable time. M/s Alankit Assignments Limited, the R & T Agent of the company, continued to extend their positive contribution to resolve the Investors' grievances efficiently and effectively, whenever they arose. By contribution from all concerned, the investor grievances have been resolved to the fullest satisfaction of investors. We sincerely place on record, the appreciation for our valued investors, who have contributed and reposed the confidence in the company at this difficult time. The management not only believes in legal compliance related to the investors, but also morally protects their interest, and treats them as part of Alps Group. In its endeavor to improve investor services, your Company has created an investor section, and designated exclusive E-Mail ID for the purpose of registering complaints by investors and necessary follow up action by the company / compliance officer in compliance with Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The e-mail ID is: investorsgrievances@alpsindustries.com.

MANPOWER –Strategic Alignment with Business Targets

The year has been constructively important for the Human Resources function during 2018-19. The significant HR initiatives begin in the previous Financial Year of realigning the focus of the employees in all the functions at all the locations continued this year as well through series of Training Workshops by well acclaimed Consultant on 'Theory of Constraints (TOC)' covering key points including focusing on 'Throughput' rather than just Sale and/or Productivity; focusing on Free Cash Flow / Cash Velocity by optimizing OE & minimizing Inventory; identifying Weakest Constraint in the process of achieving defined objective and apply resources to remove that constraint first and then next weakest and so on; and Continuous improvement / BTB (Better Than Before).

These initiatives are resulting in positive developments across the organization and building up a better aware synergized team conducive for an effective organization.

Taking clue from the TOC learning, a thorough review of the Organization Structure resulted in strengthening some of the critical functions in terms of appointing competent personnel in the concerned leadership roles. Though, challenges with ongoing slow-down continued this year as well across the country, efforts made effectively in order to retain the talent with traditional as well as innovative retention strategies.

With continued efforts to improve the female workers/employees ratio, particularly at the shop floor, in-line with the national policy of gender equality and policy to restrict the sexual harassment, there has not been any case of sexual harassment reported and homogeneity of the Work environment is maintained. The company's concerns for welfare of its workforce continued during the year and accordingly Group pension/Accident Insurance policy/ESI/WC policies were continued further as in the past. The company has been consistently maintaining harmonious & cordial relations with the employees at all the locations. The Company continues to lay emphasis on building and sustaining an excellent organizational culture focusing on performance. During the year, with consistent review and also due to low market, average employment, has been 1850, slightly less than that of last year of 1982. Pursuit of proactive policies for industrial relations has resulted in a peaceful and harmonious situation on the shop floors of all the plants.

Company also provide the suitable arrangement for To/Fro transportation of employees from colony as well as from different villages mainly for female workers. We are also having good harmony and relation with our employees. Due to our better relation and care of employees there was no labour unrest in any unit. Company is also having the different committees for all precautionary measures to maintain peace and discipline in the units. Company is also conducting the Event management on Energy conservation and environment. In future our focus will be to maintain best relation with employees and also suitable working/living conditions to achieve company's goal.

In terms of the provisions of section 197 of Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, none of the employee is drawing remuneration more than the limits prescribed/specified under the said rules during the financial year 2018-19.

BOARD OF DIRECTORS- CHANGES/REAPPOINTMENTS

During the year under review, there was no change in the directors of the company. However as per the SEBI Circular SEBI/LAD-NRO/GN/2015-16/013 dated Sept. 2, 2015 and further SEBI/LAD-NRO/GN/2018/10 dated May 9, 2018 w.e.f. April 1 2019, listed entity has to appoint one of its independent director in material subsidiary company incorporated in India or not. As the Alps USA Inc. is a material subsidiary company incorporated outside India. In compliance of the same, Mr. Prabhat Krishna have been appointed in the Board of aforesaid company being representative of your company at the meeting of Board of Directors held on May 30, 2019.

REAPPOINTMENT OF NON-INDEPENDENT DIRECTORS BY ROTATION

In terms of the provisions of Section 152 of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 & Article No. 106,107 & 108 of the Articles of Association of the Company, Mr. Sandeep Agarwal (DIN: 00139439), Non-Independent and Executive Promoter Director designated as Managing Director recommended by the Nomination & Remuneration Committee and by the Board of Directors at their meeting held on May 30, 2019 for re-appointment, who retires by rotation and being eligible for re-appointment and offers himself for reappointment, at the ensuing Annual General Meeting. The disclosures as required under the provisions of Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 related to Corporate Governance published elsewhere in the Annual Report. Further in terms of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended on May 9, 2018, the confirmation from the shareholders by way of special resolution for the continuance of the directorship of Mr. K.K. Agarwal (DIN: 00139252) on attaining the age of more than specified in the said regulation i.e. 78 years is proposed at the ensuing Annual General Meeting.

Further the reappointment of Mr. Sandeep Agarwal (DIN:00139439) in terms of Sections 196 & 197 of Companies Act, 2013 and Schedule V, is proposed by way of passing the special resolution in the ensuing Annual General Meeting for a further period of three years from 01/04/2020 to 31/03/2023.

NUMBER OF BOARD MEETINGS

Minimum four prescheduled Board meetings are held every year. In case of any exigency/emergency, resolutions are passed by circulation. During the Financial Year 2018-19 the Board of Directors met four times on 30/05/2018, 13/08/2018, 14/11/2018 and 12/02/2019. The maximum gap between any two meetings was less than one hundred and twenty days, as stipulated under section 173 of Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards.

KEY MANAGERIAL PERSONNEL

During the under review as required under section 203 of the Companies Act, 2013 and applicable rules, There is no change in the Existing KMP's of the Company viz. Mr. Sandeep Agarwal (Managing Director), Mr. Ashok Kumar Singhal (President-Accounts & Finance) and Mr. Ajay Gupta (Company Secretary & General Manager-Legal). Hence they continued to be KMP's of the Company.

INTER CORPORATE LOANS, GUARANTEES AND INVESTMENTS

During the year under review company has not given any Inter Corporate Loans, Guarantees and Investments covered under section 186 of the Companies Act, 2013.

CORPORATE SOCIAL RESPONSIBILITY POLICY

Due to net loss suffered by the company during the financial year 2017-18, in terms of the provisions under Section 135 of the Companies Act, 2013, the company is not required to make expenditure on the CSR activities in the financial year 2018-19. Your company has CSR Committee which had been constituted by the board of the company. The CSR Committee have framed a Corporate Social Responsibility Policy (CSR Policy) duly approved by the Board at their meeting held on 12.8.2016, indicating the activities to be undertaken by the Company to fulfill the expectation of our Stakeholders and to continuously improve our social, environmental and economical performance while ensuring sustainability and operational success of the Company. The Company would also undertake other need based initiatives in compliance with Schedule VII to the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules 2014, if required. The detailed policy can be viewed at the website of the company i.e. www.alpsindustries.com.

Due to losses in previous financial year i.e. 2017-18, the requirements for annexing the Statement of Annual Report on CSR Activities in terms of the provisions of section 135 and Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014, are not applicable.

RELATED PARTY TRANSACTIONS

In terms of the Section 188 of the Companies Act 2013 and Companies (Meetings of Board and its Powers) Rules, 2014 and further in terms of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 related to the Corporate Governance, the company has formulated a Policy on Materiality of Related Party Transactions and the same is duly reviewed and updated from time to time as required and latest on May 30 2019 at the meeting of Board of Directors. During the year under review the company has entered into related party transactions which are at the market prevailing prices and on arm's length basis and are in its ordinary course of business & not material in nature and in terms of IND AS 24. Hence there are no requirement for any other disclosure in this regard. Therefore, There is no conflicts of interest and in compliance with the Policy on Materiality of Related Party Transactions.

DIRECTORS' RESPONSIBILITY STATEMENT

In compliance with the provisions of Section 134(5) of the Companies Act 2013, the Board confirms and submits the Directors' Responsibility Statement:

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- The directors had prepared the annual accounts on a going concern basis; and
- The directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively which means the policies and procedures adopted by the company 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;
- The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF EMPLOYEES

In terms of Section 197 of the companies Act 2013 and Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time the details of the employees were drawing remuneration in excess of the highest paid Whole Time Directors, are enclosed as **Annexure I**.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.

Information in accordance with the provisions of Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo has been given in the statement annexed as **Annexure-II** here to and forms part of this report.

COST AUDIT REPORT

In compliance with the Companies (Cost Records & Audit) Rules, 2014 published vide GSR No. 01(E) dated December 31, 2014 issued by the Central Government in terms of the Powers conferred by Section 148, of the Companies Act, 2013, company had appointed M/s. Gaurav Gupta & Associates, Cost Accountants, (Firm Regn. No. 104132) to submit the Cost Audit Report duly approved by the Board of Directors, to the Central Government, for the financial year ended on March 31, 2019 for the products which are specified in the Notification No. GSR No. 01(E) dated December 31, 2014 and Companies (Cost Records and Audit) Rules, 2014 as amended from time to time. The Cost Audit report as issued by M/s. Gaurav Gupta & Associates, Cost Accountants being the cost auditors of the company for the financial year 2018-19 will be filed by the company within the due date.

COST AUDITORS

In compliance with the Companies (Cost Records & Audit) Rules, 2014 published vide GSR No. 01(E) dated December 31, 2014 issued by the Central Government in terms of the Powers conferred by Section 148, of the Companies Act, 2013, M/s. Gaurav Gupta & Associates (Firm Registration No.104132) Cost Accountants, Ghaziabad, firm of Cost Accountants has been re-appointed as the Cost Auditors of the company under Section 148 of the Companies Act, 2013 for the next financial year ended on March 31, 2020, at the meeting of Audit Committee and Board of Directors of the company held on May 30, 2019. As required under Section 148 of the Companies Act, 2013, the ratification for their appointment & remuneration has been recommended at the forthcoming Annual General Meeting of the company. However, it is strictly applicable in terms of any Notifications/Circulars related to Cost Records and Cost Audit Rules, as may be specified at any time by the MCA or any regulatory authorities. If due to any reasons the mandatory requirements abolish, then continuation of the appointment of Cost Auditors, will be at the discretions of the board of directors as per the requirements of the company.

STATUTORY AUDITORS

M/s. R.K. Govil & Co., Chartered Accountants, (Firm Registration No. 000748C), the Statutory Auditors of the Company, completes its whole tenure i.e. five years as approved at the Annual General Meeting of the Company held on September 30 2015 and Board of Director at their meeting held on August 22 2015. Further the audit committee and board of directors have recommended at the ensuing Annual General Meeting for reappointment M/s. R.K. Govil & Co., Chartered Accountants, (Firm Registration No. 000748C) as statutory auditors of the company to hold the office for the second and final term, for five years from the conclusion of this Forty Seventh Annual General Meeting until the conclusion of the Fifty Second Annual General Meeting i.e. from 01.04.2019 to 31.03.2024. The company has received the eligibility certificates that their said appointment would be within the limits prescribed under Section 141 of the Companies Act, 2013 from the said auditors to the said effect along with consent.

INTERNAL AUDITORS

In terms of Section 138 of the Companies Act, 2013 and Companies (Accounts) Rules, 2014, the Board of Directors at their meeting held on May 30, 2019 has appointed M/s. A.R. Garg & Co.(Firm Registration No: 001628C) as Internal Auditors of the Company for the financial year 2019-20 to submit the internal audit reports from time to time.

DEPOSITS

During the year, your company has not raised any money by way of Deposits under the provisions of Companies Act, 2013 and Companies (Acceptance of Deposits) Rules, 2014.

CORPORATE GOVERNANCE

The Management Discussion and Analysis is given as an **Annexure-III** to this report and further the report as per the requirements of Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on the Corporate Governance practices followed by the Company and the Statutory Auditors' Certificate on Compliance of mandatory requirements as **Annexure-IV** along with The non mandatory information under corporate governance is annexed as part II of Corporate Governance Report. It has always been the endeavor of your company to practice transparency in its management and disclose all requisite information to keep the public well informed of all material developments.

ABSTRACT OF THE ANNUAL RETURN

In terms of amended section 92 of the Companies Act 2013, and as amended vide Companies (Amendment) Act 2017 and further vide notification dated May 7, 2018, the extract of the Annual Report as on it stood as on March 31 2019 being attached with the Directors Report as **Annexure V**. It is also displayed on the website of the company i.e. www.alpsindustries.com.

SECRETARIAL AUDIT REPORT

In terms of the Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors at their meeting held on May 30, 2019, company has appointed M/s. D.K. Chawla & Co., Company Secretaries to provide the Secretarial Audit Report for the Financial Year ended on March 31, 2020. In compliance of aforesaid requirement they have provided the Secretarial Audit Report which has been annexed with Board report as **Annexure VI** and the Secretarial Audit Report of the Material Indian Subsidiary company is being annexed in the annual report elsewhere. The detailed policy can be viewed at the website of the company i.e. www.alpsindustries.com.

Further it is confirmed that in terms of SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019 the Annual Secretarial Compliance Report has been submitted to the Stock Exchanges.

STATUS OF HOLDINGS IN SUBSIDIARY COMPANIES

As per Section 2(87) of the Companies Act, 2013, as amended vide Notification No. S.O. 1833(E) dated 8th May, 2018, M/s. Alps Energy Pvt. Ltd. remains to be the Subsidiary company of the Alps Industries Ltd. by way of controlling the voting powers to the extent of 69.75% in its aggregate voting powers of the aforesaid company. In terms of Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Prabhat Krishna (DIN: 02569624), Independent & Non Executive Director of the Company continues to be representative director in the aforesaid Indian "Material subsidiary" company i.e. M/s. Alps Energy Pvt. Ltd. and has been Appointed as representative director in M/s Alps USA Inc, being "Material subsidiary" incorporated outside India in terms of Regulation 24 of the amended SEBI Circular SEBI/LAD-NRO/GN/2018/10 dated 09.05.2018, w.e.f. April 1, 2019.

FINANCIAL STATEMENTS/ PERFORMANCE OF SUBSIDIARIES COMPANIES

The company continued to have two subsidiaries at the end of the financial year viz; M/s. ALPS USA INC. incorporated in USA and M/s. Alps Energy Pvt. Ltd incorporated in India. As required under Section 129(3) of the Companies Act, 2013 and applicable rules, the Financial Statements of these Subsidiaries Companies are being annexed along with the separate statement containing the salient features of the financial statement of its subsidiaries and associate companies in terms of Rule 5 of Companies (Accounts) Rules, 2014.

Further in terms of the provisions of Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(1) of the Companies (Accounts) Rules, 2014 regarding the report on the highlights of performance of subsidiaries and their contribution to the overall performance of the company during the period under report is enclosed as **Annexure-VII** in the Annual report in the prescribed format i.e. Form AOC 1.

AUDITORS' OBSERVATIONS

Observations in the Auditors' Report are dealt within Notes to Accounts at appropriate places and being self-explanatory, need no further explanations With regard to Audit qualifications for the year under review, as per the requirement under Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, and further amended by SEBI Notification No. SEBI/LAD-NRO/GN/2016-17/001 dated May 25, 2016 and SEBI/LAD-NRO/GN/2018/10 as amended

on May 9, 2018 and Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016 issued by the Securities and Exchange Board of India (SEBI), the Statement on Impact of Audit Qualifications signed by Managing Director, CFO, and Chairman of the Audit Committee and Statutory Auditors have been submitted with stock exchanges and forming the part of this Annual Report.

GENERAL DISCLOSURES

No disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Companies Act 2013.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.
4. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
6. In terms of section 143 (12) of the Companies Act, 2013 it is hereby confirmed that there are no frauds reported by auditors other than those which are reportable to the Central Government.
During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGMENT

Your Directors take this opportunity to thank the Banks, ARCs, Reserve Bank of India, Central and State Governments Authorities, Regulatory Authorities, Hon'ble National Green Tribunal, National Company Law Tribunal, Securities and Exchange Board of India, Stock Exchanges, Stakeholders, Customers and Vendors for their continued support and co-operation, and also thank them for the trust reposed in the Management. The Directors place on record their appreciation for the efficient and loyal services rendered by the Staff and workmen, also acknowledge the help, support and guidance from the various Statutory Bodies, Government and Semi-Government Organizations and thank for customers, suppliers, investors for their continues support during the year.

For and on behalf of the Board of
Alps Industries Limited

Place : Ghaziabad
Date : May 30, 2019

P.K. Rajput
Executive Director
DIN - 00597342

Sandeep Agarwal
Managing Director
DIN - 00139439

ANNEXURE TO THE DIRECTORS' REPORT

ANNEXURE-I

Particulars of employees under Section 197 of the Companies Act 2013 and applicable Rules made there under having paid in excess of the remuneration paid to Whole Time Directors as on March 31, 2019.

S. No.	Names of Employee	Designation	Remuneration (per month)	Ratio w.r.t ED Reumenration
	Mr. P.K. Rajput	EXECUTIVE DIRECTOR	110000	
1	Mr. Suvendu Kr. Das	Assistant General Manager- Marketing	111820	1.02
2	Mr. Navdeep Gautam*	Senior Manager Marketing	115267	1.05
3	Mr. Naval Malviya	General Manager- Production, Planning&Control	115267	1.05
4	Mr. Manwar Singh Negi*	General Manager- Marketing	121700	1.11
5	Mr. Ramesh Y. Baheti	General Manager-Quality Assurance	122250	1.11
6	Mr. Sanjeev Dhawan	Head-Design Studio	122250	1.11
7	Mr. Naveen Kumar Garg*	Deputy General Manager-Accounts	131000	1.19
8	Mr. Surendra Singh Chundawat*	General Manager-Human Resource Management	135000	1.23
9	Mr. Tarandeep Singh	General Manager-Marketing	136250	1.24
10	Mr. Sanjiv Malik	Senior Vice President- Operations	152995	1.39
11	Mr. A.K. Singhal	President -Finance and Accounts	174645	1.59
12	Mr. Prithvish Shukla	General Manager -Accounts & Commercial	182500	1.66
13	Mr. Mahen Kaushik	Assistant Vice President -Accounts & Commercial	190900	1.74
14	Mrs. Seema Dutta	General Manager -Finance	194580	1.77
15	Mr. Kamlesh Kr. Verma	Vice President-Human Resource Manangement	212645	1.93
16	Mr. Shailesh Shah	Senior Vice President- Operations	227650	2.07
17	Mrs. Raman Garg	Vice President-Marketing-Fabric	240395	2.19
18	Mr. Rahul Jain	Vice President-Corporate	300000	2.73
19	Mr. Krishan Kumar Gupta*	President -Operations	306670	2.79

***Employed for part of the year.**

Note : There were 19 employee who are drawings remuneration more than the Executive Director of the Company & Median remuneration of the employees of the company is INR 18,955/- P.M. and ratio w.r.t. Whole Time Director comes to 0.1723.

DETAILS AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

S. NO.	PARTICULARS	REMARKS
1.	Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	NA
2.	Percentage increase in the median remuneration of employees in the financial year;	N.A
3.	Number of permanent employees on the rolls of company;	1679
4.	Explanation on the relationship between average increase in remuneration and company performance;	NA
5.	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	It is commensurate with the size of the company and as per the market trend.
6.	Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies,	The Market Capitalization as on March 31, 2019 Rs. 1036.52 Lac (Rs. 1212.54 Lac as on March 31, 2018). Price Earnings Ratio of the Company is Nil as on March 31, 2019 and March 31, 2018. The Company had come out with Initial Public Offer (IPO) in_1995, at Rs. 50 per share for Indian Public. As on March 31, 2019 the share price declined by 94.70 %.
7.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	There is no annual increment in the remuneration of Whole time directors. However the company has awarded increment upto 10% (for the part of the year) to the senior level employees which is commensurate with the demands in the textile industries.
8.	Key parameters for any variable component of remuneration availed by the directors;	N.A
9.	Affirmation that the remuneration is as per the remuneration policy of the company.	Yes.

Note: None of the employees drawn remuneration more than Rs. 1 Crore 2 lacs per annum or Rs. 8.50 lacs per month if any part of the year. Hence the provisions of sub clause 2 of clause 5 section 197 of the Companies Act, 2013 & in terms of Notification dated 30th June 2016 notified vide the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 are not applicable for the period under review.

(I) Statement of particulars pursuant to Companies (Accounts) Rules, 2014.

<p>I. a. b. c.</p>	<p>CONSERVATION OF ENERGY Energy conservation measures taken Additional investments and proposals, if any, being implemented for reduction of consumption of energy. Impact of measures at (a) & (b) above for reduction of Energy consumption and consequent impact on the cost of production of goods.</p>	<p>: Energy conservation continues to be an area of major emphasis. Efforts are made to optimize the energy cost while carrying out the manufacturing operations. All the units have taken various measures in conservation of energy. The thrust is to measure the existing system parameters and then implement improvements. The Company also focus to optimize the operation of various equipments which also lead to energy conservation. The following are some of the major measures which continued to be implemented during the period under review for bringing down the energy cost:</p> <ul style="list-style-type: none"> • Suction box & suction tube modification in LR 06 ring frame machine unit 2. • Spindle tape modification in LR 09 ring frame machine. • 16 nos of 15 kw AC drives installation in Link coner & Autconer machines. • AC drive installed in carding waste fan motor. • 2 nos of 15 kw AC drive installed at H plant pump. • IE3 motor 18.5 kw installation in H plant fan motor • AC Drive installation of Toyota Ring Frame machines for suction fan motor • Electricity saving by installation of 75 KW AC drive of open end machine installed at 55 KW main stream fan motor in blow room • Installed Led Lights in place of tube rods • Installed FRP fans, • Installed LED street lights instead of CFL • Continuous effort to reduce air leakages in order to reduce compressor units. • Continuous emphasis on process optimisation, emphasis on preventive maintenance, waste reduction etc. <p>: Rs. NIL.</p> <p>: As a result of various energy conservation measures taken by the company, the expected outcomes are :</p> <ul style="list-style-type: none"> • Increase in productivity. • Reduction in energy consumption. • Optimum loading of captive water sources. • Increase in Efficiency. • Saving in consumption of fuel. • Saving in maintenance cost of machineries. • Reduction in manpower cost. • Reduced approximately 300 KL soft water though re-collect usable hot water
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d. Total Energy Consumption and Energy Consumption per unit of production are as follows:

A. POWER AND FUEL CONSUMPTION

S. No.	PARTICULARS	Year ended 31.03.2019	Year ended 31.03.2018
1.	Electricity		
	a. Purchased		
	Units (Nos.)	52496361	56943297
	Total Amount (Rs.)	326019699	370124871
	Rate/Unit (Rs.)	6.21	8.05
	b. Own Generation		
	i) Through Diesel/FO		
	Quantity (Ltrs)	132414	130710
	Total Amount (Rs.)	7636357.25	6536472
	Average Rate (Rs.)	57.67	53.16
	Generation (Units) (Nos.)	373745	309146
	Units per Liter of Diesel oil (Nos.)	2.57	7.56
	Cost/Unit (Rs.)	34.4	25.20
	ii) Through Steam Turbine		
	Generator Units	N.A.	N.A.
	Unit/LTR or Fuel	N.A.	N.A.
	Oil/Gas Cost unit	N.A.	N.A.
2.	Coal		
	Quantity(Tones)	N.A.	N.A.
	Total Cost	N.A.	N.A.
	Average Rate	N.A.	N.A.
	Total Unit Generated	373745	309146
	Total Cost	7636357.25	6536472
	Cost/Unit	34.4	25.20
3.	Furnace Oil (Excluding use on Generation of Electricity)		
	Quantity (Ltrs)	0.00	0.00
	Total amount (Rs.)	0.00	0.00
	Average Rate (Rs.)	0.00	0.00
4.	Others/Internal Generation		
	Wood		
	Quantity	N.A.	N.A.
	Total Cost	N.A.	N.A.
	Rate/Unit	N.A.	N.A.

B. CONSUMPTION PER UNIT OF PRODUCTION

A. POWER AND FUEL CONSUMPTION

S. No.	Particulars	Yarn Per Mt		Fabric per Linear Mtr.		Architectural Products Per 1000 Sqm	
		Year Ended 31.03.2019	Year Ended 31.03.2018	Year Ended 31.03.2019	Year Ended 31.03.2018	Year Ended 31.03.2019	Year Ended 31.03.2018
1	ELECTRICITY (KWH)	2,975.45	2830.40	10.29	9.70	0.00	730.00
2	COAL	N.A.	N.A.	0.00	0.00	N.A.	N.A.
3	OTHERS	N.A.	N.A.	0.00	0.00	N.A.	N.A.

II TECHNOLOGY ABSORPTION: Efforts made in technology absorption as per Form-B of the Annexure to the Rules.

A. RESEARCH & DEVELOPMENT (R & D)

1.	Specific areas in which R&D carried out by the Company.	:	Research & Development is carried out for development of new products and for improvement in the production process and quality of products. The Company has been able to pioneer the launch of new products that have been successful in the market due to its R&D efforts. There is progress on building enabling capabilities in the areas of facilities and infrastructure, technology organization, staffing & development, and the engagement of external knowledge networks to complement internal capabilities. The recruitment of professional staff and leadership is ongoing and programmed; staff managing processes have been defined and are being instituted. The R & D Department is well equipped with most modern sophisticated state of the art testing equipments. Company is looking forward to the possibility of re-engineering the products constructions and raw materials for optimum utilization of resources.
2.	Benefits derived as a result of the above R&D	:	Quality testing of raw material, stores & consumables. Monitoring/Control of production process. Improved quality & higher production of cotton yarn, blended yarn like polyester cotton & mélange yarn. Development of new market segment & Value added product. Water conservation. Increase in productivity and Cost reduction.
3.	Future Plan of Action	:	Management is committed to strengthen R & D activities further to improve its competitiveness in times to come.
4.	Expenditure on R&D	:	
	a. Capital	:	NIL
	b. Recurring	:	NIL
	c. Total	:	NIL
	d. Total R&D Expenditure as a Percentage of total turnover	:	NIL

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1.	Efforts, in brief made towards technology absorption, adaptation and innovation.	:	The Company is continuously making efforts for adaptation of latest technology in all its units. The Company has also created specific cells for studying and analyzing the existing processes for further improvement, upgrading machines with technologically advanced accessories and spares. The company constantly gets feedback from customers and makes efforts for improving the quality of products by conducting the trials, special studies in manufacturing process etc. Company have ventured into fire retardant fabrics suitable for hotel industry, technical textiles, reinvented commodity products for exports and domestic. During the period under review company, has embarked upon the journey of value addition in yarns. This has been done under the strategy to insulate from the commodity yarn.
2.	Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution etc.	:	Higher output and improved quality of product with reduction in the cost of production and other overheads. The company will project its image in the global market as a manufacturer of world class yarn and achieve an excellent share out of it.
3.	In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished	:	Nil
	a. Technology imported	:	N. A.
	b. Year of import	:	N. A.
	c. Has technology been fully absorbed?	:	N. A.
	d. If not fully absorbed, areas where this has not taken place, reasons thereof and future plan of action.	:	N. A.

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

1.	Activities relating to export initiatives taken to increase exports; development of new export markets for products and services and exports plan.	:	Company is targeting for a leading name in field of Home Textiles, by networking for direct supply to leading international customers, and introducing the new segment e-business on domestic and exports. To continue the maximum reach to valued consumers, the company used to participates in exhibitions, magazines etc. apart from other promotional efforts towards domestic market, promoting through various promotional materials and hopeful to have better profitability in coming years. US market has been developing well both on the residential fabric and contract business. Middle East has shown significant jump on the volumes. Economy seems to be doing well but furnishings buyers were very cautious. Your company has spread its wings in most of the markets now like US, UK, South East Asia, Australia, NZ and Middle East. Business sentiments were very soft in furnishings industry both for exports and domestic markets.
2.	Total Foreign Exchange used and earned	:	Used Rs. 303.24 Lac for the financial year ended on March 31, 2019 (Rs. 361.08 Lac for the financial ended on March 31, 2018) Earned Rs. 22224.36 Lac for the financial year ended March 31, 2019 (Rs.11844.49 Lac for the financial year ended on March 31, 2018)

IV. INFORMATION AS REQUIRED UNDER THE MISCELLANEOUS NON-BANKING COMPANIES (RESERVE BANK) DIRECTION, 1972.

1.	Total number of depositors whose deposits have not been claimed by the depositors or paid by the company after the date on which the deposit became due for repayment or renewal, as the case may be according to the contract with the depositor or the provisions of the Directions, whichever may be applicable.	:	Not Applicable
2.	The total amounts due to the depositors and remaining unclaimed or unpaid beyond the due dates of repayment.	:	Not Applicable

MANAGEMENT DISCUSSION AND ANALYSIS

I. TEXTILES INDUSTRY STRUCTURE AND DEVELOPMENT

India's textiles sector is one of the oldest industries in Indian economy dating back several centuries. Even today, textiles sector is one of the largest contributors to India's exports with approximately 13 per cent of total exports. The textiles industry is also labor intensive and is one of the largest employers. The textile industry has two broad segments. First, the unorganized sector consists of handloom, handicrafts and sericulture, which are operated on a small scale and through traditional tools and methods. The second is the organized sector consisting of spinning, apparel and garments. The textile industry employs about 105 million people directly and indirectly. The World Bank predicts that India will be the fastest growing economy in the world for the next three years, witnessing robust growth levels at 7.3 percent in the current fiscal year and 7.5 percent in 2019 and 2020. In the June 2018 edition of its flagship publication – the Global Economic Prospect Report – the World Bank says that “factors holding back India's growth will fade” and that the economy is robust, resilient and has the potential to deliver sustained growth segment which apply modern machinery and techniques such as economies of scale. The enormous potential of the sector has attracted investments from traditional textile giants. Despite substantial gains, India's contribution to global technical textile production in value terms is less than 5 percent. Furthermore, India has been unable to move up in the value chain – its exports largely comprise of commoditized products in conventional segments. The potential of the sector is being harnessed through measures such as tax breaks, special financial packages and allowing 100 percent foreign direct investment (FDI). Other initiatives include the establishment of dedicated centers of excellence for research in technical textiles, reduction in custom duty rates from 5 percent to 2.5 percent on select high-performance specialty fibres, and a 15 percent subsidy on capital investment subject to a ceiling of ₹300 million for entrepreneurs over a period of five years.

COTTON

Just like cotton was the most important product to be manufactured at the beginning of the first industrial revolution, the textile industry is set to be the harbinger of a new era of human civilization – a period characterized by contrasting dynamics such as limited resources, increasing demand and the need to enhance efficiency of efforts, while lessening the burden on natural reserves. Overall there was an increase in raw material prices in 9M FY18 compared to 9M FY17. On an average basis, raw cotton, viscose staple fibre and polyester staple fibre prices increased by 4%, 10% and 11% respectively in 9M FY18. Similarly there was an increase in cotton yarn and polyester viscose blended yarn average prices growing at a rate of 5% & 6% respectively in 9M FY18. However, polyester cotton blended yarn registered a decline of 6% in 9M FY18 compared to 9M FY17 on an average. However, sales performance has grown marginally with higher increase in Q3.

YARN – A SIGNIFICANT SEGMENT

Yarn exports have shown a reverse trend. It is worth mentioning that, India's overall exports grew 10% y-o-y during 9M FY18, compared to 3% for the T&A Sector. USA and UAE continue to be the two largest export markets with a cumulative share of 30%. Your company has been one of the key Suppliers of top quality Yarn. In Today's volatile market it is necessary to maintain the highest quality of the yarn in order to maintain high standards, at Alps we believe that nothing comes above the quality of our products. Matching specifications is always a challenge but Alps takes it all in its stride and goes beyond the call to provide expert services from sourcing, developing, and packaging for safe dispatch to global destinations. Yarn demand was moderate. Most mills operated five to seven days. Demand through export channels was moderate.

II. OPPORTUNITIES AND THREATS

India's technical textile industry continues to benefit from the growth impetus created by a proactive policy framework. In March 2019, the sector was identified as a sunrise sector in the 'Make in India' policy – with an estimated value of USD 17 billion. The government set up 12 incubation centres to harness the potential of the sector by generating employment and fostering growth opportunities. At Alps we aim to optimize the opportunities offered by the increasing focus on the technical textile segment by following a three-pronged approach:

- **Innovation:** Changing the focus from manufacturing to development of science-led high-quality and high-margin products.
- **Investments:** Strategic outlays in technology that enhance our R&D edge.
- **Integration:** Integration of innovation and investments to resolve real-world problems across high-priority industries.

We aim to capitalize on these strengths to join forces with global players who are keen on harnessing the India opportunity through technical collaborations and joint ventures. Given the impact on poor consumers in our country, it is obvious that we need to keep the inflation numbers of synthetic and manmade textiles under close watch. The availability of good quality power at reasonable prices is critical for sustainability of the industry. However, the cost of power has been continuously increasing, adding to input cost pressure in the industry. The non-availability of skilled manpower along with high labour cost prevailing in the country is growing concern area for textile industry. Unseasonal rain becomes another risk factor harvesting of cotton. However the textiles industries is need based, which is very wide. It provides the significant opportunity for employment at all levels.

Government policies-Textile Sector

Emphasized on the need to have an educated and informed electorate so that government leaders could be held accountable for relevant targets. The union interim budget has reduced the allocation of funds for Textile Industries due to low disbursements during the past. However, to clear the carried forward obligations, a much higher allocation will be needed. The budget for RoSL has also been reduced significantly which is a cause of great worry to the industry as this could lead to working capital blockages and delay in RoSL receipts. Further the industry has been expecting upward revision in RoSL rates which would need more funds. The textile and apparel industry is also set to gain from an overall farmer- and consumer-centric budget. Consumption and consumer spend of middle class and rural India is expected to go up.

The low allocation for ATUF & ROSL schemes for textiles is worrisome as it is clearly not sufficient to meet obligations under the schemes, both backlog and expected fund requirements in 2019-20. The allocation for TUFs and ROSL is not sufficient to meet the requirements of the industry. Procurement of Cotton by CCI under Price Support Scheme has increased. This move of the government to doubling the income of the farmers is well appreciated by the industry. However, industry expect from the government to introduce direct subsidy System for the cotton farmers as it will ensure no direct impact on cotton prices. Allocation for Central Silk Board has also been increased, which is a welcome step by the government.

III. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

In terms of the IND AS, there is only one reportable segment i.e. Textile Segment. Hence the segment wise reporting is not applicable.

IV. OUTLOOK

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market. High economic growth has resulted in higher disposable income. This has led to rise in demand for products creating a huge domestic market. The domestic market for apparel and lifestyle products, currently estimated at US\$ 85 billion, is expected to reach US\$ 160 billion by 2025. The Indian cotton textile industry is expected to showcase a stable growth in F.Y 2019-20, supported by stable input prices, healthy capacity utilization and steady domestic. Over the last three years, we have successfully plugged in the gaps in our business strategy. Our efforts have laid the foundation for our future as an innovation driven, quality-focused organization. In the future, we will focus on translating these efforts into high margins for the Company. Our efforts will also be aided by the momentum created by government-led awareness and subsequent demand creation for the sector. We are now better equipped to make a sustainable foray into segments such as defence, housing, infrastructure etc.

V. RISKS AND CONCERNS

Our business and results of operations are dependent on our ability to effectively plan our manufacturing processes and on our ability to optimally utilize our manufacturing capacities for the various products we manufacture. Any disruption to our manufacturing process or the operation of our production facilities may result from various factors beyond our control, including, among others, the following:

- Utility supply disturbances, particularly power supply;
- Forced close down or suspension of our manufacturing facilities due to factors such as breakdown or failure of equipment, performance below expected levels of output or efficiency, facility obsolescence or disrepair, labour disputes such as strikes and work stoppages, natural disasters and industrial accidents;

- Severe weather condition;
- Interruption of our information technology systems that facilitate the management of our manufacturing facilities; and
- Other production or distribution problems, including limitations to production capacity due to regulatory requirements, changes in the types of products produced or physical limitations that could impact continuous supply.

Geopolitical and regional risks arising out of external events such as conflicts, natural calamities and manmade disasters are key risks that may hinder the organization's growth. Additional risks include policy measures at domestic and international levels can lead to an upheaval in currency rates. Industry risks include raw materials and oil price fluctuations along with finance costs due to interest rate changes. The risks are inherent in all businesses. The challenge for the Company is to effectively and responsibly manage and control the risks on a sustained basis to enhance returns. All the current and fixed assets of the company also suffer from the risk of natural calamity. However, it has been insured from the reputed insurance companies and credit and recovery management due to various unforeseen circumstances.

VI. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate systems of internal control and procedures covering all financial and operating functions commensurate with the size and nature of operations, to ensure orderly and efficient conduct of business. All the major areas and processes are covered in the review plan, drawn in consultation with the senior management. Internal audit process verifies whether all systems and processes are commensurate with the business size and structure. Adequate internal control systems safeguard the assets of the company with timely identification and intervention to assuage risks. The internal audit report is discussed with the senior management and members of Audit Committee to keep a check on the existing systems and take corrective action to further enhance the control measures. The Company has proper and adequate systems of internal control, to safeguard assets against loss from unauthorized use or disposition. This also ensures that all transactions are authorized, recorded and reported correctly. Regular internal audits and checks are carried out to ensure the robustness of the system. The Management also reviews from time to time the internal control systems and procedures to ensure their proper application. The emphasis on internal controls prevails across functions and processes, covering the entire gamut of various activities. Effective and comprehensive reviews by the Audit Committee of the Board further enhance the level and quality of internal controls within the organization.

VII. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Your company started production on Transfer Printing machine installed in last FY and company have successfully launched the product & excellent feedbacks are coming from the market. In processing division company has taken up the process optimization targets that will reduce process cost as well as process time without impacting product quality. Your company has made a new fabric with the use of Linen yarn development sample appreciated by market based on the positive feedback on samples the commercial production started. Your company have ventured into fire retardant fabrics suitable for hotel industry and Defence sector for technical textiles. Your company have also reinvented commodity products to have good response from exports as well as domestic buyers. The company has started new products during the period under review in Yarn segment. Under the Made-up & Fabric Products, your company offers a range of furnishing products for house and office use and Under the Yarn products it offers a gray yarn for industrial use. Several initiatives were taken for update the quality and changing the product mix.

The efforts to change the Product Mix at our Yarn Spinning Mill at Haridwar, adding value added Mélange Yarn, affected the production, temporarily thus adversely affecting the Productivity In the Auto & Technical Textiles segment, your company is maintaining the growth during the previous financial year. Your company is focusing more on to the Technical Textiles sector.

During the period under review your company could improve the EBITDA which comes to Rs. 599.01 Lacs in comparison to Rs. (2619.44) Lacs in previous year due to efforts resulting in the reduction of personal cost and other operating cost in various units and improvement in profit margin due to high returns on products. The PAT has also improved to (Rs. 6325.05 lac) from (Rs.11547.34 Lac) which is partly from exceptional profit due to write back of debt payable to lenders due to settlement with lenders.

VIII. MATERIAL DEVELOPMENTS ON HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The year has been constructively important for the Human Resources function during 2018-19. The significant HR initiatives begin in the previous Financial Year of realigning the focus of the employees in all the functions at all the locations continued this year as well through series of Training Workshops by well acclaimed Consultant on 'Theory of Constraints (TOC)' covering key points including focusing on 'Throughput' rather than just Sale and/or Productivity; focusing on Free Cash Flow / Cash Velocity by optimizing OE & minimizing Inventory; identifying Weakest Constraint in the process of achieving defined objective and apply resources to remove that constraint first and then next weakest and so on; and Continuous improvement / BTB (Better Than Before).

These initiatives are resulting in positive developments across the organization and building up a better aware synergized team conducive for an effective organization. Taking clue from the TOC learning, a thorough review of the Organization Structure resulted in strengthening some of the critical functions in terms of appointing competent personnel in the concerned leadership roles. Though, challenges with ongoing slow-down continued this year as well across the country, efforts made effectively in order to retain the talent with traditional as well as innovative retention strategies.

IX. MEDIUM-TERM AND LONG-TERM STRATEGY

In terms of SEBI/HO/CFD/CMD/CIR/P/2018/79 May 10, 2018 the disclosure of Medium and Long-term strategy of the company, for the next financial year ending on March 31 2020 is within the limits set by its competitive position and the long-term metrics specific to the company's long term strategy measurement of the progress will be reflected in coming years.

X. STATUTORY COMPLIANCE

The Executive Director makes a declaration at each Board Meeting regarding the compliance with the provisions of various statutes, after obtaining confirmation from all the units of the company. The Company Secretary ensures compliance accordance to SEBI regulations and provisions of the Listing Regulations.

XI. CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, amongst others, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the government regulations, tax laws and other statutes and incidental factors. The Management of AIL has prepared and is responsible for the financial statements that appear in this report. These are in conformity with accounting principles generally accepted in India. The Management has made these statements based on its current expectations and projections about future events. Wherever possible, it has tried to identify such statements by using words such as 'anticipate', 'estimate', 'expect', 'project', 'intend', 'plan', 'believe' and words of similar substance. The management cannot guarantee that these forward-looking statements will be realized, although it believes that it has been prudent in making these assumptions.

COMPLIANCE REPORT ON CORPORATE GOVERNANCE (http://alpsindustries.com/corporate_governance.php)

ANNEXURE-IV

IN TERMS OF REGULATION 27, 34 & SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015
(MANDATORY REQUIREMENTS)

- (I) **Statement on company's philosophy on code of governance.** : Corporate Governance is an integral part of AIL's value system, management ethos and business practices. The Company's corporate governance initiatives are based on:
- Commitment to excellence and customer satisfaction;
 - Commitment to maximizing long-term shareholder value;
 - Commitment to responsible and ethical corporate conduct and
 - Concern for the environment and sustainable Development.

The Company regularly evaluates and defines its management practices which are aimed at enhancing its commitment to ensure that these basic tenets of corporate governance are met. At Alps, the basic Corporate Governance norms have been institutionalized as an enabling and facilitating business process at the Board, Management and Operational levels. Business practices are regularly reviewed and reaffirmed against these tenets and all steps are taken to ensure that Company operates beyond the mandatory regulatory framework of good corporate governance.

Link : http://alpsindustries.com/corporate_governance.php

- (II) **Board of Directors and procedures** : The Board of the Company is well structured, in compliance with the listing regulations, with adequate blend of professional Executives and Independent Directors. The Board consist sufficient participation of independent directors. The Board's actions and decisions are aligned with the Company's best interest. The Company has defined guidelines and established framework of the meetings of the Board and Committees. These guidelines seek to systematize the decision-making process at the meeting of the Board and Board committees in an informed and efficient manner.

The Board is headed by Non - Executive Chairman along with the Managing Director, who is also the Chief Executive Officer of the company and controls the day-to-day affairs of the company. The Company Secretary in consultation with the Board of Directors, finalize the agenda of the Board and Committee meetings, which is distributed to the Board/Committee members well in advance. In terms of the Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 it is to be mentioned that the relationship between Mr. K.K. Agarwal, Non Executive Chairman & Promoter Director and Mr. Sandeep Agarwal, Managing Director & Promoter Director is of father and son and there is no inter-se relationship amongst other directors, except above.

LINK http://alpsindustries.com/board_of_directors.php

Board of directors :

- (a) **Composition and category of Directors under Corporate governance**

Nature of Directorship	Nos.	% to the total strength
Promoter and Non Executive	1	14.29%
Promoter & Executive	1	14.29%
Executive (Non-Independent)	1	14.29%
Non-Executive (Independent)	4	57.13%
Total	7	100.00%

(b) There were Four meetings of Board of Directors held during the year and Attendance of each Director at the BOD meetings and the last AGM are as under :

Name of the Directors	Nature of Directorship	Relationship with other Director	Sitting fees paid during the year	No. of Board Meetings		Attended by
			(Rs. in 000')	Held	Attended	AGM 31.08.2018
Mr. K.K. Agarwal	Non-Executive Chairman & Promoter	Father of Mr. Sandeep Agarwal	30.00	4	3	No
Mr. Sandeep Agarwal	Executive & promoter	Son of Mr. K.K. Agarwal	Nil	4	3	No
Mr. P.K. Rajput	Executive & non independent	-	Nil	4	4	Yes
Mr. Prabhat Krishna	Independent	-	60.00	4	4	Yes
Mr. Tilak Raj Khosla	Independent	-	60.00	4	4	Yes
Mr. P.K. Lamba	Independent	-	60.00	4	4	Yes
Ms. Deepika Shergill	Independent	-	40.00	4	4	Yes

(c) Other provisions as to Board or Board Committees in which they are a Member or Chairperson of :

Name of the Director	No. of Outside Directorship Held				Outside Committees \$	
	Listed Company and category of Directorship	Unlisted Public Company	Private Company	Others	Member	Chairman/Chairperson
Mr. K.K. Agarwal	-	-	2	1	-	-
Mr. Sandeep Agarwal	-	-	2	1	-	-
Mr. P.K. Rajput	-	-	-	-	-	-
Mr. Prabhat Krishna	Amd Industries Ltd. as Non-Executive - Independent Director	-	2	-	3	-
Mr. Tilak Raj Khosla	-	-	-	-	-	-
Mr. P.K. Lamba	-	-	-	-	-	-
Ms. Deepika Shergill	-	-	-	-	-	-

\$ In accordance with Regulation 27, 34 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 membership/chairmanship of only the Nomination and Remuneration Committee, Audit committee and Stakeholders Relationship Committee in all public limited companies (excluding Alps industries limited) as on date have been considered.

(d) **Number of Board meetings held, dates on which held.** : No. of Board Meetings held: 4 : Dates - 30/05/2018, 13/08/2018, 14/11/2018 and 12/02/2019.

(e) **Disclosure of relationships between directors inter-se** : Mr. K.K. Agarwal, Non Executive Chairman & Promoter Director and Mr. Sandeep Agarwal, Managing Director & Promoter Director is of father and son and there is no inter-se relationship amongst other directors, except above.
LINK http://alpsindustries.com/board_of_directors.php

(f) The shareholding of directors as on 31st March, 2019 is as under:

Details of Shareholding of Directors:

S.No.	Name of Directors	Shareholding	Percentage
1	Mr. K.K. Agarwal, Non Executive Chairman	1147460	2.93
2.	Mr. Sandeep Agarwal, Managing Director	651510	1.67
3.	Mr. P.K. Rajput, Executive Director	200000	0.511
4.	Mr. Prabhat Krishna, Independent and Non Executive Director	NIL	NIL
5.	Mr. Tilak Raj Khosla, Independent and Non Executive Director	NIL	NIL
6	Mr. P.K. Lamba, Independent and Non Executive Director	NIL	NIL
7.	Ms. Deepika Shergill, Independent and Non Executive Director	NIL	NIL
	Total	1998970	5.111

Note 1: The Company has not issued any convertible instruments during the financial year 2018-19.

- (g) Weblinks where the details of familiarization programmes imparted to Independent directors's disclosures: The details of familiarization programmes imparted to Independent directors is disclosed on www.alpsindustries.com, the website of the company.

Details of the Directors for Retire by Rotation:

Details of Mr. Sandeep Agarwal, Promoter & Managing Director (DIN: 00139439) proposed to be reappointed due to retiring by rotation

: He is in the textile industry since last 30 years and under his acumen and dynamic leadership, the company had floated various Indian and overseas subsidiary companies. The company had also obtained the significant recognitions/certifications from different organizations. He is very meticulous in diversifying into value added products in domestic Home Furnishing business segment of the company. Under his acumen, leadership and strong patience, the company has been able to sail smoothly even in testing times.

Name of Company	Nature of Interest
Pacific Texmark Pvt. Ltd.	Directorship
Narad Fabrics Pvt. Ltd (Formerly known as Alps Processors Pvt Ltd)	Directorship
ALPS USA Inc.	Directorship
Peek Finvest Pvt. Ltd.	Shareholding
Perfect finmen Pvt. Ltd	Shareholding
CDK Foundation (HUF)	Member
K. K. Agarwal (HUF)	Member
Aspen Enterprises	Relationship
Vista Furnishing Pvt. Ltd.	Relationship
Atsiv Fabrics Pvt Ltd.	Relationship
Careen Fintec Pvt Ltd.	Shareholding
Padam Precision Dies & Components Pvt Ltd	Shareholding
Alps Energy Pvt Ltd	Shareholding
Snowflakes Meditech Pvt Ltd (Now Known as Ranvijay Furnishing Pvt. Ltd.)	Shareholding
Sandeep Agarwal (Huf)	Karta

(h) Code of Conduct

: The Company is committed to conduct its business in accordance with applicable laws, rules and regulations and highest standards of transparency. Accordingly the Company has laid down a Code of conduct for all its Board members and Senior Managerial/Personnel so that conflict of interest could be avoided. All the Board members and Senior Managerial Personnel are complying with the said code of conduct. which is also available on Company's website i.e.

https://alpsindustries.com/Code_of_Conduct.pdf. All Directors and senior management personnel have affirmed compliance with the Code for F.Y. 2018-19. A declaration to this effect signed by the Managing Director is given in this Annual Report.

(III) Audit Committee

- (a) Brief description of terms of reference
- : The composition of Audit Committee meets with the requirements of Section of 177 of the Companies Act 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - : As specified under Regulation 27, 34 & Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:
 - (1) oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
 - (2) Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
 - (3) Approval of payment to statutory auditors for any other services rendered.
 - (4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - (a) Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - (b) Changes, if any, in accounting policies and practices and reasons for the same;
 - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - (d) Significant adjustments made in the financial statements arising out of audit findings;
 - (e) Compliance with listing and other legal requirements relating to financial statements;
 - (f) Disclosure of any related party transactions;
 - (g) Modified opinion(s) in the draft audit report;
 - (5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
 - (6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
 - (7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 - (8) Approval or any subsequent modification of transactions of the listed entity with related parties;
 - (9) Scrutiny of inter-corporate loans and investments;
 - (10) Valuation of undertakings or assets of the listed entity,

wherever it is necessary;

(11) Evaluation of internal financial controls and risk management systems;

(12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(14) Discussion with internal auditors of any significant findings and follow up there on;

(15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

(16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(18) To review the functioning of the whistle blower mechanism;

(19) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

(20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

(21) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision.

(b) Composition, name of members and Chairperson. : 1. Mr. Prabhat Krishna - Independent Director & Chairman
2. Mr. Sandeep Agarwal - Managing Director & Member
3. Mr. Tilak Raj Khosla - Independent Director & Member
4. Mr. P.K.Lamba - Independent Director & Member

(c) Meetings and attendance during the year : Meetings held: Four
Present Members: Meeting Attended
1. Mr. Prabhat Krishna - Chairman - 4
2. Mr. Sandeep Agarwal - Member - 3
3. Mr. Tilak Raj Khosla - Member - 4
4. Mr. P.K. Lamba - Member - 4

(IV) Nomination and Remuneration Committee

(a) Brief description of terms of reference : As specified under Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
• To decide the company's policy and specific remuneration package for the Whole time Directors.
• To decide any revision/ amendment/ addition/deletion/

recomposition in the remuneration package of the Whole Time Directors.

- Any matter related with the retirement benefits of the Executive and Whole Time Directors.
- Any other matter, as may be assigned by the Board with respect to financial commitment for whole time directors.
- Identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:
- Devising a policy on Board diversity in terms of guidance's of SEBI as amended from time to time
- To implement the Remuneration policy for directors, KMPs & senior level employees as required under section 178 of the Companies Act, 2013 which is as under:

The Nomination & Remuneration Policy of Alps Industries Ltd (the "Company") is designed to attract, motivate and retain manpower in a competitive and international market. The policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.

The Nomination & Remuneration Policy applies to the Company's senior management, including its Key Managerial Personnel (KMPs) and Board of Directors.

1. INTRODUCTION

As mandated by the statutory provisions contained under section 178 of the Companies Act, 2013 and the Regulation 19 and 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Nomination & Remuneration Committee of the Company has formulated this policy and on its recommendation the Board of Directors has approved the same vide Board Resolution dated 30th April, 2014. This policy contains guidelines on nomination and remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel of the Company. This policy may be treated as a benchmark for determining the qualifications, positive attributes and independence of a Director, criteria for evaluation of Independent Directors and the Board, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel and Senior Management Personnel of the Company.

2. OBJECTIVE

- To formulate the eligibility criteria for determining qualifications, positive attributes, and independence of a Director and to formulate the criteria for evaluating Directors and Senior Management;
- To identify and select for Board's consideration the persons who are qualified to become directors and who may be appointed in senior management in accordance with criteria laid down;
- To carry out the evaluation of Directors, Key Managerial Personnel and Senior Management of the Company and to provide them rewards linked directly to their efforts, performance, dedication and achievement relating to the Company's operations;
- To determine the remuneration taking into account parameters like financial position of the Company, industry size, company size and general practice on remuneration payout in the Textile Industry;
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage; and
- To lay down criteria for appointment, removal of directors, Key Managerial Personnel and Senior Management Personnel and evaluation of their performance.

3. EFFECTIVE DATE

This policy has been effective since 1st April, 2014.

4. DEFINITIONS

- 'Act' means Companies Act, 2013 and rules made there under.
- 'Board of Directors' or 'Board', in relation to the Company, means the collective body of the directors of the Company.
- 'Committee' means Nomination and Remuneration Committee of the Company as Constituted or re-constituted by the Board.
- 'Company' means Alps Industries Limited.
- 'Directors' means Directors of the Company.
- 'Independent Director' means a director referred to in Section 149 (6) of the Companies Act, 2013.
- 'Key Managerial Personnel' (KMP) means:
 - ♦ Chief Executive Officer and /or Managing Director
 - ♦ Whole-time Director
 - ♦ Chief Financial Officer
 - ♦ Company Secretary
 - ♦ Such other officer as may be prescribed under the applicable statutory provisions/regulations.

"Senior Management Personnel" for this purpose shall mean employees of the company occupying the position as such under the Act.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

5. GUIDING PRINCIPLES

The Guiding Principle is that the nomination & remuneration and other terms of employment shall be competitive in order to ensure that the Company can attract and retain competent executives.

The Nomination & Remuneration Policy for executives reflects the overriding remuneration philosophy and principles of the Alps. When determining the remuneration policy and arrangements for Whole time Directors / KMPs, the Nomination & Remuneration Committee, constituted in accordance with Section 178 of the Companies Act, 2013, considers parity with peers and employment conditions elsewhere in the competitive market to ensure that pay structures are appropriately aligned and that level so remuneration remain appropriate in this context.

The Committee while designing the remuneration package considers the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate the person to ensure the quality required to run the company successfully.

The Nomination & Remuneration Committee while considering a remuneration package must ensure a direct relationship with the Key Result Areas and individual achievements considering short as well as long term performance objectives appropriate to the working of the company and its goals.

The Committee considers that a successful remuneration policy must ensure that a significant part of the remuneration package is linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders.

The Nomination & Remuneration policy is guided by a common reward framework and set of principles and objectives as envisaged under section 178 of the Companies Act 2013 and Companies (Meetings of Board and its Powers) Rules, 2014., inter-alia principles pertaining to determining qualifications, positive attributes and independence of the Directors, integrity, etc. The main objectives are -

Attract and Retain:

Remuneration packages are designed to attract high-calibre executives in a competitive global market and remunerate executives fairly and responsibly. The remuneration shall be competitive and based on the individual responsibilities and performance.

Motivate and Reward: Remuneration is designed to motivate delivery of our key business strategies, create a strong performance-orientated environment and reward achievement of meaningful short and long-term targets.

The Principal Terms of Non-Monetary Benefits: The Executives

will also be entitled to customary non-monetary benefits such as Company Cars, Telephones/Mobiles, Healthcare facilities, etc. In addition thereto, in specific cases, particularly at the Unit levels, company may also provide housing and other benefits.

6. EXECUTIVE REMUNERATION– BOARD OF MANAGEMENT

Executive remuneration is proposed by the Committee and subsequently approved by the Board of Directors and further by the shareholders. Presently the approval of Central government has been abolished vide Notification No. S.O. 4822(E) dated 12th September, 2018.. Executive remuneration is evaluated annually against performance and a benchmark of international companies, which are similar to Alps in size and complexity. Benchmarking is done with the help of reports generated by/through internationally recognized compensation service consultancies. In determining remuneration packages, the Committee may consults with the Chairman/Managing Director and Independent Directors as well, as appropriate. Total remuneration shall include the following:

A Fixed Base Salary, set a level aimed at attracting and retaining executives with professional and personal competencies required to drive the Company's performance.

Short-Term Incentives, based on the achievement of individuals as per pre- defined financial and strategic business targets, the incentive are given, particularly in Sales function, as per Incentive Scheme duly approved by the Managing Director.

Long-Term Incentives promoting a balance between short-term achievements and long-term thinking.

Pension/ESI Contributions, made in accordance with applicable laws and employment agreements.

Loyalty / Belongingness to Company, to be achieved by aligning the rewards and recognitions for longer association of the employees with the organization and encouraging Referrals as one of the sources of recruitment to strengthen the company work-force.

Working Atmosphere at the Workplace, company committed to provide good working atmosphere conducive to efficient and effective functioning of the employees with excellent culture and good inter-personal relationship within the organization as well as with external business associates.

Female Employees HR policy of the company gives fair chance to males as well as females in employment and prefers to maintain the reasonable balance. It also provides requisite protection to female employees through effective implementation of HR Policies to safeguard against Sexual Harassment, etc.

Severance Payments in accordance with termination clauses in employment agreements. Severance payments shall comply with local legal framework.

7. DISCLOSURE OF INFORMATION

Information on the total remuneration of members of the

Company's Board of Directors and Executive Board of Management may be disclosed in the Company's annual financial statements. This includes any deferred payments and extraordinary contracts during the preceding financial year.

8. APPROVAL OF THE NOMINATION & REMUNERATION POLICY

This Nomination & Remuneration Policy shall apply to all future employment agreements with members of Company's Senior Management including Key Managerial Personnel and Board of Directors.

The Nomination & Remuneration Policy is binding for the Board of Directors. In other respects, the Nomination & Remuneration Policy shall be of guidance for the Board and shall be modified/revised with the consent of the Nomination & Remuneration committee and Board of Directors of the company from time to time as may be required. Any departure from the policy shall be recorded and reasoned in the Board's minutes.

9. FAMILIARIZATION PROGRAMME IMPARTED FOR INDEPENDENT DIRECTORS

In terms of Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, The familiarization programme imparted to Independent Directors are available on Company website www.alpsindustries.com

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|--|--|
| (b) Composition, name of members and Chairperson. | 1. Mr. Prabhat Krishna - Independent Director & Chairman
2. Mr. Tilak Raj Khosla - Independent Director & Member
3. Mr. P.K Lamba - Independent Director & Member |
| (c) Meetings and attendance during the year | : Meeting held: None |
| (d) Performance and Evaluation Criteria of Independent Directors | : The company has formulated the Nomination and Remuneration Policy covering the evaluation criteria of independent directors which is available on the website of the company. www.alpsindustries.com |

- (d) Details of remuneration and pecuniary benefits to all the Directors, during the financial year ended on March 31, 2019 are as per details given below :-

(Rs. in 000' s)

Name of the Directors	Salary	Perquisites [#]	Sitting fees	Total
Mr. K.K. Agarwal	0.00	0.00	30.00	30.00
Mr. Sandeep Agarwal	0	0.00	0.00	0.00
Mr. P.K. Rajput	426.00	36.00	0.00	462.00
Mr. Prabhat Krishna	0.00	0.00	60.00	60.00
Mr. Tilak Raj Khosla	0.00	0.00	60.00	60.00
Mr. P.K. Lamba	0.00	0.00	60.00	60.00
Ms. Deepika Shergill	0.00	0.00	40.00	40.00
TOTAL	426.00	36.00	250.00	712.00

It includes reimbursement of Medical Expenses, Leave travel concession (LTC) & Provident Fund.

NOTES:

1. In terms of Regulation 27, 34 & Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 related to Corporate Governance, it is confirmed that there are no pecuniary relationships or transactions of the non executive directors vis-à-vis company, except as mentioned above.
2. In compliance of Regulation 27, 34 & Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 related to Corporate Governance, it is confirmed that the criteria of making payment to non-executive directors is performance based as detailed in the "criteria of performance evaluation" specified under the Nomination & Remuneration Policy which is available on Company's website. www.alpsindustries.com.
3. In terms of Regulation 27, 34 & Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 related to Corporate Governance, the disclosures with respect to remuneration: in addition to disclosures required under the Companies Act, 2013, the following disclosures shall be made:
 - (i) All elements of remuneration package of individual directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc;
 - (ii) Details of fixed component and performance linked incentives, along with the performance criteria;
 - (iii) Service contracts, notice period, severance fees;
 - (iv) Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable

(V) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

- (a) Brief description of terms of reference : As specified under Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014; viz
- (a) Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII;
 - (b) Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
 - (c) Monitor the Corporate Social Responsibility Policy of the company from time to time.
- (b) CSR Policy in terms of Section 135 of Companies Act, 2013 : **Our CSR Vision**
Through sustainable measures, actively contribute to the Social, Economic and Environmental Development of the community in which we operate ensuring participation from the community and thereby create value for the nation.

OUR CSR MISSION

1. Ensuring socio-economic development of the community through different participatory and need-based initiatives in the best interest of the poor and deprived sections of the society so as to help them to become SELF-RELIANT and build a better tomorrow for themselves.
2. Ensuring environmental sustainability through ecological conservation and regeneration, protection & re growth of endangered plant species, and promoting biodiversity.

OUR ACTIVITIES

The CSR activities we pursue will be in line with our stated Vision and Mission, focused not just around our plants and offices, but also in other geographies based on the needs of the communities.

The four focus areas where special Community Development programme would be run are:

1. Eradicating hunger, poverty and malnutrition:

- Provision of food, nutrition supplement, clothes etc for the poor, children and other deprived sections of the society.
- Supporting nutrition in anganwadi centres and building capacities of anganwadi workers to this effect.
- Provision of shelter for homeless.
- Promoting sanitation, making available safe drinking water
- Sanitation including Contribution to the Swach Bharat Kosh set up by the Central Government for the promotion of sanitation.

2. Promoting Health care including Preventive Health care

through awareness programmes, health check-ups, provision of medicine & treatment facilities , providing pre natal & post natal healthcare facilities, prevention of female foeticide through awareness creation, program for preventing diseases and building immunity.

3. Ensuring environmental sustainability and ecological balance through :

- Plantation drives in schools, villages, our manufacturing units & offices/business premises and other areas in general;
- Reviving endangered plants, promoting agro-forestry;
- Protection of flora & fauna;
- conservation of natural resources
- Maintaining quality of soil, air & water.
- Adoption of wastelands to cultivate plants;
- Promoting biodiversity;
- Animal welfare and veterinary services.
- Technical support and Knowhow for improving farming and building capacities of small farmers.
- Promoting alternate energy resources.
- Contribution to the Clean Ganga Fund set up by the Central Government for rejuvenation of river Ganga.

4. Employment and livelihood enhancing vocational skills and projects

including tailoring, beautician, mehandi application, bee keeping, food processing and preservation,

vermi-composting and other Life Skill Training and livelihood enhancement projects.

In addition, the Company has identified the following areas for Community Development interventions:

5. **Promotion of education especially** among children, women, elderly and the differently abled including:
 - Non-formal education programmes.
 - Supporting schools with infrastructure like benches, toilets, potable water, fans etc.
 - Supporting other educational institutions.
 - Improving educational facilities in general.
 - Supporting children for higher education.
6. **Promoting gender equality and empowering women including:**
 - Adult literacy for women.
 - Promoting and providing credit support to women's self-help and joint liability groups.
 - Training in vocations pursued by women.
 - Setting up homes for women & orphans;
 - Setting up old-age homes & other facilities for senior citizens
 - Setting up hostels for working and student women, day care centers for kids of working women
7. **Contribution or funds provided to technology incubators located within academic institutions which are approved by the Central Government.**
8. **Rural Development Projects.**
9. **Slum Area Development**
10. **Other Activities:**
 - Promotion of Sports with special focus on training for rural sports, nationally recognised sports, Paralympic sports, Olympic sports.
 - Welfare for differently disabled persons
 - Setting up public libraries
 - Reducing inequalities faced by the socially and economically backward groups
 - Protection of national heritage, art, culture and handicraft; Restoration of Buildings & sites of historical importance & works of art.
 - Welfare of armed forces personnel, war widows and their dependants
11. **Incidental Activities.**
 - Employing people and incurring other costs to carry out aforesaid activities.
12. **Such other activities as the Board may consider to be appropriate.**

Our Approach to Implementation

We will strive to implement the aforesaid CSR activities on our own to the extent possible. At the same time, we recognize need to work in partnership with other players also.

This would include:

Collaborating with various organization, which are registered as a Trust or a section 8 company under the Companies Act, 2013 or Society or NGOs or any other form of entity incorporated in India that specialize in the aforesaid activities.

1. Contribution to various funds which are aligned with our Vision and Mission e.g.
 - Prime Minister's National Relief Fund
 - Any other fund set up by the Central Government for :
 - socio-economic development and relief.
 - for the welfare of Scheduled Castes, the Scheduled Tribes, other Backward classes, minorities and women.
2. Collaborating or pooling resources with other companies to undertake aforesaid CSR activities.

CSR FUNDS

The corpus for the purpose of carrying on the aforesaid activities would include the followings:

- at least 2% of the average Net Profit made by the Company during immediately preceding three Financial Years.
- Any income arising there from.
- Surplus arising out of CSR activities carried out by the company and such surplus will not be part of business profit of the company.

MONITORING

The CSR department will provide regular progress report to the CSR Committee of the Board. This report would indicate:

1. Achievement since last progress report / during the last quarter in terms of coverage compared to the target and reasons for variance.
2. Achievement of the year-to-date in terms of coverage compared to the target, plans to overcome shortfalls if any and support required from the CSR Committee/Board to overcome the shortfalls.
3. Actual year-to-date spends compared to the budget and reasons for variance.
4. In respect of activities undertaken through outside Trust/Society/NGO's etc. there will be mechanism of monthly reporting of progress on each such activities and the amount incurred thereon.

The Board shall seek a short progress report from the CSR Committee on a quarterly basis. However this will be subject to review from time to time in terms of Government directives/social needs and emerging of new vision of the company.

- (b) Composition, name of members and Chairperson. : 1. Mr. Prabhat Krishna – Independent Director & Chairman
2. Mr. Sandeep Agarwal – Non Independent Director & Member
3. Mr. P.K Lamba - Independent Director & Member
- (c) Meetings and attendance during the year : Meeting held: One
Present Members :
1. Mr. Prabhat Krishna – Independent Director & Chairman
2. Mr. Sandeep Agarwal – Non Independent Director & Member
3. Mr. P.K Lamba - Independent Director & Member

(d) Impact on the Company	: The company has formulated the CSR Policy for evaluation & consideration of public security & Social Engineering which is available on the website of the company. www.alpsindustries.com
(VI) STAKEHOLDERS RELATIONSHIP COMMITTEE	
(a) Brief description of terms of reference	: To consider and resolve the grievances of security holders of the company, as specified under Section 178 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Stakeholder Relationship Committee has been formed to consider the following matters : <ul style="list-style-type: none"> (a) To review the status of Investors' Grievances of each Quarter, (b) To review the statement of transfer of shares. (c) To review of split, consolidation & demat/remat of shares. (d) Any matter related with the Investors' Grievances. (e) Redressing the grievances related to non receipt of annual report/dividend. (f) The committee also looks after redressal of investors' grievances and performance of the Registrar and Transfer Agent of the company. (g) Monitoring the violations of the code of conduct for prevention of insider trading, if any. (h) To confirm the rights of stakeholders that are established by law or through mutual agreements are to be respected. (i) To Confirm the Stakeholders should have the opportunity to obtain effective redress for violation of their rights. (j) To encourage mechanisms for employee participation. (k) To allow stakeholders relevant, sufficient and reliable information on a timely and regular basis to enable them to participate in Corporate Governance process. (l) To confirm that company should devise an effective whistle blower mechanism enabling stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices.
(b) Composition, name of members and Chairperson.	: 1. Mr. Prabhat Krishna – Independent Director & Chairman 2. Mr.Sandeep Agarwal–Non Independent Director & Member 3. Mr. P.K Lamba - Independent Director & Member 4.Mr. Tilak Raj Khosla-Independent Director & Member
(c) Number of Meeting held	: Meeting Held -4 Present Members 1. Mr. Prabhat Krishna – Independent Director & Chairman 2. Mr.Sandeep Agarwal–Non Independent Director & Member 3. Mr. P.K Lamba - Independent Director & Member 4.Mr. Tilak Raj Khosla-Independent Director & Member
(d) Name and designation of compliance & materiality officer and contact details	: Mr. Ajay Gupta, Company Secretary & General Manger - Legal. Ph (D) : 0120-4161716 Fax : 0120-2896041 Email ID: ajaygupta@alpsindustries.com investorgrievance@alpsindustries.com

- (e) Number of shareholders' complaints : Details of complaints received and redressed during the period received so far. 2018-19:

Sr. No	Particulars	Received
1.	Non-receipt of refund order	Nil
2.	Non-receipt of Dividend Warrants	Nil
3.	Non-Receipt of Share Certificates	Nil
4.	Others	3
	TOTAL	3

- (f) Number of complaints not solved to the satisfaction of shareholders. :

Sr. No	Particulars	Redressed
1.	Non-receipt of refund order	Nil
2.	Non-receipt of Dividend Warrants	Nil
3.	Non-Receipt of Share Certificates	Nil
4.	Others	3
	TOTAL	3

- (g) Number of pending complaints. :

Sr. No	Particulars	Pending
1.	Non-receipt of refund order	Nil
2.	Non-receipt of Dividend Warrants	Nil
3.	Non-Receipt of Share Certificates	Nil
4.	Others	Nil
	TOTAL	Nil

(VII) General Meeting

- (a) Location and time, where last three AGMs/EGMs held. :

S. No.	Location	Date	Time	AGM/ EGM
1.	57/2, Site IV Industrial Area, Sahibabad, Ghaziabad, U.P.	14.09.2016	10:00 A.M	AGM
2.	--Do--	29.08.2017	10:00 A.M	AGM
3.	--Do--	31.08.2018	10:00 A.M.	AGM

- (b) Whether special resolutions were passed in the previous three AGMs/EGMs : Yes, as per following details:

At the AGM held on 14.09.2016

- Appointment of M/s. Pramod Agrawal & Co., Cost Accountants as Cost Auditors of the company.

At the AGM held on 29.08.2017

- Re-appointment of Mr. Sandeep Agarwal as Managing director of the company.
- Re-appointment of Mr. Prabhat Krishna as Independent Director of the Company.
- Re-appointment of Mr. Pradyumn Kumar Lamba as Independent Director of the Company.
- Re-appointment of Mr. Tilak Raj Khosla as Independent Director of the Company.
- Re-appointment of Ms. Deepika Shergill as Independent Director of the Company.
- Appointment of Cost Auditors M/s. Gaurav Gupta & Associates, Cost Accountants.
- Re-appointment of Mr. Pramod Kumar Rajput as Executive director of the company.
- Disposing off all investment in all subsidiaries companies and also the dispose of substantial assets of one of its subsidiary company namely i.e. M/s Snowflakes Meditech Pvt. Ltd.

At the AGM held on 31.08.2018

- Appointment of Cost Auditors M/s. Gaurav Gupta & Associates, Cost Accountants.
- Approval of the Extension of CRPS from 11th to 16th year from the original cut off date i.e. January 31, 2009.
- Approval of the borrowings of the company and sale of idle Fixed Assets under section 180 (1)(a) of the Companies Act 2013.

(c) Special Resolutions were put through postal ballot last year, details of voting pattern.

: The following Special Resolution was put through Postal ballot in the last year i.e. 2017-18:

Approval of the borrowing of the company and sale of idle Fixed Assets under section 180 (1)(a) of the Companies Act 2013. The voting pattern of the same was as follows:

I. Voted in Favour of Resolution			
	Number of members voted through electronic voting system and physical mode	Number of Votes cast (Shares)	% of total number of valid votes cast
E-voting	4	1205	0.006
Postal Ballot	157	11505589	99.989
Total	161	11506794	99.995

II. Voted against the Resolution			
	Number of members voted through electronic voting system and physical mode	Number of Votes cast (Shares)	% of total number of valid votes cast
E-voting	Nil	Nil	Nil
Postal Ballot	3	6	0.005
Total	3	6	0.005

III. Invalid votes :		
	Total number of members whose votes were declared invalid	Total number of Votes cast (Shares)
E-voting	NIL	NIL
Postal Ballot	NIL	NIL
Total	NIL	NIL

(d) Person who conducted the postal ballot exercise.

: M/s. Rajiv Khosla & Associates, Practicing Company Secretaries through Mr. Rajiv Khosla, the Scrutinizer of the company.

(e) Any Special Resolution is proposed to be conducted through postal ballot.

: No

(f) Procedure for postal ballot.

: As per Section 110 of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2015 will be followed, if applicable.

(g) In terms of the requirement of Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Certificate in regard to the Non Disqualification of the directors of the company duly stamped and signed has been received from the Rajiv Khosla & Associates, a Practicing Company secretary. The copy of the same is as under:

CERTIFICATE OF NON -DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
ALPS INDUSTRIES LIMITED

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Alps Industries Limited** having **CIN: L51109UP1972PLC003544** and having registered office at **57/2, Site- IV, Industrial Area, Sahibabad Ghaziabad U.P 201010** (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para-C sub clause (10)(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers.

We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as a Director of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any other Statutory Authority(ies):

Name of the Director	DIN	Nature of Directorship
Mr. Krishan Kumar Agarwal	00139252	Non-Executive Chairman & Promoter Director
Mr. Sandeep Agarwal	00139439	Promoter & Managing Director
Mr. Pramod Kumar Rajput	00597342	Executive Director
Mr. Prabhat Krishna	02569624	Independent Director
Mr. Tilak Raj Khosla	02724242	Independent Director
Mr. Pradyumn Kumar Lamba	02843166	Independent Director
Ms. Deepika Shergill	07093795	Independent Director

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Rajiv Khosla & Associates

Rajiv Khosla
Proprietor
FCS No.:5197
CP No.:3927

Place:Ghaziabad
Date: 20.05.2019

(VIII) Other Disclosures

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|--|---|
| <p>(a) (i) Disclosures on materially significant related party transactions i.e. transactions of the company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of company at large.</p> | <p>: In compliance of Regulation 23 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and Indian Accounting Standard (IAS) 24 the Disclosure of "Related Party Transactions" has been made in the Notes to Accounts of Financial Statements. During the year under review company has entered into related party transactions which are at the market prevailing prices and on arm's length basis and are in its ordinary course of business. Hence there are no conflicts of interest in any manner whatsoever and in compliance of company policy related to Related party transactions. The policy on the related party transactions are available on the website of the company i.e. www.alpsindustries.com.
In terms of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended on May 9, 2018, the disclosures of related party transactions on a consolidated basis has been published on the website of NSE and BSE and also on the website of the company i.e. www.alpsindustries.com.</p> |
| <p>(ii) Disclosure of Accounting Treatment under Regulation 34 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015</p> | <p>: Company has not done the treatment different from that prescribed in an Indian Accounting Standard in the Financial Statements for the period ended on March 31, 2019. Hence the requirement to disclose in the financial statements, is not applicable for the period under review.</p> |
| <p>(b) Details of non-compliance by the company, penalties, and strictures imposed on the company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years.</p> | <p>: None</p> |
| <p>(c) Details of establishment of Vigil Mechanism, whistle blower policy and affirmation that no personnel has been denied access to the audit committee.</p> | <p>: In term of section 177 of the Companies Act, 2013 and Regulation 4, 18, 46 and Schedule II of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Company has established the Vigil Mechanism/whistle blower policy and it is confirmed that no personnel has been denied access to the audit committee and its chairperson. The details of establishment of such mechanism are also disclosed by the company on its website i.e www.alpsindustries.com.</p> |
| <p>(d) Disclosure of commodity price risks and commodity hedging activities</p> | <p>: The company is not involved in such activities hence there is no such risk involved.</p> |
| <p>(e) Compliance of Mandatory requirements and adoption of the Non- Mandatory requirements under the Corporate Governance.</p> | <p>: The company has complied Mandatory requirements and adopted the Non- Mandatory requirements in terms of the compliance of Corporate Governance</p> |
| <p>(f) Policy for determining "Material Subsidiaries"</p> | <p>: The company has adopted the policy for determining "material Subsidiaries" which is available on the website of the company i.e. www.alpsindustries.com.</p> |
| <p>(g) Policy on dealing with "Related Party Transaction".</p> | <p>: The company has adopted the policy on dealing with "Related Party Transaction" which is available on the website of the company i.e. www.alpsindustries.com.</p> |

- | | | | | | | | |
|--|--|--|-----|---|-----|--|-----|
| <p>(h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.</p> | <p>: During the year the company has not raised any fund through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.</p> | | | | | | |
| <p>(i) A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.</p> | <p>: The certificate from a company secretary in practice has been obtained and annexed in the Annual Report elsewhere.</p> | | | | | | |
| <p>(j) Any non compliance of any requirement of corporate governance and extent to which the discretionary requirements under Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been complied with</p> | <p>: The company has complied with all the compliance (mandatory or non mandatory) of the corporate governance and with all the discretionary requirements under Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.</p> | | | | | | |
| <p>(k) Compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 shall be made in the section on corporate governance of the annual report.</p> | <p>: The company has complied with all the requirements with respect to corporate governance</p> | | | | | | |
| <p>(l) Whistle Blower & Vigil Mechanism</p> | <p>: The company has implemented the Vigil Mechanism/Whistle Blower Policy as specified under Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and under section 177 of the Companies Act, 2013. It is also affirmed that none of the personnel has been denied access to the Audit Committee. As required, it has also been displayed on the company's website i.e. www.alpsindustries.com</p> | | | | | | |
| <p>(m) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.</p> | <table border="0" style="width: 100%;"> <tr> <td style="width: 70%;">Number of complaints filed during the financial year</td> <td style="width: 30%;">NIL</td> </tr> <tr> <td>Number of complaints disposed off during the financial year</td> <td>NIL</td> </tr> <tr> <td>Number of complaints pending as on end of the financial year</td> <td>NIL</td> </tr> </table> | Number of complaints filed during the financial year | NIL | Number of complaints disposed off during the financial year | NIL | Number of complaints pending as on end of the financial year | NIL |
| Number of complaints filed during the financial year | NIL | | | | | | |
| Number of complaints disposed off during the financial year | NIL | | | | | | |
| Number of complaints pending as on end of the financial year | NIL | | | | | | |
| <p>(n) The company has adopted all the discretionary requirements as specified in Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 related with Corporate Governance.</p> | <p>: Yes</p> | | | | | | |
| <p>(o) Disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 related with Corporate Governance Report.</p> | <p>: The said disclosures have been already made in this Annual report elsewhere.</p> | | | | | | |
| <p>(IX) Disclosures with respect to demat suspense account/ unclaimed suspense account:</p> | | | | | | | |

- (i) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year : 99 Shareholders holding 14366 Equity Shares as on 01.04.2018
- (ii) Number of shareholders who approached listed entity for transfer of shares from suspense account during the year : None
- (iii) Number of shareholders to whom shares were transferred from suspense account during the year : None
- (iv) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year : 99 Shareholders holding 14366 Equity Shares as on 31.03.2019
- (v) Frozen of voting rights on such shares till the rightful owner of such shares claims the shares : The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares

(X) Means of Communication

- (a) Quarterly results. : Published in the News Paper and sent to the Stock Exchanges where Shares of the Company are listed and also displayed on the company website. www.alpsindustries.com
- (b) Which newspapers normally published in. : Money Makers and Dainik Mahalaxmi Bhagyodaya
- (c) Any website, where displayed. : www.alpsindustries.com
In compliance of the General Circular No. 17/2011 dated 21.04.2011 & 18/2011 dated 29.04.2011 and Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company is sending the Annual Report by email to all the members by adopting the Green Initiative as directed by the Government. The full text of the documents will be available on the Company's Website and on the website of National Stock exchange (NSE) and Bombay Stock Exchange (BSE).
- (d) Whether it is also displayed on the official website. : Yes
- (e) The presentations made to institutional investors or to the analysts. : The Financial Results are sent to the major investors including Institutional Investors, banks & various other government/statutory agencies and analysts as required by the said agencies.
- (f) Whether Management Discussion & Analysis is a part of Annual Report or not. : Yes. Company also displays the same on its official website i.e. www.alpsindustries.com.
- (g) Voting by electronic means : In terms of the requirement of section 108 and Companies (Management and Administration) Rules, 2014, Regulation 44 of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 and in terms of the better corporate governance, the company will make necessary arrangements to facilitate the e-voting by all the members of the company in the forthcoming AGM.

- (h) NSE Electronic Application Processing System (NEAPS) and BSE Listing centre for electronic filing. : The NSE and BSE developed web based application for corporates. The Financial Results, Compliance Certificates, shareholding Pattern, Intimation of Board meetings, Investor Grievance Mechanism, Corporate Governance Report and event based material information are also filed electronically on NEAPS and Listing centre of BSE by the company on quarterly basis or on occurrence of any material event..
- (i) SEBI Complaints Redressal System (SCORES) : The investor's complaints are processed in a centralized web based complaints redress system. The salient features of this system are centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

(XI) General Shareholder information

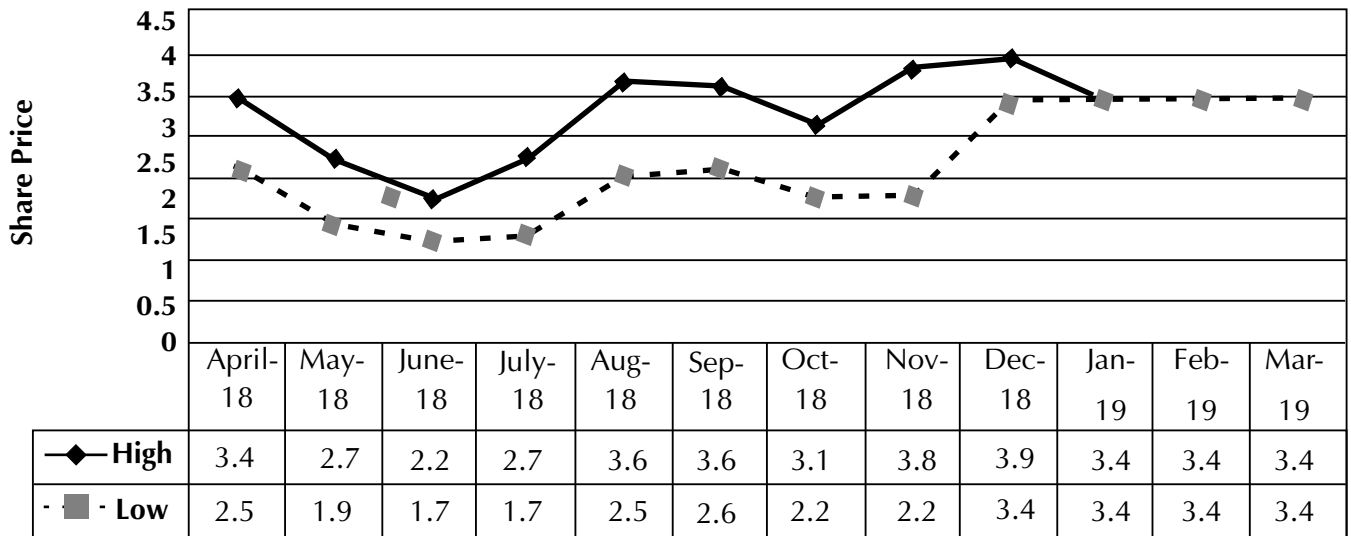
- (a) AGM: Date, time and venue (Tentative) : Date: August 31 , 2019
Day: Saturday
Time: 10:00 A.M
Venue: 57/2, Site IV, Industrial Area, Sahibabad, Ghaziabad, (U.P.) PIN-201010
- (b) Financial Calendar (Tentative) : 2019-20
Financial Year April 1, 2019 to March 31, 2020
Annual General Meeting August 31 , 2019
Result for quarter ending June 30 , 2019 Second Week of August, 2019.
Result for quarter ending Sept 30, 2019 Second Week of November, 2019
Result for quarter ending December 31, 2019 Second Week of February, 2020
Result for quarter ending March 31, 2020. Last Week of May, 2020
Audited Accounts for the financial year ending on March 31, 2020 Last Week of May, 2020
- (c) Date of Book Closure : Wednesday, August 7, 2019 to Thursday, August 8, 2019 (Both days inclusive)
- (d) Cut-off date for Voting Rights for AGM under Section 108 of the Companies Act 2013. : Saturday, August 24, 2019
- (e) Schedule of e-voting : Wednesday August 28, 2019, from 10:00 A.M. to Friday, August 30, 2019 at till 5:00 P.M
- (f) Dividend Payment Date : The Board of Directors has not recommended any dividend for the financial year ended on March 31, 2019.
- (g) Listing on Stock Exchanges : Equity Shares of the company are listed at the National Stock Exchange of India Ltd. and Bombay Stock Exchange Ltd., Mumbai.
- (h) Name and address of Stock Exchanges where the company securities listed and confirmation of payment of listing fees
- 1. Bombay Stock Exchange Ltd.**
1st Floor, New Trading Ring, Rotunda Building, P.J. Towers, Dalal Street, Fort, Mumbai-400001
- 2. National Stock Exchange of India Ltd.**
Exchange Plaza, 5th Floor, Plot No. C/1, G-Block, Bandra-Kurla Complex Bandra (E), Mumbai – 400 051.
The Company has paid listing fees for the year 2019-2020 to National Stock Exchange India Limited. But it has not been paid

for 2016-17 2017-18 2018-19 and 2019-20 to Bombay Stock Exchange due to the delisting is under process. The Company has filed a Writ petition no. WIRC/0008567/2018 before Hon'ble Allahabad High Court seeking direction for BSE to withdraw the demand of delisting fee and Annual fee with interest thereon along with the directions to delist the shares from its exchange as per law. The Hon'ble High Court was kind enough to issue notices to parties in this case and the matter is under consideration.

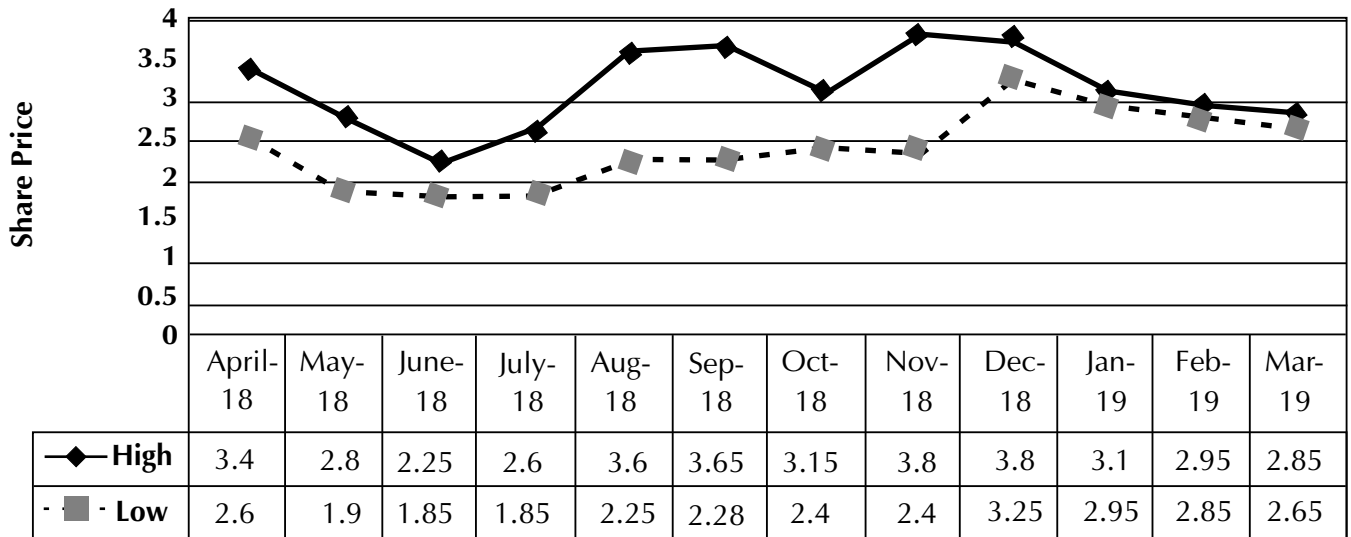
- (i) Details of custodian and confirmation for payment of custodial fees : NDSL-Issuer Code:093B
CDSL-Issuer Code: 1431
Annual Custodian/Issuer Fees for the year 2019-20 has been paid. However NSDL has not raised the bill for the financial year 2019-20. Therefore the fees for NSDL will be paid as and when intimated to the company.
- (j) Stock Code : NSE : ALPSINDUS-EQ
BSE : 530715/ALPSINDUS
- (k) Issue & reclassification of Quasi Equity shares under Corporate Debt Restructuring Scheme : The Company has not reclassified/issue any quasi equity shares during the year under review.
- (l) Market Price Date: High, Low during each month in last financial year in National Stock Exchange of India Limited & Bombay Stock Exchange Ltd. :

SL. No.	Month	National Stock Exchange of India Limited (NSE)				Bombay Stock Exchange Ltd. (BSE)			
		(In Rs. per share)				(In Rs. per share)			
		Month's High Price		Month's Low Price		Month's High Price		Month's Low Price	
		Price	Date	Price	Date	Price	Date	Price	Date
1	April – 18	3.40	03.04.2018	2.60	27.04.2018	3.43	03.04.2018	2.59	27.04.2018
2	May – 18	2.80	02.05.2018	1.90	22.05.2018	2.75	02.05.2018	1.96	23.05.2018
3	June –18	2.25	13.06.2018	1.85	27.06.2018	2.24	14.06.2018	1.71	26.06.2018
4	July – 18	2.60	31.07.2018	1.85	03.07.2018	2.75	31.07.2018	1.74	17.07.2018
5	Aug – 18	3.60	13.08.2018	2.25	01.08.2018	3.66	14.08.2018	2.53	28.08.2018
6	Sept – 18	3.65	11.09.2018	2.28	03.09.2018	3.63	11.09.2018	2.62	24.09.2018
7	Oct – 18	3.15	03.10.2018	2.40	15.10.2018	3.15	03.10.2018	2.24	22.10.2018
8	Nov – 18	3.80	30.11.2018	2.40	06.11.2018	3.83	30.11.2018	2.27	01.11.2018
9	Dec – 18	3.80	04.12.2018	3.25	31.12.2018	3.95	03.12.2018	3.47	24.12.2018
10	Jan – 19	3.10	14.01.2019	2.95	21.01.2019	3.47	01.01.2019	3.47	30.01.2019
11	Feb – 19	2.95	04.02.2019	2.85	04.02.2019	3.47	25.02.2019	3.47	25.02.2019
12	Mar – 19	2.85	11.03.2019	2.65	25.03.2019	3.47	18.03.2019	3.47	18.03.2019

**Alps Industire Ltd -Shareprice on NSE
(2018-19)**



**Alps Industire Ltd -Shareprice on BSE
(2018-19)**



(m) Shareholding Pattern as on 31.03.2019

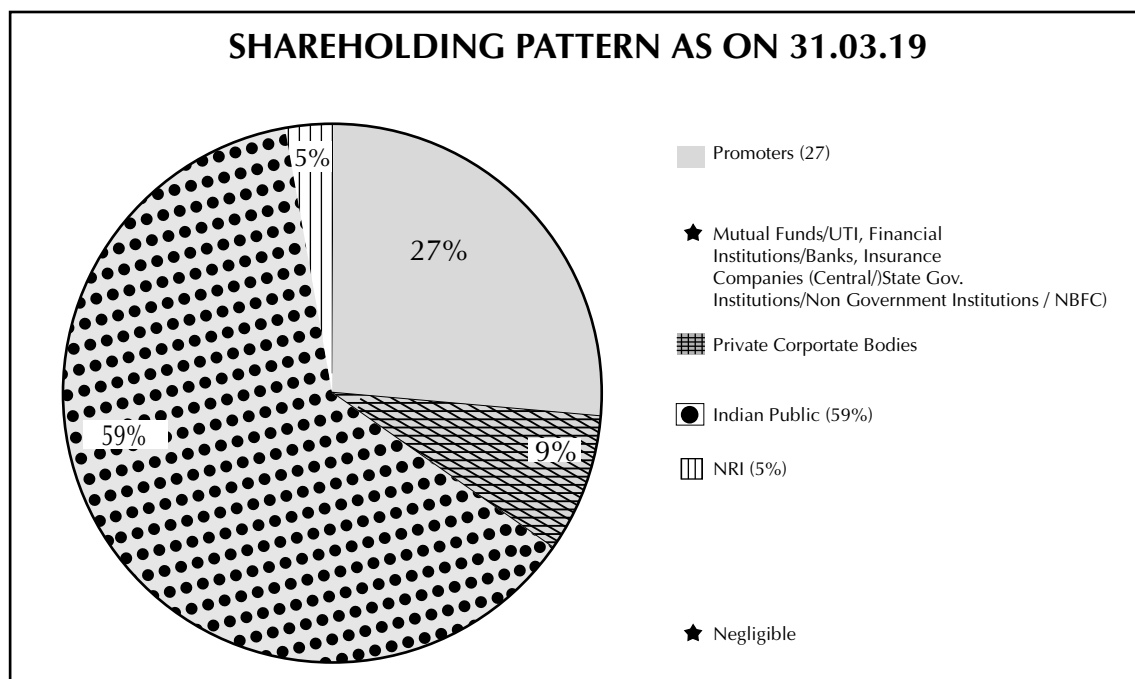
Scrip Code: NSE –ALPSINDUS-EQ & BSE -530715/ALPSINDUS

Name of the Scrip: Alps Industries Limited

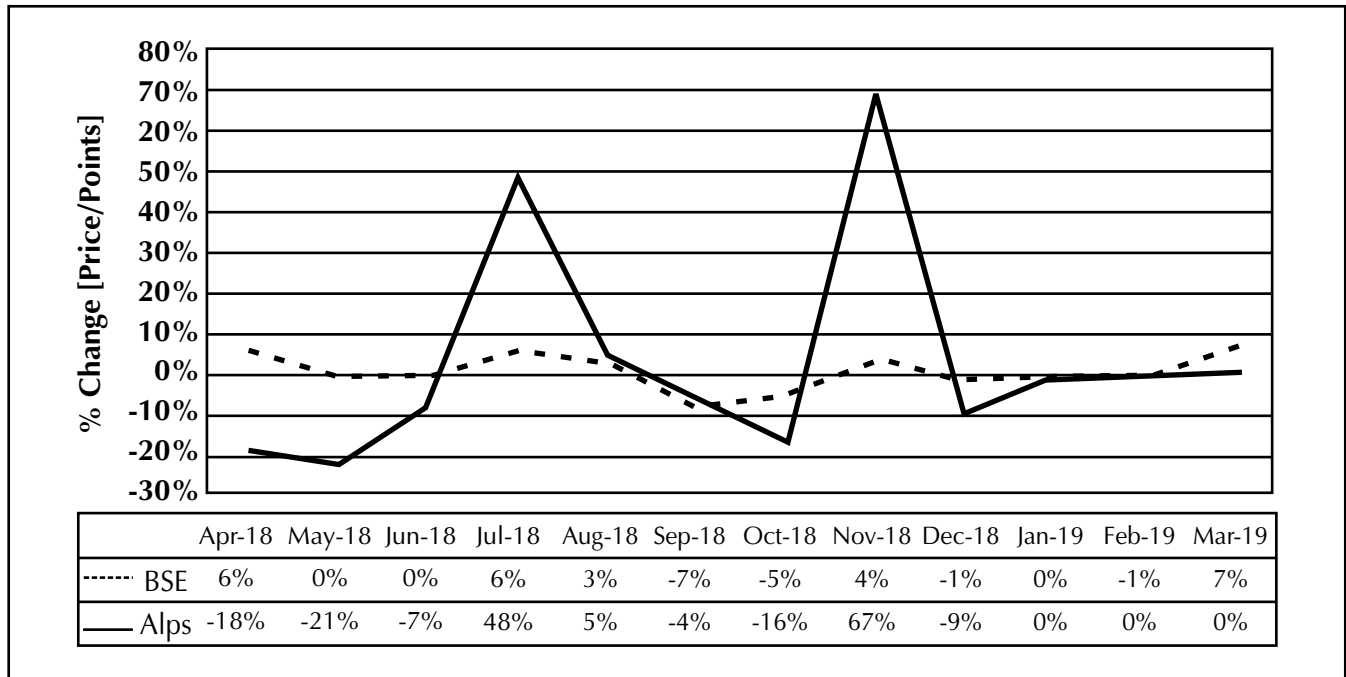
Class of the Security: Equity Shares

Category Code	Category of Shareholder	Number of Share holders	Total Number of Shares	As a percentage of (A+B+C)
(A)	Shareholding of Promoter and Promoter Group1			
(1)	Indian	19	10,586,018	27.06
(2)	Foreign	-	-	-
	Total Shareholding Pattern of Promoter and Promoter Group	19	10,586,018	27.06
(B)	Public Shareholding2			
(1)	Institutions	4	500	0.00
(2)	Non Institutions	20256	28527582	72.94
	Total Public Shareholding	20260	28,528,082	72.94
(C)	Shares held by Custodian and against which Depository Receipts have been issued			
(1)	Promoter and Promoter Group	-	-	-
(2)	Public	-	-	-
	TOTAL (A+B+C)	20279	39,114,100	100.00

- For definitions of “Promoter Shareholding” and “Promoter Group” refer to Regulation 2(w) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- For definition of “Public Shareholding”, refer to Regulation 2(y) of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015.



Performance in comparison to broad-based indices such as BSE Sensex, CRISIL, Index etc:
BSE CHART FOR THE YEAR 2018-19 OF ALPS INDUSTRIES LTD. Vs. BSE SENSEX



- (n) Registrar and Share Transfer Agents for Demat & Physical Shares : Alankit Assignments Limited,
Corporate Office:
Alankit Heights, 3E/7, Jhandewalan Extn.,
New Delhi-110055.
- (o) Information related to suspension from trading of securities of the Company : No suspension of securities has been taken place. However the company has received the letter vide ref. No. DCS/ALF/16-17/BM/SCN/268-146/2016-17 dated 19/12/2016 from BSE intimating the transferring of securities under Trade to Trade segment w.e.f. 5.5.17. It has been replied by the company stressing for voluntary delisting of shares as requested by the company but the Bombay Stock Exchange Ltd has denied to delist the securities and the company has filled the Writ Petition for granting relief from the Bombay Stock Exchange Ltd in Allahabad High Court which is under process.
- (p) Share Transfer System and Investors Grievances : In terms of the Regulation 7 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for appointment of common agency as R&T Agent for Demat and Physical Shares, company has appointed the above R&T Agent. The share transfer and Investor Grievances system is in compliance with the requirement of the Stock Exchanges and as specified under the Depository Act, 1996. Company has Stakeholder relationship Committee to review the status of various matters related with the shareholders. The company has also provided the updated information for processing of details for allotment of User ID and Password for login into SEBI Compliant of Redress System (SCORES) in terms of the SEBI Circular Ref No. CIR/OIAE/1/2014 December 18, 2014.

- (q) Uniform procedure for dealing with unclaimed shares. : In terms of Regulation 39 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company discloses the following details in respect of the unclaimed equity shares lying in the suspense account which were issued in demat. The physical shares pursuant to the public issue, subsequent bonus issue and the transfer cases have been credited to Alps Industries Limited- Unclaimed Share Demat Suspense Account and Alps Industries Limited Unclaimed Suspense Account - Physical Account opened with Alankit Assignment Limited. The details of shareholding of individual allottee have been properly maintained and the shares have been credited to the allottee accounts as and when he/she approaches to the Company/R&T Agent.

- (r) Details regarding shares in the suspense account

Particulars	Number of share holders	Number of equity shares	Number of share holders	Number of equity shares
	Demat		Physical	
Aggregate Number of shareholders and the outstanding shares in the suspense account lying as on April 1, 2018	99	14366	Nil	Nil
Number of shareholders who approached the company for transfer of shares from suspense account during the year	--	--	--	--
Number of shareholders to whom shares were transferred from the suspense account during the year	--	--	--	--
Aggregate Number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2019	99	14366	Nil	Nil
No of request received for claiming of shares with no of shares	--	-	--	--
No of request accepted for claiming of shares with no of shares	--	-	--	--
No of request rejected for claiming of shares with no of shares	--	--	--	--

The voting rights on the above shares shall remain frozen till the rightful owners of such shares claim the shares in terms of regulation 27 & 39 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

- (s) Distribution of shareholding : As on 31st March, 2019

Share holding of nominal value In Rs.	Shareholders		Share Amount	
	Number	%	Rs. In 000's	%
Upto- 5000	19451	95.917	10365.674	26.501
5001- 10000	429	2.115	3279.174	8.384
10001- 20000	224	1.105	3197.961	8.176
20001- 30000	52	0.256	1294.578	3.31
30001- 40000	29	0.143	1021.561	2.612
40001- 50000	20	0.099	913.991	2.337
50001- 100000	35	0.173	2483.940	6.35
100001 and above	39	0.193	16557.221	42.331
TOTAL	20279	100.00	39114.100	100.00

- (t) Dematerialization of shares and liquidity : 99.75 % of Issued Capital is in Dematerialized form as on 31st March 2019. The shares are listed at the two stock exchanges.
- (u) Outstanding GDRs/ADRs /Warrants or any Convertible instrument, conversion date and likely impact on equity : (i) No GDRs is outstanding as on 31st March 2019.
(ii) The company has not issued any ADRs.
(iii) There are no outstanding convertible security as on March 31, 2019.
- (v) Plant Location : 57/2, Site - IV, Sahibabad Industrial Area, Ghaziabad-201010 (U.P.)
*For legal status refer to Director's Report under the para "Financial Restructuring"
- : Plot No. 1-A, Sector 10 Integrated Industrial Estate, SIDCUL Haridwar-249403, Uttarakhand*
- : Plot No. 1-B, Sector 10 Integrated Industrial Estate, SIDCUL, Haridwar-249403, Uttarakhand
- : Village- Aminagar, Bhoor Baral, Meerut Delhi Road, Distt-Meerut -250103 (Uttar Pradesh)
- : A-2 Loni Road Indl. Area, Opp. Mohan Nagar, Ghaziabad-201007 (Uttar Pradesh)*
- : A-3 Loni Road Indl. Area, Opp. Mohan Nagar, Ghaziabad-201007 (Uttar Pradesh) [Merged with A-2 to expand the operations of A-2 unit]*
- : B-160-161, Industrial Estate, Mettupalayam, Puducherry – 605009*
- (w) Address for correspondence : Regd. & Corp. Office: 57/2, Site - IV, Industrial Area, Sahibabad Ghaziabad-201 010 (U.P.)
- (x) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad : The company is not required to do the rating of its securities as the company has no debt instruments hence there is no ratings available for company.
- (y) CEO and CFO Certification : As required under Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Certificate duly signed by the CEO and CFO was placed at the meeting of Board of Directors held on May 30, 2019. A copy of the same is annexed elsewhere in this Annual Report.
- (z) Certification of Reconciliation of Share Capital : In terms of the SEBI Circular the company has submitted the required certification duly certified by the Practicing Company Secretary, to the Stock Exchanges where the securities of the company are listed within the prescribed time in each quarter.

(za) Company CIN and ROC : Company CIN is L51109UP1972PLC003544 and Registered with Registrar of Companies, Kanpur, Uttar Pradesh (State Code 20).

(zb) In terms of Regulation 34 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 184 / 188 of the Companies Act, 2013 and rules made thereunder, the details of transactions are as under:

S.No.	Particulars	Amount (Rs. in Lakh)	Maximum Amount Outstanding During the year
i.	Loans and advances in the nature of loans to subsidiaries (by name and amount) -	NIL	NIL
ii.	Loans and advances in the nature of loans to associates by name and amount	NIL	NIL
iii.	Loans and advances in the nature of loans where there is a) No repayment schedule or repayment beyond seven years or b) No interest or interest below section 186 of the Companies Act 2013 by name and amount	NIL	NIL
iv.	Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount.	NIL	NIL
v.	Investments by the loanee in the shares of parent company and subsidiary Company, when the Company has made a loan or advance in the nature of loan.	NIL	NIL
vi.	Transactions of the company with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the listed entity	NIL	NIL

GREEN INITIATIVE

In terms of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Section 96, 101 & 102 and other applicable provisions of the Companies Act, 2013 & Companies (Management and Administration) Rules, 2014, the Government has allowed companies to send Annual Report comprising of Balance Sheet, Profit & Loss Account, Director' Report, Auditors' Report and explanatory statement etc., through electronic mode to the registered email address of the members. Keeping in view the underlying theme and In terms of above provisions, we are sending all the communications in electronic mode to the email address provided by you to the depositories and made available by them being the registered address. By opting to receive communication through electronic mode you have the benefit of receiving communications promptly and avoiding loss in postal transit.

Members who hold shares in physical form and desire to receive the documents in electronic mode are requested to provide their details (name, folio no, e-mail id) on the company's email address viz. ajaygupta@alpsindustries.com, investorgrievance@alpsindustries.com or the R&T i.e. M/s. Alankit Assignments Ltd. e-mail id jksingla@alankit.com. Members who hold shares in electronic form are requested to get their details updated with the respective depositories.

Details setting out the skills/expertise/competence as identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the board in terms of the regulation 34(3) read with part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

S.No.	Designation	Skills/Expertise/ Competency
1.	Sr. Vice President- Operations (CMT Unit)	- Unit Operations Managemnet - Production Planning - Team Building
2.	Vice President -HR (Corporate)	- Strategic HR Management - Manpower Planning & Recruitment - Statutory, Legal & Buyer’s Compliances
3.	Vice President-Marketing -Fabric	- Marketing - Customer Relationship
4.	President- Operations, (Haridwar Unit)	- Unit Operations Managemnet - Production Planning - Team Building
5..	Vice President - Operations (Meerut Unit)	- Unit Operations Managemnet - Production Planning - Team Building
6.	Vice President-Marketing (Yarn), Haridwar Unit	- Marketing - Customer Relationship
7.	A.V.P.- Accounts & Commercial* (Hardwar Unit)	- Unit Accounting - M.I.S.
8.	G.M. (Finance)	- Financial Analysis - Bank/F.I. Liaison
9.	G.M. – Marketing (Madeups Exports)	- Marketing - Customer Relationship - Creative Designing/ Sampling
10.	G.M. - Accounts & Commercial (Meerut)	- Unit Accounting - M.I.S.
11.	GM - Accounts & Commercial* (CMT-57/2 Unit)	- Unit Accounting - M.I.S.
12.	D.G.M. -Purchase & Store, Haridwar Unit	- Vendor Management - Negotiations Skills
13.	DGM - Accounts (Corporate)	- Corp. Accounting - TDS, I.T. & GST Compliances
14.	Sr. Manager – Sourcing, Meerut Unit	- Vendor Management - Negotiations Skills - Yarn /Fabric Analysis
15.	Sr. Manager (Commercial), Meerut Unit	- Supply Chain Management
16.	Manager – Cotton Purchase	- Vendor Management - Polyester/ Cotton Market Analysis

**COMPLIANCE REPORT ON CORPORATE GOVERNANCE –PART – II
NON-MANDATORY REQUIREMENTS.****(Discretionary Requirements in terms of Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

1. The Board
 - (i) Non-Executive Chairman's office : The company has an office for the Non-Executive Chairman.
 - (ii) Tenure of Independent Directors. : In terms of Section 149 of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, All the independent directors have been reappointed for the second & final term of 5 years at the last Annual General Meeting held on 29.08.2017. All the independent directors have confirmed to hold office accordingly.
2. Nomination & Remuneration Committee
 - (i) Terms of Reference and remuneration Policy : Company is having a Nomination & Remuneration Committee in terms of the requirements of section 178 Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
It is authorized to do all functions as prescribed under the section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - (ii) Constitution of the committee :
 1. Mr. Prabhat Krishna - Independent Director & Chairman
 2. Mr. Tilak Raj Khosla - Independent Director & Member
 3. Mr. P.K Lamba - Independent director & Member
 - (iii) Presence at the meeting. : Meeting held: No
 - (iv) Presence of the Chairman of the committee at the Annual General Meeting. : The Chairman of the meeting was present at the Annual General Meeting.
3. Shareholders rights Half Yearly Financial Results and summary of significant events during the last six months may be sent to each household of shareholders. : The Financial Results and summary of significant events during the last six months were sent to the members as and when demanded by them during the financial year.
4. Audit Qualifications by Statutory Auditors : There are Audit qualifications for the year under review. Hence the requirement under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and further amended by SEBI Notification No. SEBI/LAD-NRO/GN/2016-17/001 dated May 25, 2016 and Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016 issued by the Securities and Exchange Board of India (SEBI), audit reports are with modified opinion for the period ended March 31, 2019. In terms of above circular the Statement on Impact of Audit Qualifications duly signed by the Managing Director, CFO, Chairman of the committee have been submitted to the stock exchanges.

5. Discontinuance of Operations. : None
6. Training of Board Members : The Company will assist to expand the expertise of the members of the Board as and when required as per section 178 of the Companies Act, 2013 and Regulation 4, 25 and 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The company has policy on Board Diversity which aims to attract and maintain a Board which has an appropriate mix of Diversity, skills, experience and expertise which may help the Company in getting valuable feedback and advice to meet its goals and business challenges.
7. Mechanism for evaluating Non-Executive Board Members : Performance evolution of non executive directors used to be carried out by the Board of Directors from time to time. In compliance of Section 178 of the Companies Act 2013 and Regulation 19, 20 and 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, company has Evaluation Policy to review the performance of Non executive directors as and when required.
In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide notification dated May 9, 2018 company has accepted and implemented the below mentioned criteria also.
i Observations of board evaluation carried out for the year.
ii Previous year's observations and actions taken.
iii Proposed actions based on current year observations.
As per Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Nomination and Remuneration Committee has laid down the criteria for evaluation of performance of Directors which is as under:
Attendance and contribution at Board and Committee meetings
- His/her stature, appropriate mix of expertise, skills, behavior, experience, leadership qualities, sense of sobriety and understanding of business, strategic direction to align company's value and standards.
 - His/her knowledge of finance, accounts, legal, investment, marketing, foreign exchange/ hedging, internal controls, risk management, assessment and mitigation, business operations, processes and Corporate Governance.
 - His/her ability to create a performance culture that drives value creation and a high quality of debate with robust and probing discussions.
 - Effective decisions making ability to respond positively and constructively to implement the same to encourage more transparency.
 - Open channels of communication with executive management and other colleague on Board to maintain high standards of integrity and probity.
 - Recognize the role which he/she is expected to play, internal Board Relationships to make decisions objectively and collectively in the best interest of the Company to achieve organizational successes and harmonizing the Board.

- His/her global presence, rational, physical and mental fitness, broader thinking, vision on corporate social responsibility etc.
 - Quality of decision making on source of raw material/procurement of roughs, export marketing, understanding financial statements and business performance, raising of finance, best source of finance, working capital requirement, forex dealings, geopolitics, human resources etc.
 - His/her ability to monitor the performance of management and satisfy himself with integrity of the financial controls and systems in place by ensuring right level of contact with external stakeholders.
 - His/her contribution to enhance overall brand image of the Company.
8. Whistle Blower & Vigil Policy : The company has implemented the Vigil Mechanism/Whistle Blower Policy in terms of Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013 and all the concerned officials have been advised suitably.
9. Postal Ballot : It has been conducted wherever required.
10. E-voting : In terms of section 108 of the Companies Act, 2013, relevant rules and in terms of regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the necessary facility will be provided.
11. Code of Conduct : The Company is committed to conduct its business in accordance with applicable laws, rules and regulations and highest standards of transparency. Accordingly the Company has laid down a Code of conduct for all its Board members and Senior Managerial Personnel so that conflict of interest could be avoided. All the Board members and Senior Managerial Personnel are complying with the said code of conduct. In terms of the Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 related to the code of conduct, company has adopted the revised code of conduct. Which is also available on Company's website i.e. http://alpsindustries.com/Code_of_Conduct.pdf. All Directors and senior management personnel have affirmed compliance with the Code for F.Y. 2018-19. A declaration to this effect signed by the Managing Director is given in this Annual Report.
12. Disclosure for Non-Mandatory requirements : All the major and effective Non-Mandatory requirements have been complied with.
13. Post of Chairman & CEO : There are Different Officials who are holding positions of non executive Chairman and CEO (Managing Director). However they are related with each other with the relationship of Father and Son.
14. Reporting of Internal Auditor : The Internal Auditor Reports directly to Audit Committee.

The Members of
Alps Industries Limited
Ghaziabad.

CERTIFICATE IN RESPECT OF COMPLIANCE WITH THE CODE OF CONDUCT AND MODEL CODE OF CONDUCT AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING AS SPECIFIED UNDER THE SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015 OF THE COMPANY*

I, Sandeep Agarwal, in my capacity as the Managing Director & the Chief Executive Officer of the company, do hereby certify that all Directors/ Executive Director and Senior Executives of the company, one level below the Board, have complied with and adhered to the Code of Conduct and Model Code of Conduct and Internal procedure for prevention of Insider Trading as specified, under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time and as approved & prescribed by the Board of Directors of the Company.

Place: Ghaziabad
Date: May 30, 2019

For Alps Industries Ltd

(Sandeep Agarwal)
Managing Director & CEO
DIN - 00139439

***The Code of Conduct and Model Code of Conduct and Code for Corporate Disclosure Practices for prevention of insider trading as specified under the SEBI (Prohibition of Insider Trading) Regulations, 2015, can be viewed on the Company's website www.alpsindustries.com**

CERTIFICATE ON CORPORATE GOVERNANCE

The Members of
Alps Industries Limited
Ghaziabad

We have examined the compliance of conditions of Corporate Governance by Alps Industries Limited, for the year ended March 31, 2019 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015).

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015 and section 149 of the Companies Act, 2013 and other applicable provisions..

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For R.K. Govil & Co.
Chartered Accountants

Place : Ghaziabad
Date : May 30, 2019

(Rajesh Kumar Govil)
Partner
Membership No.013632

To,

Board of Directors,
Alps Industries Limited,
57/2 Site-IV Industrial Area
Sahibabad, Ghaziabad (U.P)

Dear Sir(s),

In terms of Regulation 17(8) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, we hereby confirm that :

- A. we have reviewed financial statements and the cash flow statement for the year ended on March 31, 2019 and that to the best of our knowledge and belief:
 - 1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2. These statements together present a true and fair view of the company affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
 - 1. significant changes in internal control over financial reporting during the period;
 - 2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - 3. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company internal control system over financial reporting.

Sandeep Agarwal
(Managing Director &
Chief Executive Officer)

A. K. Singhal
President Corp. (F&A)
(Chief Financial Officer)

Place : Ghaziabad

Date : April 02, 2019

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	L51109UP1972PLC003544
Registration Date	11/05/1972
Name of the Company	ALPS INDUSTRIES LIMITED
Category/Sub-Category of the Company	COMPANY LIMITED BY SHARES
Address of the Registered office & Corporate Office and Contact Details	57/2, Site IV, Industrial Area, Sahibabad, Ghaziabad -201010 Ph. No. 0120-4161716
Whether listed company	Yes
Name, Address and Contact details of Registrar	ALANKIT ASSIGNMENTS LIMITED 205-208, Anarkali Market , Jhandewalan Extn., New Delhi-110005, Ph.:011-4254 1234

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of Main Products/Services	NIC Code of the Product/Service	% to Total Turnover of the Company
1	Textile	131	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held
1. Alps USA Inc. 508, Main Street, Wilmington, New Castle, 19804 USA	NDWAZ20070455	Wholly Owned Subsidiary	100
2. Alps Energy Pvt. Ltd F-228 Ground Floor Lado Sarai New Delhi 110030	U40109DL2007PTC169994	Subsidiary	69.75*

*As per Section 2(87) of the Companies Act, 2013, as amended via Notification No. S.O. 1833(E) dated 8th May, 2018.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the End of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individuals/HUF	2906028	0	2906028	7.43	2906028	0	2906028	7.43	0.00
b) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
c) State Governments	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	7679990	0	7679990	19.63	7679990	0	7679990	19.63	0.00
e) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Others(Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total(A)(1)	10586018	0	10586018	27.06	10586018	0	10586018	27.06	0.00
(2) Foreign									
a) NRIs- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Others(Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total(A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	10586018	0	10586018	27.06	10586018	0	10586018	27.06	0.00
B. Public shareholding									
(1) Institutions									
a) Mutual Funds/ UTI	100	200	300	0.00	100	200	300	0.00	0.00
b) Banks/FI	200	0	200	0.00	200	0	200	0.00	0.00
c) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
d) State Governments	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0.00	0.00	0	0	0	0.00	0.00

ALPS INDUSTRIES LTD.

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the End of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
g) FII's	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital fund	0	0	0	0.00	0	0	0	0.00	0.00
i) Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B)(1)	300	200	500	0.01*	300	200	500	0.01*	0.00
(2) Non-institutions									
a) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
i) Indian	3502736	5220	3507956	8.97	3600171	5220	3605391	9.22	0.25
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i.) Individual shareholders holding nominal share capital up to Rs 2 lakh	15373071	61376	15434447	39.46	15038402	59509	15097911	38.60	(0.86)
ii.) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.	7515738	0	7515738	19.21	7863467	0	7863467	20.10	0.89
c) Any Other (Specify)									
i) NRI	742350	28912	771262	1.97	727058	28512	755570	1.93	(0.04)
ii) Clearing Member	74558	0	74558	0.19	-	-	-	-	(0.19)
iii) Resident (Huf)	1219121	0	1219121	3.12	1199743	0	1199743	3.07	(0.05)
iv) NBFC	4500	0	4500	0.01*	5500	0	5500	0.01*	(0.00)*
Sub-Total (B)(2)	28432074	95508	28527582	72.93	28434341	93241	28527582	72.93	0.00
Total Public Shareholding (B)= (B)(1)+(B)(2)	28432374	95708	28528082	72.94	28434641	93441	28528082	72.94	0.00
C. Shares held by Custodians for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
GRAND TOTAL (A)+(B)+(C)	39018392	95708	39114100	100.00	39020659	93441	39114100	100.00	0.00

*Negligible

(ii) Shareholding of Promoters

Sl.No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	K.K. Agarwal & Sons(Huf)	117000	0.30	0.88	117000	0.30	0.00	(0.88)
2	K.K. Agarwal	1147460	2.93	6.116	1147460	2.93	6.116	0
3	Nidhi Agarwal	216100	0.55	0.152	216100	0.55	0.152	0
4	Sandeep Agarwal	651510	1.67	3.793	651510	1.67	3.793	0
5	Rohan Agarwal	430128	1.10	2.174	430128	1.10	2.174	0
6	Sanyog Agarwal	248650	0.64	2.349	248650	0.64	2.349	0
7	Sandeep Agarwal (HUF)	94380	0.24	0.419	94380	0.24	0.419	0
8	Sunandini Agarwal	800*	0.00*	0.00*	800	0.00*	0.00*	0
9	Narad Fabric Pvt. Ltd. (Formerly known as Alps Processors Private Limited)	250116	0.64	2.363	250116	0.64	2.363	0
10	Careen Fintec (P) Ltd.	295000	0.75	0.425	295000	0.75	0.425	0
11	Coronation Spinning India (P) Ltd.	900000	2.30	2.834	900000	2.30	2.834	0
12	Pacific Texmark Pvt. Ltd.	2835872	7.25	3.173	2835872	7.25	3.173	0
13	Padam Precision Dies & Components Pvt Ltd.	1688200	4.32	1.778	1688200	4.32	1.778	0
14	Peek Finvest (P) Ltd	342082	0.87	3.231	342082	0.87	3.231	0
15	Peek Texfab Ltd.	100120	0.26	0.00	100120	0.26	0.00	0
16	Perfect Finmen Services (P) Ltd.	412800	1.06	2.483	412800	1.06	2.483	0
17	Roseat Finvest (P) Ltd.	382000	0.98	3.609	382000	0.98	3.609	0
18	Saurabh Floriculture (P) Ltd.	183800	0.47	1.736	183800	0.47	1.736	0
19	Supreme Finvest Pvt. Ltd.	290000	0.74	1.322	290000	0.74	1.322	0
	Total	10586018	27.06	38.839	10586018	27.06	37.957	0

*Negligible

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	10586018	27.06	10586018	27.06
Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus.)	NIL	NIL	NIL	NIL
At the End of the year	10586018	27.06	10586018	27.06

(iv) Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Name of the shareholders	Shareholding at the beginning of the year as on 1.4.2018		Change in shareholding during the year		Shareholding at the end of the year as on 31.3.2019	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Anisha Fincap Consultants LLP	-	-	1055243	2.698	1055243	2.698
JM Financial Services Limited	1061182	2.71	(260758)	(0.664)	800424	2.046
Kinnari Rakesh Pujara	-	-	495148	1.266	495148	1.266
Subramanian P	435650	1.114	-	-	435650	1.114
Rocky Sequeira	311002	0.795	45853	0.117	356855	0.912
NDA Securities Ltd.	-	-	299540	0.766	299540	0.766
BJD Securities Pvt. Ltd.	313191	0.8	(55157)	(0.14)	258034	0.66
Rakesh Gupta	220000	0.562	-	-	220000	0.562
Priyadarshi Jugalkishor Mehta	218636	0.559	-	-	218636	0.559
Rakesh K Pujara	-	-	200000	0.511	200000	0.511

Note:

- The above details are given as on 31 March, 2019. The Company is listed and 99.76% shareholding is in dematerialized form. Hence, it is not feasible to track movement of shares on daily basis. The aforesaid holdings by top ten shareholders is due to market operations. Further, Company has not allotted/transferred or issued any bonus or sweat equity shares during the year.

(v) Shareholding of Directors and Key Managerial Personnel:

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Mr. K.K. Agarwal ,Promoter Director & Non Executive Chairman				
At the beginning of the year	1147460	2.93	1147460	2.93
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
At the End of the year	1147460	2.93	1147460	2.93
Mr. Sandeep Agarwal, Promoter & Managing Director				
At the beginning of the year	651510	1.67	651510	1.67
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
At the End of the year	651510	1.67	651510	1.67
Mr. P K Rajput, Executive Director				
At the beginning of the year	200000	0.51	200000	0.51
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / Bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
At the End of the year	200000	0.51	200000	0.51
Mr. T.R. Khosla, Director				
At the beginning of the year	0.00	0.00	0.00	0.00
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
At the End of the year	0.00	0.00	0.00	0.00
Mr. P.K.Lamba, Director				
At the beginning of the year	0.00	0.00	0.00	0.00
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
At the End of the year	0.00	0.00	0.00	0.00
Mr. Prabhat Krishna, Director				
At the beginning of the year	0.00	0.00	0.00	0.00
Date wise Increase / Decrease in Share holding during the year				

specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
At the End of the year	0.00	0.00	0.00	0.00
Ms. Deepika Shergill, Director				
At the beginning of the year	0.00	0.00	0.00	0.00
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
At the End of the year	0.00	0.00	0.00	0.00
Mr. Ashok Kumar Singhal, CFO				
At the beginning of the year	104	Negligible	104	Negligible
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
At the End of the year	104	Negligible	104	Negligible
Mr. Ajay Gupta, Company Secretary & General Manager Legal				
At the beginning of the year	0.00	0.00	0.00	0.00
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
At the End of the year	0.00	0.00	0.00	0.00

V. INDEBTEDNESS

(Rs. In Lakh)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	59167.18	13185.20	0.00	72352.38
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	59167.18	13185.20	0.00	72352.38
Change in Indebtedness during the financial year				
Principal				
· Addition	4940.26	0.00	0.00	4940.26
· Reduction	0.00	(9.22)	0.00	(9.22)
Net Change at the end of the financial year	4940.26	(9.22)	0.00	4931.04
Indebtedness at the end of the financial year				
i) Principal Amount	64107.44	13175.98	0.00	77283.42
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	64107.44	13175.98	0.00	77283.42

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rs. in Lakh)

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Sandeep Agarwal Managing Director	P K Rajput Executive Director	
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0.00	4.26	4.26
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	0.36	0.36
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission - as % of profit - others, specify...	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL
	Total (A)	0	4.62	4.62
	Ceiling as per the Act	N.A.	N.A.	N.A.

B. Remuneration to other directors:

(Amount in Rs.)

S. No	Particulars of Remuneration	Name of Directors				Total
		Mr. Prabhat Krishna	Mr. T R Khosla	Mr. P K Lamba	Ms Deepika Shergill	
1.	Independent Directors					
	• Fee for attending board committee meetings	60000	60000	60000	40000	220000
	• Commission	N.A.	N.A.	N.A.	N.A.	N.A.
	Total (1)	60000	60000	60000	40000	220000
2.	Other Non-Executive Directors	Mr. K K Agarwal				
	• Fee for attending board committee meetings	30000	N.A.	N.A.	N.A.	30,000
	• Commission	N.A.	N.A.	N.A.	N.A.	N.A.
	Total (2)	30000	N.A.	N.A.	N.A.	30000
	Total (B)=(1+2)	90000	60000	60000	40000	250000
	Total Managerial Remuneration	90000	60000	60000	40000	250000
	Overall Ceiling as per the Act	N.A.	N.A.	N.A.	N.A.	N.A.

C. Remuneration to key managerial personnel other than MD/Manager/WTD

(Rs. in Lakh)

Particulars of Remuneration	Key Managerial Personnel		
	Company Secretary	CFO	Total
1. Gross salary			
(a) Salary as per provisions contained in section 17(1) Income-tax Act, 1961	8.56	18.96	27.52
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A.	N.A.	N.A.
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A.	N.A.	N.A.
2. Stock Option	N.A.	N.A.	N.A.
3. Sweat Equity	N.A.	N.A.	N.A.
4. Commission - as % of profit - others, specify...	N.A.	N.A.	N.A.
5. Others, please specify	N.A.	N.A.	N.A.
Total	8.56	18.96	27.52

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act 2013	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/COURT)	Appeal made, if any (give details)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

ANNEXURE-VI

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**To,
The Members,
ALPS INDUSTRIES LIMITED**

We have conducted the secretarial audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by ALPS Industries Limited (CIN: L51109UP1972PLC003544) (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Alps Industries Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Alps Industries Limited ("the company") for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009- Not Applicable
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999- Not Applicable
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt securities) Regulations, 2008- Not Applicable
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009
 - (h) The Securities and Exchange Board of India (Buy back of securities) Regulations, 1998- Not Applicable
 - (i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (vi) As per information provided by the management, the following laws as applicable specifically to the company :-
 - (a) Essential Commodities Act 1955 read with Hank Yarn Packing Notification 2003 as amended from time to time;

- (b) Textile (Development & Regulation) Order, 2001;

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
(ii) The Uniform Listing Agreements entered into by the company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines etc mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and process in the company commensurate with the size and operations of the company to monitor and ensure compliances with the applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has the following specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc. referred to above:

During last 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 93% of the total secured debt of the Company) (EARC) in order to recover the dues from the Company has also filed an Original Application before Debts Recovery Tribunal, which is pending adjudication. Further, EARC and Syndicate Bank issued Notices u/s 13(2) of SARFAESI Act to which the Company objected. EARC has taken over the symbolic possession of 5 properties of the Company under section 13(4) of the SARFAESI Act and also issued a sale notice under Rule 8(6) and Rule 6(2) of the Security Interest (Enforcement) Rules, 2002. However the Settlement proposals of the company are in active consideration with its lenders.

The content and information provided in the above mentioned report is true and the best of my knowledge on the basis of details given by the concerned company officials.

For **D. K. Chawla & CO.**
Company Secretaries

Place : Delhi
Date: May 30, 2019

Dasvinder Kaur
CP.NO. 15232

**To,
The Members,
ALPS INDUSTRIES LIMITED**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation with certifications and opinions from experts about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

For DK Chawla & Co.
(Company Secretaries)

Dasvinder Kaur
CP.NO. 15232

Place: Delhi
Date: May 30, 2019

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Form AOC 1

ANNEXURE-VII

Part A :

STATEMENT OF SUBSIDIARY COMPANIES
(Pursuant to section 129 of the Companies Act, 2013)

S. No.	Name of the Subsidiary Company	Alps USA Inc.	Alps Energy Private Limited
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	March 31, 2019	March 31, 2019 (Rs in Lac)
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	US\$ 69.1713	N.A.
3	Share capital	15 shares of no par value	22,60,000 of Rs. 10/- each
4	Reserves & surplus	USD (711500.19)	-
5	Total assets	USD 529000	154.54
6	Total Liabilities	USD 529000	154.54
7	Investments	USD 529000	-
8	Turnover	-	-
9	Profit before taxation	-	(1.78)
10	Provision for taxation	-	-
11	Profit after taxation	-	-
12	Proposed Dividend	N.A.	N.A.
13	Percentage of Holding (Equity)	100%	69.75 %*
14	Percentage of Holding (Preference)	Nil	Nil

1. Names of subsidiaries which are yet to commence operations -NIL
2. Names of subsidiaries which have been sold during the year. -NIL
3. *Due to amendment with respect to the Section 2(87) of the Companies Act, 2013, via *Notification No. S.O. 1833(E) dated 8th May, 2018 the percentage of holding have been decreased because of consideration of holding of equity shares containing the voting rights therein Hence the Preference share holding by another subsidiary i.e. Alps USA INC in the Alps Energy Pvt. Ltd will not be consider for the same.

Part B : Associates and Joint Ventures – Not Applicable

As per our report of even date
For **R.K. Govil & Co.**,
Chartered Accountants
Firm Regn No. – 000748C

For and on behalf of the board

Rajesh Kumar Govil
Partner
Membership No.013632

Sandeep Agarwal
Managing Director

Place: Ghaziabad
Dated: May 30, 2019

A.K. Singhal
President Corp. (F&A)

Ajay Gupta
Company Secretary

P.K. Rajput
Executive Director

To
**The Members of
ALPS INDUSTRIES LIMITED**

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of ALPS INDUSTRIES LIMITED ("the Company") which comprise the Balance Sheet as at 31st March, 2019, 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.

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.

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.

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. 133933.35lakh, accordingly the loss for the year and loan liability would have been increased and shareholder's fund would have been reduced to that extent.

Qualified Opinion

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 standalone 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, 2019, and its loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

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.

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.

- 1) 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.
 - (e) On the basis of the written representations received from the directors as on 31st March 2019 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019, 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)

Place : Ghaziabad
Date : May 30, 2019

(R. K. Govil)
Membership No. : 013632

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 2019, 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, Kashipur and Puducherry 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.
- (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, 2019 for a period of more than six months from the date they became payable.
- (b) The disputed statutory dues aggregating to Rs 130.54 Lakh as on 31st March, 2019 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 Lac	Ld. Commisioner, Nagar Nigam, Gzb.
Commercial Tax Act	Commercial Tax	Rs.12.87 Lac	Ld. Addl. Commissioner, Gzb
Income Tax Act	Income Tax	Rs.109.52 Lakh	Ld. CIT (Appeals), 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 give 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 has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (13) 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.
- (14) 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.
- (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 made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (16) 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.
- (17) 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)

(R. K. Govil)
Partner
Membership No. : 013632

Place : Ghaziabad
Date : May 30, 2019

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 2019 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 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 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 2019, 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)

(R. K. Govil)
Partner
Membership No. : 013632

Place : Ghaziabad
Date : May 30, 2019

BALANCE SHEET

BALANCE SHEET AS AT 31st MARCH, 2019

	Notes	AS AT 31.03.19 Rs.(in Lakh)	AS AT 31.03.18 Rs.(in Lakh)
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2a	28,732.06	31,832.81
Capital Work in Progress		5.29	0.60
Other Intangibles Assets	2b	195.21	248.92
Financial Assets			
Investments	3	727.20	727.49
Loans	4	338.13	436.44
Other Non- Current Assets	5	1,141.02	1,319.08
		<u>31,138.91</u>	<u>34,565.34</u>
Current Assets			
Inventories	6	2,963.07	3,313.37
Financial Assets			
Trade Receivables	7	3,005.52	3,021.60
Cash and Cash Equivalents	8	262.00	133.82
Other Bank Balance	9	86.39	122.37
Other Financial Assets	10	18.31	50.18
Current Tax Assets	11	166.37	112.83
Other Current Assets	12	668.02	904.23
		<u>7,169.68</u>	<u>7,658.40</u>
Total Assets		<u>38,308.59</u>	<u>42,223.74</u>
Equity and Liabilities			
Equity			
Share Capital	13	3,911.41	3,911.41
Other Equity		(47,771.49)	(41,446.44)
		<u>(43,860.08)</u>	<u>(37,535.03)</u>
Liabilities			
Non-Current Liabilities			
Financial Liability			
Borrowings	14	40,056.01	40,065.23
Provision	15	282.61	314.68
		<u>40,338.62</u>	<u>40,379.91</u>
Current Liabilities			
Financial Liabilities			
Borrowings	16	37,227.40	32,287.14
Trade Payables	17	2,313.02	1,969.56
Other Financial Liabilities	18	1,995.28	4,942.21
Other Current Liabilities	19	254.48	137.44
Provisions	15	39.87	42.51
		<u>41,830.05</u>	<u>39,378.86</u>
Total Liabilities		<u>82,168.67</u>	<u>79,758.77</u>
Total Equity and Liabilities		<u>38,308.59</u>	<u>42,223.74</u>
Significant Accounting Policies	1		
Notes to the Financial Statements	2-51		

The accompanying notes are an integral part of Financial Statements

As per our report of even date
For **R.K. Govil & Co.**
Chartered Accountants
Firm Regn No. – 000748C

Rajesh Kumar Govil
Partner
Membership No.013632

Place: Ghaziabad
Dated: May 30, 2019

A.K. Singhal
President Corp. (F&A)

Ajay Gupta
Company Secretary

Sandeep Agarwal
Managing Director

P.K. Rajput
Executive Director

ALPS INDUSTRIES LTD.

STATEMENT OF PROFIT & LOSS

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2019

	Notes	Year Ended 31.03.19 Rs.(in Lakh)	Year Ended 31.03.18 Rs.(in Lakh)
INCOME			
Revenue from Operations	20	37,115.19	36,351.63
Other Income	21	630.58	710.27
Total Income		37,745.77	37,061.90
EXPENSES			
Cost of Material Consumed	22	24,440.84	23,802.61
Change In Inventories	23	(273.41)	1,297.01
Excise Duty		0.03	4.91
Employees Benefit Expenses	24	4,722.36	5,739.55
Finance Costs	25	5,784.20	5,449.59
Depreciation	26	3,378.92	3,520.04
Other Expenses	27	8,256.95	8,837.27
Total Expenses		46,309.89	48,650.97
Profit Before Exceptional Items and Tax		(8,564.12)	(11,589.07)
Add/(Less): Exceptional Items		2,239.07	-
Profit before Tax		(6,325.05)	(11,589.07)
Less/(-Add): Tax Expense		-	-
Profit after Tax		(6,325.05)	(11,589.07)
Other Comprehensive Income		-	41.73
Total Comprehensive Income		(6,325.05)	(11,547.34)
Earnings Per Equity Share			
1. Basic		(16.17)	(29.52)
2. Diluted		(16.17)	(29.52)

Significant Accounting Policies 1
Notes to the Financial Statements 2-51

The accompanying notes are an integral part of Financial Statements

As per our report of even date
For **R.K. Govil & Co.**
Chartered Accountants
Firm Regn No. – 000748C

For and on behalf of the board

Rajesh Kumar Govil
Partner
Membership No.013632

Sandeep Agarwal
Managing Director

Place: Ghaziabad
Dated: May 30, 2019

A.K. Singhal
President Corp. (F&A)

Ajay Gupta
Company Secretary

P.K. Rajput
Executive Director

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

Rs.(in Lakh)

	Equity Share Capital (A)	OTHER EQUITY						Equity Instrument through OCI	Total Other Equity (B)	Total equity attributable to equity holders of the Company (A)+(B)
		Reserve & Surplus					Retained earnings			
		Capital Reserve	Securities premium reserve	Equity component of Compound financial Instrument	General Reserve					
Balance as at March 31,2018	3,911.41	290.00	16,668.93	2,232.01	7,999.30	(68,715.85)	79.17	(41,446.44)	(37,535.03)	
IND AS adjustments	-	-	-	-	-	-	-	-	-	
Profit for the year 2018-19	-	-	-	-	-	(6,325.05)	-	(6,325.05)	(6,325.05)	
Balance as at March 31,2019	3,911.41	290.00	16,668.93	2,232.01	7,999.30	(75,040.90)	79.17	(47,771.49)	(43,860.08)	

As per our report of even date
For **R.K. Govil & Co.**
Chartered Accountants
Firm Regn No. – 000748C

For and on behalf of the board

Rajesh Kumar Govil
Partner
Membership No.013632

Sandeep Agarwal
Managing Director

Place: Ghaziabad
Dated: May 30, 2019

A.K. Singhal
President Corp. (F&A)

Ajay Gupta
Company Secretary

P.K. Rajput
Executive Director

CASH FLOW STATEMENT

Particulars	Rs.(in Lakh)	
	Year Ended 31.03.2019	Year Ended 31.03.2018
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/ (Loss) Before Tax and Extraordinary items	(8,564.12)	(11,547.34)
Adjustment for :		
Transition Adjustment	-	-
Depreciation /Amortization	3378.92	3520.04
Interest Received	(33.57)	(74.88)
Finance Cost	5,784.20	5,449.59
Loss on Sale of Assets	162.77	368.27
Exceptional Items	2,239.07	-
	11,531.39	9,263.02
Operating Profit/Loss Before Working Capital Changes	<u>2,967.27</u>	<u>(2,284.32)</u>
Adjustment for Working Capital Changes		
Increase/(Decrease) in Financial Liabilities		
Borrowings	4,940.26	5,565.87
Trade Payables	343.46	(1,689.10)
Other Financial Liabilities	(2,946.94)	(257.58)
Increase/(Decrease) in Other Current Liabilities	117.03	(1,259.60)
Increase/(Decrease) in Provisions	(34.72)	(33.37)
Decrease/(Increase) in Financial Assets		
Trade Receivables	16.09	1,027.58

Other Financial Assets	31.87	2.96	
Decrease/(Increase) in other Current Assets	236.22	(126.86)	
Decrease/(Increase) in other Non Current Assets	178.06	17.62	
Decrease/(Increase) in Inventories	350.31	3,665.51	
Direct Taxes Received/(Paid)	(53.54)	26.98	6940.01
Cash Flow Before Extraordinary Items	6,145.37		4,655.69
Net Cash Generated by Operating Activities	6,145.37		4,655.69
(B) CASH FLOW FROM INVESTING ACTIVITIES			
Expenditure on Property, Plant and Equipment	(461.11)	(232.28)	
Proceeds from Property, Plant and Equipment	69.18	443.63	
Interest Received	33.57	74.88	
(Increase)/Decrease in Fixed Deposits	35.98	171.92	
Decrease/(Increase) in Financial Assets			
Decrease/(Increase) in Investment	0.29	282.43	
Net Cash from/(used in) Investing Activities	(322.09)		740.58
(C) CASH FLOW FROM FINANCING ACTIVITIES			
Finance Cost	(5,784.20)	(5,449.59)	
Decrease/(Increase) in Financial Assets			
Increase/(Decrease) in Loans	98.31	160.11	
Increase/(Decrease) in Long Terms Borrowing	(9.22)	(326.20)	
Net Cash from/ (used in) Financing Activities	(5,695.11)		(5,615.68)
Net Increase(Decrease) in Cash & Cash Equivalents	128.18		(219.41)
Opening Balance of Cash and Cash Equivalents	133.82		353.23
Closing Balance of Cash and Cash Equivalents (refer note 8)	262.00		133.82

Notes:

- 1- Figure in brackets are for decrease.
- 2- 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 Regn No. – 000748C

For and on behalf of the board

Rajesh Kumar Govil
Partner
Membership No.013632

Sandeep Agarwal
Managing Director

Place: Ghaziabad
Dated: May 30, 2019

A.K. Singhal
President Corp. (F&A)

Ajay Gupta
Company Secretary

P.K. Rajput
Executive Director

NOTES TO THE STANDALONE FINANCIAL STATEMENTS**1. SIGNIFICANT ACCOUNTING POLICIES****1. Corporate Information**

Alps Industries Limited (the Company) having CIN: L51109UP1972PLC003544 is a public company domiciled in India and incorporated under the provisions of Companies Act, 1956. Its shares are listed on the Bombay Stock Exchange and National Stock Exchange. The Company is engaged into Textile business.

2. Basis of Preparation and Significant Accounting Policies**A) 1) Basis of Preparation of Financial Statements****(a) Statement of Compliance with IND AS**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (IND AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (the Act), (IND AS compliant Schedule III), as applicable to the Company. The Company adopted IND AS from April 01, 2017.

Effective April 1, 2017, the Company has adopted all the IND AS standards and the adoption was carried out in accordance with IND AS 101 'First time adoption of Indian Accounting Standards', with April 1, 2016, as the transition date. The transition was carried out from Indian Accounting Principles Generally Accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(b) Functional and Presentation Currency

These financial statements are presented in Indian rupees (Rs. In Lakh), which is the Company's functional currency.

(c) Basis of Measurement

The financial statements are prepared as a going concern basis under historical cost convention basis except for certain items which are measured at fair values.

Determining the Fair Value

While measuring the Fair Value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a Fair Value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient then the same has been valued at Rs. 1/- per share.

(d) Use of Estimate

The preparation of financial statements in conformity with the IND AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of the contingent asset and contingent liability at the date of the financial statements and reported amount of income and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from the estimates. Appropriate changes in estimate are made as the management becomes aware of the change in circumstances surrounding the estimates. Changes in the estimates are reflected in the financial statements in the period in which the changes are made and, if material, their effects are disclosed in the notes to financial statements.

(e) Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and IND AS 1 – Presentation of Financial Statements issued by the Ministry of Corporate Affairs based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

B) Recent Accounting Pronouncement

- i. IND AS 115- Revenue from Contract with Customers: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the IND AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The Company adopted the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 are not retrospectively adjusted.

- ii. IND AS 116 on "**Leases**": On March 30, 2019, Ministry of Corporate Affairs has notified IND AS 116 on Leases. IND AS 116 will replace the existing IND AS 17 on Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the Lessee and the Lessor. IND AS 116 introduces a single lease accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit & Loss as per IND AS 17. The Standard also contains enhanced disclosure requirements for lessees. The effective date for adoption of IND AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:

- a) **Full Retrospective:** Retrospectively to each prior period presented applying IND AS 8 on 'Accounting Policies, Changes in Accounting Estimates and Errors'.
- b) **Modified retrospective:** Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application. Under modified retrospective approach, the lessee records the lease liability at the present value of remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date certain practical expedients are available under both the methods.

On completion of the evaluation of the effect of adoption of the IND AS 116, the Company is proposing to use the "Modified retrospective Approach" for transition to IND AS 116. Accordingly comparatives for the year ended March 31, 2019 will not be retrospectively adjusted.

C) Significant Accounting Policies**(a) Property, Plant and Equipment**

Property, Plant and Equipment are stated at cost of acquisition or construction, net of Input tax credit available, less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of Property, Plant and Equipment recognised as at April 1, 2016 measured as per the previous GAAP. Cost directly attributable to acquisition are capitalised until the Property, Plant and Equipment are ready for use as intended by the management.

Property, Plant and Equipment are derecognised from financial statements, either on disposal or when no economic benefits are expected from its use. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the Property, Plant and Equipment and the resultant gains or losses are recognized in the Statement of Profit and Loss.

Depreciation on Property, Plant and Equipment commences when these assets are ready for their intended use. Items of Property, Plant and Equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of these assets, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis. Depreciation on Property, Plant and Equipment purchased or sold during the year is proportionately charged.

(b) Intangible Assets

Intangible Assets are stated at cost of acquisition less accumulated amortisation. Specialized Software is amortised over an estimated useful period of five year. Amortisation is done on straight line basis.

(c) Impairment of Non Financial Assets

Property, Plant and Equipment are evaluated for recoverability, whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

(d) Inventories

- (i) Inventories are valued at lower of cost or net realisable value except for scrap and by-products which are valued at net realisable value.
- (ii) Cost of inventories of finished goods and work-in-process includes material cost, cost of conversion and other related overhead costs.
- (iii) Cost of inventories of cotton is determined on weighted Average Cost Basis & other rawmaterial on FIFO basis.

(e) Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly

attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

Financial Assets :

Recognition: Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial Assets are Classified as those measured at:

- (a) Amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/ or interest.
- (b) Fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- (c) Fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

In Case of Investment in Equity Shares

- a) For subsidiaries, associates and joint ventures: Investments in equity instruments are measured at fair value and considered as deemed cost. The value is tested for impairment on periodical basis. Provision for diminution in long term investments is made only if such decline is other than temporary.
- b) For other than subsidiaries, associates and joint ventures: Investments in equity instruments are measured at FVTOCI where "Available for Sale and at FVTPL where "Held for Trade".

Other:

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc., are classified at cost.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since its initial recognition.

Reclassification: When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the IND AS relating to Financial Instruments.

De-Recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- (a) Amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- (b) Fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Financial Liabilities

Initial and subsequent recognition: Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

De-recognition: Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation in respect of the liabilities is discharged, cancelled and settled on expiry by the Company.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Equity Instruments

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

(f) Government Grants

Government grants are recognised when there is reasonable assurance that the grant will be received, and the company will comply with the conditions attached to the grant. Accordingly, government grants:

- (a) related to or used for assets are accounted for and deducted from the respective assets in the year of receipt.
- (b) related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.
- (c) by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

(g) Claims, Provisions, Contingent Assets and Liabilities:

Claims lodged by and lodged against the Company are accounted in the year of payment or settlement thereof.

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is the best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

Contingent liabilities are not recognised but are disclosed by way of notes to the financial statements, after careful evaluation by the management of the facts and legal aspects of each matter involved.

Contingent assets are neither recognised nor disclosed in the financial statements.

Contingent liabilities are assessed continually to determine whether an outflow of resources embodying the economic benefit has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as contingent liability, a provision is recognised in the financial statements of the period in which the change in probability occurs.

(h) Recognition of Revenue and Expenditure

- (i) Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable. Revenue represents the net invoice value of goods and services provided to third parties after deducting discounts, volume rebates, outgoing taxes. Revenue is recognised usually when all significant risks and rewards of ownership of the asset sold are transferred to the customer and the commodity has been delivered to the shipping agent. Revenue from sale of material by-products are included in revenue.

(ii) Interest and Dividend Income

Interest income is recognised using Effective Interest Method (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of financial instruments or a shorter period, where appropriate, to the gross carrying amount of the asset or to the amortised cost of financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit loss.

Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

(i) Borrowing Cost

Borrowing Cost attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets upto the date when such assets are ready for intended use. Other borrowing costs are charged as expense in the year in which they are incurred.

(j) Employee Benefits

Benefits such as salaries, wages and short term compensations etc. is recognized in the period in which the employee renders the related services.

The Company makes contributions to defined benefit schemes and defined contribution plans. Provident Fund contributions are in the nature of defined contribution scheme. Provident funds are deposited with government and recognised as an expense. The Company also make contribution to defined benefit plan i.e. gratuity plan. The cost of providing benefits under the defined benefit obligation is calculated by independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of re-measurements are recognised immediately through other comprehensive income in the period in which they occur.

The employees of the Company are entitled to compensated leave for which the Company records the liability based on actuarial valuation computed using projected unit credit method. These benefits are unfunded.

(k) Taxes on Income

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax

liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

(l) Foreign Currency Transactions and Translation

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.

Monetary items denominated in foreign currencies at the yearend are restated at year end rates. In case of monetary items which are covered by forward exchange contracts, the difference between the yearend rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts has been recognised over the life of the contract. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.

Non-monetary foreign currency items are carried at cost.

(m) Prior Period Errors

Prior Period Errors have been corrected retrospectively in the financial statements. Retrospective application means that the correction affects only prior period comparative figures, current period amounts are unaffected. Comparative amounts of each prior period presented which contain errors are restated. If however, an error relates to a reporting period that is before the earliest prior period presented, then the opening balances of assets, liabilities and equity of the earliest prior period presented has been restated by following IAS 8.

(n) Earnings Per Share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also, the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

(o) Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Amendment to IND AS-7

Effective April 1, 2017, the Company adopted the amendment to Ind AS7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of amendment did not have any material impact on the financial statements.

(p) Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

NOTES FORMING PART OF FINANCIAL STATEMENTS

2. Details of Property, Plant & Equipment for the F.Y. 2018-19

2 (a) Property, Plant and Equipment

Rs.(in Lakh)

Particulars	Land	Buildings	Plant & Machinery	Furniture & Fixtures	Office Equipments	Vehicles	Computers	Total
Gross carrying value								
As at March 31, 2018	649.82	14,789.78	60,660.04	411.65	236.64	323.84	781.29	77,853.08
-Additions	-	31.13	414.98	-	0.60	3.84	5.87	456.42
-Disposals	-	-	723.29	42.70	29.44	42.92	0.06	838.41
As at March 31, 2019	649.82	14,820.91	60,351.73	368.96	207.80	284.76	787.10	77,471.09
Depreciation								
As at March 31, 2018	-	5,415.97	36,701.76	324.82	208.68	278.01	724.70	43,653.94
Depreciation charge during the period	-	468.30	2,809.65	10.97	5.42	16.34	14.54	3,325.22
Depreciation on deduction	-	-	499.31	39.70	27.45	40.01	-	606.48
As at March 31, 2019	-	5,884.27	39,012.10	296.09	186.65	254.33	739.24	46,372.68
Impairment								
As at March 31, 2018	-	142.48	2,219.01	2.45	-	2.13	0.26	2,366.33
Impairment charge during the period	-	-	-	-	-	-	-	-
As at March 31, 2019	-	142.48	2,219.01	2.45	-	2.13	0.26	2,366.33
Net Book Value								
As at March 31, 2018	649.82	9,231.34	21,739.27	84.38	27.96	43.70	56.33	31,832.81
As at March 31, 2019	649.82	8,794.17	19,120.61	70.41	21.15	28.29	47.60	28,732.06

2 (b) Other Intangibles Assets

Rs.(in Lakh)

Particulars	Computer Software	Total
Gross carrying value		
As at March 31, 2018	312.56	312.56
-Additions	-	-
-Disposals	0.18	0.18
As at March 31, 2019	312.38	312.38
Amortization		
As at March 31, 2018	63.64	63.64
Amortization during the period	53.70	53.70
Amortization on deduction	0.17	0.17
As at March 31, 2019	117.17	117.17
Net Book Value		
As at March 31, 2018	248.92	248.92
As at March 31, 2019	195.21	195.21

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

	AS AT 31.03.19 Rs.(in Lakh)	AS AT 31.03.18 Rs.(in Lakh)
3. Investments		
Investment in Equity Instruments & Non - Subsidiary Companies		
(A) Quoted Shares		
Kay Power and Paper Ltd.	0.39	0.66
13,400 (March 31, 2018: 13,400) Equity shares of Rs. 10 (March 31, 2018: Rs. 10) each		
Parasram Puria Synthetics Ltd.	-	0.01
720 (March 31, 2018: 720) Equity shares of Rs. 10 (March 31, 2018: Rs. 10) each		
Golden Syntex (Bhilwara) Ltd.	-	0.02
2000 (March 31, 2018: 2000) Equity shares of Rs. 10 (March 31, 2018: Rs. 10) each		
(B) Unquoted Shares		
Colombine Cody Corp. N.P.V. 2450 (March 31, 2018: 2450)	0.02	0.02
Investment in Subsidiary Companies		
(A) Unquoted Shares		
Alps USA Inc	500.78	500.78
15: March 31,2019 (March 31, 2018: 15)		
Alps Energy Pvt. Ltd.	226.00	226.00
22,59,990: March 31,2019 (March 31, 2018: 22,59,990) Equity shares of Rs. 10 March 31,2019 (March 31, 2018: Rs. 10) each		
Total	727.20	727.49
4. Loans		
Unsecured, considered good		
Security deposits	338.13	436.44
Total	338.13	436.44
5. Other Non - Current Assets		
Capital Advance	63.50	230.48
Advance against Leasing of Land	1,077.52	1,088.60
Total	1,141.02	1,319.08
6. Inventory		
Production Supplies	1,284.01	1,852.33
Stores & Spares	198.10	253.49
Work in Progress	684.47	439.47
Finished Goods	796.49	768.08
Total	2,963.07	3,313.37

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

	AS AT 31.03.19 Rs.(in Lakh)	AS AT 31.03.18 Rs.(in Lakh)
7. Trade Receivables		
Unsecured, considered good	3,005.52	3,021.60
Doubtful	378.68	467.54
Less: Provision for doubtful Assets	378.68	467.54
Total	3,005.52	3,021.60
8. Cash and Cash Equivalents		
Balances with Banks		
Current Account	229.77	104.55
Cheques, Drafts on hand	2.09	12.21
Cash on hand	30.15	17.06
Total	262.00	133.82
9. Other Bank Balance		
Margin Money		
Fixed Deposit Account (Pledged Against Margin)	86.39	122.37
Total	86.39	122.37
10. Other Financial Assets		
Interest accrued but not due	11.70	43.57
Other Loans and advances (Unsecured Considered Good)	6.61	6.61
Total	18.31	50.18
11. Current Tax Assets		
Advance Income Tax including TDS	166.37	112.83
Total	166.37	112.83
12. Other Current Assets		
Insurance and other Claims Receivable	6.01	7.48
Balance With Govt Authority	295.46	432.66
Export Incentive Receivable	238.90	275.30
Advance against Leasing of Land	11.26	11.43
Other Receivables	116.38	177.36
Total	668.02	904.23
13. Equity Share Capital		
Authorized Share Capital		
4,00,00,000 (March 31, 2018: 4,00,00,000)	4,000.00	4,000.00
Equity Shares of Rs.10 (March 31, 2018: Rs.10) each		
3,05,00,000 (March 31, 2018: 3,05,00,000)	30,500.00	30,500.00
Preference shares of Rs.10 (March 31, 2018: Rs.10) each		
	34,500.00	34,500.00

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

	AS AT 31.03.19 Rs.(in Lakh)	AS AT 31.03.18 Rs.(in Lakh)
Issued Share Capital		
3,91,14,100 Mar, 2019 (Mar, 2018: 3,91,14,100) Equity Shares Rs. 10 Mar'2019 (Mar'2018: Rs.10) each	3,911.41	3,911.41
Subscribed and Paid up Capital		
3,91,14,100 Mar, 2019 (Mar, 2018: 3,91,14,100) Equity Shares Rs. 10 Mar'2019 (Mar'2018: Rs.10) each	3,911.41	3,911.41
a) Reconciliation of the Shares Outstanding at the Beginning and at the end of the Reporting Period:		
Equity shares		
Outstanding at the beginning of the year	39,114,100	39,114,100
Outstanding at the end of the period/year	39,114,100	39,114,100
b) Terms/Rights attached to Equity Shares		
In the event of winding up, the equity shareholders will be entitled to receive the remaining balance of assets, if any, in proportionate to their individual shareholding in the paid up equity capital of the company.	-	-
c) Details of Shareholders Holding more than 5% Shares in the Company		
Equity shares		
Pacific Texmark Pvt. Ltd. No.	28.36	28.36
Pacific Texmark Pvt. Ltd. %age	7.25	7.25
14. Borrowings		
Loan & Borrowings		
Secured		
Amount Due to ARC/Banks	26,880.03	26,880.03
Unsecured		
Amount Due to Others	108.38	117.60
Pref Share	13,067.60	13,067.60
Total	<u>40,056.01</u>	<u>40,065.23</u>
15. Provisions		
Non-current		
Provision for employee benefit	<u>282.61</u>	<u>314.68</u>
Total	<u>282.61</u>	<u>314.68</u>
Current		
Provision for employee benefit	<u>39.87</u>	<u>42.51</u>
Total	<u>39.87</u>	<u>42.51</u>
16. Loans & Borrowing		
Amount payable on Demand to banks	24,627.36	24,627.36
Current Maturity of amount due to ARC/Banks	12,600.04	7,514.54
Book Overdraft	-	145.24
Total	<u>37,227.40</u>	<u>32,287.14</u>

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

	AS AT 31.03.19 Rs.(in Lakh)	AS AT 31.03.18 Rs.(in Lakh)
17. Trade Payable		
(a) Micro, Small & Medium Enterprises	61.06	30.34
(b) Others	2,251.96	1,939.22
Total	2,313.02	1,969.56
18. Other Financial Liabilities		
Expenses Payable	1,993.81	4,782.24
Creditors for Fixed Assets	1.47	159.97
Total	1,995.28	4,942.21
19. Other Current Liabilities		
Revenue received in Advance	254.48	137.44
Total	254.48	137.44
	Year Ended 31.03.19 Rs.(in Lakh)	Year Ended 31.03.18 Rs.(in Lakh)
20. Revenue from Operations		
Sale of Products (Including Traded Goods)		
Export	21,856.11	11,587.96
Domestic	12,516.14	21,719.56
Total (A)	34,372.25	33,307.52
Other Operating Revenue		
Scrap/ Waste Sale	826.68	849.60
Export Incentives	752.94	624.52
Job Work Receipt	1,163.32	1,569.99
Total (B)	2,742.95	3,044.11
Net Revenue from Operations Total (A+B)	37,115.19	36,351.63
21. Other Income		
Interest received	33.57	74.88
Other income	109.33	70.18
Prov. For doubtful Debts written off	104.09	-
Foreign Currency exchange fluctuation(net)	376.99	175.88
Profit on Disposal of Assets	6.60	-
Profit on Sale of Investment	-	389.33
Total	630.58	710.27
22. Cost of Material Consumed		
Opening Stock	1,852.32	4,128.92
Add: Purchases	23,872.52	21,526.01
Total	25,724.84	25,654.94
Less: Closing Stock	1,284.00	1,852.32
Total	24,440.84	23,802.61
23. Change in Inventories of Finished Goods, WIP Stock and Stock in Trade		
Closing Stock		
Finished Goods	796.49	768.08
Work-in-Progress	684.47	439.47
Total (A)	1,480.96	1,207.55

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

	Year Ended 31.03.19 Rs.(in Lakh)	Year Ended 31.03.18 Rs.(in Lakh)
Less : Opening Stock		
Finished Goods	768.08	1,897.76
Work-in-Progress	439.47	606.81
Total (B)	1,207.55	2,504.56
Total (B-A)	(273.41)	1,297.01
24. Employee Benefit Expenses		
Salaries including other Benefits	2,279.60	3,101.05
Wages including other Benefits	2,125.53	2,231.08
Contribution to Provident & Other Funds - Wages	119.50	163.31
Contribution to Provident & Other Funds - Salary	69.64	86.70
Gratuity	61.61	73.05
Employees Welfare	61.86	70.79
Managerial Remuneration	4.62	13.57
Total	4,722.36	5,739.55
25. Finance Cost		
Interest paid on Borrowings as per Effective Interest method		
ARC/Bank	4,600.20	4,353.47
Others	7.92	17.14
Dividend on Pref Shares	1,176.08	1,078.98
Total	5,784.20	5,449.59
26. Depreciation & Amortisation Expenses		
Depreciation	3,378.92	3,520.04
Amortisation	11.26	11.43
Less : Amortising of Lease Rent	11.26	11.43
Total	3,378.92	3,520.04
27. Other Expenses		
Manufacturing Expenses		
Production Expenses	713.87	861.59
Security & Vigilance	30.62	41.31
Consumption of Stores & Spares	645.42	760.62
Power & Fuel	3,850.01	4,059.30
Carriage & Cartage	14.61	21.69
Administrative Expenses		
Rent	35.69	68.16
Amortization of lease advance	11.26	11.43
Insurance	73.21	86.07
Rates & Taxes	24.85	35.74
Postage, Telegrams and Telephones	6.56	8.35
Printing , Stationary & Computer Expenses	27.82	39.20
Legal & Professional Charges	377.38	361.76
Travelling & Conveyance- Others	247.76	291.06
Travelling & Conveyance- Directors	23.56	17.25
Telephone, Fax & Internet Exp.	27.65	45.29
Books & Periodicals	0.26	0.63
Fees & Subscription	25.86	23.42
General Expenses	9.84	16.15
Bank Charges	75.92	67.75
Payment to Auditors	30.97	30.87

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

	Year Ended 31.03.19 Rs.(in Lakh)	Year Ended 31.03.18 Rs.(in Lakh)
Vehicle Running Expenses	63.46	59.42
Donation	-	0.25
Hank Yarn Obligation	0.01	4.87
Loss on Disposal of Assets	162.77	368.27
Diminution in the value of Investment	0.26	-
W/off Investment	0.03	-
Repairs & Maintenance		
Building	9.27	23.96
Machinery	131.85	118.30
Others	49.13	42.04
Selling & Distribution Expenses		
Freight & Forwarding	160.88	285.10
Sales Promotion & Incentives	435.04	420.50
Bad Debts w/off	49.79	10.69
Provison for doubtfull Debts	-	43.99
Advertisement & Publicity	69.64	98.60
Excise/ Vat /TCS Expenses	5.74	0.05
Freight on Exports	865.94	513.59
Total	8,256.95	8,837.27

28. Basic & Diluted Earnings Per Share

Particulars	For the year ended 31 st March 19	For the year ended 31 st March 18
Profit (Loss) for the Year before Preference Dividend and attributable tax thereon (Rs. in Lakh)	(6325.05)	(11589.07)
Weighted average number of equity shares outstanding during the year - (B)	39114100	39114100
Nominal value of equity shares (Rs.)	10.00	10.00
Basic Earnings per share (Rs.)	(16.17)	(29.62)
Diluted Earnings per share (Rs.)	(16.17)	(29.62)

Note : As per the restructuring scheme being part of DRS which was consented by secured lenders (representing more than 83% of total outstanding secured debts of the company) and presented before erstwhile Hon'ble BIFR, the company is under an obligation to issue fresh equity to the tune of Rs. 26.78 crore (approx.) to its lenders upon its sanction.

29. Earnings in Foreign Exchange

	Rs.(in Lakh)	
Particulars	For the year ended 31 st March 19	For the year ended 31 st March 18
F.O.B. Value of Exports	21847.37	11668.61

30. Value of consumption of Raw Materials & Stores imported & indigenous and % of each to total consumption:

Rs.(in Lakh)

Particulars	For the year ended 31st March 19	% of consumption	For the year ended 31st March 18	% of consumption
Raw Material				
Imported	1145.50	4.68%	953.31	4.91%
Indigenous	23295.34	95.32%	22849.30	95.99%
Total	24440.84	100.00%	23802.61	100.00%
Stores				
Imported	129.88	20.12%	169.59	22.30%
Indigenous	515.54	79.88%	591.03	77.70%
Total	645.42	100.00%	760.62	100.00%

31. C.I.F. Value of Imports

Rs.(in Lakh)

Particulars	For the year ended 31st March 19	For the year ended 31st March 18
Raw Materials	1041.76	877.78
Capital Goods	-	9.18
Components & Spare Parts	160.61	172.96

32. Payment to Auditors

Rs.(in Lakh)

Particulars	For the year ended 31st March 19	For the year ended 31st March 18
a. Audit Fee	14.00	14.00
b. Other Services	16.97	16.87

33. Expenditure in Foreign Currency

Rs.(in Lakh)

Particulars	For the year ended 31st March 19	For the year ended 31st March 18
Foreign Travels	37.35	28.30
Others	265.89	332.78

34. Related Party Transactions

The members of the Board are interested in the following entities, covered under the Related Party Transactions, but there were no material transactions entered into with any of these entities. However the details of transactions with them are given below:

Name of related parties and description of relationship as required by AS-18:-

i	a. Subsidiary	Alps Energy Pvt. Ltd.
	b. Wholly owned Subsidiary	Alps USA INC.
	c. Entities Controlled by subsidiaries, KMP and their relatives	Narad Fabric Pvt. Ltd. (Formerly known Alps Processors Pvt. Ltd. Careen Fintec (P) Ltd Coronation Spinning India (P) Ltd Pacific Texmark Pvt. Ltd. Padam Precision Dies & Component pvt. Ltd Peek Finvest (P) Ltd Perfect Finmen Services (P) Ltd Roseate Finevest Pvt.Ltd. Saurabh Floriculture (P) Ltd Supreme Finvest Pvt. Ltd Aspen Enterprises Peek Texfab Limited Atsiv Fabric Pvt. Ltd.

ii	Key Management Personnel Non-Executive Chairman Managing Director Executive Director (WTD) President Accounts and Finance Company Secretary	a. Mr. K.K Agarwal b. Mr. Sandeep Agarwal c. Mr. P.K. Rajput d. Mr. Ashok Kumar Singhal e. Mr. Ajay Gupta
iii	Relatives of Key Management Personnel	a. Mrs. Indu Singhal

Transactions with Related Parties for the year ended 31st March 2019 are as follows:

Rs.(in Lakh)

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 Ltd.	
a. Sale of Goods	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (43.16)	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	-	-	-	-	-	-	0.40
	-	-	-	-	-	-	(0.40)
Remuneration to KMP							
- Managing Director	-	-	-	-	-	-	Nil
	-	-	-	-	-	-	(Nil)
- Executive Director(WTD)	-	-	-	-	-	-	4.62
	-	-	-	-	-	-	(13.57)
- President Account and Finance	-	-	-	-	-	-	18.96
	-	-	-	-	-	-	(16.96)
- Company Secretary	-	-	-	-	-	-	8.56
	-	-	-	-	-	-	(8.00)
h. Salary to relative of KMP							
- Mrs. Indu Singhal	-	-	-	-	-	-	8.00
	-	-	-	-	-	-	(8.00)
i. Balance at the yearend (cr.)	89.75 (89.75)	NIL NIL	NIL NIL	NIL NIL	NIL (28.49)	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.

35. The Board of Directors considered and reviewed the requirement of presenting the financial results under segment reporting in terms of the IND AS, and is of the opinion that henceforth, instead of presenting the results into Product Stage Wise viz. Yarn, Home Furnishing & Fashion Accessories of 'Textile Segment', aggregate the same into one reportable segment only i.e. Textile Segment.

Geographical Segments

Rs.(in Lakh)

Particulars	SEGMENTS				Total	
	Domestic		Export		For the Year ended 31 st March 19	For the Year ended 31 st March 18
	For the Year ended 31 st March 19	For the Year ended 31 st March 18	For the Year ended 31 st March 19	For the Year ended 31 st March 18		
Segment Revenue	14506.14	24139.15	22609.05	12212.48	37115.19	36351.63

36. Contingent Liabilities and Commitments

A) Contingent liability exists in respect of:

	As at 31.03.2019	Rs.(in Lakh) As at 31.03.2018
Particulars		
a) Guarantees issued by banks on behalf of company.	62.89	122.37
b) Claims against the company not acknowledged as debts	1385.89	1434.50
c) Other Claims against the company not acknowledged as debt :(detailed as under):	35577.53	36429.55
<p>(i) DBS Bank Ltd. raised claims amounting to US\$ 91.09 Lakhs and Rs. 667.39 Lakhs (totaling to Rs. 6968.86 lakhs, approx) (P.Y. totaling to Rs. 6592.26 Lakhs approx) against the Company in respect of certain foreign currency derivative transactions, which claims were disputed being per se illegal as not within the regulatory permission of Reserve Bank of India and were entered into by the Company on the basis of incomplete disclosures and details provided by the Bank, and thus, falls in the category of mis-selling by the Bank to the Company. On the basis of legal opinion, the Company has not admitted the claims of Bank & filed a suit before the competent Civil Court of law for declaring these transactions as void-ab-initio being illegal wherein the Hon'ble Civil Court had issued an interim order for maintenance of status quo with regards to recovery towards these transactions. The interim order is continuing and the matter is still pending adjudication. A revision petition filed by Bank against the status-quo order passed by the Hon'ble Civil Court is also pending adjudication before Hon'ble Allahabad High Court. In view of above facts, no provision against the aforesaid claims raised by Bank is considered necessary and therefore, it has been disclosed as part of contingent liabilities of the Company as at March 31, 2019.</p> <p>(ii) Merrill Lynch Capital Services Inc. raised a claim of US\$ 195.80 Lakhs (Rs. 13543.70 Lakhs approx.) (P.Y. Rs. 12735.59 Lakhs approx.) against the Company in respect of an alleged corporate guarantee of US\$ 100 Lakhs (Rs. 6917.13 Lakhs approx.) (P.Y. Rs. 6504.41 Lakhs approx.) alleged to have been provided by the Company for one of its subsidiary company, M/s Alps USA Inc. These claims relate to derivative transactions and corporate guarantee thereof, which were disputed being per se illegal as not within the regulatory permission of RBI and were entered into by the Company on the basis of incomplete disclosures and details and thus, falls in the category of mis-selling by the bank to the Company. RBI has also refused to take on record the said corporate guarantee. Based on legal opinion, the Company has not admitted aforesaid claim and filed a suit before the competent Civil Court of law. An appeal filed by the Company against the order passed by Hon'ble Civil Court in the matter of withdrawing its jurisdiction and earlier order directing to maintain the status quo as regards the recovery proceedings is pending adjudication before Hon'ble Allahabad High Court. In view of above facts, no provision against above claim is considered necessary and therefore, it has been disclosed as part of contingent liabilities of the Company as at March 31, 2019.</p> <p>(iii) Workers of the Company at Kashipur and Jaspur units filed cases before the Industrial Tribunal/Labour Court, Haldwani, Uttrakhand U/s 33C(2) of the Industrial Dispute Act, 1947 claiming total amount of Rs. 15064.97 Lakhs, in respect of their alleged dues towards wages, retirement benefit etc. as per Hon'ble Court's Notice dated 4th May 2013 received by the Company, which is being contested by the Company. The liability, if any, on this account will be accounted for as and when the matter is finally decided.</p>		

B) Commitments:-

	31.03.2019	Rs.(in Lakh) 31.03.2018
i) Estimated amount of capital contracts remaining to be executed not provided for:	45.84	236.60
ii) Arrears of preferential dividend	8203.72	7151.61
<p>37. Kotak Mahindra Bank Limited (KMBL) had raised a total claim of Rs. 2036.11 Lakhs (P.Y. Rs. 2036.11 Lakhs) in respect of certain foreign currency derivative transactions. On the basis of legal opinion, the Company had not admitted these claims of bank and filed a suit in the competent Civil Court of law. The Hon'ble Civil Court in an ex-parte judgment vide its order dated 29.11.2018 declared these derivative transactions as void ab-initio being illegal. KMBL has subsequently filed an application for restoration of the case along with the application for condonation of delay in filing the same, which application of KMBL is pending adjudication by the Hon'ble Civil Court.</p> <p>Besides this, KMBL has also filed an Original Application (O.A.) before Hon'ble Debt Recovery Tribunal, Mumbai (DRT) for recovery of its claim amounting to Rs. 601.11 Lakhs (P.Y. Rs. 601.11 Lakhs) in respect of these foreign currency derivative transactions which were disputed being per se illegal as not within the regulatory permission of</p>		

RBI and were entered into by the Company on the basis of incomplete disclosures and details provided by the Bank and thus, falls in the category of mis-selling by the Bank to the Company. The Hon'ble DRT vide an interim order has restrained the Company from selling its certain fixed assets. The Hon'ble Debt Recovery Appellate Tribunal (DRAT), Mumbai, on appeal of the Company directed to return the said OA and set aside the aforesaid restrained order passed by the Hon'ble DRT for want of Jurisdiction of DRT, Mumbai. The Hon'ble Bombay High Court vide an interim order in the writ filed by KMBL against the order of Hon'ble DRAT has stayed the order of Hon'ble DRAT & restored the operation of restrain order passed by Hon'ble DRT and also stayed the proceedings before Hon'ble DRT till further order. The said writ is still pending for adjudication before the Hon'ble Bombay High Court.

KMBL had also filed a winding up petition before the Allahabad High Court for the said claims wherein also the Company contested and objected the maintainability of Petition. The same is under consideration of the Hon'ble Allahabad High Court.

- 38.** During last 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 93% of the total secured debt of the Company) (EARC) in order to recover the dues from the Company has also filed an Original Application before Debts Recovery Tribunal, which application is pending adjudication. Further, EARC as well as Syndicate Bank issued Notices u/s 13(2) of SARFAESI Act to which the Company objected and also submitted settlement proposal which has been denied. EARC has taken over the symbolic possession of 5 properties of the Company Viz. Leasehold Land, Building and Plant & Machineries lying at Plot nos. A-2, A-3 & B-2, Loni Road, Industrial Area, Ghaziabad (UP), 58/1, Site IV Industrial Area, Sahibabad (UP) and 1A, Sec.-10, IIE, SIDCUL, Haridwar under section 13(4) of the SARFAESI Act and also 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 revised settlement/restructuring proposal with lenders which are 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 year ended March 31, 2019 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. 133933.35 Lakhs 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.

- 39.** With regard to Impairment of assets of the Company, on assessment, no impairment loss has been ascertained as on 31.3.2019 except the impairment in respect of assets, the possession of which have been taken over by the secured lender, EARC, under the provisions of SARFAESI Act for want of assessment of impairment (refer note no. 38).
- 40.** Deferred Tax adjustments resulting from items of timing differences have been measured using the rates and tax laws enacted or substantially enacted as on 31.03.19 and the same results into the Deferred Tax Assets (net), which has not been recognized in the absence of virtual certainty of its realization in near future by the Company.
- 41.** Certain Fixed Assets having the Gross Value of Rs. 1411.77 Lakhs (net carrying value after impairment Rs. 58.65 Lakhs) lying at erstwhile leased units at Kashipur, Jaspur and Puducherry Unit and Advance against leasing of land amounting to Rs. 3.76 lakh w.r.t. Puducherry Unit, as on 31.3.2019 are in the possession of the lessors of the respective units due to pendency of dispute with them.
- 42.** There is no amount outstanding on account of unclaimed dividend as on date, as per Section 124 of the Companies Act, 2013.
- 43.** The balances of trade receivables, loans and advances and trade payables are subject to confirmation, reconciliation and consequential adjustment, if any, which in the opinion of the management will not be material.

NOTES FORMING PART OF ACCOUNTS

44. Sales are net of Rebate & Discounts amounting to Rs.145.76 Lakh (Previous Year Rs. 418.81 Lakh).

45. Employee Benefits

The company has classified the various benefits provided to employees as under:

1. Defined Contribution plans:

The company has recognised the following amounts in the statement of profit and loss:

Particulars	Rs.(in Lakh)	
	For the year ended 31 st March 19	For the year ended 31 st March 18
Employers contribution to Provident Fund and Employee's State Insurance Corporation	189.14	250.01

2. Defined Benefit plans:

I. Gratuity

II. Earned leave

In accordance with the IND AS 19, actuarial valuation was done in respect of the aforesaid defined benefit plans and details of the same are given below:

Particulars	Rs.(in Lakh)			
	Gratuity (Non-funded)		Earned Leave (Non-funded)	
	For the Year ended 31 st March 19	For the Year ended 31 st March 18	For the Year ended 31 st March 19	For the Year ended 31 st March 18
Discount Rate (per annum)	7.65%	7.70%	7.65%	7.70%
Future Salary Increase	5.00%	5.00%	5.00%	5.00%
In Service Mortality	Std of LIC (2006-08)	Std of LIC (2006-08)	Std of LIC (2006-08)	Std of LIC (2006-08)
Retiring Age	58 years	58 years	58 years	58 years
Withdrawal Rates:				
Up to 30 years	3%	3%	3%	3%
Up to 44 years	2%	2%	2%	2%
Above 44 years	1%	1%	1%	1%
I. Expenses recognized in Statement of Profit & Loss				
Current Service Cost	41.61	47.96	17.24	20.43
Past Service Cost - Vested	Nil	3.96	Nil	Nil
Interest Cost	20.39	21.13	7.11	8.16
Net Actuarial (Gain)/Loss recognized in the year	(0.40)	(41.60)	(19.51)	(23.27)
Total Expenses	61.60	31.45	4.84	5.32
II. Net Assets/(Liability) recognized in the Balance Sheet				
Present value of the Defined Benefit obligation	244.72	264.82	77.75	92.37
Fund Status (Deficit)	(244.72)	(264.82)	(77.75)	(92.37)
Net Assets/(Liability)	(244.72)	(264.82)	(77.75)	(92.37)
III. Change in present value of obligation				
Present Value of obligation as at the beginning of the period	264.82	281.73	92.37	108.82
Interest Cost	20.39	21.13	7.11	8.16
Past Service Cost - Vested	Nil	3.96	Nil	Nil
Current Service Cost	41.61	47.96	17.24	20.42
Benefits Paid	(81.70)	(48.36)	(19.46)	(21.77)
Actuarial (Gains)/Loss on obligation	(0.40)	41.60	(19.51)	(23.26)
Present Value of obligation as at the end of the period	244.72	264.82	77.75	92.37

NOTES FORMING PART OF ACCOUNTS

46. Directors Remuneration

Rs.(in Lakh)

Particulars	For the year ended 31 st March 19	For the year ended 31 st March 18
Salary	4.26	13.20
Perquisites	0.36	0.37
Total	4.62	13.57

47. Particulars of Raw Material Consumption

Rs.(in Lakh)

Particulars	For the year ended 31 st March 19	For the year ended 31 st March 18
Cotton	17132.08	16215.73
Yarn	2935.41	2359.55
Fabric	2941.95	3611.83
Others	1431.40	1615.51
Total	24440.84	23802.61

48. Inventories (Work-in-Progress)

Rs.(in Lakh)

Particulars	As at 31 st March 19	As at 31 st March 18
Cotton/Fiber	307.26	304.25
Fabric/Made up	377.21	135.22
Total	684.47	439.47

49. Inventories (Finished Goods)

Rs.(in Lakh)

Particulars	As at 31 st March 19	As at 31 st March 18
Yarn	503.12	313.49
Fabric/Made up	293.37	454.59
Total	796.49	768.08

50. Financial Risk Management

(i) Financial Instrument by Category:

- a) Investment in equity shares of subsidiaries are measured in accordance with IND AS 27, "Consolidated and Separate Financial Statements" and investment in equity share of other entities are measured in accordance with IND AS 103 'Financial Instruments' issued by the "Ministry of Corporate Affairs", Government of India.
- b) For amortised cost instruments, carrying value represents the best estimate of fair value except investment in other debentures.

(ii) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages those risks.

NOTES FORMING PART OF ACCOUNTS

A) Credit Risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. Credit risk related to cash and cash equivalents and bank deposits is managed only by accepting highly rated banks and diversifying bank deposits. Other financial assets measured at amortized cost include loans to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensures the amounts are within defined limits.

Credit Risk Management: The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

- a) Low Credit Risk
- b) Moderate Credit Risk
- c) High Credit Risk

Credit Risk Exposures: The Company's trade receivables do not have any expected credit loss as they are generally within the credit period. In case of non-recoverability in extreme cases, the Company, accordingly, provides for the same in its books of account instead of writing it off permanently.

B) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains adequate liquidity for meeting its obligations by monitoring the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows from the operations.

C) Market Risk

Market risk is the risk of changes in the market prices on account of foreign exchange rates, interest rates and commodity prices, which shall affect the Company's income or the value of its holdings of its financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters while optimizing the returns.

a) Currency Risk

The Company undertakes transactions denominated in foreign currencies, which are subject to the risk of exchange rate fluctuations. Financial assets and liabilities denominated in foreign currency, except the Company's net investments in foreign operations (with a functional currency other than Indian Rupee), are subject to reinstatement risks.

The carrying amount of foreign currency denominated financial assets and liabilities as at March 31, 2019 are as follows:

Particulars	Rs.(in Lakh)	
	As at March 31, 2019	As at March 31, 2018
	Amount	Amount
Financial Assets	2247.57	2036.18
Financial Liabilities	61.70	58.55

NOTES FORMING PART OF ACCOUNTS**b) Interest Risk**

- i) Assets:** The Company's fixed deposits are carried at fixed rate. Since the fixed deposits are very nominal & not material, therefore to that extent, the Company is at risk on account of interest rate
- ii) Liabilities:** The Company had borrowings from banking institutions, majorly whereof are assigned to an Asset Reconstruction Company (ARC). The Company has recognized the liability on account of borrowings as per scheme consented by lenders during BIFR proceedings. However, the outstanding of banks and ARC has since been classified as Non-Performing assets and action for possession of assets charged to lenders/ARC has since been initiated, the Company's liability towards interest will be accounted based on the approval of revised restructuring/settlement proposal submitted by the Company and to that extent, the Company is at risk on account of interest rate.

51. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of IND AS and Schedule III.

As per our report of even date
For **R.K. Govil & Co.**,
Chartered Accountants
Firm Regn No. – 000748C

Rajesh Kumar Govil
Partner
Membership No.013632

Place: Ghaziabad
Dated: May 30, 2019

A.K. Singhal
President Corp. (F&A)

Ajay Gupta
Company Secretary

For and on behalf of the board

Sandeep Agarwal
Managing Director

P.K. Rajput
Executive Director

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, 2019 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)

S. No.	Particulars	Audited Figures (as reported before adjusting for qualification)	Adjusted Figures(audited figures after adjusting for qualifications)
1	Turnover/Total Income	37745.77	37745.77
2	Total Expenditure	46309.89	180243.24
3	Net Profit/(Loss)	(6325.05)	(140258.40)
4	Earnings per share (in Rs.)	(16.17)	(358.59)
5	Total Assets	38308.59	38308.59
6	Total Liabilities	82168.67	216102.02
7	Net Worth	(43860.08)	(177793.43)
8.	Any other financial item(s)(as felt appropriate by the management) – Contingent Liability towards Derivative Contracts & Corporate Guarantee Etc.	-	-

III. 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. 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."
- b. Type of Audit qualification (Qualified opinion/Disclaimer of Opinion/ Adverse Opinion) : Qualified Opinion
- c. Frequency of qualification (Whether appeared first time/repetitive/since how long continuing) : Since Financial Year 2017-18
- Audit Qualification where the impact quantified by the Auditor, Management's Views: : During last 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 93% of the total secured debt of the Company) (EARC) in order to recover the dues from the Company has also filed an Original Application before Debts Recovery Tribunal, Lucknow Bench, which application is pending adjudication. Further, EARC and Syndicate Bank issued a Notice u/s 13(2) of SARFAESI Act to which the Company

objected and also submitted a settlement proposal which has been denied. EARC has taken over the symbolic possession of 5 properties of the Company Viz. Lease hold Land, Building and Plant & Machineries lying at Plot nos. A-2, A-3 & B-2, Loni Road, Industrial Area, Ghaziabad (UP), 58/1, Site IV Industrial Area, Sahibabad (UP) and 1A, Sec.-10, IIE, SIDCUL, Haridwar under section 13(4) of the SARFAESI Act and also issued a sale notice under Rule 8(6) and Rule 6(2) of the Security Interest (Enforcement) Rules, 2002.

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 year ended March 31, 2019 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. 133933.35 Lakhs 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. 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 : N.A
 - (iii) Auditor's Comments on (i) or (ii) above: : N.A

As per our report of even date
For **R.K. Govil & Co.**
Chartered Accountants
Firm Regn No. – 000748C

Rajesh Kumar Govil
Partner
Membership No.013632
Place: Ghaziabad
Dated: May 30, 2019

Sandeep Agarwal
Managing Director
DIN : 00139439

Prabhat Krishna
Audit Committee Chairman
DIN : 02569624

A.K. Singhal
President Corp. (F&A)

FINANCIAL STATEMENTS FOR SUBSIDIARY COMPANIES

ALPS USA INC.

**Financial Statements for the year
ended 31st March, 2019**

ALPS USA INC.
Financial Statements for the year ended 31st March, 2019

Incorporation	:	April 25, 2007
Number	:	070478097-4341527
Reserve Bank of India's Identification No.	:	NDWAZ20070455
Directors	:	Mr. K.K. Agarwal and Mr. Sandeep Agarwal
Business Address	:	Regd. Office: 508, Main Street, Wilmington, New Castle, 19804 USA.
		Mailing Address in USA: 303, Fifth Ave., Suite 1608, New York, N.Y. 10016
		Mailing Address in India: 57/2, Site-IV, Industrial Area, Sahibabad, Ghaziabad. Uttar Pradesh - 201 010, INDIA

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DIRECTORS' REPORT

To,

The Members of

ALPS USA INC.

Delaware, U.S.A.

Your Directors have pleasure in presenting the Eleventh Annual Report, together with the accounts complied by the management of the Company for the financial year ended 31st March, 2019.

FINANCIAL RESULTS

The Financial Statements for the financial year ended on 31st March, 2019 has been prepared. Due to no activity, there is no profit/loss during the year.

PROJECT AND PERFORMANCE

There are no project/business activities in the company.

FINANCIAL ARRANGEMENT

The Company has not availed any financial assistance from any bank.

SECURITIES

The company has not issued any further capital during the year under review.

PARENT COMPANY

Due to holding of 100% Capital, directly by Alps Industries Limited, the relationship of Wholly Owned Subsidiary is being maintained.

PUBLIC RELATIONS

The management places on record its appreciation to all banks, Government departments and investors for the valuable support extended to the Company. The public relations were cordial with all concerned.

DIVIDEND

Due to the operational losses, no Dividend has been proposed for the year.

DIRECTORS

There was no change in the Board of Directors of the Company during the year. In terms of the By Laws of the Company, all the Directors are of permanent nature and non-rotational. Hence, none of the Directors have been proposed for retirement at the forthcoming Annual General Meeting.

MEETING OF BOARD OF DIRECTORS

During the year, the board of the company met four times on 09.05.2018, 29.09.2018, 26.12.2018 and 25.03.2019 consecutively.

FIXED DEPOSITS

During the year, your company has not raised money by way of Fixed Deposits.

AUDITORS' OBSERVATIONS

Due to the loss incurred by the company, the audit of accounts is not mandatory. The accounts of the company have been prepared by the management.

ACKNOWLEDGMENTS

Your Directors place on record their appreciation for the co-operation and support provided by the Banks and various other government agencies. It is also not out of place to mention that due to the confidence and faith imposed by the investors of the company by contributing in the share capital of the Company, the roots of the company have been well established, for which your Directors place on record their appreciation.

For and on behalf of the Board

Alps USA Inc.

Place : Ghaziabad, U.P., India

Date : May 9, 2019

K.K. Agarwal

Director

DIN - 00139252

Sandeep Agarwal

Director

DIN - 00139439

BALANCE SHEET

BALANCE SHEET AS AT MARCH 31, 2019

	AS AT 31.03.19 AMOUNT (US\$)	AS AT 31.03.18 AMOUNT (US\$)
ASSETS		
Current Assets		
Cash & Cash Equivalents (as per schedules attached)	-	-
Total Current Assets	<u>-</u>	<u>-</u>
Investments (as per schedules attached)	529,000.00	529,000.00
Intangible Assets	1,354.00	1,354.00
Less : Accumulated Amortisation	(1,354.00)	(1,354.00)
Net Intangible Assets	-	-
Total Assets	<u>529,000.00</u>	<u>529,000.00</u>
LIABILITIES AND SHARE HOLDERS EQUITY		
Current Liabilities		
Accounts Payable (as per schedules attached)	15,500.19	15,500.19
Total Current Liabilites	<u>15,500.19</u>	<u>15,500.19</u>
Shareholders Equity		
(Authorised to issue 200 shares at No par value) Issued and Subscribed 15 share at No par value	-	-
Additional paid in Capital	1,225,000.00	1,225,000.00
Retained Earnings	(711,500.19)	(711,500.19)
Total Shareholders equity	<u>513,499.81</u>	<u>513,499.81</u>
Total Liabilities and Shareholders Equity	<u>529,000.00</u>	<u>529,000.00</u>

For and on behalf of the Board

Alps USA Inc.

Place : Ghaziabad
Date : May 09, 2019K.K.Agarwal
Director
DIN - 00139252Sandeep Agarwal
Director
DIN - 00139439

INCOME AND RETAINED EARNINGS

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED MARCH 31, 2019

	YEAR ENDED 31.03.19 AMOUNT (US\$)	YEAR ENDED 31.03.18 AMOUNT (US\$)
Revenue	-	-
Gross Profit	-	-
Operating Expenses		
Amortisation Expense	-	-
Bank Service Charges	-	-
Total Expenses	-	-
Profit/(Loss) Before Interest & Tax	-	-
Profit/(Loss) Before Tax	-	-
Provision For Tax	-	-
Profit/(Loss) after Interest & Tax	-	-
Retained Earnings - Opening Balance	(711,500.19)	(711,500.19)
Retained Earnings - Closing Balance	<u>(711,500.19)</u>	<u>(711,500.19)</u>

For and on behalf of the Board
Alps USA Inc.

Place : Ghaziabad
Date : May 09, 2019

K.K.Agarwal
Director
DIN - 00139252

Sandeep Agarwal
Director
DIN - 00139439

CASH FLOW

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2019

	AS AT 31.03.19 AMOUNT (US\$)	AS AT 31.03.18 AMOUNT (US\$)
Operating activities	0.00	0.00
Depreciation and Amortisation	0.00	0.00
Changes in Working Capital		
Increase (Decrease) in Current Liabilites	0.00	0.00
Cash provided by (used in) operating activities	0.00	0.00
Investing activities		
(Increase)/Decrease in Investments	0.00	0.00
Cash provided by/(used in) investing activities	0.00	0.00
Financing Activities		
Cash provided by/(used in) financing activities	0.00	0.00
Net Changes in Cash during the period	0.00	0.00
Cash at Beginning	0.00	0.00
Cash at End	0.00	0.00
Changes in Cash	<u>0.00</u>	<u>0.00</u>

For and on behalf of the Board

Alps USA Inc.

Place : Ghaziabad
Date : May 09, 2019K.K.Agarwal
Director
DIN - 00139252Sandeep Agarwal
Director
DIN - 00139439

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.19 AMOUNT (US\$)	AS AT 31.03.18 AMOUNT (US\$)
1. CASH & CASH EQUIVALENTS		
RBS	-	-
Cash	-	-
2. INVESTMENTS		
Alps Energy Pvt. Ltd.	264,500.00	264,500.00
Snowflakes Meditech Pvt Ltd (formerly Alps Retail Pvt. Ltd.)	264,500.00	264,500.00
Total	<u>529,000.00</u>	<u>529,000.00</u>
3. ACCOUNTS PAYABLE		
Alps Industries Ltd.	14,146.19	14,146.19
Pradeep K Gupta, CPA, PC	1,185.00	1,185.00
State of Delaware	169.00	169.00
Total	<u>15,500.19</u>	<u>15,500.19</u>

NOTES TO FINANCIAL STATEMENTS**1. Organization and Operations**

Alps USA Inc. (the "Company") was formed in Delaware on April 25, 2007. The company is a 100% owned subsidiary of Alps Industries Limited which was incorporated in India in 1972 as private limited company, subsequently converted into public limited company in 1994.

Alps Industries Limited manufactures and sells home furnishings, fashion accessories, and yarns in India. The company's home furnishings and fashion accessories include made-ups, such as duvet sets, bed covers and sheets, quilts, pillows, cushion covers, curtains and table linens; cashmere, sheer and aromatic shawls, scarves, mufflers, stoles, wraps, and other fashion accessories; and fabrics for upholstery, including office furniture and automobile seats. Alps Industries also offers various types of yarns, including cotton yarn, synthetic and blended yarns.

2. Significant Accounting Policies

- **Accounting Principles**

The financial statements and accompanying notes are prepared in accordance with generally accepted accounting principles in the United States of America using accrual basis of accounting.

- **Use of Estimates in Financial Statements**

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management makes estimates and assumptions in determining the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Examples include provisions for returns, concessions and bad debts; and the length of product lifecycles and buildings' lives. Actual results could differ from those estimates.

- **Cash, Cash Equivalents**

For purpose of the statement of cash flows, the Company considers highly liquid investments purchases with maturity of three months or less to be cash equivalents.

- **Pre-operating Expenses**

Expenses incurred by the subsidiary prior to the start of commercial operations and in bringing new facilities into operations have been deferred and are being amortized over 7 years up to year 2014.

- **Investment**

Investment in company in which Alps USA Inc. has significant influence, but less than a controlling voting interest, are accounted using equity method. Investments are accounted for at Cost.

3. Affiliates and Transactions with Affiliates

The Company is affiliated through common ownership with Alps Industries Limited. During the year ended March 31, 2019, the Company had the following transactions with affiliates: Nil

4. Contingent Liabilities and Assets

The Company jointly with Alps Industries Limited, India (AIL) had received a legal claim of US\$ 195.80 Lac (P.Y. Rs. 195.80 Lac approx.). The said claim is alleged for foreign currency derivative transactions entered into in India by the company and issuance of Corporate Guarantee of US\$ 100 Lac by AIL against these transactions. The Claims were disputed being per se illegal as not within the regulatory permission of Reserve Bank of India (RBI) and were entered into by the company and AIL on the basis of incomplete disclosures and details thus falls in the category of mis-selling by the party. RBI has also refused to take on record the said corporate guarantee of AIL. The company has not admitted said claim and jointly with Alps Industries Limited filed a suit in the competent civil court in India as per laws in India. An Appeal filed by the company and AIL, jointly, against the order passed by Hon'ble Civil Court, Ghaziabad (India) in the matter of withdrawing its jurisdiction and earlier order directing to maintain the status quo as regards the recovery proceedings is pending adjudication before Hon'ble Allahabad High Court, India.

For and on behalf of the Board
Alps USA Inc.

Place : Ghaziabad
Date : May 9, 2019

K.K. Agarwal
Director
DIN - 00139252

Sandeep Agarwal
Director
DIN - 00139439

ALPS ENERGY PRIVATE LIMITED

**Financial Statements for the year
ended 31st March, 2019**

ALPS ENERGY PRIVATE LIMITED
Financial Statements for the year ended 31st March, 2019

Date of incorporation	:	October 30, 2007
CIN	:	U40109DL2007PTC169994
Directors	:	Mr. Mahen Kaushik (DIN: 08071910) Mr. Arun Kumar Agarwal (DIN: 06436816) Mr. Prabhat Krishna (DIN: 02569624)
Business Address	:	Regd. Office: F- 228, Ground Floor, Lado Sarai, New Delhi-110 030 Mailing Address: 57/2, Site-IV, Industrial Area, Sahibabad, Ghaziabad Uttar Pradesh - 201 010, INDIA.
Name & Address of the Statutory Auditors:		R.K. Govil & Co., Chartered Accountants, 4, Kiran Enclave, Ghaziabad - 201001

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DIRECTORS' REPORT

**The Members of
ALPS ENERGY PVT. LTD.,
New Delhi.**

Your Directors have pleasure in presenting the Twelfth Annual Report along with Audited Accounts of the Company for the period ended on 31st March, 2019.

FINANCIAL RESULTS

The financial accounts for the financial year 2018-19 have been compiled. The company has incurred a loss of Rs. (1.78) Lakh during the year under review.

PROJECT AND PERFORMANCE

The company is exploring identifying more viable business projects.

STATUS OF HOLDING OF PARENT COMPANY

During the year under review, there is no change in the shareholding of M/s. Alps Industries Limited i.e. Parent company. Hence, the status of our company is an ordinary subsidiary company.

FINANCIAL ARRANGEMENTS

Company has not availed any financial assistance during the year.

ISSUE & TRANSFER OF SECURITIES

The company has not issued any further capital. However the company has received one request for transfer of 370000 Equity Shares during the year under review.

HUMAN RESOURCES

The management places on record its appreciation for the sincere commitment to work shown by its employees. The public relations were cordial with all concerned.

PARTICULARS OF EMPLOYEES

In terms of Section 197 of the companies Act 2013 and applicable Rules, made there under none of the employee was drawing in excess of limits specified under the relevant rules.

DIVIDEND

Due to operational losses, your company is unable to declare any dividend for the year under review

INTER CORPORATE LOANS, GUARANTEES AND INVESTMENTS

During the year under review company had not given Loan, Guarantees/ Investments made during the year which may be covered under section 186 of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

In terms of the Section 188 of the Companies Act 2013 and Companies (Meetings of Board and its Powers) Rules, 2014, during the year under review, company has not entered into related party transactions which are not at the market prevailing prices and on arm's length basis. Hence there are no conflicts of interest of the company.

DIRECTORS

During the year under review, there is no changes in the Board of Directors of the company.

MEETING OF BOARD OF DIRECTORS

During the year, the board of the company met seven times on 09.05.2018, 30.08.2018, 29.09.2018, 14.11.2018, 26.12.2018, 21.01.2019 and 25.03.2019 consecutively.

STATUS OF INDEPENDENT DIRECTOR

In terms of Section 149, 152 and 161 of the Companies Act 2013 and Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 related to Corporate Governance applicable to the holding company namely; Alps Industries Limited, Mr. Prabhat Krishna (DIN:02729624) was appointed as Independent Director of the Company by the Board being representative of holding company as it comes under the Material Subsidiary category and he continues to be as Representative of Holding Company.

DIRECTORS' RESPONSIBILITY STATEMENT

In compliance with the provisions of Section 134(5) of the Companies Act 2013, the Board confirms and submits the Directors' Responsibility Statement:

- (a) (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis; and
- (e) The directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively which means the policies and procedures adopted by the company 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;
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

FIXED DEPOSITS

During the year, your company has not raised any money by way of Fixed Deposits. Hence, the information under the Miscellaneous Non-Banking Companies (Reserve Bank) Directions, 1977 is not applicable.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.

As the company is not engaged in manufacturing activities and has not commenced its commercial activities, the Information in accordance with the provisions of Section 134 (1) (e) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 regarding conservation of energy, technology absorption and foreign exchange is not applicable to the company.

EXTRACT OF THE ANNUAL RETURN

In terms of section 92 of the Companies Act 2013 the extract of the Annual Return as on it stood on the close of the financial year 2018-19 being attached with the Directors Report as **Annexure-I**.

STATUTORY AUDITORS

M/s. R.K. Govil & Co., Chartered Accountants, (Firm Registration No. 000748C), the Statutory Auditors of the Company, has completed its whole tenure of four years. Now the company is required to appoint statutory auditors for the further five years. The Board of Directors of the company have reappointed M/s. R.K. Govil & Co., Chartered Accountants, (Firm Registration No. 000748C), as statutory auditor of the company for a period of five years from the financial year 2019-20 to 2023-24, subject to confirmation at the ensuing Annual General meeting of the company.

Now they have further confirmed their eligibility and willingness to accept office. The company has received certificates from the said auditors to the effect that their confirmation, if made, would be within the limits prescribed under Section 141 of the Companies Act, 2013.

SECRETARIAL AUDITORS

In terms of the compliance of Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended on 8th May, 2018 in regard to the Secretarial Audit of the Material Unlisted subsidiary Company of the Holding Listed company. M/s. D.K. Chawla & Co. Company Secretaries, was appointed as Secretarial Auditor of the company for the financial year ended on 31st March, 2019 for the compliance of the said provisions as the company meet the criteria as Material unlisted subsidiary Company of the Listed company i.e. Alps Industries Ltd.

SECRETARIAL AUDIT REPORT

The duly signed secretarial audit report as received from the secretarial auditor has been enclosed herewith as **Annexure-II** to the said report.

AUDITORS' OBSERVATIONS

Observations in the Auditors' Report are dealt within Notes to Accounts at appropriate places and being self-explanatory needs no further explanations.

INFORMATION IN TERMS OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

In terms of regulation 34 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 184/188 of the Companies Act, 2013 and rules made there under, the details of transactions are as under:

S. No.	Particulars	Amount (Rs. In Lakh)	Maximum amount outstanding during the year.
1.	Loans and advances in the nature of loans to subsidiaries (by name and amount)	NIL	NIL
ii.	Loans and advances in the nature of loans to associates -by name and amount	NIL	NIL
iii.	Loans and advances in the nature of loans where there is		
	c) no repayment schedule or repayment beyond seven years or	NIL	NIL
	b) no interest or interest below section 186 of the Companies Act 2013 by name and amount	NIL	NIL
iv.	Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount.	NIL	NIL
v.	Investments by the loanee in the shares of parent company and subsidiary Company, when the Company has made a loan or advance in the nature of loan.	NIL	NIL
vii.	Transactions of the company with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the listed entity	NIL	NIL

ACKNOWLEDGMENTS

Your directors would like to express their grateful appreciation to the investors of the company by contributing in the share capital of the Company. Your Directors also wish to place on record their deep sense of appreciation for the committed contribution from all Central/State Government Department, investors and employees and all concerned.

**For and on behalf of the Board of
Alps Energy Pvt. Ltd.**

Place : Delhi
Date : May 9, 2019

Arun Kumar Agarwal
Director
DIN: 06436816

Mahen Kaushik
Director
DIN: 08071910

**ABSTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2019**

ANNEXURE-I

Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	:	U40109DL2007PTC169994
Registration Date	:	30/10/2007
Name of the Company	:	Alps Energy Private Limited
Category / Sub-Category of the Company	:	Company Limited by Shares
Address of the Registered office and contact details	:	F-228, Ground Floor, Lado Sarai, New Delhi-110030.
Whether listed company	:	No
Name, Address and Contact details of Registrar	:	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

The entire business activities contributing 10% or more of the total turnover of the company shall be stated:- The company is exploring the opportunities to commence the main business activities.

S. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	NA	NA	NA

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Alps Industries Limited 57/2, Site-IV, Industrial Area, Sahibabad, Ghaziabad -201010	L51109UP1972PLC003544	Holding	69.75%	2(87)*

* As per Section 2(87) of the Companies Act, 2013 as amended via Notification No. S.O. 1833(E) dated 8th May, 2018.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the End of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individuals/HUF	0.00	10	10	0.01	0.00	10	10	0.01	0.00
b) Central Government	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) State Governments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) Bodies Corporate	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Banks/FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f) Any Others (Specify)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub Total(A)(1)	0.00	10	10	0.01	0.00	10	10	0.01	0.00
(2) Foreign	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
a) NRIs- Individuals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Other - Individuals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Bodies Corporate	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) Banks/FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Any Others (Specify)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub Total(A)(2)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	0.00	10	10	0.01	0.00	10	10	0.01	0.00
B. Public shareholding									
(1) Institutions									
a) Mutual Funds/ UTI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Banks/FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Central Government	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) State Governments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Venture Capital Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f) Insurance Companies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

ALPS ENERGY PVT. LTD. ALPS INDUSTRIES LTD.

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the End of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
g) FII's	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
h) Foreign Venture Capital fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
i) Other (specify)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-Total (B)(1)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(2) Non-institutions									
a) Bodies Corporate									
i) Indian	0.00	3240030	3240030	99.99	0.00	3240030	3240030	99.99	0.00
ii) Overseas	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Individuals									
i.) Individual shareholders holding nominal share capital up to Rs 2 lakh	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ii.) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Any Other (specify)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NRI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-Total (B)(2)	0.00	3240030	3240030	99.99	0.00	3240030	3240030	99.99	0.00
Total Public Shareholding (B)= (B)(1)+(B)(2)	0.00	3240030	3240030	99.99	0.00	3240030	3240030	99.99	0.00
C. Shares held by Custodians for GDRs & ADRs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GRAND TOTAL (A)+(B)+(C)	0.00	3240040	3240040	100.00	0.00	3240040	3240040	100.00	0.00

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Sandeep Agarwal	10	0.01	0	10	0.01	0	0

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Sandeep Agarwal				
	At the beginning of the year	10	0.01	10	0.01
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	N.A.	N.A.	N.A.	N.A.
	At the End of the year	10	0.01	10	0.01

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S. No	Particulars	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Alps Industries Limited 57/2 Site-IV, Industrial Area, Sahibabad, Ghaziabad -201010	2259990	69.75	2259990	69.75
2	Prraneta Industries Limited 574/577 Belgium Square, Opp. Liner Bus Stand Ring Road, Surat, Gujrat	140000	4.32	140000	4.32
3	Bhumiputra India Limited Room No. 211, Triveni Complex, E-10, Laxmi Nagar, Delhi-110092	60000	1.85	60000	1.85
4	S S J Foods Limited B-3D, Phase-I, Ashok Vihar, Delhi-110092	53340	1.65	53340	1.65

5	Dhanus Technologies Limited No6B Mena Kampala Arcade, 113/114 Theyagarya Road, T.Nagar, Chennai, Tamil Nadu	60000	1.85	60000	1.85
6	Ujjwal Limited 4/18, 2nd Floor, Asaf Ali Road, New Delhi-110002.	41700	1.29	41700	1.29
7	Tactfull Investments Limited 711, 7th Floor, New Delhi 27, Barakhamba Road, Connaught Place, New Delhi-110001	370000	11.42	0	0
8	Amorphos Industries Limited 2nd Floor, E1/15, Sector-7, Rohini, Delhi-110085.	155000	4.78	155000	4.78
9	Pan India Corporation Limited 1111, 11th Floor, New Delhi House 27, Barakhamba Road, Delhi	100000	3.09	100000	3.09
10	BITS Limited 711, 7th Floor, New Delhi 27, Barakhamba Road, Connaught Place, New Delhi-110001	0	0	370000	11.42

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	Name of Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Mahen Kaushik				
	At the beginning of the year	0.00	0.00	0.00	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
	At the End of the year	0.00	0.00	0.00	0.00
2.	Mr. Arun Kumar Agarwal				
	At the beginning of the year	0.00	0.00	0.00	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
	At the End of the year	0.00	0.00	0.00	0.00
3.	Mr. Prabhat Krishna				
	At the beginning of the year	0.00	0.00	0.00	0.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
	At the End of the year	0.00	0.00	0.00	0.00

(V) INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

Particulars	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year				
• Addition	NIL	NIL	NIL	NIL
• Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
Total (i+ii+iii)	NIL	NIL	NIL	NIL

(VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rs. in Lakh)

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		Not Applicable				
1.	Gross salary	0.00	0.00	0.00	0.00	0.00
	(a) Salary as per provisions contained in the section 17(1) of the Income-tax Act, 1961	0.00	0.00	0.00	0.00	0.00
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.00	0.00	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	0.00	0.00	0.00	0.00	0.00
2.	Stock Option	0.00	0.00	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00	0.00	0.00
4.	Commission - as % of profit - others, specify...	0.00	0.00	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00	0.00	0.00
	Total (A)	0.00	0.00	0.00	0.00	0.00
	Ceiling as per the Act	0.00	0.00	0.00	0.00	0.00

B. Remuneration to other directors:

Rs. in Lakh

S. No.	Particulars of Remuneration	Name of Directors			Total
		Mahen Kaushik	Arun Kumar Agarwal	Prabhat Krishna	
1.	Independent Directors <ul style="list-style-type: none"> • Fee for attending board / committee meetings • Commission • Others, please specify 	N.A.	N.A.	NIL	N.A.
		N.A.	N.A.	NIL	N.A.
		N.A.	N.A.	NIL	N.A.
	Total (1)	N.A.	N.A.	NIL	N.A.
2.	Other Non-Executive Directors <ul style="list-style-type: none"> • Fee for attending board/ committee meetings • Commission • Others, please specify 	NIL	NIL	N.A.	NIL
		NIL	NIL	N.A.	NIL
		NIL	NIL	N.A.	NIL
	Total (2)	NIL	NIL	N.A.	NIL
	Total (B)=(1+2)	NIL	NIL	N.A.	NIL
	Total Managerial Remuneration	NIL	NIL	N.A.	NIL
	Overall Ceiling as per the Act	NIL	NIL	N.A.	NIL

C. Remuneration to key managerial personnel other than MD/MANAGER/WTD

Rs. in Lakh

S. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N.A	N.A	N.A	N.A
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	N.A	N.A	N.A	N.A
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	N.A	N.A	N.A	N.A
2.	Stock Option	N.A	N.A	N.A	N.A
3.	Sweat Equity				
4.	Commission				
	- as % of profit	N.A	N.A	N.A	N.A
	- others, specify...				
5.	Others, please specify	N.A	N.A	N.A	N.A
	Total	N.A	N.A	N.A	N.A

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act 2013	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/ COURT)	Appeal made, if any (give details)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

ANNEXURE-II

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
ALPS ENERGY PRIVATE LIMITED

We have conducted the secretarial audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by Alps Energy Private Limited (CIN:U40109DL2007PTC169994) (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Alps Energy Private Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Alps Energy Private Limited ("the company") for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; Not Applicable
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; Not Applicable
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; Not Applicable
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; Not Applicable
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009- Not Applicable
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999- Not Applicable
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt securities) Regulations, 2008- Not Applicable
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; Not Applicable
- (g) The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009; Not Applicable
- (h) The Securities and Exchange Board of India (Buy back of securities) Regulations, 1998- Not Applicable
- (i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (v) As per information provided by the management, there are no such laws as applicable specifically to the company.-

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

- (ii) The Uniform Listing Agreements entered into by the company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited. Not Applicable

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines etc mentioned above.

We further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and process in the company commensurate with the size and operations of the company to monitor and ensure compliances with the applicable laws, rules, regulations and guidelines.

We further report that during the audit period the company has the specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc. referred to above:

In compliance of Regulation 24 (A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended on 9th May, 2018, effective from the Financial year ended on March 31, 2019, the said company is required to make compliance, related to Secretarial Audit, being the "Material subsidiary" of listed entity namely Alps Industries Limited, specified with effect from the year ended March 31, 2019. This report is being submitted for the above compliance.

The content and information provided in the above mentioned report is true and the best of my knowledge on the basis of details given by the Concerned Company officials.

For **D. K. Chawla & CO.**
Company Secretaries

Place : Delhi
Date : May 09, 2019

Dasvinder Kaur
CP.NO. 15232

To,
The Members,

ALPS ENERGY PRIVATE LIMITED

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation with certifications and opinions from experts about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

For **D. K. Chawla & CO.**
Company Secretaries

Place : Delhi
Date : May 09, 2019

Dasvinder Kaur
CP.NO. 15232

AUDITORS' REPORT

To,
The Members of
ALPS ENERGY PRIVATE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **ALPS ENERGY PRIVATE LIMITED** (the "Company") which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flow 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 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 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 opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st March, 2019 its Loss and its cash flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable:
2. As required by Section 143 (3) of the Act, 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 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 as on 31st March 2019 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019, 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. As confirmed to us by the management there are no pending litigations with the company.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts 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 K. Govil)
Partner
Membership No. : 013632

Place : Ghaziabad
Date : May 9th, 2019

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2019, 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 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) As per the information and explanations given to us, the company has not granted any loan to firms and other parties except unsecured loan to its holding company covered under section 189 of the Companies Act, 2013.
 - (a) As per information and explanations given to us, there is no overdue principal and interest (Refer Note No 20 of the Financial Statements).
 - (b) The company has taken reasonable steps for recovery of overdue interest on the unsecured loan (Refer Note No 20 of the Financial Statements).
- (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) According to the information and explanations given to us, maintenance of cost records has not been prescribed by the Central Govt. under of sub section (1) of section 148 of the companies' Act 2013.
- (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, Goods And Service Tax and any other statutory dues applicable to it with the appropriate authorities.
- (b) 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 and other aforesaid statutory dues were outstanding as at 31st March, 2019 for a period of more than six months from the date they became payable.
- (8) The company has not taken any loan from Banks or Financial Institutions nor issued any debentures.
- (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 by its officers or employees has been noticed or reported during the course of our audit.
- (11) According to the information and explanations give 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 Act.

- (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.
- (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 give 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 K. Govil)
Partner
Membership No. : 013632

Place : Ghaziabad
Date : May 9th, 2019

ANNEXURE “B” 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”)

We have audited the internal financial controls over financial reporting of ALPS ENERGY PRIVATE LIMITED (the “Company”) as of 31 March 2019 in conjunction with our audit of the 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 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 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 2019, 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.

Place : Ghaziabad
Date : May 9th, 2019

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

(Rajesh K. Govil)
Partner
Membership No. : 013632

BALANCE SHEET

BALANCE SHEET AS AT 31 st MARCH, 2019		AS AT 31.03.19 Rs.(in Lakh)	AS AT 31.03.18 Rs.(in Lakh)
	Notes		
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	14.94	19.67
Financial Assets			
Loans	3	89.75	89.15
Deferred Tax Assets (Net)	4	12.14	12.14
		<u>116.83</u>	<u>120.96</u>
Current Assets,			
Inventories	5	-	-
Financial assets			
Trade Receivables	6	-	8.11
Cash and Cash Equivalents	7	37.27	20.40
Current Tax Assets	8	-	6.38
Other Current Assets	9	0.44	0.49
		<u>37.71</u>	<u>35.38</u>
TOTAL ASSETS		<u>154.54</u>	<u>156.34</u>
EQUITY AND LIABILITIES			
Equity			
Share Capital	10	324.00	324.00
Other Equity		(170.10)	(168.33)
		<u>153.90</u>	<u>155.67</u>
Current liabilities			
Financial Liabilities			
Trade Payables	11	0.59	0.53
Other Financial Liabilities	12	0.05	0.14
Other Current Liabilities	13	-	-
Provisions	14	-	-
		<u>0.64</u>	<u>0.67</u>
TOTAL EQUITY AND LIABILITIES		<u>154.54</u>	<u>156.34</u>
Significant Accounting Policies	1		
Notes to the Financial Statements	2-26		

The accompanying notes are an integral part of the financial statements.

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

For and on behalf of the Board

Rajesh K.Govil
Partner
Membership No. 013632

Rahul Sharma
Dy Manager (Accounts)

Arun Kumar Agarwal
Director
DIN: 06436816

Mehan Kaushik
Director
DIN: 08071910

Place : Delhi
Date : May 9th, 2019

STATEMENT OF PROFIT & LOSSSTATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2019

	Notes	Year Ended 31.03.19 Rs.(in Lakh)	Year Ended 31.03.18 Rs.(in Lakh)
Income			
Revenue from Operations	13	-	-
Other Income	14	6.16	7.59
Total Income		6.16	7.59
Expenses			
Cost of Material Consumed	15	-	-
Change In Inventories	16	-	-
Employees Benefit Expenses	17	-	-
Depreciation	18	4.73	4.73
Other Expenses	19	3.21	2.95
Total Expense		7.94	7.68
Profit/(Loss) before exceptional items and tax		(1.78)	(0.09)
Add/(less): Exceptional Items		-	-
Profit before Tax		(1.78)	(0.09)
Less/(-Add): Tax Expense		-	-
Profit after tax		(1.78)	(0.09)
Other Comprehensive Income		-	-
Total After Tax & Other Comprehensive Income		(1.78)	(0.09)
Earnings Per Equity Share			
	20		
Basic		(0.05)	(0.00)
Diluted		(0.05)	(0.00)

Significant Accounting Policies 1
Notes to the Financial Statements 2-26

The accompanying notes are an integral part of the financial statements.

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

For and on behalf of the Board

Rajesh K.Govil
Partner
Membership No. 013632

Rahul Sharma
Dy Manager (Accounts)

Arun Kumar Agarwal
Director
DIN: 06436816

Mehan Kaushik
Director
DIN: 08071910

Place : Delhi
Date : May 9th, 2019

ALPS ENERGY PVT. LTD. ALPS INDUSTRIES LTD.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

Rs.(in Lakh)

	Equity Share Capital (A)	Securities premium reserve	Equity component of Compound financial Instrument	Retained earnings	Total Other Equity (B)	Total equity attributable to equity holders of the Company (A)+(B)
	Rs.					
Balance as at March 31,2018	324.00	1,372	125.94	(1,666.32)	(168.32)	155.68
IND AS adjustments	-	-	-	-	-	-
Profit for the year	-	-	-	(1.78)	(1.78)	(1.78)
Balance as at March 31,2019	324.00	1,372	125.94	(1,668.10)	(170.10)	153.90

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

For and on behalf of the Board

Rajesh K.Govil
 Partner
 Membership No. 013632

Rahul Sharma
 Dy Manager (Accounts)

Arun Kumar Agarwal
 Director
 DIN: 06436816

Mehan Kaushik
 Director
 DIN: 08071910

Place : Delhi
Date : May 9th, 2019

CASH FLOW STATEMENT

Particulars	Rs.(in Lakh)	
	Year Ended 31.03.2019	Year Ended 31.03.2018
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/ (Loss) Before Tax and Extraordinary items	(1.78)	(0.08)
Adjustment for :		
Depreciation/Amortization	4.73	4.73
Interest Received	0.60	7.59
Other Income	5.56	10.89
Operating Profit/Loss Before Working Capital Changes	9.11	12.24
Adjustment for Working Capital Changes		
Increase/(Decrease) in Financial Liabilities		
Trade Payables	0.06	-
Other Financial Liabilities	(0.09)	0.06
Other Current Liabilities	-	-
Increase/(Decrease) in Provisions	-	-
Decrease/(Increase) in Financial Assets	-	-
Trade Receivables	8.11	-
Other Financial Assets	-	-
Decrease/(Increase) in Other Current Assets	0.05	(0.03)
Decrease/(Increase) in other Non Current Assets	-	-
Decrease/(Increase) in Inventories	-	-
Direct Taxes Received/(Paid)	6.39	14.52
Cash Flow Before Extraordinary Items	23.63	12.27
Net Cash Generated by Operating Activities	23.63	12.27

(B) CASH FLOW FROM INVESTING ACTIVITIES

Expenditure on Property, Plant and Equipment	-	-	
Proceeds from Property, Plant and Equipment	-	-	
Interest Received	(0.60)	(7.59)	
Other Income	(5.56)	-	
Net Cash from/ (used in) Investing Activities		(6.16)	(7.59)

(C) CASH FLOW FROM FINANCING ACTIVITIES

Decrease/(Increase) in Financial Assets	-	-	
Increase/(Decrease) in Loans	(0.60)	(7.59)	
Net Cash from/ (used in) Financing Activities	(0.60)		(7.59)
Net Increase(Decrease) in Cash & Cash Equivalents		16.87	(2.91)
Opening Balance of Cash and Cash Equivalents		20.40	23.31
Closing Balance of Cash and Cash Equivalents (refer note 9)		37.27	20.40

Notes:

- 1- Figure in brackets are for decrease.
- 2- Previous year 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)

For and on behalf of the Board

Rajesh K.Govil
 Partner
 Membership No. 013632

Rahul Sharma
 Dy Manager (Accounts)

Arun Kumar Agarwal
 Director
 DIN: 06436816

Mehan Kaushik
 Director
 DIN: 08071910

Place : Delhi
Date : May 9th, 2019

NOTES TO THE FINANCIAL STATEMENTS**1. SIGNIFICANT ACCOUNTING POLICIES****1. Corporate Information**

Alps Energy Pvt. Ltd. (the Company) having CIN: U40109DL2007PTC169994 is a private limited company domiciled in India and incorporated under the provisions of Companies Act, 1956. The Company is engaged into ancillary business activity.

2. Basis of Preparation and Significant Accounting Policies**A) Basis of Preparation of Financial Statements****(a) Statement of Compliance**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (IND AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (the Act), (IND AS compliant Schedule III), as applicable to the Company. The Company adopted IND AS from April 01, 2017.

Effective April 1, 2017, the company was adopted all the IND AS standards and the adoption was carried out in accordance with IND AS 101 'First Time Adoption of Indian Accounting Standards' with April 01, 2016, as the transaction date. The transaction was carried out from Indian Accounting Principles Generally Accepted in India as prescribed under section 133 of the Act, read with rule of the companies (Accounts) rules, 2014 (IGAAP) which was the previous GAAP.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(b) Functional and Presentation Currency

These financial statements are presented in Indian rupees (Rs. In Lakh), which is the Company's functional currency.

(c) Basis of Measurement

The financial statements are prepared as a going concern basis under historical cost convention basis except for certain items which are measured at fair values.

Determining the Fair Value

While measuring the Fair Value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a Fair Value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis.

NOTES FORMING PART OF ACCOUNTS**(d) Use of Estimate**

The preparation of financial statements in conformity with the IND AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of the contingent asset and contingent liability at the date of the financial statements and reported amount of income and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from the estimates. Appropriate changes in estimate are made as the management become aware of the change in circumstances surrounding the estimates. Change in the estimates are reflected in the financial statements in the period in which the changes are made and, if material, their effect are disclosed in the notes to financial statements.

(e) Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and IND AS 1 – Presentation of Financial Statements issued by the Ministry of Corporate Affairs based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

B) Recent Accounting Pronouncement

IND AS 115- Revenue from Contract with Customers: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the IND AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted.

C) Significant Accounting Policies**(a) Property, Plant and Equipment**

Property, Plant and Equipment are stated at cost of acquisition or construction, net of Input tax credit available, less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of Property, Plant and Equipment recognised as at April 1, 2016 measured as per the previous GAAP. Cost directly attributable to acquisition are capitalised until the Property, Plant and Equipment are ready for use as intended by the management.

Property, Plant and Equipment are derecognised from financial statements, either on disposal or when no economic benefits are expected from its use. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the Property, Plant and Equipment and the resultant gains or losses are recognized in the Statement of Profit and Loss.

Depreciation on Property, Plant and Equipment commences when these assets are ready for their intended use. Items of Property, Plant and Equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of these assets, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis. Depreciation on Property, Plant and Equipment purchased or sold during the year is proportionately charged.

(b) Financial Assets:

Recognition: Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

NOTES FORMING PART OF ACCOUNTS

(c) **Classification:** Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

(d) **In Case of other Assetes**

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc., are classified at cost.

(e) **Financial Liabilities**

Initial and Subsequent Recognition: Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

(f) **De-Recognition:** Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation in respect of the liabilities is discharged, cancelled and settled on expiry by the Company.

(g) **Offsetting Financial Instruments**

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

(h) **Claims, Provisions, Contingent Assets and Liabilities**

Claims lodged by and lodged against the Company are accounted in the year of payment or settlement thereof. Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is the best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

Contingent liabilities are not recognised but are disclosed by way of notes to the financial statements, after careful evaluation by the management of the facts and legal aspects of each matter involved.

Contingent assets are neither recognised nor disclosed in the financial statements.

Contingent liabilities are assessed continually to determine whether an outflow of resources embodying the economic benefit has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as contingent liability, a provision is recognised in the financial statements of the period in which the change in probability occurs.

(i) **Recognition of Revenue and Expenditure**

(i) Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable. Revenue represents the net invoice value of goods and services provided to third parties after deducting discounts, volume rebates, outgoing taxes.

Revenue is recognised usually when all significant risks and rewards of ownership of the asset sold are transferred to the customer and the commodity has been delivered to the shipping agent. Revenue from sale of material by-products are included in revenue.

(ii) Interest and Dividend Income

Interest income is recognised using Effective Interest Method (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of financial instruments or a shorter period, where appropriate, to the gross carrying amount of the asset or to the amortised cost of financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit loss.

Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

(j) Borrowing Cost

Borrowing Cost attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets upto the date when such assets are ready for intended use. Other borrowing costs are charged as expense in the year in which they are incurred.

(k) Employee Benefits

Benefits such as salaries, wages and short term compensations etc. is recognized in the period in which the employee renders the related services.

The Company makes contributions to defined benefit schemes and defined contribution plans. Provident Fund contributions are in the nature of defined contribution scheme. Provident funds are deposited with government and recognised as an expense. The Company also make contribution to defined benefit plan i.e. gratuity plan. The cost of providing benefits under the defined benefit obligation is calculated by independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of re-measurements are recognised immediately through other comprehensive income in the period in which they occur.

The employees of the Company are entitled to compensated leave for which the Company records the liability based on actuarial valuation computed using projected unit credit method. These benefits are unfunded.

(l) Taxes on Income

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

(m) Foreign Currency Transactions and Translation

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.

Monetary items denominated in foreign currencies at the yearend are restated at year end rates. In case of monetary items which are covered by forward exchange contracts, the difference between the yearend rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts has been recognised over the life of the contract. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.

Non-monetary foreign currency items are carried at cost.

(n) Prior Period Errors

Prior Period Errors have been corrected retrospectively in the financial statements. Retrospective application means that the correction affects only prior period comparative figures, current period amounts are unaffected. Comparative amounts of each prior period presented which contain errors are restated. If however, an error relates to a reporting period that is before the earliest prior period presented, then the opening balances of assets, liabilities and equity of the earliest prior period presented has been restated by following IAS 8.

(o) Earnings Per Share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also, the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

(p) Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Amendment to IND AS-7

Effective April 1, 2017, the Company adopted the amendment to IND AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of amendment did not have any material impact on the financial statements.

(q) Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

NOTES FORMING PART OF ACCOUNTS

2.

Property, Plant and Equipment

Rs.(in Lakh)

Particulars	Office equipments	Plant & Machinery	Vehicles	Total
As at March 31, 2018	0.35	0.19	39.59	40.13
-Additions	-	-	-	-
-Disposals	-	-	-	-
As at Dec.31, 2019	0.35	0.19	39.59	40.13
Depreciation				
As at March 31, 2018	0.35	0.19	19.92	20.46
Depreciation charge during the period	-	-	4.73	4.73
Depreciation on deduction	-	-	-	-
As at March 31, 2019	0.35	0.19	24.65	25.19
Net Book Value				
As at March 31, 2019	-	-	14.94	14.94
As at March 31, 2018	-	-	19.67	19.67

AS AT
31.03.19 AS AT
01.04.18
Rs.(in Lakh) Rs.(in Lakh)

3. Loans

Unsecured, considered good

89.75 89.15

Total

89.75 **89.15**

4. Deferred Tax Assets

MAT Credit Entitlement

12.14 12.14

Net Deferred Tax Assets

12.14 **12.14**

5. Inventory

Finished Goods

- -

- -

6. Trade Receivables

Unsecured, considered good

- 8.11

Total

- **8.11**

7. Cash and Cash Equivalents

Balances with banks

- on current account

36.62 19.16

Cash on hand

0.65 1.24

Total

37.27 **20.40**

8. Current Tax Assets

Advance Income Tax including TDS

- 6.38

Total

- **6.38**

9. Other Current Assets

Other Receivables

0.44 0.49

Total

0.44 **0.49**

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.19 Rs.(in Lakh)	AS AT 01.04.18 Rs.(in Lakh)
10. Equity Share Capital		
Authorized Share Capital		
37,00,000 March 31, 2019:(37,00,000, March 31, 2018)	370.00	370.00
Equity Shares of Rs.10 March 31, 2019:(Rs.10, March 31, 2018) each		
13,00,000 March 31, 2019: (13,00,000, March 31, 2018)	130.00	130.00
Preference shares of Rs.10 March 31, 2019: (Rs.10, March 31, 2018) each		
	<u>500.00</u>	<u>500.00</u>
Issued Share Capital		
32,40,040 Mar, 2019 (Mar, 2018: 32,40,040)	324.00	324.00
Equity Shares Rs. 10 Mar'2019, (Mar'2018: Rs.10) each	<u>324.00</u>	<u>324.00</u>
Subscribed and paid up Capital		
32,40,040 Mar, 2019 (Mar, 2018: 32,40,040)	324.00	324.00
Equity Shares Rs.10 Mar'2019 (Rs. 10 Mar'2018: Rs.10) each	<u>324.00</u>	<u>324.00</u>
a. Reconciliation of the Shares Outstanding at the Beginning and At the end of the Reporting Period:		
Equity shares		
Outstanding at the beginning of the year	3240040	3240040
Outstanding at the end of the period/year	3240040	3240040
b. Details of shareholders holding more than 5% shares in the Company		
Alps Industries Limited No.	2259990	2259990
Alps Industries Limited %age	69.75%	69.75%
BITS Ltd. No.	566700	566700
BITS Ltd. %age	17.49%	17.49%
Zero Coupon Non Redeemable Convertible Preference Shares		
Alps USA Inc. No.	1259360	1259360
Alps USA Inc. %age	100.00%	100.00%
11. Trade Payable		
(a) Micro, Small & Medium Enterprises (Refer Note No. 7.1)	-	-
(b) Others	0.59	0.53
Total	<u>0.59</u>	<u>0.53</u>
12. Other financial liabilities		
Expenses Payable	0.05	0.14
Total	<u>0.05</u>	<u>0.14</u>
13. Revenue from operations		
(Including Traded Goods)		
Domestic	-	-
Total	-	-

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.19 Rs.(in Lakh)	AS AT 01.04.18 Rs.(in Lakh)
14. Other income		
Interest Income from Fair Valuation	0.60	7.59
Others	5.56	-
Total	<u>6.16</u>	<u>7.59</u>
15. Cost of Material Consumed		
Opening Stock	-	-
Add: Purchases	-	-
Total	<u>-</u>	<u>-</u>
Less: Closing Stock	-	-
Total	<u>-</u>	<u>-</u>
16. Change in Inventories of Finished Goods		
Closing Stock		
Finished Goods	-	-
Total (A)	<u>-</u>	<u>-</u>
Less : Opening Stock		
Finished Goods	-	-
Total (B)	<u>-</u>	<u>-</u>
Total (B-A)	<u>-</u>	<u>-</u>
17. Employee Benefit Expenses		
Salaries including other Benefits	-	-
Total	<u>-</u>	<u>-</u>
18. Depreciation Expenses		
Depreciation	4.73	4.73
Total	<u>4.73</u>	<u>4.73</u>
19. Other Expenses		
Insurance	0.64	0.63
Legal & Professional Charges	0.31	0.35
General Expenses	1.22	0.01
Payment to Auditors	0.30	0.30
Vehicle Running Expenses	0.56	1.66
Fees & Subscription	0.18	-
Total	<u>3.21</u>	<u>2.95</u>

NOTES FORMING PART OF ACCOUNTS

20. Basic & Diluted Earnings Per Share

Particulars	For the year ended 31 st March 19	For the year ended 31 st March 18
Profit/(Loss) attributable to the Equity shareholders (A) (Rs. in Lacs)	(1.78)	(0.09)
Weighted average number of equity shares outstanding during the year - (B)	3240040	3240040
Potential Equity Share (Preference Share)	1259360	1259360
Nominal value of equity shares (Rs.)	10	10
Basic Earnings per share (Rs.)	(0.04)	(0.00)
Diluted Earnings per share (Rs.)	(0.04)	(0.00)

21. The company had settled the unsecured loans including interest thereon granted to Alps Industries Limited at a total value of Rs. 89.75 Lac receivable interest free by end of March 2019. However the company has reserved its right to reinstate the waivers granted in case of breach of terms of repayment of settled amount by the borrower.

22. In the opinion of the Management, all current assets, loans and advances have a value on realization in the ordinary course of business, at least equal to the amount at which they are stated.

23. Auditor's Remuneration

Rs.(in Lakh)

Particulars	For the year ended 31 st March 19	For the year ended 31 st March 18
Audit Fees	0.29	0.29
Others	0.30	0.30

24. Related Party Transactions

Name of related parties and description of relationship as required by IND AS 24:

Holding Company : Alps Industries Ltd.

Key Managerial Personnel, 1. Mr. Mahen Kaushik
2. Mr. Arun Kumar Agarwal

Rs.(in Lakh)

Nature of Transaction	Transactions with Holding Company		Transactions with Key Managerial Personnel, Entities controlled by them, and their relatives	
	For the year ended 31 st March 2019	For the year ended 31 st March 2018	For the year ended 31 st March 2019	For the year ended 31 st March 2018
1. Sale of Goods	NIL	NIL	NIL	NIL
2. Purchase of Goods	NIL	NIL	NIL	NIL
3. Allotment of equity shares along with premium	NIL	NIL	NIL	NIL
4. Interest Paid	NIL	NIL	NIL	NIL
5. Interest Received	NIL	NIL	NIL	NIL
6. Advances/Loans given	NIL	NIL	NIL	NIL
7. Advances/Loans taken	NIL	NIL	NIL	NIL
8. Remuneration & Sitting Fee	NIL	NIL	NIL	NIL
9. Commission Paid	NIL	NIL	NIL	NIL
10. Balance at year end(Dr.)	89.75	89.15	NIL	NIL

NOTES FORMING PART OF ACCOUNTS**25. Financial Risk Management****i) Financial Instrument by Category:**

The Company does not carry any investments or similar instruments.

ii) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages those risks.

(A) Credit Risk

Credit risk is the risk that a counter party fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. Credit risk related to cash and cash equivalents and bank deposits is managed only by accepting highly rated banks and diversifying bank deposits. Other financial assets measured at amortized cost include loans to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensures the amounts are within defined limits.

Credit Risk Management: The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

- a) Low credit risk
- b) Moderate credit risk
- c) High credit risk

Credit Risk Exposures: The Company's trade receivables do not have any expected credit loss as they are generally within the credit period. In case of non-recoverability in extreme cases, the Company, accordingly, provides for the same in its books of account instead of writing it off permanently.

(B) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains adequate liquidity for meeting its obligations by monitoring the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows from the operations.

C) Market Risk

Market risk is the risk of changes in the market prices on account of foreign exchange rates, interest rates and Commodity prices, which shall affect the Company's income or the value of its holdings of its financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimizing the returns

a) Currency Risk

The Company does not have any transactions denominated in foreign currencies, which are subject to the risk of exchange rate fluctuations.

b) Interest risk

- i) Assets:** The Company's deposits are maintained in current account, therefore the company is not at any risk on account of interest rate
- ii) Liabilities:** The Company does not have any borrowings hence the Company is not at any risk on account of interest rate.

26. The previous period figures have been regrouped and rearranged, wherever necessary to make them corresponded with those of current period classification and disclosure.

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

For and on behalf of the Board

Rajesh K.Govil
 Partner
 Membership No. 013632

Rahul Sharma
 Dy Manager (Accounts)

Arun Kumar Agarwal
 Director
 DIN: 06436816

Mehan Kaushik
 Director
 DIN: 08071910

Place : Delhi
Date : May 9th, 2019

CONSOLIDATED

**Financial Statements for the year
ended 31st March, 2019**

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AUDITORS' REPORT

To,
The Members of
ALPS INDUSTRIES LIMITED

Report on the Consolidated Financial Statements

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, 2019, 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.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") 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.

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.

Basis for Qualified Opinion

Refer to note no. 39 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.

Qualified Opinion

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, 2019, and its loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Emphasis of Matters

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

To note no 39 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.

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. 344.08 Lac as at 31st March, 2019, 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.

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, 2019 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, 2019 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 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, 2019 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 K Govil)
Partner
Membership No.: 013632

Place: Ghaziabad
Date: May 30, 2019

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")

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, 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

2. 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

3. 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.
4. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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

6. 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

7. 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

8. 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, 2019, 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 K Govil)
Partner
Membership No. : 013632

Place: Ghaziabad
Date: May 30, 2019

BALANCE SHEET

		AS AT 31.03.19 Rs.(in Lakh)	AS AT 31.03.18 Rs.(in Lakh)
BALANCE SHEET AS AT 31st MARCH, 2019			
ASSETS	Notes		
Non-Current Assets			
Property, Plant and Equipment	2a	28,747.00	31,852.48
Capital Work in Progress		5.29	0.60
Other Intangibles Assets	2b	195.21	248.92
Financial Assets			
Investments	3	129.00	129.30
Loans	4	338.13	436.44
Other Non- Current Assets	5	1,141.02	1,319.08
		<u>30,555.65</u>	<u>33,986.82</u>
Current Assets			
Inventories	6	2,963.07	3,313.37
Financial Assets			
Trade Receivables	7	3,005.52	3,029.72
Cash and Cash Equivalents	8	299.27	154.21
Other Bank Balance	9	86.39	122.37
Other Financial Assets	10	11.70	43.57
Current Tax Assets	11	178.51	131.35
Other Current Assets	12	668.45	904.73
		<u>7,212.91</u>	<u>7,699.32</u>
		<u>37,768.56</u>	<u>41,686.14</u>
Total Assets			
EQUITY AND LIABILITIES			
Equity			
Share Capital	13	3,911.41	3,911.41
Other Equity		(48,234.96)	(41,908.03)
Non Controlling Interest		8.46	9.00
		<u>(44,315.09)</u>	<u>(37,987.62)</u>
Liabilities			
Non-Current Liabilities			
Financial Liability			
Borrowings	14	39,966.26	39,976.08
Provision	15	282.61	314.68
		<u>40,248.87</u>	<u>40,290.76</u>
Current Liabilities			
Financial Liabilities			
Borrowings	16	37,227.40	32,287.14
Trade Payables	17	2,313.02	1,969.59
Other financial liabilities	18	2,000.01	4,946.32
Other current liabilities	19	254.48	137.44
Provisions	15	39.87	42.51
		<u>41,834.78</u>	<u>39,383.00</u>
		<u>82,083.65</u>	<u>79,673.76</u>
Total Liabilities			
Total Equity and Liabilities			
		<u>37,768.56</u>	<u>41,686.14</u>
Significant Accounting Policies	1		
Notes to the Financial Statements	2-52		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For **R.K. Govil & Co..**
Chartered Accountants
Firm Regn No. – 000748C

For and on behalf of the board

Rajesh Kumar Govil
Partner
Membership No.013632

Sandeep Agarwal
Managing Director

Place: Ghaziabad
Dated: May 30, 2019

A.K. Singhal
President Corp. (F&A)

Ajay Gupta
Company Secretary

P.K. Rajput
Executive Director

STATEMENT OF PROFIT & LOSS

CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2019

	Notes	YEAR ENDED 31.03.19 Rs.(in Lakh)	YEAR ENDED 31.03.18 Rs.(in Lakh)
INCOME			
Revenue from Operations	20	37,115.19	36,351.63
Other Income	21	636.15	333.02
Total Income		37,751.34	36,684.65
EXPENSES			
Cost of Material Consumed	22	24,440.84	23,802.61
Change in Inventories	23	(273.41)	1,297.01
Excise Duty		0.03	4.91
Employees Benefit Expenses	24	4,722.36	5,739.55
Finance Costs	25	5,783.60	5,440.82
Depreciation	26	3,383.66	3,526.58
Other Expenses	27	8,260.16	8,839.22
Total Expense		46,317.24	48,650.70
Profit/(Loss) before Exceptional Items and Tax		(8,565.90)	(11,966.05)
Add/(Less): Exceptional Items		2,239.07	-
Profit/(Loss) before Tax		(6,326.83)	(11,966.05)
Less/(-Add): Tax Expense		-	-
Profit/(Loss) after Tax		(6,326.83)	(11,966.05)
Other Comprehensive Income		-	41.73
Total Comprehensive Income		(6,326.83)	(11,924.32)
Attributable to :			
Out of Total Comprehensive Income above			
Owners		(6,326.29)	(11,924.27)
Non Controlling Interest		(0.54)	(0.05)
Profit for the Period Attributable to :			
Owners		(6,326.29)	(11,924.27)
Non Controlling Interest		(0.54)	(0.05)
Out of Total Comprehensive Income above			
Other Comprehensive Income for the period attributable to :			
Owners		-	41.73
Non Controlling Interest			
Earnings Per Equity Share			
Basic		(16.18)	(30.59)
Diluted		(16.18)	(30.59)
Significant Accounting Policies	1		
Notes to the Financial Statements	2-52		

The Accompanying notes are an integral part of Financial Statements

As per our report of even date
For **R.K. Govil & Co.**
Chartered Accountants
Firm Regn No. – 000748C

For and on behalf of the board

Rajesh Kumar Govil
Partner
Membership No.013632

Sandeep Agarwal
Managing Director

Place: Ghaziabad
Dated: May 30, 2019

A.K. Singhal
President Corp. (F&A)

Ajay Gupta
Company Secretary

P.K. Rajput
Executive Director

CONSOLIDATED ALPS INDUSTRIES LTD.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

Rs.(in Lakh)

	Equity Share Capital (A)	OTHER EQUITY							Total equity attributable to equity holders of the Company (A)+(B)	
		Reserve & Surplus						Equity Instrument through OCI		Total Other Equity (B)
		Capital Reserve	Securities premium reserve	Equity component of Compound financial Instrument	General Reserve	Exchange Fluctuation Reserve	Retained earnings			
Balance as at March 31,2018	3,911.41	290.00	16,668.93	2,232.01	7,999.30	(256.34)	(68921.10)	79.17	(41,908.03)	(37,996.62)
IND AS adjustments	-	-	-	-	-	-	-	-	-	-
Profit for the year 2018-19	-	-	-	-	-	(0.64)	(6,326.29)	-	(6,326.93)	(6,326.93)
Balance as at March 31,2019	3,911.41	290.00	16,668.93	2,232.01	7,999.30	(256.98)	(75,247.39)	79.17	(48,234.96)	(44,323.55)

As per our report of even date
For **R.K. Govil & Co.**
Chartered Accountants
Firm Regn No. – 000748C

For and on behalf of the board

Rajesh Kumar Govil
Partner
Membership No.013632

Sandeep Agarwal
Managing Director

Place: Ghaziabad
Dated: May 30, 2019

A.K. Singhal
President Corp. (F&A)

Ajay Gupta
Company Secretary

P.K. Rajput
Executive Director

CASH FLOW STATEMENT

Rs.(in Lakh)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/ (Loss) Before Tax and Extraordinary items	(6,326.83)	(11,924.32)
Adjustment for :		
Transition Adjustment	(0.00)	0.00
Depreciation/Amortization	3,383.66	3,526.58
Interest Received	(36.33)	(74.88)
Finance Cost	5,783.60	5,440.82
Loss on Disposal of Assets	162.77	368.27
Exchange Fluctuation	(0.64)	(0.03)
Operating Profit/Loss Before Working Capital Changes	2,966.23	(2,663.56)
Adjustment for Working Capital Changes		
Increase/(Decrease) in Financial Liabilities		
Borrowings	4,940.26	5,565.87
Trade Payables	343.44	(1,745.71)
Other financial liabilities	(2,946.30)	(257.60)
Increase/(Decrease) in other Current Liabilities	117.03	(1,259.60)
Increase/(Decrease) in Provisions	(34.72)	(33.94)
Decrease/(Increase) in Financial Assets		
Trade receivables	24.20	1,027.58
Other financial assets	31.87	2.96
Decrease/(Increase) in other Current Assets	236.27	(126.91)
Decrease/(Increase) in other Non Current Assets	178.06	17.62
Decrease/(Increase) in Inventories	350.31	3,665.51
Direct taxes received/(paid)	(47.16)	38.66
Cash Flow Before Extraordinary Items	6,159.49	4,230.87

CONSOLIDATED ALPS INDUSTRIES LTD.

	Year Ended 31.03.2019	Year Ended 31.03.2018
Net Cash Generated by Operating Activities	6,159.49	4,230.87
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Expenditure on Property, Plant and Equipment	(461.11)	(232.29)
Proceeds from Property, Plant and Equipment	69.18	1,397.99
Interest Received	36.33	74.88
(Increase)/Decrease in Fixed Deposits	35.98	171.93
Change in Minority of Snowflakes	-	(212.53)
Decrease/(Increase) in Financial Assets		
Decrease/(Increase) in Investment	0.30	(72.16)
Net Cash from/ (used in) Investing Activities	(319.32)	1,127.82
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Finance Cost	(5,783.60)	(5,440.82)
Decrease/(Increase) in Financial Assets	-	-
Increase/(Decrease) in Loans	98.31	160.36
Increase/(Decrease) in Financial Liabilities	-	-
Increase/(Decrease) in Long Terms Borrowing	(9.82)	(307.76)
Net Cash from/ (used in) Financing Activities	(5,695.11)	(5,588.22)
Net Increase(Decrease) in Cash & Cash Equivalents	145.06	(229.53)
Opening Balance of Cash and Cash Equivalents	154.21	383.74
Closing Balance of Cash and Cash Equivalents (refer note 9)	299.27	154.21

Notes:

- 1- Figure in brackets are for decrease.
- 2- 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)

For and on behalf of the Board

RAJESH K. GOVIL
Partner
Membership No. 13632
Place : Ghaziabad
Date : May 30, 2019

A.K. Singhal
President Corp. (F&A)

Ajay Gupta
Company Secretary

Sandeep Agarwal
Managing Director

P.K. Rajput
Executive Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES:

1. Corporate Information

Alps Industries Limited (the Company) is a public Limited Company. The Company and its Subsidiaries collectively referred to as "The Group" and is primarily engaged into Textile business. Holding company having CIN L51109UP1972PLC003544 is listed on the Bombay Stock Exchange and National Stock Exchange engaged into textile business.

2. Basis of Preparation and Significant Accounting Policies

A) Basis of preparation of financial statements

(a) Statement of Compliance

The financial statements of the Group have been prepared in accordance with Indian Accounting Standards (IND AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (the Act), (IND AS compliant Schedule III), as applicable to the group. The group adopted IND AS from April 01, 2017.

For all periods up to and including the year ended March 31, 2017, the group prepared its financial statements in accordance with the requirements of previous Generally Accepted Accounting Principles (GAAP), which includes Standard notified under the Companies (Accounting Standards) Rules, 2006. These are the group's first IND AS financial statements with transition date of April 01, 2016.

The group has adopted all IND AS standards and the adoption was carried out in accordance with IND AS 101 'First Time Adoption of Indian Accounting Standards' issued by Ministry of corporate affairs. The group has presented reconciliation (from previous GAAP to IND AS) of total equity as at April 01, 2016, March 31, 2017 and Statement of Profit and Loss for the year ended March 31, 2017.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The consolidated financial statements are prepared by applying uniform accounting policies in use at the group. Non controlling interest has been excluded. Non controlling interests represent that part of the assets of subsidiaries that are not owned by the parent company.

(b) Functional and presentation currency

These financial statements are presented in Indian rupees (Rs. In Lakh), which is the group's functional currency.

(c) Basis of Measurement

The financial statements are prepared as a going concern basis under historical cost convention basis except for certain items which are measured at fair values.

Determining the Fair Value

While measuring the Fair Value of an asset or a liability, the group uses observable market data as far as possible. Fair values are categorised into different levels in a Fair Value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liabilities that are not based on observable market data (unobservable inputs).

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature,

the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient then the same has been valued at Rs. 1/- per share.

(d) Use of Estimate

The preparation of financial statements in conformity with the IND AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of the contingent asset and contingent liability at the date of the financial statements and reported amount of income and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from the estimates. Appropriate changes in estimate are made as the management becomes aware of the change in circumstances surrounding the estimates. Changes in the estimates are reflected in the financial statements in the period in which the changes are made and, if material, their effects are disclosed in the notes to financial statements.

(e) Operating Cycle

All assets and liabilities have been classified as current or non-current as per the group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and IND AS 1 – Presentation of Financial Statements issued by the Ministry of Corporate Affairs based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

B) Recent accounting pronouncement

- i. IND AS 115- Revenue from Contract with Customers: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the IND AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The group has adopted the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 are not retrospectively adjusted.

- ii. IND AS 116 on "Leases": On March 30, 2019, Ministry of Corporate Affairs has notified IND AS 116 on Leases. Ind AS 116 will replace the existing IND AS 17 on Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the Lessee and the Lessor. IND AS 116 introduces a single lease accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit & Loss as per IND AS 17. The Standard also contains enhanced disclosure requirements for lessees. The effective date for adoption of IND AS 116 is annual periods beginning on or after April 1, 2019. The standard permits two possible methods of transition:
 - a) Full retrospective: Retrospectively to each prior period presented applying IND AS 8 on 'Accounting Policies, Changes in Accounting Estimates and Errors'.
 - b) Modified retrospective: Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application. Under modified retrospective approach, the lessee records the lease liability at the present value of remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date certain practical expedients are available under both the methods.

On completion of the evaluation of the effect of adoption of the IND AS 116, the Company is proposing to use the "Modified retrospective Approach" for transition to IND AS 116. Accordingly comparatives for the year ended March 31, 2019 will not be retrospectively adjusted.

C) Significant Accounting Policies

(a) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition or construction, net of Input tax credit available, less accumulated depreciation and impairment, if any. For this purpose, cost includes deemed cost which represents the carrying value of Property, Plant and Equipment recognised as at April 1, 2016 measured as per the previous GAAP. Cost directly attributable to acquisition are capitalised until the Property, Plant and Equipment are ready for use as intended by the management.

Property, Plant and Equipment are derecognised from financial statements, either on disposal or when no economic benefits are expected from its use. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the Property, Plant and Equipment and the resultant gains or losses are recognized in the Statement of Profit and Loss.

Depreciation on Property, Plant and Equipment commences when these assets are ready for their intended use. Items of Property, Plant and Equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of these assets, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis. Depreciation on Property, Plant and Equipment purchased or sold during the year is proportionately charged.

(b) Intangible Assets

Intangible Assets are stated at cost of acquisition less accumulated amortisation. Specialized Software is amortised over an estimated useful period of five year. Amortisation is done on straight line basis.

(c) Impairment of Non Financial Assets

Property, Plant and Equipment are evaluated for recoverability, whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

(d) Inventories

- (i) Inventories are valued at lower of cost or net realisable value except for scrap and by-products which are valued at net realisable value.
- (ii) Cost of inventories of finished goods and work-in-process includes material cost, cost of conversion and other related overhead costs.
- (iii) Cost of inventory of cotton is determined on weighted Average Cost Basis and other raw material on FIFO basis.

(e) Financial Instruments

Financial Assets and Financial Liabilities are recognised when the group becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the group commits to purchase or sell the asset.

Financial Assets:

Recognition: Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash

equivalents. Such assets are initially recognised at transaction price when the group becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial Assets are classified as those measured at:

- (a) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/or interest.
- (b) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- (c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

In case of investment in equity shares

For Investments in equity instruments are measured at FVTOCI where "Available for Sale and at FVTPL where "Held for Trade".

Other:

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc., are classified at cost.

Impairment: The group assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since its initial recognition.

Reclassification: When and only when the business model is changed, the group shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the IND AS relating to Financial Instruments.

De-recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the group has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- (a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- (b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Financial Liabilities

Initial and subsequent recognition: Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption / settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

De-recognition: Financial liabilities are de-recognised when the liability is extinguished, that is, when the contractual obligation in respect of the liabilities is discharged, cancelled and settled on expiry by the group.

Offsetting Financial Instruments Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Equity Instruments

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

(f) Government Grants

Government grants are recognised when there is reasonable assurance that the grant will be received, and the group will comply with the conditions attached to the grant. Accordingly, government grants:

- (a) related to or used for assets are accounted for and deducted from the respective assets in the year of receipt.
- (b) related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.
- (c) by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

(g) Claims, Provisions, Contingent Assets and Liabilities:

Claims lodged by and lodged against the group are accounted in the year of payment or settlement thereof. Provisions are recognised when, as a result of a past event, the group has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is the best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation.

In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

Contingent liabilities are not recognised but are disclosed by way of notes to the financial statements, after careful evaluation by the management of the facts and legal aspects of each matter involved.

Contingent assets are neither recognised nor disclosed in the financial statements.

Contingent liabilities are assessed continually to determine whether an outflow of resources embodying the economic benefit has become probable. If it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as contingent liability, a provision is recognised in the financial statements of the period in which the change in probability occurs.

(h) Recognition of Revenue and Expenditure

- (i) Revenue is recognised to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable. Revenue represents the net invoice value of goods and services provided to third parties after deducting discounts, volume rebates, outgoing taxes.

Revenue is recognised usually when all significant risks and rewards of ownership of the asset sold are transferred to the customer and the commodity has been delivered to the shipping agent. Revenue from sale of material by-products are included in revenue.

(ii) Interest and Dividend Income

Interest income is recognised using Effective Interest Method (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of financial instruments or a shorter period, where appropriate, to the gross carrying amount of the asset or to the amortised cost of financial liability. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit loss.

Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

(i) Borrowing Cost

Borrowing Cost attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets upto the date when such assets are ready for intended use. Other borrowing costs are charged as expense in the year in which they are incurred.

(j) Employee Benefits

Benefits such as salaries, wages and short term compensations etc. is recognized in the period in which the employee renders the related services.

The group makes contributions to defined benefit schemes and defined contribution plans. Provident Fund contributions are in the nature of defined contribution scheme. Provident funds are deposited with government and recognised as an expense. The group also make contribution to defined benefit plan i.e. gratuity plan. The cost of providing benefits under the defined benefit obligation is calculated by independent actuary using the projected unit credit method. Service costs and net interest expense or income is reflected in the Statement of Profit and Loss. Gain or Loss on account of re-measurements are recognised immediately through other comprehensive income in the period in which they occur.

The employees of the group are entitled to compensated leave for which the group records the liability based on actuarial valuation computed using projected unit credit method. These benefits are unfunded.

(k) Taxes on Income

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

(l) Foreign Currency Transactions and Translation

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.

Monetary items denominated in foreign currencies at the yearend are restated at year end rates. In case of monetary items which are covered by forward exchange contracts, the difference between the yearend rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts has been recognised over the life of the contract. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.

Non-monetary foreign currency items are carried at cost.

The translation of financial statement of foreign subsidiary from the respective local currency to functional currency of the company is performed for the balance sheet accounts using the exchange rate in effect at the balance sheet date and the resulting difference is presented as Foreign currency Translation Reserves included in Reserves & Surplus.

(m) Prior Period Errors

Prior Period Errors have been corrected retrospectively in the financial statements. Retrospective application means that the correction affects only prior period comparative figures, current period amounts are unaffected. Comparative amounts of each prior period presented which contain errors are restated. If however, an error relates to a reporting period that is before the earliest prior period presented, then the opening balances of assets, liabilities and equity of the earliest prior period presented has been restated by following IAS 8.

(n) Earnings Per Share

A basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the group by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also, the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

(o) Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the group are segregated based on the available information.

Amendment to IND AS-7

Effective April 1, 2017, the group adopted the amendment to IND AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of amendment did not have any material impact on the financial statements.

(p) Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

NOTES FORMING PART OF ACCOUNTS

2. DETAILS OF PROPERTY, PLANT & EQUIPMENT FOR THE F.Y. 2018-19

2 (a) Property, Plant and Equipment

Rs.(in Lakh)

Particulars	Land	Buildings	Plant & Machinery	Furniture & Fixtures	Office Equipments	Vehicles	Computers	Total
Gross carrying value								
As at March 31, 2018	649.83	14,789.78	60,660.23	411.66	324.19	276.23	781.29	77,893.21
-Additions	-	30.65	414.98	0.48	3.84	0.60	5.87	456.42
-Disposals	-	-	723.29	42.70	42.92	29.44	0.06	838.41
As at March 31, 2019	649.83	14,820.43	60,351.92	369.44	285.11	247.39	787.10	77,511.22
Depreciation								
As at March 31, 2018	-	5,415.97	36,701.96	324.82	278.35	228.60	724.70	43,674.40
Depreciation charge during the period	-	453.47	2,809.65	25.80	16.34	10.16	14.54	3,329.96
Depreciation on deduction	-	-	499.31	39.70	40.01	27.45	-	606.47
As at March 31, 2019	-	5,869.44	39,012.30	310.92	254.68	211.31	739.24	46,397.89
Impairment								
As at March 31, 2018	-	142.48	2,219.01	2.45	2.13	-	0.26	2,366.33
Impairment charge during the period	-	-	-	-	-	-	-	-
As at March 31, 2019	-	142.48	2,219.01	2.45	2.13	-	0.26	2,366.33
Net Book Value								
As at March 31, 2018	649.83	9,231.33	21,739.26	84.39	43.71	47.63	56.33	31,852.48
As at March 31, 2019	649.83	8,808.51	19,120.61	56.07	28.30	36.08	47.60	28,747.00

2 (b) Other Intangibles Assets

Rs.(in Lakh)

Particulars	Computer Software	Total
Gross carrying value		
As at March 31, 2018	312.55	312.55
-Additions	-	-
-Disposals	0.17	0.17
As at March 31, 2019	312.38	312.38
Amortization		
As at March 31, 2018	63.63	63.63
Amortization during the period	53.70	53.70
Amortization on deduction	0.16	0.16
As at March 31, 2019	117.17	117.17
Net Book Value		
As at March 31, 2018	248.92	248.92
As at March 31, 2019	195.21	195.21

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.19 Rs.(in Lakh)	AS AT 31.03.18 Rs.(in Lakh)
3. Investments		
Investment in Equity Instruments & Non - Subsidiary Companies		
(A) Quoted Shares		
Kay Power and Paper Ltd.	0.39	0.66
13,400 (March 31, 2018: 13,400) Equity shares of Rs. 10 (March 31, 2018: Rs.10) each		
Parasram Puria Synthetics Ltd. 720 (March 31, 2018: 720) Equity shares of Rs. 10 (March 31, 2018: Rs.10) each	-	0.01
Golden Syntex (Bhilwara) Ltd. 2000 (March 31, 2018: 2000) Equity shares of Rs. 10 (March 31, 2018: Rs.10) each	-	0.02
(B) Unquoted Shares		
Colombine Cody Corp. N.P.V. 2450 (March 31, 2018: 2450)	0.02	0.02
Snowflakes Meditech Pvt. Ltd. 1285910 Zero Coupem Non - Redeemable Convertible Preference Shares of Rs. 10/- each Shares of Rs. 10/- each	128.59	128.59
Total	<u>129.00</u>	<u>129.30</u>
4. Loans		
Unsecured, considered good		
Security deposits	338.13	436.44
Total	<u>338.13</u>	<u>436.44</u>
5. Other Non - Current Assets		
Capital Advance	63.50	230.48
Advance against Leasing of Land	1,077.52	1,088.60
Total	<u>1,141.02</u>	<u>1,319.08</u>
6. Inventory		
Production Supplies	1,284.01	1,852.33
Stores & Spares	198.10	253.49
Work in Progress	684.47	439.47
Finished Goods	796.49	768.08
Total	<u>2,963.07</u>	<u>3,313.37</u>

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.19 Rs.(in Lakh)	AS AT 31.03.18 Rs.(in Lakh)
7. Trade Receivables		
Unsecured, Considered Good	3,005.52	3,029.72
Doubtful	378.68	467.54
Less: Provision for Doubtful Assets	378.68	467.54
Total	<u>3,005.52</u>	<u>3,029.72</u>
8. Cash and Cash Equivalents		
Balances with Banks		
Current Account	266.38	123.71
Cheques , Drafts on Hand	2.09	12.21
Cash on Hand	30.80	18.29
Total	<u>299.27</u>	<u>154.21</u>
9. Other Bank Balance		
Margin Money		
Fixed Deposit Account (Pledged against margin)	86.39	122.37
Total	<u>86.39</u>	<u>122.37</u>
10. Other Financial Assets		
Interest Accrued but not Due	11.70	43.57
Total	<u>11.70</u>	<u>43.57</u>
11. Current Tax Assets		
Advance Income Tax Including TDS	166.37	119.21
Minimum Alternate Tax	12.14	12.14
Total	<u>178.51</u>	<u>131.35</u>
12. Other Current Assets		
Insurance and other Claims Receivable	6.01	7.48
Balance with Govt. Authority	295.46	432.66
Export Incentive Receivable	238.90	275.30
Advance against Leasing of Land	11.26	11.43
Other Receivables	116.82	177.86
Total	<u>668.45</u>	<u>904.73</u>
13. Equity Share Capital		
Authorized Share Capital		
4,00,00,000 (March 31, 2018: 4,00,00,000) equity shares of Rs.10 (March 31, 2018: Rs.10) each	4,000.00	4,000.00
3,05,00,000 (March 31, 2018: 3,05,00,000) Preference shares of Rs.10 (March 31, 2018: Rs.10) each	30,500.00	30,500.00
	<u>34,500.00</u>	<u>34,500.00</u>

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.19 Rs.(in Lakh)	AS AT 31.03.18 Rs.(in Lakh)
Issued Share Capital		
3,91,14,100 Mar, 2019 (Mar, 2018: 3,91,14,100)	3,911.41	3,911.41
Equity Shares Rs. 10 Mar'2019 (Mar'2018: Rs.10) each		
Subscribed and Paid Up Capital		
3,91,14,100 Mar, 2019 (Mar, 2018: 3,91,14,100)	3,911.41	3,911.41
Equity Shares Rs. 10 Mar'2019 (Mar'2018: Rs.10) each		
a) Reconciliation of the Shares Outstanding at the Beginning		
and at the end of the reporting period:		
Equity Shares		
Outstanding at the beginning of the year	391.14	391.14
Outstanding at the end of the period/year	391.14	391.14
b) Details of Shareholders Holding More than 5% Shares in the Company		
Equity shares		
Pacific Texmark Pvt. Ltd. No.	28.36	28.36
Pacific Texmark Pvt. Ltd. %age	7.25	7.25
14. Borrowings		
Loans & Borrowing		
Secured		
Amount Due to ARC/Banks	26,880.03	26,880.03
Unsecured		
Amount Due to others	18.63	28.45
Pref Share Due to Banks	13,067.60	13,067.60
Total	<u>39,966.26</u>	<u>39,976.08</u>
15. Provisions		
Non-Current		
Provision for Employee Benefit	282.61	314.68
Total	<u>282.61</u>	<u>314.68</u>
Current		
Provision for Employee Benefit	39.87	42.51
Total	<u>39.87</u>	<u>42.51</u>
16. Loans & Borrowing		
Amount Payable on Demand to Banks	24,627.36	24,627.36
Current Maturity of amount due to ARC	12,600.04	7,514.54
Book Overdraft	-	145.24
Total	<u>37,227.40</u>	<u>32,287.14</u>
17. Trade Payable		
(a) Micro, Small & Medium Enterprises	61.06	30.34
(b) Others	2,251.96	1,939.25
Total	<u>2,313.02</u>	<u>1,969.59</u>

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.19 Rs.(in Lakh)	AS AT 31.03.18 Rs.(in Lakh)
18. Other Financial Liabilities		
Expenses Payable	1,995.38	4,783.76
Creditors for Fixed Assets	1.46	159.97
Others	3.17	2.59
Total	<u>2,000.01</u>	<u>4,946.32</u>
19. Other Current Liabilities		
Revenue Received in Advance	254.48	137.44
Total	<u>254.48</u>	<u>137.44</u>
	YEAR ENDED 31.03.19 Rs.(in Lakh)	YEAR ENDED 31.03.18 Rs.(in Lakh)
20. Revenue from Operations		
Sale of Products (Including Traded Goods)		
Export	21,856.11	11,587.96
Domestic	12,516.14	21,719.56
Total (A)	<u>34,372.25</u>	<u>33,307.52</u>
Other Operating Revenue		
Scrap/ Waste Sale	826.68	849.60
Export Incentives	752.94	624.52
Job Work Receipt	1,163.32	1,569.99
Total (B)	<u>2,742.94</u>	<u>3,044.11</u>
Net Revenue from operations Total (A+B)	<u>37,115.19</u>	<u>36,351.63</u>
21. Other Income		
Interest received	36.33	74.88
Other income	112.14	70.18
Prov. For doubtful Debts written back	104.09	-
Foreign Currency exchange fluctuation(net)	376.99	175.88
Profit on Disposal of Assets	6.60	-
Profit on Sale of Investement	-	12.08
Total	<u>636.15</u>	<u>333.02</u>

NOTES FORMING PART OF ACCOUNTS

	YEAR ENDED 31.03.19 Rs.(in Lakh)	YEAR ENDED 31.03.18 Rs.(in Lakh)
22. Cost of Material Consumed		
Opening Stock	1,852.33	4,128.92
Add: Purchases	23,872.51	21,526.01
Total	<u>25,724.84</u>	<u>25,654.93</u>
Less: Closing Stock	1284.00	1852.32
Total	<u>24440.84</u>	<u>23,802.61</u>
23. Change in Inventories of Finished Goods, WIP Stock and Stock in Trade		
Closing Stock		
Finished Goods	796.49	768.08
Work-in-Progress	684.48	439.48
Total (A)	<u>1,480.97</u>	<u>1,207.56</u>
Less : Opening Stock		
Finished Goods	768.08	1,897.76
Work-in-Progress	439.48	606.81
Total (B)	<u>1,207.56</u>	<u>2,504.57</u>
Total (B-A)	<u>(273.41)</u>	<u>1,297.01</u>
24. Employee Benefit Expenses		
Salaries including other Benefits	2,279.60	3,101.05
Wages including other Benefits	2,125.53	2,231.08
Contribution to Provident & other Funds - Wages	119.50	163.31
Contribution to Provident & other Funds - Salary	69.64	86.70
Gratuity	61.61	73.05
Employees Welfare	61.86	70.79
Managerial Remuneration	4.62	13.57
Total	<u>4,722.36</u>	<u>5,739.55</u>
25. Finance Cost		
Interest Paid on Borrowings as per Effective Interest Method		
ARC/Bank	4,599.60	4,353.47
Others	7.92	8.37
Dividend on Pref Shares	1,176.08	1,078.98
Total	<u>5,783.60</u>	<u>5,440.82</u>
26. Depreciation & Amortisation Expenses		
Depreciation	3,383.66	3,526.58
Amortisation	11.26	11.43
Less : Amortising of Lease Rent	11.26	11.43
Total	<u>3,383.66</u>	<u>3,526.58</u>

NOTES FORMING PART OF ACCOUNTS

	YEAR ENDED 31.03.19 Rs.(in Lakh)	YEAR ENDED 31.03.18 Rs.(in Lakh)
27. Other Expenses		
Manufacturing Expenses		
Production Expenses	713.87	861.59
Security & Vigilance	30.62	41.31
Consumption of Stores & Spares	645.42	760.62
Power & Fuel	3850.01	4,059.30
Carriage & Cartage	14.61	21.69
Administrative Expenses		
Rent	35.69	66.96
Amortization of lease advance	11.26	11.43
Insurance	73.86	86.70
Rates & Taxes	24.85	35.74
Postage, Telegrams and Telephones	6.56	8.35
Printing , Stationary & Computer Expenses	27.82	39.20
Legal & Professional Charges	377.69	362.17
Travelling & Conveyance- Others	247.76	291.06
Travelling & Conveyance- Directors	23.56	17.25
Telephone, Fax & Internet Exp.	27.65	45.29
Books & Periodicals	0.26	0.63
Fees & Subscription	26.04	23.42
General Expenses	9.84	16.16
Bank Charges	75.92	67.76
Payment to Auditors	31.26	31.31
Vehicle Running Expenses	64.03	61.07
Donation	-	0.25
Hank Yarn Obligation	0.01	4.87
Loss on Disposal of Assets	162.77	368.27
Diminution in the value of Investment	0.26	-
W/off Investment	0.03	-
Repairs & Maintenance		
Building	9.27	23.96
Machinery	131.85	118.30
Others	49.13	42.04
Selling & Distribution Expenses		
Freight & Forwarding	160.88	285.10
Sales Promotion & Incentives	435.05	420.50
Bad Debts W/Off	51.01	10.69
Prov. For doubtful Debts	-	43.99
Advertisement & Publicity	69.64	98.60
Excise/ Vat /TCS Expenses	5.74	0.05
Freight on Exports	865.94	513.59
Total	8,260.16	8,839.22

NOTES FORMING PART OF ACCOUNTS

28. Basic & Diluted Earnings Per Share

Particulars	For the year ended 31 st March 19	For the year ended 31 st March 18
Profit (Loss) for the Year before Preference Dividend and attributable tax thereon (Rs. in Lakh)	(6326.83)	(11966.05)
Weighted average number of equity shares outstanding during the year - (B)	39114100	39114100
Nominal value of equity shares (Rs.)	10.00	10.00
Basic Earnings per share (Rs.)	(16.18)	(30.59)
Diluted Earnings per share (Rs.)	(16.18)	(30.59)

Note : As per the restructuring scheme being part of DRS which was consented by secured lenders (representing more than 83% of total outstanding secured debts of the company) and presented before erstwhile Hon'ble BIFR, the company is under an obligation to issue fresh equity to the tune of Rs. 26.78 crore (approx.) to its lenders upon its sanction.

29. Earnings in Foreign Exchange

Particulars	For the year ended 31 st March 19	For the year ended 31 st March 18
Rs.(in Lakh)		
F.O.B. Value of Exports	21847.37	11668.61

30. Value of consumption of Raw Materials & Stores imported & indigenous and % of each to total consumption:

Particulars	For the year ended 31 st March 19	% of consumption	For the year ended 31 st March 18	% of consumption
Rs.(in Lakh)				
Raw Material				
Imported	1145.50	4.68%	953.31	4.91%
Indigenous	23295.34	95.32%	22849.30	95.99%
Total	24440.84	100.00%	23802.61	100.00%
Stores				
Imported	129.88	20.12%	169.59	22.30%
Indigenous	515.54	79.88%	591.03	77.70%

31. C.I.F. Value of Imports

Particulars	For the year ended 31 st March 19 Amount	For the year ended 31 st March 18 Amount
Rs.(in Lakh)		
Raw Materials	1041.76	877.78
Capital Goods	-	9.18
Components & Spare Parts	160.61	172.96

NOTES FORMING PART OF ACCOUNTS

32. Payment to Auditor's

Rs.(in Lakh)

Particulars	For the year ended 31 st March 19	For the year ended 31 st March 18
Audit Fee	14.29	14.44
Other Services	17.27	16.87

33. Expenditure in Foreign Currency

Rs.(in Lakh)

Particulars	For the year ended 31 st March 19	For the year ended 31 st March 18
Foreign Travels	37.35	28.30
Others	265.89	332.78

34. Holdings of Alps Industries Limited in its Subsidiaries:

Name of the Subsidiary	Country of Incorporation	Holding as on 31 st March 2019	Holding as on 31 st March 2018
Alps Energy Pvt. Ltd	India	69.75%	69.75%
Alps USA INC	USA	100.00%	100.00%

35. Related Party Transactions

The members of the Board are interested in the following entities, covered under the Related Party Transactions, but there were no material transactions entered into with any of these entities. However the details of transactions with them are given below:

Name of Related Parties and Description of Relationship as Required By IND AS-24:-

i	a. Subsidiary	: Alps Energy Pvt. Ltd.
	b. Wholly owned Subsidiary	: Alps USA Inc.
	c. Entities Controlled by Subsidiaries, KMP and their Relatives	: Narad Fabric Pvt. Ltd. (Formerly known Alps Processors Pvt. Ltd. : Careen Fintec (P) Ltd : Coronation Spinning India (P) Ltd : Pacific Texmark Pvt. Ltd. : Padam Precision Dies & Component pvt. Ltd : Peek Finvest (P) Ltd : Perfect Finmen Services (P) Ltd : Roseate Finevest Pvt.Ltd. : Saurabh Floriculture (P) Ltd : Supreme Finvest Pvt. Ltd : Aspen Enterprises : Peek Texfab Limited : Atsiv Fabric Pvt. Ltd.

NOTES FORMING PART OF ACCOUNTS

ii.	Key Management Personnel Non-Executive Chairman Managing Director Executive Director (WTD) President Accounts and Finance Company Secretary	a. Mr. K.K Agarwal b. Mr. Sandeep Agarwal c. Mr. P.K. Rajput d. Mr. Ashok Kumar Singhal e. Mr. Ajay Gupta
iii.	Relatives of Key Management Personnel	a. Mrs. Indu Singhal

Transactions with Related Parties for the year ended 31st March 2019 are as follows:

Rs.(in Lakh)

		Entities Controlled by subsidiaries, KMP and their relatives				
	Nature of Transaction	Narad Fabric Pvt. Ltd/	Pacific Texmark Pvt. Ltd	Aspen Enterprises	Peek Texfab Limited	Remuneration to Directors / Relatives
a.	Sale of Goods	NIL (NIL)	NIL (NIL)	NIL (43.16)	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 (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	-	-	-	-	0.40 (0.40)
	Remuneration to KMP					
	- Managing Director	-	-	-	-	Nil (Nil)
	- Executive Director (WTD)	-	-	-	-	4.62 (13.57)
	- President Account and Finance	-	-	-	-	18.96 (16.96)
	- Company Secretary	-	-	-	-	8.56 (8.00)
h.	Salary to relative of KMP					
	- Mrs. Indu Singhal	-	-	-	-	8.00 (8.00)
i.	Balance at the yearend (cr.)	NIL	NIL	NIL	NIL	-
		NIL	NIL	(28.49)	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.

NOTES FORMING PART OF ACCOUNTS

36. The Board of Directors considered and reviewed the requirement of presenting the financial results under segment reporting in terms of the IND AS, and is of the opinion that henceforth, instead of presenting the results into Product Stage Wise viz. Yarn, Home Furnishing & Fashion Accessories of 'Textile Segment', aggregate the same into one reportable segment only i.e. Textile Segment.

Geographical Segments

Rs.(in Lakh)

Particulars	SEGMENTS				Total	
	Domestic		Export			
	For the Year ended 31 st March 19	For the Year ended 31 st March 18	For the Year ended 31 st March 19	For the Year ended 31 st March 18	For the Year ended 31 st March 19	For the Year ended 31 st March 18
Segment Revenue	14506.14	24139.15	22609.05	12212.48	37115.19	36351.63

37. Contingent Liabilities and Commitments

A) Contingent liability exists in respect of:

Particulars	As at 31.03.2019	As at 31.03.2018
a) Guarantees issued by banks on behalf of company.	62.89	122.37
b) Claims against the company not acknowledged as debts	1385.89	1434.50
c) Other Claims against the company not acknowledged as debt :(detailed as under):	35577.53	36429.55
<p>(i) DBS Bank Ltd. raised claims amounting to US\$ 91.09 Lakhs and Rs. 667.39 Lakhs (totaling to Rs. 6968.86 lakhs, approx) (P.Y. totaling to Rs. 6592.26 Lakhs approx) against the Company in respect of certain foreign currency derivative transactions, which claims were disputed being per se illegal as not within the regulatory permission of Reserve Bank of India and were entered into by the Company on the basis of incomplete disclosures and details provided by the Bank, and thus, falls in the category of mis-selling by the Bank to the Company. On the basis of legal opinion, the Company has not admitted the claims of Bank & filed a suit before the competent Civil Court of law for declaring these transactions as void-ab-initio being illegal wherein the Hon'ble Civil Court had issued an interim order for maintenance of status quo with regards to recovery towards these transactions. The interim order is continuing and the matter is still pending adjudication. A revision petition filed by Bank against the status-quo order passed by the Hon'ble Civil Court is also pending adjudication before Hon'ble Allahabad High Court. In view of above facts, no provision against the aforesaid claims raised by Bank is considered necessary and therefore, it has been disclosed as part of contingent liabilities of the Company as at March 31, 2019.</p>		
<p>(ii) Merrill Lynch Capital Services Inc. raised a total claim of US\$ 195.80 Lakhs (Rs. 13543.70 Lakhs approx.) (P.Y. Rs. 12735.59 Lakhs approx.) against the Group Companies in respect of an alleged derivative transactions entered with Alps USA Inc. and corporate guarantee thereof of US\$ 100 Lakhs (Rs. 6917.13 Lakhs approx.) (P.Y. Rs. 6504.41 Lakhs approx.) alleged to have been provided by the Alps Industries Ltd. for its subsidiary company, M/s Alps USA Inc. These claims were disputed being per se illegal as not within the regulatory permission of RBI and were entered into by the Company on the basis of incomplete disclosures and details provided by the bank and thus, falls in the category of mis-selling by the bank. RBI has also refused to take on record the said corporate guarantee. Based on legal opinion, the Companies has not admitted aforesaid claim and filed a suit before the competent Civil Court of law. An appeal filed by the Companies against the order passed by Hon'ble Civil Court in the matter of withdrawing its jurisdiction and earlier order directing to maintain the status quo as regards the recovery proceedings is pending adjudication before Hon'ble Allahabad High Court. In view of above facts, no provision against above claim is considered necessary and therefore, it has been disclosed as part of contingent liabilities as at March 31, 2019.</p>		
<p>(iii) Workers of the AIL at Kashipur and Jaspur units filed cases before the Industrial Tribunal/Labour Court, Haldwani, Uttarakhand U/s 33C(2) of the Industrial Dispute Act, 1947 claiming total amount of Rs. 15064.97 Lakhs, in respect of their alleged dues towards wages, retirement benefit etc. as per Hon'ble Court's Notice dated 4th May 2013 received by the Company, which is being contested by the Company. The liability, if any, on this account will be accounted for as and when the matter is finally decided.</p>		

NOTES FORMING PART OF ACCOUNTS

B) Commitments:-

	Rs.(in Lakh)	
	31.03.2019	31.03.2018
i) Estimated amount of capital contracts remaining to be executed not provided for:	45.84	236.60
ii) Arrears of preferential dividend	8203.72	7151.61

38. Kotak Mahindra Bank Limited (KMBL) had raised a total claim of Rs. 2036.11 Lakhs (P.Y. Rs. 2036.11 Lakhs) in respect of certain foreign currency derivative transactions. On the basis of legal opinion, the AIL had not admitted these claims of bank and filed a suit in the competent Civil Court of law. The Hon'ble Civil Court in an ex-parte judgment vide its order dated 29.11.2018 declared these derivative transactions as void ab-initio being illegal. KMBL has subsequently filed an application for restoration of the case along with the application for condonation of delay in filing the same, which application of KMBL is pending adjudication by the Hon'ble Civil Court.

Besides this, KMBL has also filed an Original Application (O.A.) before Hon'ble Debt Recovery Tribunal, Mumbai (DRT) for recovery of its claim amounting to Rs. 601.11 Lakhs (P.Y. Rs. 601.11 Lakhs) in respect of these foreign currency derivative transactions which were disputed being per se illegal as not within the regulatory permission of RBI and were entered into by the Company on the basis of incomplete disclosures and details provided by the Bank and thus, falls in the category of mis-selling by the Bank. The Hon'ble DRT vide an interim order has restrained the AIL from selling its certain fixed assets. The Hon'ble Debt Recovery Appellate Tribunal (DRAT), Mumbai, on appeal of the Company directed to return the said OA and set aside the aforesaid restrained order passed by the Hon'ble DRT for want of Jurisdiction of DRT, Mumbai. The Hon'ble Bombay High Court vide an interim order in the writ filed by KMBL against the order of Hon'ble DRAT has stayed the order of Hon'ble DRAT & restored the operation of restrain order passed by Hon'ble DRT and also stayed the proceedings before Hon'ble DRT till further order. The said writ is still pending for adjudication before the Hon'ble Bombay High Court.

KMBL had also filed a winding up petition before the Allahabad High Court for the said claims against the AIL wherein also the AIL contested and objected the maintainability of Petition. The same is under consideration of the Hon'ble Allahabad High Court.

39. During last year, the lenders having more than 83% of the secured debts of AIL 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 93% of the total secured debt of the AIL) (EARC) in order to recover the dues from the Company has also filed an Original Application before Debts Recovery Tribunal, which application is pending adjudication. Further, EARC as well as Syndicate Bank issued Notices u/s 13(2) of SARFAESI Act to which the Company objected and also submitted settlement proposal which has been denied. EARC has taken over the symbolic possession of 5 properties of the AIL Viz. Lease hold Land, Building and Plant & Machinerics lying at Plot nos. A-2, A-3 & B-2, Loni Road, Industrial Area, Ghaziabad (UP), 58/1, Site IV Industrial Area, Sahibabad (UP) and 1A, Sec.-10, IIE, SIDCUL, Haridwar under section 13(4) of the SARFAESI Act and also 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 revised settlement/restructuring proposal with lenders which are 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 year ended March 31, 2019 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

NOTES FORMING PART OF ACCOUNTS

entire secured loans & part of principal secured loan, waived earlier, and impact on retained earnings thereon totaling to Rs. 133933.35 Lakhs 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.

- 40. With regard to Impairment of assets of the Company, on assessment, no impairment loss has been ascertained as on 31.3.2019 except the impairment in respect of assets, the possession of which have been taken over by the secured lender, EARC, under the provisions of SARFAESI Act for want of assessment of impairment.
- 41. Deferred Tax adjustments resulting from items of timing differences have been measured using the rates and tax laws enacted or substantially enacted as on 31.03.19 and the same results into the Deferred Tax Assets (net), which has not been recognized in the absence of virtual certainty of its realization in near future by the Company.
- 42. Certain Fixed Assets having the Gross Value of Rs. 1411.77 Lakhs (net carrying value after impairment Rs. 58.65 Lakhs) lying at erstwhile leased units at Kashipur, Jaspur and Puducherry Unit and Advance against leasing of land amounting to Rs. 3.76 lakh w.r.t. Puducherry Unit, as on 31.3.2019 are in the possession of the lessors of the respective units due to pendency of dispute with them.
- 43. There is no amount outstanding on account of unclaimed dividend as on date, as per Section 124 of the Companies Act, 2013.
- 44. The balances of trade receivable, loans and advances and trade payables are subject to confirmation, reconciliation and consequential adjustment, if any, which in the opinion of the management will not be material.
- 45. Sales are net of Rebate & Discounts amounting to Rs.145.76 Lakh (Previous Year Rs. 418.81 Lakh).
- 46. Employee Benefits

The company has classified the various benefits provided to employees as under:

1. Defined Contribution Plans:

The company has recognized the following amounts in the Statement of profit and loss:

Particulars	Rs.(in Lakh)	
	For the year ended 31st March 19	For the year ended 31st March 18
Employers contribution to Provident Fund and Employee's State Insurance Corporation	189.14	250.01

2. Defined Benefit Plans

- I. Gratuity
- II. Earned Leave

In accordance with the IND AS 19, actuarial valuation was done in respect of the aforesaid defined benefit plans and details of the same are given below:

Rs.(in Lakh)

Particulars	Gratuity (Non-funded)		Earned Leave (Non-funded)	
	For the Year ended	For the Year ended	For the Year ended	For the Year ended
	31 st March 19	31 st March 18	31 st March 19	31 st March 18
Discount Rate (per annum)	7.65.%	7.70%	7.65%	7.70%
Future Salary Increase	5.00%	5.00%	5.00%	5.00%
In Service Mortality	Std of LIC (2006-08)	Std of LIC (2006-08)	Std of LIC (2006-08)	Std of LIC (2006-08)
Retiring Age	58 years	58 years	58 years	58 years
Withdrawal Rates:				
Up to 30 years	3%	3%	3%	3%
Up to 44 years	2%	2%	2%	2%
Above 44 years	1%	1%	1%	1%
I. Expenses Recognized in Statement Profit & Loss				
Current Service Cost	41.61	47.96	17.24	20.43
Past Service Cost - Vested	Nil	3.96	Nil	Nil
Interest Cost	20.39	21.13	7.11	8.16
Net Actuarial (Gain)/ Loss Recognized in the year	(0.40)	(41.60)	(19.51)	(23.27)
Total Expenses	61.60	31.45	4.84	5.32
II. Net Assets /(Liability) Recognized in the Balance Sheet				
Present value of the Defined Benefit obligation	244.72	264.82	77.75	92.37
Fund Status (Deficit)	(244.72)	(264.82)	(77.75)	(92.37)
Net assets/ (Liability)	(244.72)	(264.82)	(77.75)	(92.37)
III. Change in Present Value of Obligation				
Present Value of Obligation as at the Beginning of the Period	264.82	281.73	92.37	108.82
Interest Cost	20.39	21.13	7.11	8.16
Past Service Cost - Vested	Nil	3.96	Nil	Nil
Current Service Cost	41.61	47.96	17.24	20.42
Benefits Paid	(-81.70)	(48.36)	(19.46)	(21.77)
Actuarial (Gains)/ Loss on obligation	(0.40)	41.60	(19.51)	(23.26)
Present Value of Obligation as at the End of the Period	244.72	264.82	77.75	92.37

47. Directors Remuneration

Rs.(in Lakh)

Particulars	For the year ended 31 st March 19	For the year ended 31 st March 18
Salary	4.26	13.20
Perquisites	0.36	0.37
Total	4.62	13.57

NOTES FORMING PART OF ACCOUNTS

48. Particulars of Raw Material Consumption

Rs.(in Lakh)

Particulars	For the year ended 31 st March 19	For the year ended 31 st March 18
Cotton	17132.08	16215.73
Yarn	2935.41	2359.55
Fabric	2941.95	3611.83
Others	1431.40	1615.51
Total	24440.84	23802.61

49. Inventories (Work-in-Progress)

Rs.(in Lakh)

Particulars	As at 31 st March 19	As at 31 st March 18
Work-in-Progress		
Cotton / Fiber	307.26	304.25
Fabric / Made up	377.21	135.22
Total	684.47	439.47

50. Inventories (Finished Goods)

Rs.(in Lakh)

Particulars	As at 31 st March 19	As at 31 st March 18
Finished Goods		
Yarn	503.12	313.49
Fabric / Made up	293.37	454.59
Total	796.49	768.08

51. Financial Risk Management

(i) Financial instrument by Category:

- a) Investment in equity shares of subsidiaries are measured in accordance with IND AS 27, "Consolidated and Separate Financial Statements" and investment in equity share of other entities are measured in accordance with IND AS 103 'Financial Instruments' issued by the "Ministry of Corporate Affairs", Government of India.
- b) For amortised cost instruments, carrying value represents the best estimate of fair value except investment in other debentures.

(ii) Risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages those risks.

A) Credit Risk

Credit risk is the risk that a counter party fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls. Credit risk related to cash

NOTES FORMING PART OF ACCOUNTS

and cash equivalents and bank deposits is managed only by accepting highly rated banks and diversifying bank deposits. Other financial assets measured at amortized cost include loans to employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensures the amounts are within defined limits.

Credit Risk Management: The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

- a) Low credit risk
- b) Moderate credit risk
- c) High credit risk

Credit Risk Exposures: The Company's trade receivables do not have any expected credit loss as they are generally within the credit period. In case of non-recoverability in extreme cases, the Company, accordingly, provides for the same in its books of account instead of writing it off permanently.

B) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains adequate liquidity for meeting its obligations by monitoring the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows from the operations.

C) Market Risk

Market risk is the risk of changes in the market prices on account of foreign exchange rates, interest rates and Commodity prices, which shall affect the Company's income or the value of its holdings of its financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimizing the returns.

a) Currency Risk

The Company undertakes transactions denominated in foreign currencies, which are subject to the risk of exchange rate fluctuations. Financial assets and liabilities denominated in foreign currency, except the Company's net investments in foreign operations (with a functional currency other than Indian Rupee), are subject to reinstatement risks.

The carrying amount of foreign currency denominated financial assets and liabilities as at March 31, 2019 are as follows:

	Rs.(in Lakh)	
Particulars	As at March 31, 2019 Amount	As at March 31, 2018 Amount
Financial Assets	2247.57	2036.18
Financial Liabilities	61.70	58.55

b) Interest Risk

- i) **Assets:** The Company's fixed deposits are carried at fixed rate. Since the fixed deposits are very nominal & not material, therefore to that extent, the Company is at risk on account of interest rate.
- ii) **Liabilities:** The Company had borrowings from banking institutions, majorly whereof are assigned to an Asset Reconstruction Company (ARC). The Company has recognized the liability on account of borrowings as per scheme consented by lenders during BIFR proceedings. However, the outstanding of

banks and ARC has since been classified as Non-Performing assets and action for possession of assets charged to lenders/ARC has since been initiated, the Company's liability towards interest will be accounted based on the approval of revised restructuring/settlement proposal submitted by the Company and to that extent, the Company is at risk on account of interest rate.

52. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of IND AS and Schedule III.

As per our report of even date
For **R.K. Govil & Co.**
Chartered Accountants
Firm Regn No. – 000748C

Rajesh Kumar Govil
Partner
Membership No.013632
Place: Ghaziabad
Dated: May 30, 2019

A.K. Singhal
President Corp. (F&A)

Ajay Gupta
Company Secretary

For and on behalf of the board

Sandeep Agarwal
Managing Director

P.K. Rajput
Executive Director

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, 2019 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)

S. No.	Particulars	Audited Figures (as reported before adjusting for qualification)	Adjusted Figures(audited figures after adjusting for qualifications)
1	Turnover/Total Income	37751.34	37751.34
2.	Total Expenditure	46317.24	180250.59
3.	Net Profit/(Loss)	(6326.83)	(140260.18)
4.	Earnings per share (in Rs.)	(16.18)	(358.59)
5.	Total Assets	37768.56	37768.56
6.	Total Liabilities	82083.65	216017.00
7.	Net Worth	(44315.09)	(178248.44)
8.	Any other financial item(s)(as felt appropriate by the management) – Contingent Liability towards Derivative Contracts & Corporate Guarantee Etc.	-	-

III. AUDIT QUALIFICATION (EACH AUDIT QUALIFICATION SEPARATELY)

- a. Detail of Audit Qualification : "Refer to note no. 39 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."
- 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)
Audit Qualification where the impact quantified by the Auditor, Management's Views: : Since Financial Year 2017-18
- : During last 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 93% of the total secured debt of the Company) (EARC) in order to recover the dues from the Company has also filed an Original Application before Debts Recovery Tribunal, Lucknow Bench, which application is pending adjudication. Further, EARC and Syndicate Bank issued

a Notice u/s 13(2) of SARFAESI Act to which the Company objected and also submitted a settlement proposal which has been denied. EARC has taken over the symbolic possession of 5 properties of the Company Viz. Lease hold Land, Building and Plant & Machineries lying at Plot nos. A-2, A-3 & B-2, Loni Road, Industrial Area, Ghaziabad (UP), 58/1, Site IV Industrial Area, Sahibabad (UP) and 1A, Sec.-10, IIE, SIDCUL, Haridwar under section 13(4) of the SARFAESI Act and also issued a sale notice under Rule 8(6) and Rule 6(2) of the Security Interest (Enforcement) Rules, 2002.

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 year ended March 31, 2019 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. 133933.35 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. 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 | : N.A |
| (iii) Auditor's Comments on (i) or (ii) above | : N.A |

As per our report of even date
For **R.K. Govil & Co..**
Chartered Accountants
Firm Regn No. – 000748C

Rajesh Kumar Govil
Partner
Membership No.013632
Place: Ghaziabad
Dated: May 30, 2019

Sandeep Agarwal
Managing Director
DIN : 00139439

Prabhat Krishna
Audit Committee Chairman
DIN : 02569624

A.K. Singhal
President Corp. (F&A)

DISCLOSURE OF ADDITIONAL INFORMATION PERTAINING TO THE PARENT COMPANY, SUBSIDIARIES AND JOINT VENTURES UNDER SCHEDULE III OF COMPANIES ACT 2013.

Rs.(in Lakh)

NAME OF THE ENTITY	Net Assets (Total Assets - Total Liabilities)		Net Assets (Total Assets - Total Liabilities)		Share in Profit or Loss		Share in Profit or Loss	
	As % of Consolidated Net Assets	Net Assets as on 31.03.2019	As % of Consolidated Net Assets	Net Assets as on 31.03.2018	As % of Consolidated Profit or Loss	Profit/ (Loss) for the Year Ended on 31.03.2019	As % of Consolidated Profit or Loss	Profit/ (Loss) for the Year Ended on 31.03.2018
Parent Company								
Alps Industries Limited	98.98%	(43,860.08)	98.82%	(37,535.03)	73.84%	(6,325.05)	96.85%	(11,589.07)
Subsidiary Indian								
Alps Energy Pvt. Ltd.	0.45%	(198.04)	0.52%	(196.26)	0.02%	(1.78)	0.00%	(0.09)
Foreign								
Alps USA Inc.	0.57%	(252.87)	0.67%	(252.87)	0.00%	-	0.00%	-
Minority Interests in all Subsidiaries		8.46		9.00				

As per our report of even date
For **R.K. Govil & Co.**
Chartered Accountants
Firm Regn No. – 000748C

For and on behalf of the board

Rajesh Kumar Govil
Partner
Membership No.013632

Sandeep Agarwal
Managing Director

Place: Ghaziabad
Dated: May 30, 2019

A.K. Singhal
President Corp. (F&A)

Ajay Gupta
Company Secretary

P.K. Rajput
Executive Director

AUDITORS' CERTIFICATE FOR CASH FLOW STATEMENT

We have examined the Cash Flow Statements (Standalone & Consolidated) of Alps Industries Limited for the financial year ended on 31st March 2019, The statement has been prepared by the Company in accordance with the requirements of Regulation 53 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock exchange and is based on and in agreement with the corresponding Profit and Loss Account and the Balance sheet of the Company covered by our report of May 30, 2019 to the members of the Company.

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

Place : Ghaziabad
Date : May 30, 2019

Rajesh K. Govil
Partner
Membership No. : 013632

IMPORTANT AND USEFUL LINKS :

1. **Board of Directors and Updates** : http://alpsindustries.com/board_of_directors.php.
2. **Financial Performance** http://alpsindustries.com/financial_performance.php.
3. **Annual Report** : http://alpsindustries.com/details_of_reports.php.
4. **Shareholding Pattern**: <http://alpsindustries.com/shareholding.php>.
5. **Corporate Governance** :http://alpsindustries.com/corporate_governance.php.
6. **Investors News** : http://alpsindustries.com/investor_news.php.
7. **Code of Conduct of the Company**: <http://alpsindustries.com/images/pdf-img/Code-of-conduct.pdf>.
8. **Nomination & Remuneration, Evaluation And Board Diversity Policy** :
http://alpsindustries.com/images/pdfimg/Remuneration_Policy_ALPS.pdf.
9. **Whistle Blower Policy**:
http://alpsindustries.com/images/pdfimg/Vigil%20mechanism_ALPS.pdf.
10. **Related Party Policy**:<http://alpsindustries.com/images/pdf-img/related-party-transction-policy.pdf>.
11. **Risk Management Policy**:<http://alpsindustries.com/images/pdf-img/Risk-Management-Policy.pdf>.
12. **Code of Conduct under SEBI (Prohibition of Insider Trading) Regulations, 2015**
:<http://alpsindustries.com/images/pdfimg/CODE-OF-CONDUCT.pdf>.
13. **Material Information's in terms regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) 2015** : www.alpsindustries.com
14. **all the relevant informations in terms of regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) 2015** : www.alpsindustries.com



Alps Industries Limited

Registered & Corporate Office : 57/2, Site IV, Industrial Area, Sahibabad, Ghaziabad - 201010 (U.P.)

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