

Independent Auditor's Review Report on Standalone Unaudited quarterly and year to date financial results of the Company Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors,
Alps Industries Limited
57/2, Site IV, Industrial Area,
Sahibabad, Ghaziabad-201010 (U.P.)

We have reviewed the accompanying statement of unaudited financial results of **Alps Industries Limited** (CIN: L51109UP1972PLC003544) for the quarter and period ended December 31, 2019. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

1. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
2. Based on our review conducted as above, except for the effects/possible effects to our observation stated in Para 3 below, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.



3. Basis for Qualified Opinion

Refer to note no. 5 to the notes on accounts, the Company has not provided for the 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. 139913.98 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

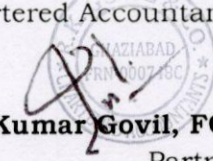
We draw attention to the matters as given in Note No. 5 to Financial Statements in respect of preparation of financial statement on going concern basis on the expectation of the company to get the necessary resolution for restructuring/ settlement of debts and to meet its financial obligation thereof and continuation of giving effect to earlier consented scheme though now revoked.

Our conclusion is not modified in respect of this matter.

For R. K Govil & Co.

FRN: 000748C

Chartered Accountants


Rajesh Kumar Govil, FCA

Partner

M.No. 013632

Place : Ghaziabad

Date : February 12, 2020

UDIN : 20013632AAAABD6263

Independent Auditor's Review Report on Consolidated Unaudited quarterly and year to date financial results of the Company Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors,
Alps Industries Limited
57/2, Site IV, Industrial Area,
Sahibabad, Ghaziabad-201010 (U.P.)

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **Alps Industries Limited** (CIN:L51109UP1972PLC003544) ("Parent company") and its subsidiaries (Parent and its subsidiaries together referred to as "the Group") and its share of the net loss after tax for the quarter ended December 31, 2019 and for the period from April 1, 2019 to December 31, 2019 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. Attention is drawn to the fact that the consolidated figures for the corresponding quarter ended December 31, 2018 and the corresponding period from April 1, 2018 to December 31, 2018, as reported in these financial results have been approved by the holding company's Board of Directors, but have not been subjected to review.
2. This Statement which is the responsibility of the Parents Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, 'Interim Financial Reporting' (Ind AS 34), prescribed under Section 133 of the Companies Act 2013 and other accounting principles generally accepted in India. Our Responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than



an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:
 - a. Alps Energy Private Limited, (Subsidiary of Alps Industries Ltd.)
 - b. Alps USA Inc. (Subsidiary of Alps Industries Ltd.)
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the financial statements furnished to us by the management as adopted referred to in paragraph 8 below, except for the effects/possible effects to our Observation stated in Para 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Basis for Qualified Opinion

Refer to note no. 5 to the notes on accounts, the Company has not provided for the 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. 139913.98 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.



7. Emphasis of Matters

We draw attention to the following matters as given in Note No. 5 to Financial Statements in respect of preparation of financial statement on going concern basis on the expectation of the company to get the necessary resolution for restructuring/settlement of debts and to meet its financial obligation thereof and continuation of giving effect to earlier consented scheme though now revoked.

Our conclusion is not modified in respect of this matter.

8. The consolidated unaudited financial results includes the interim financial results of Alps Energy Private Limited and Alps USA Inc., subsidiaries which have not been reviewed by their auditors, whose interim financial results reflect, of both the subsidiaries, total revenue of Rs. 0.05 lakh and Rs. 0.05 lakh, total net loss after tax of Rs. 1.46 lakh and Rs. 4.64 lakh for the quarter ended December 31, 2019 and for the period from April 1, 2019 to December 31, 2019, respectively, as considered in the consolidated unaudited financial results. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our conclusion is not modified in respect of this matter.

For R. K Govil & Co.

FRN: 000748C

Chartered Accountants

Rajesh Kumar Govil, FCA
(Partner)

M.No. 013632

Place : Ghaziabad

Date : February 12, 2020

UDIN : 20013632AAAABD2174

ALPS INDUSTRIES LIMITED
CIN : L51109UP1972PPLCO03544

Registered Office : 57/2, Site-IV Industrial Area, Sahibabad, Ghaziabad-201010 U.P., INDIA
 Ph.: 0120-4161716, Email Id:-ajaygupta@alpsindustries.com, investor@alpsindustries.com
STANDALONE AND CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND PERIOD ENDED ON 31ST DECEMBER, 2019.
UNDER REGULATION 33 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

(Rs. in Lakh)

Particulars	3 months ended		Preceding 3 months ended in current year (Standalone)	Preceding 3 months ended in current year (Consolidated)	Corresponding 3 months ended in the previous year (Standalone)	Corresponding 3 months ended in the previous year (Consolidated)	Year to date figure of Current Year ended (Standalone)	Year to date figure of Current Year ended (Consolidated)	Year to date figure of Previous Year ended (Standalone)	Year to date figure of Previous Year ended (Consolidated)	Financial Year ended (Standalone)	Financial Year ended (Consolidated)
	(Standalone)	(Consolidated)										
I Revenue												
(a) Income from operations	7,550.43	7,550.43	8,195.19	8,195.19	10,285.43	10,285.43	24,889.58	24,889.58	28,823.23	28,823.23	37,115.19	37,115.19
(b) Other income	274.93	274.98	85.29	85.29	(39.99)	(39.99)	486.83	486.88	388.03	393.60	630.58	636.15
IV Total Revenue (I+ II)	7,825.36	7,825.41	8,280.48	8,280.48	10,245.44	10,245.44	25,376.41	25,376.46	29,211.26	29,216.83	37,745.77	37,751.34
V Expenditure												
(a) Cost of Material consumed	4,499.79	4,499.79	5,368.98	5,368.98	6,745.37	6,745.38	15,856.36	15,856.36	18,643.65	18,643.66	24,440.84	24,440.84
(b) Purchase of stock-in-trade	-	-	-	-	0.03	0.03	-	-	0.03	0.03	0.03	0.03
(c) Excise Duty	-	-	-	-	-	-	-	-	-	-	-	-
(d) Goods and service Tax(GST)	-	-	-	-	-	-	-	-	-	-	-	-
Changes in Inventories of finished goods, Work in progress & stock in trade	395.12	395.12	(82.77)	(82.77)	45.98	45.98	346.81	346.81	85.63	85.63	(273.41)	(273.41)
(e) Employee Benefit expense	1,119.35	1,119.35	1,274.01	1,274.01	1,201.65	1,201.65	3,615.63	3,615.63	3,618.86	3,618.86	4,722.36	4,722.36
(f) Finance cost	1,448.26	1,448.26	1,422.36	1,422.36	1,461.83	1,459.74	4,286.46	4,286.46	4,329.60	4,323.46	5,784.20	5,783.60
(h) Depreciation & Amortisation expenses	339.57	340.73	360.43	361.62	856.75	857.94	1,384.97	1,388.51	2,545.70	2,549.26	3,378.92	3,383.66
(i) Impairment of Assets	-	-	-	-	-	-	-	-	-	-	-	-
(j) Other expenses	1,980.89	1,981.24	2,038.23	2,038.57	2,155.89	2,156.13	5,970.47	5,971.62	6,316.72	6,317.46	8,256.95	8,260.16
Total Expenses	9,782.98	9,784.49	10,381.24	10,382.77	12,467.50	12,466.85	31,460.70	31,465.39	35,540.19	35,538.36	46,309.89	46,317.24
VI (Loss)/Profit before exceptional items and tax (IV- V)	(1,957.62)	(1,959.08)	(2,100.76)	(2,102.29)	(2,222.06)	(2,221.41)	(6,084.29)	(6,088.93)	(6,328.93)	(6,321.53)	(8,564.12)	(8,565.90)
VII Exceptional items	389.54	389.54	2,919.36	2,919.36	2,239.07	2,239.07	767.37	767.37	2,239.07	2,239.07	2,239.07	2,239.07
VIII (Loss)/Profit before tax (VI- VII)	(1,568.08)	(1,569.54)	818.60	817.07	17.01	17.66	(5,316.92)	(5,321.56)	(4,089.86)	(4,082.46)	(6,325.05)	(6,326.83)
IX Tax expense												
(a) Current tax	-	-	-	-	-	-	-	-	-	-	-	-
(b) Deferred tax	-	-	-	-	-	-	-	-	-	-	-	-
X (Loss)/Profit after tax (VIII-IX)	(1,568.08)	(1,569.54)	818.60	817.07	17.01	17.66	(5,316.92)	(5,321.56)	(4,089.86)	(4,082.46)	(6,325.05)	(6,326.83)
XI Other comprehensive income												
Total comprehensive income (X+XI)	(1,568.08)	(1,569.54)	818.60	817.07	17.01	17.66	(5,316.92)	(5,321.56)	(4,089.86)	(4,082.46)	(6,325.05)	(6,326.83)
Attributable to:												
Owners	(1,568.08)	(1,569.11)	818.60	817.54	17.01	17.46	(5,316.92)	(5,320.16)	(4,089.86)	(4,084.70)	(6,325.05)	(6,326.29)
Non Controlling Interest	-	(0.43)	-	(0.47)	-	0.19	-	(1.40)	-	2.24	-	(0.54)
Profit for the period attributable to:												
Owners	(1,568.08)	(1,569.11)	818.60	817.54	17.01	17.46	(5,316.92)	(5,320.16)	(4,089.86)	(4,084.70)	(6,325.05)	(6,326.29)
Non Controlling Interest	-	(0.43)	-	(0.47)	-	0.19	-	(1.40)	-	2.24	-	(0.54)
Other comprehensive income for the period attributable to:												
Owners	-	-	-	-	-	-	-	-	-	-	-	-
Non Controlling Interest	-	-	-	-	-	-	-	-	-	-	-	-
XIII Paid up equity share capital (face value of Re. 10/- each)	3,911.41	3,911.41	3,911.41	3,911.41	3,911.41	3,911.41	3,911.41	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) (not annualised)	(4.00)	(4.02)	2.09	2.09	0.04	0.05	(13.59)	(13.61)	(10.46)	(10.44)	(16.17)	(16.18)

For Alps Industries Ltd.


 (Sarveep Kaur)
 Managing Director

-:NOTES:-

1. The Unaudited Financial Results for the Quarter and period ended on December 31, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on February 12, 2020.
2. In terms of the Ind AS, there is only one reportable segment i.e. Textile Segment. Hence the segment wise reporting is not applicable.
3. Effective from April 1, 2019, the Company adopted Ind-AS 116 - Leases, using the Modified Retrospective Approach. The effect on adoption of Ind-AS 116 is insignificant on these financial statements.
4. 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) Regulations 2009, as amended from time to time, the Company has submitted with Bombay Stock Exchange Limited an application dated 9.6.2016 for Voluntary Delisting of its 39114100 Equity Shares from their platform which is still pending with them. The company has filled the Writ Petition before Allahabad High Court for necessary directions in this regard which is pending adjudication. However, BSE without considering the above facts, vide their Letter dated 04.12.2019 has intimated that w.e.f. December 12, 2019 the promoters and promoters group demat accounts will be frozen due to non-payment of ALF and taken the coercive action accordingly. Further aggrieved by this action, the promoters of company have filed an appeal before the Hon'ble Securities Appellate Tribunal to get the necessary relief.
5. During earlier year, the lenders having more than 83% of then secured debts of the Company revoked their consent to the DRS/settlement scheme circulated by erstwhile Hon'ble BIFR, interalia containing the restructuring of the debts of the Company, which was partly implemented. The Company objected to the said revocation of consent being unjustified and beyond terms of the scheme and further submitted an offer for settlement. M/s Edelweiss Assets Reconstruction Company Ltd., (presently holding more than 98% of the total secured debt of the Company), (EARC) in order to recover its dues from the Company has also filed an Original Application before Debts Recovery Tribunal, Lucknow Bench, which application is pending adjudication. In addition to above EARC has under


(Sandeep Agarwal)
Managing Director

the provisions of SARFAESI auctioned properties located at 58/1, Site IV Industrial Area, Sahibabad, Ghaziabad (U.P.), B-2, Loni Road, Industrial Area, Ghaziabad (UP) and All that Plant & Machineries lying at 1 A, Sec.-10, IIE, SIDCUL, Haridwar and Lenders having first pari passu charge over these assets have adjusted their dues with the realization made thereof. EARC has also taken over the symbolic possession of 3 properties Viz. Leasehold Land, Building and Plant & Machineries lying at Plot nos. A-2 & A-3, Loni Road, Industrial Area, Ghaziabad (UP) and 1A, Sec.-10, IIE, SIDCUL, Haridwar under section 13(4) of the SARFAESI Act and issued a sale notice under Rule 8(6) and Rule 6(2) of the Security Interest (Enforcement) Rules, 2002. The adjustments as may arise on account of further action of lenders, if any, shall be made in the books of account in the year upon receipt of information from them. The Company once again submitted a revised settlement/restructuring proposal with lenders which is under active consideration with them. Management of the Company expects to get the revised settlement/restructuring proposal approved from lenders and accordingly, the Company would be meeting its revised financial obligations. Accordingly, the financial statements of the Company for the quarter and period ended on December 31, 2019 have been prepared on going concern assumption basis and continue with the earlier consented restructuring scheme. The impact, arising upon approval of the revised settlement/restructuring proposal, will be given effect in the financial statements of the year of final settlement with lenders.

Hence, no provision considered necessary in these accounts towards interest on entire secured loans & part of principal secured loan, waived earlier, and impact on retained earnings thereon totaling to Rs. 139913.98 Lakh as per provisions of earlier consented scheme, which the Company continues to give effect till the time revised settlement/restructuring proposal is finally approved by its lenders.

6. In the Limited Review Report dated 14.11.2019 on the unaudited financial statements of the company for the quarter ended on September 30, 2019, the auditors have given the following qualification:

“Refer to note no. 6 to the notes on accounts, the Company has not provided for the 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. 137660.77 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.”

For Alps Industries Ltd.



(Sandeep Agerwal)
Managing Director

In case, company would have considered this as liability, its standalone net loss for the quarter and period ending on 31.12.2019 would have been amount to Rs. 139228.85 lakh and Rs. 139230.31 lakh, respectively, (Consolidated net loss Rs. 142977.69 lakh for the quarter and Rs. 142982.33 lakh for the period ended) as against already stated standalone net loss of Rs. 1568.08 lakh for the quarter and net loss of Rs. 1569.54 lakh for period year to date (Consolidated net loss Rs. 5316.92 lakh for the quarter and Rs. 5321.56 Lakh for the period) and the accumulated loss and loan liabilities at the end of the quarter and period ended on December 31, 2019 would have been higher by Rs. 137660.77 lakh.

The management's view is detailed in para 5 above. The impact, if any, of the revised settlement/restructuring which is under active consideration with lenders, will be given effect in the financial statements of the year of final settlement with them.

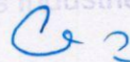
7. Further to settlement w.r.t. their secured/unsecured dues & claims as per their No Dues Certificate dated July 11, 2019, Syndicate Bank have unequivocally and irredeemably waived / extinguished their right of redemption of their 7416190 Nos. of 6% Cumulative Redeemable Preference Shares together with cumulative dividend thereof of the company at Nil value vide letter dated October 20, 2019. On submission of corporate action, National Securities Depository Limited (NSDL) on November 27, 2019 has approved the extinguishment of above securities. Now no such shares exist in favour of above Bank. The impact of the same has been given in these financial results.
8. The winding up petition u/s 433 of the Companies Act, 1956 as filed by the Kotak Mahindra Bank against the Company has been dismissed by Hon'ble Allahabad High Court vide their order dated 14.1.2020 however the Bank has filed a restoration application with Court which is pending for disposal.
9. The figures for the previous quarter/year have been regrouped, re-casted and rearranged, wherever considered necessary.

DATE : FEBRUARY 12, 2020

PLACE : GHAZIABAD

BY ORDER OF THE BOARD

For Alps Industries Ltd.



SANDEEP AGARWAL

Managing Director

DIN No. 00139439