



**R.K. GOVIL & CO.**

CHARTERED ACCOUNTANTS

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To  
The Members of  
**ALPS INDUSTRIES LIMITED**

**Report on the Standalone Financial Statements**

**Qualified Opinion**

We have audited the accompanying standalone financial statements of **ALPS INDUSTRIES LIMITED** ("the Company") which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31st, 2021 and loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Qualified Opinion**

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

**Emphasis of Matters**

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

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

**Key Audit Matters - Meaning**

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

**Other Matters**

Due to spreading of COVID-19 across India, the Government Authorities imposed a corona lockdown in April 2021 across State which is still going on with relaxations in parts. This has resulted in restriction on physical visit to client locations and the need for carrying alternative audit procedures as per the Standards on Auditing prescribed by the Institute of Chartered Accountants of India (ICAI).

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



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

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (IND AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Boards of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility**

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

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

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

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

### **Report on Other Legal and Regulatory Requirements**

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

As required by Section 143(3) of the Act, based on our audit we report that:

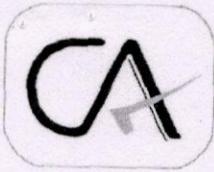


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- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. In our opinion proper books of account as required by law have been kept by the Company 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 2021 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021, 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.

Place: Ghaziabad  
Date: June 30, 2021  
UDIN: 21538077AAAADF1794

For R. K. Govil & Co.  
Chartered Accountants

(Firm Reg. No. : 000748C)

  
(Dipender Gupta)  
Partner  
Membership No: 538077



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**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 2021, 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) 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) 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, 2021 for a period of more than six months from the date they became payable.
- 8) During last years 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





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(refer note no. 38), we are unable to express any opinion about the default of Principal / Interest and period of default, if any.

- 9) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- 10) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- 11) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- 12) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- 13) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 14) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- 15) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- 16) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Place: Ghaziabad  
Date: June 30, 2021  
UDIN: 21538077AAAADF1794

For R. K. Govil & Co.  
Chartered Accountants

(Firm Reg. No. : 000748C)

  
(Dipender Gupta)  
Partner  
Membership No: 538077



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## 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, 2021** 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.



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### **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 2021, 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: June 30, 2021  
UDIN: 21538077AAAADF1794

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

**(Dipender Gupta)**  
Partner  
Membership No: 538077



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To  
The Members of  
**ALPS INDUSTRIES LIMITED**

## Report on the Consolidated Financial Statements

### Qualified Opinion

We have audited the accompanying consolidated financial statements of **ALPS INDUSTRIES LIMITED** (herein after 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, 2021, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except, for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its loss, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

### Basis for Qualified Opinion

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

### Emphasis of Matters

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

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

### Key Audit Matters- Meaning

Key audit matters are those matters that, in our professional judgment, were of *most significance in the audit of the financial statements of the current period*. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon and we do not provide a separate opinion on these matters. In addition to the matter described below to be the key audit matters to be communicated in our report. Key audit matters are selected from matters communicated with those charged with governance.

### Other Matters

1. We have relied upon the unaudited financial statements of M/s Alps USA Inc., the subsidiary company, whose financial statements reflect total assets of Rs. 388.84 Lac as at 31st March, 2021, 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'.



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

3. Due to spreading of COVID-19 across India, the Government Authorities imposed a corona lockdown in April 2021 across State which is still going on with relaxations in parts. This has resulted in restriction on physical visit to client locations and the need for carrying alternative audit procedures as per the Standards on Auditing prescribed by the Institute of Chartered Accountants of India (ICAI).

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

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

#### **Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act 2013 ("the Act") with respect to the preparation of the consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the Indian Accounting Standards (IND AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Financial Statements. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Board of Directors is also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibility**

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

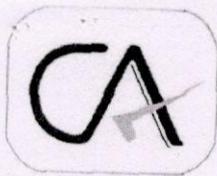


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I. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by Institute of Chartered Accountants of India. Those Standards and pronouncements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

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

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

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b. In our opinion, proper books of account as required by law maintained by the Holding Company, its subsidiaries included in the Group, including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those bookstand 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 31<sup>st</sup> March, 2021 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 31<sup>st</sup> March, 2021 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 Reporting 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.O - 4, Kiran Enclave, G.T Road, Ghaziabad, Uttar Pradesh -201001, Office- R7/177, Raj Nagar, Ghaziabad

Delhi Branch - V - 402, Anupam Apartments, East Arjun Nagar, Delhi, 110032

Muzaffarnagar Branch- 230, Dwarkapuri, Behind ASJ Plaza Mall, Bhopa Mall, Muzaffarnagar - 251001

Contact Details: +91-120-4237625, 4237625, Mobile: +91-9871796929 Email- govilgovil@gmail.com



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- 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:
- The consolidated financial statements disclose the impact of pending litigations as at March 31, 2021 on the consolidated financial position of the Group (Refer Note No. 36 & 37).
  - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - There was no amount which was required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Ghaziabad  
Date: June 30, 2021  
UDIN: 21538077AAAAD5631

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

(Dipender Gupta)  
Partner  
Membership No: 538077



H.O - 4, Kiran Enclave, G.T Road, Ghaziabad, Uttar Pradesh -201001, Office- R7/177, Raj Nagar, Ghaziabad  
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**ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013("the Act")**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of Alps Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies as of that date.

**Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding company, its subsidiary companies, are responsible for establishing and maintaining internal financial controls based on "internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and





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3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Holding Company, its subsidiary companies, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, 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: June 30, 2021  
UDIN: 21538077AAAAD5631

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

(Dipender Gupta)  
Partner  
Membership No: 538077



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## ALPS INDUSTRIES LIMITED

CIN : L51109UP1972PLC003544

Registered Office : 57/2, Site-IV Industrial Area, Sahibabad, Ghaziabad-201010 U.P. INDIA

Ph.: 0120-4161716, Email Id.: aljyagupta@alpsindustries.com, investor@alpsindustries.com

## STANDALONE AND CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND FINANCIAL YEAR ENDED ON 31ST MARCH 2021.

## UNDER REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

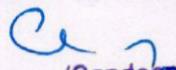
Particulars	Rs. in Lakh						
	3 months ended	3 months ended	Preceding 3 months ended in current year	Preceding 3 months ended in current year	Corresponding 3 months ended in the previous year	Year to date figure of Current Year ended	Year to date figure of Previous Year ended
	(Standalone) 31.03.2021	(Consolidated) 31.03.2021	(Standalone) 31.12.2020	(Consolidated) 31.12.2020	(Standalone) 31.03.2020	(Consolidated) 31.03.2021	(Consolidated) 31.03.2020
<b>I Revenue</b>							
(a) Income from operations	7,583.75	7,583.75	7,356.16	7,356.16	6,430.60	25,410.27	31,320.18
(b) Other income	71.37	35.26	2.37	2.62	387.26	113.50	874.14
<b>IV Total Revenue (I+ II)</b>	<b>7,655.12</b>	<b>7,619.01</b>	<b>7,358.53</b>	<b>7,358.78</b>	<b>6,817.86</b>	<b>25,488.41</b>	<b>32,194.32</b>
<b>V Expenditure</b>							
(a) Cost of Material consumed	4,678.41	4,678.41	4,353.22	4,353.22	4,023.40	15,000.50	19,888.74
(b) Changes in Inventories of finished goods, Work in progress & stock in trade	-73.85	-73.85	84.24	84.24	(245.94)	463.15	100.87
(c) Employee Benefit expense	1,102.17	1,102.17	968.36	968.36	1,040.30	3,403.92	4,655.93
(d) Finance cost	1,169.49	1,169.49	1,546.66	1,546.66	1,466.71	5,760.44	5,753.17
(e) Depreciation & Amortisation expenses	181.71	182.87	205.57	206.75	96.85	803.20	1,486.52
(f) Impairment of Assets	2,416.89	2,416.89	-	-	4,665.81	2,416.89	4,665.81
(g) Other expenses	1,661.99	1,662.26	1,883.95	1,884.14	1,491.31	6,026.80	7,806.03
<b>Total Expenses</b>	<b>11,136.81</b>	<b>11,138.24</b>	<b>9,042.00</b>	<b>9,043.37</b>	<b>12,886.44</b>	<b>33,874.89</b>	<b>44,357.07</b>
<b>(Loss)/Profit before exceptional items and tax (IV- V)</b>	<b>(3,481.69)</b>	<b>(3,519.23)</b>	<b>(1,683.47)</b>	<b>(1,684.59)</b>	<b>(6,068.82)</b>	<b>(8,351.12)</b>	<b>(12,162.75)</b>
VII Exceptional items	895.29	895.29	-	-	(123.84)	895.29	995.61
<b>(Loss)/Profit before tax (VI- VII)</b>	<b>(2,586.40)</b>	<b>(2,623.94)</b>	<b>(1,683.47)</b>	<b>(1,684.59)</b>	<b>(5,845.58)</b>	<b>(7,455.83)</b>	<b>(11,167.14)</b>
IX Tax expense							
(a) Current tax	0.04	11.74	-	-	85.43	0.04	85.43
(b) Deferred tax	-	-	-	-	-	-	-
<b>(Loss)/Profit after tax (VIII-IX)</b>	<b>(2,586.44)</b>	<b>(2,635.68)</b>	<b>(1,683.47)</b>	<b>(1,684.59)</b>	<b>(5,931.01)</b>	<b>(7,455.87)</b>	<b>(11,509.58)</b>
Other comprehensive income							
<b>Total comprehensive income (X+XI)</b>	<b>(2,586.44)</b>	<b>(2,635.68)</b>	<b>(1,683.47)</b>	<b>(1,684.59)</b>	<b>(5,931.01)</b>	<b>(7,455.87)</b>	<b>(11,509.58)</b>
Attributable to :							
Owners	-2,586.44	-2,620.78	(1,683.47)	(1,684.24)	(6,192.66)	(7,455.87)	(11,509.58)
Non Controlling Interest	-	-14.90	-	(0.35)	-	(27.36)	(28.76)
<b>Profit for the period attributable to :</b>							
Owners	-2,586.44	-2,620.78	(1,683.47)	(1,684.24)	(6,192.66)	(7,455.87)	(11,509.58)
Non Controlling Interest	-	-14.90	-	(0.35)	-	(27.36)	(28.76)
<b>Other comprehensive income for the period attributable</b>							
Owners	-	-	-	-	-	-	-
Non Controlling Interest	-	-	-	-	-	-	-
XIII Paid up equity share capital (face value of Re. 10/- each)	3,911.41	3,911.41	3,911.41	3,911.41	3,911.41	3,911.41	3,911.41
Earnings per share (face value of Rupee 10/- each) (not annualised)							
Basic and Diluted earnings per share (in Rs.)	(6.61)	(6.74)	(4.30)	(4.31)	(15.84)	(19.20)	(28.77)

Alps Industries Ltd.

(Sandeep Aganvai)  
Managing Director

<b>ALPS INDUSTRIES LIMITED</b> <b>CIN : L51109UP1972PLC003544</b> <b>Registered Office : 57/2, Site-IV Industrial Area, Sahibabad, Ghaziabad-201010 U.P.INDIA</b> <b>Ph.: 0120-4161716, Email Id.:ajaygupta@alpsindustries.com, investorgrievance@alpsindustries.com</b>				
<b>STANDALONE AND CONSOLIDATED AUDITED SUMMARY OF STATEMENT OF ASSET AND LIABILITIES FOR THE</b> <b>FINANCIAL YEAR ENDED ON MARCH 31, 2021.</b>				
	(Rs. In Lakhs)			
Particulars	Audited			
	Standalone	Consolidated	Standalone	Consolidated
	As at 31.03.2021	As at 31.03.2021	As at 31.03.2020	As at 31.03.2020
<b>ASSETS</b>				
<b>Non- current assets</b>				
Property, plant and equipment	10,797.64	10,803.18	15,054.60	15,064.84
Other Intangibles Assets	90.19	90.19	141.47	141.47
<b>Financial assets</b>				
Investments	375.09	128.98	374.89	128.78
Loans	308.95	308.95	423.46	423.46
Other Non- Current assets	1,006.44	1,006.44	1,065.90	1,065.90
<b>Total of non- current assets (a)</b>	<b>12,578.31</b>	<b>12,337.74</b>	<b>17,060.32</b>	<b>16,824.45</b>
<b>Current assets</b>				
Inventories	2,940.22	2,940.22	2,565.00	2,565.00
<b>Financial assets</b>				
Investment	-	-	-	-
Trade receivables	3,210.33	3,210.33	2,181.89	2,181.89
Cash and cash equivalents	24.78	81.25	127.25	131.43
Other bank Balance	25.17	25.18	250.28	250.28
Other financial assets	12.89	6.28	13.80	7.19
Current Tax Assets	96.77	96.77	168.69	180.38
Other current assets	904.64	913.18	465.96	474.84
<b>Total of current assets (b)</b>	<b>7,214.80</b>	<b>7,273.21</b>	<b>5,772.87</b>	<b>5,791.01</b>
<b>Total of assets (a+b)</b>	<b>19,793.11</b>	<b>19,610.95</b>	<b>22,833.19</b>	<b>22,615.46</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity share capital	3,911.41	3,911.41	3,911.41	3,911.41
Other equity	(66,736.94)	(66,952.23)	(59,281.07)	(59,459.75)
Non Controlling Interest	-	(36.31)	-	(20.30)
<b>Total of equity (a)</b>	<b>(62,825.53)</b>	<b>(63,077.13)</b>	<b>(55,369.66)</b>	<b>(55,568.64)</b>
<b>LIABILITIES</b>				
<b>Non- current liabilities</b>				
Financial Liability				
Borrowings	42,714.23	42,714.23	42,114.31	42,024.56
Provisions	351.29	351.29	315.42	315.42
<b>Total of non current liabilities (b)</b>	<b>43,065.52</b>	<b>43,065.52</b>	<b>42,429.73</b>	<b>42,339.98</b>
<b>Current liabilities</b>				
Financial liabilities				
Borrowings	34,381.34	34,381.34	30,988.76	30,988.76
Trade Payables	3,149.45	3,149.45	2,461.66	2,461.66
Other financial liabilities	1,795.62	1,864.36	2,072.12	2,141.41
Other current liabilities	179.99	180.69	210.40	212.11
Provisions	46.72	46.72	40.18	40.18
<b>Total of current liabilities (c)</b>	<b>39,553.12</b>	<b>39,622.56</b>	<b>35,773.12</b>	<b>35,844.12</b>
<b>Total of liabilities (d = b+c)</b>	<b>82,618.64</b>	<b>82,688.08</b>	<b>78,202.85</b>	<b>78,184.10</b>
<b>Total of equity and liabilities (a+d)</b>	<b>19,793.11</b>	<b>19,610.95</b>	<b>22,833.19</b>	<b>22,615.46</b>

For Alps Industries Ltd.

  
(Sandeep Agarwal)  
Managing Director

**ALPS INDUSTRIES LIMITED**  
**CONSOLIDATED CASH FLOW STATEMENT FOR THE QUARTER ENDED 31-MAR '2021**

Rs. In Lakh

(A) <u>CASH FLOW FROM OPERATING ACTIVITIES</u>	Year Ended 31.03.2021	Year Ended 31.03.2020
Net Profit/ ( Loss) Before Tax and Extraordinary items	(8,392.34)	(12,162.76)
Adjustment for :		
Transition Adjustment	0.01	(0.02)
Depreciation/Amortization	807.90	1,486.52
Interest Received	(27.03)	(26.94)
Finance Cost	5,760.44	5,753.17
Loss on Disposal of Assets	15.76	133.94
Exceptional Items	895.29	995.61
Tax Expenses	(11.74)	
Provision for diminution in Value on Investment	(0.20)	0.22
Impairment of Assets	2,416.89	4,665.81
Exchange Fluctuation	0.29	(0.96)
<b>Operating Profit/Loss Before Working Capital Changes</b>	<b>1,465.27</b>	<b>844.59</b>
Adjustment for Working Capital Changes		
<b>Increase/(Decrease) in Financial Liabilities</b>		
Borrowings	3,392.58	(3,780.65)
Trade Payables	687.80	148.64
Other financial liabilities	(277.07)	141.39
Increase/(Decrease) in Other Current Liabilities	(31.42)	(42.36)
Increase/(Decrease) in Provisions	42.40	33.13
<b>Decrease/(Increase) in Financial Assets</b>		
Trade receivables	(1,028.43)	823.63
Other financial assets	0.91	4.51
Decrease/(Increase) in Other Current Assets	(438.34)	193.62
Decrease/(Increase) in Other Non Current Assets	59.47	75.12
Decrease/(Increase) in Inventories	(375.22)	398.07
Direct taxes received/(paid)	83.61	2,116.29 (87.31)
<b>Cash Flow Before Extraordinary Items</b>	<b>3,581.56</b>	<b>-1,247.62</b>
<b>Net Cash Generated by Operating Activities</b>	<b>3,581.56</b>	<b>-1,247.62</b>
<b>(B) <u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
Expenditure on Property, Plant and Equipment	(48.80)	(24.48)
Proceeds from Property, Plant and Equipment	1,121.18	7,479.41
Interest Received	27.03	26.94
(Increase)/Decrease in Fixed Deposits	225.11	(163.88)
Change in Minority of Snowflakes	-	-
<b>Decrease/(Increase) in Financial Assets</b>	-	-
Decrease/(Increase) in Investment	-	-
<b>Net Cash from/ (used in) Investing Activities</b>	<b>1,324.52</b>	<b>7,317.99</b>
<b>(C) <u>CASH FLOW FROM FINANCING ACTIVITIES</u></b>		
Finance Cost	(5,760.44)	(5,753.17)
<b>Decrease/(Increase) in Financial Assets</b>	-	-
Increase/(Decrease) in Loans	114.51	(85.34)
<b>Increase/(Decrease) in Financial Liabilities</b>	-	-
Increase/(Decrease) in Long Terms Borrowing	689.67	(399.70)
<b>Net Cash from/ (used in) Financing Activities</b>	<b>(4,956.26)</b>	<b>-6,238.21</b>
Net Increase/(Decrease) in Cash & Cash Equivalents	(50.18)	(167.84)
Opening Balance of Cash and Cash Equivalents	131.43	299.27
Closing Balance of Cash and Cash Equivalents (refer note 9)	81.25	131.43

**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. 000748)

DIPENDER GUPTA

Partner

Membership No. 538077

Place : Ghaziabad

Date : Jun 30, 2021

UDIN : 21538077AAAAD5631



*A.K. Singhal*

A.K. Singhal  
President (R&A)

*Ajay Gupta*

Ajay Gupta  
Company Secretary

For and on behalf of the Board

*P.K. Rajput*

P.K. Rajput  
Executive Director

*Sandeep Agarwal*

Sandeep Agarwal  
Managing Director

**AUDITED STANDALONE CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2021**

(A)	CASH FLOW FROM OPERATING ACTIVITIES	Rs. In Lakh	
		Year Ended 31.03.2021	Year Ended 31.03.2020
	Net Profit/ ( Loss) Before Tax and Extraordinary items	(8,351.12)	(12,505.19)
	Adjustment for :		
	Transition Adjustment	0.01	
	Depreciation/Amortization	803.20	1,481.82
	Interest Received	(27.03)	(26.94)
	Finance Cost	5,760.43	5,753.17
	Loss on Disposal of Assets	15.76	133.94
	Exceptional Items	895.29	995.61
	Income Tax Expenses	(0.04)	-
	Provision for diminution in Value on Investment with Subsidiary	(0.20)	352.30
	Impairment of Assets	2,416.89	4,665.81
	<b>Operating Profit/Loss Before Working Capital Changes</b>	<b>1,513.19</b>	<b>850.53</b>
	Adjustment for Working Capital Changes		
	<b>Increase/(Decrease) in Financial Liabilities</b>		
	Borrowings	3,392.58	(3,780.65)
	Trade Payables	687.80	148.64
	Other financial liabilities	(276.50)	76.84
	Increase/(Decrease) in Other Current Liabilities	(30.42)	(44.07)
	Increase/(Decrease) in Provisions	42.40	33.13
	<b>Decrease/(Increase) in Financial Assets</b>		
	Trade receivables	(1,028.43)	823.63
	Other financial assets	0.91	4.51
	Decrease/(Increase) in Other Current Assets	(438.67)	202.05
	Decrease/(Increase) in Other Non Current Assets	59.47	75.12
	Decrease/(Increase) in Inventories	(375.22)	398.07
	Direct taxes received/(paid)	71.91	2,105.83
	<b>Cash Flow Before Extraordinary Items</b>	<b>3,619.02</b>	<b>(2,065.05)</b>
	<b>Net Cash Generated by Operating Activities</b>	<b>3,619.02</b>	<b>(1,214.52)</b>
	<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Expenditure on Property, Plant and Equipment	(48.80)	(24.48)
	Proceeds from Property, Plant and Equipment	1,121.18	7,479.41
	Interest Received	27.03	26.94
	(Increase)/Decrease in Fixed Deposits	225.10	(163.89)
	<b>Decrease/(Increase) in Financial Assets</b>		
	Decrease/(Increase) in Investment	-	-
	<b>Net Cash from/ (used in) Investing Activities</b>	<b>1,324.51</b>	<b>7,317.98</b>
	<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Finance Cost	(5,760.43)	(5,753.17)
	<b>Decrease/(Increase) in Financial Assets</b>		
	Increase/(Decrease) in Loans	114.51	(85.34)
	<b>Increase/(Decrease) in Financial Liabilities</b>		
	Increase/(Decrease) in Long Terms Borrowing	599.92	(399.70)
	<b>Net Cash from/ (used in) Financing Activities</b>	<b>(5,046.00)</b>	<b>(6,238.21)</b>
	<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>(102.47)</b>	<b>(134.75)</b>
	Opening Balance of Cash and Cash Equivalents	127.25	262.00
	<b>Closing Balance of Cash and Cash Equivalents (refer note B)</b>	<b>24.78</b>	<b>127.25</b>

**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)

MOHINDER GUPTA

Partner

Membership No. 538077

Place : Ghaziabad

Date : Jun 30, 2021

UDIN : 21538077AAAADF1794



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

*Ajay Gupta*  
Ajay Gupta  
Company Secretary

For and on behalf of the Board

*P.K. Rajput*  
P.K. Rajput  
Executive Director

*Sandeep Agarwal*  
Sandeep Agarwal  
Managing Director

**-:NOTES:-**

1. The Audited Financial Results for the Quarter and Financial Year ended on March 31, 2021 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on June 30, 2021.
2. The figures of 4th quarter are balancing figures between audited figures in respect of full financial year and published year-to-date up to third quarter of the current financial year.
3. Due to losses incurred by the company during the financial year ended on March 31, 2021, no dividend has been recommended by the Board of Directors.
4. In terms of the Ind AS, there is only one reportable segment i.e. Textile Segment.
5. Company has submitted with Bombay Stock Exchange Limited an application dated 9.6.2016 for Voluntary Delisting of its 39114100 Equity Shares from their platform which is still pending with them. The company has also filed the Writ Petition before Allahabad High Court for necessary directions in this regard which is pending adjudication.
6. During earlier year, the lenders having more than 83% of then secured debts of the Company revoked their consent to the DRS/settlement scheme interalia containing the restructuring of the debts of the Company, circulated by erstwhile Hon'ble BIFR, which was partly implemented. The Company objected to the said revocation of consent being unjustified and beyond terms of the scheme and further submitted an offer for settlement. M/s Edelweiss Assets Reconstruction Company Ltd., (presently holding more than 98% of the total secured debt of the Company) (EARC) in order to recover its dues has also filed an Original Application before Debts Recovery Tribunal, Lucknow Bench, which is pending adjudication. In addition to above EARC under the provisions of SARFAESI, auctioned certain properties of company including during the year the Leasehold Land, Building, Machineries & Other Assets lying at Plot nos. A-2 & A-3, Loni Road, Industrial Area, Ghaziabad (UP) and Lenders having first pari passu charge over these assets have adjusted their dues with the realization made there from. EARC has also taken over the symbolic possession of properties Viz. Leasehold Land & Building lying at IA, Sec.-10, IIE, SIDCUL, Haridwar under section 13(4) of the SARFAESI Act and issued a sale notice under Rule 8(6) and Rule 6(2) of the Security Interest (Enforcement) Rules, 2002. The

**For Alps Industries Ltd.**



(Sandeep Agarwal)  
Managing Director

adjustments as may arise on account of further action of lenders, if any, shall be made in the books of account upon receipt of information from them. The Company once again submitted a revised settlement/restructuring proposal with lenders which is under active consideration with them. Management of the Company expects to get the revised settlement/restructuring proposal approved from lenders and accordingly, the Company would be meeting its revised financial obligations. Accordingly, the financial statements of the Company for the quarter and year ended on March 31, 2021 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. 154882.21 Lakh as per provisions of earlier consented scheme, which the Company continues to give effect till the time revised settlement/restructuring proposal is finally approved by its lenders.

7. In compliance of SEBI Circular dated May 20, 2020, the management has assessed the impact of Covid-19 Pandemic situation on the financial results for the year ended March 31, 2021 and found that there is no material impact on the assets & liabilities and profit & loss account for the year ended on 31.03.2021. However in view of the continuation of Covid-19 pandemic situation, the impact on the future business and assets & liabilities of the company could not be assessed presently.
8. In terms of the approval from the Board of Directors under Section 188 of the Companies Act 2013 and Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 w.r.t. related party, company has re-settled at its favourable terms the unsecured loan liabilities towards its Subsidiary Company namely M/s Alps Energy Private Limited. The Impact of such settlement has been considered in these results.
9. In the previous Audit Report dated 31.07.2020 on the audited financial statements of the company for previous financial year ended on March 31, 2020, the auditors have given the following qualification:

*"Refer to note no. 38 to the notes on accounts, the Company has not provided for its liability towards interest & part of principal loan, waived earlier, and impact of retained earnings in terms of draft rehabilitation scheme and now revoked by its consented lenders amounting*

For Alps Industries Ltd.

(Sandeep Agarwal)  
Managing Director

to Rs. 146966.65 Lakh, accordingly the loss for the year and loan liability would have been increased and shareholder's fund would have been reduced to that extent.”

In case, company would have considered this as liability, its standalone net profit for the current quarter ending on 31.3.2021 would have been a loss of Rs. 157468.65 Lakh and loss for the year ended on 31.3.2021 would have been Rs. 162338.08 lakh (consolidated net profit for the quarter on 31.3.2021 would have a loss of Rs. 157517.89 lakh and loss for the year ended on 31.3.2021 would have been Rs. 162391.00 lakh) as against already stated standalone net Loss for the quarter ended on 31.3.2021 of Rs. 2586.44 lakh and net loss for the year ended on 31.3.2021 Rs. 7455.87 lakh (consolidated net loss for the current quarter ended on 31.3.2021 Rs. 2635.68 lakh and net loss for the year ended on 31.3.2021 Rs. 7508.79 lakh) and the accumulated loss and loan liabilities at the end of the quarter and year ended on March 31, 2021 would have been higher by Rs. 154882.21 lakh.

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

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

**DATE : June 30, 2021**

**PLACE : GHAZIABAD**

**BY ORDER OF THE BOARD**  
For Alps Industries Ltd.



(Sandeep Agarwal)  
**(SANDEEP AGARWAL)**

**MANAGING DIRECTOR**

**DIN: 00139439**

**ALPS INDUSTRIES LIMITED**

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

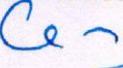
Statement of Standalone Related party Transactions for the Financial year ending on 31 March, 2021 as per  
format as applicable to the respective IndAS

(In Lakhs)

Sl. No.	Nature of Transaction	Subsidiary Alps Energy Pvt. Ltd	Wholly owned Alps USA INC.	Entities Controlled by Peek Texfab Private Limited	Remuneration to Directors / Relatives
a.	Rent Paid	NIL (NIL)	NIL (NIL)	10.80 (10.80)	-
b.	Repayment of Advance /Loans	53.38 (NIL)	NIL (NIL)	NIL (NIL)	-
c.	<b>Sitting fee to KMP</b>				
	Non-Executive Chairman	-	-	-	-
		-	-	-	(0.20)
	<b>Remuneration to KMP</b>				
	Managing Director	-	-	-	Nil
		-	-	-	(Nil)
	Executive Director(WTD)	-	-	-	Nil
		-	-	-	Nil
	President Account and Finance				8.48
		-	-	-	(18.26)
	Company Secretary	-	-	-	5.64
		-	-	-	(8.67)
d.	Salary to relative of KMP				
	Mrs. Indu Singhal	-	-	-	4.57
		-	-	-	(7.00)
e.	Loan Balance at the yearend (cr.)	NIL (89.75)	NIL NIL	NIL NIL	- -
f.	Other Balance at the yearend (dr.)	NIL NIL	6.61 (6.61)	NIL NIL	- -
g.	Security Balance at the yearend (dr.)	NIL NIL	NIL NIL	11.38 (66.38)	- -

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

For Alps Industries Ltd.

  
(Sandeep Agarwal)  
Managing Director

**ALPS INDUSTRIES LIMITED**

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

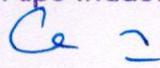
Statement of Consolidated Related party Transactions for the Financial year ending on  
31 March, 2021 as per format as applicable to the respective IndAS

(In Lakhs)

Sl. No.	Nature of Transaction	Entities Controlled by subsidiaries,	Remuneration to Directors / Relatives
		Peek Textfab Private Limited	
a.	Rent Paid	10.80	
		(10.80)	-
b.	<b>Sitting fee to KMP</b>		
	- Non-Executive Chairman	-	-
		-	(0.20)
	<b>Remuneration to KMP</b>		
	Managing Director	-	Nil
		-	(Nil)
	Executive Director(WTD)	-	Nil
		-	Nil
	President Account and Finance		8.48
		-	(18.26)
	Company Secretary	-	5.64
		-	(8.67)
c.	Salary to relative of KMP		
	Mrs. Indu Singhal	-	4.57
		-	(7.00)
d.	Security Balance at the yearend (dr.)	11.38	-
		(66.38)	-

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

For Alps Industries Ltd.

  
(Sandeep Agarwal)  
Managing Director

ALPS/088/SE11/2021-22

June 30, 2021

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

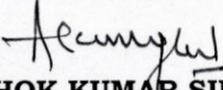
Dear Sir,

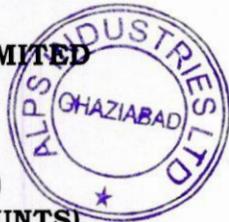
## DECLARATION

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

This is for your kind information and record, please.

FOR **ALPS INDUSTRIES LIMITED**

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



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

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

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

I. AUDIT QUALIFICATION (EACH AUDIT QUALIFICATION SEPARATELY)

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

For Alps Industries Ltd.

(Sandeep Agarwal)  
Managing Director



*Handwritten signature*

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

For Alps Industries Ltd.



*Ce 2*  
(Sandeep Agarwal)  
Managing Director

*Accountant*  
✓

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

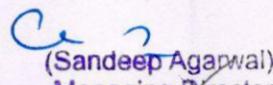
For R.K. Govil & Co.  
Chartered Accountants

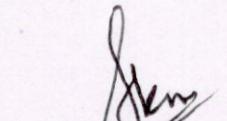


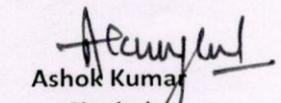
Dipender Gupta  
Partner  
Membership No. 558077  
Firm Regn. No. - 000748C



For & on behalf of Board  
For Alps Industries Ltd.

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

  
Prabhat Krishna  
(Audit Committee  
Chairman)  
DIN: 02569624

  
Ashok Kumar  
Singhal  
President  
(Corporate F&A)  
CFO

Place: Ghaziabad  
Dated: June 30, 2021.

UPIN:-21538077AAAA DF1794

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

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

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

II. AUDIT QUALIFICATION (EACH AUDIT QUALIFICATION SEPARATELY)

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

For Alps Industries Ltd.



(Sandeep Agarwal)  
Managing Director

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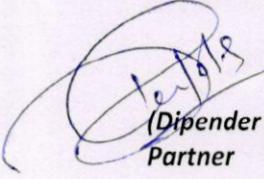


For Alps Industries Ltd.

Ce 2  
(Sandeep Agarwal)  
Managing Director

		secured loan, waived earlier, and impact on retained earnings thereon totaling to Rs. 154882.21 Lakh as per provisions of earlier consented scheme, which the Company continues to give effect till the time revised settlement/restructuring proposal is finally approved by its lenders.
e.	<b>Audit Qualification where the impact is not quantified by the Auditor :-</b>	
(i)	Management's Estimation on the impact of audit qualification	N.A
(ii)	If management is unable to estimate the impact, reasons for the same	NA
(iii)	Auditor's Comments on (i) or (ii) above:	NA

For R.K. Govil & Co.  
Chartered Accountants

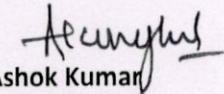
  
(Dipender Gupta)  
Partner  
Membership No. 53807  
Firm Regn. No. - 000748C



For & on behalf of Board  
For Alps Industries Ltd.

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

  
Prabhat Krishna  
(Audit Committee  
Chairman)  
DIN: 02569624

  
Ashok Kumar  
Singhal  
President  
(Corporate F&A)  
CFO

Place: Ghaziabad  
Dated: June 30, 2021.

UDIN:- 21538077AAAAD E5631