

R.K. GOVIL & CO,
CHARTERED ACCOUNTANTS

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Limited Review Report

Review Report to
The Board of Directors,
Alps Industries Limited,
57/2, Site VI, Industrial Area,
Sahibabad, Ghaziabad-201010 (U.P.)

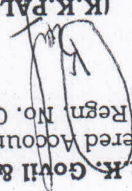
We have reviewed the accompanying statement of Unaudited Financial Results of Alps Industries Limited (CIN NO. L51109UP1972PLC003544) ("the Company") for the quarter ended on September 30, 2015 (the "Statement"), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the statement based on our review.

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, we report that:

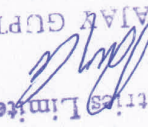
"The company has not made any provision towards claims amounting to Rs. 39492.55 Lac on derivative contracts and Rs. 6574.18 Lac against the corporate guarantee provided by the company on behalf of one of its subsidiary company (Refer to note no. 2 of the Financial Results). Hence to these extent the loss as shown in statement of profit & Loss, accumulated losses and current liabilities are understated in the Financial Results for the quarter ended September 30, 2015"

Subject to above, nothing has come to our attention that causes us to believe that the accompanying statement of Unaudited Financial Results prepared in accordance with Financial Reporting", specified under section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Account) Rules, 2014 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

(R.K. PAL)
(Partner)
Membership No. 074999




Place : Ghaziabad
Date : November 09, 2015

For Alps Industries Limited

AMAR GUPTA
(Company Secretary &
General Manager-Legal)

STANDALONE AND CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND PERIOD ENDED ON 30TH SEPTEMBER 2015.

Sl. No.	Particulars	Current Quarter ended				Year to Date for the Current Period Ended		Year to Date for the 12 Months	
		30.09.2015		30.09.2015		30.09.2015		31.03.2015	
		Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
1	Income from operations								
	(a) Net Sales/Income from Operations (Net of excise duty)	14,718.43	14,724.69	29,823.46	29,835.61	60,455.38	61,089.91		
	(b) Other Operating Income	803.51	803.51	1,637.97	1,637.97	3,812.91	3,812.91		
	Total Income from operations [Net]	15,521.94	15,528.20	31,461.43	31,473.58	64,268.29	64,902.82		
2	Expenses								
	a) Cost of materials consumed	9,785.23	9,785.23	20,418.71	20,418.71	40,983.05	40,983.05		
	b) Purchase of stock-in-trade	95.24	95.24	215.12	215.12	909.07	1,586.83		
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	925.84	933.35	726.44	739.51	(84.54)	(149.66)		
	d) Employees benefit expenses	1,703.14	1,703.74	3,435.50	3,436.70	6,933.02	6,935.42		
	e) Depreciation & amortisation expenses	1,015.36	1,018.04	2,034.66	2,039.98	4,475.42	4,486.02		
	f) Other expenses	3,594.33	3,596.12	7,298.29	7,299.99	14,297.46	14,297.81		
	Total Expenses	17,119.14	17,131.72	34,128.72	34,150.01	67,508.48	68,139.47		
3	Profit/(Loss) from operations before other income, finance costs & exceptional items (1-2)	(1,597.20)	(1,603.52)	(2,667.29)	(2,676.43)	(3,240.19)	(3,236.65)		
4	Other Income	178.97	178.97	861.08	861.08	711.71	721.03		
5	Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	(1,418.23)	(1,424.55)	(1,806.21)	(1,815.35)	(2,528.48)	(2,515.62)		
6	Finance Costs	88.53	88.53	183.02	183.02	420.22	420.49		
7	Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(1,506.76)	(1,513.08)	(1,989.23)	(1,998.37)	(2,948.70)	(2,936.11)		
8	Exceptional items:								
	Income								
	Expenses								
9	Profit/(Loss) from ordinary activities before tax (7+8)	(1,506.76)	(1,513.08)	(1,989.23)	(1,998.37)	(2,948.70)	(2,936.11)		
10	Tax expense								
11	Net Profit/(Loss) from ordinary activities after tax (9+10)	(1,506.76)	(1,513.08)	(1,989.23)	(1,998.37)	(2,948.70)	(2,939.29)		
12	Extraordinary items (net of tax expense Rs. NIL)								
13	Net Profit/(Loss) for the Period (11+12)	(1,506.76)	(1,513.08)	(1,989.23)	(1,998.37)	(2,948.70)	(2,939.29)		
14	Share of profit/(loss) of associates								
15	Minority Interest*								
16	Net Profit/(Loss) after taxes, minority interest and share of profit/loss of associates (13+14+15)	(1,506.76)	(1,511.24)	(1,989.23)	(1,995.72)	(2,948.70)	(2,942.02)		
17	Paid-up equity share capital	3,911.41	3,911.41	3,911.41	3,911.41	3,911.41	3,911.41		
18	(Face value of Rs. 10/- each)								
	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year								
19.i	Earning Per Share(EPS) (before extraordinary items) (of Rs. 10/- each) (not annualised) :								
	(a) Basic	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	(b) Diluted	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

For Alps Industries Limited

MAY GUPTA
 (Company Secretary & General Manager-I.S.O.1)

**REPORTING OF SEGMENTWISE REVENUES, RESULTS AND CAPITAL EMPLOYED
UNDER CLAUSE 41 OF THE LISTING AGREEMENT**

Sl.No.	PARTICULARS	Current Quarter ended		Year to Date for the Current Period Ended		Year to Date for the 12 Months	
		Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
		Three Months Ended	Three Months Ended	Six Months Ended	Six Months Ended	12 Months Ended	12 Months Ended
		30.09.2015		30.09.2015		31.03.2015	
		Unaudited		Unaudited		Audited	
A	SEGMENT REVENUES						
1	HOME FURNISHING & FASHION AC	5,115.56	5,121.82	9,588.94	9,601.09	16,063.37	16,697.90
2	YARN	9,984.08	9,984.08	20,941.17	20,941.17	47,327.57	47,327.57
3	ARCHITECTURAL PRODUCTS	860.48	860.48	1,865.41	1,865.41	4,013.61	4,013.61
	TOTAL	15,960.12	15,966.38	32,395.52	32,407.67	67,404.55	68,039.08
	LESS: INTER SEGMENT REVENUE	438.18	438.18	934.09	934.09	3,136.26	3,136.26
	INCOME FROM OPERATIONS	15,521.94	15,528.20	31,461.43	31,473.58	64,268.29	64,902.82
B	SEGMENT RESULTS						
	(Profit before Tax & Interest from each segment)						
1	HOME FURNISHING & FASHION AC	(546.48)	(552.80)	(1,201.22)	(1,210.36)	(834.81)	(831.27)
2	YARN	(1,066.75)	(1,066.75)	(1,514.39)	(1,514.39)	(2,369.94)	(2,369.94)
3	ARCHITECTURAL PRODUCTS	16.03	16.03	48.32	48.32	(35.45)	(35.45)
	TOTAL	(1,597.20)	(1,603.52)	(2,667.29)	(2,676.43)	(3,240.19)	(3,236.65)
	LESS: (i) INTEREST	88.53	88.53	183.02	183.02	420.22	420.49
	(ii) OTHER UN-ALLOCABLE EXPENDITURE\INCOME						
	(iii) UN-ALLOCABLE INCOME	178.97	178.97	861.08	861.08	711.71	721.03
	TOTAL PROFIT BEFORE TAX	(1,506.76)	(1,513.08)	(1,989.23)	(1,998.37)	(2,948.70)	(2,936.11)
C	CAPITAL EMPLOYED						
	(Segment Assets - Segment Liabilities)						
1	HOME FURNISHING & FASHION AC	12,787.04	12,923.17	12,787.04	12,923.17	14,500.99	14,492.62
2	YARN	31,965.73	31,965.73	31,965.73	31,965.73	33,827.13	33,827.13
3	ARCHITECTURAL PRODUCTS	535.18	535.18	535.18	535.18	694.66	694.66
4	UNALLOCABLE	4,919.08	4,919.08	4,919.08	4,919.08	4,077.46	4,077.46
	TOTAL	50,207.02	50,343.15	50,207.02	50,343.15	53,100.24	53,091.87

For Alps Industries Limited

Maya

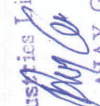
MAY GUPTA

(Company Secretary)

General Manager

STANDALONE AND CONSOLIDATED UNAUDITED SUMMARY OF ASSETS AND LIABILITIES FOR THE HALF YEAR ENDED ON SEPTEMBER 30, 2015

Sl.No.	Particulars	Half year ended		Half year ended		Financial Year ended	
		Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
		Six Months Ended	Six Months Ended	Six Months Ended	Six Months Ended	As on	As on
		30.09.2015	30.09.2015	30.09.2014	30.09.2014	31.03.2015	31.03.2015
		Unaudited	Unaudited	Unaudited	Audited		
A	EQUITY AND LIABILITIES						
1	SHAREHOLDER FUND						
	(a) Share Capital						
	(i) Equity Capital	3,911.41	3,911.41	3,911.41	3,911.41	3,911.41	3,911.41
	(ii) 1% Cumulative Redeemable Preferential Share Capital	11,109.40	11,109.40	11,109.40	11,109.40	11,109.40	11,109.40
	(iii) 6 % Cumulative Redeemable Preferential Share Capital	15,683.50	15,683.50	15,683.50	15,683.50	15,683.50	15,683.50
	(b) Reserve and Surplus	(72,712.47)	(71,124.15)	(75,355.28)	(73,722.04)	(70,723.25)	(69,127.96)
	(c) Money received against share warrants						
	Sub-total - Shareholders' Funds	(42,008.16)	(40,419.84)	(44,650.96)	(43,017.72)	(40,018.94)	(38,423.65)
2	Share application money pending allotment						
3	Minority Interest*		914.29		914.21		
4	Non-Current Liabilities						
	(a) Long-term borrowings	69,183.87	66,816.12	70,230.66	67,714.94	69,725.90	67,358.15
	(b) Deferred tax liabilities (net)						
	(c) Other long-term liabilities	22,951.56	22,951.56	28,367.90	28,367.90	23,040.59	23,040.59
	(d) Long-term provisions	364.73	364.73	323.22	323.22	343.56	343.56
	Sub-total - Non Current Liabilities	92,500.16	90,132.41	98,921.78	96,406.06	93,110.05	90,742.30
5	Current Liabilities						
	(a) Short-term borrowings	38,365.90	38,365.90	38,671.56	38,671.56	38,318.41	38,318.41
	(b) Trade Payables	5,263.44	5,548.47	6,672.89	6,790.83	5,201.32	5,676.81
	(c) Other current liabilities	7,618.47	7,602.88	7,443.39	7,528.19	6,698.75	6,686.31
	(c) Short-term provisions	32.26	33.54	-	4.97	32.26	35.44
	Sub-total - Current Liabilities	51,280.07	51,550.79	52,787.84	52,995.55	50,250.74	50,716.97
	TOTAL - EQUITY AND LIABILITIES	101,772.07	102,177.65	107,058.66	107,298.10	103,341.85	103,952.56
B	ASSETS						
1	Non-Current Assets						
	(a) Fixed Assets	44,097.71	45,194.34	48,225.38	49,329.80	46,054.60	47,156.54
	(b) Goodwill on consolidation						
	(c) Non-Current investment	958.55	5.77	958.55	5.77	958.56	5.78
	(d) Deferred tax assets (net)						
	(e) Long-term loans and advances	1,292.50	1,305.88	1,178.76	1,192.14	1,270.02	1,283.40
	(f) Other non-current assets	536.86	536.86	1,209.69	1,209.69	536.86	536.85
	Sub-total-Non Current Assets	46,885.62	47,042.85	51,572.38	51,737.40	48,820.04	48,982.57
2	Current Assets						
	(a) Current investment	25.00	25.00	22.61	22.61	25.00	25.00
	(b) Inventories	37,469.60	37,540.22	38,026.15	38,044.71	38,454.87	38,538.56
	(c) Trade receivables	9,816.29	9,856.58	10,791.88	10,791.88	9,319.75	9,577.54
	(d) Cash and Cash equivalents	3,120.46	3,220.90	4,857.22	4,875.86	3,087.09	3,156.28
	(e) Short-term loans and advances	3,745.09	3,769.96	965.65	990.74	2,687.48	2,712.85
	(f) Other Current Assets	710.01	722.14	822.77	834.90	947.62	959.76
	Sub-total-Current Assets	54,886.45	55,134.80	55,486.28	55,560.70	54,521.81	54,969.99
	TOTAL ASSETS	101,772.07	102,177.65	107,058.66	107,298.10	103,341.85	103,952.56



AJAY GUPTA
 (Company Secretary)
 General Manager-Legal

NOTES:-

- 1 The Unaudited Financial Results for the quarter and period ended on September 30, 2015 has been reviewed by the Audit Committee, approved by the Board of Directors at their meeting held on November 09, 2015 and a limited review of the same has been carried out by the Statutory Auditors of the company.
- 2 In earlier years Company entered into derivative transactions to hedge the balance sheet exposure and to minimize the cost of borrowings. Based on Expert Opinion and Legal Advice, the Company avoided certain derivative transactions as well as the Corporate Guarantee aggregating to Rs. 52364.75 lac (INR 33503.50 Lac & US\$ 286.90 Lac) since void or voidable at the option of company and accordingly challenged in the court of law being void ab-initio wherein directions to maintain status quo towards recovery have been issued in certain cases. As matters are subjudiced and pending before the Hon'ble Courts the Company has considered the same as Contingent Liability in accordance with clause 68 of AS-29 "Provisions, Contingent Liabilities and Contingent Assets".
- 3 The company had filed a Reference with Hon'ble Board of Industrial & Financial Restructuring (BIFR) under Section 15 of the SICA. The BIFR has registered the company vide letter No. 3 (A-4)/BC/2010 dated 29th June, 2010 and vide Order dated 6th Dec, 2010, declared the company as "Sick Industrial Company" under Section 3 (1) (o) of the SICA. The Draft Rehabilitation Scheme of the company as consented by the secured creditors representing more than 83% of the total outstanding secured debts of the company filed in terms of the directions of the Hon'ble BIFR, is pending under consideration with Hon'ble BIFR. Based on same, the company believes it would be able to meet its financial obligations. Accordingly the Financial Statements have been prepared on going concern basis.
- 4 In view of consent of secured creditors representing more than 83% of the outstanding secured debts of the company to the Draft Rehabilitation Scheme pending consideration of the Hon'ble BIFR, which inter alia envisages complete waiver of interest outstanding and non levy of any future interest towards secured and unsecured loans from Banks/ARC/Financial institutions and subsidiary companies, no provision towards interest for current Quarter amounting to Rs. 3362.09 approx. (for the half year ended on September 30, 2015 totaling to Rs. 6724.18 approx.) payable to these lenders has been provided for in the books of accounts which is in line with the treatment accorded in the immediately preceding financial year.
- 5 In their last quarter's limited review report dated 13.8.2015, on the financial statements for the quarter ended on June 30, 2015, the statutory auditors have given the following qualification :-

"The company has not made any provision towards losses amounting to Rs. 39311.54 Lacs on derivative contracts and towards claim amounting to Rs. 6375.49 Lacs against the corporate guarantee provided by the company on behalf of one of its subsidiary company (Refer to note no. 2 of the Financial Results). Hence to these extent the loss as shown in statement of profit & Loss, accumulated losses and current liabilities are understated in the Financial Results for the quarter ended June 30, 2015"

In case company would have recognized the above as liability in its books of accounts during the respective financial years, the current quarter

For Alps Industries Limited

AJAY GUPTA
(Company Secretary &
General Manager)

loss would not have any affect and the accumulated loss and current liabilities would have been increased by Rs. 45687 Lac each.

Company has disputed above claims towards alleged derivative transactions and corporate guarantee on grounds that the same are void ab-intio which are pending in the court of law wherein recoveries have also been stayed in certain cases. However, these disputed claims of Rs. 45687 lac as on 30.06.2015 and as on 30.9.2015 have been disclosed as contingent liability in the financial statements of respective periods. The management has decided to recognize these disputed claims only after crystallization of the same pursuant to any decision of the competent court against the company.

However the company has received direction from NSE vide its letter as reference no. NSE/LIST/1583 dated October 30, 2014 to restate the financial statements of the company for the financial year 2012-13 to the extent of auditor's qualification in respect of these disputed claims. The appeal of the company against the said direction is pending under consideration of Hon'ble Securities Appellate Tribunal (SAT) under Appeal no. 451/2014.

6. In terms of the approval from the Board of Directors at their meeting held on 30.05.2015 and further at the Annual General Meeting held on 30.09.2015, the Registered Office of the Company has been shifted from B-2 Loni Road Industrial Area, Opposite Mohan Nagar, Ghaziabad-201007 to 57/2 Site-IV, Industrial Area, Sahibabad, Ghaziabad-201010 with effect from October 1, 2015.

7. The process of identifying the slow/non moving or damaged inventory/current assets is in process and the financial impact, if any, will be given in the books of accounts on the completion of the same.

8. The figures for the previous year/quarter/period have been regrouped, recast and rearranged, wherever considered necessary.

DATE : NOVEMBER 9, 2015
PLACE : GHAZIABAD

FOR ALPS INDUSTRIES LTD.

SD/-
(A.K SINGHAL)
PRESIDENT CORP. &
ACCOUNTS

BY ORDER OF THE BOARD

SD/-

SANDEEP AGGARWAL

MANAGING DIRECTOR
DIN NO.: 00139439

Rec Alps Industries Limited

AJAY GUPTA

(Company Secretary &
General Manager-Legal)