

Limited Review Report

To
The Board of Directors,
Alps Industries Limited,
57/2, Site IV, Industrial Area,
Sahibabad, Ghaziabad-201 010 (U.P.)

1. We have reviewed the accompanying statement of Standalone & Consolidated Unaudited Financial Results of **Alps Industries Limited (CIN NO. L51109UP1972PLC003544)** ("the Company") and its Subsidiaries (hereinafter referred to as the "Group") for the quarter ended on June 30, 2018' together with the notes thereon (the 'Statement'). The Statement has been prepared by the Company pursuant to Regulation 33 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which has been initialed by us for identification purposes.

The statement is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards - 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.

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

3. Basis for Qualified Opinion

Refer to note no. 2 to the notes on accounts, the Company has not provided for its liability towards interest & part of principal loan, waived earlier, and impact of retained earnings in terms of draft rehabilitation scheme and now revoked by its consented lenders amounting to Rs. 128365.02 lakh,



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

4. Emphasis of Matters

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

To note no 2 related to preparation of financial statement on going concern basis on the expectation of the company to get the necessary resolution for restructuring of debts and to meet its financial obligation and continuation of giving effect to earlier consented scheme.

Our conclusion is not modified in respect of this matter.

5. Other matters

We did not review the financial results of wholly owned overseas subsidiary namely M/s Alps USA Inc., considered in the consolidation of the financial statements whose financial results reflect total revenue of Nil for the quarter ending June 30th 2018. These financial results have been furnished to us by the management, and our report on the statement in so far as it relates in respect of this subsidiary is based solely on statement prepared by the management.

6. Based on our review conducted as above, except for the effects / possible effects to our observation stated in para 3 above, nothing has come to our attention that causes us to believe that the accompanying statement of Standalone & Consolidated Unaudited Financial Results prepared in all material respect in accordance with Ind AS 2015 and other recognized practices and polices has not disclosed the information required to be disclosed in terms of Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Ghaziabad
Date: August 13, 2018



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

Mani Goyal
(MANI GOYAL)
(Partner)

Membership No. 421929

ALPS INDUSTRIES LIMITED

CIN : L51109UP1972PLC003544

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

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STANDALONE AND CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER YEAR ENDED ON 30TH JUNE 2018.

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

										(Rs. in lakhs)
	Particulars	3 months ended	3 months ended	Preceding 3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Corresponding 3 months ended in the previous year	Financial year Year ended	Financial year Year ended	
		(Standalone)	(Consolidated)	(Standalone)	(Consolidated)	(Standalone)	(Consolidated)	(Standalone)	(Consolidated)	(Standalone)
		30.06.2018	30.06.2018	31.03.2018	31.03.2018	30.06.2017	30.06.2017	31.03.2018	31.03.2018	
		Unaudited	Unaudited	Audited (Refer to Note No. 06)	Audited (Refer to Note No. 06)	Unaudited	Unaudited	Audited	Audited	
I	Revenue									
II	(a) Income from operations	8,470.17	8,470.17	8,266.39	8,266.39	10,377.83	10,377.83	36,351.63	36,351.63	
III	(b) Other income	148.50	154.07	160.78	160.78	41.57	41.57	710.27	333.38	
IV	Total Revenue (II+ III)	8,618.67	8,624.24	8,427.17	8,427.17	10,419.40	10,419.40	37,061.90	36,685.01	
V	Expenditure									
	(a) Cost of Material consumed	5,052.40	5,052.40	5,379.81	5,955.46	6,849.14	6,849.14	23,802.61	23,802.61	
	(b) Purchase of stock-in-trade	-	-	-	-	-	-	-	-	
	(c) Excise Duty	-	-	-	-	4.91	4.91	4.91	4.91	
	(d) Changes in Inventories of finished goods, Work in progress & stock in trade	239.82	239.82	(15.80)	(15.80)	281.34	281.34	1,297.01	1,297.01	
	(e) Employee Benefit expense	1,202.34	1,202.34	1,305.33	1,305.33	1,500.49	1,500.49	5,739.55	5,739.55	
	(f) Finance cost	1,425.06	1,423.05	1,389.36	1,387.40	1,338.74	1,336.32	5,449.59	5,440.79	
	(g) Depreciation & Amortisation expenses	851.42	852.60	947.70	948.87	826.53	828.61	3,520.04	3,526.58	
	(h) Impairment of Assets	-	-	-	-	-	-	-	-	
	(i) Other expenses	2,022.99	2,023.23	1,888.52	1,314.65	2,514.54	2,515.03	8,837.27	8,840.42	
	Total Expenses	10,794.03	10,793.44	10,894.92	10,895.91	13,315.68	13,315.84	48,650.97	48,651.87	
VI	(Loss)/Profit before exceptional items and tax (IV-V)	(2,175.36)	(2,169.20)	(2,467.75)	(2,468.74)	(2,896.28)	(2,896.44)	(11,589.07)	(11,966.86)	
VII	Exceptional items	-	-	-	-	-	-	-	-	
VIII	(Loss)/Profit before tax (VI- VII)	(2,175.36)	(2,169.20)	(2,467.75)	(2,468.74)	(2,896.28)	(2,896.44)	(11,589.07)	(11,966.86)	
IX	Tax expense									
	(a) i) Current tax	-	-	-	-	-	-	-	-	
	(b) ii) Deferred tax	-	-	-	-	-	-	-	-	
X	(Loss)/Profit after tax (VIII-IX)	(2,175.36)	(2,169.20)	(2,467.75)	(2,468.74)	(2,896.28)	(2,896.44)	(11,589.07)	(11,966.86)	
XI	Other	-	-	41.53	41.53	3.11	3.11	41.73	41.73	
XII	Total comprehensive income (XIII+XIV)	(2,175.36)	(2,169.20)	(2,426.22)	(2,427.21)	(2,893.17)	(2,893.33)	(11,547.34)	(11,925.13)	
	Attributable to :									
	Owners		(2,171.06)	(2,426.22)	(2,427.10)	(2,893.17)	(2,892.57)	(11,547.34)	(11,925.23)	
	Non Controlling Interest		1.86		(0.11)		(0.76)		0.10	
	Profit for the period attributable to :									
	Owners		(2,171.06)	(2,426.22)	(2,427.10)	(2,893.17)	(2,892.57)	(11,547.34)	(11,925.23)	
	Non Controlling Interest		1.86		(0.11)		(0.76)		0.10	
	Other comprehensive income for the period									
	Owners			41.53	41.53	3.11	3.11	41.73	41.73	
	Non Controlling Interest									
XIII	Raid up equity share capital (face value of Re. 10/-)	3,911.41	3,911.41	3,911.41	3,911.41	3,911.41	3,911.41	3,911.41	3,911.41	
XIV	Earnings per share (face value of Rupee 10/- each)									
	Basic and Diluted earnings per share (in	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	(29.52)	(30.75)	

NOTES:-

1. The Unaudited Financial Results for the quarter ended on June 30, 2018 have been reviewed by the Audit Committee, approved by the Board of Directors at their meeting held on August 13, 2018.
2. During last year, the lenders having more than 83% of the secured debts of the company revoked their consent to the DRS/settlement circulated by erstwhile Hon'ble BIFR, interalia containing the restructuring of the debts of the company, which was partly implemented. Company has protested to the said revocation of consent being unjustified and beyond terms of scheme. Company has submitted a revised restructuring scheme with Edelweiss Assets Reconstruction Company Ltd., (presently holding about 93% of the total secured debt of the company), which is under consideration with them. Management expect to get it approved and would be able to meet its proposed reduced financial obligations. Accordingly the financial statements have been prepared on going concern basis and company continues to give effect to the earlier consented restructuring scheme in these accounts. The impact, if any, of the revised restructuring scheme which is under consideration, will be given effect in the financial statements of the year of final settlement with lenders. Hence no provision considered necessary in these accounts towards interest on entire secured loans & part of principal secured loan, waived earlier, and impact on retained earnings thereon totaling to Rs. 128365.02 lakh in terms of provisions of earlier consented scheme.
3. The equity shares of the Company are listed at National Stock Exchange India Limited (NSE) under Scrip Code ALPSINDUS-EQ and Bombay Stock Exchange Limited (BSE) under Scrip Code 530715/ALPSIND. In terms of the resolution passed by the Board of Directors of the Company at their meeting held on May 30, 2016, and in pursuant to Regulations 6 and 7 of the SEBI (Delisting of Equity Shares) Regulation 2009, as amended from time to time, the Company




has submitted the application dated 9.6.2016 for Voluntary Delisting of its 39114100 Equity Shares from Bombay Stock Exchange Limited which is still pending with Stock Exchange. The Company has filed a Writ Petition No. WIRC/0008567/2018 before Allahabad High Court for necessary directions which is under consideration with Hon'ble Court.

4. In their audit report dated 30.05.2018 on the financial statements of the company for the year ended on March 31, 2018, the auditors has given the following qualification:-

"Refer to note no. 38 to the notes on accounts, the Company has not provided for its liability towards interest & part of principal loan, waived earlier, and impact of retained earnings in terms of draft rehabilitation scheme and now revoked by its consented lenders amounting to Rs. 124590.19 lakh. Accordingly the loss for the year and loan liability would have been increased and shareholder's fund would have been reduced to that extent."

In case, company would have considered this as liability, its standalone net loss for the quarter would have been of Rs. 126765.55 lakh (consolidated net loss Rs. 126759.39 lakh) as against already stated standalone net loss of Rs. 2175.36 lakh (consolidated net loss Rs. 2169.20 lakh) and the accumulated loss and loan liabilities at the end of the quarter ended on June 30' 2018 would have been higher by Rs. 124590.19 lakh.

The impact, if any, of the revised restructuring scheme which is under consideration with lenders, will be given effect in the financial statements of the year of final settlement with them.

5. The company has received Order from the Pondicherry Industrial Promotion Development and Investment Corporation Limited (PIPDIC), Puducherry vide order No. F 31-08/10-11/Dev/795-IV/1140 dated 27.06.2018 received on dated 02.07.2018 for cancellation of lease deed alleging the non compliance of lease terms. Further, as stated in the said order, PIPDIC on 6.7.2018 has put their locks and sealed the unit as a action to take over the possession ignoring the reply dated 3.7.2018 of the company justifying that there is no case of non compliance of lease terms. Aggrieved with the order and said action of PIPDIC, company has filed a Writ petition with Hon'ble Madras High Court at Chennai asking for





necessary relief. The Hon'ble Court vide its order dated 16.7.2018 while accepting the case of the company, directed PIPDIC to de-seal the unit however subsequently allowed PIPDIC to hold till final disposal of the matter which is under consideration of Hon'ble Court.

6. The figures for the quarter ended on 31st March, 2018 are the balancing figures between the audited figures in respect of the full financial year and the published-year-to-date-figures up to the third quarter of the relevant financial year.
7. Effective April 1, 2018, the Company adopted Ind-AS 115 – Revenue from Contracts with Customers, using the cumulative catch up transition method. The effect on adoption of Ind-AS 115 is insignificant on the financial statements.
8. The figures for the previous year have been regrouped, re-casted and rearranged, wherever considered necessary.

DATE : AUGUST 13, 2018

PLACE : GHAZIABAD

BY ORDER OF THE BOARD


(P.K. RAJPUT)

EXECUTIVE DIRECTOR

DIN NO.: 00597342

