

Vista[®]
WINDOW FASHIONS
FLOOR FASHIONS
HOME FASHIONS



Alps Industries Limited

45th Annual Report 2016-2017



Corporate Directory	2
Board of Directors	3
Directors' Report	4
CSR Annual Report	16
Annexure to the Directors' Report	19
Management Discussion & Analysis	25
Corporate Governance	30
Statement of Subsidiary Companies	73
Auditors' Report	74
Balance Sheet	80
Statement of Profit and Loss	81
Cash Flow Statement	82
Significant Accounting Policies	83
Notes Forming Part of Accounts	85
Financial Statements of Subsidiary Companies	103
1. Alps USA Inc.	104
2. Alps Energy Pvt. Ltd.	113
3. Snowflakes Meditech Pvt. Ltd.	145
Consolidated	173
Independent Auditors' Report	175
Balance Sheet	180
Statement of Profit and Loss	181
Cash Flow Statement	182
Significant Accounting Policies	183
Notes Forming Part of Accounts	186
Statement Pursuant of Additional Information as per requirement of Schedule III under Section 129 of the Companies Act, 2013	205
Auditors' Certificate for Cash Flow Statement	205
Useful Links	206

ALPS INDUSTRIES LTD.

CORPORATE DIRECTORY

Manufacturing Facilities / Offices

Unit I

Eco-Friendly Yarn Spinning & Dying Mill
Plot No. 1A, Sec. 10, I.I.E, SIDCUL, Haridwar,
Uttarakhand-249403.
Ph.: 01334-239169
Email – admharidwar@alpsindustries.com

Unit IV

**Vista Window Covering , Awnings & Floor
Covering Division**
A-2 & A-3, Loni Road, Industrial Area, Opp.
Mohan Nagar, Ghaziabad-201 007 (U.P.)
Ph.: 0120-2657574
Email-sales@alpsindustries.com

Showroom

B-2, Loni Road Industrial Area, Opp. Mohan
Nagar, Ghaziabad-201 007 (U.P.)
Ph : 0120-2657649

R&T AGENCY

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

STATUTORY AUDITORS

R.K. Govil & Co., Chartered Accountants

Unit II

High Quality Compact Yarn Spinning Mill
Plot No. 1B, Sec. 10, I.I.E., SIDCUL, Haridwar,
Uttarakhand- 249403
Ph.: 01334-239169
admharidwar@alpsindustries.com

Unit V

Vista Window Covering Division
B -160-161, Industrial Estate, Mettupalayam,
Puducherry - 605009
Ph.: 0413-2271464

Yarn & Fabric Marketing office

57/2, Site-IV Industrial Area, Sahibabad,
Ghaziabad – 201010 (U.P.).
Ph : 0120-4161700/822
email-yarnmarketing@alpsindustries.com

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Ajay Gupta
57/2, Site-IV, Industrial Area, Sahibabad,
Ghaziabad - 201010 (U.P.).
Ph (D) : 0120-4161716 (B)0120-416700
Fax : 0120-2896041
Email ID : ajaygupta@alpsindustries.com
Investorsgrievance@alpsindustries.com

COST AUDITORS

Pramod Agrawal & Co., Cost Accountants

Unit III

**Automotive, Technical & Decorative Fabric
Weaving and Processing Mill**
Village –Aminagar, Bhoor Baral, Meerut Delhi
Road, Meerut – 250103 (U.P.)
Ph.: 0121-7180001

Unit VI

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

REGISTERED AND CORPORATE OFFICE & SHARE DEPTT.

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

CORPORATE IDENTIFICATION NUMBER(CIN)

L51109UP1972PLC003544

SECRETARIAL AUDITORS

CSK & Co., Company Secretaries

REGIONAL & MARKETING OFFICES - VISTA DIVISION

BENGALURU : 303, Ahuja Chambers of
Commerce, 3rd Floor, Kumara Krupa Road,
Bengaluru – 560 001
Ph.: 080-40914620
Telefax: 080-40936070
Email : vista-bangalore@alpsindustries.com

CHENNAI : No. 42, Sindhur Plaza, 1st Floor,
Montieth Road, Egmore, Chennai - 600008.
Ph: 044-42122753
Email : vista-chennai@alpsindustries.com

MUMBAI : Flat No. 3116-3117, C-Wing, Oberoi
Estate, Chandivali Farm Road, Chandivali,
Andheri (E), Mumbai-400 072
Tel/Fax: 022-28472111
Email: vista-mumbai@alpsindustries.com

DELHI : F-228, Near Campa Cola Factory,
Lado Sari, New Delhi -110 030
Tel. 011-29523097
E-mail: vista-delhincr@alpsindustries.com

PUNE : 122 and 123, Patil Plaza Near
Mitrmandal Chowk, Parvati , Pune -411009.
Tel: +91-20-41264001
Fax: +91-20-66066296
E-mail: vista-pune@alpsindustries.com

DELHI NCR : 57/2, Site IV Industrial Area,
Sahibabad, Ghaziabad – 201010
Tel: 0120- 4161822 , 0120 – 4161700
Fax: 0120- 2896134
E-mail: sales@alpsindustries.com

HYDERABAD : 6-3-853/1, Flat No. 501. Fifth
Floor, Maridian Plaza, Lal Bunglow, Ameerpet
Hyderabad-500016
Email: vista-hyderabad@alpsindustries.com

BOARD OF DIRECTORS**Mr. K.K. Agarwal, Promoter & Non Executive Chairman (DIN NO. 00139252)**

Mr. K. K. Agarwal is a qualified Textile Technologist from Government Central Textile Institute, Kanpur (UP) and has received many awards from Central/State Governments and various Export Promotion Councils for his valuable guidance. He has also enjoyed prestigious positions in various organizations like, Chairman-North Zone AIMO, Executive Member of FICCI, FIEO, CII & HEPC. He was member of Cotton Yarn Advisory Board. Textile Association (India) has also awarded him with "Life Time Achievement Award" in recognition of his immense services to textile industry for creating jobs for Textile graduates. The company has been awarded Gold Trophy for the 1st set of FIEO Export Excellence Award of Northern Region in Top Exporters, Uttar Pradesh under Non-MSME Category under his guidance. Mr. Agarwal is also involved in various social activities through educational organizations, since a long time. He is actively involved in the family charitable trust for helping under privileged children and providing free education, books, etc. to them under the name of CDK Foundation. He is Chairman of Smt. Sushila Devi Chhabil Dass Charitable Trust and also the President of Chaudhary Chhabil Das Public School, a reputed institution in education in Ghaziabad having approx. 5500 students.

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

Mr. Sandeep Agarwal, Promoter & Managing Director (DIN NO. 00139439)

He is in the textile industry since last 28 years and under his acumen and dynamic leadership, the company had floated various Indian and overseas subsidiary companies. The company had also obtained significant recognitions/ certifications from different organizations. He is very meticulous in diversifying into value added products in domestic Home Furnishing business segment of the company. Under his leadership, the Company has set-up a nationwide distribution system for the Company's products. This has helped the Company in marketing its brands such as "Vista" throughout the country. Under his acumen, leadership and strong patience, the company has been able to sail smoothly even in testing times.

Mr. Pramod Kumar Rajput, Executive Director (DIN NO. 00597342)

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

Mr. Prabhat Krishna, Independent Director (DIN NO. 02569624)

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

Mr. Tilak Raj Khosla, Independent Director (DIN NO. 02724242)

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

Mr. Pradyumn Kumar Lamba, Independent Director (DIN NO. 02843166)

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

Ms. Deepika Shergill, Independent Director (DIN NO. 07093795)

She possesses over 15 years of diversified exposure in the administration of reputed companies, engaged in diversified fields.

To,
The Members,
Alps Industries Limited.

Your Directors have pleasure in presenting the 45th Annual Report, together with the Audited Statements of Account of the Company for the financial year ended on 31st March, 2017 in terms of the Companies Act' 2013 and rules & regulation made thereunder & Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as amended from time to time including Circular Ref. CIR/CFD/FAC/62/2016 DATED 05.07.2016, as may be applicable during the period under review.

The Financial Performance of the Company, for the year ended March 31, 2017 is summarized below:

FINANCIAL RESULTS**(Rs. in Lakh)**

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Total Income	50088.95	58160.28
Operating Earnings/Losses before Financial Expenses, Depreciation & Amortization and Tax	(2317.62)	(1213.29)
Finance Cost	7.57	47.41
Depreciation	3357.87	3586.42
Profit/Loss Before Tax	(5683.06)	(4847.12)
Provision for Tax	0.00	0.00
Profit/Loss After Tax	(5683.06)	(4847.12)
Exceptional Items	1720.72	6869.38
Surplus of last year Add:	(93659.22)	(95681.48)
Surplus available for appropriation	(97621.56)	(93659.22)
Appropriations	0.00	0.00
Surplus carried to Balance Sheet	(97621.56)	(93659.22)
Surplus available for appropriation	(97621.56)	(93659.22)

OPERATING SCENARIO

At Macro Level – Domestic & Exports

The projected cotton balance sheet drawn by the CAI has estimated total cotton supply for the season at 410.50 Lakh bales while the domestic consumption is estimated at 300.00 Lakh bales, thus leaving an available surplus of 110.50 Lakh bales. The arrivals during March 2017 are higher than that of the corresponding month during last year and the gap of arrivals as compared to last year has narrowed down further.

Amidst expectations that economic activity would gather pace in the current year, there is optimism among companies that green shoots of recovery, which have started becoming evident, would be sustained. A sharp uptick in business outlook, at the onset of 2017, underpins the hope that the reform initiatives of the government would unravel a host of investment opportunities for firms, going forward. Business conditions are expected to improve, as over 63% of the firms expect an increase in sales, as compared to only 39% who experienced the same in previous year. Much of the recovery in business conditions is expected to be domestically driven, as a large proportion of firms expect to maintain status quo on their export orders in current year. Despite the rise in capacity utilization, majority of firms expect no change in their domestic and international investment plans in coming year 2017. More than half of the firms expect to maintain status quo on their plans about investing in the domestic economy. Firms are keeping investment plans on hold despite the expectation of an improvement in sales and new orders.

The textile industry is critical to the Indian economy. The industry provides direct employment to 4.5 crore individuals and generates 6 crore indirect jobs. The industry also contributes 10 percent to manufacturing production in the country. With textile commodities holding a 7 point weightage in the Consumer Price Index (CPI), it is an essential commodity in the Indian consumption basket. Therefore, working of the textile industry has a considerable ripple effect not only on the economy, but also on the lifestyle of individuals. In the backdrop of India, working on rolling out its new indirect taxation system, the Goods and Services Tax (GST), the textile industry will play a critical role in fully realizing the potential proposed for GST. It can transform textile industry into a single market with predictable tax system, enabling increased value addition, employment, and exports. This opportunity for GST to carve out a promising future of sustained growth for the textile sector can be achieved only through the application of a uniform low GST rate to the sector. A low GST rate of 5 percent, applied uniformly across the sector will propel domestic production, and facilitate and encourage voluntary compliance in the sector. This growth would enable India to achieve its target of generating 35 million jobs, and attracting investment worth USD 200 billion by 2025. A uniform 5 percent GST rate with no exemptions in the sector will remove current blocked input taxes and tax cascading present in the industry, while also providing revenue enhancement for the government. Even with 50 percent compliance from the industry, tax revenue across the value chain under a uniform GST rate will see an increment of INR 7000 crore. This note highlights the revenue enhancement, and other benefits associated with uniformly allocating the lowest GST rate for the textile industry. A multi-tiered GST rate structure on the other hand will lead to distortions in production and consumption in the sector. A multiple tax structure will also compromise fibre neutrality with producers moving to manufacturing garments made from lower taxed fabric. Such a structure may also lead to disputes in classification of textile products to different tax categories.

It was submitted that all the existing export benefits including AIR duty drawback rates, ROSL benefits, MEIS, IES, EPCG and other benefits announced under garment/ made-ups export package need to be continued for some time after the implementation of GST, as the industry has just begun taking advantage of these schemes and grabbing global export opportunities. All the existing export benefits could be continued till its expiry period in the case of apparel and made-ups package and for two years for all other export benefits, as the industry has no level playing field in the international market due to delay in concluding FTAs with various potential markets. Option could be provided to the exporters by announcing two AIR drawback rates and ROSL rates, one while availing GST credit and another without GST credit. Due to impact of various measures the Indian economy will grow 7.4 per cent this fiscal and 7.6 per cent in the next as the bankruptcy and GST laws will help create a better business friendly environment, The technical textile market will also continue to grow accompanied by a changing textile industry. Demand from the using industries is growing as well: not only by growing demand in existing applications but also by inventing new technologies, materials and products for new ones. The exports of readymade garments have witnessed a positive growth of 4.5% in INR terms and 1.0% in USD terms during April-January, 2016-17, as compared to the same period of previous financial year.

At micro level- overall performance

Under the VISTA division company offers a complete range of home furnishing products for decorating windows & floors. Your company plays the role of market leader in Architectural Fashion products. Be it the exterior or Interior of homes or offices, your company offers a complete range of products from Window Blinds, Drapery Rods, Curtain Tracks, Awnings,

Resort Umbrellas, Laminated & Engineered Wood Flooring, Carpet Tiles, etc. In this division company source fabric and components from best in class companies, from across the world, providing the customers with a wide choice of fabrics, styles, colours and applications. Company also provide specialized fabrics which have acoustic control properties, fire retardant, anti-fungal and anti-microbial. Company also provide a range of windows blinds to meet all sun control and privacy control needs. Vista brand is well represented across India with direct representatives in all metros and a 500 plus network of partners spread across almost every other city. This ensures that the company is just a call away when our customers need. During the year, Vista has launched several new products in the window covering and flooring space. A complete new range of special blinds called Sheer Dim-out also known as Zebra blinds. These blinds combine the best features of Sheer Curtains, Roller Blinds & Venetian Blinds, all-in-one. They are the ultimate combination of utility and style, and are suitable for any and every room in the house. The Company also launched the new range of S-Contour blinds. The secret of these blinds lies in the unique “S” curve of the blinds. This specially designed “S” Curve diffuses light into the room at different angles, thereby lighting up the room while also helping to maintain privacy. Several new initiatives were taken at the Vista division for update the quality process and upgrade/ rebrand product packing. Vista continues to grow its customer base.

In the Auto & Technical Textiles segment, your company has done well and able to achieve the growth during the previous financial year. Your company has planned to cater the demands for Buses & Car Segment also during the current fiscal year. Car Segment's business largely depends upon the OEM and prices are very competitive and Bus Segment has also equal Share of OEMs as well as in the Domestic Market. Your company is focusing more on to the heavy vehicles segments, Technical Textiles and Defence sector since your company expecting change in the policy for procurement of indigenous products. Your company also looking forward to expand the business in other segments likes Multiplexes and Protective Clothing, during the current financial year. It is expected that the possibility of re-engineering the product constructions and raw materials utilization mix. Auto and Technical Textiles has done well and company is looking forward for growth in next financial year.

Under the Made-ups Division, company is growing and progressing very well in this segment in both Global and Domestic Markets. The collections have created a niche in all markets and have been featuring in many premier retail stores and shopping catalogues. We have made a mark in both quality and aesthetics and developed a strong confidence with all our customers with attractive prices and good service levels. We have proved to be a “one stop shop” with a diverse product portfolio covering bedding, curtains, cushions, blinds, shower curtains, table and kitchen linen. Our design teams have been able to deliver remarkable collections as per the latest market trends and increasing our presence strongly with existing and new customer bases. Your company is catering to the mid and mid high segments of the home textile business and also working with the premium and top end brands. Your company is optimistic with a multi fold increase in the fraction of business in the industry with the new innovations and the new collections we consistently work on. We have a fully compliant manufacturing meeting all social and technical requisites to cater to all well known global brands. Your company expects good future, since demand of cotton & cotton blends products are increasing in the international markets. Your company also gearing up & increasing the efficiencies & capacities to cater the market demand in domestic as well as in overseas markets. The business sentiments are very soft in Furnishings Industry, both for exports and domestic markets. We hope the next fiscal year seems to be more optimistic in terms of response from major buyers. Your company have ventured into fire retardant fabrics suitable for hotel industry and Defence sector for technical textiles. Your company have also reinvented commodity products to have good response from exports as well as domestic buyers. The company has started new products during the period under review in Yarn segment. The thrust has been to insulate the Company from the vagaries of Cotton yarn. The Company started producing Polyester /Cotton yarns Melange yarns. This are value added items with good demand in domestic and exports markets. Your company has also moved up in the value chain by starting production of Polyester/Cotton Grindle yarns. These yarns give special effects after dyeing and are in good demand. The efforts to change the Product Mix at our Yarn Spinning Mill at Haridwar, adding value added Mélangé Yarn, affected the production, temporarily thus adversely affecting the Productivity. However, the changes were envisaged for long term business interests.

During the period under review your company could not maintain the EBITDA which comes to Rs.(2317.62) Lakh in comparison to Rs. (1213.29) Lakh in previous year due to various unavoidable factors, various operational challenges in the production and marketing front, like decrease in the margin of yarn, closure of the operations of dyeing facilities located at Plot No. 1A, Sec. 10, I.I.E, SIDCUL, Haridwar, Uttarakhand by the Hon'ble National Green Tribunal (N.G.T.) vide its order dated January 27, 2016 and quality claims in Fabric segment. Due to this the financial performance of the company has been affected adversely. The impact of measures for improvement in the performance taken place during the year will be reflected in the current year's financial parameters.

ALPS INDUSTRIES LTD.

FUTURE OUTLOOK – TECHNICAL FRONT

To upgrade the technological front various efforts are being taken like installation of Transfer Printing machine in one of the unit, this will add new value added product range. We are optimistic for the market response of newly introduced product range by technological development. In Processing facilities, company has taken up the optimization project that will reduce the process cost as well as time without impacting the product quality.

In other units also, we have been able to maintain the balanced technical performance in terms of utilization and productivity during the financial year under consideration. At Hardwar unit your company is focusing on improving plant performance in general and to produce quality oriented yarns for higher segment. However company is planning for technology up gradation of old plant in the phased manner.

RESTRUCTURING/ REHABILITATION OF THE COMPANY

Pursuant to the coming into force of the Sick Industrial Companies (Special Provisions) Repeal Act, 2003 (1 of 2004) w.e.f. 1.12.2016, in terms of notification no. S.O. 3568(E) dated 25.11.2016 issued by the Ministry of Finance, the Hon'ble BIFR/AAIFR stand dissolved and all the pending matters before the Hon'ble BIFR/AAIFR stand abated. As such the reference of the company which was pending before the Hon'ble BIFR as case no 32/2010 also stands abated. However under the Insolvency and Bankruptcy Code, 2016 (IBC), as enacted w.e.f. 1.12.2016, a company may make reference to the Hon'ble National Company Law Tribunal (NCLT) under the Insolvency & Bankruptcy Code, 2016 (IBC) for its resolution, as such the Company is envisaging to approach the Hon'ble NCLT for seeking the necessary resolution, in accordance with the provisions of Insolvency and Bankruptcy Code, 2016 (IBC).

CREDENTIALS/CERTIFICATIONS

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

- ◆ Certificate for ISO/TS 16949:2009 for manufacturing seat fabrics for the automotive application.
- ◆ Certificate for Oeko-Tex for Hohenstein Textile Testing Institute, Germany
- ◆ Certificate for ISO 9001:2008 and ISO for the management system implemented, renewed by Afnor Certification for the period 2015 to 2018 covering the manufacturing activities i.e. Spinning, Weaving and Processing of Yarn, Fabric and Home Furnishing and Coating (fire retardant curtain fabric, upholstery and stain proof fire retardant upholstery cloth for the company's units situated at Haridwar and Meerut).
- ◆ Gold Trophy" for the 1st Set of FIEO Export Excellence Award of Northern Region in Top Exporter Uttar Pradesh Non-MSME Category.

MEASURES TO REDUCE/CONTROL COST

In Meerut unit the company is looking forward to analysis the possibility of re-engineering the product constructions and raw materials. Further focus is on the strict monitoring of the inventory and to procure the raw material in minimum lead time. It will minimize the buffer stocks. In order to reduce marketing cost we are distributing the material through depot nearest to consumers. This will bring down the transportation and handling cost. To meet out the market competitiveness and improve the financial performance, the company is committed to reduce the cost, upgrade the efficiency and ensure optimum utilization of the current as well as fixed assets of the company. On technical front, your company is continuously trying to achieve the reduction in raw material cost by making different composition of mixing/purchase of cotton through commodity exchange, increase in machine productivity, better yarn yield with optimum use of raw material, control waste generation to bare minimum and best use of work force, best utilization of capacity with lowest Raw Material Cost and good quality of end product to fetch best yarn price. The units located at Meerut and Haridwar have taken various important steps which includes buying of raw material in bulk quantity, directly from suppliers, after proper negotiation and studying market prices, reducing the fixed overheads, increase the utilization and efficiency of machineries to reduce the cost, standardize the production process flow chart to avoid the rejection, maintain the inventory level as per the requirement, constant check on power consumption, controlling/reducing rejections & re-processing, reusing / recycling all possible items, strict follow-up on regular maintenance schedule to avoid major break downs, increasing overall efficiency to reduce production cost, using low consumption LED lights. In order to reduce the substantial logistic cost, the company is opting for land ports nearest to the units. Transportation cost reduced by finalizing the transport & courier contracts at best possible lowest rates for the goods movement of the Units. The unit located at Meerut has also optimized its cost structure by way of strong emphasis on consumption and control of waste, reduction & rationalization, inventory control & Manpower optimization. Use of Special

flat inspection machine for inspection of fabric on similar method as buyer to save the overhead considerably on the inspection of material, reduced the soft water consumption through re-collecting the usable hot water and also by setting the machine liquor ratio, reduction in coating chemical cost. In Made up division your company have implemented strict monitoring of the stocks by analyzing the in minimum lead time. Energy audit observations and suggestions by competent agency were also implemented at the Hardwar unit during the period under review to save the Energy cost. During the year several cost consolidation measures were also taken including renegotiating supplier contracts, rationalizing of manpower as well as streamlining existing processes under SAP. This has resulted in significant cost savings.

STATUS OF HOLDINGS OF SUBSIDIARY COMPANIES

During the year under review, there is no change in the status of subsidiary companies. As per Section 2(87) of the Companies Act, 2013, after considering the indirect holding through it's another subsidiary (Alps USA Inc.), the percentage of shareholding continued to be 78.22% in Alps Energy Pvt. Ltd. and 81.65 % in Snowflakes Meditech Pvt. Ltd. In terms Regulation 23 & 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Prabhat Krishna(DIN NO.02569624), Independent & Non Executive Director of the Company continues to be representative director in the aforesaid Indian "Material subsidiary" companies during the year.

FINANCIAL STATEMENTS OF SUBSIDIARY COMPANIES

The company continued to have three subsidiaries at the end of the financial year viz; M/s. Alps Usa Inc., M/s. Alps Energy Pvt. Ltd. and M/s. Snowflakes Meditech Pvt. Ltd. As required under Section 129(3) of the Companies Act, 2013 and applicable rules, the Financial Statements of all three Subsidiaries Companies are being annexed.

GOVERNMENT INITIATIVES- TEXTILE SECTOR

The Indian textile sector considers the Union Budget 2017-18 to be growth oriented, as it will enable the manufacturing sectors to grow at a faster rate. The textile industry was hoping for some good announcements, as this sector is claimed to be the worst-hit ones of the economy due to demonetization and the Budget has not disappointed them. Previously, the tax rate was 30% which, in the recent budget, has been reduced to 25%. This move is an encouragement for start-up's to make investment in textile and apparel sector. The other benefits extended such as additional allocation of funds to the banks for NPA accounts, cashless transaction, labour reform, relaxation of FDI norms by abolishing Foreign Investment Promotion Board (FIPB), would also benefit the textile industry. Higher fund allocation for labour skilling and end-to-end logistics solutions, including railand coastal shipping last-mile connectivity, will help the country's textile industry. Though there was no major announcement in the Budget, continuing with the existing tax structure, including the service tax and optional Cenvat route extended for textile industry till the GST is implemented, has been considered as a big boost for the sector. Government's flagship technology up-gradation scheme receives an allocation of Rs. 2013 crores for 2017-18. This is a welcome move and provides impetus for investment in the textile sector. Allocation under Remission of State Levies has been increased sizably to Rs. 1555 crores. This scheme includes the refund of State taxes to garments exporters to make the industry competitive and to boost employment in this Sector. Fund allocation under Pradhan Mantri Paridhan Rojgar Protsahan Yojna (PMRPY) is Rs 200 crores. This new scheme provides the Employee Pension Scheme contribution of 8.33% of the employers for all new employees enrolling in EPFO under PMRPY for the first three years of their employment. Again, this is to boost employment in textile sector by incentivizing the employers and improving competitiveness. Integrated Scheme for Skill Development for the textile sector receives Rs. 174 crores, which is operational for last several years for under skilled factory workers. Textile industry would benefit from Trade Infrastructure Export Scheme with an allocation of Rs 3.96 Lakh crores. Objective of doubling farmers' income, skilling of youth, and development of Infrastructure to provide end to end solution by integrating rail, road, air and sea would greatly benefit the textile industry that is spread across the nation. The cluster approach for contract farming would greatly benefit the predominantly cotton based textile industry in India, where more than 80% of MSMEs are located across the country. The government's proposal to allocate funds for affordable housing scheme (as sought by the textile sector) is a boon to the sector.

The much awaited Trade Infrastructure for Export Scheme (TIES) was launched by government. The Scheme would provide assistance for setting up and up-grading infrastructure projects with overwhelming export linkages like the Border Haats, Land custom stations, quality testing and certification labs, cold chains, trade promotion centers, dry ports, export warehousing and packaging, SEZs and ports/airports cargo terminuses. It is expected to discernible benefits of investment in textile sector to economy in next quarter, as industry will kick start production and will hire more people. Investment in the sector has beam bit slow and delayed due to sluggish global demand conditions and almost flat demand conditions for textile

goods in domestic market. DGFT announced that after implementation of GST, the relevance of IEC would be less and department is exploring the possibilities of removing the need for IEC as GSTN can take care of all processes.

DIVIDEND

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

TRANSFER TO THE INVESTOR EDUCATION AND PROTECTION FUND

In terms of Section 124 of the Companies Act, 2013, there was no unclaimed dividend, relating to the financial year 2015-2016, which was due for remittance during the financial year 2016-2017. Hence no amount due to be transferred to the Investor Education and Protection Fund established by the Central Government.

DECLARATION BY INDEPENDENT DIRECTORS

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

RISK MANAGEMENT PLAN

In compliance of Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 related to corporate governance, Risk Management plan of the company recognizes that the Enterprise Risk Management is an integral part of good management practice. Hence Risk Management is an essential element in achieving business goals. In terms of Policy, the Company is committed for managing the risk in a manner appropriate to achieve its strategic objectives. The Company will keep investors informed of material changes to the Company's risk profile through its periodic reporting obligations and ad hoc investor presentations. The Company reviews and reports annually on its compliance of Corporate Governance Principles and recommendations for betterment, which include Risk Management and the internal control framework. Accordingly the Company has framed procedures to inform members of Board of Directors about risk assessment and minimization procedures.

POLICY FOR DETERMINATION OF "MATERIALITY".

In terms of the provisions of Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has framed a policy for determination of "Materiality" and the Board of Directors has appointed the Company Secretary & Compliance Officer as the "Materiality Officer" to take care of the relevant compliances.

POLICY FOR PRESERVATION OF DOCUMENTS

In terms of the provisions of Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the company has framed a policy for preservation of documents.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

In terms of section 177 of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has established a Vigil Mechanism policy for the Directors and Employees to report genuine concerns in such manner as may be prescribed and such a vigil mechanism has provided for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases, instances of unethical behavior, actual or suspected, fraud or violation of the company's code of conduct etc. This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations against people in authority and / or colleagues in general. The scope of the policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies & assets of the company, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees.

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

As mandated by the statutory provisions contained under section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 with Stock Exchanges, Nomination & Remuneration Committee of the Company has already formulated which is force as on date. This policy contains guidelines on nomination and remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel of the Company and Evaluation and Board Diversity policy for directors. This policy may be treated as a benchmark for determining the qualifications, positive attributes and independence of a Director, criteria for evaluation of Independent Directors and the Board, matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel and Senior Management Personnel of the Company. To provide insights into the Company to enable the Independent Directors to understand the Company's business in depth that would facilitate their active participation in managing the Company, familiarization Program have been formulated and introduced by the Company to simplify the understanding of various responsibilities and rights of the Independent Directors during the year under review. The SEBI vide Circular No. SEBI/HO/CFD/CMD/CIR/P/2017/004 dated January 5, 2017 has issued Guidance Note on Board Evaluation for all listed entities. It has been reviewed by the Board of Directors and noted the criteria for evaluation of Board as a Whole, Non Independent Directors and Independent Directors of the Company.

SHARE CAPITAL

During the year under review there is no change in the capital structure of the company.

RELATIONSHIP WITH INVESTORS

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

Further in terms of Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015 and Section 177 of the Companies Act, 2013 and Companies (Meetings of Board and its Powers) Rules, 2014 made thereunder, the Company has framed Stakeholder Relationship Committee which is fully committed and accountable to the valued investors, who have reposed the confidence in the company by investing their hard earned money in the company and supported the management in such a crucial time.

The relationship with the investors continues to be cordial. Your company's management is fully aware and dedicated for survival of the company and committed to take all efforts to resolve the investors' grievances received during the year to the satisfaction of the investors within a reasonable time. M/s Alankit Assignments Limited, the R&T Agent of the company, continued to extend their positive contribution to resolve the Investors' grievances efficiently and effectively, whenever they arose. By contribution from all concerned, the investor grievances have been resolved to the fullest satisfaction of investors. We sincerely place on record, the appreciation for our valued investors, who have contributed and reposed the confidence in the company at this difficult time. The management not only believes in legal compliance related to the investors, but also morally protects their interest, and treats them as part of Alps Group. In its endeavor to improve investor services, your Company has created an investor section, and designated exclusive E-Mail ID for the purpose of registering complaints by investors and necessary follow up action by the company / compliance officer in compliance with Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The e-mail ID is: investorsgrievences@alpsindustries.com

MANPOWER –VALUABLE ASSETS

Human Resources are the key assets of Alps and management endeavors continuously to build a self motivated and self disciplined workforce by its unconditional support for building the right performance oriented culture under the leadership of its key management personnel. The significant HR initiatives began during the previous Financial Year, which strengthened for better role clarity and aligning systems for improving effectiveness of such reorganized structure. The initiative is showing improvements with improved accountability, coordination and focus. The year has been quite satisfying in terms of retention of employees as the average attrition rate remained comparatively low in staff cadre, particularly in Vista Business. Besides, a

robust talent pipeline and a high-performance culture, centered on accountability, in place, enable us to retain our competitive edge. Your company is continuously benchmarking its HR practices with the best of those exists across the industry and keep carrying out necessary improvements to attract and retain the best talent.

The company has been reviewing the Company Policies periodically considering the needs of its employees treating its human resources as its valuable assets. It helps the employees to focus on their assignments, instead of bothering for hygiene, and give their best to the organization. Consistent efforts are being made to optimize the utilization of available human resources through regular monitoring of the Manpower at various locations in different businesses, redefining the job responsibilities wherever possible so as to encourage deserving employees to enrich their jobs by shouldering additional responsibilities and avoid over-lapping, fair implementation of the HR Policies and continuously improve hygiene factors for facilitating a conducive working environment. Efforts continued to be made to improve the female workers/employees ratio, particularly at the shop floor, in-line with the national policy of gender equality and policy to restrict the sexual harassment is also being implemented in line with the government directions. The company's concerns for welfare of its workforce continued during the year and accordingly Group pension/Accident Insurance policy/ESI/WC policies were continued further as in the past. The company has been consistently maintaining harmonious & cordial relations with the employees at all the locations. The Company continues to lay emphasis on building and sustaining an excellent organizational culture focusing on performance. During the year, the Company employed on an average 2200 employees (1675 during previous year 2015-16), though it came down to around 1750 temporarily early this year due to the challenge faced by our Yarn Dyeing facility at Haridwar Unit as per changed NGT requirements, adversely affecting the Production at one of the Plant. Pursuit of proactive policies for industrial relations has resulted in a peaceful and harmonious situation on the shop floors of the various plants.

BOARD OF DIRECTORS- CHANGES/REAPPOINTMENTS

RE-APPOINTMENT OF WHOLE TIME DIRECTORS

Mr. Sandeep Agrawal, Managing Director (DIN No. 00139439) and Mr. Pramod Kumar Rajput, Executive Director (DIN No. 00597342) proposed to be reappointed, at the forthcoming Annual General meeting. The disclosures as required under the Companies Act 2013 and Regulation 27 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 related to Corporate Governance published elsewhere in the Annual Report.

RE-APPOINTMENT OF INDEPENDENT DIRECTORS

In terms of section 149 of the Companies Act 2013 and Regulation 17 of the SEBI(Listing Obligations and Disclosure Requirements) 2015, Mr. Pradyumn Kumar Lamba (DIN N0.02843166), Mr. Tilak Raj Khosla (DIN N0.02724242), Mr. Prabhat Krishna (DIN N0.02569624) and Ms. Deepika Shergill (DIN N0.07093795) appointed as Independent Directors of the Company by the Board at their meeting held on February 11 2015, as recommended by the Nomination & Remuneration Committee for first term of three years w.e.f. 11.02.2015. Now it is proposed to Reappointment of the members of the company for a Second & final term of Five years w.e.f. 11.02.2018 at the forthcoming AGM of the company. The disclosures as required under the Companies Act 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 related to Corporate Governance published elsewhere in the Annual Report.

RE-APPOINTMENT OF NON-INDEPENDENT DIRECTORS BY ROTATION

In terms of the provisions of Section 152 of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules, 2014 & Article No. 106,107 & 108 of the Articles of Association of the Company, Mr. Pramod Kumar Rajput, Executive Director (DIN No.00597342) recommended by the Nomination & Remuneration Committee and by the Board of Directors at their meeting held on May 30, 2017 for re-appointment, who retires by rotation and eligible for re-appointment and offer himself for reappointment, at the ensuing Annual General Meeting. The disclosures as required under the Companies Act 2013 & Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 related to Corporate Governance published elsewhere in the Annual Report.

NUMBER OF BOARD MEETINGS

Minimum four prescheduled Board Meetings are held every year. In case of any exigency/emergency, resolutions are passed by circulation. During the Financial Year 2016-17, the Board of Directors met four times on - 30/5/2016, 12/08/2016, 14/11/2016 and 13/02/2017. The maximum gap between any two meetings was less than one hundred and twenty days, as

stipulated under Regulation 17 of the Listing Regulations and Secretarial Standards.

KEY MANAGERIAL PERSONEL

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

INTER CORPORATE LOANS, GUARANTEES AND INVESTMENTS

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

However on business consideration and to improve the cash flow the company to meet out the other more important business commitments, it is proposed the generate the fund by selling the investment of the company. It is proposed to dispose off the shareholdings by more than 51% share capital of M/s. Alps USA Inc., M/s. Alps Energy Private Limited & M/s Snowflakes Meditech Private Limited, all subsidiary company. The dilution of investment will also break the relationship of holding and subsidiary company which will also result in reducing the legal compliances/cost in this regard. Accordingly, pursuant to section 180 and relevant Rules and Regulation made there under of the Companies Act, 2013, the consent of the members of the Board has been accorded at their meeting held on May 30 2017, to sale the investment of the company. Further under the provisions of Regulation 24 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 related with the Corporate Governance requirements, the recommendation of members of the Board is also accorded for disposing off the investment in its "Material Subsidiary" company, resulting in dilution of its shareholding to less than fifty percent thereby ceasing of control over the subsidiary company. It is subject to the approval of shareholders by way of special resolution at the forthcoming annual general meeting of the company.

Further in terms of the approval from the Board of Directors at their meeting held on May 30, 2017 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, being under related parties, company has entered into a Onetime Settlement Agreement with its Subsidiary Companies namely M/s Snowflakes Meditech Private Limited and M/s Alps Energy Private Limited on May 30, 2017, for settlement of their unsecured loan amounting to Rs. 2367.75 Lac . The entire outstanding settled at a sum of Rs. 118.39 lac payable in interest free quarterly installments starting w.e.f. II quarter of financial year 2017-2018 lasting upto 31.3.2019.

CORPORATE SOCIAL RESPONSIBILITY

Due to net profit earned by the company during the financial year 2015-16, in terms of the provisions under Section 135 of the Companies Act, 2013, your company have constituted the CSR Committee . The CSR Committee have framed a Corporate Social Responsibility Policy (CSR Policy) duly approved by the Board at their meeting held on 12.8.2016, indicating the activities to be undertaken by the Company to fulfill the expectation of our Stakeholders and to continuously improve our social, environmental and economical performance while ensuring sustainability and operational success of the Company. The Company would also undertake other need based initiatives in compliance with Schedule VII to the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules 2014.

As required under section 135 and Companies (Corporate Social Responsibility Policy) Rules, 2014 of the Companies Act, 2013, the Statement of Annual Report on CSR Activities is annexed as **Annexure 1**.

RELATED PARTY TRANSACTIONS

In terms of the Section 188 Companies Act 2013 and Companies (Meetings of Board and its Powers) Rules, 2014 and further in terms of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 related to the Corporate Governance, company has formulated Related Party Policy of the company. During the year under review company has entered into related party transactions which are at the market prevailing prices and on arm's length basis and are in its ordinary course of business. The details of the transactions are annexed elsewhere in the report. Hence there are no

conflicts of interest and in compliance of company policy related to related party transactions.

DIRECTORS' RESPONSIBILITY STATEMENT

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

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

PARTICULARS OF EMPLOYEES

In terms of Section 197 of the companies Act 2013 and applicable Rules made there under the details of the employee was drawing in excess of the highest paid Whole Time Directors are enclosed as **Annexure II**.

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

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

COST AUDIT REPORT

In compliance of Notification Reference No. GSR No. 01(E) on January 1, 2015 and Companies (Cost Records and Audit) Rules, 2014 Companies (cost records and audit) Amendment Rules, 2016 issued by the Cost Audit Branch under Ministry of Corporate Affairs and further in terms of the Powers conferred by Section 148, of the Companies Act, 2013, Company had appointed M/s. Pramod Agrawal & Co., Cost Accountants, (Firm Regn. No. 104022) to submit the Cost Audit Report duly approved by the Board of Directors, to the Central Government, for the financial year ended on March 31, 2017 for the products which are specified in the Notification No. GSR No. 01(E) on January 1, 2015 and Companies (Cost Records and Audit) Rules, 2014 as amended from time to time. The Cost Audit report will be filed by the company within the due date i.e. on or before September 27, 2017, being 180 days from the close of the financial year or as may be extended by the department from time to time as provided by the M/s. Pramod Agrawal & Co., Cost Accountants being the cost auditors for the financial year 2016-17.

COST AUDITORS

In compliance of Notification Reference No. GSR No. 01(E) on January 1, 2015 and Companies (Cost Records and Audit) Rules, 2014 as amended from time to time M/s. Gaurav Gupta & Associates (Firm No.104132) Cost Accountants, Ghaziabad, firm of Cost Accountants has been appointed as the Cost Auditors of the company under Section 148 of the Companies Act, 2013 for the next financial year ended on March 31, 2018, at the meeting of Audit Committee and Board of Directors of the company held on May 30, 2017 in place of the existing Cost Auditors M/s. Pramod Agrawal & Co.(Firm Regn. No.104022) to reduce the cost and other operation convenience to the company. It has been confirmed by the proposed Cost Auditors that the necessary compliance related to the change in the Auditors as specified by the Institute of Cost Accountants

of India and the Cost and Work Accountants Act, 1959, has been complied with. As required under Section 148 of the Companies Act, 2013, the ratification for their appointment & remuneration has been recommended at the forthcoming Annual General Meeting of the company. However, it is strictly applicable in terms of any Notifications/Circulars related to Cost Records and Cost Audit Rules, as may be specified at any time by the MCA or any regulatory authorities. If due to any reasons the mandatory requirements abolish, then continuation of the appointment of Cost Auditors, will be at the discretions of the board of directors as per the requirements of the company.

STATUTORY AUDITORS

M/s. R.K. Govil & Co., Chartered Accountants, (Firm Registration No. 000748C), the Statutory Auditors of the Company, completes the two year out of four years as approved at the Annual General Meeting of the Company held on September 30 2015. Now they have further confirmed their eligibility and willingness to accept office, if they get approval for ratification for the reappointment for remaining term of two years out of already approved term of four years, at the forthcoming Annual General Meeting. The company has received certificates from the said auditors to the effect that their confirmation, if made, would be within the limits prescribed under Section 141 of the Companies Act, 2013. Your Directors recommend their confirmation under Section 139 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 for a further period of 2 years i.e. till the conclusion of 47th Annual General Meeting.

INTERNAL AUDITORS

In terms of Section 138 of the Companies Act, 2013 and Companies (Accounts) Rules, 2014, M/s. Anil Nupur & Co., Chartered Accountants, (Firm Regn. No. 007626N), the Board of Directors at their meeting held on February 14, 2017, has appointed as the Internal Auditors of the Company for the financial year 2017-18 to submit the internal audit reports from time to time. However in view of the size of operation and requirement of the company and further as per the recommendation of the Audit Committee for the financial year 2017-2018, in addition of the above auditors, the appointment of M/s. ML Puri & Company, Chartered Accountants (Firm Regn. No. 002312N) has been approved by the Board at their meeting held on May 30, 2017.

FIXED DEPOSITS

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

CORPORATE GOVERNANCE

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

ABSTRACT OF THE ANNUAL RETURN

In terms of section 92 of the Companies Act 2013 the extract of the Annual Return as on it stood as on March 31, 2017 being attached with the Directors Report as **Annexure VI**.

SECRETARIAL AUDIT REPORT

In terms of the Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors at their meeting held on May 30, 2016, company has appointed M/s. CSK & Co., Company Secretaries to provide the Secretarial Audit Report for the Financial year ended on Mach 31, 2017. In compliance of aforesaid requirement they have provided the Secretarial Audit Report which has been annexed with Board report as **Annexure VII**. Observations in the Auditors' Report are dealt elsewhere in the Director's Report in the Corporate Governance Section.

AUDITORS' OBSERVATIONS

There are no Audit qualifications for the year under review. Hence the requirement. under Regulation 33 of the SEBI(Listing Obligations and Disclosures Requirements) Regulations, 2015, and further amended by SEBI Notification No. SEBI/LAD-

NRO/GN/2016-17/001 dated May 25, 2016 and Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016 issued by the Securities and Exchange Board of India (SEBI), audit reports are with unmodified opinion for the period ended March 31, 2017. In terms of above circular the declaration duly signed by Chief Financial Officer of the company has already been submitted to stock exchanges.

GENERAL DISCLOSURES

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

1. Details relating to deposits covered under Chapter V of the Companies Act 2013.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.
4. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGMENT

Your Directors take this opportunity to thank the Financial Institutions, Banks, Board for Industrial and Financial Reconstruction (BIFR), ARCs, Reserve Bank of India, Central and State Governments Authorities, Regulatory Authorities, Hon'ble National Green Tribunal, National Company Law Tribunal, Securities Exchange Board of India, Stock Exchanges, Stakeholders, Customers and Vendors for their continued support and co-operation, and also thank them for the trust reposed in the Management. Your Directors also wish to thank all the employees of the Company for their commitment and contributions. Your Directors also wish to place on record their appreciation towards all associates including Customers, Suppliers, and others, who have reposed their confidence in the Company. Your Directors look forward to their unsustained support in future also.

For and on behalf of the Board of
Alps Industries Limited

Place : Ghaziabad
Date : May 30, 2017

P.K. Rajput
Executive Director
DIN - 00597342

Sandeep Agarwal
Managing Director
DIN - 00139439

ANNEXURE-I

ANNUAL REPORT ON CSR ACTIVITIES

S. No.	Particulars	Remarks
1	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	<ul style="list-style-type: none"> Ensuring socio-economic development of the community through different participatory and need-based initiatives in the best interest of the poor and deprived sections of the society so as to help them to become SELF-RELIANT and build a better tomorrow for themselves. Ensuring environmental sustainability through ecological conservation and regeneration, protection & re growth of endangered plant species, and promoting biodiversity. Weblink: www.alpsindustries.com
2.	The Composition of the CSR Committee.	Members of the Committee: 1. Mr. Prabhat Krishna 2. Mr. Sandeep Agarwal 3. Mr. P.K. Lamba
3.	Average net profit of the company for last three financial years	Rs. (1629.59) Lac
4.	Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above)	N.A
5.	Details of CSR spent during the financial year: (a) Total amount to be spent for the financial year; (b) Amount unspent, if any;	NIL NIL

c) Manner in which the amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	SR Project or activity identified	Sector in which the Project is covered	Projects or programs 1) Local area or other 2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the project or programs Sub-heads: (1) Direct expenditure on Project or programs. (2) Overheads	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
1.	N.A.	N.A.	N.A	N.A.	N.A.	N.A.	N.A.
Total	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
6.	In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.					N.A.	

7.	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.	We hereby confirm that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.
Sandeep Agarwal (Chief Executive Officer designated as (Managing Director)	Prabhat Krishna (Chairman CSR Committee)	N.A. (Person specified under clause (d) of sub-section(1) of Section 380 of the Act)

ANNEXURE-II

Particulars of employees under Section 197 of the Companies Act 2013 and applicable Rules made there under in excess of the highest paid Whole Time Directors as on March 31, 2017.

(Amount in Rs.)

S.No.	Names of Employee Remuneration	Designation	Remuneration	Ratio Between WTD and Employees
1	Mr. Sandeep Agarwal	Managing Director	847000	
Not Applicable				

Note :

There are no employee who is drwing more than Managing Director of the Company. & Median remuneration of the employees of the company is INR 9840/- P.M. and ratio w.r.t. Whole Time Director comes to 0.0116

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

S. NO.	PARTICULARS	REMARKS
1.	Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Managing Director-10% only as approved by MCA
2.	Percentage increase in the median remuneration of employees in the financial year;	N.A
3.	Number of permanent employees on the rolls of company;	2200
4.	Explanation on the relationship between average increase in remuneration and company performance;	It is because of market scenario in the textile industry and commensurate with the prevailing remuneration.
5.	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	It is commensurate with the size of the company and as per the market trend.
6.	Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies,;	The Market Capitalization as on March 31, 2017 Rs. 2581.53 Lac (Rs. 1584.12 Lac as on March 31, 2016). Price Earnings Ratio of the Company is Nil as on March 31, 2017 and 2.33 times on March 31, 2016. The Company had come out with Initial Public Offer (IPO) in 1995, at Rs. 50 per share for Indian Public. As on as on March 31, 2017 the share price declined by 86.80 %.
7.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	The Increment of Whole Time Director designated as Managing Director is 10 % as approved by MCA and there is no annual increment for other overall staff due to financial constraints.
8.	Key parameters for any variable component of remuneration availed by the directors;	N.A
9.	Affirmation that the remuneration is as per the remuneration policy of the company.	Yes.

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

ANNEXURE-III

ANNEXURE TO THE DIRECTORS' REPORT

(I) Statement of particulars pursuant to Companies (Disclosure of Particulars in the Report of Directors) Rules 2014.

I. a.	Conservation of Energy Energy conservation measures taken	:	<p>Energy conservation continues to be an area of major emphasis. Efforts are made to optimize the energy cost while carrying out the manufacturing operations. All the units have taken various measures in conservation of energy. The thrust is to measure the existing system parameters and then implement improvements. The Company also focus to optimize the operation of various equipments which also lead to energy conservation. The following are some of the major measures which continued to be implemented during the period under review for bringing down the energy cost:</p> <ul style="list-style-type: none"> • Installed delta star kits • Installed air dryer. • Installed AC drives at Comber Main stream fan. • Installed LED light in major consumption centers. • Heat Exchanger Install in Dye House. • Energy Efficient Motors installed. • Replacement of Aluminium Fan with FRP Fan. • Separation of the thermopac line for stenter to improve Speed, efficiency and production. • Development of double folding inspection machines with automize function to reduce the process time. • Designing and fabrication of special double inspection machine for the inspection of coating fabric and special flat inspection machine for Inspection the fabric. • Planning to change machine drive belt pulleys of Ring Frames . • Continuous effort to reduce air leakages in order to reduce compressor units. • Continuous emphasis on process optimisation, emphasis on preventive maintenance, waste reduction etc. • Changing new thermic oil of thermopac • Installing VFD in Rope Opener Machine • Modification in heat recovery Plant. • Consumption of Steam.
b.	Additional investments and proposals, if any, being implemented for reduction of consumption of energy.	:	Rs. NIL :
c.	Impact of measures at (a) & (b) above for reduction of Energy consumption and consequent impact on the cost of production of goods.	:	<p>As a result of various energy conservation measures taken by the company, the expected outcomes are :</p> <ul style="list-style-type: none"> • Increase in productivity. • Reduction in energy consumption. • Optimum loading of captive water sources. • Increase in Efficiency. • Saving in consumption of fuel. • Saving in maintenance cost of machineries. • Reduction in manpower cost. • Reduced approximately 300 KL soft water though re-collect usable hot water

d. Total Energy Consumption and Energy Consumption per unit of production are as follows:

A. POWER AND FUEL CONSUMPTION

S. No.	PARTICULARS	Year ended 31.03.2017	Year ended 31.03.2016
1.	Electricity		
	a. Purchased		
	Units (Nos.)	67969100	81206027
	Total Amount (Rs.)	417899266	470002158
	Rate/Unit (Rs.)	6.15	5.79
	b. Own Generation		
	i) Through Diesel/FO		
	Quantity (Ltrs)	132915	158959
	Total Amount (Rs.)	6507449	7323263
	Average Rate (Rs.)	48.96	46.07
	Generation (Units) (Nos.)	407584	505895
	Units per Litre of Diesel oil (Nos.)	3.06	3.18
	Cost/Unit (Rs.)	16.00	14.48
	ii) Through Steam Turbine		
	Generator Units	N.A.	N.A.
	Unit/LTR or Fuel	N.A.	N.A.
	Oil/Gas Cost unit	N.A.	N.A.
2.	Coal		
	Quantity(Tones)	N.A.	N.A.
	Total Cost	N.A.	N.A.
	Average Rate	N.A.	N.A.
	Total Unit Generated	407584	505895
	Total Cost	8507449	7323263
	Cost/Unit	16.00	14.48
3.	Furnace Oil (Excluding use on Generation of Electricity)		
	Quantity (Ltrs)	0.00	0.00
	Total amount (Rs.)	0.00	0.00
	Average Rate (Rs.)	0.00	0.00
4.	Others/Internal Generation		
	Wood		
	Quantity	N.A.	N.A.
	Total Cost	N.A.	N.A.
	Rate/Unit	N.A.	N.A.

B. CONSUMPTION PER UNIT OF PRODUCTION

A. POWER AND FUEL CONSUMPTION

S. No.	Particulars	Yarn Per Mt		Made-ups Per 1000 Sqm		Architectural Products Per 1000 Sqm	
		Year Ended 31.03.2017	Year Ended 31.03.2016	Year Ended 31.03.2017	Year Ended 31.03.2016	Year Ended 31.03.2017	Year Ended 31.03.2016
1	ELECTRICITY (KWH)	2790.88	2964.41	36.67	38.96	720.00	764.78
2	COAL	N.A.	N.A.	0.00	0.00	N.A.	N.A.
3	OTHERS	N.A.	N.A.	0.00	0.00	N.A.	N.A.

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

A. RESEARCH & DEVELOPMENT (R & D)

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

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

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

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

A. RESEARCH & DEVELOPMENT (R & D)

1.	Specific areas in which R&D carried out	:	Research & Development is carried out for development of new products and for improvement in the production process and quality of products. The Company has been able to pioneer the launch of new products that have been successful in the market due to its R&D efforts. There is progress on building enabling capabilities in the areas of facilities and infrastructure, technology organization staffing & development, and the engagement of external knowledge networks to complement internal capabilities. The recruitment of professional staff and leadership is ongoing and programmed; staff managing processes have been defined and are being instituted. The R & D Department is well equipped with most modern sophisticated state of the art testing equipments. Company is looking forward to the possibility of re-engineering the products constructions and raw materials for optimum utilization of resources.
----	---	---	--

2.	Benefits derived as a result of the above R&D	:	<ul style="list-style-type: none"> • Quality testing of raw material, stores & consumables. • Monitoring/Control of production process. • Improved quality & higher production of cotton yarn. • Development of new market segment. • Water conservation. • Increase in productivity. • Cost reduction.
3.	Future Plan of Action	:	Management is committed to strengthen R & D activities further to improve its competitiveness in times to come.
4.	Expenditure on R&D	:	
	a. Capital	:	NIL
	b. Recurring	:	NIL
	c. Total	:	NIL
	d. Total R&D Expenditure as a Percentage of total turnover	:	NIL

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1	Efforts, in brief made towards technology absorption, adaptation and innovation. :	:	Company has installed Transfer Printing machine, this will add new value added product range,. Your company is optimistic on the on the market response of newly introduced product range by technological development. The Company is continuously making efforts for adaptation of latest technology in all its units. The Company has also created specific cells for studying and analyzing the existing processes for further improvement, upgrading machines with technologically advanced accessories and spares. The company constantly gets feedback from customers and makes efforts for improving the quality of products by conducting the trails, special studies in manufacturing process etc.
2.	Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution etc.	:	Higher output and improved quality of product with reduction in the cost of production and other overheads. The company will project its image in the global market as a manufacturer of world class yarn and achieve an excellent share out of it.
3.	In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished	:	NIL
	a. Technology imported	:	NIL
	b. Year of import	:	NIL
	c. Has technology been fully absorbed ?	:	NIL
	d. If not fully absorbed, areas where this has not taken place, reasons thereof and future plan of action.	:	NIL

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

1	Activities relating to export initiatives taken to increase exports; development of new export markets for products and services and exports plan.	:	The company is expecting the possibility of re-engineering the product constructions and raw materials utilization mix. Company is targeting for a leading name in field of Home Textiles, by networking for direct supply to leading international customers, and introducing the new segment e-business on domestic and exports. To continue the maximum reach to valued consumers, the company used to participates in exhibitions, magazine etc. apart from other promotional efforts towards domestic market, promoting through various promotional materials and hopeful to have better profitability in coming years. In the Fabric export segment, the next fiscal year will be a significant period in terms of consolidation in various markets for fabric by roll exports. US market has been developing well both on the residential fabric and contract business. Middle East has shown significant jump on the volumes. Your company has spread its wings in most of the markets now like US, UK, South East Asia, Australia, NZ and Middle East. Business sentiments were very soft in furnishings industry both for exports and domestic markets. Although Oil and War seems the major concern area for the economy, there seems to be absence of clear indications of definite directions in some markets like USA. Economy seems to be doing well but furnishings buyers were very cautious.
2.	Total Foreign Exchange used and earned	:	Used Rs. 422.30 Lac. for the financial year ended March 31, 2017 (Rs. 339.70 Lac for the financial ended as on March 31, 2016) Earned Rs. 12866.28 Lac for the financial year ended March 31, 2017 (Rs1848.64 Lac for the financial year ended as on March 31, 2016)

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

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

MANAGEMENT DISCUSSION AND ANALYSIS**I. TEXTILES INDUSTRY STRUCTURE AND DEVELOPMENT**

Amidst expectations that economic activity would gather pace in the current year, there is optimism among companies, that green shoots of recovery, which have started becoming evident, would be sustained. A sharp uptick in business outlook, at the onset of 2017, underpins the hope that the reform initiatives of the government would unravel a host of investment opportunities for firms. Business conditions are expected to improve, as over 63% of the firms expect an increase in sales in next fiscal year, as compared to only 39% who experienced the same in October- December 2016. Much of the recovery in business conditions is expected to be domestically driven, as a large proportion of firms (61.8%) expect to maintain status quo on their export orders. Despite the rise in capacity utilization, majority of firms expect no change in their domestic and international investment plans. More than half of the firms expect to maintain status quo on their plans about investing in the domestic economy. Firms are keeping investment plans on hold despite the expectation of an improvement in sales and new orders. The textile industry is critical to the Indian economy. The industry provides direct employment to 4.5 crore individuals and generates 6 crore indirect jobs. The industry also contributes 10 percent to manufacturing production in the country. With textile commodities holding a 7 point weightage in the Consumer Price Index, it is an essential commodity in the Indian consumption basket. Therefore, working of the textile industry has a considerable ripple effect not only on the economy, but also on the lifestyle of individuals.

COTTON

The Cotton Association of India, in its March 17' estimate of the cotton crop has placed for the ongoing cotton season at 340.50 Lakh bales of 170 kgs. each. The projected cotton balance sheet drawn by the CAI has estimated total cotton supply for the season at 410.50 Lakh bales while the domestic consumption is estimated at 300.00 Lakh bales thus leaving an available surplus of 110.50 Lakh bales. The arrivals of cotton, have accelerated their pace during the month of March 2017. The arrivals during March 2017 are higher than that of the corresponding month during last year and the gap of arrivals as compared to last year has narrowed down further. The implementation of the Goods and Services Tax and reconsideration on the Free Trade Agreements (FTAs) with major consuming countries are in process. Cotton prices too have started to rise in the last one month. The ongoing water scarcity in several parts of India is also expected to have a negative impact on industrial production in the next 2-3 months. Cotton continues to lose market share to other fibers.

YARN – A SIGNIFICANT SEGMENT

Domestic apparel sales were expected to grow, while demand for exports is seen shrinking. Cotton yarn sales are likely to slow down due to a slump in yarn exports. Demand for man-made fibre (MMF) could grow at a moderate rate of 3.5-4.5%. In 2016-17, improvement in domestic consumption would boost apparel sales by 6.5-7% year-on-year. Demand for cotton yarn and MMF would, in turn, will improve. Yarn exports have fallen to 100 million kgs a month now, from 140 million kgs earlier due to demand slump in China. Man-made fibre yarn as well as woven and knitted fabrics, in addition to Garments, have been extended by 2% incentive in the EU, the US, Canada and Japan. However, sops in these markets do not help yarn and fabric producers, as they export very little to these markets. The Merchandise Export Incentive Scheme (MEIS), however, ignores markets such as China, Bangladesh, Sri Lanka, Turkey, Vietnam and South Korea, which are major destinations for yarn and fabric from India. India's only major hope in textiles now is as supplier of raw cotton.

II. OPPORTUNITIES AND THREATS

Inflation in textiles matters just as much as food inflation, especially for the poor. At the same time, it is necessary to understand the nature of inflation in textiles. Given the impact on poor consumers in our country, it is obvious that we need to keep the inflation numbers of synthetic and manmade textiles under close watch. It is clear that the bad part of textile inflation has mainly to do with the large wedge between domestic and global synthetic fiber prices. Indian cotton crop remains heavily monsoon dependent due to lack of irrigation in most cotton growing region. The weather risk to prices are on upside. A lower-than-normal monsoon may trigger a shift in cropping pattern this year, mainly in the South where farmers could plant more "dry crops", such as maize and cotton which require less water. Another important issue is the availability, quality and price of power. The availability of good quality power at reasonable prices is critical for sustainability of the industry. However, the cost of power has been continuously increasing, adding to input cost pressure in the industry. The non-availability of skilled manpower along with high labour cost prevailing in the country is growing

concern area for textile industry. Unseasonal rain becomes another risk factor harvesting of cotton. However the textiles industries is need based, which is very wide. It provide the significant opportunity for employment at all levels.

A. Government policies-Textile Sector

In the backdrop of India, working on rolling out its new indirect taxation system, the Goods and Services Tax (GST), the textile industry will play a critical role in fully realizing the potential proposed for GST. It can transform textile industry into a single market with predictable tax system, enabling increased value addition, employment, and exports. This opportunity for GST to carve out a promising future of sustained growth for the textile sector can be achieved only through the application of a uniform low GST rate to the sector. A low GST rate of 5 percent, applied uniformly across the sector will propel domestic production, and facilitate and encourage voluntary compliance in the sector. This growth would enable India to achieve its target of generating 35 million jobs, and attracting investment worth USD 200 billion by 2025. A uniform 5 percent GST rate with no exemptions in the sector will remove current blocked input taxes and tax cascading present in the industry, while also providing revenue enhancement for the government. Even with 50 percent compliance from the industry, tax revenue across the value chain under a uniform GST rate will see an increment of INR 7000 crore. This note highlights the revenue enhancement, and other benefits associated with uniformly allocating the lowest GST rate for the textile industry. The Indian textile sector considers the Union Budget 2017-18 to be growth oriented as it will enable the manufacturing sectors to grow at a faster rate. Under the union budget 2017-18, textile industry was hoping for some good announcements as this sector is claimed to be the worst-hit ones of the economy due to demonetization and the Budget has not disappointed them. Previously, the tax rate was 30% which, in the recent budget, has been reduced to 25%. This move is an encouragement for start-up's to make investment in textile and apparel sector. The other benefits extended such as additional allocation of funds to the banks for NPA accounts, cashless transaction, labour reform, relaxation of FDI norms by abolishing Foreign Investment Promotion Board (FIPB) would also benefit the textile industry. Higher fund allocation for labour skilling and end-to-end logistics solutions, including rail and coastal shipping last-mile connectivity, will help the country's textile industry. Allocation under Remission of State Levies has been increased sizably to Rs. 1555 crores. This scheme includes the refund of State taxes to garments exporters to make the industry competitive and to boost employment in this Sector. Fund allocation under Pradhan Mantri Paridhan Rojgar Protsahan Yojna (PMRPY) is Rs 200 crores. This new scheme provides the Employee Pension Scheme contribution of 8.33% of the employers for all new employees enrolling in EPFO under PMRPY for the first three years of their employment. Again, this is to boost employment in textile sector by incentivizing the employers and improving competitiveness. Integrated Scheme for Skill Development for the textile sector receives Rs. 174 crores which is operational for last several years for under skilled factory workers.

B. EXPORT – AN INSIGHT

As the global situation is fluid, high volatility is being witnessed in currencies and huge fluctuations are being witnessed in commodity prices. However, the situation at the domestic turf has improved significantly. Political stability in the country coupled with revolutionary reforms on the indirect tax front, integrated package for textile industry, relaxed FDI norms, and focus on Ease of Doing Business, has created positive vibes for entrepreneurs in the country. India is already the fastest growing economy in the world and the trend is likely to accentuate in years to come. Due to implantation of Trade Infrastructure for export Scheme, the Indian exporters face challenges in terms of Infrastructures, particularly in states. Trade Infrastructure is one of the critical elements in export trade to enhance efficiency and competitiveness in the global market. The inadequate infrastructures pushes exporters logistics cost, impacting competitiveness of Indian goods in the global market. As the logistics cost in India is one of the highest in the world, the new scheme 'TIES', will help create modern infrastructure including last mile connectivity to ports, besides adding testing labs and certification centers, thereby resulting in reduction of overall transaction costs. The scheme will also help in modernizing infrastructure in states for exporters besides addressing various other challenges and export bottlenecks. The active consideration by the government has already resulted in some gains for the export sector including Zero rebating for exports and supply to SEZ units, enabling provisions of duty drawback to cover both basic customs duty and CGST, easy mechanism for job work, zero rebating for deemed exports, etc. FIEO is constantly bringing to the notice of the Government about various challenges faced by the export sector in the GST Regime including its impact on the export promotion instruments. Government is currently undertaking the stakeholder's consultation for the mid-term review of the foreign Trade Policy (FTP) and there is going to be certain changes (in the FTP) due to implementation of GST.

III. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

There are three major business segments viz. Home Furnishing & Fashion Accessories, Yarn, and Architectural Products as per the Accounting Standards 17 issued by the Institute of Chartered Accountants of India. All these segments performed reasonably well. The share of each segment in the overall turnover of the company is 38.29% for Home Furnishing & Fashion Accessories, 56.06% for Yarn and 5.65% for Architectural products. The detailed performance has already been discussed in the Directors' Report.

IV. OUTLOOK

We are making all efforts to cope up with the challenges through continuous cost reduction, process improvements, diversification of products, rationalization of costs, training the workforce on the continued basis, improving efficiencies and creating a strong customer oriented approach. We expect much better performance in the coming years, on the back of revival in the world economy, including India. We believe that turnover volumes are reasonably expected to increase and consequently margins are also expected to be strengthened. However with the greater customer satisfaction, increase in existing customer loyalty, constant offering by the Company of its value added products, constantly improving its product mix with an increase in awareness of Alps products, and with the increased realization against USD on exports, better recovery is not only expected but is likely to be strengthened in due course. In the Made-up divisions your company is planning to upgrade the production facilities by replacing old machines with latest in market to give better quality products. At Haridwar Plant we have been able to maintain the balanced technical performance in terms of utilization and productivity during the financial year under consideration. The unit is also focusing on technically special PU coated fabric and TPU membrane lamination, which provides excellent water proof and moisture vapor transmission. These fabrics having high technicality involved to fulfill the demands of Indian Defence and also useful for high altitude temperature.

V. RISKS AND CONCERNS

The cotton industry is also presently facing challenges like increase in labour cost, increasing power tariff & fuel charges, increase in transportation and inventory carrying charges, which are further likely to impact its margins. Cotton prices which have almost stabilized now may tend to increase due to various extraneous factors and lead to uncertainty. To bring growth and sustainability to the export markets and promote export, there is need to consistently seek new markets and tailor make products to suit the trends. The risks are inherent in all businesses. The challenge for the Company is to effectively and responsibly manage and control the risks on a sustained basis to enhance returns. All the current and fixed assets of the company also suffer from the risk of natural calamity. However, it has been insured from the reputed insurance companies and credit and recovery management due to various unforeseen circumstances. The implementation of GST and benefit to industry in general specific to company is yet to be seen.

VI. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has proper and adequate systems of internal control, to safeguard assets against loss from unauthorized use or disposition. This also ensures that all transactions are authorized, recorded and reported correctly. Regular internal audits and checks are carried out to ensure the robustness of the system. The Management also reviews from time to time the internal control systems and procedures to ensure their proper application. The emphasis on internal controls prevails across functions and processes, covering the entire gamut of various activities. Effective and comprehensive reviews by the Audit Committee of the Board further enhance the level and quality of internal controls within the organization. The Company has adequate internal control systems for business processes, with regards to efficiency of operations, financial reporting and controls, compliance with applicable laws and regulations, etc. Clearly defined roles and responsibilities down the line for all managerial positions have also been institutionalized. All operating parameters are monitored and controlled. Regular internal audits and checks to ensure that responsibilities are being executed effectively are carried out.

VII. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Your company plays the role of market leader in Architectural Fashion products. Company also provide specialized fabrics which have acoustic control properties, fire retardant, anti-fungal and anti-microbial. Company also provide a range of windows blinds to meet all sun control and privacy control needs. In the Auto and Technical Textiles segment, your company has done well and able to achieve the growth during the previous financial year. Under the Made-ups

Division, company is growing and progressing very well in this segment in both Global and Domestic Markets. Company collections have created a niche in all markets and have been featuring in many premier retail stores and shopping catalogues. We have proved to be a “one stop shop” with a diverse product portfolio covering bedding, curtains, cushions, blinds, shower curtains, table and kitchen linen. Our design teams have been able to deliver remarkable collections as per the latest market trends and increasing our presence strongly with existing and new customer bases. Your company is optimistic with a multi fold increase in the fraction of business in the industry with the new innovations and the new collections, we consistently work on. Your company also gearing up & increasing the efficiencies & capacities to cater the market demand in domestic as well as in overseas markets. The business sentiments are very soft in Furnishings Industry, both for exports and domestic markets. We hope the next fiscal year seems to be more optimistic in terms of response from major buyers. Your company have ventured into fire retardant fabrics suitable for hotel industry and Defence sector for technical textiles. Your company have also reinvented commodity products to have good response from exports as well as domestic buyers. The company has started new products during the period under review in Yarn segment. The thrust has been to insulate the Company from the vagaries of Cotton yarn. The Company started producing Polyester /Cotton yarns Melange yarns. This are value added items with good demand in domestic and exports markets. Your company has also moved up in the value chain by starting production of Polyester/Cotton Grindle yarns. These yarns give special effects after dyeing and are in good demand.

During the period under review your company could not maintain the EBITDA which comes to Rs.(2317.62) Lakh in comparison to Rs. (1213.29) Lakh in previous year due to various unavoidable factors, various operational challenges in the production and marketing front, like decrease in the margin of yarn, closure of the operations of dyeing facilities located at Plot No. 1A, Sec. 10, I.I.E, SIDCUL, Haridwar, Uttarakhand by the Hon’ble National Green Tribunal (N.G.T.) vide its order dated January 27, 2016 and quality claims in fabric segment. Due to this the financial performance of the company has been affected adversely. The impact of measures for improvement in the performance taken place during the year will be reflected in the current year’s financial parameters.

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

Human Resources are the key assets of Alps and management endeavors continuously to build a self motivated and self disciplined workforce by its unconditional support for building the right performance oriented culture under the leadership of its key management personnel. The significant HR initiatives began during the previous Financial Year, which strengthened for better role clarity and aligning systems for improving effectiveness of such reorganized structure. The initiative is showing improvements with improved accountability, coordination and focus. The year has been quite satisfying in terms of retention of employees as the average attrition rate remained comparatively low in staff cadre particularly in Vista Business. Besides, a robust talent pipeline and a high-performance culture, centered on accountability, in place, enables us to retain our competitive edge. Your company is continuously benchmarking its HR practices with the best of those exists across the industry and keep carrying out necessary improvements to attract and retain the best talent.

The company has been reviewing the Company Policies periodically considering the needs of its employees treating its human resources as its valuable assets. It helps the employees to focus on their assignments, instead of bothering for hygiene, and give their best to the organization. Consistent efforts are being made to optimize the utilization of available human resources through regular monitoring of the Manpower at various locations in different businesses, redefining the job responsibilities wherever possible so as to encourage deserving employees to enrich their jobs by shouldering additional responsibilities and avoid over-lapping, fair implementation of the HR Policies and continuously improve hygiene factors for facilitating a conducive working environment. Efforts continued to be made to improve the female workers/employees ratio, particularly at the shop floor, in-line with the national policy of gender equality and policy to restrict the sexual harassment is also being implemented in line with the government directions. The company’s concerns for welfare of its workforce continued during the year and accordingly Group pension/Accident Insurance policy/ESI/WC policies were continued further as in the past. The company has been consistently maintaining harmonious & cordial relations with the employees at all the locations. The Company continues to lay emphasis on building and sustaining an excellent organizational culture focusing on performance. During the year, the Company employed on an average 2200 employees (1675 during previous year 2015-16), though it came down to around 1750 temporarily early this year due to the challenge faced by our Yarn Dyeing facility at Haridwar Unit as per changed NGT requirements, adversely affecting the Production at one of the Plant. Pursuit of proactive policies for industrial relations has resulted in a peaceful and harmonious situation on the shop floors of the various plants.

CAUTIONARY STATEMENT

Statements in this report on Management Discussion and Analysis, describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking, considering the applicable laws and regulations. These statements are based on certain assumptions and expectation of future events. Actual results could, however, differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand-supply conditions, finished goods prices, raw materials costs and availability, fluctuations in exchange rates, changes in Government regulations and tax structure, economic developments within India and the countries with which the Company has business contacts. The Company assumes no responsibility in respect of the forward looking statements herein, which may undergo changes in future on the basis of subsequent developments, information or events.

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

Annexure-V

**IN TERMS OF REGULATION 34 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015
 (MANDATORY REQUIREMENTS)**

(I) Statement on company's philosophy on code of governance. : This report on corporate governance forms part of the Annual Report. Corporate governance refers to a combination of laws, regulations, procedures, implicit rules and good corporate practices that ensure that a Company meets its obligations to optimize shareholders' value and fulfill its responsibilities to the community, customers, employees, Government another segments of society. Your Company is committed on adopting the best practices of Corporate Governance as manifested in the Company's functioning to achieve the business excellence by enhancing long-term shareholders' value. Efficient conduct of the business of the Company through commitment to transparency and business ethics in discharging its corporate responsibilities is hallmark of the best practices followed by the Company. This report on Corporate Governance, besides being in compliance of the mandatory SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, gives an insight into the functioning of the Company. Link : http://alpsindustries.com/corporate_governance.php

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

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

Board of directors :

(a) Composition and category of Directors under Corporate governance

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

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

Name of the Directors	Nature of Directorship	Relationship with other Director	Sitting fees paid during the year	No. of Board Meetings		Attended by AGM 14.09.2016
			(Rs. in 000')	Held	Attended	
Mr. K.K. Agarwal	Non-Executive Chairman & promoter	Father of Mr. Sandeep Agarwal	40.00	4	4	No
Mr. Sandeep Agarwal	Executive & promoter	Son of Mr. K.K. Agarwal	Nil	4	4	Yes
Mr. P.K. Rajput	Executive & non independent	-	Nil	4	4	Yes
Mr. Prabhat Krishna	Independent	-	60.00	4	4	Yes
Mr. Tilak Raj Khosla	Independent	-	60.00	4	4	Yes
Mr. P.K. Lamba	Independent	-	60.00	4	4	Yes
Ms. Deepika Shergill	Independent	-	40.00	4	4	No

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

Name of the Director*	No. of Outside Directorship Held			Outside Committees \$	
	Public	Private	Others	Member	Chairman/ Chairperson
Mr. K.K. Agarwal	-	2	1	-	-
Mr. Sandeep Agarwal	-	2	1	-	-
Mr. P.K. Rajput	-	-	-	-	-
Mr. Prabhat Krishna	1	3	-	3	3
Mr. Tilak Raj Khosla	-	-	-	-	-
Mr. P.K. Lamba	-	-	-	-	-
Ms. Deepika Shergill	-	-	-	-	-

\$ In accordance with Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, membership/chairmanship of only the Nomination and Remuneration Committee, Audit Committee, Corporate Social Responsibility Committee and stakeholders Grievances Committee in all public limited companies (excluding Alps industries limited) as on date have been considered.

(d) Number of BoD meetings held, dates on : No. of Board Meetings held: 4 : Dates - 30/05/2016, 12/08/2016, 14/11/2016 and 13/02/2017.

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

(f) The shareholding of directors as on 31st March, 2017 is as under:

S.No.	Name of Directors	Share holding	Percentage
1	Mr. K.K. Agarwal, Non Executive Chairman	1,147,460	2.93
2	Mr. Sandeep Agarwal, Managing Director	6,51,510	1.67
3	Mr. P.K. Rajput, Executive Director	1,80,000	0.46
4	Mr. Prabhat Krishna, Independent and Non Executive Director	NIL	NIL
5	Mr. Tilak Raj Khosla, Independent and Non Executive Director	NIL	NIL
6	Mr. P.K. Lamba, Independent and Non Executive Director	NIL	NIL
7	Mrs. Deepika Shergill, Independent and Non Executive Director	NIL	NIL
	Total	1,978,970	5.06

Note 1: The Company has not issued any convertible instruments during the financial year 2016-17.

(g) Details of the Directors for Re-appointment/Retire by Rotation:

1. Details of Mr. Sandeep Agarwal, Managing Director (DIN No. 00139439) proposed to be reappointed.

He is in the textile industry since last 28 years and under his acumen and dynamic leadership, the company had floated various Indian and overseas subsidiary companies. The company had also obtained significant recognitions/certifications from different organizations. He is very meticulous in diversifying into value added products in domestic Home Furnishing business segment of the company. Under his leadership, the Company has set-up a nationwide distribution system for the Company's products. This has helped the Company in marketing its brands such as "Vista" throughout the country. Under his acumen leadership and strong patience, the company is able to sail smoothly even in testing times. It is to be mentioned that the relationship between proposed appointee and Mr. K.K. Agarwal, Non Executive Chairman & Promoter Director is of Son and Father.

He is deemed to be interested (directly or Indirectly) in the following entities due to holding the directorship or shareholding more than 2% in other companies as per detail given below as on March 31, 2017:-

Name of Company	Nature of Interest
Pacific Texmark Pvt. Ltd.	Directorship
Alps Processors Pvt. Ltd	Directorship
Alps Usa Inc.	Directorship
Peek Finvest Pvt. Ltd.	Shareholding
Perfect finmen Pvt. Ltd	Shareholding
Careen Fintec Pvt. Ltd	Shareholding
Saurabh Floriculture Pvt. Ltd	Shareholding
Padam Precision Dies & Components Pvt. Ltd	
Coronation Spinning Pvt. Ltd	Shareholding
CDK Foundation (HUF)	Member
Sandeep Agarwal & Sons (HUF)	Karta
KK Agarwal & Sons (HUF)	Member
Aspen Enterprises	Relationship
Vista Furnishing Pvt. Ltd.	Relationship

2. Details of Mr. Pramod Kumar Rajput, Director (DIN No. 00597342) proposed to be reappointed due to retiring by rotation & as Whole time Director designated as Executive Director. : He is the Executive Director of the company and has been associated with it since a long time. He has experience in handling Commercial and administrative affairs with prominent groups related to Textile Industry. There is no inter-se relationship with other directors. There are no entities in which he is deemed to be interested (directly or Indirectly) by way of directorship or shareholding of more than 2% as on March 31, 2017. It is proposed to reappoint in due to retiring by rotation under section 152 of the Companies Act, 2013, being eligible for re-appointment.

3. Details of Mr. Prabhat Krishna, Independent Director (DIN No. 02569624) proposed to be reappointed. : He is a B. Tech (Chem.) from IIT, Delhi. He has retired from State Bank of India as Assistant General Manager. He has a long and outstanding experience in the areas of Banking, Forex & Corporate Finance. He is presently advisor to various Companies for Technical Consultancy & Rehabilitation. There is no inter-se relationship with other directors. He is deemed to be interested (directly or Indirectly) in the following companies due to holding the directorship or shareholding more than 2% in other companies as per detail given below as on March 31, 2017:-

Name of Company	Nature of Interest
Sharda Spuntex Pvt. Ltd.	Directorship
AMD Industries Ltd.	Directorship
Snowflakes Meditech Pvt. Ltd.	Directorship
Alps Energy Pvt. Ltd.	Directorship

4. Details of Mr. Tilak Raj Khosla, Independent Director (DIN No. 02724242) proposed to be reappointed. : He is an Arts Graduate with Subordinate Accounts Services (S.A.S). He is retired from the post of Dy. Controller of Defence Accounts under the Controller General of Defence Accounts in the Ministry of Defence. He has vast experience in the areas of accounts and auditing of Accounts in various positions like Auditor, Section Officer, Accounts Officer, Sr. Accounts Officer, Asstt. C.D.A. and Dy. C.D.A. There is no inter-se relationship with other directors. There are no entities in which he is deemed to be interested (directly or Indirectly) by way of directorship or shareholding of more than 2%. as on March 31, 2017.

5. Details of Mr. Pradyumn Kumar Lamba, Independent Director (DIN No. 02843166) proposed to be reappointed. : He is an Arts Graduate with qualified Subordinate Accounts Services (S.A.S.). He retired from the post of Dy. Controller of Defence Accounts under the Controller General of Defence Accounts in the Ministry of Finance. He has wide experience of about four decades in accounts and auditing of Accounts at various positions like Auditor, Section Officer, Accounts Officer, Asst. Accounts Officer, Asstt. C.D.A. and Dy. C.D.A. He is an independent and non executive director. There is no inter-se relationship with other directors. There are no entities in which he is deemed to be interested (directly or Indirectly) by way of directorship or shareholding of more than 2% as on March 31, 2017.

- 6 Details of Ms. Deepika Shergill Independent Director (DIN No. 07093795) proposed to be reappointed. : She possess over of diversified exposure in the administrations of reputed companies engaged in diversified fields. There is no inter-se relationship with other directors. There are no entities in which She is deemed to be interested (directly or Indirectly) by way of directorship or shareholding of more than 2%. as on March 31,2017.

(h) Code of Conduct

: The Company is committed to conduct its business in accordance with applicable laws, rules and regulations and highest standards of transparency. Accordingly the Company has laid down a Code of conduct for all its Board members and Senior Managerial/Personnel so that conflict of interest could be avoided. All the Board members and Senior Managerial Personnel are complying with the said code of conduct. which is also available on Company's website i.e. https://alpsindustries.com/downloads/Code_of_Conduct.pdf. All Directors and senior management personnel have affirmed compliance with the Code for F.Y. 2016-17. A declaration to this effect signed by the Managing Director is given in this Annual Report.

(III) Audit Committee

: The composition of Audit Committee meets with the requirements of Section of 177 of the Companies Act 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(a) Brief description of terms of reference

- : (a) As specified under Regulation 27 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 ;
- Review the unaudited quarterly result.
 - Any matter related with Annual Report.
 - Review of Un-audited Financial Results.
 - Review of Internal Audit/Contol systems.
 - Approve and recommend the Notification No. GSR No. 01(E) on January 1, 2015 and Companies (Cost Records and Audit) Rules, 2014.
 - Approve and recommend the appointment of Cost Auditor & Secretarial Auditor.
 - Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible and the auditors' report thereon.
 - Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of the statutory & Internal auditors and the fixation of audit fees and appointment of CFO after review of qualification/experience etc..
 - Reviewing the company's risk management policies.
 - Reviewing any changes in accounting policies and practices as compared to the last financial year and commenting on any deviation from the Accounting Standards.

- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Any other specific matters referred by the Board of Directors from time to time.
- review and monitor the auditor's independence and performance, and effectiveness of audit process;
- approval or any subsequent modification of transactions of the company with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the company, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- Monitoring the end use of funds raised through public offers and related matters.

(b) Composition, name of members and Chairperson.

- | | | |
|----|----------------------|------------|
| 1. | Mr. Prabhat Krishna | – Chairman |
| 2. | Mr. Sandeep Agarwal | – Member |
| 3. | Mr. Tilak Raj Khosla | – Member |
| 4. | Mr. P.K. Lamba | – Member |

(c) Meetings and attendance during the year

- | | | | |
|------------------------------------|----------------------|------------|-----|
| : Meetings held: Four | | | |
| Present Members : Meeting Attended | | | |
| 1. | Mr. Prabhat Krishna | - Chairman | - 4 |
| 2. | Mr. Sandeep Agarwal | - Member | - 4 |
| 3. | Mr. Tilak Raj Khosla | - Member | - 4 |
| 4. | Mr. P.K. Lamba | - Member | - 4 |

(IV) Nomination and Remuneration Committee

(A) Brief description of terms of reference

- : As specified under Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:
- To decide the company's policy and specific remuneration package for the Whole time Directors.
 - To decide any revision/ amendment/ addition/deletion/ recomposition in the remuneration package of the Whole Time Directors.
 - Any matter related with the retirement benefits of the Executive and Whole Time Directors.
 - Any other matter, as may be assigned by the Board with respect to financial commitment for whole time directors.
 - Identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
 - To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:
- Devising a policy on Board diversity in terms of guidance's of SEBI as amended from time to time
- To implement the Remuneration policy for directors, KMPs & senior level employees as required under section 178 of the Companies Act, 2013 which is as under:

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

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

1. INTRODUCTION

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

2. OBJECTIVE

- To formulate the eligibility criteria for determining qualifications, positive attributes, and independence of a Director and to formulate the criteria for evaluating Directors and Senior Management;
- To identify and select for Board's consideration the persons who are qualified to become directors and who may be appointed in senior management in accordance with criteria laid down;
- To carry out the evaluation of Directors, Key Managerial Personnel and Senior Management of the Company and to provide them rewards linked directly to their efforts, performance, dedication and achievement relating to the Company's operations;
- To determine the remuneration taking into account

parameters like financial position of the Company, industry size, company size and general practice on remuneration payout in the Textile Industry;

- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage; and
- To lay down criteria for appointment, removal of directors, Key Managerial Personnel and Senior Management Personnel and evaluation of their performance.

3. EFFECTIVE DATE

This policy shall be effective from 01st April, 2014.

4. DEFINITIONS

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

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

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

GUIDING PRINCIPLES

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

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

structures are appropriately aligned and that level so remuneration remain appropriate in this context.

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

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

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

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

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

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

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

EXECUTIVE REMUNERATION – BOARD OF MANAGEMENT

Executive remuneration is proposed by the Committee and subsequently approved by the Board of Directors and further by the shareholders and central Government as per legal requirements. Executive remuneration is evaluated annually against performance and a benchmark of international companies, which are similar to Alps in size and complexity. Benchmarking is done with the help of reports generated by/through internationally recognized compensation service consultancies. In determining remuneration packages, the Committee may consult with the Chairman/ Managing Director and Independent Directors as well, as appropriate. Total remuneration shall include of following:

A fixed base salary, set a level aimed at attracting and retaining executives with professional and personal competencies

required to drive the Company's performance.

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

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

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

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

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

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

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

DISCLOSURE OF INFORMATION

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

APPROVAL OF THE NOMINATION & REMUNERATION POLICY

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

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

FAMILIARIZATION PROGRAMME IMPARTED FOR INDEPENDENT DIRECTORS

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

(B) Composition, name of members and Chairperson. 1. Mr. Prabhat Krishna - Independent Director & Chairman

2. Mr. Tilak Raj Khosla - Independent director & member

3. Mr. P.K Lamba - Independent director & member

(C) Meetings and attendance during the year : Meeting held: Nil

(D) Performance and Evaluation Criteria of Independent Directors : The company has formulated the Nomination and Remuneration Policy covering the evaluation criteria of independent directors which is available on the website of the company. www.alpsindustries.com

(E) Details of remuneration and pecuniary benefits to all the Directors, during the financial year ended on March 31, 2017 are as per details given below :- (Rs. in 000' s)

Name of the Directors	Salary	Perquisites	Sitting fees	Total
Mr. K.K. Agarwal	0.00	0.00	40.00	40.00
Mr. Sandeep Agarwal	21204.00	0.00	0.00	21204.00
Mr. P.K. Rajput	1320.00	72.00	0.00	1392.00
Mr. Prabhat Krishna	0.00	0.00	60.00	60.00
Mr. Tilak Raj Khosla	0.00	0.00	60.00	60.00
Mr. P.K. Lamba	0.00	0.00	60.00	60.00
Ms. Deepika Shergill	0.00	0.00	40.00	40.00
TOTAL	22524.00	72.00	260.00	22856.00

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

NOTES:

- In terms of Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 related to Corporate Governance, it is confirmed that there are no pecuniary relationships or transactions of the non executive directors vis-à-vis company, except as mentioned above.
- In compliance of Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 related to Corporate Governance, it is confirmed that the criteria of making payment to non-executive directors is performance based as detailed in the “criteria of performance evaluation” specified under the Nomination & Remuneration Policy which is available on Company’s website. www.alpsindustries.com

(V) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

- (a) Brief description of terms of reference : As specified under Section 135 of the Companies Act, 2013;
- formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII;
 - recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
 - monitor the Corporate Social Responsibility Policy of the company from time to time.

- (b) CSR Policy in terms of Section 135 of the Companies Act, 2013

Our CSR Vision

Through sustainable measures, actively contribute to the Social, Economic and Environmental Development of the community in which we operate ensuring participation from the community and thereby create value for the nation.

OUR CSR MISSION

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

OUR ACTIVITIES

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

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

1 Eradicating hunger, poverty and malnutrition:

- Provision of food, nutrition supplement, clothes etc for the poor, children and other deprived sections of the society.
- Supporting nutrition in anganwadi centres and building capacities of anganwadi workers to this effect.
- Provision of shelter for homeless.
- Promoting sanitation, making available safe drinking water

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

3. Ensuring environmental sustainability and ecological balance through :

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

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

Our Approach to Implementation

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

This would include:

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

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

CSR FUNDS

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

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

MONITORING

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

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

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

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

(e) Impact on the Company

The company has formulated the CSR Policy for evaluation & consideration of public security & Social Engineering which is available on the website of the company. www.alpsindustries.com

(VI) STAKEHOLDERS RELATIONSHIP COMMITTEE

(a) Brief description of terms of reference.

- : (a) As specified under Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) To review the status of Investors' Grievances of each Quarter,
- (c) To review the statement of transfer of shares.
- (d) To review of split, consolidation & demat/remat of shares.
- (e) Any matter related with the Investors' Grievances.
- (f) Redressing the grievances related to non receipt of annual report/dividend.
- (g) The committee also looks after redressal of investors' grievances and performance of the Registrar and Transfer Agent of the company.
- (h) Monitoring the violations of the code of conduct for prevention of insider trading, if any.
- (i) To Confirm the rights of stakeholders that are established by law or through mutual agreements are to be respected.
- (j) To Confirm the Stakeholders should have the opportunity to obtain effective redress for violation of their rights.
- (k) To encourage mechanisms for employee participation.
- (l) To allow stakeholders relevant, sufficient and reliable information on a timely and regular basis to enable them to participate in Corporate Governance process.
- (m) To confirm that company should devise an effective whistle blower mechanism enabling stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices.

(b) Name of non-executive director heading the committee & Composition.

- : 1. Mr. Prabhat Krishna - Chairman
- 2. Mr. Sandeep Agarwal - Member
- 3. Mr. Tilak Raj Khosla - Member
- 4. Mr. Pradyumn Kumar Lamba - Member

(c) Number of Meeting held

- : Meeting Held -4
- Present Members
- 1. Mr. Prabhat Krishna - Chairman
- 2. Mr. Sandeep Agarwal - Member
- 3. Mr. Tilak Raj Khosla - Member
- 4. Mr. Pradyumn Kumar Lamba - Member

(d) Name and designation of compliance & materiality officer and contact details

- : Mr. Ajay Gupta,
- Company Secretary & General Manger - Legal.
- Ph (D) : 0120-4161716 Fax : 0120-2896041
- Email ID: ajaygupta@alpsindustries.com
- Investorgrievance@alpsindustries.com

- (e) Number of shareholders' complaints received : Details of complaints received and redressed during the period so far. 2016-2017:

Sr. No	Particulars	Received	Redressed	Pending as on 31.03.17
1.	Non-receipt of refund order	Nil	Nil	Nil
2.	Non-receipt of Dividend Warrants	Nil	Nil	Nil
3.	Non-Receipt of Share Certificates	Nil	Nil	Nil
4.	Others	3	3	Nil
	TOTAL	3	3	Nil

- (f) Number not solved to the satisfaction of : NIL shareholders.
- (g) Number of pending share transfers. : NIL

(VII) General Meeting

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

S. No.	Location	Date	Time	AGM/ EGM
1.	57/2, Site IV Industrial Area, Sahibabad, Ghaziabad, U.P.	30.09.2014	10:00 A.M	AGM
2.	--Do--	30.09.2015	10:00 A.M	AGM
3.	--Do--	14.09.2016	10:00 A.M.	AGM

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

At the AGM held on 30.09.2014

- Re-appointment of M/s P. Jain & Co., Chartered Accountants as Statutory Auditors of the company.
- Re-appointment of Mr. P.K. Rajput as Executive director of the company.
- Appointment of Cost Auditors M/s. Neeraj Sharma & Co., Cost Accountants

At the AGM held on 30.09.2015

- Appointment of M/s R.K. Govil & Co., Chartered Accountants as Statutory Auditors of the company under Section 139 of Companies Act, 2013
- Re-appointment of Mr. Sandeep Agarwal as Managing director of the company.
- Appointment of Cost Auditors M/s. Neeraj Sharma & Co., Cost Accountants.
- Re-appointment of Mr. Prabhat Krishna Independent Director of the Company.
- Re-appointment of Mr. Pradyumn Kumar Lamba Independent Director of the Company.
- Re-appointment of Mr. Tilak Raj Khosla Independent Director of the Company.
- Regularization of Ms. Deepika Shergill Independent Director of the Company.
- Change in the Registered office of the company is situated at B-2 Loni Road Industrial Area, Opp. Mohan Negar, Ghaziabad-201007 U.P. to Corporate office of the company situated at 57/2 Site IV Industrial Area, Sahibabad, Ghaziabad-201010 U.P.
- Approval the borrowing powers of the company under section

180(1)(c) of the Companies Act 2013.

- Approval the borrowing of the company under section 180 (1)(a) of the Companies Act 2013.

At the AGM held on 14.09.2016

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

- (c) Special Resolutions were put through postal ballot last year, details of voting pattern. : Nil
- (d) Person who conducted the postal ballot exercise. : N.A.
- (e) Any Special Resolution is proposed to be conducted through postal ballot. : No
- (f) Procedure for postal ballot. : As per Section 110 of the Companies Act, 2013 and Rules made there under will be followed, if applicable.

(VIII) Disclosures

- (a.) (i) Disclosures on materially significant related party transactions i.e. transactions of the company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interest of company at large. In compliance of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Accounting Standard 18, the Disclosure of “Related Party Transactions” has been made in the Notes to Accounts of Financial Statements. During the year under review company has entered into related party transactions which are at the market prevailing prices and on arm’s length basis and are in its ordinary course of business. Hence there are no conflicts of interest in any manner whatsoever and in compliance of company policy related to Related party transactions. The policy on the related party transactions are available on the website of the Company. www.alpsindustries.com
- (ii) Disclosure of Accounting Treatment under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Company has not done the treatment different from that prescribed in an Accounting Standard in the Financial Statements for the period ended on March 31 2017. Hence the requirement to disclose in the financial statements, in not applicable for the period under review.
- (b.) Details of non-compliance by the company, penalties, and strictures imposed on the company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years. : None
- (c.) Compliance of Mandatory requirement under the Corporate Governance. : As per the details mentioned in the compliance report.
- (d.) Policy for determining “Material Subsidiaries” : The company has adopted the policy for determining “material Subsidiaries” which is available on the website of the company. www.alpsindustries.com

- (e.) Compliance of Non- Mandatory requirement under the Corporate Governance. : As per the details mentioned in the part B of the compliance report.
- (f.) Any non compliance of any requirement of corporate governance and extent to which the discretionary requirements under Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, have been complied with : The company has complied with all the compliance (mandatory or non mandatory) of the corporate governance and with all the discretionary requirements under Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (g.) Compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report : The company has complied with all the requirements of with respect to corporate governance
- (h.) Whistle Blower & Vigil Policy : The company has implemented the Vigil policy/Whistle Blower Policy as specified Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and under section 177 of the Companies Act, 2013. It is also affirmed that none of the personnel has been denied access to the Audit Committee. As required, it has also been displayed on the company's website i.e. www.alpsindustries.com

(IX) Means of Communication

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

Regulations, 2015, and in terms of the better corporate governance, the company will make necessary arrangements to facilitate the e-voting by all the members of the company forthcoming AGM.

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

(X) General Shareholder information

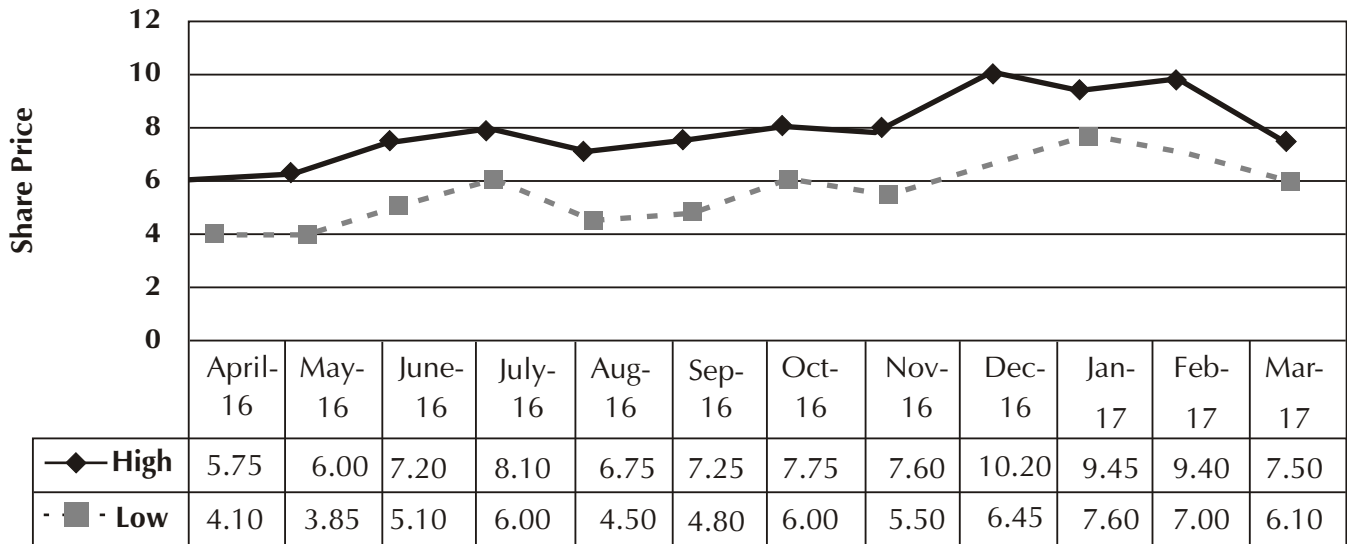
- (a) AGM: Date, time and venue (Tentative) : Date: August 29, 2017
Day: Tuesday
Time: 10:00 A.M
Venue: 57/2, Site IV, Industrial Area, Sahibabad, Ghaziabad, (U.P.) Pin- 201010
- (b) Financial Calendar (Tentative) : 2017-18
Financial Year : April 1, 2017 to March 31, 2018
Annual General Meeting : August 29, 2017
Result for quarter ending June 30, 2017 : Second Week of August, 2017.
Result for quarter ending Sept 30, 2017 : Second Week of November, 2017
Result for quarter ending Dec 31, 2017 : Second Week of February, 2018
Result for quarter ending March 31, 2018. : Last Week of May, 2018
Audited Accounts for the financial year ending on March 31, 2018 : Last Week of May, 2018
- (c) Date of Book Closure : Wednesday, August 9, 2017 to Thursday, August 10, 2017 (Both days inclusive)
- (d) Cut-off date for Voting Rights for AGM under Section 108 of the Companies Act 2013. : Wednesday, August 23, 2017
- (e) Schedule of e-voting : From Saturday, 26.08.2017, 10:00 A.M. to Monday, 28.08.2017, 5.00 P.M.
- (f) Dividend Payment Date : The Board of Directors has not recommended any dividend for the financial year ended on March 31, 2017.
- (g) Listing on Stock Exchanges : Equity Shares of the company are listed at the National Stock Exchange of India Ltd. and Bombay Stock Exchange Ltd., Mumbai.

- (h) Name and address of Stock Exchanges where the company securities listed and confirmation of payment of listing fees
- 1. Bombay Stock Exchange Ltd.** 1st Floor, New Trading Ring, Rotunda Building, P.J. Towers, Dalal Street, Fort, Mumbai-400001.
- 2. National Stock Exchange of India Ltd.**
Exchange Plaza, 5th Floor, Plot No. C/1, G-Block, Bandra-Kurla Complex Bandra (E), Mumbai – 400 051.
The Company has paid listing fees for the year 2017-2018 to National Stock Exchange India Limited. But it has not been paid for 2016-17 & 2017-18 to Bombay Stock Exchange due to the delisting is under process.
- (i) Details of custodian and confirmation for payment of custodial fees : NDSL -Issuer Code:093B
CDSL- Issuer Code: 1431
Annual Custodian/Issuer Fees for the year 2017-18 has been paid to NSDL. The demand from CDSL yet to be received.
- (j) Stock Code : NSE : ALPSINDUSEQ
BSE : 530715/ALPSIND
- (k) Issue & reclassification of Quasi Equity shares under Corporate Debt Restructuring Scheme : The Company has not reclassified/issue any quasi equity shares during the year under review.

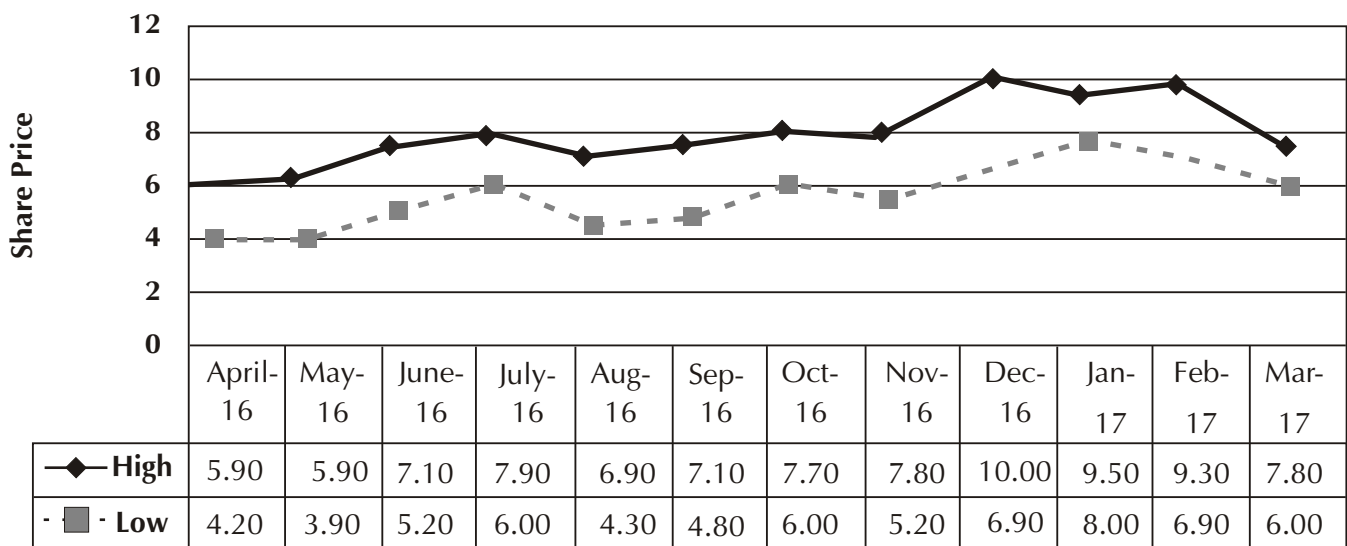
- (1) Market Price Date: High, Low during each month in last financial year in National Stock Exchange of India Limited & Bombay Stock Exchange Ltd. :

SL. No.	Month	National Stock Exchange of India Limited (NSE)				Bombay Stock Exchange Ltd. (BSE)			
		(In Rs. per share)				(In Rs. per share)			
		Month's High Price		Month's Low Price		Month's High Price		Month's Low Price	
		Rate	Date	Rate	Date	Rate	Date	Rate	Date
1	April – 16	5.75	05.04.2016	4.10	22.04.2016	5.99	05.04.2016	4.29	01.04.2016
2	May – 16	6.00	31.05.2016	3.85	09.05.2016	5.98	31.05.2016	3.90	18.05.2016
3	June –16	7.20	03.06.2016	5.10	03.06.2016	7.18	03.06.2016	5.20	01.06.2016
4	July – 16	8.10	11.07.2016	6.00	19.07.2016	7.99	19.07.2016	6.00	04.07.2016
5	Aug – 16	6.75	01.08.2016	4.50	19.08.2016	6.99	03.08.2016	4.31	25.08.2016
6	Sept – 16	7.25	22.09.2016	4.80	07.09.2016	7.15	12.09.2016	4.84	07.09.2016
7	Oct – 16	7.75	26.10.2016	6.00	04.10.2016	7.75	26.10.2016	6.06	07.10.2016
8	Nov – 16	7.60	01.11.2016	5.50	21.11.2016	7.80	02.11.2016	5.20	28.11.2016
9	Dec – 16	10.20	20.12.2016	6.45	01.12.2016	10.35	20.12.2016	6.95	01.12.2016
10	Jan – 17	9.45	27.01.2017	7.60	02.01.2017	9.53	27.01.2017	8.05	18.01.2017
11	Feb – 17	9.40	08.02.2017	7.00	15.02.2017	9.35	08.02.2017	6.95	16.02.2017
12	Mar – 17	7.50	01.03.2017	6.10	29.03.2017	7.89	02.03.2017	6.05	30.03.2017

**Alps Industire Ltd -Shareprice on NSE
(2016-17)**



**Alps Industire Ltd -Shareprice on BSE
(2016-17)**



(m) Shareholding Pattern as on 31.03.2017

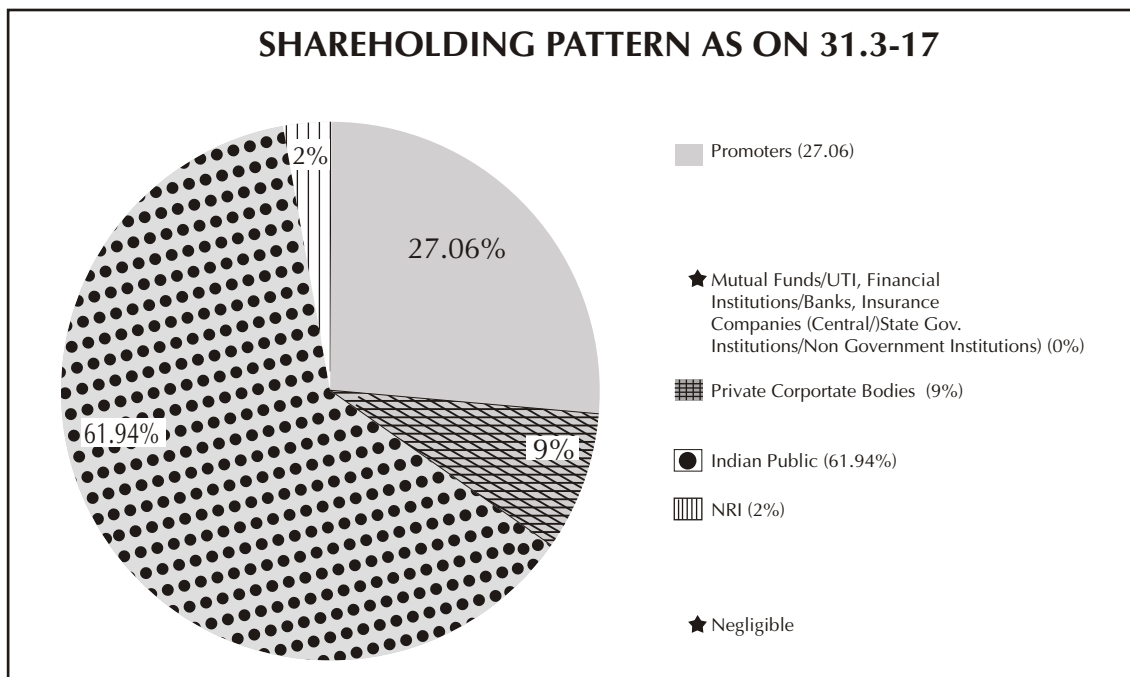
Scrip Code: NSE –ALPSINDUS & BSE -530715/ALPSIND

Name of the Scrip: Alps Industries Limited

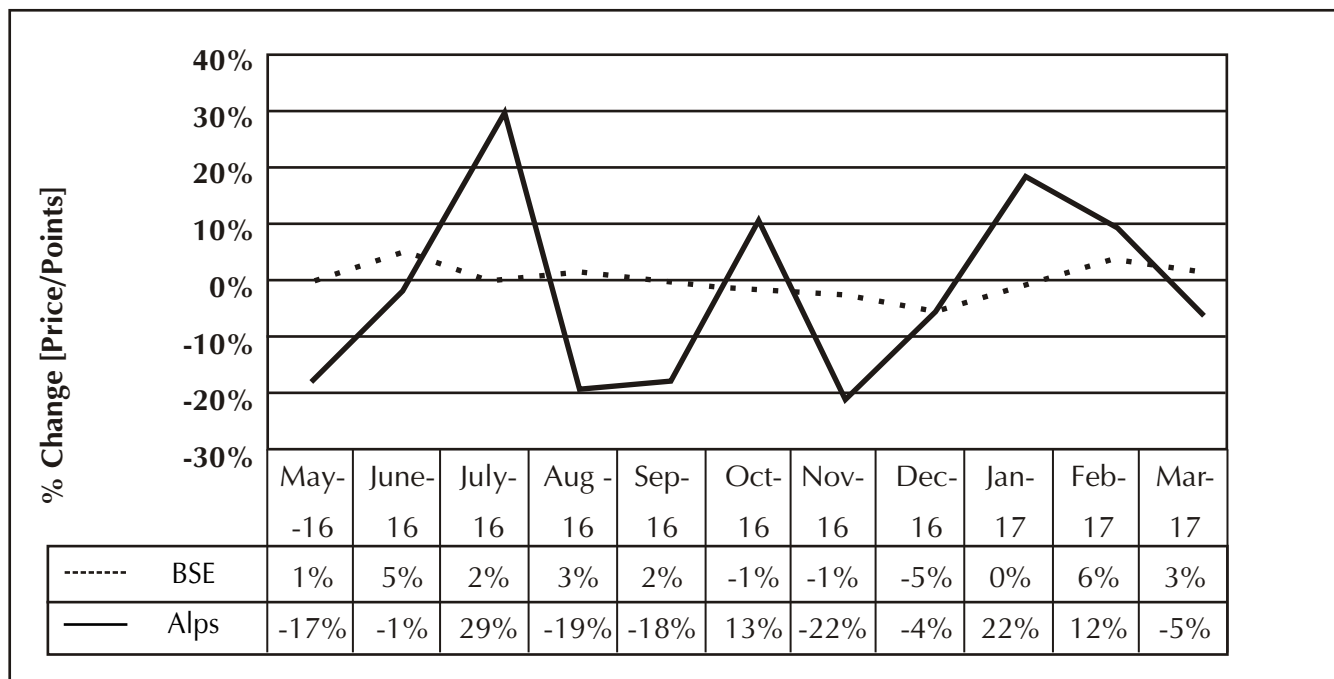
Class of the Security: Equity Shares

Category Code	Category of Shareholder	Number of Share holders	Total Number of Shares	As a percentage of (A+B+C)
(A)	Shareholding of Promoter and Promoter Group1			
(1)	Indian	19	10,586,018	27.06
(2)	Foreign	-	-	-
	Total Shareholding Pattern of Promoter and Promoter Group	19	10,586,018	27.06
(B)	Public Shareholding2			
(1)	Institutions	5	500	0.00
(2)	Non Institutions	22358	28527582	72.94
	Total Public Shareholding	22,363	28,528,082	72.94
(C)	Shares held by Custodian and against which Depository Receipts have been issued			
(1)	Promoter and Promoter Group	-	-	-
(2)	Public	-	-	-
	TOTAL (A+B+C)	22,382	39,114,100	100.00

- For definitions of “Promoter Shareholding” and “Promoter Group” refer to Regulation 38 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- For definition of “Public Shareholding”, refer to Regulation 38 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



Performance in comparison to broad-based indices such as BSE Sensex, CRISIL, Index etc:
BSE CHART FOR THE YEAR 2016-17 OF ALPS INDUSTRIES LTD. Vs. BSE SENSEX



- (n) Registrar and Transfer Agents for Demat & Physical Shares : Alankit Assignments Limited, Corporate Office, Alankit Height 1E/13, Jhandewalan Extension New Delhi-110 055 India.
- (o) Information related to suspension from trading of securities of the Company : No suspension of securities has been taken place. However the company has received the letter vide ref. No. DCS/ALF/16-17/BM/SCN/268-146/2016-17 dated 19/12/2016 from BSE intimating the transferring of securities under Trade to Trade segment w.e.f. 5.5.17. It has been replied by the company stressing for voluntary delisting of shares as requested by the company.
- (p) Share Transfer System and Investors Grievances : In terms of the Regulation 7 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for appointment of common agency as R&T Agent for Demat and Physical Shares, company has appointed the above R&T Agent. The share transfer and Investor Grievances system is in compliance with the requirement of the Stock Exchanges and as specified under the Depository Act, 1996. Company has Stakeholder relationship Committee to review the status of various matters related with the shareholders. The company has also provided the updated information for processing of details for allotment of User ID and Password for login into SEBI Compliant of Redress System (SCORES) in terms of the SEBI Circular Ref No. CIR/OIAE/1/2014 December 18, 2014.
- (q) Uniform procedure for dealing with unclaimed shares : In terms of Regulation 39 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company report the following details in respect of the unclaimed equity shares

lying in the suspense account which were issued in demat. The physical shares pursuant to the public issue, subsequent bonus issue and the transfer cases have been credited to Alps Industries Limited- Unclaimed Share Demat Suspense Account and Alps Industries Limited Unclaimed Suspense Account - Physical Account opened with Alankit Assignment Limited. The details of shareholding of individual allottee have been properly maintained and the shares have been credited to the allottee accounts as and when he/she approaches to the Company/R&T Agent.

Particulars	Number of share holders	Number of equity shares	Number of share holders	Number of equity shares
	Demat		Physical	
Aggregate Number of shareholders and the outstanding shares in the suspense account lying as on April 1, 2016	99	14366	Nil	Nil
Number of shareholders who approached the company for transfer of shares from suspense account during the year	--	--	--	--
Number of shareholders to whom shares were transferred from the suspense account during the year	--	--	--	--
Aggregate Number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2017	99	14366	Nil	Nil
No of request received for claiming of shares with no of shares	--	-	--	--
No of request accepted for claiming of shares with no of shares	--	-	--	--
No of request rejected for claiming of shares with no of shares	--	--	--	--

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

(r) Distribution of shareholding : As on 31st March, 2017

Share holding of nominal value	Shareholders		Share Amount	
	Number	%	Rs. In 000's	%
In Rs.				
Upto- 5000	16419	73.358	26921.76	6.883
5001- 10000	2502	11.179	21722.61	5.554
10001- 20000	1410	6.300	22709.02	5.806
20001- 30000	577	2.578	15130.01	3.868
30001- 40000	293	1.309	10636.49	2.719
40001- 50000	332	1.483	15993.01	4.089
50001- 100000	462	2.064	35541.87	9.087
100001 and above	387	1.729	242486.23	61.995
TOTAL	22382	100.00	391141.00	100.00

- (s) Dematerialization of shares and liquidity : 99.75 % of Issued Capital is in Dematerialized form as on 31st March 2017. The shares are listed at the two stock exchanges.
- (t) Outstanding GDRs/ADRs /Warrants or any Convertible instrument, conversion date and likely impact on equity : (i) No GDRs is outstanding as on 31st March 2017.
(ii) The company has not issued any ADRs.
(iii) There are no outstanding convertible security as on March 31, 2017.
- (u) Plant Locations : 1. Plot No. 1-A, Sector 10 Integrated Industrial Estate, SIDCUL Haridwar-249403, Uttarakhand
2. Plot No. 1-B, Sector 10 Integrated Industrial Estate, SIDCUL, Haridwar-249403, Uttarakhand
3. Village- Aminagar, Bhoor Baral, Meerut Delhi Road, Distt- Meerut -250103 (Uttar Pradesh)
4. A-2, Loni Road Indl. Area, Opp. Mohan Nagar, Ghaziabad-201 007 (Uttar Pradesh)
5. A-3, Loni Road Indl. Area, Opp. Mohan Nagar, Ghaziabad-201 007 (Uttar Pradesh) [Merged with A-2 to expand the operations of A-2 unit]
6. B-160-161, Industrial Estate , Mettupalayam, Puducherry – 605 009
7. 57/2, Site IV, Industrial Area, Sahibabad, Ghaziabad 201010 (U.P.)
- (v) Address for correspondence : Regd. & Corp. Office: 57/2, Site - IV, Industrial Area, Sahibabad Ghaziabad-201 010 (U.P.)
- (w) CEO/CFO Certification : As required under Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Certificate duly signed by the CEO/CFO was placed at the meeting of Board of Directors held on May 30, 2017.
- (x) Certification of Reconciliation of Share Capital : In terms of the SEBI Circular the company has submitted the required certification duly certified by the Practicing Company Secretary, to the Stock Exchanges where the securities of the company are listed within the prescribed time in each quarter.
- (y) Company CIN No. and ROC : Company CIN No. is L51109UP1972PLC003544 and Registered with Registrar of Companies, Kanpur, Uttar Pradesh (State Code 20).

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

S.No.	Particulars	Amount (Rs. in Lakh)	Maximum Amount Outstanding During the year
I	Loans and advances in the nature of loans to subsidiaries	NIL	NIL
II	Loans and advances in the nature of loans to Associates	NIL	NIL
III	Loans and advances in the nature of loans where there is a) no repayment schedule or repayment beyond seven years or B) no interest or interest below section 186 of the Companies Act 2013 by name and amount	NIL NIL	NIL NIL
IV	Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount.	NIL	NIL
V	Investments by the loanee in the shares of parent company and subsidiary Company, when the Company has made a loan or advance in the nature of loan.	NIL	NIL

GREEN INITIATIVE

In terms of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Section 96, 101 & 102 and other applicable provisions of the Companies Act, 2013 & Companies(Management and Administration) Rules, 2014, the Government has allowed companies to send Annual Report comprising of Balance Sheet, Profit & Loss Account, Director’ Report, Auditors’ Report and explanatory statement etc., through electronic mode to the registered email address of the members. Keeping in view the underlying theme and In terms of above provisions, we are sending all the communications in electronic mode to the email address provided by you to the depositories and made available by them being the registered address. By opting to receive communication through electronic mode you have the benefit of receiving communications promptly and avoiding loss in postal transit. Members who hold shares in physical form and desire to receive the documents in electronic mode are requested to provide their details (name, folio no, e-mail id) on the company’s email address viz. ajaygupta@alpsindustries.com, investorsgrievance@alpsindustries.com or the R&T i.e. M/s. Alankit Assignments Ltd. e-mail id jksingla@alankit.com. Members who hold shares in electronic form are requested to get their details updated with the respective depositories.

**COMPLIANCE REPORT ON CORPORATE GOVERNANCE –PART – II
NON-MANDATORY REQUIREMENTS.**

ANNEXURE-V

(Discretionary Requirements in terms of Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1. The Board
 - (i) Non-Executive Chairman’s office : The company has an office for the Non-Executive Chairman.
 - (ii) Tenure of Independent Directors. : In terms of Section 149 of the Companies Act, 2013 and Regulation 17 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, all the independent directors have been appointed for a first term of three years and proposed to be reappointed for the second & final term of 5 years at the forthcoming Annual General Meeting as approved by the members of the board on May 30, 2017.

2. Nomination & Remuneration Committee ; Company is having a Nomination & Remuneration Committee in terms of the requirements of Schedule V
 - (i) Terms of Reference and remuneration Policy : In Part II in Section II of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
It is authorized to do all functions as prescribed under the section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - (ii) Constitution of the committee :

1.	Mr. Prabhat Krishna	-	Independent Director & Chairman
2.	Mr. Tilak Raj Khosla	-	Independent Director & Member
3.	Mr. P.K Lamba	-	Independent director & Member
 - (iii) Presence at the meeting. : Meeting held: No
 - (iv) Presence of the Chairman of the committee at the Annual General Meeting. : The Chairman of the meeting was present at the Annual General Meetings.

3. Shareholders rights Half Yearly Financial Results and summary of significant events during the last six months may be sent to each household of shareholders. : The Financial Results and summary of significant events during the last six months were sent to the members as and when demanded by them members during the financial year.

4. Audit Qualifications by Statutory Auditors : There are no Audit qualifications for the year under review. Hence the requirement. under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and further amended by SEBI Notification No. SEBI/LAD-NRO/GN/2016-17/001 dated May 25, 2016 and Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016 issued by the Securities and Exchange Board of India (SEBI), audit reports are with unmodified opinion for the period ended March 31, 2017. In terms of above circular the declaration duly signed by CFO have already been submitted to the stock exchanges.

5. Discontinuance of Operations. : None

6. Training of Board Members : The Company will assist to expand the expertise of the members of the Board as and when required as per section 178 of the Companies Act, 2013 and Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The company has policy on Board Diversity which aims to attract and maintain a Board which has an appropriate mix of Diversity, skills, experience and expertise which may help the Company in getting valuable feedback and advice to meet its goals and business challenges.
7. Mechanism for evaluating Non-Executive Board Members : Performance evolution of non executive directors used to be carried out by the Board of Directors from time to time. In compliance of Section 178 of the Companies Act 2013 and Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, company has Evaluation Policy to review the performance of Non executive directors as and when required.
- As per Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee has laid down the criteria for evaluation of performance of Directors which are as under:
- Attendance and contribution at Board and Committee meetings
 - His/her stature, appropriate mix of expertise, skills, behavior, experience, leadership qualities, sense of sobriety and understanding of business, strategic direction to align company's value and standards.
 - His/her knowledge of finance, accounts, legal, investment, marketing, foreign exchange/ hedging, internal controls, risk management, assessment and mitigation, business operations, processes and Corporate Governance.
 - His/her ability to create a performance culture that drives value creation and a high quality of debate with robust and probing discussions.
Effective decisions making ability to respond positively and constructively to implement the same to encourage more transparency.
 - Open channels of communication with executive management and other colleague on Board to maintain high standards of integrity and probity.
 - Recognize the role which he/she is expected to play, internal Board Relationships to make decisions objectively and collectively in the best interest of the Company to achieve organizational successes and harmonizing the Board.
 - His/her global presence, rational, physical and mental fitness, broader thinking, vision on corporate social responsibility etc.
 - Quality of decision making on source of raw material/procurement of roughs, export marketing, understanding financial statements and business

- performance, raising of finance, best source of finance, working capital requirement, forex dealings, geopolitics, human resources etc.
- His/her ability to monitor the performance of management and satisfy himself with integrity of the financial controls and systems in place by ensuring right level of contact with external stakeholders.
 - His/her contribution to enhance overall brand image of the Company. Challenges.
8. Whistle Blower & Vigil Policy : The company has implemented the Vigil policy/Whistle Blower Policy as in terms of Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013 and all the concerned officials have been advised suitably.
9. Postal Ballot : It has been conducted wherever required.
10. E-voting : In terms of section 108 of the Companies Act, 2013 , relevant rules and in terms of regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the necessary facility will be provided.
11. Code of Conduct : The Company is committed to conduct its business in accordance with applicable laws, rules and regulations and highest standards of transparency. Accordingly the Company has laid down a Code of conduct for all its Board members and Senior Managerial/Personnel so that conflict of interest could be avoided. All the Board members and Senior Managerial Personnel are complying with the said code of conduct. In terms of the Regulation 27 of the SEBI(Listing Obligations and Disclosure Requirements) 2015 related to the code of conduct, company has adopted the revised code of conduct. which is also available on Company's website i.e. http://alpsindustries.com/downloads/Code_of_Conduct.pdf. All Directors and senior management personnel have affirmed compliance with the Code for F.Y. 2016-17. A declaration to this effect signed by the Managing Director is given in this Annual Report.
12. Disclosure for Non-Mandatory requirements : All the major and effective Non-Mandatory requirements have been complied with.
13. Post of Chairman & CEO : There are Different Officials who are holding positions of non executive Chairman and CEO (Managing Director). However they are related with each other with the relationship of Father and Son.
14. Reporting of Internal Auditor : The Internal Auditor Report directly to Audit Committee.

The Members of
Alps Industries Limited
Ghaziabad.

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

I, Sandeep Agarwal, in my capacity as the Managing Director & the Chief Executive Officer of the company, do hereby certify that all Directors/ Executive Director and Senior Executives of the company, one level below the Board, have complied with and adhered to the Code of Conduct and Model Code of Conduct and Internal procedure for prevention of Insider Trading as specified under the Section 195 of the Companies Act 2013, Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time and as approved & prescribed by the Board of Directors of the Company.

Place: Ghaziabad
Date: May 30, 2017

For Alps Industries Ltd

(Sandeep Agarwal)
Managing Director & CEO
DIN - 00139439

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

CERTIFICATE ON CORPORATE GOVERNANCE

The Members of
Alps Industries Limited
Ghaziabad

We have examined the compliance of conditions of Corporate Governance by Alps Industries Limited, for the year ended March 31, 2017 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015).

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

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

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

For R.K. Govil & Co.
Chartered Accountants

Place : Ghaziabad
Date : May 30, 2017

(K.K. Pal)
Partner
Membership No.74999

To,

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

Dear Sirs,

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

- A. we have reviewed financial statements and the cash flow statement for the year ended on March 31, 2017 and that to the best of our knowledge and belief:
1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 2. these statements together present a true and fair view of the company affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee
1. significant changes in internal control over financial reporting during the year;
 2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 3. instances of significant fraud of which we become aware and the involvement therein, if any, of the management or an employee having a significant role in the company internal control system over financial reporting.

For Alps Industries Limited

Sandeep Agarwal
(Managing Director)
(Chief Executive Officer)

Place : Ghaziabad
Date : May 30, 2017

For Alps Industries Limited

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

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31.03.2017

ANNEXURE-VI

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

I. REGISTRATION AND OTHER DETAILS:

CIN	:	L51109UP1972PLC003544
Registration Date	:	11/05/1972
Name of the Company	:	ALPS INDUSTRIES LIMITED
Category / Sub-Category of the Company	:	Company Limited by Shares
Address of the Registered office & Corporate Office : and contact details	:	57/2, Site IV, Industrial Area, Sahibabad, Ghaziabad -201010. Ph.: 0120-4161700
Whether listed company	:	Yes
Name, Address and Contact details of Registrar	:	ALANKIT ASSIGNMENTS LIMITED Alankit Heights, 1E/13, Jhandewalan Extn., New Delhi-110055. Tel.: +91 11-42541234

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Yarn	235.1	56.06
2	Fabrics	235.3	38.29

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held
1	Alps USA Inc. 508, Main Street, Wilmington, New Castle, 19804, USA.	NDWAZ20070455	Wholly Owned Subsidiary	100
2	Alps Energy Pvt. Ltd F-228, Ground Floor, Lado Sarai, New Delhi-110030.	U40109DL2007PTC169994	Subsidiary	78.22
3	Snowflakes Meditech Pvt. Ltd F-228, Ground Floor, Lado Sarai, New Delhi-110030.	U52599DL2006PTC153283	Subsidiary	81.65

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the End of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individuals/HUF	2906028	0	2906028	7.43	2906028	0	2906028	7.43	0.00
b) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
c) State Governments	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	7679990	0	7679990	19.63	7679990	0	7679990	19.63	0.00
e) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Others(Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total(A)(1)	10586018	0	10586018	27.06	10586018	0	10586018	27.06	0.00
(2) Foreign									
a) NRIs- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Others(Specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total(A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	10586018	0	10586018	27.06	10586018	0	10586018	27.06	0.00
B. Public shareholding									
(1) Institutions									
a) Mutual Funds/ UTI	100	200	300	0.00	100	200	300	0.00	0.00
b) Banks/FI	200	0	200	0.00	200	0	200	0.00	0.00
c) Central Government	0	0	0	0.00	0	0	0	0.00	0.00
d) State Governments	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	499898	0	499898	1.28	0	0	0	0.00	(1.28)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the End of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital fund	0	0	0	0.00	0	0	0	0.00	0.00
i) Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B)(1)	500198	200	500398	1.28	300	200	500	0.00	(1.28)
(2) Non-institutions									
a) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
i) Indian	4027411	5220	4032631	10.31	3376431	5220	3381651	8.63	(1.68)
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i.) Individual shareholders holding nominal share capital up to Rs 2 lakh	16424795	62378	16487173	42.15	16596230	61976	16658206	42.59	0.44
ii.) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.	6644040	0	6644040	16.98	7597597	0	7597597	19.42	2.44
c) Any Other									
NRI	834978	28912	863890	2.20	861216	28912	890128	2.28	0.08
Sub-Total (B)(2)	27931224	96510	28027734	70.38	28431474	96108	28527582	72.94	2.56
Total Public Shareholding (B)= (B)(1)+(B)(2)	28431372	96710	28528082	72.94	28431774	96308	28528082	72.94	0.00
C. Shares held by Custodians for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
GRAND TOTAL (A)+(B)+(C)	39017390	96710	39114100	100.00	39017390	96710	39114100	100.00	0.00

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	K.K. Agarwal & Sons(HUF)	117000	0.30	67000	117000	0.30	67000	0.00
2	K.K. Agarwal	1147460	2.93	1147460	1147460	2.93	1147460	0.00
3	Nidhi Agarwal	216100	0.55	16100	216100	0.55	16100	0.00
4	Sandeep Agarwal	651510	1.67	651510	651510	1.67	651510	0.00
5	Rohan Agarwal	430128	1.10	230128	430128	1.10	230128	0.00
6	Sanyog Agarwal	248650	0.64	248650	248650	0.64	248650	0.00
7	Sandeep Agarwal (HUF)	94380	0.24	44380	94380	0.24	44380	0.00
8	Sunandini Agarwal	800	0.00	800	800	0.00	800	0.00
9	Alps Processors Private Limited	250116	0.64	250116	250116	0.64	250116	0.00
10	Careen Fintec (P) Ltd.	295000	0.75	295000	295000	0.75	295000	0.00
11	Coronation Spinning India (P) Ltd.	900000	2.30	300000	900000	2.30	300000	0.00
12	Pacific Texmark Pvt. Ltd.	2835872	7.25	2835872	2835872	7.25	2835872	0.00
13	Padam Precision Dies & Components Private Ltd.	1688200	4.32	188200	1688200	4.32	188200	0.00
14	Peek Finvest (P) Ltd	342082	0.87	342082	342082	0.87	342082	0.00
15	Peek Texfab Ltd.	100120	0.26	120	100120	0.26	120	0.00
16	Perfect Finmen Services (P) Ltd.	412800	1.06	262800	412800	1.06	262800	0.00
17	Roseat Finvest (P) Ltd.	382000	0.98	382000	382000	0.98	382000	0.00
18	Saurabh Floriculture (P) Ltd.	183800	0.47	183800	183800	0.47	183800	0.00
19	Supreme Finvest (P) Ltd.	290000	0.74	140000	290000	0.74	140000	0.00
	Total	10586018	27.06	7586018	10586018	27.06	7586018	0.00

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

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

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

Name of the shareholders	Shareholding at the beginning of the year as on 1.4.2016		Change in shareholding during the year		Shareholding at the end of the year as on 31.3.2017	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Shree Naman Securities and Finance Private Limited	0.00	0.00	709964	1.815	7099640	1.815
Kinnari Rakesh Pujara	492249	1.258	0.00	0.00	492249	1.258
Rai Investments Ltd	681117	1.741	(402426)	(1.029)	278691	0.712
Subramanian P	0.00	0.00	435650	1.113	435650	1.113
Bjd Securities Private Ltd	493399	1.261	(133276)	(0.341)	360123	0.920
Manoj Kumar Tanwar	325602	0.832	(84908)	(0.217)	240694	0.615
Rakesh Gupta	220000	0.562	0.00	0.00	220000	0.562
Priyadarshi Jugalkishor Mehta	0.00	0.00	218636	0.558	218636	0.558
Shiv Gupta	0.00	0.00	215973	0.552	215973	0.552
Rakesh k Pujara	0.00	0.00	210986	0.539	210986	0.539

Note :

1. The above details are given as on 31 March, 2017. The Company is listed and 99.75% shareholding is in dematerialized form. Hence, it is not feasible to track movement of shares on daily basis. The aforesaid holdings by top ten shareholders is due to market operations.
2. Further, Company has not allotted/transferred or issued any bonus or sweat equity shares during the year.

(v) Shareholding of Directors and Key Managerial Personnel:

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
Mr. K.K. Agarwal ,Promoter Director & Non Executive Chairman				
At the beginning of the year	1147460	2.93	1147460	2.93
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
At the End of the year	1147460	2.93	1147460	2.93
Mr. Sandeep Agarwal, Promoter & Managing Director				
At the beginning of the year	651510	1.67	651510	1.67
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
At the End of the year	651510	1.67	651510	1.67
Mr. P K Rajput, Executive Director				
At the beginning of the year	180000	0.46	180000	0.46
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / Bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
At the End of the year	180000	0.46	180000	0.46
Mr. T.R. Khosla, Director				
At the beginning of the year	0.00	0.00	0.00	0.00
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
At the End of the year	0.00	0.00	0.00	0.00
Mr. P.K.Lamba, Director				
At the beginning of the year	0.00	0.00	0.00	0.00
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0.00	0.00	0.00	0.00
At the End of the year	0.00	0.00	0.00	0.00
Mr. Prabhat Krishna, Director				
At the beginning of the year	0.00	0.00	0.00	0.00
Date wise Increase / Decrease in Share holding during the year				

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

V. INDEBTEDNESS

(Rs. In Lakh)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	81,575.93	2,367.75	0.00	83,943.68
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	4,601.63	102.46	0.00	4,704.09
Total (i+ii+iii)	86,177.56	2,470.21	0.00	88,647.77
Change in Indebtedness during the financial year				
· Addition	0.00	0.00	0.00	0.00
· Reduction	(3,162.91)	(2,351.82)	0.00	(5,514.73)
Net Change at the end of the financial year	(3,162.91)	(2,351.82)	0.00	(5,514.73)
i) Principal Amount	78,799.30	118.39	0.00	78,917.69
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	4,215.35	0.00	0.00	4,215.35
Total (i+ii+iii)	83,014.65	118.39	0.00	83,133.04

VI. V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. in Lakh)

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Sandeep Agarwal Managing Director	P K Rajput Executive Director	
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	212.04	13.20	225.24
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	0.73	0.73
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission - as % of profit - others, specify...	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL
	Total (A)	212.04	13.93	225.97
	Ceiling as per the Act	N.A.	N.A.	N.A.

B. Remuneration to other directors:

(Amount in Rs.)

S. No	Particulars of Remuneration	Name of Directors				Total
		Mr. Prabhat Krishna	Mr. T R Khosla	Mr. P K Lamba	Ms Deepika Shergill	
1.	Independent Directors					
	• Fee for attending board committee meetings	60000	60000	60000	40000	220000
	• Commission	N.A.	N.A.	N.A.	N.A.	N.A.
	Total (1)	60000	60000	60000	40000	220000
2.	Other Non-Executive Directors	Mr. K K Agarwal				
	• Fee for attending board committee meetings	40000	N.A.	N.A.	N.A.	40,000
	• Commission	N.A.	N.A.	N.A.	N.A.	N.A.
	Total (2)	40000	N.A.	N.A.	N.A.	40000
	Total (B)=(1+2)	100000	60000	60000	40000	260000
	Total Managerial Remuneration	100000	60000	60000	40000	260000
	Overall Ceiling as per the Act	N.A.	N.A.	N.A.	N.A.	N.A.

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

(Rs. in Lakh)

Particulars of Remuneration	Key Managerial Personnel		
	Company Secretary	CFO	Total
1. Gross salary			
(a) Salary as per provisions contained in section 17(1) Income-tax Act, 1961	7.20	15.86	23.06
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A.	N.A.	N.A.
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A.	N.A.	N.A.
2. Stock Option	N.A.	N.A.	N.A.
3. Sweat Equity	N.A.	N.A.	N.A.
4. Commission - as % of profit - others, specify...	N.A.	N.A.	N.A.
5. Others, please specify	N.A.	N.A.	N.A.
Total	7.20	15.86	23.06

VII. PENALTIES/PUNISHMENT/COMPOUNDING OFFENCES:

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

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

ANNEXURE-VII

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

To,
The Members,
ALPS INDUSTRIES LIMITED

We have conducted the secretarial audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by ALPS Industries Limited (CIN NO. L51109UP1972PLC003544) (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the ALPS Industries Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by ALPS Industries Limited ("the company") for the financial year ended on 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009- Not Applicable
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999- Not Applicable
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt securities) Regulations, 2008- Not Applicable
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009
 - (h) The Securities and Exchange Board of India (Buy back of securities) Regulations, 1998- Not Applicable
 - (i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (vi) As per information provided by the management, the following laws as applicable specifically to the company :-
 - (a) Essential Commodities Act 1955 read with Hank Yarn Packing Notification 2003;
 - (b) Textile (Development & Regulation) Order, 2001;

(c) The Sick Industrial Companies Act, 1985- repealed on 25.11.2016 w.e.f. 01.12.2016

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

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

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

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

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

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

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

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

"Pursuant to the coming into force of the Sick Industrial Companies (Special Provisions) Repeal Act, 2003 (1 of 2004) w.e.f. 1.12.2016, in terms of notification no. S.O. 3568(E) dated 25.11.2016 issued by the Ministry of Finance, the Hon'ble BIFR/AAIFR stand dissolved and all the pending matters before the Hon'ble BIFR/AAIFR stand abated. As such the reference of company which was pending before the Hon'ble BIFR as case no 32/2010 also stands abated. However under the Insolvency and Bankruptcy Code, 2016 (IBC), as enacted w.e.f. 1.12.2016, a company may make reference to the Hon'ble National Company Law Tribunal (NCLT) under the Insolvency & Bankruptcy Code, 2016 (IBC) for its resolution, as such the Company is envisaging to approach the Hon'ble NCLT for seeking the necessary resolution, in accordance with the provisions of Insolvency and Bankruptcy Code, 2016 (IBC)"

For **CSK & Co.**
Company Secretaries

Place : Delhi
Date: May 30, 2017

Naresh Kumar Sharma
ACS.NO. 32312
CP. No. 11876

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

To,
The Members,
ALPS INDUSTRIES LIMITED

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

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

For CSK & Co.
(Company Secretaries)

Naresh Kumar Sharma
ACS.NO. 32312
C P No.11876

Place: Delhi
Date: May 30, 2017

SUBSIDIARY COMPANIES AS ON MARCH 31, 2017.

STATEMENT PURSUANT TO SECTION 129 OF THE COMPANIES ACT, 2013 RELATING TO SUBSIDIARY COMPANIES:

Name of the Subsidiary Company	Alps USA Inc.	Alps Energy Private Limited	Snowflakes Meditech Pvt. Ltd.
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	March 31, 2017	March 31, 2017 (Rs in Lac)	March 31, 2017 (Rs in Lac)
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	US\$ 64.84	NA	NA
Share capital	15 shares of no par value	22,59,990 of Rs. 10/- each	22,59,990 of Rs. 10/- each
Reserves & surplus	USD(711500)	(285.99)	512.36
Total assets	USD 529000	164.56	1003.92
Total Liabilities	USD 529000	164.56	1003.92
Investments	USD 529000	-	-
Turnover	-	27.34	17.14
Profit before taxation	-	(1818.34)	(546.97)
Provision for taxation	-	-	-
Profit after taxation	-	(1818.34)	(546.97)
Proposed Dividend	N.A.	N.A.	N.A.
Percentage of Holding (Equity)	100%	78.22 %*	81.65 %*
Percentage of Holding (Preference)	Nil	Nil	Nil

1. Names of subsidiaries which are yet to commence operations -**NIL**
2. Names of subsidiaries which have been liquidated or sold during the year. -**NIL**
3. *Due to implication of section 2(87) of the Companies Act, 2013, the percentage of holding have been increased because of consideration of holding of preference shares by another subsidiary i.e. Alps USA INC.

Part B : Associates and Joint Ventures – Not Applicable

For **R.K. Govil & Co.**
Chartered Accountants

For and on behalf of the Board

(K.K. Pal)
Partner
Membership No. 74999
Firm Regn No. – 000748C

Sandeep Agarwal
Managing Director
DIN NO. 00139439

P.K. Rajput
Executive Director
DIN NO. 00597342

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

Ajay Gupta
Company Secretary

Place: Ghaziabad
Dated: May 30, 2017

**To the Members of
ALPS INDUSTRIES LIMITED****Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **ALPS INDUSTRIES LIMITED** (the Company) which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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 and cash flow of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its Loss and its cash flow for the year ended on that date.

Emphasis of Matters

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

1. To note no 38. related to preparation of financial statement on going concern basis on belief of the company to get the necessary resolution in view of the consent of the super majority of secured lenders to its restructuring.

2. To the Note no.39 relating to non provision of interest on loans from minority secured lenders pending their consent in line with the restructuring which has been consented to, by the super majority of secured lenders.

Report on other Legal and Regulatory Requirements

- (a) As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable:
2. As required by Section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The balance sheet, the statement of profit and loss and the cash flow statement 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on 31st March 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017, 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"; and
- (g) 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. 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.
- iv. The company has provided requisite disclosure in its standalone Financial statements as to holdings as well as dealing in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosure are in accordance with the books of accounts maintained by the company. Refer Note No. 34 to the standalone financial statements.

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

(Kaushal Kishore Pal)
Partner
Membership No. : 074999

Place : Ghaziabad
Date : May 30, 2017

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 2017, we report that:

- 1) (a) The Company has maintained proper records , showing full particulars including quantitative details and situation of its fixed assets.
- (b) As explained to us, the management has physically verified all the fixed assets during the year except for Jaspur and Kashipur unit which were closed and not in its possession, in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company. We have been informed that no material discrepancies were noticed on such physical verification during the year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (2) (a) The inventory has been physically verified during the year by the management in phased manner.
- (b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company has maintained proper records of inventories. As explained to us, the discrepancies noticed on physical verification as compared to book records were not material and have been dealt with in the books of account.
- (3) According to the information and explanation given to us, the company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register required to be maintained under section 189 of the Act. Accordingly paragraph 3 (iii) of the order is not applicable.
- (4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (5) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public.
- (6) We were informed that company has maintained cost records pursuant to Companies (Cost Records and Audit) Rules, 2014 as amended and prescribed by the Central Government under section 148(1) of the Companies Act, 2013 and we are of the opinion that prima facie, the prescribed cost records have been maintained. We have however not made a detailed examination of the records with a view to determine whether they are accurate and complete.
- (7) (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues applicable to it with the appropriate authorities.
According to the information and explanations given to us, no undisputed amounts payable in respect of Income-tax, Service Tax, Sales-tax, Duty of Custom, Duty of Excise, Cess and other aforesaid statutory dues were outstanding as at 31st March, 2017 for a period of more than six months from the date they became payable.
- (b) The disputed statutory dues aggregating to Rs 137.84 Lac as on 31st March, 2017 have not been deposited on account of matters pending before appropriate authorities which are as under:

Sr. No.	Name of the Statute	Nature of Dues	Amount	Forum where Dispute is Pending
1	Nagar Nigam Act	Sewerage Tax	Rs. 6.86 Lac	Ld. Commisioner, Nagar Nigam, Gzb.
2	Commercial Tax Act	Commercial Tax	Rs.21.46 Lac	Ld. Addl. Commissioner, Gzb
3	Income Tax Act	Income Tax	Rs.109.52 Lakh	Ld. CIT (Appeals), Gzb

- (8) Though the restructuring scheme of the company is consented by the super majority of secured lenders of the company, the same is yet to be consented by the minority of secured lenders which is under process (refer note no. 38 & 39), we are unable to express any opinion about the default of Principal/interest and period of default, if any.
- (9) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (10) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (11) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (12) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (13) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (14) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (15) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (16) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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

(Kaushal Kishore Pal)
Partner
Membership No. : 074999

Place : Ghaziabad
Date : May 30, 2017

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 2017 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Ghaziabad
Date : May 30, 2017

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

(Kaushal Kishore Pal)
Partner
Membership No. : 074999

ALPS INDUSTRIES LTD.



BALANCE SHEET

BALANCE SHEET AS AT 31st MARCH, 2017

	Notes	AS AT 31.03.17 Rs.(in Lakh)	AS AT 31.03.16 Rs.(in Lakh)
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	1	30,704.31	30,704.31
Reserves and Surplus	2	(72,663.35)	(68,700.99)
		(41,959.04)	(37,996.68)
Non-Current Liabilities			
Long-term borrowings	3	74,064.57	78,624.91
Other Long term Liabilities	4	4,135.16	4,521.44
Long-term provisions	5	351.41	332.09
		78,551.14	83,478.44
Current Liabilities			
Short-term borrowings	6	-	111.17
Trade payables	7	4,446.17	9,045.74
Other current liabilities	8	10,667.26	10,958.69
Short-term provisions	9	39.15	45.71
		15,152.58	20,161.31
Total		51,744.68	65,643.07
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets		36,570.05	42,331.07
Intangible Assets		13.53	19.63
Capital Work in Progress		453.89	-
Intangible Assets Under Development		255.98	225.66
Non-current Investments	11	958.56	958.56
Long-term loans and advances	12	834.12	680.01
		39,086.13	44,214.93
Current Assets, Loans & Advances			
Current Investments	13	25.00	25.00
Inventories	14	6,978.88	11,115.61
Trade Receivables	15	4,049.18	8,257.06
Cash & Cash Equivalents	16	647.53	816.80
Short-Term Loans & Advances	17	538.72	662.15
Other current assets	18	419.24	551.52
		12,658.55	21,428.14
Total		51,744.68	65,643.07

Significant Accounting Policies and other Notes on Financial Statements 1-52

Notes referred to above form an integral part of Financial Statements

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

KAUSHAL KISHORE PAL
 Partner
 Membership No. : 074999

Place : Ghaziabad
 Date : May 30, 2017

A.K. Singhal
 President (F&A)

Ajay Gupta
 Company Secretary

Sandeep Agarwal
 Managing Director

P.K. Rajput
 Executive Director

For and on behalf of the Board

STATEMENT OF PROFIT & LOSS

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2017

	Notes	Year Ended 31.03.17 Rs.(in Lakh)	Year Ended 31.03.16 Rs.(in Lakh)
Revenue from operations			
Sale of Products	19	47,712.63	55,024.38
Other Operating Revenues		2,444.22	3,304.58
Less :Excise Duty		67.90	168.68
Net Revenue		50,088.95	58,160.28
Other Income	20	444.19	1,232.77
Total Revenue		50,533.14	59,393.05
Expenses			
Cost of Materials Consumed	21	30,383.05	38,076.95
Purchase of Stock-in-Trade	22	4,105.68	276.80
Change in inventories of Finished goods and Work-in-Progress	23	(284.71)	1,715.33
Employee Benefit Expenses	24	6,603.60	6,576.76
Finance Cost	25	7.57	47.41
Depreciation/Amortization of Expenses	10	3,357.87	3,586.42
Other Expenses	26	12,043.14	13,960.50
Total Expenses		56,216.20	64,240.17
Profit/(Loss) Before exceptional items and Tax		(5,683.06)	(4,847.12)
Less/(Add) Exceptional Items	27	4,087.05	6,869.38
Less/(Add) Impairment of Assets	10	(2,366.33)	-
Profit/(Loss) After exceptional items and before Tax		(3,962.34)	2,022.26
Tax Expense			
(1) Current Tax		-	-
(2) Deferred Tax		-	-
Profit/(Loss) after Tax for Year		(3,962.34)	2,022.26
Basic Earning Per Share(Rs.)	28	-	1.93
Diluted Earning Per Share(Rs.)	28	-	1.13

Significant Accounting Policies and other Notes on Financial Statements 1-52
Notes referred to above form an integral part of Financial Statements

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

KAUSHAL KISHORE PAL
Partner
Membership No. : 074999

Place : Ghaziabad
Date : May 30, 2017

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

Ajay Gupta
Company Secretary

For and on behalf of the Board

Sandeep Agarwal
Managing Director

P.K. Rajput
Executive Director

CASH FLOW

	Rs.(in Lakh)	
	31.03.2017	31.03.2016
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) Before Tax and Exceptional items	(5,683.07)	(4,847.12)
Adjustment for :		
Depreciation	3,357.87	3,586.42
Interest Received	(188.32)	(235.67)
Finance Cost	7.57	47.41
Loss on Sale of Assests	422.16	25.72
Exceptional Items	4,087.05	6,869.38
Impairment of Assets	2,366.33	10,293.26
Operating Profit/Loss Before Working Capital Changes	10,052.67	-
	4,369.60	5,446.14
Adjustment for Working Capital Changes		
Inventories	4,136.73	27,339.27
Trade & other Receivable	4,321.09	4,581.53
Trade Payable & other Liabilities	(4,310.12)	3,783.41
Direct taxes received/(paid)	(11.63)	29.48
Net Cash from/ (used in) Operating Activities	4,136.07	35,733.69
	8,505.68	41,179.83
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(1,116.89)	(184.40)
Proceeds from Fixed Assets	(2,112.89)	50.49
Interest Received	188.32	235.66
(Increase)/Decrease in Fixed Deposits	32.07	2,249.48
Net Cash from/ (used in) Investment Activities	(3,009.40)	2,351.23
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Finance Cost	(7.57)	(47.41)
Proceeds/(Repayment) of Short Term Borrowing (Net)	(5,625.90)	(43,504.46)
Net Cash from/ (used in) Financing Activities	(5,633.47)	(43,551.87)
Net Increase(Decrease) in Cash & Cash Equivalents	(137.19)	(20.81)
Opening Balance of Cash and Cash Equivalents	<u>490.43</u>	<u>511.24</u>
Closing Balance of Cash and Cash Equivalents (refer note 16)	<u>353.23</u>	<u>490.43</u>

Notes:

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

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

KAUSHAL KISHORE PAL
 Partner
 Membership No. : 074999
Place : Ghaziabad
Date : May 30, 2017

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

Ajay Gupta
 Company Secretary

For and on behalf of the Board
Sandeep Agarwal
 Managing Director

P.K. Rajput
 Executive Director

SIGNIFICANT ACCOUNTING POLICIES**A. USE OF ESTIMATES**

The Preparation of the financial statements in conformity with accounting standard requires the Management to make estimates and assumptions that affect the reported accounts of assets and liabilities, disclosure relating to contingent liabilities as at the date of the financial statement and the reported amount of income and expenses during the reporting period, like useful lives of fixed assets, provision for doubtful debts/ advances, provision for diminution in value of investments, provision for employee benefits, provision for warranties/ discounts, allowances for certain uncertainties, provision for taxation, provision for contingencies etc. Actual results could differ from those estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the financial statements.

B. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Financial Statements have been prepared on a going concern basis under the historical cost convention, on accrual basis unless specifically stated herein below and in accordance with the applicable Accounting Standards (AS) issued by the Institute of Chartered Accountants of India and relevant provisions of the Companies Act, 2013.

C. REVENUE RECOGNITION

Sales are recognized on completion of sale of goods (Export Sales are recognized on the basis of Shipping Bills prepared) and are net of trade discounts, rebates and inclusive of excise duty but excludes taxes on sales.

Export incentives are recognized as and when export sale is accounted for. Profit/ Loss on sale of DEPB license is recognized in the year of sale.

D. FIXED ASSETS

- a) All fixed assets are stated at cost, net of MODVAT/CENVAT less accumulated depreciation. Cost comprises cost of acquisition and all expenses incurred which are directly attributable, including cost of borrowings and exchange fluctuation, for bringing the assets into working condition for its intended use.
- b) Cost of assets not ready to put to use before year end are shown as 'Capital Work in Progress/Intangible Assets under Development'.

E. DEPRECIATION / AMORTISATION

Depreciation on the Tangible Assets and Amortisation of Computer Software are provided on Straight Line Method as per useful life of the assets and in the manner as prescribed in Schedule II to The Companies Act, 2013. However having regard to materiality assets upto Rs. 5000/- each are fully depreciated in the year of purchase. Leasehold lands are amortised over the lease period.

F. INVESTMENTS

- a) Investments are carried at cost. However, provision for diminution in value is made to recognize any decline, other than temporary, in the value of investments except investment in unquoted & subsidiary companies.
- b) Investments that are readily realizable and intended to hold for not more than a year are classified as Current Investments. All other investments are classified as Non Current Investments.

G. INVENTORIES

Raw Material and Stores & Spares are valued at cost. Cost of raw material is determined by First in First Out (FIFO) method except cotton, which is valued at weighted average cost.

Finished and Semi Finished goods produced and purchased, are valued at lower of cost or net realizable value. The identification of Semi Finished goods is done on the basis of location of the goods.

H. BORROWING COST

Borrowing costs that are directly attributable to the acquisition or construction of fixed assets, which necessarily take a substantial period of time to get ready for their intended use, are capitalized. Other borrowing costs are recognized as expense in the year in which they are incurred.

I. RETIREMENT AND OTHER EMPLOYEE BENEFITS

The provision for gratuity liability and earned leaves are made in accordance with the actuarial valuation on projected unit credit actuarial method at the end of the year. The provisions for medical leaves are made on basis of leaves accrued to employees. Employer's Contribution to Employees Provident Fund are charged to Statement of Profit and Loss.

J. RESEARCH AND DEVELOPMENT COSTS

Research & Development expenses of revenue nature are charged to Statement of Profit and Loss and those of capital nature are capitalized as Tangible/Intangible Assets.

K. DEFERRED REVENUE EXPENDITURE

The expenses related to Preliminary and capital issue expenses are fully charged to statement of Profit & Loss in the year in which these are incurred.

L. FOREIGN CURRENCY TRANSACTIONS

- a) Transactions denominated in foreign currency are recorded at the exchange rate prevailing at the time of the transactions.
- b) Monetary items denominated in foreign currencies at the year end are restated at the year end rates. In case of monetary items which are covered by forward exchange contracts, the difference between the year end rate and the rate on the date of contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.
- c) Non monetary foreign currency items are carried at cost.
- d) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss except in cases where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

M. IMPAIRMENT OF ASSETS

The carrying amounts of all the assets are reviewed at each balance sheet date. If there is any indication of impairment, based on internal / external factors, an impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount.

N. TAXATION

- a) Provision for current income tax is made in accordance with the applicable provisions of the Income Tax Act, 1961.
- b) Liability for deferred tax is provided while deferred tax asset is recognized only if there is virtual certainty of their realization in future in terms of Accounting Standard on "Deferred Tax Accounting" (AS-22) issued by the Institute of Chartered Accountants of India.

O. GOVERNMENT GRANTS

Capital grants are accounted for and deducted from the respective assets in the year of receipt. Non specific Capital Subsidy in the nature of promoters' contribution is credited to Capital Reserve.

The interest subsidy under TUF scheme is considered on accrual basis and deducted from the interest expenditure.

P. OPERATING LEASE

Lease payments are recognized as an expense in the Statement of Profit and Loss according to the terms and conditions of the respective agreement.

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.17 Rs.(in Lakh)	AS AT 31.03.16 Rs.(in Lakh)
1. SHARE CAPITAL		
(A) Authorised Capital		
40000000(40000000) Equity Shares of Rs.10/-each	4,000.00	4,000.00
305000000(305000000) Preference Shares of Rs.10/-each	30,500.00	30,500.00
	<u>34,500.00</u>	<u>34,500.00</u>
(B) Issued, Subscribed & Paid up		
39114100(39114100) Equity Share of Rs.10/-each fully paid up	3,911.41	3,911.41
	<u>3,911.41</u>	<u>3,911.41</u>
111094047(111094047) 1% Cumulative Redeemable Preference Shares (1%CRPS) of Rs. 10/- each fully paid-up.	11,109.40	11,109.40
156835012(156835012) 6% Cumulative Redeemable Preference Shares (6%CRPS) of Rs. 10/- each fully paid-up.	15,683.50	15,683.50
	<u>26,792.90</u>	<u>26,792.90</u>
Total	<u>30,704.31</u>	<u>30,704.31</u>

1.1 Reconciliation of Shares outstanding is Set out Below:

Particulars	No. of Shares			
	Beginning of the year	Issue during the year	Reclassification during the year	At the end year
Equity Shares	39114100	NIL	NIL	39114100
6% CRPS	156835012	NIL	NIL	156835012
1% CRPS	111094047	NIL	NIL	111094047

Right Preferences and Restrictions attached to each class of Shares are here under:

EQUITY SHARES:- The Company has one class of Equity shares having a par value of RS 10 each.

Each holder of Equity shares entitled to one vote per share.

6 % CRPS under Category -A:- Such shares have right of 6 % dividend with no voting right and preference of Repayment over other instruments in discounted, redemption as per CDR Scheme over other instrument (6% or 1%) issued under category, C and D, subject to the availability of funds

6 % CRPS under Category -B:- Such shares have right of 6 % dividend with no voting right and preference of Repayment over other instruments in discounted redemption as per CDR Scheme over other instrument 1% CRPS, except 6% intruments issued under category-A, issued under category-C and D, subject to the availability of funds

1% CRPS under Category -C:- Such shares have right of 1 % dividend with no voting right and preference of Repayment over other instruments in discounted redemption as per CDR Scheme over other instrument 1% CRPS, except 6% intruments issued under category-A and B, issued under category-C and D, subject to the availability of funds

1% CRPS under Category -D:- Such shares have right of 1 % dividend with no voting right and preference of Repayment over other instruments in discounted redemption as per CDR Scheme over other instrument 1% CRPS, except 6% intruments issued under category-A and B, but at par issued under category-C, subject to the availability of funds

Detail of Shares reserved under option and Contracts/Commitment:

In Terms of sanction letter from Banks : The Company is require to issue –

Rs. 1629.61 Lakh (P.Y. 1629.61 Lakh) Equity shares of Rs. 10 each at par aggregating to Rs.1629.61 Lakh (P.Y. Rs.1629.61 Lakh)

- i. Shares issued for consideration other than cash in last 5 financial years._ Nil (P/Y Nil)
- ii Bonus Shares in last 5 financial years. - Nil (P/Y Nil)
- iii Shares bought back in last 5 financial years.- Nil (P/Y Nil)

NOTES FORMING PART OF ACCOUNTS

Details of Share holders holding more than 5 % Share Capital

PARTICULARS	As at 31 Mar'2017	Percentage (%)	As at 31 Mar' 2016	Percentage (%)				
Equity Shares:								
Pacific Texmark Pvt. Ltd.	2835872	7.25	2835872	7.25				
Details of Preference Shareholders								
PARTICULARS	As at 31 Mar' 2017	Percentage (%)	As at 31 Mar' 2017	Percentage (%)	As at 31 Mar' 2016	Percentage (%)	As at 31 Mar' 2016	Percentage (%)
6% CRPS	CATEGORY A		CATEGORY B		CATEGORY A		CATEGORY B	
State Bank of Bikaner & Jaipur	4891690	3.76	-	-	4891690	3.76	-	-
The Jammu & Kashmir Bank	6194500	4.77	-	-	6194500	4.77	-	-
Export Import Bank Of India	3534800	2.72	-	-	3534800	2.72	-	-
IDBI Bank Ltd.	1413076	1.09	-	-	1413076	1.09	-	-
Edelweiss Asset Reconstruction Company Limited	50041950	38.52	3960904	14.72	50041950	38.52	3960904	14.72
State Bank of Patiala	23081900	17.77	-	-	23081900	17.77	-	-
State Bank of Mysore	12155480	9.36	6601506	24.51	12155480	9.36	6601506	24.51
Syndicate Bank	7416190	5.71	-	-	7416190	5.71	-	-
UCO Bank	6813950	5.25	-	-	6813950	5.25	-	-
Punjab National Bank	14357330	11.05	13203013	49.01	14357330	11.05	13203013	49.01
ICICI Bank Ltd.	-	-	2112482	7.84	-	-	2112482	7.84
HDFC Bank	-	-	1056241	3.92	-	-	1056241	3.92
Total	129900866	100.00	26934146	100.00	129900866	100.00	26934146	100.00
1% CRPS	CATEGORY C		CATEGORY D		CATEGORY C		CATEGORY D	
Edelweiss Asset Reconstruction Company Limited	11440240	42.57	26944509	31.99	11440240	42.57	26944509	31.99
HDFC Bank	2462350	9.16	13019737	15.46	2462350	9.16	13019737	15.46
Development Credit Bank Ltd.	11661448	43.40	-	-	11661448	43.40	-	-
Standard chartered	1309525	4.87	34439893	40.89	1309525	4.87	34439893	40.89
ICICI Bank Limited	-	-	9816345	11.66	-	-	9816345	11.66
Total	26873563	100.00	84220484	100.00	26873563	100.00	84220484	100.00

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.17 Rs.(in Lakh)	AS AT 31.03.16 Rs.(in Lakh)
2. RESERVES AND SURPLUS		
A Capital Reserve		
At the Beginning and at the end of the Year	<u>290.00</u>	<u>290.00</u>
B. Securities Premium		
At the Beginning and at the end of the Year	<u>16,668.93</u>	<u>16,668.93</u>
C. General Reserves		
At the Beginning and at the end of the Year	<u>7,999.30</u>	<u>7,999.30</u>
D. Surplus		
Balance in Statement of Profit And Loss		
Loss at the Beginning of the Year	(93,659.22)	(95,681.48)
(Less)/Add: Profit/(Loss) for the Year	(3,962.34)	2,022.26
Balance at the end of the Year	<u>(97,621.56)</u>	<u>(93,659.22)</u>
Total :	<u>(72,663.35)</u>	<u>(68,700.99)</u>
3. LONG TERM BORROWINGS		
Secured Loans		
(a) Term Loans		
(1) Banks & Financial Institutions/ARC (See Note 3.1 Below)	48,616.69	49,105.47
(i) Term loans Rs.48616.69 Lakh (P.Y. Rs. 49105.47 Lakh) from Banks & Financial Institutions are Secured by First Pari - Passu charge created On Fixed Assets and Second Pari-Passu charge on current assets of the Company, alongwith Personal Guarantees of promotor Directors.		
(b) Working Capital Loans		
(1) Banks & Financial Institutions/ARC (See Note 3.1 Below)	25,329.49	27,151.69
(i) Working capital Loans are secured by first pari - passu charge on Current assets and second pari - passu charge on fixed assets of the company, alongwith Personal Guarantees of Promotor Directors.		
Unsecured Loans		
Loans And Advances From Related Parties	118.39	2,367.75
Maturity Profile	Amount (In Lakh)	Period
	118.39	2018-19
Total	<u>74,064.57</u>	<u>78,624.91</u>
3.1 Maturity Profile of Term Loans From Banks & Financial Institutions		
The Restructuring Scheme (forming part of the DRS) as conserted by the super majority of lenders who are presently holding / aquired more then 95% of total secured debts of the company, envisage the repayment of all loans in interest free quarterly installments lasting upto 31.03.2022 including waivers and conversion into equity as per terms.		
4. OTHER LONG TERM LIABILITIES		
Interest accrued but not due on borrowing Banks/ARC (Refer Note No. 3.1 above)	4,135.16	4,521.44
Total	<u>4,135.16</u>	<u>4,521.44</u>
5. LONG TERM PROVISION		
Provision for Employee Benefits (Refer Note No 46)	351.41	332.09
Total	<u>351.41</u>	<u>332.09</u>

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.17 Rs.(in Lakh)	AS AT 31.03.16 Rs.(in Lakh)
6. SHORT TERM BORROWINGS		
Secured Loans		
From Banks / ARC	-	111.17
Total	-	111.17
Refer to Note No. 3a(1) (i) and 3b(1) (i)		
7. TRADE PAYABLES		
(a) Micro, Small & Medium Enterprises (Refer Note No. 7.1)	23.31	65.00
(b) Others	4,422.86	8,980.74
Total	4,446.17	9,045.74
7.1 Based on the information available with the Company regarding the status of suppliers as defined under MSMED Act,2006, there was no principal amount overdue and no interest was payable to the Micro, Small and Medium Enterprises on 31st March,2017 as per the terms of Contract.		
8. OTHER CURRENT LIABILITIES		
SECURED (Refer to Note No. 3.1 above)		
(a) Current Maturity of long terms Borrowing of Banks & ARC	4,853.12	5,318.78
UNSECURED		
(a) Interest accrued but not due on borrowing	80.19	80.19
(b) Interest accrued and due on borrowing (Related Party)	-	102.46
(c) Other payable		
(1) Expenses payable (Refer Note No. 8.1)	4,207.70	4,291.51
(2) Creditors for Fixed Assets	124.40	135.61
(3) Book overdraft	4.81	0.06
(4) Advance from Customers	1,397.04	1,030.08
Total	10,667.26	10,958.68
8.1 Expenses Payable include the liabilities to employees, Sales Tax/Vat, other taxes, Rebate & Discount etc.		
9. SHORT TERM PROVISIONS		
Provision for Employee benefits (Refer Note No 46)	39.15	45.71
Total	39.15	45.71

ALPS INDUSTRIES LTD.

NOTES FORMING PART OF ACCOUNTS

10. FIXED ASSETS

Rs.(in Lakh)

Particulars	Gross Block			Depreciation							Net Block	
	Opening Balance	Addition	Deduction Sale	Total Upto 31.03.2017	Opening Balance	During The Year	On Deduction	Total Upto 31.03.2017	Deduction Impairment of Assets	Total After Impairment 31.03.2017	As on 31.03.2017	As on 31.03.2016
TANGIBLE ASSETS												
Leasehold Land	1,301.37	0.00	0.00	1,301.37	177.54	12.35	0.00	189.89	-	189.89	1,111.47	1,123.82
Free Hold Land	649.82	0.00	0.00	649.82	0.00	0.00	0.00	0.00	-	-	649.82	649.82
Building	14,682.35	95.53	0.00	14,777.88	4,416.55	494.25	0.00	4,910.80	142.48	5,053.28	9,724.61	10,265.80
Plant & Machinery	62,410.86	490.27	1,395.09	61,506.03	32,432.82	2,763.23	721.77	34,474.28	2219.01	36693.29	24812.75	29,978.04
Furniture Fixture	405.75	2.19	0.43	407.51	287.23	20.90	0.01	308.12	2.45	310.58	96.93	118.52
Vehicles	326.95	0.00	26.24	300.70	257.86	16.44	24.65	249.65	-	249.65	51.06	69.09
Office Equipment	299.46	21.00	0.78	319.68	239.55	22.83	0.50	261.87	2.13	264.01	55.68	59.92
Computers	751.36	22.52	0.00	773.88	685.29	20.59	0.00	705.89	0.26	706.14	67.74	66.07
INTANGIBLE ASSETS												
Computer (software)	45.88	1.19	0.00	47.07	26.26	7.27	0.00	33.54	-	33.54	13.53	19.62
Sub Total	80,873.80	632.69	1,422.54	80,083.95	38,523.10	3,357.87	746.94	41,134.04	2366.33	43500.37	36583.58	42,350.70
Previous Year	81,657.51	183.72	967.43	80,873.80	35,827.90	3,586.42	891.22	38,523.10	-	38,523.10	42,350.70	45,829.61

11. NON - CURRENT INVESTMENTS (AT COST)

Long Term (Fully Paid Unless Otherwise Stated)

Other Investment

Investment in Equity Instruments

(A) Quoted Shares

13400(13400)Equity Shares of Rs. 10/- each of Kay Power and Paper Ltd. Market Value - Rs. 52394 (46900) **1.34** 1.34

720(720) Equity Shares of Rs. 10/- each of Parasram Puria Synthetics Ltd. (Market Value - Not Available) **0.22** 0.22

2000(2000)Equity Shares of Rs. 10/- each of Global Syntex (Bhilwara)Ltd.(Partly of Rs. 5/- each Paidup) (Market Value- Not Available) **0.10** 0.10

(B) Unquoted Shares

 2450(2450)Shares of Colombine Cody Corp. N.P.V **4.12** **4.12**

Other Non - Current Investments (At Cost)

Subsidiary Companies

 15 (15) Equity Shares At N.P.V of Alps USA Inc **500.78** 500.78

 2259990(2259990) Equity Shares of Rs. 10/- each of Snowflakes Meditech Pvt. Ltd. **226.00** 226.00

 2259990 (2259990) Equity Shares of Rs. 10/- each of Alps Energy Pvt. Ltd. **226.00** 226.00

Total **958.56** **958.56**

	AS AT 31.03.17 Rs.(in Lakh)	AS AT 31.03.16 Rs.(in Lakh)
	1.34	1.34
	0.22	0.22
	0.10	0.10
	4.12	4.12
	500.78	500.78
	226.00	226.00
	226.00	226.00
	958.56	958.56

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.17 Rs.(in Lakh)	AS AT 31.03.16 Rs.(in Lakh)
12. LONG-TERM LOANS AND ADVANCES		
(Unsecured, Considered Good)		
Capital Advance	237.57	73.45
Security Deposits	596.55	606.56
Total	<u>834.12</u>	<u>680.01</u>
13. Current Investment		
Investment in Mutual Funds		
20000 (20000) Unit of Rs. 10/- Each of SBI Magnum Equity Fund (Formerly Known as SBI One India Fund) Market Value-Rs. - 1720076/- (1455544/-)	2.00	2.00
19560(19560) Unit of Franklin India High Growth Co. Market Value - Rs. - 707835.32 (Rs. 538956.24)	2.00	2.00
100000(100000) Unit of Rs. 10/- each of SBI Infrastructure Fund Market Value - Rs. - 1363620/- (1062390/-)	10.00	10.00
2930 (2930) Unit of Reliance Growth Fund Market Value- Rs. - 2837946.73 (2134256.54/-)	10.00	10.00
10000(10000) of Rs. 10/- each of UTI Infrastructure Advantage Fund-Series-I Market Value- Rs. - 497109/- (379099/-)	1.00	1.00
Total	<u>25.00</u>	<u>25.00</u>
14. INVENTORIES		
Raw Materials	4,032.82	8,619.39
Work-in-Progress (Refer Note No. 50)	606.81	690.65
Finished Goods (Refer Note No. 51)	1,897.76	1,529.19
Stores & Spares Parts	441.49	276.38
Total	<u>6,978.88</u>	<u>11,115.61</u>
15. TRADE RECEIVABLES		
Outstanding for a Period Exceeding Six Months from the date they are due for payment		
Unsecured Considered,		
Good	394.42	533.75
Doubtful	517.86	466.46
Less: Provision for Doubtful Receivables	<u>(517.86)</u>	<u>(466.46)</u>
	394.42	533.75
Other Trade Receivables		
Unsecured Considered Good	<u>3,654.76</u>	<u>7,723.31</u>
Total	<u>4,049.18</u>	<u>8,257.06</u>

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.17 Rs.(in Lakh)	AS AT 31.03.16 Rs.(in Lakh)
16. CASH & CASH EQUIVALENTS		
Balances in Current Accounts with Banks	282.71	348.57
Cheques and Draft on Hand	35.86	95.92
Cash on Hand	34.66	45.94
	<u>353.23</u>	<u>490.43</u>
Other Bank Balances		
In Fixed Deposit with Banks (Pledged against Margin and other Commitments)	294.30	326.37
Total	<u>647.53</u>	<u>816.80</u>
17. SHORT TERM LOANS & ADVANCES (Unsecured, Considered Good)		
(A) Loans & Advances to Related Parties (With Subsidiaries Company)	6.61	6.61
(B) Others		
Balances With Revenue Authorities	84.73	77.90
Advance Income Tax /Tds Recoverable	139.81	151.44
Other Receivables	307.57	426.20
Total	<u>538.72</u>	<u>662.15</u>
# Includes Advance to suppliers, Staff, Prepaid Expenses etc.		
18. OTHER CURRENT ASSETS		
Export Incentive Receivable	362.13	534.26
Less: Provision for Doubtful Receivable	-	(63.04)
Insurance and other Claim Receivable	10.58	22.02
Interest Accrued but not due	46.53	58.28
Total	<u>419.24</u>	<u>551.52</u>
	YEAR ENDED 31.03.17 Rs.(in Lacs)	YEAR ENDED 31.03.16 Rs.(in Lacs)
19. REVENUE FROM OPERATIONS		
(A) Sale of Products (Including Traded Goods)		
Export	12,866.28	18,486.39
Domestic	34,846.35	36,537.99
Sub Total (A)	<u>47,712.63</u>	<u>55,024.38</u>
(B) Other Operating Revenues		
Scrap / Waste Sale	1,096.79	1,856.95
Export Incentives	944.33	1,120.00
Job Work Receipt	403.10	327.63
Sub Total (B)	<u>2,444.22</u>	<u>3,304.58</u>
Total (A+B)	<u>50,156.85</u>	<u>58,328.96</u>
	Rs.(in Lakh)	
Details of Product Sold	2016-17	2015-16
Yarn	26867.12	35858.82
Fabric/Made up/Fashion	18014.84	15559.58
Architectural Products	2779.54	2586.71
Others	51.13	1029.27
Total	<u>47712.63</u>	<u>55024.38</u>

NOTES FORMING PART OF ACCOUNTS

	YEAR ENDED 31.03.17 Rs.(in Lakh)	YEAR ENDED 31.03.16 Rs.(in Lakh)
20. OTHER INCOME		
(a) Income from Interest	188.32	235.67
(b) Other Income	167.02	752.36
(c) Foreign Currency exchange fluctuation (Net)	88.85	244.74
Total	<u>444.19</u>	<u>1,232.77</u>
21. COST OF MATERIAL CONSUMED (Refer Note No. 48)		
Opening Stock	8,619.39	24,528.96
Trfd. Slow moving Inventory	-	19,828.68
Add: Purchases	25,796.48	41,996.06
Total	<u>34,415.87</u>	<u>46,696.34</u>
Less: Closing Stock	4,032.82	8,619.39
Total	<u>30,383.05</u>	<u>38,076.95</u>
22. PURCHASE OF STOCK-IN-TRADE (Refer Note No. 49)	<u>4,105.68</u>	<u>276.80</u>
23. CHANGE IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS		
Inventories (at commencement)		
Finished Goods	1,529.20	8,241.72
Work-in-Progress	690.65	4,986.15
Trfd. Slow Moving Inventory	-	9,292.69
Sub Total (A)	<u>2,219.85</u>	<u>3,935.18</u>
Inventories (at end)		
Finished Goods (Refer Note No. 51)	1,897.76	1,529.20
Work-in-Progress (Refer Note No. 50)	606.80	690.65
Sub Total (B)	<u>2,504.56</u>	<u>2,219.85</u>
Total (A-B)	<u>(284.71)</u>	<u>1,715.33</u>
24. EMPLOYEE BENEFIT EXPENSES		
Salaries Including other Benefits	3,300.79	3,279.25
Wages Including other Benefits	2,716.53	2,920.36
Contribution to Provident & other Funds-Wages	133.59	147.83
Contribution to Provident & other Funds-Salary	83.49	77.37
Gratuity	66.10	53.83
Staff Welfare	77.13	84.18
Managerial Remuneration (Refer Note No. 47)	225.97	13.92
Total	<u>6,603.60</u>	<u>6,576.76</u>
25. FINANCE COST		
Interest to Others	7.57	47.41
Total	<u>7.57</u>	<u>47.41</u>

NOTES FORMING PART OF ACCOUNTS

	YEAR ENDED 31.03.17 Rs.(in Lakh)	YEAR ENDED 31.03.16 Rs.(in Lakh)
26. OTHER EXPENSES		
Manufacturing Expenses		
Production Expenses	1,117.66	1,080.18
Security & Vigilance	54.78	59.74
Consumption of Stores & Spares	1,150.32	1,225.16
Power & Fuel	4,566.62	5,244.52
Carriage & Cartage	23.37	30.27
Administrative Expenses		
Rent	89.63	57.31
Insurance	112.18	139.19
Rates & Taxes	32.55	34.61
Postage & Telegram	14.42	22.33
Printing, Stationery & Computer Expenses	46.59	56.17
Legal & Professional Expenses	355.29	492.36
Travelling & Conveyance - Others	351.90	363.93
Travelling & Conveyance - Directors	31.92	9.36
Telephone ,Fax & Internet Exp.	60.45	63.06
Books & Periodicals	0.81	1.33
Fees & Subscription	25.49	31.29
General Expenses	21.83	26.17
Bank Charges	103.75	113.12
Payment to Auditors (Refer Note 32)	19.00	22.30
Vehicle Running Expenses	74.32	88.07
Donation	-	0.50
Hank Yarn Obligation	14.25	37.53
Loss on Disposal/Sale of Assets	422.16	25.72
Repairs & Maintenance		
Building	46.92	66.78
Machinery	126.84	103.60
Others	63.73	65.12
Selling & Distribution Expenses		
Packing & Forwarding	1,446.75	2,195.86
Sales Promotion & Incentives	604.29	777.65
Cash Discount	12.05	20.40
Bad Debts W/OFF	115.11	379.83
Prov. for doubtful Debts	58.02	290.52
Advertisement & Publicity	197.61	97.90
Excise / Vat Expenses	9.28	0.88
Freight on Exports	654.75	717.25
Sub Total	12,024.64	13,940.01
Prior Period Expenses (Net)	18.50	20.49
Total	12,043.14	13,960.50

NOTES FORMING PART OF ACCOUNTS

27. A sum of Rs.4087.05 Lakh is credited as exceptional item arising out of credits availed pursuant to right back of amount of interest and principal waiver of secured loan of settled lenders aggregating to Rs. 4179,99 Lakh, as reduced by the surrendered amount of current year's interest against settled dispute with ABN AMRO Bank, all aggregating of Rs. 92.94 Lakh.

28. Basic & Diluted Earnings Per Share

Particulars	For the year ended 31 st March 17	For the year ended 31 st March 16
Profit/(Loss) for the Year before Preference Dividend and attributable tax thereon (Rs. in Lakh)	(3962.34)	2022.26
Less:- Preference Dividend and attributable tax (Rs. in Lakh)	(1266.28)	(1266.28)
Profit/(Loss) attributable to the Equity shareholders after Preference Dividend and attributable tax thereon (Rs. in Lakh) - (A)	5228.62	755.98
Weighted average number of equity shares outstanding during the year - (B)	39114100	39114100
Nominal value of equity shares (Rs.)	10.00	10.00
Basic Earnings per share (Rs.)	(13.37)	1.93
Diluted Earnings per share (Rs.)	--	1.13

Note: As per the DRS which is consented by secured lenders (representing more than 83% of total outstanding secured debts of the company) pending consideration of hon'ble BIFR the company is under an obligation to issue fresh equity to the tune of Rs. 26.78 crore (approx) to its lenders, hence the diluted EPS has been calculated after factoring the same.

29. Earnings in Foreign Exchange

Rs.(in Lakh)

Particulars	For the year ended 31 st March 17	For the year ended 31 st March 16
F.O.B. Value of Exports	13294.39	18528.07

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

Rs.(in Lakh)

Particulars	For the year ended 31 st March 17	% of consumption	For the year ended 31 st March 16	% of consumption
Raw Material				
Imported	1494.09	4.92%	2785.71	7.32%
Indigenous	28888.96	95.08%	35291.24	92.68%
Total	30383.05	100.00	38076.95	100.00
Stores				
Imported	160.55	13.96%	387.74	31.65%
Indigenous	989.77	86.04%	837.43	68.35%
Total	1150.32	100.00	1225.16	100.00

31. C.I.F. Value of Imports

Rs.(in Lakh)

Particulars	For the year ended 31 st March 17	For the year ended 31 st March 16
Raw Materials	1179.21	2048.85
Capital Goods	61.27	—
Components & Spare Parts	361.65	377.93

NOTES FORMING PART OF ACCOUNTS

32. Payment to Auditors

Rs.(in Lakh)

Particulars	For the year ended 31 st March 17	For the year ended 31 st March 16
a. Audit Fee	16.12	14.30
b. Other Services	2.88	8.00

33. Expenditure in Foreign Currency

Rs.(in Lakh)

Particulars	For the year ended 31 st March 17	For the year ended 31 st March 16
Foreign Travels	52.21	43.91
Others	370.08	295.78

34. The detail of specified bank notes (SBN) held and transacted during period from 8th Nov, 2016 to 30th December, 2016 is as under :-

Particular	SBNS	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	1000 X 715	-	7.15
	500 X 1413	-	7.07
		100X 11089	11.09
		50X 3344	1.67
		10X 7148	0.71
		Coins(1,2,5) 596	0.01
Permitted receipts		2000 X 2724	54.48
		500 X 843	4.21
		100 X 10817	10.82
		50 X 3166	1.58
		20 X 1543	0.31
		10 X 5968	0.60
		Coins(1,2,5) 512	0.01
Permitted payments		2000 X 1754	35.08
		500 X 661	3.30
		100 X 16926	16.93
		50 X 4098	2.05
		20 X 1094	0.22
		10 X 9288	0.93
		Coins(1,2,5) 299	0.00
Amount deposited in Banks	1000 X 715		7.15
	500 X 1413		7.07
Closing cash in hand as on 30.12.2016		2000 X 970	19.40
		500 X 182	0.91
		100 X 4980	4.98
		50 X 2412	1.21
		20 X 449	0.09
		10 X 3828	0.38
		Coins(1,2,5) 809	0.01
Grand Total			26.98

NOTES FORMING PART OF ACCOUNTS

35. Related Party Transactions

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

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

a.	Subsidiary	: Alps Energy Pvt. Ltd. : Snowflakes Meditech Pvt. Ltd (Formerly known as Alps Retail Pvt Ltd)
b.	Wholly owned Subsidiary	: Alps USA INC.
c.	Entities Controlled by subsidiaries, KMP and their relatives	: Alps Processers Private Limited : Careen Fintec (P) Ltd : Coronation Spinning India (P) Ltd : Pacific Texmark Pvt. Ltd. : Padam Precision Dies & Component Pvt. Ltd : Peek Finvest (P) Ltd : Perfect Finmen Services (P) Ltd : Roseate Finvest Pvt.Ltd. : Saurabh Floriculture (P) Ltd : Supreme Finvest Pvt. Ltd : Aspen Enterprises : Peek Texfab Limited : DRS Securities Private Limited : Supersonic Telecommunication Private Limited
ii	Key Management Personnel Non-Executive Chairman Managing Director Executive Director (WTD) President Accounts and Finance Company Secretary	a. Mr. K.K Agarwal b. Mr. Sandeep Agarwal c. Mr. P.K. Rajput d. Mr. Ashok Kumar Singhal e. Mr. Ajay Gupta
iii	Relatives of Key Management Personnel	a. Mrs. Sanyog Agarwal b. Mrs. Nidhi Agarwal c. Mrs. Indu Singhal

NOTES FORMING PART OF ACCOUNTS

Transactions with Related Parties for the year ended 31st March 2017 are as follows:

Rs.(in Lakh)

Nature of Transaction	Subsidiary		Wholly owned Subsidiary	Entities Controlled by subsidiaries, KMP and their relatives				Remuneration to Directors / Relatives
	Alps Energy Pvt. Ltd	Snowflakes Meditech Pvt. Ltd	Alps USA Inc.	Alps Processers Pvt.Ltd	Pacific Texmark Pvt. Ltd	Aspen Enterprises	Peek Texfab Ltd.	
a. Sale of Goods	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	2603.93 (4806.34)	NIL (NIL)	-
b. Rent Paid	NIL (NIL)	2.40 (2.40)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (10.80)	-
c. Interest Paid	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	-
d. Interest Received	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	-
e. Advance/Loans taken	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	-
f. Repayment of Advance /Loans	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (12.19)	NIL (0.54)	NIL (NIL)	NIL (116.15)	-
g. Sitting fee to KMP								
-Non-Executive Chairman								0.40
								(0.50)
Remuneration to KMP								
- Managing Director								212.04
								(NIL)
-Executive Director(WTD)								13.56
								(13.92)
-President Account and Finance								15.86
								(15.80)
- Company Secretary								7.20
								(7.04)
h. Salary to relative of KMP								
- Mrs. Sanyog Agarwal								NIL
								(5.23)
- Mrs. Nidhi Agarwal								NIL
								(9.60)
- Mrs. Indu Singhal								8.00
								(7.95)
i. Balance at the year end (cr.)	89.75 (1897.46)	28.64 (572.75)	NIL (NIL)	NIL (NIL)	NIL (NIL)	265.59 (447.03)	NIL (NIL)	-
j. Balance at the year end (dr.)	NIL (NIL)	NIL (NIL)	6.61 (6.61)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	-

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

NOTES FORMING PART OF ACCOUNTS

36. The segment disclosure as per Accounting Standard –17 on “Segment Reporting” (AS-17) issued by the Institute of Chartered Accountants of India is as under:

Primary Segments							Rs.(in Lakh)	
Particulars	SEGMENTS						Total	
	Home Furnishing & Fashion Accessories		Yarn		Architectural Products			
Year	For the Year ended 31st Mar 17	For the Year ended 31st Mar 16	For the Year ended 31st Mar 17	For the Year ended 31st Mar 16	For the Year ended 31st Mar 17	For the Year ended 31st Mar 16	For the Year ended 31st Mar 17	For the Year ended 31st Mar 16
Segment Revenues	19357.79	17147.88	28815.27	38803.16	2826.55	3593.18	50999.61	59544.21
Less Inter Segment Revenue	177.02	190.79	733.64	1193.14	0.00	0.00	910.66	1383.93
Net Segment Revenue	19180.77	16957.08	28081.63	37610.02	2826.55	3593.18	50088.95	58160.28
Segment Results	(2371.71)	(2066.70)	(3771.68)	(3985.83)	23.71	21.67	(6119.68)	(6030.86)
Less Financial Expenses	-	-	-	-	-	-	(7.57)	(47.41)
Less Un-allocable Expenses	-	-	-	-	-	-	-	-
Add Other Income	-	-	-	-	-	-	444.19	1232.77
Profit before tax	-	-	-	-	-	-	(5683.06)	(4847.12)
Other Information's	-	-	-	-	-	-	0.00	0.00
Segment Assets	14823.54	21601.34	33476.51	38419.87	1700.66	2591.28	50000.72	62612.49
Unallocated Assets	-	-	-	-	-	-	1743.96	3030.58
Total Assets	-	-	-	-	-	-	51744.68	65643.07
Segment Liability	2372.19	6684.89	4871.01	4615.85	301.45	395.08	7544.65	11695.82
Unallocated liability	-	-	-	-	-	-	85200.92	91943.93
Share Capital, Reserve & Surplus and Profit & Loss	-	-	-	-	-	-	(41000.89)	(37996.68)
Total Liability	-	-	-	-	-	-	51744.68	65643.07
Capital Expenditure	176.62	100.13	427.23	44.48	12.47	5.52	-	-
Depreciation	1569.66	1456.77	1701.98	2041.77	74.77	76.33	-	-
Non Cash Expenses	-	-	-	-	-	-	-	-

Previous year figures have been regrouped or rearranged to make them comparable with those of current year.

Secondary Segments

Rs.(in Lakh)

Particulars	SEGMENTS				Total	
	Domestic		Export			
	For the Year ended 31 st March 17	For the Year ended 31 st March 16	For the Year ended 31 st March 17	For the Year ended 31 st March 16	For the Year ended 31 st March 17	For the Year ended 31 st March 16
Segment Revenue	36278.34	38553.89	13810.61	19606.39	50088.95	58160.28

NOTES FORMING PART OF ACCOUNTS

37. Contingent Liabilities and Commitments

A) Contingent liability exists in respect of:

Particulars	Rs.(in Lakh)	
	As at 31.03.2017	As at 31.03.2016
a) Guarantees issued by banks on behalf of company.	251.70	315.56
b) Claims against the company not acknowledged as debt	1321.18	1269.42
c) Other Claims against the company not acknowledged as debt (detailed as under) : 36370.59		36799.31
(i) Kotak Mahindra Bank Limited (KMBL) filed an Original Application (O.A.) before Hon'ble Debt Recovery Tribunal, Mumbai (DRT) for recovery of its claim amounting to Rs. 601.11 Lakh (P.Y. Rs. 601.11 Lakh) in respect of certain foreign currency derivative transactions which were disputed being per se illegal as not within the regulatory permission of RBI and were entered into by the company on the basis of incomplete disclosures and details thus falls in the category of mis-selling by the bank to the company. Hon'ble DRT vide an interim order has restrained the company to sale of its certain Fixed Assets. Hon'ble Debt Recovery Appellate Tribunal (DRAT) Mumbai, on Appeal of the company, has directed to return the said OA and set aside the said restrained order passed by the Hon'ble DRT. The Hon'ble Bombay High Court vide an interim order in the writ filed by KMBL against the order of Hon'ble DRAT has stayed the order of Hon'ble DRAT & restored the operation of restrain order passed by Hon'ble DRT and also stayed the proceedings before Hon'ble DRT till further order. The said writ still under consideration of Hon'ble Bombay High Court. Besides this, Subsequently, Kotak Mahindra Bank had also raised another claim of Rs. 1435 Lakh (P.Y. Rs. 1435 Lakh) in respect of these foreign currency derivative transactions. On the basis of legal opinion, the company has not admitted these claims of bank against these transactions and filed a suit in the competent civil court of law against these derivative transactions where the same is still pending adjudication. An appeal filed by the company against the order passed by the Hon'ble Civil Court in the matter of withdrawing its earlier order directing to maintain the status quo as regards the recovery proceedings is also pending adjudication before Hon'ble Allahabad High Court. In view of above facts, no provision against these transactions is considered necessary.		
(ii) DBS Bank Ltd. has raised claims amounting to US\$ 91.09 Lakh & Rs. 667.39 Lakh (totaling to Rs.6574.15 Lakh, approx) (P.Y. totaling to Rs. 6710.28 Lakh approx) against the Company in respect of certain foreign currency derivative transactions which were disputed being per se illegal as not within the regulatory permission of RBI and were entered into by the company on the basis of incomplete disclosures and details thus falls in the category of mis-selling by the bank to the company. On the basis of legal opinion, the company has not admitted the claims of bank & filed a suit in the competent civil court of law against these transactions who has issued an interim order for maintenance of status quo with regards to recovery towards these transactions. The interim order is still continuing and the matter is still pending adjudication. A revision filed by bank against the status quo order passed by Hon'ble Civil Court is also pending adjudication before Hon'ble Allahabad High Court. In view of above facts, no provision against these transactions is considered necessary		
(iii) Merrill Lynch Capital Services Inc. raised a claim of US\$ 195.80 Lakh (Rs. 12695.36 Lakh approx.) (P.Y. Rs. 12987.94 Lakh approx.) against the company in respect of an alleged corporate guarantee of US\$ 100 Lakh (Rs.6633.29 Lakh approx.) (P.Y. Rs. 6633.29 Lakh approx.) alleged to be given by the company for one of its subsidiary company M/s Alps USA Inc. These claims relate to derivative transactions and corporate guarantee thereof which were disputed being per se illegal as not within the regulatory permission of RBI and were entered into by the company on the basis of incomplete disclosures and details thus falls in the category of mis-selling by the bank to the company. RBI has also refused to take on record the said corporate guarantee. Based on legal opinion, the company has not admitted said claim and filed a suit in the competent civil court of law. An Appeal filed by the company against the order passed by Hon'ble Civil Court in the matter of withdrawing its jurisdiction and earlier order directing to maintain the status quo as regards the recovery proceedings is pending adjudication before Hon'ble Allahabad High Court. In view of above facts, no provision against above claim is considered necessary.		
(iv) Workers of Kashipur and Jaspur units have filed cases before the Industrial Tribunal/Labour Court, Haldwani, Uttrakhand U/s 33C(2) of the Industrial Dispute Act 1947 claiming total amount of Rs. 15064.97 Lakh, in respect of their alleged dues towards wages, retirement benefit etc. as per Hon'ble Court's Notice dated 4th May 2013 received by the company, which is being contested. The Liability, if any, will be accounted for as and when the matter is finally decided.		

NOTES FORMING PART OF ACCOUNTS

B) Commitments:-

	Rs.(in Lakh)	
	31.03.2017	31.03.2016
i) Estimated amount of capital contracts remaining to be executed not provided for:	1130.20	59.57
ii) Arrears of preferential dividend	6099.50	5047.39

C) Forward Contracts Outstanding:-

Future Contracts	NIL	1697.77
------------------	-----	---------

38. The Company had been registered with Hon'ble BIFR under the provision of Sick Industrial Companies (Special Provisions) Act, 1985 wherein Hon'ble BIFR vide its order dated 17.11.2016 has issued the order for circulation of the Draft Rehabilitation Scheme of the company with the consent of the super majority of its secured lenders (presently who are holding/ acquired more than 95% of the secured debts of the company), however Pursuant to the coming into force of the Sick Industrial Companies (Special Provisions) Repeal Act, 2003 (1 of 2004) w.e.f. 1.12.2016, the reference of the company abated. Now Company is envisaging to approach the National Company Law Tribunal for seeking the necessary resolution, in accordance with the provisions of Insolvency and Bankruptcy Code, 2016 (IBC) which has been enacted w.e.f. 1.12.2016. In view of the consent of supermajority of lenders to such restructuring scheme of the company, the company believes it would be able to meet its financial obligations. Accordingly the financial statements have been prepared on going concern basis.

39. No provision has been made during the financial year 2016-17 towards interest payable on borrowing from secured lenders amounting to Rs. 1879.22 Lakh (Previous year Rs. 2000 Lakh) who yet to accord their consent to the restructuring proposal of the company. The same is in accordance with the fact that upon sanction of the restructuring forming part of the resolution proposal, the decision of the super majority of secured lenders of the company who have consented for complete waiver of any interest payable shall be binding on these minority lenders. In line with the proposed treatment to be accorded to the secured debts of the company in restructuring, the outstanding of Banks/FI/ARCs have been bifurcated as noncurrent liabilities (long term borrowing) and current liabilities (other current borrowing) and accordingly stated in these financial statements.

40. Certain assets lying at the erstwhile units at Kashipur and Jaspur of company have not been reviewed w.r.t. its impairment at the end of the year for want of assess since these are under the possession of lessor, SIIDCUL. With regard to Impairment of other units Assets, on assessment, an impairment loss amounting to Rs. 2366.33 Lakh has been ascertained as on 31.3.2017. Accordingly impairment loss has been provided in the books of account.

41. Deferred Tax adjustments resulting from items of timing differences have been measured using the rates and tax laws enacted or substantially enacted as on 31.03.17 and the same results into the Deferred Tax Assets (net), which has not been recognized due to uncertainty of sufficient taxable income in future within reasonable period.

42. There is no amount outstanding on account of unclaimed dividend as on date, as per Section 124 of the Companies Act, 2013.

43. The balances of Trade Receivable, Loans and Advances and Trade Payable are subject to confirmation, reconciliation and consequential adjustment, if any, which in the opinion of the management will not be material.

44. Sales are net of Rebate & Discounts amounting to Rs. 684.89 Lakh (Previous Year Rs. 768.22 Lakh).

45. The Secured loan of St. Chartered Bank and Unsecured Loan of Snowflakes Meditech Pvt Ltd. and Alps Energy Pvt. Ltd. have been settled and adjusted in accounts however the lenders have reserved their right to reinstate the waivers granted in case of breach of any terms of the settlement till payment of settled amount. Also the secured loan of ICICI Bank have been settled and paid & adjusted in the accounts.

46. Employee Benefits

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

1. Defined Contribution plans:

The company has recognized the following amounts in the Statement of profit and loss:

Rs.(in Lakh)

Particulars	For the year ended 31 st March 17	For the year ended 31 st March 16
Employers contribution to Provident Fund and Employee's State Insurance Corporation	217.09	225.20

NOTES FORMING PART OF ACCOUNTS

2. Defined Benefit plans

- I. Gratuity
- II. Earned leave

In accordance with the Accounting Standard 15 (Revised 2005), actuarial valuation was done in respect of the aforesaid defined benefit plans and details of the same are given below:

Rs.(in Lakh)

Particulars	Gratuity (Unfunded)		Earned Leave (Unfunded)	
	For the Year ended 31 st March 17	For the Year ended 31 st March 16	For the Year ended 31 st March 17	For the Year ended 31 st March 16
Discount Rate (per annum)	7.50%	7.50%	7.50%	7.50%
Future Salary Increase	5.00%	5.00%	5.00%	5.00%
In Service Mortality	Std of LIC (2006-08)	Std of LIC (2006-08)	Std of LIC (2006-08)	Std of LIC (2006-08)
Retiring Age	58 years	58 years	58 years	58 years
Withdrawal Rates:				
Up to 30 years	3%	3%	3%	3%
Up to 44 years	2%	2%	2%	2%
Above 44 years	1%	1%	1%	1%
I. Expenses recognized in Statement of Profit & Loss				
Current Service Cost	56.33	48.76	29.26	19.51
Past Service Cost - Vested	Nil	Nil	Nil	Nil
Interest Cost	21.01	21.04	7.32	8.14
Net Actuarial (Gain)/ Loss recognized in the year	(11.07)	(15.96)	(7.29)	(13.29)
Total Expenses	66.27	53.84	29.29	14.36
II. Net Assets /(Liability) recognized in the Balance Sheet				
Present value of the Defined Benefit obligation	281.73	280.19	108.83	97.61
Fund Status (Deficit)	(281.73)	(280.19)	(108.83)	(97.61)
Net assets/ (Liability)	(281.73)	(280.19)	(108.83)	(97.61)
III. Change in present value of obligation				
Present Value of obligation as at the beginning of the period	280.19	270.75	97.61	105.07
Interest Cost	21.01	21.04	7.32	8.14
Past Service Cost - Vested	Nil	Nil	Nil	Nil
Current Service Cost	56.33	48.76	29.26	19.51
Benefits Paid	(64.73)	(44.40)	(18.07)	(21.82)
Actuarial (gains)/ Loss on obligation	11.07	15.96	(7.29)	13.29
Present Value of obligation as at the end of the period	281.74	280.19	108.83	97.61

47. Directors Remuneration

Rs.(in Lakh)

Particulars	For the year ended 31 st March 17	For the year ended 31 st March 16
Salary	225.25	13.20
Perquisites	0.72	00.72
Total	225.97	13.92

NOTES FORMING PART OF ACCOUNTS

48. Particulars of Raw Material Consumption

Rs.(in Lakh)

Particulars	For the year ended 31 st March 17	For the year ended 31 st March 16
Cotton	20411.82	25838.23
Yarn	4066.11	1979.32
Fabric	4354.84	5795.58
Architectural Products	1550.28	2074.85
Others	--	2388.98
Total	30383.05	38076.95

49. Details of Purchases of Stock-in-Trade

Rs.(in Lakh)

Particulars	For the year ended 31 st March 17	For the year ended 31 st March 16
Yarn	57.60	167.21
Fabric	4012.93	16.86
Architectural	35.15	92.73
Total	4105.68	276.80

50. Inventories (Work-in-Progress)

Rs.(in Lakh)

Particulars	As at 31 st March 17	As at 31 st March 16
Cotton / Fibre	387.95	398.47
Yarn	107.43	120.30
Fabric / Made up	85.99	152.55
Others	25.43	19.32
Total	606.80	690.65

51. Inventories (Finished Goods)

Rs.(in Lakh)

Particulars	As at 31 st March 17	As at 31 st March 16
Yarn	1040.47	716.21
Fabric / Made up	857.29	812.99
Others	-	-
Total	1897.76	1529.20

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

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

Kaushal Kishore Pal
Partner
Membership No. 074999
Place : Ghaziabad
Date : May 30, 2017

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

Ajay Gupta
Company Secretary

For and on behalf of the Board

Sandeep Agarwal
Managing Director

P.K. Rajput
Executive Director

FINANCIAL STATEMENTS FOR SUBSIDIARY COMPANIES

ALPS USA INC.

**Financial Statements for the year
ended 31st March, 2017**

ALPS USA INC.
Financial Statements for the year ended 31st March, 2017

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

INDEX

CONTENTS	PAGE NO.
Directors' Report	106
Balance Sheet	108
Statement of Income and Retained Earnings	109
Cash Flow Statement	110
Notes Forming Part of Accounts	111
Notes to Financial Statements	112

DIRECTORS' REPORT**The Members of
ALPS USA INC.
Delaware, U.S.A.**

Your Directors have pleasure in presenting the Tenth Annual Report, together with the accounts complied by the management of the Company for the financial year ended 31st March, 2017.

FINANCIAL RESULTS

The Financial Statements for the financial year ended on 31st March, 2017 has been prepared. Due to no activity, there is no profit/loss during the year.

PROJECT AND PERFORMANCE

There are no project/business activities in the company.

FINANCIAL ARRANGEMENT

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

SECURITIES

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

PARENT COMPANY

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

PUBLIC RELATIONS

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

DIVIDEND

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

DIRECTORS

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

FIXED DEPOSITS

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

AUDITORS' OBSERVATIONS

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

ACKNOWLEDGMENTS

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

**For and on behalf of the Board
Alps USA Inc.**

**Place : Ghaziabad, U.P., India
Date : May 9, 2017**

K.K. Agarwal
Director
DIN - 00139252

Sandeep Agarwal
Director
DIN - 00139439

BALANCE SHEET

BALANCE SHEET AS AT MARCH 31, 2017

	AS AT 31.03.17 AMOUNT (US\$)	AS AT 31.03.16 AMOUNT (US\$)
ASSETS		
Current Assets		
Cash & Cash Equivalents (see schedules attached)	-	-
Total Current Assets	<u>-</u>	<u>-</u>
Investments (see schedules attached)	529,000.00	529,000.00
Intangible Assets	1,354.00	1,354.00
Less : Accumulated Amortisation	(1,354.00)	(1,354.00)
Net Intangible Assets	-	-
Total Assets	<u>529,000.00</u>	<u>529,000.00</u>
LIABILITIES AND SHARE HOLDERS EQUITY		
Current Liabilities		
Accounts Payable (see schedules attached)	15,500.19	15,500.19
Total Current Liabilites	<u>15,500.19</u>	<u>15,500.19</u>
Shareholders Equity		
(Authorised to issue 200 shares at No par value) Issued and Subscribed 15 share at No par value	-	-
Additional paid in Capital	1,225,000.00	1,225,000.00
Retained Earnings	(711,500.19)	(711,500.19)
Total Shareholders equity	<u>513,499.81</u>	<u>513,499.81</u>
Total Liabilities and Shareholders equity	<u>529,000.00</u>	<u>529,000.00</u>

For and on behalf of the Board

Alps USA Inc.

Place : Ghaziabad
Date : May 09, 2017

K.K.Agarwal
Director
DIN - 00139252

Sandeep Agarwal
Director
DIN - 00139439

INCOME AND RETAINED EARNINGS

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED MARCH 31, 2017

	YEAR ENDED 31.03.17 AMOUNT (US\$)	YEAR ENDED 31.03.16 AMOUNT (US\$)
Revenue	-	-
Gross Profit	-	-
Operating Expenses		
Amortisation expense	-	-
Bank service Charges	-	-
Total Expenses	-	-
Profit/(Loss) Before Interest & Tax	-	-
Profit/(Loss) Before Tax	-	-
Provision For Tax	-	-
Profit/(Loss) after Interest & Tax	-	-
Retained Earnings - Opening Balance	(711,500.19)	(711,500.19)
Retained Earnings - Closing Balance	<u>(711,500.19)</u>	<u>(711,500.19)</u>

For and on behalf of the Board

Alps USA Inc.

Place : Ghaziabad
Date : May 09, 2017

K.K.Agarwal
Director
DIN - 00139252

Sandeep Agarwal
Director
DIN - 00139439

CASH FLOW

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2017

	AS AT 31.03.17 AMOUNT (US\$)	AS AT 31.03.16 AMOUNT (US\$)
Operating activities	0.00	0.00
Depreciation and Amortisation	0.00	0.00
Changes in Working Capital		
Increase (Decrease) in Current Liabilites	0.00	0.00
Cash provided by (used in) operating activities	0.00	0.00
Investing activities		
(Increase)/Decrease in Investments	0.00	0.00
Cash provided by/(used in) investing activities	0.00	0.00
Financing Activities		
Cash provided by/(used in) financing activities	0.00	0.00
Net Changes in Cash during the period	0.00	0.00
Cash at Beginning	0.00	0.00
Cash at End	0.00	0.00
Changes in Cash	<u>0.00</u>	<u>0.00</u>

For and on behalf of the Board

Alps USA Inc.

Place : Ghaziabad
Date : May 09, 2017

K.K.Agarwal
Director
DIN - 00139252

Sandeep Agarwal
Director
DIN - 00139439

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.17 AMOUNT (US\$)	AS AT 31.03.16 AMOUNT (US\$)
1. CASH & CASH EQUIVALENTS		
RBS	-	-
Cash	-	-
2. INVESTMENTS		
Alps Energy Pvt. Ltd.	264,500.00	264,500.00
Snowflakes Meditech Pvt Ltd (formerly Alps Retail Pvt. Ltd.)	264,500.00	264,500.00
Total	<u>529,000.00</u>	<u>529,000.00</u>
3. ACCOUNTS PAYABLE		
Alps Industries Ltd.	14,146.19	14,146.19
Pradeep K Gupta, CPA, PC	1,185.00	1,185.00
State of Delaware	169.00	169.00
Total	<u>15,500.19</u>	<u>15,500.19</u>

NOTES TO FINANCIAL STATEMENTS

1. Organization and Operations

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

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

2. Significant Accounting Policies

• Accounting Principles

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

• Use of Estimates in Financial Statements

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

• Cash, Cash Equivalents

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

• Pre-operating Expenses

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

• Investment

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

3. Affiliates and Transactions with Affiliates

The Company is affiliated through common ownership with Alps Industries Limited. During the year ended March 31, 2017 the Company had the following transactions with affiliates: Nil

4. Contingent Liabilities and Assets

The Company jointly with Alps Industries Limited, India (AIL) had received a legal claim of US\$ 195.80 Lac (P.Y. Rs. 12987.94 Lac approx.). The said claim is alleged for foreign currency derivative transactions entered by the company and issuance of Corporate Guarantee of US\$ 100 Lac by AIL against these transactions entered in India. The Claims were disputed being per se illegal as not within the regulatory permission of Reserve Bank of India (RBI) and were entered into by the company and AIL on the basis of incomplete disclosures and details thus falls in the category of mis-selling by the party. RBI has also refused to take on record the said corporate guarantee. The company has not admitted said claim and jointly with Alps Industries Limited filed a suit in the competent civil court of law in India. An Appeal filed by the company and AIL, jointly, against the order passed by Hon'ble Civil Court, Ghaziabad (India) in the matter of withdrawing its jurisdiction and earlier order directing to maintain the status quo as regards the recovery proceedings is pending adjudication before Hon'ble Allahabad High Court, India.

For and on behalf of the Board
Alps USA Inc.

Place : Ghaziabad
Date : May 9, 2017

K.K. Agarwal
Director
DIN - 00139252

Sandeep Agarwal
Director
DIN - 00139439

ALPS ENERGY PRIVATE LIMITED

**Financial Statements for the year
ended 31st March, 2017**

ALPS ENERGY PRIVATE LIMITED
Financial Statements for the year ended 31st March, 2017

Date of incorporation	:	October 30, 2007
CIN No.	:	U40109DL2007PTC169994
Directors	:	Mr. Chetan Agarwal (DIN NO. 01863250), Mr Arun Kumar Agarwal (DIN NO. 06436816) Mr. Prabhat Krishna (DIN NO. 02569624)
Business Address	:	Regd. Office: F- 228, Ground Floor, Lado Sarai, New Delhi-110 030 Mailing Address: 57/2, Site-IV, Industrial Area, Sahibabad, Ghaziabad Uttar Pradesh - 201 010, INDIA.
Name & Address of the Statutory Auditors	:	R.K. Govil & Co., Chartered Accountants, 4, Kiran Enclave, Ghaziabad - 201001

INDEX

CONTENTS	PAGE NO.
Directors' Report	116
Auditors' Report	128
Balance Sheet	134
Profit & Loss Account	135
Cash Flows Statements	136
Significant Accounting Policies	137
Notes Forming Part of Accounts	138

DIRECTORS' REPORT

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

Your Directors have pleasure in presenting the Tenth Annual Report along with Audited Accounts of the Company for the period ended on 31st March, 2017.

FINANCIAL RESULTS

The financial accounts for the financial year 2016-17 have been compiled. The company has incurred a loss of Rs. 1818.34 Lakh during the year under review.

PROJECT AND PERFORMANCE

The company is exploring identifying more viable business projects.

STATUS OF HOLDING OF PARENT COMPANY

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

FINANCIAL ARRANGEMENTS

Company has not availed any financial assistance during the year.

ISSUE & TRANSFER OF SECURITIES

The company has not issued any further capital & there are no Transfer of Securities during the year under review.

HUMAN RESOURCES

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

PARTICULARS OF EMPLOYEES

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

DIVIDEND

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

INTER CORPORATE LOANS, GUARANTEES AND INVESTMENTS

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

Further in terms of the approval from the Board of Directors at their meeting held on May 30, 2017 under Section 188 of the Companies Act 2013 ,being under related parties, company has entered into a Onetime Settlement Agreement with its holding company namely M/s Alps Industries Limited, a sick industrial company, on May 30, 2017 for settlement of their unsecured principal loan amounting to Rs. 1795.00 Lakh and interest accrued thereon. The entire outstanding settled at a sum of Rs. 89.75 lakh payable in interest free monthly installment in two years i.e. up to March 2019. However, the company has reserved is right to reinstate the waiver granted in case of breach of any terms of repayment of settled amount by the borrower. The financial impact of the settlement has been recognized during the year.

RELATED PARTY TRANSACTIONS

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

DIRECTORS

During the year under review there is no change in the directorship of the company. Mr. Chetan Agarwal (DIN No. 01863250) director of the company retire by rotation pursuant to the provisions of Section 152 of the Companies Act, 2013 and other applicable Provisions, being eligible, offer himself to be reappointed at the forthcoming Annual General Meeting.

NUMBER OF BOARD MEETINGS

During the Financial Year 2016-17, the Board of Directors met four times on - 09/5/2016, 27/08/2016, 03/12/2016 and 18/02/2017.

STATUS OF INDEPENDENT DIRECTOR

In terms of Section 149, 152 and 161 of the Companies Act 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) 2015 related to Corporate Governance applicable to the holding company namely Alps Industries Limited, Mr. Prabhat Krishna (DIN NO.02729624) was appointed as Independent Director of the Company by the Board being representative of holding company as it comes under the Material Subsidiary category and he continues to be as Representative of Holding Company.

DIRECTORS' RESPONSIBILITY STATEMENT

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

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

FIXED DEPOSITS

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

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

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

ABSTRACT OF THE ANNUAL RETURN

In terms of section 92 of the Companies Act 2013 the extract of the Annual Return as on it stood on the close of the financial year 2016-17 being attached with the Directors Report as **Annexure I**.

STATUTORY AUDITORS

M/s. R.K. Govil & Co., Chartered Accountants, (Firm Registration No. 000748C), the Statutory Auditors of the Company, completes the two year out of four years as approved at the Annual General Meeting of the Company held on September 30 2015. Now they have further confirmed their eligibility and willingness to accept office, if they get approval for ratification for the reappointment for remaining term of two years at the forthcoming Annual General Meeting. The company has received certificates from the said auditors to the effect that their confirmation, if made, would be within the limits prescribed under Section 141 of the Companies Act, 2013. Your Directors recommend their confirmation under Section 139 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 for a further period of 2 years i.e. till the conclusion of 12th AGM Annual General Meeting. The company has received the confirmation certificates from the auditors to the effect that their ratification for appointment, if made, would be within the limits prescribed under Section 141 of the Companies Act, 2013.

AUDITORS' OBSERVATIONS

There are no Audit Qualification for the year under review.

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

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

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

ACKNOWLEDGMENTS

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

Place : Ghaziabad
Date : May 30, 2017

Arun Kumar Agarwal
Director
DIN - 06436816

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

Chetan Agarwal
Director
DIN - 01863250

**ABSTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2017**

ANNEXURE-I

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

I. REGISTRATION AND OTHER DETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Fabrics*	235.3	100

* Ancillary Business Activities

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Alps Industries Limited 57/2, Site-IV, Industrial Area, Sahibabad, Ghaziabad -201010	L51109UP1972PLC003544	Holding	78.22	2(87)

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

i) Category-wise Share Holding

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

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

(ii) Shareholding of Promoters

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

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

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

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

S. No	Particulars	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Alps Industries Limited 57/2 Site-IV, Industrial Area, Sahibabad, Ghaziabad -201010	22,59,990	69.75	22,59,990	69.75
2	Praneta Industries Limited 574/577 Belgium Square, Opp. Liner Bus Stand Ring Road, Surat, Gujrat	140,000	4.32	140,000	4.32
3	Bhumiputra India Limited Room No. 211, Triveni Complex, E-10, Laxmi Nagar, Delhi-110092	60,000	1.85	60,000	1.85
4	S S J Foods Limited B-3D, Phase-I, Ashok Vihar, Delhi-110092	53,340	1.65	53,340	1.65

5	Dhanus Technologies Limited No6B Mena Kampala Arcade, 113/114 Theyagarya Road, T.Nagar, Chennai, Tamil Nadu	60,000	1.85	60,000	1.85
6	BITS Limited. 4/18, 2nd floor, Asaf Ali Road, New Delhi.	5,66,700	17.49	5,66,700	17.49
7	Pan India Corporation Limited 1111, 11th Floor, New Delhi House 27, Barakhamba Road, Delhi	1,00,000	3.09	1,00,000	3.09

(v) **Shareholding of Directors and Key Managerial Personnel:**

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

(V) INDEBTEDNESS
Indebtedness of the Company including interest outstanding/accrued but not due for paymenta

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

(VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. in Lakh)

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

B. Remuneration to other directors:

Rs. in Lakh

S. No.	Particulars of Remuneration	Name of Directors			Total
		Chetan Agarwal	Arun Kumar Agarwal	Prabhat Krishna	
1.	Independent Directors				
	• Fee for attending board / committee meetings	N.A.	N.A.	NIL	N.A.
	• Commission	N.A.	N.A.	NIL	N.A.
	• Others, please specify	N.A.	N.A.	NIL	N.A.
	Total (1)	N.A.	N.A.	NIL	N.A.
2.	Other Non-Executive Directors				
	• Fee for attending board/ committee meetings	NIL	NIL	N.A.	NIL
	• Commission	NIL	NIL	N.A.	NIL
	• Others, please specify	NIL	NIL	N.A.	NIL
	Total (2)	NIL	NIL	N.A.	NIL
	Total (B)=(1+2)	NIL	NIL	N.A.	NIL
	Total Managerial Remuneration	NIL	NIL	N.A.	NIL
	Overall Ceiling as per the Act	NIL	NIL	N.A.	NIL

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

Rs. in Lakh

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

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

AUDITORS' REPORT

**To the Members of
ALPS ENERGY PRIVATE LIMITED**

Report on the Financial Statements

We have audited the accompanying standalone financial statements of **ALPS ENERGY PRIVATE LIMITED** (the Company) which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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 and cash flow of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, its Loss and its cash flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure "A"** a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable:
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The balance sheet, the statement of profit and loss and the cash flow statement 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31st March 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017, 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**"; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. As confirmed to us by the management there are no pending litigations with the company.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The company has provided requisite disclosure in its standalone Financial statements as to holdings as well as dealing in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosure are in accordance with the books of accounts maintained by the company. Refer Note No. 24 to the standalone financial statements.

Place : Ghaziabad
Date : May 30th, 2017

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

(Kaushal Kishore Pal)
Partner
Membership No. : 074999

ANNEXURE "A" TO THE 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 2017, we report that:

- (1) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) As explained to us the management has physically verified all the fixed assets during the year in a phased periodical manner which in our opinion is reasonable having regard to the size of the company. We have been informed that no material discrepancies were noticed on such physical verification during the year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (2) (a) The inventory has been physically verified during the year by the management in phased manner.
- (b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company has maintained proper records of inventories. As explained to us, the discrepancies noticed on physical verification as compared to book records were not material and have been dealt with in the books of account.
- (3) As per the information and explanations given to us, the company has not granted any loan to firms and other parties except unsecured loan to its holding company covered under section 189 of the Companies Act, 2013.
 - (a) As per information and explanations given to us, there is no overdue principal and interest (Refer Note No 20 of the Financial Statements).
 - (b) The company has taken reasonable steps for recovery of overdue interest on the unsecured loan (Refer Note No 20 of the Financial Statements).
- (4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (5) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public.
- (6) According to the information and explanations given to us, maintenance of cost records has not been prescribed by the Central Govt. under of sub section (1) of section 148 of the companies' Act 2013.
- (7) (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues applicable to it with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income-tax, Service Tax, Sales-tax, Duty of Custom, Duty of Excise, Cess and other aforesaid statutory dues were outstanding as at 31st March, 2017 for a period of more than six months from the date they became payable.
- (8) The company has not taken any loan from Banks or Financial Institutions nor issued any debentures.
- (9) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (10) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (11) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (12) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

- (13) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (14) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (15) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (16) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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

(Kaushal Kishore Pal)
Partner
Membership No. : 074999

Place : Ghaziabad
Date : May 30, 2017

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

We have audited the internal financial controls over financial reporting of **ALPS ENERGY PRIVATE LIMITED** (the Company) as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future

periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place : Ghaziabad
Date : May 30th, 2017

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

(Kaushal Kishore Pal)
Partner
Membership No. : 074999

ALPS INDUSTRIES LTD. ALPS ENERGY PVT. LTD.

BALANCE SHEET

BALANCE SHEET AS AT 31st MARCH, 2017

	Notes	AS AT 31.03.17 Rs.(in Lakh)	AS AT 31.03.16 Rs.(in Lakh)
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	1	449.94	449.94
Reserves and Surplus	2	(286.00)	1,532.35
		<u>163.94</u>	<u>1,982.29</u>
Current Liabilities			
Trade payables	3	0.53	29.85
Other Current Liabilities	4	0.08	0.47
Short-Term Provisions	5	-	1.04
		<u>0.61</u>	<u>31.36</u>
Total		<u>164.55</u>	<u>2,013.65</u>
ASSETS			
Non-current Assets			
Fixed Assets			
Tangible Assets	6	24.40	29.13
Long-Term Loans and Advances	7	89.75	1,795.00
		<u>114.15</u>	<u>1,824.13</u>
Current Assets, Loans & Advances			
Inventories	8	-	7.17
Trade Receivables	9	8.11	36.56
Cash & Bank Equivalents	10	23.31	16.71
Short-Term Loans & Advances	11	6.38	13.90
Other Current assets	12	12.60	115.18
		<u>50.40</u>	<u>189.52</u>
Total		<u>164.55</u>	<u>2,013.65</u>

Significant Accounting Policies and other Notes on Financial Statements 1-25

Notes referred to above form an integral part of Financial Statements

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

Kaushal Kishore Pal
Partner
Membership No. 074999
Place : Ghaziabad
Date : May 30th, 2017

Rahul Sharma
Dy Manager (Accounts)

Arun Kumar Agarwal
Director
DIN - 06436816

For and on behalf of the Board

Chetan Agarwal
Director
DIN - 01863250

STATEMENT OF PROFIT & LOSS

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2017

	Notes	Year Ended 31.03.17 Rs.(in Lakh)	Year Ended 31.03.16 Rs.(in Lakh)
Revenue from operations			
Sale of Products	13	26.80	49.70
Less :Excise Duty		-	-
Net Revenue		26.80	49.70
Other Income	14	0.55	-
Total Revenue		27.35	49.70
Expenses			
Purchase of Stock-in-Trade	15	14.39	-
Changes in inventories of Stock-in-Trade	16	7.17	39.56
Employee Benefit Expenses	17	1.20	1.20
Depreciation/Amortization of Expenses	6	4.73	4.74
Other Expenses	18	10.50	3.16
Total Expenses		37.99	48.66
Profit/(Loss) Before exceptional and extraordinary items and Tax		(10.64)	1.04
Exceptional items		(1,807.71)	-
Profit/(Loss) Before Tax		(1,818.35)	1.04
Tax Expense			
(1) Current Tax		-	0.34
(2) Deferred Tax		-	-
Profit/(Loss) for the Period after tax		(1,818.35)	0.70
Basic Earning Per Share(Rs.)	19	(56.12)	0.02
Diluted Earning Per Share(Rs.)	19	-	0.02

Significant Accounting Policies and other Notes on Financial Statements 1-25
Notes referred to above form an integral part of Financial Statements

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

Kaushal Kishore Pal
Partner
Membership No. 074999
Place : Ghaziabad
Date : May 30th, 2017

Rahul Sharma
Dy Manager (Accounts)

Arun Kumar Agarwal
Director
DIN - 06436816

For and on behalf of the Board

Chetan Agarwal
Director
DIN - 01863250

CASH FLOW

Particulars	Rs.(in Lakh)	
	31.03.2017	31.03.2016
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/ (Loss) Before Tax	(1,818.35)	1.04
Adjustment for :		
Depreciation	4.73	4.74
Miscellaneous Expenditure	- 4.73	- 4.74
Operating Profit Before Working Capital Changes	(1,813.62)	5.78
Adjustment for Working Capital Changes		
Inventories	7.17	39.56
Trade & other Receivable	138.55	147.32
Trade Payable & other Liabilities	(30.75)	(244.43)
Direct Taxes Received/(Paid)	- 114.97	4.80 (52.75)
Net Cash From (Used in) Operating Activities	(1,698.65)	(46.97)
(B) CASH FLOW FROM FINANCING ACTIVITIES		
Movements in Loans & Advances	1,705.25	-
Net Cash From (used in) Financing Activities	1,705.25	-
Net Increase in Cash & Cash Equivalents	6.60	(46.97)
Opening Balance of Cash and Cash Equivalents	16.71	63.68
Closing Balance of Cash and Cash Equivalents (Refer Note No. 10(i))	23.31	16.71

Notes:

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

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

Kaushal Kishore Pal
 Partner
 Membership No. 074999
Place : Ghaziabad
Date : May 30th, 2017

Rahul Sharma
 Dy Manager (Accounts)

Arun Kumar Agarwal
 Director
 DIN - 06436816

For and on behalf of the Board

Chetan Agarwal
 Director
 DIN - 01863250

SIGNIFICANT ACCOUNTING POLICIES**1. BASIS FOR PREPARATION OF ACCOUNTS :**

The Financial Statements are prepared on going concern basis under the historical cost convention, on accrual basis unless specifically stated here in above and in accordance with applicable Accounting standards (AS) issued by the Institute of Chartered Accountants of India.

All the liabilities have been provided except of contingent nature which has been disclosed by way of note, if any.

2. FIXED ASSETS

- a) All Fixed assets are stated at cost, net of MODVAT / CENVAT less accumulated depreciation. Acquisition cost, any directly attributable expenditure including borrowing cost and Exchange Fluctuation for bringing the assets to working condition for it's intended use are capitalized.
- b) Cost of Assets not ready to put to use before year end are being shown as Capital Work in Progress and advances paid for acquisition or construction of Capital Assets are being shown as Capital advances.

3. DEPRECIATION

Depreciation on the fixed assets is provided on Straight Line Method as per useful life of the assets and in the manner as prescribed in Schedule II to The Companies Act, 2013.

4. INVESTMENTS

- a.) Investments are carried at cost. However, provision for diminution in value is made to recognize any decline, other than temporary in the value of investment.
- b.) Investments that are readily realizable and intended to hold for not more than a year are classified as Current investments. All other investments are classified as Long Term Investment.

5. DEFERRED REVENUE EXPENDITURE :

The expenses related to Preliminary and capital issue expenses are fully charged in the year in which these are incurred.

6. INVENTORIES :

Inventories are valued at cost

ALPS INDUSTRIES LTD. ALPS ENERGY PVT. LTD.

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.17 Rs.(in Lakh)	AS AT 31.03.16 Rs.(in Lakh)
1. SHARE CAPITAL		
(A) Authorised Capital		
3700000(3700000) Equity Shares of Rs.10/-each	370.00	370.00
1300000(1300000) Preference Shares of Rs.10/-each	130.00	130.00
Total	500.00	500.00
(B) Issued , subscribed & paid up		
3240040(3240040) Equity Share of Rs.10/-each fully paid up	324.00	324.00
1259360(1259360) Zero Coupon Non Redeemable Convertible Preference Shares of Rs.10/- each fully paid up	125.94	125.94
Total	449.94	449.94

1.1 Reconciliation of Shares outstanding is Set out Below: No. of Shares

Particulars	Beginning of the year	Issue during the year	At the end year
Equity Shares	3240040	NIL	3240040
Zero Coupon Non Redeemable Convertible Preference Shares	1259360	NIL	1259360

1.2 Right Preferences and Restrictions attached to each class of Share are here under

EQUITY SHARES:- The Company has one class of Equity shares having a par value of Rs. 10 each.

Each holder of Equity shares entitled to one vote per share.

Zero Coupon Non Redeemable Convertible Preference Shares: - The Company has one class of Preference shares having a par value of Rs. 10 each, such shares have no voting rights.

1.3 Such Preference shares are convertible into equity shares at the end of 15 years on face value or book value whichever is higher as on the date of allotment. The earliest date of conversion is 11th november 2023.

1.4 Particulars of shares of company held

Equity shares in the company held by its Holding Company
Zero Coupon Non Redeemable Convertible Preference Shares held by Subsidiary of holding company

	As at 31 Mar'2017	As at 31 Mar'2016
	2259990	2259990
	1259360	1259360

1.5 Details of Share holders holding more than 5 % Share Capital

Particulars	As at 31 Mar' 2017 No of Shares	%age	As at 31 Mar' 2016 No of Shares	%age
Equity Shares:				
Alps Industries Limited	2259990	69.75	2259990	69.75
BITS Limited	566700	17.49	566700	17.49
Zero Coupon Non Redeemable Convertible Preference Shares				
Alps USA Inc.	1259360	100	1259360	100

1.6 In Preceding Five Financial Years

Aggregate no. of shares issued for consideration other than cash
Aggregate no. of shares allotted as fully paid up by way of bonus share(s)
Aggregate no. of shares bought back

Nil
Nil
Nil

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.17 Rs.(in Lakh)	AS AT 31.03.16 Rs.(in Lakh)
2. RESERVES AND SURPLUS		
A Securities Premium		
At The Beginning & at the end of The Year	1,372.06	1,372.06
B. Statement of Profit and Loss Account		
Profit/(loss) at the beginning of the year	160.29	159.59
Add: Profit/(loss) for the year	(1,818.35)	0.70
Profit/(loss) at the end of the year	(1,658.06)	160.29
Total	(286.00)	1,532.35
3. TRADE PAYABLES		
(a) Micro, Small & Medium Enterprises	-	-
(b) Others	0.53	29.85
Total	0.53	29.85
4. OTHER CURRENT LIABILITIES		
Other payable		
(1) Expenses payable	0.08	0.47
Total	0.08	0.47
4.1 Expenses Payable include the liabilities towards TDS Payable, commission, Audit Fee etc.		
5. SHORT TERM PROVISIONS		
Provision for Income Tax	-	1.04
Total	-	1.04

6. FIXED ASSETS

Rs.(in Lakh)										
Particulars	Gross Block				Depreciation				Net Block	
	Opening Balance	Addition	Deduction Sale	Total Upto 31.03.2017	Opening Balance	For The Year	On Deduction	Total Upto 31.03.2017	As On 31.03.2017	As On 31.03.2016
TANGIBLE ASSETS										
Office Equipments	0.35	-	-	0.35	0.35	-	-	0.35	-	-
Plant & Machinery	0.19	-	-	0.19	0.19	-	-	0.19	-	-
Vehicle	39.59	-	-	39.59	10.46	4.73	15.19	24.40	29.13	
Total	40.13	-	-	40.13	11.00	4.73	-	15.73	24.40	29.13
Previous Year	40.13	-	-	40.13	6.26	4.74	-	11.00	29.13	33.87

7. LONG-TERM LOANS AND ADVANCES

(Unsecured, Considered Good)

Loans And Advances to Related Parties (refer Note No. 23)

89.75 1,795.00

Total **89.75** **1,795.00**

8. INVENTORIES

(Valued and certified by the Management)

Stock-in-Trade - 7.17

Total **-** **7.17**

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.17 Rs.(in Lakh)	AS AT 31.03.16 Rs.(in Lakh)
9. TRADE RECEIVABLES		
Outstanding for a Period Exceeding Six Months from the date they are due for payment		
Unsecured Considered Goods	-	-
Other Trade Receivables		
Unsecured Considered Good	8.11	36.56
Total	<u>8.11</u>	<u>36.56</u>
10. CASH & BANK BALANCES		
(i) Cash and Cash Equivalents		
In Current Accounts	22.04	4.96
Cash on Hand	1.27	11.75
	<u>23.31</u>	<u>16.71</u>
(ii) Other Bank Balances		
In Fixed Deposit	-	-
Total	<u>23.31</u>	<u>16.71</u>
11. SHORT TERMS LOANS & ADVANCES		
(Unsecured, Considered Good)		
OTHERS		
Advance Income Tax /TDS Recoverable	6.38	13.90
Total	<u>6.38</u>	<u>13.90</u>
12. OTHER CURRENT ASSETS		
Prepaid Expenses	0.46	0.58
Other Receivables (From Related Party) (refer Note No. 23)	-	102.46
Minimum Alternate Tax Adjustable	12.14	12.14
Total	<u>12.60</u>	<u>115.18</u>
13. REVENUE FROM OPERATIONS		
Sales of Products		
Domestic (Traded Goods) Cotton Fabric	26.80	49.70
Sub Total (A)	<u>26.80</u>	<u>49.70</u>
14. OTHER INCOME		
Prior Period Income	0.55	-
Total	<u>0.55</u>	<u>-</u>
15. PURCHASE OF STOCK-IN-TRADE (Cotton Fabric)	<u>14.39</u>	<u>-</u>
16. CHANGES IN INVENTORIES OF STOCK-IN-TRADE		
Opening Stock-in-Trade	7.17	46.73
Closing Stock Stock-in-Trade	-	7.17
Total	<u>7.17</u>	<u>39.56</u>

NOTES FORMING PART OF ACCOUNTS

	YEAR ENDED 31.03.17 Rs.(in Lakh)	YEAR ENDED 31.03.16 Rs.(in Lakh)
17. EMPLOYEE BENEFIT EXPENSES		
Salary to Staff	1.20	1.20
Total	1.20	1.20
18. OTHER EXPENSES		
Rent	0.60	0.60
Legal & Professional Expenses	0.90	0.10
Insurance	0.74	0.72
Vehicle Running & Maintainance Exps.	0.52	0.13
General Expenses	3.38	0.96
Bank Charges	0.03	0.01
Interest-others	0.04	-
Payment To Auditors (refer Note No. 22)	0.25	0.64
Income Tax Paid	4.04	-
Total	10.50	3.16

NOTES FORMING PART OF ACCOUNTS

19. Basic & Diluted Earnings Per Share :

Particulars	For the year ended 31st March 17	For the year ended 31 st March 16
Profit/(Loss) attributable to the Equity shareholders (A) (Rs. in Lakh)	(1818.34)	0.70
Weighted average number of equity shares outstanding during the year - (B)	3240040	3240040
Potential Equity Share (Preference Share)	1259360	1259360
Nominal value of equity shares (Rs.)	10	10
Basic Earnings per share (Rs.)	(56.12)	0.20
Diluted Earnings per share (Rs.)	--	0.15

- 20** The company has settled the unsecured loans including interest thereon granted to Alps Industries Limited at a total value of Rs. 89.75 Lac receivable interest free by end of March 2019. Accordingly adjustments in the accounts have been made. However the company has reserved its right to reinstate the waivers granted in case of breach of any terms of repayment of settled amount by the borrower.
- 21.** In the opinion of the Management, all current assets, loans and advances have a value on realization in the ordinary course of business, at least equal to the amount at which they are stated.

22. AUDITORS REMUNERATION

Particulars	For the year ended 31st March 17	For the year ended 31 st March 16
Audit Fees	0.25	0.47
Others	0.25	0.17

23. RELATED PARTY TRANSACTIONS

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

- Holding Company** : Alps Industries Ltd.
- Directors /Key Managerial Personnel,** : 1. Mr. Chetan Agarwal
2. Mr. Arun Kumar Agarwal
3. Mr. Prabhat Krishna
- Entities controlled by them** 4. Snowflakes Meditech Private Limited

NOTES FORMING PART OF ACCOUNTS

Rs.(in Lakh)

Nature of Transaction	Transactions with Holding Company		Transactions with Key Managerial Personnel, Entities controlled by them, and their relatives	
	For the year ended 31 st March 17	For the year ended 31 st March 16	For the year ended 31 st March 17	For the year ended 31 st March 16
1. Sale of Goods	NIL	NIL	NIL	NIL
2. Purchase of Goods	NIL	NIL	NIL	NIL
3. Allotment of equity shares along with premium	NIL	NIL	NIL	NIL
4. Interest Paid	NIL	NIL	NIL	NIL
5. Interest Received	NIL	NIL	NIL	NIL
6. Advances/Loans given	NIL	NIL	NIL	NIL
7. Advances/Loans taken	NIL	NIL	NIL	NIL
8. Remuneration & Sitting Fee	NIL	NIL	NIL	NIL
9. Commission Paid	NIL	NIL	NIL	NIL
10. Balance at year end (Dr.)	89.75	1897.46	NIL	NIL

24. The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 is as under:

	<u>SBNS</u>	<u>Other Denomination Notes</u>	<u>Total</u>
Closing cash in hand as on 08.11.2016	1000 X 1200	--	12.00
	500 X 1800	--	9.00
		100X 980	0.98
		50X 19	0.01
		20 X nil	0.00
		10X 15	0.00
		5 X nil	
		Coins(1,2,5) 9	0.00
Permitted receipts		2000 X nil	0.00
		500 X nil	0.00
		100 X nil	0.00
		50 X nil	0.00
		20 X nil	0.00
		10 X nil	0.00
		5 X nil	0.00
		Coins(1,2,5) nil	0.00
Permitted payments		2000 X nil	0.00
		500 X nil	0.00
		100 X 79	0.08
		50 X 5	0.00
		20 X nil	0.00
		10 X 6	0.00
		5 X nil	0.00
		Coins(1,2,5) 8	0.00
Amount deposited in Banks	1000 X 1200		12.00
	500 X 1800		9.00
Closing cash in hand as on 30.12.2016		2000 X nil	0.00
		500 X nil	0.00
		100 X 901	0.90
		50 X 14	0.01
		20 X nil	0.00
		10 X 9	0.00
		5 X nil	0.00
		Coins(1,2,5) 809	0.00
Grand Total			0.91

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

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

Kaushal Kishore Pal
 Partner
 Membership No. 074999
 Place : Ghaziabad
 Date : May 30th, 2017

Rahul Sharma
 Dy Manager (Accounts)

Arun Kumar Agarwal
 Director
 DIN - 06436816

For and on behalf of the Board

Chetan Agarwal
 Director
 DIN - 01863250

SNOWFLAKES MEDITECH PVT. LTD.

**Financial Statements for the year
ended 31st March, 2017**

SNOWFLAKES MEDITECH PVT. LTD.**Financial Statements for the year ended 31st March, 2017**

Incorporation	:	September 7, 2006
CIN No.	:	U52599DL2006TC153283
Directors	:	Mr. Chetan Agarwal (DIN NO. 01863250) Mr Arun Kumar Agarwal (DIN NO. 06436816) Mr. Prabhat Krishna (DIN NO. 02569624)
Business Address	:	Regd. Office: F- 228, Ground Floor, Lado Sarai, New Delhi-110 030 Mailing Address: 57/2, Site-IV, Industrial Area, Sahibabad, Ghaziabad Uttar Pradesh - 201 010, INDIA.
Name & Address of the Statutory Auditors	:	R.K. Govil & Co., Chartered Accountants, 4, Kiran Enclave, Ghaziabad - 201001

INDEX

CONTENTS	PAGE NO.
Directors' Report	147
Auditors' Report	157
Balance Sheet	162
Profit & Loss Account	163
Cash Flows Statements	164
Significant Accounting Policies	165
Notes Forming Part of Accounts	166

**The Members of
SNOWFLAKES MEDITECH PVT. LTD.,
New Delhi.**

Your Directors have pleasure in presenting the Eleventh Annual Report along with Audited Accounts of the Company for the period ended on 31st March, 2017.

FINANCIAL RESULTS

The financial accounts for the financial year 2016-17 have been compiled. The company has incurred a loss of Rs. 546.97 Lakh during the year under review.

PROJECT AND PERFORMANCE

The company is exploring and identifying more viable business projects.

STATUS OF HOLDING OF PARENT COMPANY

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

FINANCIAL ARRANGEMENTS

Company has not availed any financial assistance during the year.

ISSUE & TRANSFER OF SECURITIES

During the year under review, there are no changes in capital structure of the company.

HUMAN RESOURCES

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

PARTICULARS OF EMPLOYEES

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

DIVIDEND

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

INTER CORPORATE LOANS, GUARANTEES AND INVESTMENTS

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

Further in terms of the approval from the Board of Directors at their meeting held on May 30, 2017 under Section 188 of the Companies Act 2013 ,being under related parties, company has entered into a Onetime Settlement Agreement with its holding company namely M/s Alps Industries Limited, a sick industrial company, on May 30, 2017 for settlement of their unsecured principal loan amounting to Rs. 572.75 Lakh and interest accrued thereon. The entire outstanding settled at a sum of Rs. 28.64 lakh payable in interest free monthly installment in two years i.e. up to March 2019. However, the company has reserved its right to reinstate the waiver granted in case of breach of any terms of repayment of settled amount by the borrower. The financial impact of the settlement has been recognized during the year.

PROPOSAL FOR SALE OF FIXED ASSETS

In terms of Section 180 of the Companies Act, 2013 and relevant Rules and Regulation made there under, and the consent of the members of the Board at their meeting held on May 30 2017, there is proposal to sell of Land, which is not immediately required by the company, to improve the cash flow of the company to meet out the business requirement, for the approval by the members of the company at the forthcoming Annual General Meeting.

RELATED PARTY TRANSACTIONS

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

DIRECTORS

Mr. Arun Kumar Agarwal (DIN No. 06436816) director of the company retire by rotation pursuant to the provisions of Section 152 of the Companies Act, 2013 and other applicable Provisions, being eligible, offer himself to be reappointed at the forthcoming Annual General Meeting.

NUMBER OF BOARD MEETINGS

During the Financial Year 2016-17, the Board of Directors met four times on - 09/5/2016, 27/08/2016, 03/12/2016 and 15/02/2017.

STATUS OF INDEPENDENT DIRECTOR

In terms of Section 149,152 and 161 of the Companies Act 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, related to Corporate Governance applicable to the holding company namely Alps Industries Limited, Mr. Prabhat Krishna (DIN NO.02729624) was appointed as Independent Director of the Company by the Board being representative of holding company as it comes under the Material Subsidiary category, he was regularized by the members of the company at their meeting held on September 30,2015. He continues to be as Representative of Holding Company.

DIRECTORS' RESPONSIBILITY STATEMENT

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

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

FIXED DEPOSITS

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

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

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

ABSTRACT OF THE ANNUAL RETURN

In terms of section 92 of the Companies Act 2013 the extract of the Annual Return as on it stood on the close of the financial year 2016-17 being attached with the Directors Report as Annexure I.

STATUTORY AUDITORS

M/s. R.K. Govil & Co., Chartered Accountants, (Firm Registration No. 000748C), the Statutory Auditors of the Company, completes the two year out of four years as approved at the Annual General Meeting of the Company held on September 30 2015. Now they have further confirmed their eligibility and willingness to accept office, if they get approval for ratification for the reappointment for remaining term of two years at the forthcoming Annual General Meeting. The company has received certificates from the said auditors to the effect that their confirmation, if made, would be within the limits prescribed under Section 141 of the Companies Act, 2013. Your Directors recommend their confirmation under Section 139 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 for a further period of 2 years i.e. till the conclusion of 13th Annual General Meeting.

The company has received the confirmation certificates from the new auditors to the effect that their appointment, if made, would be within the limits prescribed under Section 141 of the Companies Act, 2013.

AUDITORS' OBSERVATIONS

There are no Audit Qualification for the year under review.

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

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

S. No.	Particulars	Amount (Rs. In Lakh)	Maximum amount outstanding during the year.
i.	Loans and advances in the nature of loans to subsidiaries	NIL	NIL
ii.	Loans and advances in the nature of loans to associates	NIL	NIL
iii.	Loans and advances in the nature of loans where there is		
	a) no repayment schedule or repayment beyond seven years or	NIL	NIL
	b) no interest or interest below section 186 of the Companies Act 2013 by name and amount	NIL	NIL
iv.	Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount.	NIL	NIL
v.	Investments by the loanee in the shares of parent company and subsidiary Company, when the Company has made a loan or advance in the nature of loan.	NIL	NIL

ACKNOWLEDGMENTS

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

Place: Ghaziabad
Dated: May 30, 2017

Arun Kumar Agarwal
Director
DIN - 06436816

For and on behalf of the Board
Snowflakes Meditech Pvt. Ltd.

Chetan Agarwal
Director
DIN - 01863250

**ABSTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2017**

Annexure I

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

I. REGISTRATION AND OTHER DETAILS:

CIN	:	U52599DL2006PTC153283
Registration Date	:	07/09/2006
Name of the Company	:	Snowflakes Meditech Private Limited
Category / Sub-Category of the Company	:	Company Limited by Shares
Address of the Registered office and contact details	:	F-228, Ground Floor, Lado Sarai, New Delhi-110030
Whether listed company	:	No
Name, Address and Contact details of Registrar	:	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Fabrics	235.3	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Alps Industries Limited 57/2, Site-IV, Industrial Area, Sahibabad, Ghaziabad, Uttar Pradesh - 201 010.	L51109UP1972PLC003544	Holding	81.65	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
i) Category-wise Share Holding

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

c)Central Government	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d)State Governments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Venture Capital Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f) Insurance Companies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
g) FIs									
h) Foreign Venture Capital fund	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
i)Other (specify)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-Total (B)(1)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(2) Non-institutions									
a)Bodies Corporate									
i) Indian	0.00	3056690	3056690	99.99	0.00	3056690	3056690	99.99	0.00
ii)Overseas	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Individuals									
i.) Individual shareholders holding nominal share capital up to Rs 2 lakh	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ii.) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c)Any Other (specify)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
i)Trust & Foundation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ii)NRI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-Total (B)(2)	0.00	3056690	3056690	99.99	0.00	3056690	3056690	99.99	0.00
Total Public Shareholding (B)= (B)(1)+(B)(2)	0.00	3056690	3056690	99.99	0.00	3056690	3056690	99.99	0.00
C. Shares held by Custodians for GDRs & ADRs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GRAND TOTAL (A)+(B)+(C)	0.00	3056700	3056700	100.00	0.00	3056700	3056700	100.00	0.00

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Cumulative Shareholding during the year			% change in share holding during the year
		No. of shares	% of total shares of the company	% of Shares Pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of Shares Pledged / encumbered to total shares	
1	Sandeep Agarwal	10	0.01	0.00	10	0.01	0.00	0.00

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

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

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

S. No.	Particulars	Shareholding at the beginning of the year		Share holding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Alps Industries Limited 57/2, Site-IV, Industrial Area, Sahibabad, Ghaziabad Uttar Pradesh - 201 010	22,59,990	73.94	22,59,990	73.94
2	Prraneta Industries Limited 574/577 Belgium Square, Opp. Liner Bus Stand Ring Road, Surat, Gujrat	100,000	3.27	100,000	3.27
3	Anubhav Footwears Pvt. Ltd. G-367, Block-G Jaitpur Extension-II, New Delhi	60,000	1.96	60,000	1.96
4	A2S IT Services Pvt. Ltd. G-118-19 Rohini, New Delhi-110016	70000	2.29	70000	2.29
5	Dhanus Technologies Limited No6B Mena Kampala Arcade, 113/114 Theyagarya Road, T.Nagar, Chennai	100,000	3.27	100000	3.27
6	Anil Coal Concern Pvt Ltd B-37, Office No-103, First Floor, Gali No-14, Madhu Vihar, Delhi	4,66,700	15.27	4,66,700	15.27

(v) Shareholding of Directors and Key Managerial Personnel:

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

V. INDEBTEDNESS
Indebtedness of the Company including interest outstanding/accrued but not due for payment

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. in Lakh)

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

B. Remuneration to other directors:

(Rs. in Lakh)

S. No.	Particulars of Remuneration	Name of Directors			Total
		Chetan Agarwal	Arun Kumar Agarwal	Prabhat Krishna	
1.	Independent Directors				
	• Fee for attending board/ committee meetings	N.A.	N.A.	NIL	N.A.
	• Commission	N.A.	N.A.	NIL	N.A.
	• Others, please specify	N.A.	N.A.	NIL	N.A.
	Total (1)	N.A.	N.A.	NIL	N.A.
2.	Other Non-Executive Directors				
	• Fee for attending board/ committee meetings	NIL	NIL	N.A.	NIL
	• Commission	NIL	NIL	N.A.	NIL
	• Others, please specify	NIL	NIL	N.A.	NIL
	Total (2)	NIL	NIL	N.A.	NIL
	Total (B)=(1+2)	NIL	NIL	N.A.	NIL
	Total Managerial Remuneration	NIL	NIL	N.A.	NIL
	Overall Ceiling as per the Act	NIL	NIL	N.A.	NIL

C. Remuneration to key managerial personnel other than MD/MANAGER/WTD
(Rs. in Lakh)

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

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

AUDITORS' REPORT

To the Members of

SNOWFLAKES MEDITECH PRIVATE LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **SNOWFLAKES MEDITECH PRIVATE LIMITED** (the Company) which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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 and cash flow of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its Loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure "A"** a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable:
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

- (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The balance sheet, the statement of profit and loss and the cash flow statement 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors as on 31st March 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017, 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"; and
- (g) 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. 25 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; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The company has provided requisite disclosure in its standalone Financial statements as to holdings as well as dealing in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosure are in accordance with the books of accounts maintained by the company. Refer Note No. 25 to the standalone financial statements.

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

Place: Ghaziabad
Date: May 30, 2017

(Kaushal Kishore Pal)
Partner
Membership No. : 074999

ANNEXURE "A" TO THE 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 2017, we report that:

- (1) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
(b) As explained to us the management has physically verified all the fixed assets during the year in a phased periodical manner which in our opinion is reasonable having regard to the size of the company. We have been informed that no material discrepancies were noticed on such physical verification during the year.
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (2) (a) The inventory has been physically verified during the year by the management in phased manner.
(b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) The Company has maintained proper records of inventories. As explained to us, the discrepancies noticed on physical verification as compared to book records were not material and have been dealt with in the books of account.
- (3) As per the information and explanations given to us, the company has not granted any loan to firms and other parties except unsecured loan to its holding company covered under section 189 of the Companies Act, 2013.
 - a) As per information and explanations given to us, there is no overdue principal and interest (Refer Note No 21 of the Financial Statements).
 - b) The company has taken reasonable steps for recovery of overdue interest on the unsecured loan (Refer Note No 21 of the Financial Statements).
- (4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (5) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public.
- (6) According to the information and explanations given to us, maintenance of cost records has not been prescribed by the Central Govt. under of sub section (1) of section 148 of the companies' Act 2013.
- (7) (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues applicable to it with the appropriate authorities.
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income-tax, Service Tax, Sales-tax, Duty of Custom, Duty of Excise, Cess and other aforesaid statutory dues were outstanding as at 31st March, 2017 for a period of more than six months from the date they became payable.
- (8) The company has not taken any loan from Banks or Financial Institutions nor issued any debentures.
- (9) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (10) According to the information and explanations give to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (11) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration, if any, in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

- (12) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (13) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (14) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (15) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (16) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

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

(Kaushal Kishore Pal)
Partner
Membership No. : 074999

Place : Ghaziabad
Date : May 30, 2017

Annexure - B to the 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 **SNOWFLAKES MEDITECH PRIVATE LIMITED** (the Company) as of 31 March 2017 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.

Annexure - B to the Auditors' Reportcontd.**Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

(Kaushal Kishore Pal)
Partner
Membership No. : 074999

Place : Ghaziabad
Date : May 30th, 2017

BALANCE SHEET

BALANCE SHEET AS AT 31st MARCH, 2017

	Notes	AS AT 31.03.17 Rs.(in Lakh)	AS AT 31.03.16 Rs.(in Lakh)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	434.26	434.26
Reserves and Surplus	2	512.36	1,059.33
		<u>946.62</u>	<u>1,493.59</u>
Current Liabilities			
Trade Payables	3	0.53	204.44
Other Current Liabilities	4	56.21	4.42
Short Term Provision	5	0.57	0.68
		<u>57.31</u>	<u>209.54</u>
Total		<u>1,003.93</u>	<u>1,703.13</u>
ASSETS			
Non-current Assets			
Fixed Assets			
Tangible Assets	6	956.16	1,034.24
Capital Work in Progress (Tangible)		-	28.24
Long-term Loans and Advances	7	28.89	586.13
		<u>985.05</u>	<u>1,648.61</u>
Current Assets, Loans & Advances			
Inventories	8	-	8.72
Trade Receivables	9	-	21.55
Cash & Bank Balances	10	7.20	11.56
Short-Term Loans & Advances	11	11.68	12.69
		<u>18.88</u>	<u>54.52</u>
Total		<u>1,003.93</u>	<u>1,703.13</u>

Significant Accounting Policies and other Notes on Financial Statements 1-27
Notes referred to above form an integral part of Financial Statements

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

Kaushal Kishore Pal
Partner
Membership No.: 074999

Place : Ghaziabad
Date : May 30, 2017

Rahul Sharma
Dy. Manager (Accounts)

For and on behalf of the Board

Chetan Agarwal
Director
DIN-01863250

Arun Kumar Agarwal
Director
DIN-06436816

STATEMENT OF PROFIT & LOSS

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2017

	Notes	YEAR ENDED 31.03.17 Rs.(in Lakh)	YEAR ENDED 31.03.16 Rs.(in Lakh)
Revenue from operations			
Sale of Products	12	14.53	36.13
Less :Excise Duty		-	-
Net Revenue		<u>14.53</u>	<u>36.13</u>
Other Income	13	2.60	2.40
Total Revenue		<u>17.13</u>	<u>38.53</u>
Expenses			
Cost of Materials Consumed	14	-	0.91
Purchase of Stock-in-Trade	15	1.92	-
Change in Inventories	16	8.72	27.33
Depreciation/Amortization of Expenses	6	5.09	5.89
Employee Benefit Expenses	17	1.20	1.20
Other Expenses	18	3.06	2.63
Total Expenses		<u>19.99</u>	<u>37.96</u>
Profit/(Loss) Before exceptional and extraordinary items and Tax		(2.86)	0.57
Exceptional items		(544.11)	-
Profit/(Loss) Before Tax		(546.97)	0.57
Tax Expense			
Current Tax		-	0.11
Profit/(Loss) for the Period		<u>(546.97)</u>	<u>0.46</u>
Basic Earning Per Share(Rs.)	19	(17.89)	0.02
Diluted Earning Per Share(Rs.)	19	-	0.01

Significant Accounting Policies and other Notes on Financial Statements 1-27

Notes referred to above form an integral part of Financial Statements

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

Kaushal Kishore Pal
 Partner
 Membership No.: 074999

Place : Ghaziabad
Date : May 30, 2017

Rahul Sharma
 Dy. Manager (Accounts)

For and on behalf of the Board

Chetan Agarwal
 Director
 DIN-01863250

Arun Kumar Agarwal
 Director
 DIN-06436816

CASH FLOW

	Rs.(in Lakh)	
	31.03.2017	31.03.2016
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/ (Loss) Before Tax	(546.97)	0.57
Adjustment for :		
Depreciation	5.09	5.89
Miscellaneous Expenditure W/Off	-	5.89
Operating Profit Before Working Capital Changes	(541.88)	6.46
Adjustment for Working Capital Changes		
Inventories	8.72	28.24
Trade & other Receivable	22.56	52.26
Trade Payable & other Liabilities	(152.24)	(80.48)
Direct Taxes Received/(Paid)	-	(0.13)
Net Cash From / (used in) Operating Activities	(662.84)	6.35
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Sale(Purchase) of Fixed Assets	101.23	(0.30)
Loans and Advances Repayment (given)	557.24	-
Net Cash From (used in) Investing Activities	658.47	(0.30)
NET INCREASE (DECREASE) in Cash & Cash Equivalent includes	(4.36)	6.05
Opening Balance of Cash & Cash Equivalents	11.56	5.51
Closing Balance of Cash & Cash Equivalents (Refer Note No.10)	7.20	11.56

Notes:

1. Figures 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

Kaushal Kishore Pal
 Partner
 Membership No.: 074999

Place : Ghaziabad
Date : May 30, 2017

Rahul Sharma
 Dy. Manager (Accounts)

For and on behalf of the Board

Chetan Agarwal
 Director
 DIN-01863250

Arun Kumar Agarwal
 Director
 DIN-06436816

SIGNIFICANT ACCOUNTING POLICIES

1. BASIS FOR PREPARATION OF ACCOUNTS :

The Financial Statements are prepared on going concern basis under the historical cost convention, on accrual basis unless specifically stated here in above and in accordance with applicable Accounting Standards (AS) issued by the Institute of Chartered Accountants of India.

All the liabilities have been provided except of contingent nature which has been disclosed by way of note, if any.

2. FIXED ASSETS

- a) All Fixed assets are stated at cost, net of MODVAT / CENVAT less accumulated depreciation. Acquisition cost, any directly attributable expenditure including borrowing cost and Exchange Fluctuation for bringing the assets to working condition for it's intended use are capitalized.
- b) Cost of Assets not ready to put to use before year end are being shown as Capital Work in Progress and advances paid for acquisition or construction of Capital Assets are being shown as Capital advances.

3. DEPRECIATION

Depreciation on the fixed assets is provided on Straight Line Method as per useful life of the assets and in the manner as prescribed in Schedule II to The Companies Act, 2013.

4. INVESTMENTS

- a.) Investments are carried at cost. However, provision for diminution in value is made to recognize any decline, other than temporary in the value of investment.
- b.) Investments that are readily realizable and intended to hold for not more than a year are classified as Current investments. All other investments are classified as Long Term Investment.

5. DEFERRED REVENUE EXPENDITURE :

The expenses related to Preliminary and capital issue expenses are fully charged in the year in which these are Incurred.

6. INVENTORIES

Inventories are valued at cost

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.17 Rs.(in Lakh)	AS AT 31.03.16 Rs.(in Lakh)
1. SHARE CAPITAL		
(A) Authorised Capital		
3700000(3700000) Equity Shares of Rs.10/-each	370.00	370.00
1300000(1300000) Preference Shares of Rs.10/-each	130.00	130.00
Total	500.00	500.00
(B) Issued, subscribed & paid up		
3056700(3056700) Equity Share of Rs.10/-each fully paid up	305.67	305.67
1285910(1285910) Zero Coupon Non Redeemable Convertible Preference Shares of Rs.10/- each fully paid up	128.59	128.59
Total	434.26	434.26

1.1 Reconciliation of Shares outstanding is Set out Below:

Particulars	No. of Shares		
	Beginning of the year	Issue during the year	At the end year
Equity Shares	3056700	NIL	3056700
Zero Coupon Non Redeemable Convertible Preference Shares	1285910	NIL	1285910

1.2 Right Preferences and Restrictions attached to each class of Share are here under

EQUITY SHARES:- The Company has one class of Equity shares having a par value of Rs. 10 each.

Each holder of Equity shares entitled to one vote per share.

Zero Coupon Non Redeemable Convertible Preference Shares :- The Company has one class of Preference shares having a par value of Rs. 10 each, such shares have no voting rights.

1.3 Such Preference shares are convertible into equity shares at the end of 15 years on face value or book value whichever is higher. The earliest date of conversion is 11th November 2023.

1.4 Particulars of shares of company held:

Equity shares in the company held by its Holding Company
 Zero Coupon Non Redeemable Convertible Preference Shares held by Subsidiary of holding company

	As at 31 Mar'2017	As at 31 Mar'2016
	2259990	2259990
	1285910	1285910

1.5 Details of Share holders holding more than 5 % Share Capital

Particulars	As at 31 Mar' 2017 No. of Share	%Age	As at 31 Mar' 2016 No. of Share	%Age
	Equity Shares:			
Alps Industries Limited	2259990	73.93	2259990	73.93
Anil Coal Concern Pvt. Limited	466700	15.27	466700	15.27
Zero Coupon Non Redeemable Convertible Preference Shares				
Alps USA INC	1285910	100	1285910	100

1.6 In Preceding Five Financial Years

Aggregate no. of shares issued for consideration other than cash
 Aggregate no. of shares allotted as fully paid up by way of bonus share(s)
 Aggregate no. of shares bought back

Nil
 Nil
 Nil

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.17 Rs.(in Lakh)	AS AT 31.03.16 Rs.(in Lakh)
2. RESERVES AND SURPLUS		
A. Securities Premium		
At the beginning & end of the year	<u>1,115.38</u>	<u>1,115.38</u>
B. Statement of Profit and Loss Account		
Profit/ (Loss) At The Beginning of The Year	(56.05)	(56.52)
Add:Profit/(Loss) for the year	(546.97)	0.46
Profit/(Loss) at the end of the year	<u>(603.02)</u>	<u>(56.05)</u>
Total	<u>512.36</u>	<u>1,059.33</u>
3. TRADE PAYABLE	<u>0.53</u>	<u>204.44</u>
4. OTHER CURRENT LIABILITIES		
Other Payable		
Expenses Payable	0.09	0.88
Creditors for Fixed Assets	-	3.54
Book Overdraft	<u>56.12</u>	<u>-</u>
Total	<u>56.21</u>	<u>4.42</u>
4.1 Expenses Payable include the liabilities towards Sale tax, TDS Payable, Contractual exp. etc.		
5. SHORT TERM PROVISIONS		
Provision for Income Tax	<u>0.57</u>	<u>0.68</u>
Total	<u>0.57</u>	<u>0.68</u>

6. FIXED ASSETS

Particulars	Gross Block				Depreciation				Net Block	
	Opening Balance 01.4.2016	Addition During The Year	Deduction	Total Upto 31.03.2017	Opening Balance as on 01.04.2016	During The Year	On Deduction	Total Upto 31.03.2017	As On 31.03.2017	As On 31.03.2016
	Rs.(in Lakh)									
TANGIBLE ASSETS										
Freehold Land	877.77	-	-	877.77	-	-	-	-	877.77	877.77
Factory Building	186.97	44.63	117.62	113.98	30.50	5.09	-	35.59	78.39	156.47
Total	<u>1,064.74</u>	<u>-</u>	<u>-</u>	<u>991.75</u>	<u>30.50</u>	<u>5.09</u>	<u>-</u>	<u>35.59</u>	<u>956.16</u>	<u>1,034.</u>

7. LONG-TERM LOANS AND ADVANCES
(Unsecured, Considered Good)

Loans and Advance to Related Parties (refer Note No. 23)	28.64	572.75
Capital Advance	-	13.13
Security Deposits	<u>0.25</u>	<u>0.25</u>
Total	<u>28.89</u>	<u>586.13</u>

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.17 Rs.(in Lakh)	AS AT 31.03.16 Rs.(in Lakh)
8. INVENTORIES (Refer Note No. 20) (Valued as per accounting policy)		
Stock in Trade	-	8.72
Total	<u>-</u>	<u>8.72</u>
9. TRADE RECEIVABLES		
Outstanding for a Period Exceeding Six Months from the Date they are due for Payment		
Unsecured Considered Good	-	-
OTHER TRADE RECEIVABLE		
Unsecured Considered Good	-	21.55
Total	<u>-</u>	<u>21.55</u>
10. CASH & BANK BALANCES		
Balances With Scheduled Banks		
In Current Accounts	0.55	1.11
Cash In Hand	6.65	10.45
Total	<u>7.20</u>	<u>11.56</u>
11. SHORT TERMS LOANS & ADVANCES (Unsecured, Considered Good)		
OTHERS		
Advance Income Tax/TDS Recoverable	11.68	12.64
Advance To Supplier	-	0.05
Total	<u>11.68</u>	<u>12.69</u>
12. REVENUE FROM OPERATIONS		
Sales of Products (Fabric)	14.53	36.13
Total	<u>14.53</u>	<u>36.13</u>
13. OTHER INCOME		
(a) Rent	2.40	2.40
(b) Other Income	0.20	-
Total	<u>2.60</u>	<u>2.40</u>
14. COST OF MATERIAL		
Opening Stock	-	0.91
Add: Purchases	-	-
Less: Closing Stock	-	-
Total	<u>-</u>	<u>0.91</u>

NOTES FORMING PART OF ACCOUNTS

	YEAR ENDED 31.03.17 Rs.(in Lakh)	YEAR ENDED 31.03.16 Rs.(in Lakh)
15. PURCHASE OF STOCK-IN-TRADE (Fabric)	<u>1.92</u>	<u>-</u>
16. CHANGES IN INVENTORIES		
Opening Stock-in-Trade	8.72	36.05
Closing Stock Stock-in-Trade	<u>-</u>	<u>8.72</u>
Total	<u>8.72</u>	<u>27.33</u>
17. EMPLOYEE BENEFIT EXPENSES		
Salary to Staff	1.20	1.20
Total	<u>1.20</u>	<u>1.20</u>
18. OTHER EXPENSES		
Rent	0.60	0.60
Legal & Professional Expenses	0.53	0.60
Fees & Subscription	0.02	0.01
General Expenses	1.13	0.77
Bank Charges	0.01	0.01
Payment To Auditors (Refer Note No. 24)	0.25	0.64
Repairs & Maintenance		
Building	0.52	-
Total	<u>3.06</u>	<u>2.63</u>

NOTES FORMING PART OF ACCOUNTS

19. BASIC & DILUTED EARNINGS PER SHARE has been calculated as under:

Particulars	For the year ended 31 st March 17	For the year ended 31 st March 16
Profit/(Loss) attributable to the Equity shareholders (Rs.) - (A) (Rs. in Lakh)	(546.97)	0.46
Weighted average number of equity shares outstanding during the year - (B)	3056700	3056700
Potential equity share (Preference Share)	1285910	1285910
Nominal value of equity shares (Rs.)	10.00	10.00
Basic Earnings per share (Rs.)	(17.89)	0.02
Diluted Earnings per Share (Rs.)	-	0.01

20. INVENTORIES

Rs.(in Lakh)

Particulars	For the year ended 31 st March 17	For the year ended 31 st March 16
Fabric	-	8.72
Total	-	8.72

21. The company has settled the unsecured loans including interest thereon granted to Alps Industries Limited at a total value of Rs. 28.64 Lac receivable interest free by end of March 2019. Accordingly adjustments in the accounts have been made. However the company has reserved its right to reinstate the waivers granted in case of breach of any terms of repayment of settled amount by the borrower.

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

23. RELATED PARTY TRANSACTIONS

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

Holding Company	:	Alps Industries Ltd.
Directors/Key Managerial Personnel,	:	1. Mr. Chetan Agarwal 2. Mr. Arun Kumar Agarwal 3. Mr. Prabhat Krishna
Entities controlled by them	:	4. M/s Alps Energy Pvt. Ltd.

NOTES FORMING PART OF ACCOUNTS

Rs.(in Lakh)

Nature of Transaction	Transactions with Holding Company		Transactions with Key Managerial Personnel, Entities controlled by them, and their relatives	
	For the year ended 31 st March 17	For the year ended 31 st March 16	For the year ended 31 st March 17	For the year ended 31 st March 16
1. Purchase of Goods	NIL	NIL	NIL	NIL
2. Rental Income	2.40	2.40	NIL	NIL
3. Interest Paid	NIL	NIL	NIL	NIL
4. Interest Received	NIL	NIL	NIL	NIL
5. Advances/Loans taken	NIL	NIL	NIL	NIL
6. Balance at year end(Dr.)	28.64	572.75	NIL	NIL

24. AUDITORS REMUNERATION

Rs.(in Lakh)

Particulars	For the year ended 31 st March 17	For the year ended 31 st March 16
Audit Fees	0.25	0.47
Others	0.25	0.17

25. The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 is as under:

Rs.(in Lakh)

Particulars	SBNS	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	1000 X 1300	–	13.00
	500 X 200	–	1.00
		100X 4505	4.50
		50X 374	0.19
		20 X nil	0.00
		10X 105	0.01
		5 X nil	0.00
		Coins(1,2,5) 42	0.00
Permitted receipts		2000 X nil	0
		500 X nil	0
		100 X nil	0
		50 X nil	0
		20 X nil	0
		10 X nil	0
		5 X nil	0
		Coins(1,2,5) nil	0

NOTES FORMING PART OF ACCOUNTS

Permitted payments		2000 X nil	0
		500 X nil	0
		100 X nil	0
		50 X nil	0
		20 X nil	0
		10 X nil	0
		5 X nil	0
		Coins(1,2,5) nil	0
Amount deposited in Banks	1000 X 1300		13.00
	500 X 200		1.00
Closing cash in hand as on 30.12.2016		2000 X nil	0.00
		500 X nil	0.00
		100 X 4505	4.50
		50 X 374	0.19
		20 X nil	0.00
		10 X 105	0.01
		5 X nil	0.00
		Coins(1,2,5) 42	0.00
Grand Total			4.70

26. CONTINGENT LIABILITIES

Particulars	Rs.(in Lakh)	
	For the year ended 31 st March 17	For the year ended 31 st March 16
Claims against the company not acknowledged as debts	13.71	13.71

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

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

Kaushal Kishore Pal
 Partner
 Membership No.: 074999

Place : Ghaziabad
Date : May 30, 2017

Rahul Sharma
 Dy. Manager (Accounts)

For and on behalf of the Board

Chetan Agarwal
 Director
 DIN-01863250

Arun Kumar Agarwal
 Director
 DIN-06436816

CONSOLIDATED

**Financial Statements for the year
ended 31st March, 2017**

INDEX

CONTENTS		PAGE NO.
Independent Auditors' Report	:	175
Balance Sheet	:	180
Statement of Profit & Loss	:	181
Cash Flow Statement	:	182
Significant Accounting Policies	:	183
Notes Forming Part of Accounts	:	186

AUDITORS' REPORT

**To the Members of
ALPS INDUSTRIES LIMITED**

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated financial statements of **ALPS INDUSTRIES LIMITED** ("hereinafter referred to as the Holding Company") and its subsidiaries which comprising of the Consolidated Balance Sheet as at 31st March, 2017, Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including in accordance with accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Financial Statements. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

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

- I. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
- II. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
- III. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, 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 consolidated state of affairs of the Company as at 31 March 2017 and their consolidated Loss and their consolidated cash flows for the year ended on that date.

Emphasis of Matters

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

1. To note no 39. related to preparation of financial statement on going concern basis on belief of the company to get the necessary resolution in view of the consent of the super majority of secured lenders to its restructuring.
2. To the Note no.40 relating to non provision of interest on loans from minority secured lenders pending their consent in line with the restructuring which has been consented to, by the super majority of secured lenders.

Other Matters

1. We have relied on the unaudited financial statements of one subsidiary (Alps USA Inc.) whose financial statements reflect total assets of Rs. 343.00 Lac as at 31st March, 2017, total expense of Nil, cash flows amounting to nil for the year then ended. These unaudited financial statements, as approved by the Board of Directors of this company and translated from US\$ into INR have been furnished to us by the Management and our report insofar as it relates to the amounts included in respect of this subsidiary is based solely on such approved unaudited financial statements.
In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to 'the Group'.
2. Our opinion on the Consolidated Financial Statements, and our report on other legal and regulatory requirements below, is not qualified in respect of the above Emphasis of Matters and Other Matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law maintained by the Holding Company, its subsidiaries included in the Group, including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its subsidiaries including relevant records relating to the preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and of its subsidiary companies, none of the directors of the Group companies, is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary companies, the operating effectiveness of such controls, refer to our separate Report in **Annexure A**.
 - (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations as at March 31, 2017 on the consolidated financial position of the Group (Refer Note No. 38).
 - 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.
- iv. The company has provided requisite disclosure in its Consolidated Financial statements as to holdings as well as dealing in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosure are in accordance with the books of accounts maintained by the company. Refer Note No. 35 to the consolidated financial statements.

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

(Kaushal Kishore Pal)
Partner
Membership No. : : 074999

Place: Ghaziabad
Date: May 30, 2017

ANNEXURE - A TO THE AUDITORS' REPORT**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Alps Industries Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:
 - (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
 - (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

8. In our opinion, the Holding Company, its subsidiary companies, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

(Kaushal Kishore Pal)
Partner
Membership No. : : 074999

Place: Ghaziabad
Date: May 30, 2017

ALPS INDUSTRIES LTD. CONSOLIDATED



BALANCE SHEET

BALANCE SHEET AS AT 31st MARCH, 2017

	Notes	AS AT 31.03.17 Rs.(in Lakh)	AS AT 31.03.16 Rs.(in Lakh)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	30,704.31	30,704.31
Reserves and Surplus	2	(72,740.28)	(67,105.45)
		<u>(42,035.97)</u>	<u>(36,401.14)</u>
Share application money pending Allotment			
Minority Interest		<u>224.69</u>	<u>917.27</u>
Non-Current Liabilities			
Long-term Borrowings	3	73,946.18	76,257.15
Deferred tax Liabilities(Net)		-	-
Other Long term Liabilities	4	4,135.16	4,521.44
Long-term Provisions	5	351.41	332.09
		<u>78,432.75</u>	<u>81,110.68</u>
Current Liabilities			
Short-term Borrowings	6	-	111.17
Trade Payables	7	4,446.17	9,280.03
Other Current Liabilities	8	10,728.06	10,864.80
Short-term Provisions	9	39.72	47.43
		<u>15,213.95</u>	<u>20,303.43</u>
Total		<u>51,835.42</u>	<u>65,930.24</u>
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	10	37,550.62	43,394.45
Intangible Assets	10	13.53	19.62
Capital Work in Progress		453.89	28.24
Intangible Assets Under Development		255.98	225.66
Non-current Investments	11	5.78	5.78
Long-term Loans and Advances	12	834.38	693.38
Other non-Current Assets	13	12.13	12.13
		<u>39,126.31</u>	<u>44,379.26</u>
Current Assets, Loans & Advances			
Current Investments	14	25.00	25.00
Inventories	15	6,978.88	11,131.50
Trade Receivables	16	4,057.30	8,315.17
Cash & Bank Balances	17	678.04	845.07
Short-Term Loans & Advances	18	550.64	682.72
Other Current Assets	19	419.25	551.52
		<u>12,709.11</u>	<u>21,550.98</u>
Total		<u>51,835.42</u>	<u>65,930.24</u>

Significant Accounting Policies and other notes on Financial Statements 1-54

Notes referred to above form an integral part of Financial Statements

As per our report of even date

For R.K.Govil & Co.

Chartered Accountants

(Firm Registration No. 000748C)

Kaushal Kishore Pal

Partner

Membership No. 074999

Place : Ghaziabad

Date : May 30, 2017

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

Ajay Gupta
Company Secretary

For and on behalf of the Board

Sandeep Agarwal
Managing Director

P.K. Rajput
Executive Director

STATEMENT OF PROFIT & LOSS
CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2017

	Notes	YEAR ENDED 31.03.17 Rs.(in Lakh)	YEAR ENDED 31.03.16 Rs.(in Lakh)
Revenue from operations			
Sale of Products	20	47,753.95	55,110.22
Other Operating Revenues		2,444.22	3,304.58
Less :Excise Duty		67.90	168.68
Net Revenue		50,130.27	58,246.12
Other Income	21	444.94	1,232.77
Total Revenue		50,575.21	59,478.89
Expenses			
Cost of Materials Consumed	22	30,383.05	38,077.86
Purchase of Stock-in-Trade	23	4,122.00	276.80
Change in inventories of finished goods and Work-in-Progress	24	(268.82)	1,782.21
Employee Benefit Expenses	25	6,606.00	6,579.16
Finance Cost	26	7.61	47.41
Depreciation/Amortization of Expenses	10	3,367.68	3,597.05
Other Expenses	27	12,054.25	13,963.91
Total Expenses		56,271.77	64,324.40
Profit/(Loss) Before exceptional items and Tax		(5,696.56)	(4,845.57)
Less/(Add) Exceptional Items	28	1,735.23	6,869.38
Less/(Add) Impairment of Assets	10	(2,366.33)	-
Profit/(Loss) after Exceptional items and before Tax		(6,327.66)	2,023.87
Tax Expense			
(1) Current Tax		-	0.34
(2) Minimum Alternate Tax		-	0.11
Profit/(Loss) after Tax		(6,327.66)	2,023.44
Less: Minority Interest		(692.59)	0.33
Profit/(Loss) for the Year		(5,635.07)	2,023.09
Basic Earning Per Share(Rs.)	29	(19.41)	1.93
Diluted Earning Per Share(Rs.)		-	1.13
Significant Accounting Policies and other Notes on Financial Statements	1-54		

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

Kaushal Kishore Pal
 Partner
 Membership No. : 074999
Place : Ghaziabad
Date : May 30, 2017

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

Ajay Gupta
 Company Secretary

For and on behalf of the Board

Sandeep Agarwal
 Managing Director
 DIN - 00139439

P.K. Rajput
 Executive Director
 DIN - 00597342

CASH FLOW

	Rs.(in Lakh)	
	31.03.2017	31.03.2016
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	(5,696.56)	(4,845.51)
Adjustment for :		
Depreciation & Amortisation	3,367.68	3,597.05
Interest Received	(188.31)	(235.67)
Finance Cost	7.61	47.41
Loss on Sale of Assets	422.16	25.72
Exchange Fluctuation	0.23	(0.58)
Exceptional Items	1,735.23	6,869.38
Impairment of Assets	2,366.33	
	7,710.93	10,303.31
Operating Profit Before Working Capital Changes	2,014.37	5,457.80
Adjustment for Working Capital Changes		
Inventories	4,152.63	27,407.06
Trade & other Receivable	4,400.19	4,840.06
Trade Payable & other Liabilities	(5,345.28)	3,460.76
Direct Taxes received/(Paid)	(18.96)	(26.49)
Net Cash from/ (used in) Operating Activities	5,202.95	41,139.19
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(1,133.28)	(184.69)
Proceeds from Fixed Assets	(1,995.27)	50.49
Interest Received	188.32	235.67
(Increase)/Decrease in Fixed Deposits	32.07	2,249.48
Net Cash from/ (used in) Investment Activities	(2,908.16)	2,350.95
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Finance Cost	(7.61)	(47.41)
Borrowing (Net)/(Write back on consent of DRS) (Net)	(2,422.14)	(43,504.46)
Net Cash from/ (used in) Financing Activities	(2,429.75)	(43,551.87)
Net Increase(Decrease) in Cash & Cash Equivalents	(134.96)	(61.73)
Opening Balance of Cash and Cash Equivalents	<u>518.70</u>	<u>580.43</u>
Closing Balance of Cash and Cash Equivalents (refer note 17(ii))	<u>383.74</u>	<u>518.70</u>

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)

Kaushal Kishore Pal
 Partner
 Membership No. : 074999
Place : Ghaziabad
Date : May 30, 2017

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

Ajay Gupta
 Company Secretary

For and on behalf of the Board

Sandeep Agarwal
 Managing Director
 DIN - 00139439

P.K. Rajput
 Executive Director
 DIN - 00597342

SIGNIFICANT ACCOUNTING POLICIES:**A. USE OF ESTIMATES:**

The Preparation of the financial statements in conformity with accounting standard requires the Management to make estimates and assumptions that affect the reported accounts of assets and liabilities, disclosure relating to contingent liabilities as at the date of the financial statement and the reported amount of income and expenses during the reporting period, like useful lives of fixed assets, provision for doubtful debts/ advances, provision for diminution in value of investments, provision for employee benefits, provision for warranties/ discounts, allowances for certain uncertainties, provision for taxation, provision for contingencies etc. Actual results could differ from those estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the financial statements.

B. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS:

The Financial Statements have been prepared on a going concern basis under the historical cost convention, on accrual basis unless specifically stated herein below and in accordance with the applicable Accounting standards (AS) issued by the Institute of Chartered Accountants of India and relevant provisions of the Companies Act, 2013.

The financial Statement of Alps Industries Ltd., the parent company, Snowflakes Meditech Pvt. Ltd. (formally known as Alps Retail Pvt. Ltd.), Alps USA Inc., Alps Energy Pvt. Ltd. have been combined on line by line basis by adding together book values of like items of assets, liabilities etc. and by eliminating intra-group balances.

The Consolidated financial statement are prepared by applying uniform accounting policies in use at the group. Minority interest has been excluded. Minority interest represent that part of the assets of subsidiaries that are not owned by the parent company.

C. REVENUE RECOGNITION:

Sales are recognized on completion of sale of goods (Export Sales are recognized on the basis of Shipping Bills prepared) and are net of trade discounts, rebates and inclusive of excise duty but excludes taxes on sales.

Export incentives are recognized as and when export sale is accounted for. Profit/ Loss on sale of DEPB license is recognized in the year of sale.

D. FIXED ASSETS:

- a) All fixed assets are stated at cost, net of MODVAT/CENVAT less accumulated depreciation. Cost comprises cost of acquisition and all expenses incurred which are directly attributable, including cost of borrowings and exchange fluctuation, for bringing the assets into working condition for its intended use.
- b) Cost of assets not ready to put to use before year end are shown as 'Capital Work in Progress/Intangible Assets under Development'.
- c) Goodwill comprises the excess of purchase consideration paid over the fair value of the net assets of the acquired company.

E. DEPRECIATION / AMORTISATION

Depreciation on the Tangible Assets and Amortisation of Computer Software are provided on Straight Line Method as per useful life of the assets and in the manner as prescribed in Schedule II to The Companies Act, 2013. However having regard to materiality assets upto Rs. 5000/- each are fully depreciated in the year of purchase. Leasehold lands are amortised over the lease period.

F. INVESTMENTS:

- a) Investments are carried at cost. However, provision for diminution in value is made to recognize any decline, other than temporary, in the value of investments except investment in unquoted & subsidiary companies.
- b) Investments that are readily realizable and intended to hold for not more than a year are classified as Current Investments. All other investments are classified as Non Current Investments.

G. INVENTORIES :

Raw Material and Stores & Spares are valued at cost. Cost of raw material is determined by First in First Out (FIFO) method except cotton, which is valued at weighted average cost.

Finished and Semi Finished goods produced and purchased, are valued at lower of cost or net realizable value. The identification of Semi Finished goods is done on the basis of location of the goods.

H. BORROWING COST:

Borrowing costs that are directly attributable to the acquisition or construction of fixed assets, which necessarily take a substantial period of time to get ready for their intended use, are capitalized. Other borrowing costs are recognized as expense in the year in which they are incurred.

I. RETIREMENT AND OTHER EMPLOYEE BENEFITS

The provision for gratuity liability and earned leaves are made in accordance with the actuarial valuation on projected unit credit actuarial method at the end of the year. The provisions for medical leaves are made on basis of leaves accrued to employees. Employer's Contribution to Employees Provident Fund are charged to Statement of Profit and Loss.

J. RESEARCH AND DEVELOPMENT COSTS

Research & Development expenses of revenue nature are charged to Statement of Profit and Loss and those of capital nature are capitalized as Tangible/intangible assets.

K. DEFERRED REVENUE EXPENDITURE

The expenses related to Preliminary and capital issue expenses are fully charged to statement of profit & Loss in the year in which these are incurred.

L. FOREIGN CURRENCY TRANSACTIONS

- a) Transactions denominated in foreign currency are recorded at the exchange rate prevailing at the time of the transactions.
- b) Monetary items denominated in foreign currencies at the yearend are restated at the yearend rates. In case of monetary items which are covered by forward exchange contracts, the difference between the year end rate and the rate on the date of contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.
- c) Non monetary foreign currency items are carried at cost.
- d) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Statement of profit and loss except in cases where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.
- e) The translation of financial statement of foreign subsidiary from the respective local currency to functional currency of the company is performed for the balance sheet accounts using the exchange rate in effect at the balance sheet date and the resulting difference is presented as Foreign currency Translation Reserves included in Reserves & Surplus.

M. IMPAIRMENT OF ASSETS

The carrying amounts of all the assets are reviewed at each balance sheet date. If there is any indication of impairment, based on internal / external factors, an impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount.

N. TAXATION:

- a) Provision for current income tax is made in accordance with the applicable provisions of the Income Tax Act, 1961.
- b) Liability for deferred tax is provided while deferred tax asset is recognized only if there is virtual certainty of their realization in future in terms of Accounting Standard on "Deferred Tax Accounting" (AS-22) issued by the Institute of Chartered Accountants of India.

O. GOVERNMENT GRANTS

Capital grants are accounted for and deducted from the respective assets in the year of receipt. Non specific Capital Subsidy in the nature of promoters' contribution is credited to Capital Reserve.

The interest subsidy under TUF scheme is considered on accrual basis and deducted from the interest expenditure.

P. OPERATING LEASE

Lease payments are recognized as an expense in the Statement of Profit and Loss according to the terms and conditions of the respective agreement.

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.17 Rs.(in Lakh)	AS AT 31.03.16 Rs.(in Lakh)
1. SHARE CAPITAL		
(A) Authorised Capital		
40000000(40000000) Equity Shares of Rs.10/-each	4,000.00	4,000.00
305000000(305000000) Preference Shares of Rs.10/-each	30,500.00	30,500.00
	<u>34,500.00</u>	<u>34,500.00</u>
(B) Issued, subscribed & paid up		
39114100(39114100) Equity Share of Rs.10/-each fully paid up	3,911.41	3,911.41
	<u>3,911.41</u>	<u>3,911.41</u>
111094047(111094047) 1% Cumulative Redeemable Preference Shares (1%CRPS) of Rs. 10/- each fully paid-up.	11,109.40	11,109.40
156835012(156835012) 6% Cumulative Redeemable Preference Shares (6%CRPS) of Rs. 10/- each fully paid-up.	15,683.50	15,683.50
	<u>26,792.91</u>	<u>26,792.91</u>
Total	<u>30,704.32</u>	<u>30,704.32</u>

1.1 Reconciliation of Shares outstanding is Set out Below:

Particulars	No. of Shares			
	Beginning of the year	Issue during the year	Reclassification during the year	At the end year
Equity Shares	39114100	NIL	NIL	39114100
6% CRPS	156835012	NIL	NIL	156835012
1% CRPS	111094047	NIL	NIL	111094047

Right Preferences and Restrictions attached to each class of Shares are here under:

EQUITY SHARES:- The Company has one class of Equity shares having a par value of RS 10 each.

Each holder of Equity shares entitled to one vote per share.

6 % CRPS under Category -A:- Such shares have right of 6 % dividend with no voting right and preference of Repayment over other instruments in discounted redemption as per CDR Scheme over other instrument (6% or 1%) issued under category-B, C and D, subject to the availability of funds

6 % CRPS under Category -B:- Such shares have right of 6 % dividend with no voting right and preference of Repayment over other instruments in discounted redemption as per CDR Scheme over other instrument 1% CRPS, except 6% instruments issued under category-A, issued under category-C and D, subject to the availability of funds

1% CRPS under Category -C:- Such shares have right of 1 % dividend with no voting right and preference of Repayment over other instruments in discounted redemption as per CDR Scheme over other instrument 1% CRPS, except 6% instruments issued under category-A and B, issued under category-C and D, subject to the availability of funds

1% CRPS under Category -D:- Such shares have right of 1 % dividend with no voting right and preference of Repayment over other instruments in discounted redemption as per CDR Scheme over other instrument 1% CRPS, except 6% instruments issued under category-A and B, but at par issued under category-C, subject to the availability of funds

Detail of Shares reserved under option and Contracts/Commitment:

In Terms of sanction letter from Banks : The Company is require to issue –

- Rs. 1629.61 Lakh (P.Y. 1629.61 Lakh) Equity shares of Rs. 10 each at par aggregating to Rs.1629.61 Lakh (P.Y. Rs.1629.61 Lakh)
- i Shares issued for consideration other than cash in last 5 financial years._ Nil (P/Y Nil)
 - li Bonus Shares in last 5 financial years. - Nil (P/Y Nil)
 - lii. Shares bought back in last 5 financial years.- Nil (P/Y Nil)

NOTES FORMING PART OF ACCOUNTS

Details of Share holders holding more than 5 % Share Capital

PARTICULARS	As at 31 Mar'2017	Percentage (%)	As at 31 Mar' 2016	Percentage (%)				
Equity Shares:								
Pacific Texmark Pvt. Ltd.	2835872	7.25	2835872	7.25				
Details of Preference Shareholders								
PARTICULARS	As at 31 Mar' 2017	Percentage (%)	As at 31 Mar' 2017	Percentage (%)	As at 31 Mar' 2016	Percentage (%)	As at 31 Mar' 2016	Percentage (%)
6% CRPS	CATEGORY A		CATEGORY B		CATEGORY A		CATEGORY B	
State Bank of Bikaner & Jaipur	4891690	3.76	-	-	4891690	3.76	-	-
The Jammu & Kashmir Bank	6194500	4.77	-	-	6194500	4.77	-	-
Export Import Bank Of India	3534800	2.72	-	-	3534800	2.72	-	-
IDBI Bank Ltd.	1413076	1.09	-	-	1413076	1.09	-	-
Edelweiss Asset Reconstruction Company Limited	50041950	38.52	3960904	14.72	50041950	38.52	3960904	14.72
State Bank of Patiala	23081900	17.77	-	-	23081900	17.77	-	-
State Bank of Mysore	12155480	9.36	6601506	24.51	12155480	9.36	6601506	24.51
Syndicate Bank	7416190	5.71	-	-	7416190	5.71	-	-
UCO Bank	6813950	5.25	-	-	6813950	5.25	-	-
Punjab National Bank	14357330	11.05	13203013	49.01	14357330	11.05	13203013	49.01
ICICI Bank Ltd.	-	-	2112482	7.84	-	-	2112482	7.84
HDFC Bank	-	-	1056241	3.92	-	-	1056241	3.92
Total	129900866	100.00	26934146	100.00	129900866	100.00	26934146	100.00
1% CRPS	CATEGORY C		CATEGORY D		CATEGORY C		CATEGORY D	
Edelweiss Asset Reconstruction Company Limited	11440240	42.57	26944509	31.99	11440240	42.57	26944509	31.99
HDFC Bank	2462350	9.16	13019737	15.46	2462350	9.16	13019737	15.46
Development Credit Bank Ltd.	11661448	43.40	-	-	11661448	43.40	-	-
Standard chartered	1309525	4.87	34439893	40.89	1309525	4.87	34439893	40.89
ICICI Bank Limited	-	-	9816345	11.66	-	-	9816345	11.66
Total	26873563	100.00	84220484	100.00	26873563	100.00	84220484	100.00

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.17 Rs.(in Lakh)	AS AT 31.03.16 Rs.(in Lakh)
2. RESERVES AND SURPLUS		
A Capital Reserve		
At the Beginning and at the end of the Year	<u>290.00</u>	<u>290.00</u>
B Securities Premium		
At the Beginning and at the end of the Year	<u>19,156.37</u>	<u>19,156.37</u>
C. General Reserves		
At the Beginning and at the end of the Year	<u>7,999.30</u>	<u>7,999.30</u>
D. Exchange Fluctuation Reserve		
At the Beginning of the Year	84.04	84.62
Less : Exchange Fluctuation	(0.23)	0.58
At the end of the Year	<u>84.27</u>	<u>84.04</u>
E. Surplus		
Balance in Statement of Profit And Loss		
Loss at the Beginning of the Year	(93,922.30)	(95,945.40)
(Less)/Add: Profit/(Loss) for the Year	(5,635.07)	2,023.09
Balance at the end of the Year	<u>(99,557.37)</u>	<u>(93,922.31)</u>
	<u>(72,027.44)</u>	<u>(66,392.61)</u>
Less : Minority Interest	712.84	712.84
Total	<u>(72,740.28)</u>	<u>(67,105.45)</u>
3. LONG TERM BORROWINGS		
Secured Loans		
(a) Term Loans		
(1) Banks & Financial Institutions/ARC (See Note 3.1 Below)	48,616.69	49,105.47
(i) Term Loans Rs.44253.50 Lakh (P.Y. Rs. 67006.05 Lakh) from Banks and Financial Institution are secured by first pari - passu charge on Fixed Assets and second pari - passu charge on Current Assets of the company, alongwith Personal Guarantees of Promotor Directors.		
(b) Working Capital Loans		
(1) Banks & Financial Institutions/ARC (See Note 3.1 Below)	25,329.49	27,151.68
(i) Working Capital Loans Secured by first pari - passu charge on Fixed Assets and second pari - passu charge on Current assets of the company, alongwith Personal Guarantees of Promotor Directors.		
Unsecured Loans (See Note 3.2 Below)		
Loans And Advances from Related Parties		
Loans And Advances from others		
Total	<u>73,946.18</u>	<u>76,257.15</u>
3.1 Maturity Profile of Term Loans From Banks & Financial Institutions		
The Restructuring Scheme (forming of the DRS) as consented by the super majority of lenders who are presently holding /acquired more than 95% of total sumed debts of the company, envisage the repayment of all loans in interest free quarterly installments lasting upto 31-03-2022 including waivers and conversion into equity as per terms.		
3.2 Maturity Profile of Unsecured Loans		
Particular	Amount	Period
Towards Related Party	118.39.00	2018-19

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.17 Rs.(in Lakh)	AS AT 31.03.16 Rs.(in Lakh)
4. OTHER LONG TERM LIABILITIES		
Interest accrued but not due on borrowing Banks/ARC (Refer Note No. 3.1 above)	<u>4,135.16</u>	<u>4,521.44</u>
Total	<u>4,135.16</u>	<u>4,521.44</u>
5. LONG TERM PROVISION		
Provision for Employee benefits (Refer Note No 48)	<u>351.41</u>	<u>332.09</u>
Total	<u>351.41</u>	<u>332.09</u>
6. SHORT TERM BORROWINGS		
Secured Loans		
From Banks / ARC	<u>-</u>	<u>111.17</u>
Total	<u>-</u>	<u>111.17</u>
Refer to note no. 3a(1) (i) and 3b(1) (i)		
7. TRADE PAYABLES		
(a) Micro, Small & Medium Enterprises (Refer Note No. 7.1)	<u>23.31</u>	<u>65.00</u>
(b) Others	<u>4,422.86</u>	<u>9,215.03</u>
Total	<u>4,446.17</u>	<u>9,280.03</u>
7.1 Based on the information available with the Company regarding the status of suppliers as defined under MSMED Act,2006, there was no principal amount overdue and no interest was payable to the Micro, Small and Medium Enterprises on 31st March,2017 as per the terms of Contract.		
8. OTHER CURRENT LIABILITIES		
Secured (Refer to Note No. 3.1 above)		
(a) Current Maturity of long terms Borrowing of Banks & ARC	<u>4,853.12</u>	<u>5,318.78</u>
Unsecured		
(a) Interest accrued but not due on borrowing	<u>80.19</u>	<u>80.19</u>
(b) Other payable		
(1) Expenses payable (Refer Note No. 8.1)	<u>4,209.79</u>	<u>4,293.76</u>
(2) Creditors for Fixed Assets	<u>124.41</u>	<u>139.16</u>
(3) Book overdraft	<u>60.94</u>	<u>0.06</u>
(4) Advance from Customers	<u>1,397.05</u>	<u>1,030.08</u>
(5) Others	<u>2.56</u>	<u>2.77</u>
Total	<u>10,728.06</u>	<u>10,864.80</u>
8.1 Expenses Payable include the liabilities to employees, Sales Tax/Vat, other taxes, Rebate & Discount etc.		
9. SHORT TERM PROVISIONS		
Provision for Employee Benefits (Refer Note No. 48)	<u>39.15</u>	<u>45.71</u>
Provision for Tax	<u>0.57</u>	<u>1.72</u>
Total	<u>39.72</u>	<u>47.43</u>

NOTES FORMING PART OF ACCOUNTS

10. FIXED ASSETS

Rs.(in Lakh)

Particulars	Gross Block				Depreciation					Net Block	
	Opening Balance	Addition	Deduction/Sale	Total Upto 31.03.2017	Opening Balance	During the year	On Deduction	Total Upto 31.03.2017	Deduction/Impairment of Assets	As On 31.03.2017	As On 31.03.2016
TANGIBLE ASSETS											
Leasehold Land	1301.37	0.00	0.00	1301.37	177.55	12.35	0.00	189.90	0.00	1111.47	1123.82
Free Hold Land	1527.60	0.00	0.00	1527.60	-	0.00	0.00	0.00	0.00	1527.60	1527.60
Building	14869.31	140.16	117.62	14891.85	4,447.07	499.34	0.00	4946.41	0.00	9945.44	10422.24
Plant & Machinery	62411.24	490.27	1395.09	61506.42	32,433.00	2763.23	721.77	34474.46	2366.33	24665.63	29978.24
Furniture Fixture	405.55	2.19	0.43	407.31	287.23	20.90	0.01	308.12	0.00	99.19	118.32
Vehicles	366.54	0.00	26.24	340.30	268.31	21.17	24.65	264.83	0.00	75.47	98.23
Office Equipment	299.82	21.00	0.78	320.04	239.92	22.83	0.50	262.25	0.00	57.79	59.90
Computers	751.38	22.52	0.00	773.90	685.28	20.59	0.00	705.87	0.00	68.03	66.10
Sub Total A	81932.81	676.14	1540.16	81068.79	38,538.36	3360.41	746.93	41151.84	2366.33	37550.62	43394.45
INTANGIBLE ASSETS											
Computer (Software)	45.88	1.19	0.00	47.07	26.26	7.27	0.00	33.54	0.00	13.53	19.62
Sub Total B	45.88	1.19	0.00	47.07	26.26	7.27	0.00	33.54	0.00	13.53	19.62
Total	81978.69	677.33	1540.16	81115.86	38,564.62	3367.68	746.93	41185.38	2366.33	37564.15	43414.07
Previous Year	82762.41	183.71	967.43	81978.69	85858.79	3597.05	891.22	38564.62	-	43414.07	46903.62

AS AT
31.03.17
Rs.(in Lakh)

AS AT
31.03.16
Rs.(in Lakh)

11. NON - CURRENT INVESTMENTS (AT COST)

Long Term (Fully Paid Unless Otherwise Stated)

Other Investment

Investment in Equity Instruments

(A) Quoted Shares

13400(13400)Equity Shares of Rs. 10/- each of Kay Power and Paper Ltd. Market Value - Rs. 52394 (46900)	1.34	1.34
720(720)Equity Shares of Rs. 10/- each of Parasram Puria Synthetics Ltd. (Market Value - Not Available)	0.22	0.22
2000(2000)Equity Shares of Rs. 10/- each of Global Syntex (Bhilwara)Ltd.(Partly of Rs. 5/- each Paidup) (Market Value- Not Available)	0.10	0.10

(B) Unquoted Shares

2450(2450) Shares of Colombine Cody Corp. N.P.V	4.12	4.12
Other Non - Current Investments (At Cost)	-	-

Subsidiary Companies

Total	5.78	5.78
--------------	-------------	-------------

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.17 Rs.(in Lakh)	AS AT 31.03.16 Rs.(in Lakh)
12. LONG-TERM LOANS AND ADVANCES		
(Unsecured, Considered Good)		
Capital Advance	237.57	86.58
Security Deposits	596.80	606.80
Total	834.38	693.38
13. OTHER NON CURRENT ASSETS		
(Unsecured)		
Considered Good	-	-
Considered Doubtful	-	-
Minimum Alternate Tax Adjustable	12.13	12.13
Total	12.13	12.13
14. CURRENT INVESTMENT		
Investment in Mutual Fund		
20000 (20000) Unit of Rs. 10/- Each of SBI Magnum Equity Fund (Formerly Known as SBI One India Fund) Market Value-Rs. - 1720076(1455544/-)	2.00	2.00
19560(19560) Unit of Franklin India High Growth Co. Market Value - Rs. - 538956.24 (Rs. 583163.80)	2.00	2.00
100000(100000) Unit of Rs. 10/- each of SBI Infrastructure Fund Market Value - Rs. - 1062390/- (1177770/-)	10.00	10.00
2930 (2930) Unit of Reliance Growth Fund Market Value- Rs. - 2134256.54 (2384406.46/-)	10.00	10.00
10000(10000) of Rs. 10/- each of UTI Infrastructure Advantage Fund-Series-I Market Value- Rs. - 379099/- (440655/-)	1.00	1.00
Total	25.00	25.00
15. INVENTORIES		
Raw Materials	4,032.82	8,619.39
Work-in-Progress (Refer Note No. 52)	606.81	690.65
Finished Goods (Refer Note No. 53)	1,897.76	1,545.09
Stores & Spares Parts	441.49	276.38
Total	6,978.88	11,131.50
16. TRADE RECEIVABLES		
Outstanding for a Period Exceeding Six Months from the date they are due for payment		
Unsecured Considered, Good	402.53	591.86
Doubtful	517.86	466.46
Less: Provision for Doubtful Receivables	(517.86)	(466.46)
	402.53	591.86
Other Trade Receivables		
Unsecured Considered Good	3,654.76	7,723.31
Total	4,057.30	8,315.17

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.17 Rs.(in Lakh)	AS AT 31.03.16 Rs.(in Lakh)
17. CASH & CASH EQUIVALENTS		
Balances in Current Accounts with Banks	305.30	354.64
Cheques and Draft on Hand	35.86	95.92
Cash on Hand	42.58	68.14
	<u>383.74</u>	<u>518.70</u>
Other Bank Balances		
in Fixed Deposit with Banks (Pledged against Margin and other Commitments)	294.30	326.37
Total	<u>678.04</u>	<u>845.07</u>
18. SHORT TERM LOANS & ADVANCES (Unsecured, Considered Good)		
(A) Loans & Advances to Related Parties (With Subsidiaries Company)		
(B) Others		
Balances With Revenue Authorities	84.73	77.90
Advance Income Tax /TDS Recoverable	157.87	177.98
Other Receivables	308.03	426.84
Total	<u>550.64</u>	<u>682.72</u>
# Includes Advance to suppliers, Staff, Prepaid Expenses etc.		
19. OTHER CURRENT ASSETS		
Export Incentive Receivable	362.13	534.26
Less: Provision for Doubtful Receivable	-	(63.04)
Insurance and other Claim Receivable	10.58	22.02
Interest Accrued but not due	46.53	58.28
Total	<u>419.25</u>	<u>551.52</u>
20. REVENUE FROM OPERATIONS		
(A) Sale of Products (Including Traded Goods)		
Export	12,866.28	18,486.40
Domestic	34,887.67	36,623.82
Sub Total (A)	<u>47,753.95</u>	<u>55,110.22</u>
(B) Other Operating Revenues		
Scrap / Waste Sale	1,096.79	1,856.95
Export Incentives	944.33	1,120.00
Job Work Receipt	403.10	327.63
Sub Total (B)	<u>2,444.22</u>	<u>3,304.58</u>
Total (A+B)	<u>50,198.17</u>	<u>58,414.80</u>
	Rs.(in Lakh)	
Details of Product Sold	2016-17	2015-16
Yarn	26867.12	35858.82
Fabric/Made up/Fashion	18056.16	15645.41
Architectural Products	2779.54	2586.71
Others	51.13	1029.27
Total	<u>47753.95</u>	<u>55120.21</u>

NOTES FORMING PART OF ACCOUNTS

	YEAR ENDED 31.03.17 Rs.(in Lakh)	YEAR ENDED 31.03.16 Rs.(in Lakh)
21. OTHER INCOME		
(A) Income from Interest	188.32	235.67
(B) Other Income	167.78	752.36
(C) Foreign Currency exchange fluctuation (Net)	88.85	244.74
Total	<u>444.94</u>	<u>1,232.77</u>
22. COST OF MATERIAL CONSUMED (Refer Note No. 50)		
Opening Stock	8,619.39	24,529.87
Trfd. Slowmoving Inventory	-	19,828.68
Add: Purchases	25,796.48	41,996.06
Total	<u>34,415.87</u>	<u>46,697.25</u>
Less: Closing Stock	4,032.82	8,619.39
Total	<u>30,383.05</u>	<u>38,077.86</u>
23. PURCHASE OF STOCK-IN-TRADE (Refer Note No. 51)	<u>4122.00</u>	<u>276.80</u>
24. CHANGE IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS		
Inventories (at commencement)		
Finished Goods	1,545.09	8,324.49
Work-in-Progress	690.65	4,986.15
Trfd. Slowmoving Inventory	-	9,292.69
Sub Total (A)	<u>2,235.74</u>	<u>4,017.95</u>
Inventories (at end)		
Finished Goods	1,897.76	1,545.09
Work-in-Progress	606.81	690.65
Sub Total (B)	<u>2,504.56</u>	<u>2,235.74</u>
Total (A-B)	<u>(268.82)</u>	<u>1,782.21</u>
25. EMPLOYEE BENEFIT EXPENSES		
Salaries Including other Benefits	3,303.20	3,281.65
Wages Including other Benefits	2,716.53	2,920.36
Contribution to Provident & other Funds-Wages	133.60	147.83
Contribution to Provident & other Funds-Salary	83.49	77.39
Gratuity	66.10	53.83
Staff Welfare	77.13	84.18
Managerial Remuneration (Refer Note No. 49)	225.97	13.93
Total	<u>6,606.00</u>	<u>6,579.16</u>
26. FINANCE COST		
Interest to Others	7.61	47.41
Total	<u>7.61</u>	<u>47.41</u>

NOTES FORMING PART OF ACCOUNTS

	YEAR ENDED 31.03.17 Rs.(in Lakh)	YEAR ENDED 31.03.16 Rs.(in Lakh)
27. OTHER EXPENSES		
Manufacturing Expenses		
Production Expenses	1,117.66	1,080.18
Security & Vigilance	54.78	59.74
Consumption of Stores & Spares	1,150.32	1,225.16
Power & Fuel	4,566.62	5,244.52
Carriage & Cartage	23.37	30.27
Administrative Expenses		
Rent	88.43	56.11
Insurance	112.92	139.91
Rates & Taxes	32.55	34.61
Postage & Telegram	14.42	22.33
Printing, Stationery & Computer Expenses	46.59	56.17
Legal & Professional Expenses	356.73	493.06
Travelling & Conveyance - Others	351.90	363.93
Travelling & Conveyance - Directors	31.92	9.36
Telephone ,Fax & Internet Exp.	60.45	63.06
Books & Periodicals	0.81	1.33
Fees & Subscription	25.51	31.30
General Expenses	30.38	27.91
Bank Charges	103.80	113.14
Payment to Auditors (Refer Note 33)	19.50	23.59
Vehicle Running Expenses	74.83	88.20
Donation	-	0.50
Hank Yarn Obligation	14.25	37.53
Loss on Disposal/Sale of Assets	422.16	25.72
Repairs & Maintenance		
Building	47.44	66.78
Machinery	126.83	103.60
Others	63.73	65.12
Selling & Distribution Expenses		
Packing & Forwarding	1,446.75	2,195.86
Sales Promotion & Incentives	604.29	777.65
Cash Discount	12.05	20.40
Bad Debts W/OFF	115.10	379.83
Prov. For doubtful Debts	58.02	290.52
Advertisement & Publicity	197.61	97.90
Excise / Vat Expenses	9.28	0.88
Freight on Exports	654.75	717.25
Sub Total	12,035.76	13,943.40
Prior Period Expenses (Net)	18.50	20.49
Total	12,054.25	13,963.89

28. A sum of Rs. 4087.05 Lakh is credited as exceptional item arising out of credits availed pursuant to right back of amount of interest and principal waiver of secured loan of settled lenders aggregating to Rs. 4179.99 Lakh, as reduced by the Surrendered amount of current year's interest against settled dispute with ABN AMRO Bank, all aggregating of Rs. 92.94 Lakh.

NOTES FORMING PART OF ACCOUNTS
29. Basic & Diluted Earnings Per Share:

Particulars	For the year ended 31 st March 17	For the year ended 31 st March 16
Profit/(Loss) for the Year before Preference Dividend and attributable tax thereon (Rs. in Lakh)	(6327.66)	2023.09
Less:- Preference Dividend and attributable tax (Rs. in Lakh)	(1266.28)	(1266.28)
Profit/(Loss) attributable to the Equity shareholders after Preference Dividend and attributable tax thereon (Rs. in Lakh) - (A)	(7593.94)	756.81
Weighted average number of equity shares outstanding during the year - (B)	39114100	39114100
Nominal value of equity shares (Rs.)	10.00	10.00
Basic Earnings per share (Rs.)	(19.41)	1.93
Diluted Earnings per share (Rs.)	-	1.13

Note : As per the DRS which is consented by secured lenders (representing more than 83% of total outstanding secured debts of the company) pending consideration of hon'ble BIFR the company is under an obligation to issue fresh equity to the tune of Rs. 26.78 crore (approx) to its lenders, hence the diluted EPS has been calculated after factoring the same.

30. Earnings in Foreign Exchange

Particulars	For the year ended 31 st March 17	For the year ended 31 st March 16
F.O.B. Value of Exports	13294.39	18528.07

Rs.(in Lakh)

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

Particulars	For the year ended 31 st March 17	% of consumption	For the year ended 31 st March 16	% of consumption
Raw Material				
Imported	1494.09	4.92%	2785.71	7.32%
Indigenous	28888.96	95.08%	35292.15	92.68%
Total	30383.05	100.00	38077.86	100.00
Stores				
Imported	160.55	13.96%	387.74	31.65%
Indigenous	989.77	86.04%	837.43	68.35%
Total	1150.32	100.00	1225.16	100.00

Rs.(in Lakh)

32. C.I.F. Value of Imports

Particulars	For the year ended 31 st March 17 Amount	For the year ended 31 st March 16 Amount
Raw Materials	1179.21	2048.85
Capital Goods	61.27	-
Components & Spare Parts	361.65	377.93

Rs.(in Lakh)

NOTES FORMING PART OF ACCOUNTS
33. Payment to Auditors

Rs.(in Lakh)

Particulars	For the year ended 31 st March 17	For the year ended 31 st March 16
a. Audit Fee	16.62	15.59
b. Other Services	2.88	8.00

34. Expenditure in Foreign Currency

Rs.(in Lakh)

Particulars	For the year ended 31 st March 17	For the year ended 31 st March 16
Foreign Travels	52.21	43.91
Others	370.08	295.78

35. The detail of specified bank notes (SBN) held and transacted during period from 8th Nov, 2016 to 30th December, 2016 is as under :-

Rs.(in Lakh)

Particular	SBNS	Other Denomination Notes	Total
Closing cash in hand as on 08.11.2016	1000 X 215	--	3215000
	500 X 3413	--	1706500
		100X 16219	1621900
		50X 3737	186850
		10X 7263	72630
		Coins(1,2,5) 642	642
Permitted receipts		2000 X 2724	5448000
		500 X 843	421500
		100 X 10817	1081700
		50 X 3166	158300
		20 X 1543	30860
		10 X 5968	59680
		Coins(1,2,5) 512	512
Permitted payments		2000 X 1754	3508000
		500 X 661	330500
		100 X 17005	1700500
		50 X 4103	205150
		20 X 1094	21880
		10 X 9294	92940
		Coins(1,2,5) 307	307
Amount deposited in Banks	1000 X 3215		3215000
	500 X 3413		1706500
Closing cash in hand as on 30.12.2016		2000 X 970	1940000
		500 X 182	91000
		100 X 10031	1003100
		50 X 2800	140000
		20 X 449	8980
		10 X 3937	39370
		Coins(1,2,5) 847	847
Grand Total			3223297

36. Holdings of Alps Industries Limited in its Subsidiaries:

Name of the Subsidiary	Country of Incorporation	Holding as on 31 st March 2017	Holding as on 31 st March 2016
Alps Energy Pvt. Ltd	India	69.75%	69.75%
Snowflakes Meditech (P) Ltd	India	73.94%	73.94%
Alps USA INC	USA	100.00%	100.00%

All the companies are subsidiaries of Alps Industries Ltd.

37. Related Party Transactions

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

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

a. Subsidiary	: Alps Energy Pvt. Ltd. : Snowflakes Meditech Pvt. Ltd (Formerly known as Alps Retail Pvt Ltd)
b. Wholly owned Subsidiary	: Alps USA Inc.
c. Entities Controlled by subsidiaries, KMP and their relatives	: Alps Processers Private Limited : Careen Fintec (P) Ltd : Coronation Spinning India (P) Ltd : Pacific Texmark Pvt. Ltd. : Padam Precision Dies & Component pvt. Ltd : Peek Finvest (P) Ltd : Perfect Finmen Services (P) Ltd : Roseate Finvest Pvt.Ltd. : Saurabh Floriculture (P) Ltd : Supreme Finvest Pvt. Ltd : Aspen Enterprises : Peek Texfab Limited : DRS Securities Private Limited : Supersonic Telecommunication Private Limited
ii. Key Management Personnel	
Non-Executive Chairman	a. Mr. K.K Agarwal
Managing Director	b. Mr. Sandeep Agarwal
Executive Director (WTD)	c. Mr. P.K. Rajput
President Accounts and Finance	d. Mr. Ashok Kumar Singhal
Company Secretary	e. Mr. Ajay Gupta
iii. Relatives of Key Management Personnel	
	a. Mrs. Sanyog Agarwal
	b. Mrs. Nidhi Agarwal
	c. Mrs. Indu Singhal

NOTES FORMING PART OF ACCOUNTS
Transactions with Related Parties for the year ended 31st March 2017 are as follows:
Rs.(in Lakh)

Nature of Transaction	Entities Controlled by subsidiaries, KMP and their relatives				Remuneration to Directors / Relatives
	Alps Processors Pvt.Ltd	Pacific Texmark Pvt. Ltd	Aspen Enterprises	Peek Texfab Ltd.	
a. Sale of Goods	NIL (NIL)	NIL (NIL)	2603.93 (4806.34)	NIL (NIL)	-
b. Rent Paid	NIL (NIL)	NIL (NIL)	NIL (NIL)	10.80 (10.80)	-
c. Interest Paid	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	-
d. Interest Received	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	-
e. Advance/Loans taken	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	-
f. Repayment of Advance /Loans	NIL (12.19)	NIL (0.54)	NIL (NIL)	NIL (116.15)	-
g. Sitting fee to KMP					
- Non-Executive Chairman					0.40 (0.50)
Remuneration to KMP					
- Managing Director					212.04 (NIL)
- Executive Director(WTD)					13.56 (13.92)
- President Account and Finance					15.86 (15.80)
- Company Secretary					7.20 (7.04)
h. Salary to relative of KMP					
- Mrs. Sanyog Agarwal					NIL (5.23)
- Mrs. Nidhi Agarwal					NIL (9.60)
- Mrs. Indu Singhal					8.00 (7.95)
i. Balance at the year end (cr.)	NIL (NIL)	NIL (NIL)	265.59 (447.03)	NIL (NIL)	-
j. Balance at the year end (dr.)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	-

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

NOTES FORMING PART OF ACCOUNTS

38. The segment disclosure as per Accounting Standard –17 on “Segment Reporting” (AS-17) issued by the Institute of Chartered Accountants of India is as under:

Primary Segments

Rs.(in Lakh)

Particulars	SEGMENTS							
	Home Furnishing & Fashion Accessories		Yarn		Architectural Products		Total	
Year	For the year ended 31 st March 2017	For the year ended 31 st March 2016	For the year ended 31 st March 2017	For the year ended 31 st March 2016	For the year ended 31 st March 2017	For the year ended 31 st March 2016	For the year ended 31 st March 2017	For the year ended 31 st March 2016
Segment Revenues	19399.11	17233.71	28815.27	38803.16	2826.55	3593.18	51040.93	59630.05
Less Inter Segment Revenue	177.02	190.79	733.64	1193.14	-	-	910.66	1383.93
Net Segment Revenue	19222.09	17042.92	28081.63	37610.02	2826.55	3593.18	50130.27	58246.12
Segment Results	(2385.92)	(2066.70)	(3771.68)	(3985.84)	23.71	21.67	(6133.89)	(6030.87)
Less Financial Expenses	-	-	-	-	-	-	(7.61)	(47.41)
Less Un-allocable expenses	-	-	-	-	-	-	-	-
Add Other Income	-	-	-	-	-	-	444.94	1232.77
Profit before tax	-	-	-	-	-	-	(5696.56)	(4845.51)
Other Informations	-	-	-	-	-	-	-	-
Segment Assets	14914.24	21888.52	33476.51	38419.87	1700.66	2591.28	50091.41	62899.67
Unallocated Assets	-	-	-	-	-	-	1744.01	3030.57
Total Assets	-	-	-	-	-	-	51835.42	65930.24
Segment Liability	2432.97	6750.66	4871.01	4535.07	301.45	405.03	7605.43	11690.76
Unallocated liability	-	-	-	-	-	-	85307.82	90640.62
Share Capital, Reserve & Surplus and Profit & Loss	-	-	-	-	-	-	(41077.83)	(36401.14)
Total Liability	-	-	-	-	-	-	51835.42	65930.24
Capital Expenditure	176.62	100.13	427.23	44.48	12.47	5.52	-	-
Depreciation	1569.66	1456.77	1701.98	2041.77	74.77	76.33	-	-
Non Cash Expenses	-	-	-	-	-	-	-	-

-Previous year figures have been regrouped or rearranged to make them comparable with those of current year.

NOTES FORMING PART OF ACCOUNTS

Particulars	Secondary Segments						Rs.(in Lakh)
	SEGMENTS						
	Domestic		Export		Total		
	For the year ended 31 st March 2017	For the year ended 31 st March 2016	For the year ended 31 st March 2017	For the year ended 31 st March 2016	For the year ended 31 st March 2017	For the year ended 31 st March 2016	
Segment Revenue	36319.66	38639.72	13810.61	19606.39	50130.27	58246.12	

39. Contingent Liabilities and Commitments
A) Contingent liability exists in respect of:

Particulars	Rs.(in Lakh)	
	As at 31.03.2017	As at 31.03.2016
a) Guarantees issued by banks on behalf of company.	251.70	315.56
b) Claims against the company not acknowledged as debts	1321.18	1269.42
c) Other Claims against the company not acknowledged as debt :(detailed as under):	36370.59	36799.31

- (i) Kotak Mahindra Bank Limited (KMBL) filed an Original Application (O.A.) before Hon'ble Debt Recovery Tribunal, Mumbai (DRT) for recovery of its claim amounting to Rs. 601.11 Lakh (P.Y. Rs. 601.11 Lakh) in respect of certain foreign currency derivative transactions which were disputed being per se illegal as not within the regulatory permission of RBI and were entered into by the company on the basis of incomplete disclosures and details thus falls in the category of mis-selling by the bank to the company. Hon'ble DRT vide an interim order has restrained the company to sale of its certain Fixed Assets. Hon'ble Debt Recovery Appellate Tribunal (DRAT) Mumbai, on Appeal of the company, has directed to return the said OA and set aside the said restrained order passed by the Hon'ble DRT. The Hon'ble Bombay High Court vide an interim order in the writ filed by KMBL against the order of Hon'ble DRAT has stayed the order of Hon'ble DRAT & restored the operation of restrain order passed by Hon'ble DRT and also stayed the proceedings before Hon'ble DRT till further order. The said writ still under consideration of Hon'ble Bombay High Court. Besides this, Subsequently, Kotak Mahindra Bank had also raised another claim of Rs. 1435 Lakh (P.Y. Rs. 1435 Lakh) in respect of these foreign currency derivative transactions. On the basis of legal opinion, the company has not admitted these claims of bank against these transactions and filed a suit in the competent civil court of law against these derivative transactions where the same is still pending adjudication. An appeal filed by the company against the order passed by the Hon'ble Civil Court in the matter of withdrawing its earlier order directing to maintain the status quo as regards the recovery proceedings is also pending adjudication before Hon'ble Allahabad High Court. In view of above facts, no provision against these transactions is considered necessary.
- (ii) DBS Bank Ltd. has raised claims amounting to US\$ 91.09 Lakh & Rs. 667.39 Lakh (totaling to Rs.6574.15 Lakh, approx) (P.Y. totaling to Rs. 6710.28 Lakh approx) against the Company in respect of certain foreign currency derivative transactions which were disputed being per se illegal as not within the regulatory permission of RBI and were entered into by the company on the basis of incomplete disclosures and details thus falls in the category of mis-selling by the bank to the company. On the basis of legal opinion, the company has not admitted the claims of bank & filed a suit in the competent civil court of law against these transactions who has issued an interim order for maintenance of status quo with regards to recovery towards these transactions. The interim order is still continuing and the matter is still pending adjudication. A revision filed by bank against the status quo order passed by Hon'ble Civil Court is also pending adjudication before Hon'ble Allahabad High Court. In view of above facts, no provision against these transactions is considered necessary.

NOTES FORMING PART OF ACCOUNTS

- (iii) Merrill Lynch Capital Services Inc. raised a claim of US\$ 195.80 Lakh (Rs. 12695.36 Lakh approx.) (P.Y. Rs. 12987.94 Lakh approx.) against the company in respect of an alleged corporate guarantee of US\$ 100 Lakh (Rs.6633.29 Lakh approx.) (P.Y. Rs. 6633.29 Lakh approx.) alleged to be given by the company for one of its subsidiary company M/s Alps USA Inc. These claims relate to derivative transactions and corporate guarantee thereof which were disputed being per se illegal as not within the regulatory permission of RBI and were entered into by the company on the basis of incomplete disclosures and details thus falls in the category of mis-selling by the bank to the company. RBI has also refused to take on record the said corporate guarantee. Based on legal opinion, the company has not admitted said claim and filed a suit in the competent civil court of law. An Appeal filed by the company against the order passed by Hon'ble Civil Court in the matter of withdrawing its jurisdiction and earlier order directing to maintain the status quo as regards the recovery proceedings is pending adjudication before Hon'ble Allahabad High Court. In view of above facts, no provision against above claim is considered necessary.
- (iv) Workers of Kashipur and Jaspur units have filed cases before the Industrial Tribunal/Labour Court, Haldwani, Uttarakhand U/s 33C(2) of the Industrial Dispute Act 1947 claiming total amount of Rs. 15064.97 Lakh, in respect of their alleged dues towards wages, retirement benefit etc. as per Hon'ble Court's Notice dated 4th May 2013 received by the company, which is being contested. The Liability, if any, will be accounted for as and when the matter is finally decided.

B) Commitments:-

		Rs.(in Lakh)
	31.03.2017	31.03.2016
i) Estimated amount of capital contracts remaining to be executed not provided for:	1130.20	59.57
ii) Arrears of preferential dividend	6099.50	5047.39

C) Forward Contracts outstanding:-

		Rs.(in Lakh)
	31.03.2017	31.03.2016
a) Future Contracts	NIL	1697.77

40. The Company (AIL) was registered with Hon'ble BIFR as a sick industrial company under the provision of Sick Industrial Companies (Special Provisions) Act, 1985 and the Hon'ble BIFR vide its order dated 17.11.2016 had issued directions for circulation of the Draft Rehabilitation Scheme (DRS) of the company (as consented by the super majority of secured lenders presently having/acquired more than 95% of the total secured debts of the company), which scheme inter-alia envisaged complete waiver of the interest and part waiver of principal loans and also had the consent of the super majority of secured lenders of the Company. Pursuant to notification dated 25.11.2016 of the Sick Industrial Companies (Special Provisions) Repeal Act, 2003 effective w.e.f. 1.12.2016, pending reference of the company before the BIFR was abated. Further, vide Notification No. S.O. 3594(E) dated 30.11.2016, the provisions of Insolvency and Bankruptcy Code, 2016 (IBC) were notified to come into effect from 01.12.2016. Accordingly the Company is envisaging to approach the National Company Law Tribunal for seeking the necessary resolution, in accordance with the provisions of Insolvency and Bankruptcy Code, 2016 (IBC). Accordingly the Financial Statements have been prepared on going concern basis.

NOTES FORMING PART OF ACCOUNTS

- 41. No provision has been made during the financial year 2016-17 amounting to Rs. 1879.22 Lakh (Previous Year Rs.2000.00 Lakh) being interest payable on borrowing from some of the secured lenders who are yet to accord their consent to the restructuring proposal of the company. As the dissenting lenders are in minority hence, as and when the Resolution Plan of the Company will get approved, the minority lenders will be bound by the decision taken by the super majority lenders. In line with the proposed treatment to the secured debts of the company under the agreed restructuring by the super majority of secured lenders, the outstanding debts of all Banks/Fl/ARCs have been bifurcated as noncurrent liabilities (long term borrowing) and current liabilities (other current borrowing) and accordingly stated in these financial statements.
- 42. As per assessment w.r.t. impairment of the assets, as on 31.3.2017 an Impairment of Rs. 810.81 Lakh on Plant & Machinery, Rs. 2.13 Lakh on Office Equipment, Rs. 2.45 Lakh on Furniture & fixtures, Rs. 0.26 Lakh on Computers and Rs. 142.47 Lakh on Building situated at erstwhile Spinning units at Kashipur and Jaspur of AIL and also Rs. 1408.20 Lakh on plant & machinery lying at erstwhile Furnishing unit at Sahibabad of AIL have been ascertained. Accordingly the same has been recognized in the profit & loss statement under the head exceptional items and stated under respective class of assets in schedule 10 of Fixed Assets of the balance sheet.
- 43. Deferred Tax adjustments resulting from items of timing differences have been measured using the rates and tax laws enacted or substantially enacted as on 31.03.17 and the same results into the Deferred Tax Assets (net), which has not been recognized due to uncertainty of sufficient taxable income in future within reasonable period.
- 44. There is no amount outstanding on account of unclaimed dividend as on date, as per Section 124 of the Companies Act, 2013.
- 45. The balances of Trade Receivable, Loans and Advances and Trade payable are subject to confirmation, reconciliation and consequential adjustment, if any, which in the opinion of the management will not be material.
- 46. Sales are net of Rebate & Discounts amounting to Rs. 684.89 Lakh (Previous Year Rs. 768.22 Lakh).
- 47. The Secured loan of St. Chartered Bank and unsecured loan of Snowflakes Meditech Pvt Ltd. and Alps Energy Pvt. Ltd. have been settled and adjusted in accounts however the lenders have reserved their right to reinstate the waivers granted in case of breach of any terms of the settlement till payment of settled amount. Also the secured loan of ICICI Bank have been settled and paid & adjusted in the accounts.

48. Employee Benefits

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

1. Defined Contribution plans:

The company has recognized the following amounts in the Statement of profit and loss:

Particulars	Rs.(in Lakh)	
	For the year ended 31 st March 17	For the year ended 31 st March 16
Employers contribution to Provident Fund and Employee's State Insurance Corporation	217.09	225.20

NOTES FORMING PART OF ACCOUNTS
2. Defined Benefit plans

- I. Gratuity
-
- II. Earned leave

In accordance with the Accounting Standard 15 (Revised 2005), actuarial valuation was done in respect of the aforesaid defined benefit plans and details of the same are given below:

Rs.(in Lakh)

Particulars	Gratuity (Unfunded)		Earned Leave (Unfunded)	
	For the Year ended	For the Year ended	For the Year ended	For the Year ended
	31 st March 17	31 st March 16	31 st March 17	31 st March 16
Discount Rate (per annum)	7.50%	7.50%	7.50%	7.50%
Future Salary Increase	5.00%	5.00%	5.00%	5.00%
In Service Mortality	Std of LIC (2006-08)	Std of LIC (2006-08)	Std of LIC (2006-08)	Std of LIC (2006-08)
Retiring Age	58 years	58 years	58 years	58 years
Withdrawal Rates:				
Up to 30 years	3%	3%	3%	3%
Up to 44 years	2%	2%	2%	2%
Above 44 years	1%	1%	1%	1%
I. Expenses recognized in Statement Profit & Loss				
Current Service Cost	56.33	48.76	29.26	19.51
Past Service Cost - Vested	Nil	Nil	Nil	Nil
Interest Cost	21.01	21.04	7.32	8.14
Net Actuarial (Gain)/ Loss recognized in the year	(11.07)	(15.96)	(7.29)	(13.29)
Total Expenses	66.27	53.84	29.29	14.36
II. Net Assets /(Liability) recognized in the Balance Sheet				
Present value of the Defined Benefit obligation	281.73	280.19	108.83	97.61
Fund Status (Deficit)	(281.73)	(280.19)	(108.83)	(97.61)
Net assets/ (Liability)	(281.73)	(280.19)	(108.83)	(97.61)
III. Change in present value of obligation				
Present Value of obligation as at the beginning of the period	280.19	270.75	97.61	105.07
Interest Cost	21.01	21.04	7.32	8.14
Past Service Cost - Vested	Nil	Nil	Nil	Nil
Current Service Cost	56.33	48.76	29.26	19.51
Benefits Paid	(64.73)	(44.40)	(18.07)	(21.82)
Actuarial (gains)/ Loss on obligation	(11.07)	(15.96)	(7.29)	(13.29)
Present Value of obligation as at the end of the period	281.74	280.19	108.83	97.61

49. Directors Remuneration

Rs.(in Lakh)

Particulars	For the year ended 31 st March 17	For the year ended 31 st March 16
Salary	225.25	13.20
Perquisites	00.72	00.72
Total	225.97	13.92

NOTES FORMING PART OF ACCOUNTS
50 Particulars of Raw Material Consumption

Rs.(in Lakh)

Particulars	For the year ended 31 st March 17	For the year ended 31 st March 16
Cotton	20411.82	25838.23
Yarn	4066.11	1979.32
Fabric	4354.84	5795.58
Architectural Products	1550.28	2074.85
Others	-	2388.98
Total	30383.05	38076.95

51. Details of Purchases of Stock-in-Trade

Rs.(in Lakh)

Particulars	For the year ended 31 st March 17	For the year ended 31 st March 16
Yarn	57.60	167.21
Fabric	4029.25	16.86
Architectural	35.15	92.73
Total	4122.00	276.80

52. Inventories

Rs.(in Lakh)

Particulars	As at 31 st March 17	As at 31 st March 16
Work-in-Progress		
Cotton / Fiber	387.95	398.47
Yarn	107.43	120.30
Fabric / Made up	85.99	152.55
Others	25.43	19.32
Total	606.80	690.65

53. Inventories (Finished Goods)

Rs.(in Lakh)

Particulars	As at 31 st March 17	As at 31 st March 16
Finished Goods		
Yarn	1040.47	716.21
Fabric / Made up	857.29	828.88
Others	--	--
Total	1897.76	1545.09

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

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

Kaushal Kishore Pal
 Partner
 Membership No. : 074999
Place : Ghaziabad
Date : May 30, 2017

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

Ajay Gupta
 Company Secretary

For and on behalf of the Board

Sandeep Agarwal
 Managing Director
 DIN - 00139439

P.K. Rajput
 Executive Director
 DIN - 00597342

DISCLOSURE OF ADDITIONAL INFORMATION PERTAINING TO THE PARENT COMPANY, SUBSIDIARIES AND JOINT VENTURES UNDER SCHEDULE III OF COMPANIES ACT 2013.

Rs.(in Lakh)

S. No.	Name of the Entity	Net Assets (Total Assets- Total Liabilities)		Net Assets (Total Assets- Total Liabilities)		Share in Profit or Loss		Share in Profit or Loss	
		As % of Consolidated Net Assets	Net Assets as on 31.03.2017	As % of Consolidated Net Assets	Net Assets as on 31.03.2016	As % of Consolidated Profit or Loss	Profit/(Loss) for the Year Ended on 31.03.2017	As % of Consolidated Profit or Loss	Profit/(Loss) for the Year Ended on 31.03.2016
	Parent Company Alps Industries Limited	99.81%	(41,959.04)	104.38%	(37,996.68)	70.31%	(3,962.34)	99.96%	2,022.26
1	Subsidiary Company Alps Energy Pvt. Ltd.	(0.39)%	163.94	(5.44)%	1,982.29	32.27%	(1,818.35)	0.03%	0.70
2	Snowflakes Meditech Pvt. Ltd.	(2.25)%	946.62	(4.10)%	1,493.59	9.71%	(546.97)	0.02%	0.46
3	Alps USA Inc.	(0.80)%	332.94	(0.91)%	332.94	0.00%	0.00	0.00%	0.00
	Minority Interests in all Subsidiaries	224.69		917.27					
	Associates (Investment as per the Equity Method)	NOT APPLICABLE							
	Joint Ventures (as per proportionate consolidation/ Investment as per the Equity Method)	NOT APPLICABLE							

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

Kaushal Kishore Pal
Partner
Membership No. 074999
Place : Ghaziabad
Date : May 30, 2017

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

Ajay Gupta
Company Secretary

For and on behalf of the Board

Sandeep Agarwal
Managing Director
DIN - 00139439

P.K. Rajput
Executive Director
DIN - 00597342

AUDITORS' CERTIFICATE FOR CASH FLOW STATEMENT

We have examined the Cash Flow Statements (Standalone & Consolidated) of Alps Industries Limited for the financial year ended on 31st March 2017, The statement has been prepared by the Company in accordance with the requirements of Regulation 53 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock exchange and is based on and in agreement with the corresponding Profit and Loss Account and the Balance sheet of the Company covered by our report of May 30, 2017 to the members of the Company.

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

Place : Ghaziabad
Date : May 30, 2017

Kaushal Kishore Pal
Partner
Membership No. : 074999

IMPORTANT AND USEFUL LINKS :

1. **Board Of Directors and Updates** : http://alpsindustries.com/board_of_directors.php.
2. **Financial Performance** http://alpsindustries.com/financial_performance.php.
3. **Annual Report** : http://alpsindustries.com/details_of_reports.php.
4. **Shareholding Pattern**: <http://alpsindustries.com/shareholding.php>.
5. **Corporate Governance** :http://alpsindustries.com/corporate_governance.php.
6. **Investors News** : http://alpsindustries.com/investor_news.php.
7. **Code of Conduct of the Company**:
<http://alpsindustries.com/images/pdf-img/Code-of-conduct.pdf>.
8. **Nomination & Remuneration, Evaluation And Board Diversity Policy** :
http://alpsindustries.com/images/pdfimg/Remuneration_Policy_ALPS.pdf.
9. **Whistle Blower Policy**:
http://alpsindustries.com/images/pdfimg/Vigil%20mechanism_ALPS.pdf.
10. **Related Party Policy**:
<Http://alpsindustries.com/images/pdf-img/related-party-transcation-policy.pdf>.
11. **Risk Management Policy**: <http://alpsindustries.com/images/pdf-img/Risk-Management-Policy.pdf>.
12. **Code of Conduct under SEBI(Insider Trading) Regulations, 2015** :
<http://alpsindustries.com/images/pdf-img/CODE-OF-CONDUCT.pdf>.
13. **Material Informations in terms of regulation 30 of under SEBI (LODR) Regulations, 2015** :
www.alpsindustries.com
14. **all the relevant informations in terms of regulation 46 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015** : www.alpsindustries.com



Alps Industries Limited

Registered & Corporate Office : 57/2, Site IV, Industrial Area, Sahibabad, Ghaziabad - 201010 (U.P.)

Ph. : 0120 - (91) - 4161700 • Fax : 0120 - (91) 2896041

e-mail : info@alpsindustries.com • www.alpsindustries.com