



Vista®

Alps Industries Limited

(A Government Recognised Trading House)

An ISO 14001 & ISO 9001 Company

Regd./Corp. Off. : 57/2, Site-IV Industrial Area, Sahibabad, Ghaziabad-201010 INDIA
Phones : 91-120-4161700 (30 Lines) Fax : 91-120-2896041, 2895299
Email : info@alpsindustries.com Web. : www.alpsindustries.com
CIN No. : L51109UP1972PLC003544

ALPS/604/SE09/2016-2017

May 30, 2016

The General Manager
Market Operations Deptt.,
National Stock Exchange of India Ltd.,
Exchange Plaza, 5th Floor,
Plot No. C/1, G-Block, Bandra-Kurla Complex
Bandra (E), **Mumbai - 400 051**
Ph - 91-22-2659 8101 - 8114
Fax : 022 - 26598237/38/ 2659 8100
Email - cmlist@nse.co.in

SUB : INFORMATION FOR DECISIONS TAKEN AT THE MEETING OF BOARD OF DIRECTORS HELD ON MAY 30, 2016.

Dear Sir,

In terms of Regulation 29 & 30 of (Listing Obligations and Disclosure Requirements) 2015, we wish to inform you that the meeting of Board of Directors of the company was held on May 30, 2016 and approved the following matters along with other matters incidental thereto:

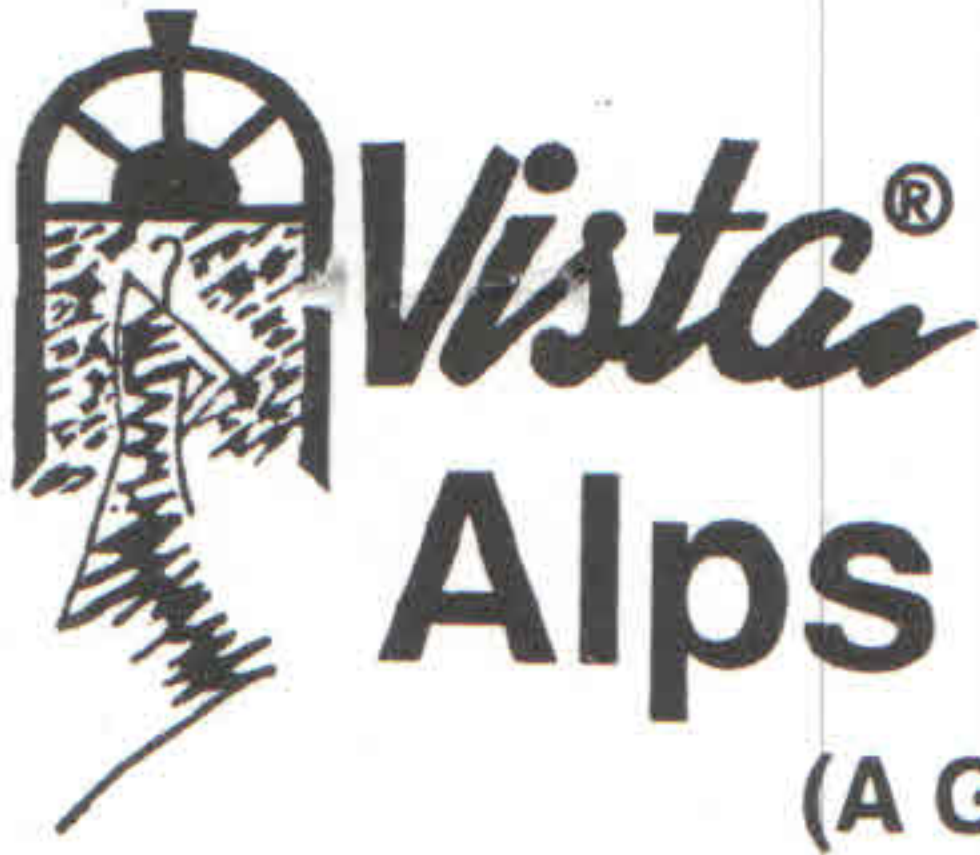
1. Audited financial results for the Quarter and financial year ended on March 31, 2016.
2. Balance Sheet and Profit & Loss A/c for the financial year period ended on March 31, 2016.
3. Delisting of Equity shares of the company from the Bombay Stock Exchange Limited (BSE) only, under Regulation 6 & 7 of Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. These shares will continue to be listed at National Stock Exchange of India Limited (NSE).
4. Notice convening the 44th Annual General Meeting of the Company.
5. Taken on record the withdrawal of Mr. M.L Sharma (DIN No. 03110692) Special Director by BIFR due to withdrawal of nomination by BIFR.
6. Draft of Directors Report for the financial year ended on March 31 2016 and as on date.
7. Recommendation for confirmation for Reappointment of statutory auditors.

In terms of Regulation 30 of the SEBI (Listing Obligations and Disclosures Requirements) 2015, we also wish to inform you that the meeting of Board of Directors was commenced at 4.00 P.M and concluded at 7.35 PM. Further in terms of Regulation 47 of the SEBI (Listing Obligations and Disclosures Requirements) 2015, company has published the summarized financial result in the prescribed form in the newspaper and full text of the result are available on the website of the company.

As there are no qualifications in the Audit Report, the requirement of submitting the Statement on Impact of Audit Qualifications in terms of Regulation 33 Of Securities and

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Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 and CIR/CFD/CMD/56/2016 dated May 27, 2016 is not applicable for submitting.

Further in terms of clause 4.1 of the CIR/CFD/CMD/56/2016 dated May 27, 2016 we hereby declare that the Audit Report on Standalone and Consolidated for the financial year ended on March 31 2016, as provided by the statutory auditors is with the Unmodified Opinion and does not carry any Qualified Opinion / Disclaimer of Opinion / Adverse Opinion.

The Audited Financial Results for the quarter and financial year ended on March 31, 2016, Segment wise reporting along with Statement for Assets and Liability as approved by the Board alongwith the copy of Audit Report for standalone and consolidated for the financial year ended on March 31 2016 duly signed by the statutory auditors, is enclosed herewith as Annexure - 1. This is for your kind information please.

Thanking you

Yours faithfully,
For **Alps Industries Limited**


(Ajay Gupta)
Company Secretary
& General Manger Legal
Encl : a/a



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, 2016, 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. 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.



For Alps Industries Limited

(Company Secretary
General Manager)

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, 2016, and its Profit 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. 37 related to preparation of financial statement on going concern basis on belief of the company on its ability to meet its financial obligations as per restructuring consented to by the majority secured, forming part of the Draft Rehabilitation Scheme which is pending for consideration before Hon'ble Board for Industrial and Financial Reconstruction.
2. To Note No.38 related to non provision of interest on loans from subsidiary companies and loans from minority secured lenders pending their consent to the restructuring which has been consented to by the majority secured lenders.

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 2016 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016, from being appointed as a director in terms of Section 164(2) of the Act;

For Alps Industries Limited

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ANIL GUPTA
(Company Secretary &
General Manager-Legal)



- (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 has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

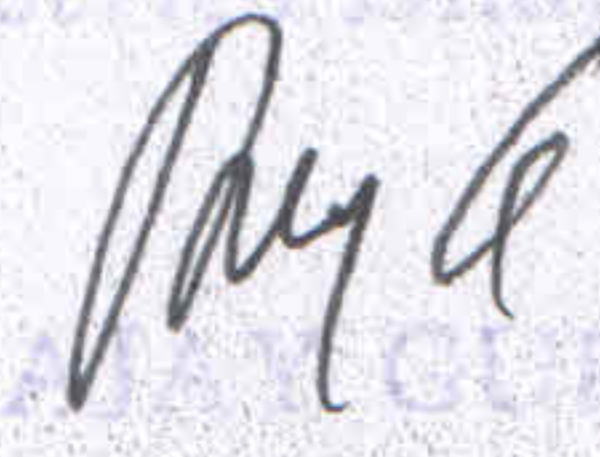
For **R. K. Govil & Co.**
Chartered Accountants
(Firm Reg. No. : 000748C)

(**Kaushal K. Shore Pal**)
Partner Membership No. : 074999



Place : Ghaziabad
Date : May 30, 2016

For Alps Industries Limited


ANIL GUPTA
(Company Secretary &
General Manager - Finance)

ANNEXURE 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 2016, we report that:

- 1)
 - (a) The Company has maintained proper records though to be updated, 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.



For Alps Industries Limited

A handwritten signature in blue ink, appearing to read "Pooja Gupta".

(Company Secretary &
General Manager Legal)

- (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 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, 2016 for a period of more than six months from the date they became payable.

- b) The disputed statutory dues aggregating to Rs.39.24 Lac as on 31st March, 2016 have not been deposited on account of matters pending before appropriate authorities which are as under:

Name of the Statute	Nature of Dues	Amount	Forum where Dispute is Pending
Nagar Nigam	Sewerage Tax	Rs. 5.52 Lac	Hon'ble Commisioner, Nagar Nigam Gzb.
CESTAT	Excise Duty	Rs.33.72 Lac	Hon'ble CESTAT

- (8) By order dated 02.09.2011 of Board of Industrial and Financial Reconstruction (Board), the amount becoming due after May, 2011 to Banks and Financial institutions are deferred till the date of sanction of the scheme of the Draft Rehabilitation Scheme (DRS) by Board and further 83% of the secured lenders (including One Time Settlement with the company) have consented to DRS which is pending before the Board. Having regard to pending approvals of DRS, 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.



For Alps Limited

(Signature)

ANU GUPTA
(Company Secretary & General Manager-Local)

- (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.

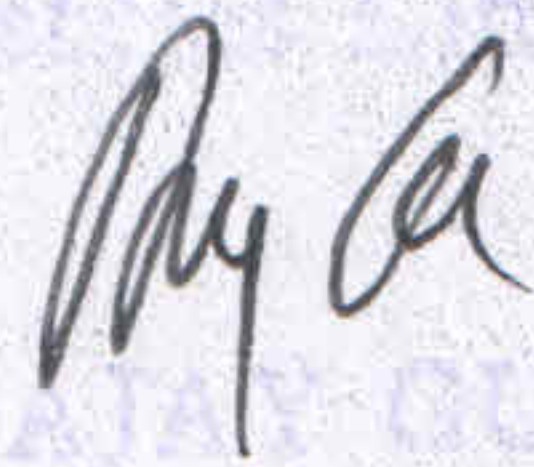
For **R. K. Govil & Co.**
Chartered Accountants
(Firm Reg. No. : 000748C)


(Kaushal Kishore Pal)
Partner Membership No. : 074999

Place : Ghaziabad
Date : May 30, 2016



For Alps Industries Limited


RAJAT GUPTA
(Company Secretary &
General Manager-Legal)

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 INDUSTRIES LIMITED** (the Company) as of 31 March 2016 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.



for Alps Industries Limited

A handwritten signature in blue ink, appearing to read "Anil Gupta".

(Company Secretary &
General Manager - Legal)

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 2016, 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)
Membership No. : 074999

Place : Ghaziabad
Date : May 30, 2016



For Alps Industries Limited


(Company Secretary &
General Manager Legal)

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, 2016, 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 judgements 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 thereunder 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. 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' judgement, including the assessment of the risks of material misstatement of the



For Alps Industries Limited

Rajeev Gupta

(Company Secretary &
General Manager-Legal)

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 2016 and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matters

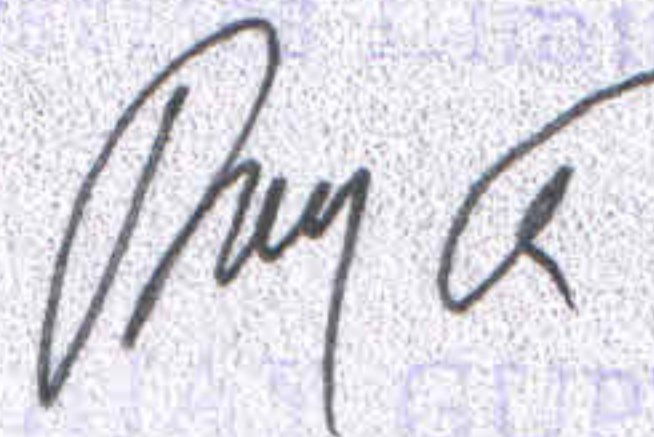
We draw attention to the following matters in the Notes to Financial Statements:

1. To Note No. 37 related to preparation of financial statement on going concern basis on belief of the company on its ability to meet its financial obligations as per restructuring consented to by the majority secured, forming part of the Draft Rehabilitation Scheme which is pending for consideration before Hon'ble Board for Industrial and Financial Reconstruction.
2. To Note No.38 related to non provision of interest on loans from subsidiary companies and loans from minority secured lenders pending their consent to the restructuring which has been consented to by the majority 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 350.90.11 Lac as at 31st March, 2016, 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.

For Alps Industries Limited



RAJIV GUPTA
(Company Secretary &
General Manager-Legal)



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 and the reports of the other auditors.
 - (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, 2016 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, 2016 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, if any, of pending litigations as at March 31, 2016 on the consolidated financial position of the Group.
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as at March 31, 2016.



For Alps Industries Limited

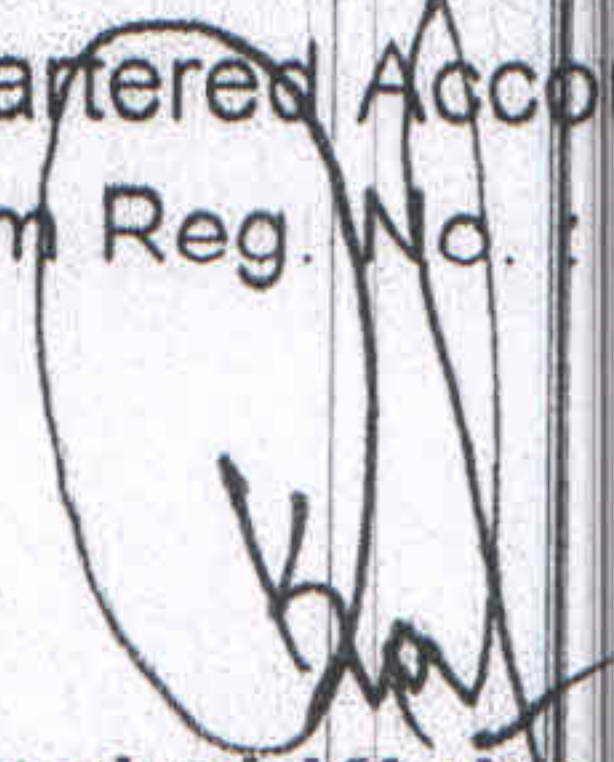
[Signature]

RAJAT GUPTA
(Company Secretary &
General Manager-Legal)

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies during the year ended March 31, 2016.

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

Chartered Accountants
(Firm Reg. No. : 000748C)



(Kaushal Kishore Pal)

Partner Membership No. : 074999



Place : Ghaziabad

Date : May 30, 2016

For Alps Industries Limited



ANIL GUPTA
(Company Secretary &
General Manager-Legal)

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, 2016, 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



For Alps Industries Limited

(Company Secretary &
General Manager-Legal)

- (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.

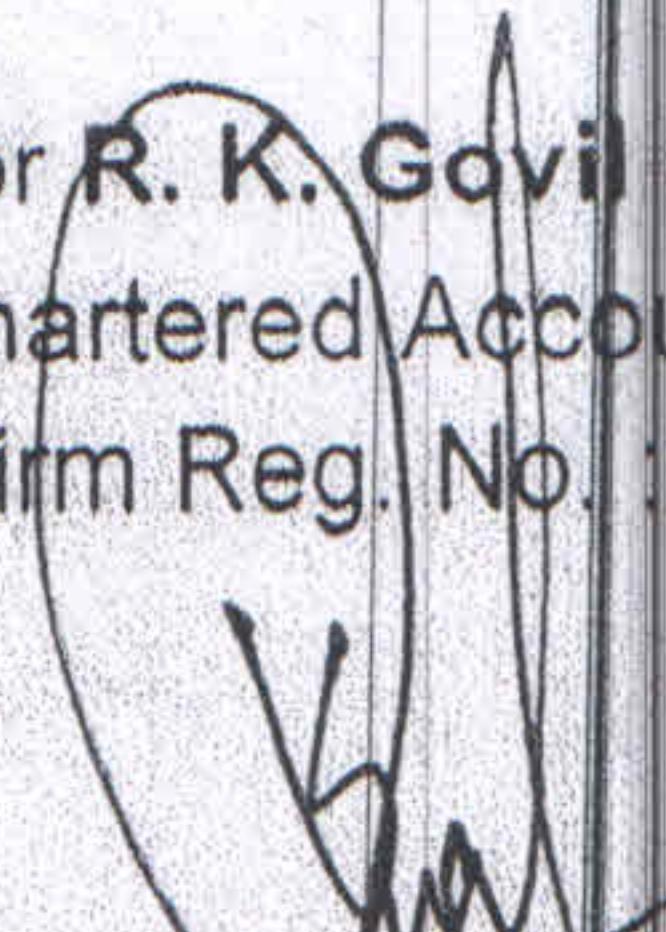
Inherent Limitations of Internal Financial Controls Over Financial Reporting

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, 2016, 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)
Membership No. : 074999
Place : Ghaziabad
Date : May 30, 2016




(General Manager - Legal)

Sl. No.	Particulars	Current Quarter ended		Previous Quarter ended		Corresponding Quarter ended		Year to Date for the Current Period		Year to Date for the previous Period		(Rs. in Lacs)
		Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	
1	Income from operations											
(a)	Net Sales/Income from Operations (Net of excise duty)	12,024.05	12,090.97	13,008.19	13,015.18	14,493.37	15,127.90	54,855.70	54,941.54	60,455.38	61,089.91	
(b)	Other Operating Income	936.09	936.09	730.52	730.52	988.01	988.01	3,304.58	3,304.58	3,812.91	3,812.91	
	Total Income from operations (Net)	12,960.14	13,027.06	13,738.71	13,745.70	15,481.38	16,115.91	58,160.28	58,246.12	64,268.29	64,902.82	
2	Expenses											
a)	Cost of materials consumed	8,755.23	8,756.15	8,903.01	8,903.01	9,649.45	9,649.45	38,076.95	38,077.87	41,368.62	41,368.62	
b)	Purchase of stock-in-trade	30.50	30.50	31.18	31.18	345.40	1,023.16	276.80	276.80	909.07	1,586.83	
c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	354.03	400.85	634.86	641.85	(269.09)	(334.21)	1,715.33	1,782.21	(84.54)	(149.66)	
d)	Employees benefit expenses	1,490.41	1,491.01	1,650.85	1,651.45	1,761.52	1,761.22	6,576.76	6,579.16	6,933.02	6,935.42	
e)	Depreciation & amortisation expenses	677.08	679.72	874.68	877.35	1,129.51	1,131.91	3,586.42	3,597.05	4,475.42	4,486.02	
f)	Other expenses	3,437.07	3,437.99	3,225.14	3,225.91	3,678.82	3,684.31	13,960.50	13,963.89	14,292.46	14,297.81	
	Total Expenses	14,744.32	14,796.22	15,319.72	15,330.75	16,295.61	16,915.84	64,192.76	64,276.98	67,894.05	68,525.04	
3	Profit/(Loss) from operations before other income, finance costs & exceptional items (1-2)	(1,784.18)	(1,769.16)	(1,581.01)	(1,585.05)	(814.23)	(799.93)	(6,032.48)	(6,030.86)	(3,625.76)	(3,622.22)	
4	Other Income	264.08	264.08	107.62	107.62	195.61	196.01	1,232.77	1,232.77	711.71	721.03	
5	Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	(1,520.10)	(1,505.08)	(1,473.39)	(1,477.43)	(618.62)	(603.92)	(4,799.71)	(4,798.09)	(2,914.05)	(2,901.19)	
6	Finance Costs											
7	Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5+6)	(1,300.46)	(1,285.44)	(1,557.42)	(1,561.46)	(9,313.20)	(9,246.56)	(4,847.12)	(4,845.50)	(2,948.70)	(2,936.11)	
8	Exceptional items:											
	Income											
	Expenses	6,869.38	6,869.38									
9	Profit/(Loss) from ordinary activities before tax (7+8)	5,568.92	5,583.94	(1,557.42)	(1,561.46)	8,694.58	8,642.66	2,022.26	2,023.88	(2,948.70)	(2,936.11)	
10	Tax expense		0.34				3.18					
11	Net Profit/(Loss) from ordinary activities after tax (9+10)	5,568.92	5,583.60	(1,557.42)	(1,561.46)	8,694.58	8,639.48	2,022.26	2,023.54	(2,948.70)	(2,939.29)	

For Alps Industries Limited

AJAY GUPTA
 (Company Secretary &
 General Manager-Legal)

REPORTING OF SEGMENTWISE REVENUES, RESULTS AND CAPITAL EMPLOYED

Sl. No	PARTICULARS	Current Quarter ended		Previous Quarter ended		Corresponding Quarter ended		Year to Date for the current Period Ended		Year to Date for the previous Period Ended	
		Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
		31.03.2016		31.12.2015		31.03.2015		31.03.2016		31.03.2015	
		Audited (Refer Note No. 2)		Unaudited		Audited (Refer Note No. 2)		Audited		Audited	
A	SEGMENT REVENUES										
1	HOME FURNISHING & FASHION ACCESSORIES	3,902.37	3,969.29	3,656.57	3,663.56	4,184.80	4,819.32	17,147.87	17,233.71	16,063.37	16,697.90
2	YARN	8,423.04	8,423.04	9,438.94	9,438.94	10,935.57	10,935.57	38,803.16	38,803.16	47,327.57	47,327.57
3	ARCHITECTURAL PRODUCTS	852.73	852.73	875.04	875.04	968.65	968.65	3,593.18	3,593.18	4,013.61	4,013.61
	TOTAL	13,178.14	13,245.06	13,970.55	13,977.54	16,089.02	16,723.55	59,544.21	59,630.05	67,404.55	68,039.08
	LESS: INTER SEGMENT REVENUE	218.00	218.00	231.84	231.84	607.64	607.64	1,383.93	1,383.93	3,136.26	3,136.26
	INCOME FROM OPERATIONS	12,960.14	13,027.06	13,738.71	13,745.70	15,481.38	16,115.91	58,160.28	58,246.12	64,268.29	64,902.82
B	SEGMENT RESULTS										
	(Profit before Tax & Interest from each segment)										
1	HOME FURNISHING & FASHION ACCESSORIES	(174.51)	(159.48)	(690.97)	(695.01)	(30.41)	(16.11)	(2,066.70)	(2,066.70)	(834.81)	(831.26)
2	YARN	(1,613.23)	(1,613.23)	(859.84)	(859.84)	(795.87)	(795.87)	(3,987.46)	(3,985.83)	(2,755.51)	(2,755.51)
3	ARCHITECTURAL PRODUCTS	3.55	3.55	(30.20)	(30.20)	12.05	12.05	21.67	21.67	(35.45)	(35.45)
	TOTAL	(1,784.18)	(1,769.16)	(1,581.01)	(1,585.05)	(814.23)	(799.93)	(6,032.48)	(6,030.86)	(3,625.77)	(3,622.22)
	LESS: (i) INTEREST	(219.64)	(219.64)	84.03	84.03	(9,313.20)	(9,246.58)	47.41	47.41	34.65	34.92
	(ii) OTHER UN-ALLOCABLE EXPENDITURE/INCOME	-	-	-	-	-	-	-	-	-	-
	(iii) UN-ALLOCABLE INCOME	264.08	264.08	107.62	107.62	195.61	196.01	1,232.77	1,232.77	711.71	721.03
C	CAPITAL EMPLOYED	(1,300.46)	(1,285.44)	(1,557.42)	(1,561.46)	8,694.58	8,642.66	(4,847.12)	(4,845.50)	(2,948.70)	(2,936.11)
	(Segment Assets - Segment Liabilities)										
1	HOME FURNISHING & FASHION ACCESSORIES	14,851.97	14,258.34	15,905.01	15,905.01	14,500.99	14,492.62	14,851.97	14,258.34	14,500.99	14,492.62
2	YARN	33,884.80	33,884.80	35,695.43	35,695.43	33,827.13	33,827.13	33,884.80	33,884.80	33,827.13	33,827.13
3	ARCHITECTURAL PRODUCTS	2,186.25	2,186.25	800.76	800.76	694.66	694.66	2,186.25	2,186.25	694.66	694.66
	UNALLOCABLE	(5,727.47)	(5,727.47)	694.66	694.66	4,077.46	4,077.46	(5,727.47)	(5,727.47)	4,077.46	4,077.46
	TOTAL	45,195.55	44,601.92	53,095.87	53,095.87	53,100.24	53,091.87	45,195.55	44,601.92	53,100.24	53,091.87

(Rs. In Lacs)

For Alps Industries Limited

AJAY GUPTA

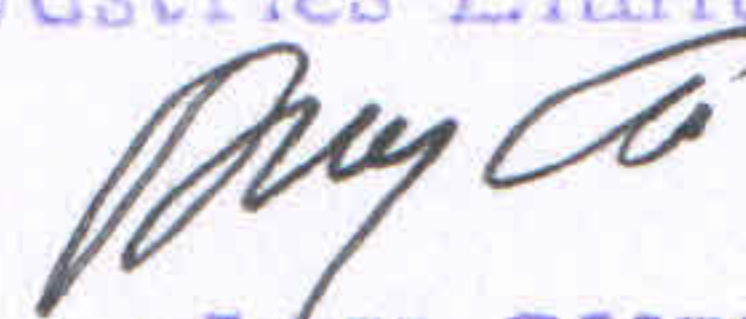
(Company Secretary &
General Manager-Legal)

STANDALONE AND CONSOLIDATED AUDITED SUMMARY OF ASSETS AND LIABILITIES FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2016.

(Rs in Lacs)

Sl. No.	Particulars	Financial Year ended		Financial Year ended	
		Standalone	Consolidated	Standalone	Consolidated
		As on		As on	
		31.03.2016		31.03.2015	
		Audited		Audited	
A	EQUITY AND LIABILITIES				
1	SHAREHOLDER'S FUNDS				
	(a) Share Capital				
	(i) Equity Capital	3,911.41	3,911.41	3,911.41	3,911.41
	(ii) 1% Cumulative Redeemable Preferential Share Capital	11,109.40	11,109.40	11,109.40	11,109.40
	(iii) 6 % Cumulative Redeemable Preferential Share Capital	15,683.50	15,683.50	15,683.50	15,683.50
	(b) Reserve and Surplus	(68,700.98)	(67,105.36)	(70,723.25)	(69,127.96)
	(c) Money received against share warrants				
	Sub-total - Shareholders' Funds	(37,996.67)	(36,401.05)	(40,018.94)	(38,423.65)
2	Share application money pending allotment				
3	Minority Interest*		917.30		916.94
4	Non-Current Liabilities				
	(a) Long-term borrowings	78,624.90	76,257.15	69,725.90	67,358.15
	(b) Deferred tax liabilities (net)	-	-	-	-
	(c) Other long-term liabilities	4,521.44	4,521.44	23,040.59	23,040.59
	(d) Long-term provisions	332.09	332.09	343.56	343.56
	Sub-total - Non Current Liabilities	83,478.43	81,110.68	93,110.05	90,742.30
5	Current Liabilities				
	(a) Short-term borrowings	111.17	111.17	38,318.41	38,318.41
	(b) Trade Payables	9,045.74	9,280.03	5,201.37	5,676.86
	(c) Other current liabilities	10,958.69	10,864.80	6,698.70	6,686.26
	(c) Short-term provisions	45.71	47.32	32.26	35.44
	Sub-total - Current Liabilities	20,161.30	20,303.32	50,250.74	50,716.97
	TOTAL - EQUITY AND LIABILITIES	65,643.06	65,930.25	103,341.85	103,952.56
B	ASSETS				
1	Non-Current Assets				
	(a) Fixed Assets	42,576.36	43,667.96	46,054.59	47,156.54
	(b) Goodwill on consolidation				
	(c) Non-Current Investment	958.55	5.78	958.55	5.78
	(d) Deferred tax assets (net)				
	(e) Long-term loans and advances	680.00	693.39	1,270.02	1,283.40
	(f) Other non-current assets	-	12.14	536.86	548.99
	Sub-total-Non Current Assets	44,214.92	44,379.27	48,820.02	48,994.71
2	Current Assets				
	(a) Current investment	25.00	25.00	25.00	25.00
	(b) Inventories	11,115.61	11,131.50	38,454.88	38,538.56
	(c) Trade receivables	8,257.06	8,315.17	9,319.75	9,577.54
	(d) Cash and Cash equivalents	816.80	845.07	3,087.09	3,156.28
	(e) Short-term loans and advances	662.15	682.72	2,687.49	2,712.85
	(f) Other Current Assets	551.52	551.52	947.62	947.62
	Sub-total-Current Assets	21,428.14	21,550.98	54,521.83	54,957.85
	TOTAL ASSETS	65,643.06	65,930.25	103,341.85	103,952.56

For Alps Industries Limited

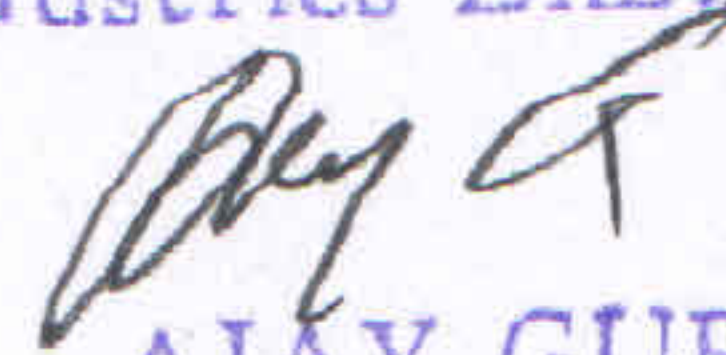


AJAY GUPTA
(Company Secretary &
General Manager-Legal)

NOTES:-

1. The Audited Financial Results for the Financial Year ended on March 31, 2016 have been reviewed by the Audit Committee and adopted by the Board of Directors at their respective meetings held on May 30, 2016.
2. The figures for the quarters ended on 31st March, 2016 and 31st March, 2015 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.
3. The company is registered as a sick industrial company with the Hon'ble Board of Industrial & Financial Restructuring (BIFR) Vide registration no. 32/2010. The Draft Rehabilitation Scheme, for the revival of the Company, as consented by the secured creditors representing more than 83% of the total outstanding secured debts of the company filed in terms of the directions of the Hon'ble BIFR, is pending consideration with Hon'ble BIFR. Based on same, the company believes it would be able to meet its financial obligations. Accordingly the Financial Statements have been prepared on going concern basis.
4. No provision has been made during the Financial Year 2015-16 of Rs. 2000 lac (Previous Year Rs. 2000 lac) towards interest payable on borrowings from secured lenders (representing less than 17% of the total outstanding secured debt of the Company) and also towards interest Rs. 95 lac for the Financial Year 2015-16 (Previous Year Rs. 95 lac) payable on unsecured loans availed by the Company from its subsidiary Companies, 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 Draft Rehabilitation Scheme, the decision of the majority secured lenders (representing more than 83% of the secured debt of the Company which have consented for complete waiver of any interest payable) shall be binding on these minority creditors.

For Alps Industries Limited



AJAY GUPTA
(Company Secretary &
General Manager-Legal)

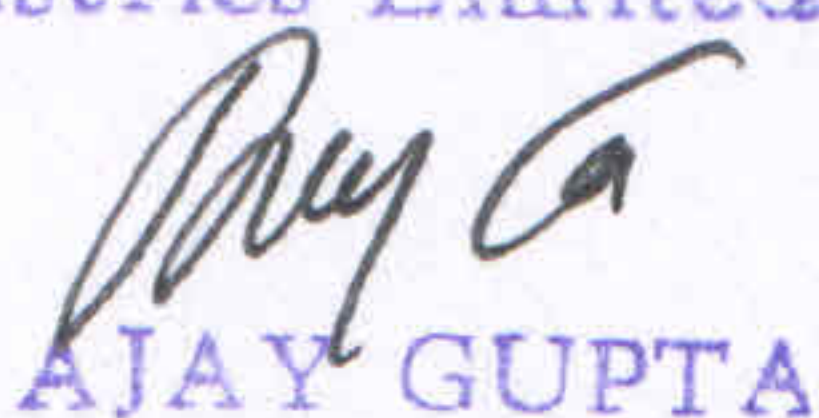
5. In their last audit report dated 30.05.2015 on the financial statements of the company for the year ended on March 31, 2015, the auditors has given the following qualification:-

"The company has not made any provision towards losses amounting to Rs.39205 Lac on derivative contracts (refer to note nos. 36 (A) (c) I, II and III to the notes to account) and towards claim amounting to Rs. 6259 Lac against the corporate guarantee provided by the company on behalf of one of its subsidiary company (Refer to note no. 36 (A) (c) IV to the notes to account), hence to these extent the loss as shown in the statement of profit and Loss, accumulated losses and current liabilities are understated. This matter was also qualified in our report on the financial statements for the year ended on 31st March 2014."

Auditors have considered not to continue to express a modified opinion as above in their current audit report dated 30th May 2016 on the financial statements of the company for the year ended on March 31, 2016 on grounds, that the claims under question are disputed and are pending adjudication before the appropriate judicial forums and the same have been adequately disclosed by the Company as 'Contingent Liabilities'. Moreover, as the Company has already reached a settlement with respect to one of major disputed claim and necessary liability has been provided in the financial statement of the year under consideration.

6. The company had received directions from NSE vide its letter as reference no. NSE/LIST/1583 dated October 30, 2014 to restate the financial statements of the company for the financial year 2012-13 to the extent of auditor's qualification in respect of the disputed claims. On the appeal against the above directions of NSE of the company, the Hon'ble Securities Appellate Tribunal (SAT) has set aside the said directions vide its order dated March 29, 2016.

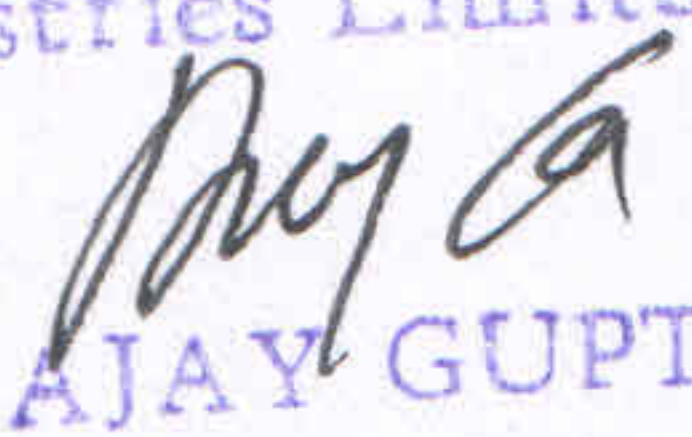
for Alps Industries Limited



AJAY GUPTA
(Company Secretary &
General Manager-Legal)

7. Due to inadequate profits during the financial year ended on March 31, 2016, no dividend has been recommended by the Board of Directors.
8. The Hon'ble National Green Tribunal (N.G.T.) vide its Order dated March 31 2016, has allowed the re-opening of Spinning plant which was closed vide its order dated 27.01.2016. After due compliance of the conditions imposed, the Spinning plant has commenced its operations w.e.f. April 13, 2016 however the adjoining Dyeing plant is still closed till further orders. During last financial year 2014-15, the sale of production made out of said unit was Rs. 19500 lac With EBDITA of Rs. 488 lac.
9. A sum of Rs. 6869.38 lac is credited as exceptional items arising out of credits availed pursuant to write back of amount of interest and principal waiver of secured loans aggregating to Rs. 37963 lac, (in terms of consent accorded by majority secured lenders to the restructuring forming part of Draft Rehabilitation Scheme) as reduced by the loss on disposal of old/slow moving inventory, write off of unrealizable capital and other advances, lapsed MAT credit entitlement and crystallization of liability upon settlement of pending dispute with ABN Amro Bank, all aggregating to Rs. 31093.62 lac.
10. The figures for the previous year have been regrouped, re-casted and rearranged, wherever considered necessary.

DATE : May 30, 2016
PLACE : GHAZIABAD

For Alps Industries Limited

AJAY GUPTA
(Company Secretary &
General Manager-Legal)

BY ORDER OF THE BOARD

SD/-
(SANDEEP AGGARWAL)
MANAGING DIRECTOR
DIN NO.: 00139439