

NOTICE

Notice is hereby given that the Forty third Annual General Meeting of the Members of **Alps Industries Limited (CIN NO. L51109UP1972PLC003544)** will be held on Wednesday, 30th September, 2015 at 10:00 A.M. at the Corporate Office of the company situated at 57/2, Site IV, Sahibabad Industrial Area, Ghaziabad-201010 (U.P.) to transact the following business:-

ORDINARY BUSINESS :

1. To consider, approve and adopt the Audited Balance Sheet for the financial year ended on 31st March 2015, the statement of Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. K.K. Agrawal (DIN, No. 00139252), Non-Independent & Non-Executive Promoter Director by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To confirm the appointment of Statutory Auditors who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the Forty Seventh Annual General Meeting i.e. for four years and to fix their remuneration. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution:**

“RESOLVED THAT M/s. R.K. Govil & Co., Chartered Accountants, (Firm Registration No. 000748C), as recommended by the Audit committee and the Board of Directors at their meeting held on August 22, 2015, be and are hereby confirm to be reappointed under Section 139 and other applicable provisions of Companies Act, 2013 and Rules made there under i.e. Companies (Audit and Auditors) Rules, 2014, as Statutory Auditors of the company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the forty seventh Annual General Meeting i.e. for four years, of the company on such remuneration, plus service tax as applicable and reimbursement of out of pocket expenses related with the audit, as recommended by the Audit committee and approved by the Board of Directors in this behalf.

“RESOLVED FURTHER THAT the appointment of M/s. R.K. Govil & Co., Chartered Accountants, (Firm Registration No. 000748C) under section 139(8) of the Companies Act 2013, to fill the casual vacancy caused by the resignation of M/s. P. Jain & Co., Chartered Accountants (Firm Regn. Number 000711C) ,the erstwhile Auditors, on August 22, 2015 initially for a period of three months or the approval from the members of the company at the General meeting whichever is earlier, by the Board of Directors be and hereby ratified.

4. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 149,152,161 and any other applicable provisions of the Companies Act 2013, read with Schedule IV and all other applicable provisions of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and Clause 49 of the Listing Agreement, and as per notice received under Section 160 of the Companies Act, 2013 from a shareholder along with the requisite deposit proposing candidature, Mr. Prabhat Krishna, (DIN: 02569624) an Independent Director be and is hereby appointed as an Non-Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 3 (three) years from the date of appointment by the Board of Directors i.e. upto February 10, 2018.

“RESOLVED FURTHER THAT the Board of Directors of the company be and are hereby authorised to comply with all other legal and procedural requirements to implement of the aforesaid decision.”

5. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 149,152,161 and any other applicable provisions of the Companies Act 2013, read with Schedule IV and all other applicable provisions of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and Clause 49 of the Listing Agreement, as per notice received under Section 160 of the Companies Act, 2013 from a shareholder along with the requisite deposit proposing candidature, Mr. Pradyuman Kumar Lamba, (DIN: 02843166) an Independent Director be and is hereby appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 3 (three) years from the date of appointment by the Board of Directors i.e. upto February 10, 2018.”

“RESOLVED FURTHER THAT the Board of Directors of the company be and are hereby authorised to comply with all other legal and procedural requirements to implement of the aforesaid decision.”

6. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 149,152,161 and any other applicable provisions of the Companies Act 2013, read with Schedule IV and all other applicable provisions of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and Clause 49 of the Listing Agreement, as per notice received under Section 160 of the Companies Act, 2013 from a shareholder along with the requisite deposit proposing candidature, Mr. Tilak Raj Khosla, (DIN: 02724242) an Independent Director be and is hereby appointed as a Non-Executive Independent Director of the Company, not liable

to retire by rotation, to hold office for a term of 3 (three) years from the date of appointment by the Board of Directors i.e. upto February 10, 2018.”

“RESOLVED FURTHER THAT the Board of Directors of the company be and are hereby authorised to comply with all other legal and procedural requirements to implement of the aforesaid decision.”

7. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution**:

“RESOLVED THAT Section 149, 152, 161 and other applicable provisions of the Companies Act 2013 and relevant rules made thereunder and read with Schedule IV and all other applicable provisions of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), clause 49 of the listing agreement with the Stock Exchanges in compliance of induction of one Woman Director Ms. Deepika Shergill (DIN NO. 07093795), regularized and appointed as Non Executive Independent Director under Section 149, 152, 161 and other applicable provisions of the Companies Act 2013 and relevant rules made thereunder, not liable to retire by rotation, to hold office for the first term of 3 (three) years initially, from the date of appointment that upto February 10, 2018.

“RESOLVED FURTHER THAT the Board of Directors of the company be and are hereby authorised to comply with all other legal and procedural requirements to implement of the aforesaid decision.”

8. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution**

“RESOLVED THAT in terms of Sections 196 and 197 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and subject to the limits specified in Schedule V of the said Act, further subject to the approval of the Central Government and the concerned authorities including BIFR as may be applicable

Mr. Sandeep Agarwal (DIN No. 00139439) be and is hereby re-appointed as Managing Director of the Company for a further period of five years w.e.f. 01.02.2014 on the terms and conditions, including the increment in remuneration, as was approved at the Annual General Meeting held on September 30 2013, and as are set out in the draft Agreement, be entered into between the Company and Mr. Sandeep Agarwal given hereunder.

1) Salary and Commission:

(a) Salary : Rs. 8,00,000/- per month with increment of 10% per annum due on April each year.

Commission: At a rate to be determined by the Board of Directors each year.

Provided further that the aggregate amount of remuneration payable to the appointee in a particular financial year will be subject to the overall ceiling limit laid down in Sections 196 to 200 of the Companies Act, 2013.

2) Perquisites :

- (a) Furnished residential accommodation inclusive of facilities such as Electricity, water and gas.
- (b) Full reimbursement of all medical expenses for self and family.
- (c) Leave travel facility for self and family once a year.
- (d) Fees of Clubs subject to a maximum of two Clubs.
- (e) Personal accident and medical insurance.
- (f) Contributions to Provident Fund, Superannuation or Annuity Fund
- (g) Gratuity as per law
- (h) Encashment of leave at the end of tenure of office.
- (i) Free passage for self and family together with cost of transportation of household items at the end of tenure of office.
- (j) Provision for car for use on Company's

business and telephone at residence will not be considered as perquisites. Long distance telephone calls and use of car for personal purposes will be billed by the Company.

- (k) Reimbursement of entertainment, traveling and other expenses actually incurred for business of the Company.

3) Minimum Remuneration :

If in any financial year during the currency of tenure of the Managing Director, the Company has no profits or its profits are inadequate, the appointee shall be entitled to minimum remuneration by way of salary, perquisites, allowances not exceeding the ceiling limit specified under Section II of Part II of Schedule V of the Companies Act, 2013. Provided further that following perquisites which are also allowed to him shall not be included in the computation of this ceiling :

- a. Contribution to Provident Fund, Superannuation or Annuity Fund to the extent these either singly or put together are not taxable under Income Tax Act, 1961.
- b. Gratuity as per law.
- c. Encashment of leave at the end of the tenure.

"RESOLVED FURTHER THAT the Board of Directors of the company be and are hereby authorised to comply with all other legal and procedural requirements under the Companies Act, 2013 and rules and regulations framed thereunder."

9. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution:**

"RESOLVED THAT, in compliance with the Companies (Cost Records and Audit) Amendment Rules, 2014 published vide GSR No. 01(E) on January 1, 2015, issued by the Central Government, further in terms of the Powers conferred by Section 148, of the Companies Act, 2013, subject to the confirmation, if required, from the Central Government, M/s. Neeraj Sharma & Co, Cost Accountants, Ghaziabad, and being eligible under section 139, 141 and 148 of the Companies Act,

2013, be and are hereby re-appointed as Cost Auditors from April 1, 2015 to March 31, 2016, at the remuneration of Rs. 2.50 Lacs per annum excluding the service tax and out of pocket expenses, to conduct the audit and further rectification of remuneration in terms of Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014 under the Companies Act, 2013.

"RESOLVED FURTHER THAT, Board of Directors of the company be and are hereby authorized to complete all the legal and procedural requirements in this regard including the filing of necessary forms with the Registrar of Companies/Central Government."

10. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution** :

"RESOLVED THAT, in terms of Section 12 and other applicable provisions of the Companies Act 2013 and Companies (Incorporation) Rules 2014 and any other Rules as may be applicable and further compliance of Listing Agreement with the Stock Exchanges, due to operational convenience, the Registered office of the company be shifted from B-2 Loni Road Industrial Area, Opp. Mohan Nagar, Ghaziabad-201007 U.P. to Corporate office of the company situated at 57/2 Site IV Industrial Area, Sahibabad, Ghaziabad-201010 U.P.

"RESOLVED FURTHER THAT Board of Directors of the company be and are hereby authorized to complete all legal and procedural requirements in this regard."

11. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of section 180 (1) (c) and other applicable provisions, if any, of the Companies Act, 2013, the Company hereby accords its consent to the Board of Directors to borrow/continues to borrow, any sums of money from time to time from any one or more of the Company's Bankers and/or from any one or more other persons, firms, bodies, corporate or financial institutions in India or Overseas, Assets Reconstruction

Companies (ARCs), whether by way of cash credit, advance or deposits, term loans, debentures, fixed deposits or bill discounting or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company assets and properties, stock-in-trade (including raw materials, stores, spare parts and components in stock or in transit) and all or any of the undertakings of the Company notwithstanding that the moneys to be borrowed together with moneys already borrowed by the Company (apart from temporary loans obtained from Company's Bankers in the ordinary course of business) will or may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose but so however that the total amount up to which the moneys may be borrowed by the Board of Directors and outstanding at any time (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not exceed the sum of Rs. 1500.00 Crores (Rupees Fifteen Hundred Crores Only) and the Board of Directors is hereby further authorized to execute such deeds of mortgage, charge, hypothecation, lien, promissory notes, deposit receipt and other deeds and instruments or writings as they may think fit and containing such conditions and covenants as the Board of Directors may think fit."

"RESOLVED FURTHER THAT the Board be and is hereby also authorized in terms of 180 (1) (c) of the Companies Act 2013, and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time, subject to requisite approvals, if any, as may be required from any of the concerned authorities and from the financial institutions/bank, the existing charge holders to secure if required the entire or any part of the issue of securities by creation of mortgage(s) and or charge(s) as may be required either by way of first charge or second charge on pari-passu basis on all or any of the Company's immovable and movable properties, present and future, as the Board may determine in consultation with the Trustees/Lenders, such charge to rank in such manner as may be agreed to between the concerned parties and as may be thought expedient by the Board upto the Borrowing Powers of Rs. 1500.00 Crores, as mentioned

above.

12. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT, the consent of the company be and is hereby accorded in terms of Section 180(1)(a), 110 and other applicable provisions of the Companies Act 2013 and the Companies (Management & Administration) Rules, 2014 and any other provisions of the Companies Act, 2013 as amended from time to time, for mortgaging and/or charging by the Board of Directors of the company on first charge basis in favor of financial institutions and/or banks,

Assets Reconstruction Companies (ARCs) for term loans and on second charge basis and on exclusive charge basis on all the immovable & movable properties of the company, wheresoever situated, present & future and the whole of the Undertaking of the Company for working capital facilities. The term lenders may have second charge over movable assets and working capital bankers may have on immovable assets of the company. The following financial institutions and banks for the financial assistance presently provided by them, detailed as under and any other bank/financial institutions/ARCs for financial assistance to be provided by them in future:

(Rs. in Crores)

S. No.	CHARGE ID NO.	NAME & ADDRESS OF BANK/ARC	CHARGE AMOUNT FOR CREDIT FACILITIES EXTENDED.
1	10347454	HDFC BANK LIMITED HDFC BANK HOUSE SENAPATI BAPAT MARG, LOWER PAREL W, MUMBAI, MAHARASHTRA - 400013	2.69
2	10248533	ICICI BANK LIMITED NBCC PLACE, BHISHMA PITAMAH MARG, PRAGATI VIHAR, NEW DELHI - 110003	5.376
3	10251334	IDBI BANK LIMITED INDIAN RED CROSS SOCIETY BUILDING, 1, RED CROSS ROAD, NEW DELHI - 110001	0.43
4	10247812	STANDARD CHARTERED BANK CREDIT RISK CONTROL, H-2, CONNAUGHT CIRCUS, NEW DELHI - 110001	1.45
5	10254614	SYDICATE BANK CORPORATE FINANCE BRANCH, DELHI TAMIL SANGAM BUILDING, R.K. PURAM, SECTOR-V, NEW DELHI - 110022	2.17
6	10184701	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR - STATE BANK OF INDIA) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098, INDIA	3.60
7	10184695	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR - STATE BANK OF INDIA) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098, INDIA	274.5
8	10177886	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR - STATE BANK OF PATIALA) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	4.28

(Rs. in Crores)

S. No.	CHARGE ID NO.	NAME & ADDRESS OF BANK/ARC	CHARGE AMOUNT FOR CREDIT FACILITIES EXTENDED.
9	10177608	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (Assignor -State Bank of Patiala) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	5.29
10	10137794	PUNJAB NATIONAL BANK MOHAN NAGAR, GHAZIABAD, UTTAR PRADESH - 201007	36.60
11	10126135	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -STATE BANK OF PATIALA) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	12.00
12	10126167	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR - STATE BANK OF BIKANER AND JAIPUR) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	18.00
13	10126165	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR - STATE BANK OF BIKANER AND JAIPUR) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	19.64
14	10125150	PUNJAB NATIONAL BANK MOHAN NAGAR, GHAZIABAD, UTTAR PRADESH - 201007	20.00
15	10115855	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -STATE BANK OF PATIALA) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	18.34
16	10112098	INFOTECH TRUSTEESHIP SERVICES LIMITED 3RD TO 6TH FLOOR, INTERNATIONAL INFOTECH PARK, TOWER NO.5, VASHI RAILWAY STATION COMPLEX, VASHI, NAVI MUMBAI, MAHARASHTRA - 400703	8.00
17	10106371	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -STATE BANK OF MYSORE) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA -400098	25.00
18	10091892	STANDARD CHARTERED BANK CREDIT RISK CONTROL, NARAIN MANZIL, 23, BARAKHAMBA ROAD, NEW DELHI -110001	10.00
19	10083704	STATE BANK OF HYDERABAD 74, JANPATH, NEW DELHI - 110001	33.00

(Rs. in Crores)

S. No.	CHARGE ID NO.	NAME & ADDRESS OF BANK/ARC	CHARGE AMOUNT FOR CREDIT FACILITIES EXTENDED.
20	10080409	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -UCO BANK) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	24.16
21	10076828	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	25.00
22	10044088	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -STATE BANK OF MYSORE) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	30.00
23	10044092	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -STATE BANK OF MYSORE) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	37.00
24	10040259	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -EXPORT IMPORT BANK OF INDIA) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	12.58
25	10039657	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -UCO BANK) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	28.00
26	10036111	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -STATE BANK OF PATIALA) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	7.56
27	10038078	ABN AMRO BANK N.V. HANSALAYA BUILDING, 15, BARAKHAMBA ROAD, DELHI - 110001	20.50
28	10031838	STATE BANK OF HYDERABAD 74, JANPATH, NEW DELHI, DELHI - 110001	42.136
29	10028229	PUNJAB NATIONAL BANK MOHAN NAGAR, GHAZIABAD, GHAZIABAD, UTTAR PRADESH - 201007	75.00
30	10026022	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (Assignor -State Bank of India) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	39.92

(Rs. in Crores)

S. No.	CHARGE ID NO.	NAME & ADDRESS OF BANK/ARC	CHARGE AMOUNT FOR CREDIT FACILITIES EXTENDED.
31	10025618	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -STATE BANK OF MYSORE) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	60.19
32	10016390	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -STATE BANK OF PATIALA) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	35.82
33	10018728	KOTAK MAHINDRA BANK LIMITED 36-38A, NARIMAN BHAVAN, 227,D, NARIMAN POINT, MUMBAI, MAHARASHTRA - 400021	5.00
34	80039195	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -THE HONGKONG & SHANGHAI BANKING CORPORATION LIMITED) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	14.00
35	80039279	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -THE HONGKONG & SHANGHAI BANKING CORPORATION LIMITED) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	14.00
36	80016666	PUNJAB NATOINAL BANK MOHAN NAGAR, GHAZIABAD, UTTAR PRADESH - 201007	23.00
37	80016662	PUNJAB NATOINAL BANK MOHAN NAGAR, GHAZIABAD, UTTAR PRADESH - 201007	33.51
38	80035288	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -STATE BANK OF PATIALA) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	40.00
39	90281031	SYNDICATE BANK CORPORATE FINANCE BRANCH DELHI TAMIL SANGAM BUILDING, R.K. PURAM, SECTOR-V, NEW DELHI -110022	7.08
40	80022064	STANDARD CHARTERED BANK CREDIT RISK CONTROL, NARAIN MANZIL, 23, BARAKHAMBA ROAD, NEW DELHI - 110001	25.00
41	80022066	STANDARD CHARTERED BANK CREDIT RISK CONTROL, NARAIN MANZIL, 23 BARAKHAMBA ROAD, NEW DELHI - 110001	25.00

(Rs. in Crores)

S. No.	CHARGE ID NO.	NAME & ADDRESS OF BANK/ARC	CHARGE AMOUNT FOR CREDIT FACILITIES EXTENDED.
42	90280845	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -STATE BANK OF PATIALA) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	10.00
43	90277817	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -STATE BANK OF PATIALA) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	15.00
44	90280768	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -STATE BANK OF PATIALA) EDELWEISS HOUSE, OFF. C.S.T ROAD, K ALINA, MUMBAI, MAHARASHTRA - 400098	7.56
45	90280728	SYNDICATE BANK CORPORATE FINANCE BRANCH, DELHI TAMIL SANGAM BUILDING, R.K. PURAM, SECTOR-V, NEW DELHI - 110022	11.02
46	90280722	THE JAMMU & KASHMIR BANK LTD. 26/34, PAL MOHAN MANSION, EAST PATEL NAGAR, RAJINDER PLACE, NEW DELHI - 110008	21.96
47	80046862	IDBI BANK LIMITED INDIAN RED CROSS SOCIETY BUILDING, 1, RED CROSS ROAD, NEW DELHI - 110001	5.00
48	90280326	ABN-AMRO BANK NV HANSALAYA BUILDING, 15; BARAKHMABA ROAD, NEW DELHI - 110001	10.00
49	90275299	IDBI BANK LIMITED INDIAN RED CROSS SOCIETY BUILDING, 1, RED CROSS ROAD, NEW DELHI - 110001	11.50
50	90278875	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -STATE BANK OF INDIA) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	170.56
51	90276714	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -STATE BANK OF INDIA) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	418.50

The sanction also accorded to create the charge for any future loans Sanctioned/lent by the above banks/financial Institutions/ARCs to the Company institutions/banks/ARCs subject to the overall limits of Rs. 1500.00 Crores, and in terms of Rehabilitation Scheme as may be sanction by Board of Industrial and Financial Reconstruction (BIFR), not mentioned above together with interest thereon at the respective agreed rates, compound/further/additional interest, liquidated damages, commitment charges, and all other monies as payable by the company to financial institutions/Banks/ARCs under their respective heads as per agreement/letter of sanction/memorandum of terms and conditions entered into/to be entered into by the company in respect of the said financial assistance.”

“RESOLVED FURTHER THAT the Board of Directors of the company be and are hereby authorized to finalize with financial institutions and Banks, the documents for creating the aforesaid mortgage and/or charge and to do all such acts and things as may be necessary for giving effect to the above resolution.”

By the Order of the Board
For **ALPS INDUSTRIES LTD.**

AJAY GUPTA
(COMPANY SECRETARY & GM-LEGAL)
FCS No. : 4474

Place : Ghaziabad
Date : August 22, 2015
Registered Office- B-2, Loni Road Industrial Area,
Opp. Mohan Nagar, Ghaziabad - 201 007 (U.P.)

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself, and such proxy need not be a member of the Company. The proxies, in order to be effective, must be received by the Company not less than 48 hours before the commencement of the meeting. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board resolution to the company authorizing their representative to attend and vote on their behalf at the Meeting.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out all material facts and the statement of particulars of Directors seeking appointment/re-appointment, as required under Clause 49 of the Listing Agreement are annexed hereto. The Directors have furnished the requisite consents / declarations for their appointment / reappointment. In respect of the Special Business/Special resolution are set out in Item Nos. 3 to 12 of the accompanying Notice is annexed hereto.
4. Any member proposing to seek any clarification on the accounts, is requested to send the queries to the Company at its Registered office and Corporate office at least seven days prior to the date of Annual General Meeting to enable the management to compile the relevant information to reply the same in the meeting..
5. The Register of Directors' and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013 shall be available for inspection by the members at the Annual General Meeting.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 09, 2015 to Thursday, September 10, 2015 (Both days inclusive).
7. Members are requested to bring their copy of Annual Report and attendance slip to the meeting.
8. The Annual Accounts of the Subsidiary Companies shall be available at the Registered office and Corporate office of the Company for inspection by any shareholder.
9. In terms of the section 108 of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014 shareholders who are the members of the company as on the closing hours of the cutoff date fixed on Thursday, September 24, 2015 will be eligible for voting rights either by e-voting or physically at the Annual General Meeting.
10. As no dividend have been declared from the financial year ended 31st March 2008, there are no unpaid/unclaimed dividend needs to be transferred to the Investors Education and Protection Fund. Hence in terms of the Notification dated May 10, 2012 issued by MCA, there are no details of eligible investors needs to display on the website of the company.
11. The Ministry of Corporate Affairs ("MCA"), Government of India, through its Circular No. 17/2011 and circular dated 18/2011 dated 29th April, 2011 the Company encourages members to intimate/update their e-mail addresses to receive the Annual Report and other communication electronically in support of the "Go Green" initiative of the Ministry of Corporate Affairs (MCA). Members may intimate/ update their e-mail address by sending a mail to the R&T Agent i.e. M/s. Alankit Assignments Ltd. e-mail id jksingla@alankit.com or ajaygupta@alpsindustries.com and investorsgrievance@alpsindustries.com with their name and folio details. The Company will send all communication including the Annual Report via e-mail to the members who have provided their e-mail addresses to the Company/ Depositories. A copy of the Annual Report will be available on the

Company's website www.alpsindustries.com.

12. Members are requested to notify immediately any change of their address in respect of their electronic share accounts and physical shares (quoting their client ids/folio no's) to the R&T agent having its Registered Office situated at Alankit Assignments Ltd., Alankit House, 2E/21, Jhandewalan Extn., New Delhi-110055 or at the Corporate Office of the company situated at 57/2, Site IV, Sahibabad Industrial Area, Ghaziabad-201010, Uttar Pradesh.
13. **Re-appointment of Directors:** At the forthcoming Annual General Meeting, Mr. K.K. Agrawal (DIN No. 00139252), Non-Independent, Non Executive Promoter Director and Non Executive Chairman shall retire by rotation and being eligible offer himself for reappointment.
14. **Re-appointment of Whole Time Director:** Mr. Sandeep Agrawal, Managing Director proposed to be reappointed as Whole time director designated as Managing Director of the company. The information/details pertaining to the above Whole time director that is to be provided in terms of Clause 49 of the Listing Agreement and in terms of the Article No. 106-109 of Articles of Association of the company are furnished in the statement of Corporate Governance published elsewhere in the Annual Report.
15. **Appointment of Independent Directors:** Mr. Prabhat Krishna, (DIN: 02569624), Mr. Pradyuman Kumar Lamba, (DIN: 02843166) and Mr. Tilak Raj Khosla, (DIN: 02724242) and Ms. Deepika Shergill (DIN NO. 07093795), proposed to be appointed as independent Non executive Directors of the company pursuant to the provisions of Section 149,152,161 and any other applicable provisions of the Companies Act 2013, read with Schedule IV and all other applicable provisions of the Companies Act, 2013, Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and Clause 49 of the Listing Agreement.
16. In terms of the direction from the Ministry of Corporate Affairs (MCA), No Gifts, gifts coupons or any other complimentary items will be distributed at the meeting.
17. The members are requested to bring the copy of photo ID Proof like Driving License, Voter ID, and Passport etc. and in case of representatives of Companies/Banks the copy of POA/Board resolutions to confirm the authorities, to avoid the unscrupulous person entry to the meeting.
18. The members, who hold shares in physical form under multiple folios, in identical name or joint accounts in the same order or names, are requested to send the share certificates to M/s. Alankit Assignments Ltd, Registrar and Share Transfer Agent of the company, for consolidation into a single folio.
19. As per the requirement of Clause 5A (II) of the Listing Agreement, three reminders for unclaimed shares held in physical mode had been sent to the eligible shareholders. Shareholders are requested to note that the above shares have been transferred to "Alps Industries Ltd. -Unclaimed Share Demat Physical Account" and now eligible share holders can claim their shares after providing the requisite documents to the Registrar and Share Transfer Agent.
20. Consequent upon the introduction of Section 72 of the Companies Act, 2013, shareholders are entitled to make a nomination in respect of shares held by them in physical form. Shareholders desirous of making a nomination are requested to send their requests in Form No. SH. 13 to the Company.
21. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Transfer Agent.
22. In compliance with the provisions of section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration)

Rules, 2014 and clause 35B of the Listing agreement with the Stock Exchanges, the company is pleased to provide members' facility to exercise their right to vote at the Annual General Meeting (AGM) by electronics means and the business may be transacted through e-Voting Services. The details and procedures are annexed with the notice as Annexure1.

23. Relevant documents referred to in the accompanying Notice and the Statement, are available for inspection in such documents shall be available for inspection physical or in electronic on all working days, except Sundays and public holidays, during business hours up to the date of meeting at the Registered office of the company and copies there of shall also be made available for inspection at the Corporate office of the company and also at the meeting.

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013.

The Explanatory Statements for Item no. 3 to 12 of the accompanying Notice are as under:

ITEM NO. 3.

As per Section 139 of Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, the appointment of new Auditors M/s. R.K. Govil & Co., Chartered Accountants, (Firm Registration No. 000748C) proposed for the first term of four years i.e from the conclusion of the 43rd Annual General Meeting till the conclusion of the 47th Annual General Meeting of the company as the statutory auditors, subject to the rectification of their reappointment at every subsequent Annual General Meeting of the company by the shareholders in terms of the provisions of the Companies Act, 2013. The members of the company need to consider and approve the confirmation for re-appointment of the Statutory Auditors, as recommended by the Board of Directors at their meeting held on August 22, 2015. The casual vacancy was caused due to the resignation letter dated August 19, 2015 of M/s. P. Jain & Co., Chartered Accountants (Firm Regn. Number 000711C) ,the erstwhile Auditors, on August 19, 2015. The ratification also proposed

for the appointment of M/s. R.K. Govil & Co., Chartered Accountants, (Firm Registration No. 000748C) under section 139(8) of the Companies Act 2013 by the Board of Directors at their meeting held on August 22, 2015, to fill the casual vacancy caused by the resignation of M/s. P. Jain & Co., Chartered Accountants (Firm Regn. Number 000711C). The members of the company consider and approve the resolution by way of Special resolution. None of the persons specified in Section 102 of the Companies Act, 2013 namely the Promoters, Directors, Key Managerial Personnel, Relatives of Promoters, Directors and Key Managerial Personnel or the entities comprising the interest of Promoters, Directors or Key Managerial Personnel, are concerned or interested in the above resolution financially or otherwise except to the extent of their shareholdings if any.

ITEM NO. 04,05 AND 06.

Pursuant to Clause 49 of the Listing Agreement, Mr. Prabhat Krishan (DIN No. 02569624), Mr. Pradyuman Kumar Lamba (DIN No. 02843166) and Mr. Tilak Raj Khosla (DIN No. 02724242) are holding the office of Directors categorized as Independent Directors of the Company. As per the provisions of Section 149(4) of the Companies Act, 2013, it would be necessary to have at least one third of the total number of directors as independent directors. The provisions of sub Section 10 of Section 149 further stipulates that an independent director shall hold office for a term up to five consecutive years on the Board of the Company and shall not be liable to retire by rotation.

It is proposed to appoint all the present Independent Directors viz. Mr. Prabhat Krishan (DIN No. 02569624), Mr. Pradyuman Kumar Lamba (DIN No. 02843166) and Mr. Tilak Raj Khosla (DIN No. 02724242) as Independent Directors for a period of three years from the date of approval by the Board of Directors on 11.2.2015 i.e upto 10.2.2018. The Nomination and Remuneration Committee has recommended and the Board of Directors of the Company has formed an opinion that all the Independent Directors fulfils the conditions specified in the Companies Act,

2013 for such an appointment. Justification under Section 150(2) of the Companies Act, 2013 for considering the appointment of each of the independent directors is as under:

“Mr. Prabhat Krishan (DIN No. 02569624) aged 70, 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 and he has been associated with the Company since 2009.”

“Mr. Pradyuman Kumar Lamba (DIN No. 02843166) aged 69, 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 Defence. 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. and he has been associated with the Company since 2009.”

“Mr. Tilak Raj Khosla (DIN No. 02724242) aged 70, 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. and he has been associated with the Company since 2009.”

None of the Independent Directors hold any shares in the Company. As per the provisions of sub Section (7) of Section 149 of the Companies Act, 2013, the Board of Directors of the Company has received declaration from all the Independent Directors that they meet with the criteria of independence as provided in sub Section (6) of Section 149 of the Companies Act, 2013. The Company has also received from all the proposed appointees (i) consent in writing to act as a director in Form DIR-2 pursuant to Rule 8

of the Companies (Appointment & Qualification of Directors) Rules, 2014 (ii) intimation in Form DIR 8 in terms of Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that they have not been disqualified under sub Section (2) of Section 164 of the Companies Act, 2013. A copy of the letters for the appointment of all the proposed appointees as Independent Director setting out the terms and conditions is available for inspection by the members at the Company’s Registered Office and Corporate office during the working hours on all working days upto the date of AGM.

Independent Director shall not be entitled to any other financial benefits and may receive remuneration by way of sitting fees provided under sub-section (5) of Section 197 of the Companies Act, 2013, reimbursement of expenses for participation in the Board and other meetings only. As per the provisions Section 160 of the Companies Act, 2013, the Company has received notice under Section 160 of the said Act from shareholders proposing the candidature, for the office of a Director of the Company along with the deposit of 1,00,000/- for each of the Director. Mr. Prabhat Krishan (DIN No. 02569624), Mr. Pradyuman Kumar Lamba (DIN No. 02843166) and Mr. Tilak Raj Khosla (DIN No. 02724242) are deemed to be interested or concerned in their respective resolution for appointment. Apart from the said directors, none of the persons specified in Section 102 of the Companies Act, 2013 namely the Promoters, Directors, Key Managerial Personnel, Relatives of Promoters, Directors and Key Managerial Personnel or the entities comprising the interest of Promoters, Directors or Key Managerial Personnel, are concerned or interested in the above resolutions financially or otherwise except to the extent of their shareholdings if any. Your Directors recommend the resolutions, by way of Special Resolutions, as mentioned in Item 04,05 and 06 of the Notice for your approval.

ITEM NO. 07

In terms of Section 149, 152, 161 and other applicable provisions of the Companies Act 2013 and relevant rules made thereunder and clause 49

of the listing agreement with the Stock Exchanges one Woman Director needs to be appointed as Additional Director till the conclusion of the next AGM for a maximum first term of five years and shall not be liable to retire by rotation. The Nomination and Remuneration Committee has recommended and the Board of Directors of the Company has formed an opinion that Woman Director fulfils the conditions specified in the Companies Act, 2013 for such an appointment. Justification under Section 150(2) of the Companies Act, 2013 for considering the appointment is as under:

“She possesses educational qualification in the field of Sociology, Diploma in Office Management, Art Appreciation from National Museum Institute. She possess over thirty years of diversified exposure in the administrations of reputed companies engaged in diversified fields.”

It is proposed to appoint Ms. Deepika Shergill (DIN NO. 07093795) aged 53, as Additional Non Executive Independent Director under Section 149, 152, 161 and other applicable provisions of the Companies Act 2013 and relevant rules made thereunder for a period of three years from the date of approval by the Board of Directors on 11.2.2015 i.e upto 10.2.2018, for first term of three years in compliance of aforesaid legal requirements. The aforesaid Independent Director does not hold any shares in the Company. As per the provisions of sub Section (7) of Section 149 of the Companies Act, 2013, the Board of Directors of the Company has received declaration from the aforesaid Independent Director that she meet with the criteria of independence as provided in sub Section (6) of Section 149 of the Companies Act, 2013. The Company has also received from the proposed appointee (i) consent in writing to act as a director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 (ii) intimation in Form DIR 8 in terms of Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that she has not been disqualified under sub Section (2) of Section 164 of the Companies Act, 2013. A copy of the letter for the appointment of the proposed appointee as

Independent Director setting out the terms and conditions is available for inspection by the members at the Company's Registered Office and Corporate office during the working hours on all working days upto the date of AGM.

Independent Director shall not be entitled to any other financial benefits and may receive remuneration by way of sitting fees provided under sub-section (5) of Section 197 of the Companies Act, 2013, reimbursement of expenses for participation in the Board and other meetings only. Ms. Deepika Shergill (DIN NO. 07093795) deemed to be interested or concerned in the resolution for appointment. Apart from the said director, none of the persons specified in Section 102 of the Companies Act, 2013 namely the Promoters, Directors, Key Managerial Personnel, Relatives of Promoters, Directors and Key Managerial Personnel or the entities comprising the interest of Promoters, Directors or Key Managerial Personnel, are concerned or interested in the above resolutions financially or otherwise except to the extent of her shareholdings, if any. Your Directors recommends the resolution as mentioned in Item Nos. 07 of the Notice for your approval by way of Special resolution.

ITEM NO. 08

Mr. Sandeep Agrawal, Managing Director (Din No. 00139439) aged 51, was re-appointed as the Whole Time Director and designated as Managing Director at the Annual General Meeting of the Company held on 30th September 2013 for a period of 5 years w.e.f. 01.02.2014. As the re-appointment was approved under the erstwhile companies Act 1956, it needs to be again approved under the new provisions of the Companies Act 2013 with the increment in the remuneration as approved at the AGM held on September 30 2013. The Company has also received from the proposed appointees (i) consent in writing to act as a director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 (ii) intimation in Form DIR 8 in terms of Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that he has not been disqualified under sub Section (2) of Section

164 of the Companies Act, 2013. The Nomination and Remuneration Committee has recommended and the Board of Directors of the Company has formed an opinion that aforesaid Whole time Director fulfils the conditions specified in the Companies Act, 2013 for such an appointment. Justification under Section 150(2) of the Companies Act, 2013 for considering the appointment is as under:

“He is in the textile industry since last 26 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.” Apart from the said Whole time director and Mr. K.K.Agrawal Non-Executive Chairman & Promoter Director, Mrs. Sanyog Agrawal, Mrs. Nidhi Agrawal, Mr. Rohan Agrawal and Ms. Sunandni Agrawal being relatives of appointee, none of the persons specified in Section 102 of the Companies Act, 2013 Directors, Key Managerial Personnel, Relatives of Directors & Key Managerial Personnel or the entities comprising the interest of Directors or Key Managerial Personnel, are concerned or interested in the above resolution financially or otherwise except to the extent of the shareholdings if any. Your Directors recommend the resolution as mentioned in Item Nos. 08 of the Notice for your approval by way of Special resolution.

A statement as required under Section II of Part II of the Schedule V of the Companies Act, 2013 related to the reappointment of Mr. Sandeep Agrawal as a whole time director designated as Managing Director is as under:

1. GENERAL INFORMATION													
a. Nature of Industry	Textile Industry												
b. Date or expected date of commencement of commercial production	Running Industry.												
c. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable.												
d. Financial performance based on the given indicators.	(Rs. In Lacs)												
	<table border="0"> <tr> <td></td> <td style="text-align: center;">2014-15</td> <td style="text-align: center;">2013-14</td> <td style="text-align: center;">2012-13</td> </tr> <tr> <td>Net Profit</td> <td style="text-align: center;">(2948.70)</td> <td style="text-align: center;">(11765.60)</td> <td style="text-align: center;">(11313.13)</td> </tr> <tr> <td>Turnover</td> <td style="text-align: center;">64268.29</td> <td style="text-align: center;">80582.40</td> <td style="text-align: center;">69987.48</td> </tr> </table>		2014-15	2013-14	2012-13	Net Profit	(2948.70)	(11765.60)	(11313.13)	Turnover	64268.29	80582.40	69987.48
	2014-15	2013-14	2012-13										
Net Profit	(2948.70)	(11765.60)	(11313.13)										
Turnover	64268.29	80582.40	69987.48										
e. Export performance and net foreign exchange collaborations	i Financial year ended on 31.03.2015-Export turnover Rs. 21771.28 lacs ii Net foreign exchange collaborations – Nil												
f. Foreign investments or collaborators, if any	I. Foreign Investment – As on 31.03.2015- Nil. II. Collaboration - Nil												

2. INFORMATION ABOUT THE APPOINTEE:	
a. Background Details	He is in the textile industry since long and under his acumen and dynamic leadership, the company had floated various Indian and overseas subsidiary companies. The company had also significant recognition/certifications from different organization.
b. Past remuneration	Rs. 3.00 Lac during the 12 months period ended 31.03.2015.
c. Recognition or awards	<ul style="list-style-type: none"> • 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 14001:2004 for the management system implemented, renewed by Afnor Certification for the period 2013 to 2015 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). • Certificate of Compliance of standards issued by the CU Inspections & Certifications Private Limited. • Certification to use the Trademarks from Cotton Egypt Association (CEA). • Certification of membership of Indian Green Building

	<p>Council (IGBC) issued by the CII.</p> <ul style="list-style-type: none"> • Achievement award for the workplace conditions issued by the Workplace Conditions Assessment (WCA).
<p>d. Job profile and his suitability</p>	<p>He is in the textile industry since last 26 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.</p>
<p>e. Remuneration proposed</p>	<p>(i) Salary : Rs. 8,00,000/- per month with increment of 10% per annum due on April each year. Commission: At a rate to be determined by the Board of Directors each Year. Provided further that the aggregate amount of remuneration payable to the appointee in a particular financial year will be subject to the overall ceiling limit laid down in Sections 196 to 200 of the Companies Act, 2013.</p> <p>(ii) Perquisites :</p> <ul style="list-style-type: none"> (a) Furnished residential accommodation inclusive of facilities such as electricity, water and gas. (b) Full reimbursement of all medical expenses for self and family. (c) Leave travel facility for self and family once a year. (d) Fees of Clubs subject to a maximum of two Clubs. (e) Personal accident and medical insurance. (f) Contributions to Provident Fund, Superannuation or Annuity Fund (g) Gratuity as per law (h) Encashment of leave at the end of tenure of office. (i) Free passage for self and family together with cost of transportation of household items at the end of tenure of office. (j) Provision for car for use on Company's business and telephone at residence will not be considered as perquisites. Long distance telephone calls and use of car for personal purposes will be billed by the Company. (k) Reimbursement of entertainment, traveling and other expenses actually incurred for business of the

	<p>Company.</p> <p>(iii) Minimum Remuneration :</p> <p>If in any financial year during the currency of tenure of the Managing Director, the Company has no profits or its profits are inadequate, the appointee shall be entitled to minimum remuneration by way of salary, perquisites, allowances not exceeding the ceiling limit specified under Section II of Part II of Schedule V of the Companies Act, 2013. Provided further that following perquisites which are also allowed to him shall not be included in the computation of this ceiling :</p> <p>a. Contribution to Provident Fund, Superannuation or Annuity Fund to the extent these either singly or put together are not taxable under Income Tax Act, 1961.</p> <p>b. Gratuity as per law.</p> <p>c. Encashment of leave at the end of the tenure.</p>
<p>f. Comparative remuneration profile with respect to Industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin).</p>	<p>Reasonable and competitive with respect to the Industries with similar nature.</p>
<p>g. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any</p>	<p>None.</p>

<p>3. OTHER INFORMATION</p>	
<p>1. Reasons of loss or inadequate profit</p>	<p>(a) Due to the recession faced by Global economy during the period from 2008 to 2010, a number of export orders were cancelled / renegotiated /discounts sought by the original buyers / resold to alternate buyers resulting in loss of value of stock, sales and receivables. The valuation of the existing stock further depreciated because of lower realization of competitive quality of yarn.</p> <p>(b) Due to enforcement of Minimum Support Price (MSP) of cotton (Raw Material) by the Government of India there was a sharp increase of over 40% in the cotton prices during the period October, 2008 till March, 2010 which could not be passed on to the customers immediately by way of increased selling prices because of stiff competition in the market and cheaper imports from China.</p> <p>(c) The government had announced incentives on export of cotton to the extent of 5%, whereas on the export of yarn (finished goods) the incentive available was only 4%. This resulted in a distinct disadvantage to garment/yarn manufacturers like</p>

	<p>us.</p> <p>(d) The company embarked upon expansion of its spinning facilities along with yarn dyeing facilities at Haridwar in the FYs 05-06 to 07-08 and a new project for weaving of fabric was set up at Meerut during the period from the FY 2007-08 to 2008-09. However, by the time these projects commenced production, the benefits from these projects as originally envisaged could not fructify because of the recession faced by Global economy during the period from 2008 to 2010.</p> <p>(e) The following constraints are also responsible for low profitability and liquidity of the company :</p> <ul style="list-style-type: none"> • Rupee appreciation against USD, vis- -vis the currencies of other competing countries like Bangladesh, Pakistan, Vietnam, China, etc., witnessed lower appreciation. • Significant increased input costs-raw material (Cotton) prices, Power & Fuel costs, etc. without commensurate increase in sales realizations. • Higher interest rates. <p>(f) Shortage of working capital because of delay in receipt of TUFS subsidy/ other Government receivables and major outflow on account of exchange losses on derivative transactions, which severely curtailed the company's Cash inflow.</p> <p>(g) Due to financial instability / uncertainty, the completion of the weaving project at Meerut was stopped / slowed down / delayed by six months and operations of same at commercial level almost more than a year.</p> <p>(i) The Company could not realize the value of the stock as expected due to Government's on and off imposition and removal of quantitative restrictions on export of raw cotton as well as cotton yarn without taking a comprehensive view of demand and supply requirements of various segments of textile industry.</p> <p>(j) The yarn converted out of the cotton purchased during Feb'11 & March'11 was sold at a price even below the purchase price of cotton.</p>
<p>2. Steps taken or proposed to be taken for improvement</p>	<ul style="list-style-type: none"> • Meerut Unit has started showing significant improvements in terms of quality as well as production quantity. • The company has entered into technical collaboration for manufacture of fabrics for use in automobiles. • The Company has joined hands with a French

	<p>company for automotive fabric.</p> <ul style="list-style-type: none"> • Cost reduction by Restructuring and consolidation of various units of the company.
3. Expected increase in productivity and profits in measurable terms	The Company projected PAT 48.60 Crores to the F.Y 2016-17 and expects to optimize its operations in the year 2017-18.

4. DISCLOSURE	
1. Remuneration package of the managerial person	<p>1 Managing Director & Executive Director remuneration during the financial year ended 31.03.2015 is Rs. 3.00 lacs & Rs. 13.13 Lacs respectively.</p> <p>2 Proposed Remuneration- Details are given in Part 2 (e).</p>
<p>2. a) All elements of remuneration packages such as salary, benefits, bonuses, stock options, pensions etc., of all directors;</p> <p>b) Details of fixed component and performance linked incentives along with the performance criteria;</p> <p>c) Service contracts, notice period, severance fees;</p> <p>d) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.</p>	The necessary disclosures has been mentioned in the Directors' Report under the heading of " Corporate Governance" attached to the Annual Report for the year 2014-15.

ITEM NO. 9.

In terms of Companies (Cost Records and Audit) Amendment Rules, 2014 published vide GSR No. 01(E) on January 1, 2015, issued by the Central Government. during the financial year 2015-16, the company is covered under the cost audit. Further in terms of the Powers conferred by Section 148 of the Companies Act, 2013, company shall gets its Cost Accounting Records, Audited by Cost Auditors who shall be either, a Cost Accountant or a Firm of Cost Accountants, and holding valid certificate of practice under the provisions of Cost and Works Accountants Act, 1959.

As our company is covered under the aforesaid Rules, company has to appoint a reputed Cost Audit firm. It is proposed to re-appoint M/s. Neeraj Sharma & Co., Cost Accountants, Ghaziabad, for the financial year 2015-2016. In terms of Section 148(3) of Companies Act, 2013

read with Rule 14 of Companies (Auditors and Audit) Rules, 2014, the appointment of Cost Auditors of the Company is required to be ratified by the members of the company. It has been proposed to ratify the appointment of M/s. Neeraj Sharma & Co., Cost Accountants, Ghaziabad, (Firm Registration No. 100466) as recommended by the Audit committee and further appointed by the Board of Directors at their meeting held on May 30, 2015 to hold office from the from April 1 2015 to March 31 2016 on remuneration of Rs. 2,50,000 per annum plus service tax as applicable and reimbursement of out of pocket expenses related with the audit. The Shareholders are required to approve the aforesaid resolution by way of Special Resolution, as set out in Item No. 9 of the Notice.

In terms of section 102 of the Companies Act 2013, it is confirmed that none of the Directors, or any of Key Managerial Persons (KMPs) or their relatives as defined under the Companies Act, 2013 are interested or concerned, directly or indirectly, in

the aforesaid resolution for re-appointment of Cost Auditors, except to the extent of their shareholdings in their individual capacity if any.

ITEM NO. 10.

Presently the Registered office of the company is situated at B-2 Loni Road Industrial Area, Opp. Mohan Nagar, Ghaziabad- 201007 U.P. Due to operational convenience, it is proposed to shift to Corporate office of the company situated at 57/2 Site IV Industrial Area, Sahibabad, Ghaziabad-201010 U.P. In terms of section 12 of the Companies Act 2013, the approval of members of the Board has been accorded on May 30, 2015 subject to the approval from shareholders of the company and further legal compliances under the Listing agreement with the stock exchanges/ ROC and other Banks/Central & State Government etc. The Shareholders are required to approve the aforesaid resolution by way of Special Resolution, as set out in Item No. 10 of the Notice.

In terms of section 102 of the Companies Act 2013, it is confirmed that none of the Directors, or any of Key Managerial Persons (KMPs) or their relatives as defined under the Companies Act, 2013 are interested or concerned, directly or indirectly, in the aforesaid resolution for change of registered office, except to the extent of their shareholdings in their individual capacity if any.

ITEM NO. 11

The borrowing powers under section 293(1)(d) of the Companies Act, 1956 have already been approved by the members of the company at their Annual General meeting held on 27.09.2008 to the extent of Rs. 1500.00 Crores, to mortgage the fixed assets of the company. Due to implementation of Section 180 (1) (c), and other applicable provisions, if any, of the Companies Act, 2013, the fresh approval from the members of the company by way of Special Resolution is required. Hence the matter has been referred to the members for their approval under Section 180 (1) (c), and other applicable provisions, if any, of the Companies Act, 2013. None of the persons specified in Section 102 of the Companies Act, 2013 namely the Promoters, Directors, Key Managerial Personnel, Relatives of Promoters,

Directors and Key Managerial Personnel or the entities comprising the interest of Promoters, Directors or Key Managerial Personnel, are concerned or interested in the above resolution financially or otherwise except to the extent of their shareholdings if any.

ITEM NO. 12

Company have availed the Credit facilities within the overall limits under section 293(1)(d) of the Companies Act, 1956, as approved from time to time, by the members of the company and latest at the Annual General meeting held on 30.09.2011. Due to implementation of Section 180 (1) (a), and other applicable provisions, if any, of the Companies Act, 2013, the fresh approval from the members of the company by way of Special Resolution is required. Hence the matter has been referred to the members for their approval under Section 180 (1) (a), and other applicable provisions, if any, of the Companies Act, 2013. The various Financial Institutions/Banks/ARCs have sanctioned financial assistance detailed as under:

(Rs. in Crores)

S. No.	CHARGE ID NO.	NAME & ADDRESS OF BANK/ARC	CHARGE AMOUNT FOR CREDIT FACILITIES EXTENDED.
1	10347454	HDFC BANK LIMITED HDFC BANK HOUSE SENAPATI BAPAT MARG, LOWER PAREL W, MUMBAI, MAHARASHTRA - 400013	2.69
2	10248533	ICICI BANK LIMITED NBCC PLACE, BHISHMA PITAMAH MARG, PRAGATI VIHAR, NEW DELHI - 110003	5.376
3	10251334	IDBI BANK LIMITED INDIAN RED CROSS SOCIETY BUILDING, 1, RED CROSS ROAD, NEW DELHI - 110001	0.43
4	10247812	STANDARD CHARTERED BANK CREDIT RISK CONTROL, H-2, CONNAUGHT CIRCUS, NEW DELHI - 110001	1.45
5	10254614	SYDICATE BANK CORPORATE FINANCE BRANCH, DELHI TAMIL SANGAM BUILDING, R.K. PURAM, SECTOR-V, NEW DELHI - 110022	2.17
6	10184701	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR - STATE BANK OF INDIA) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098, INDIA	3.60
7	10184695	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR - STATE BANK OF INDIA) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098, INDIA	274.5
8	10177886	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR - STATE BANK OF PATIALA) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	4.28
9	10177608	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (Assignor - State Bank of Patiala) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	5.29
10	10137794	PUNJAB NATIONAL BANK MOHAN NAGAR, GHAZIABAD, UTTAR PRADESH - 201007	36.60
11	10126135	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR - STATE BANK OF PATIALA) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	12.00
12	10126167	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR - STATE BANK OF BIKANER AND JAIPUR) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	18.00

(Rs. in Crores)

S. No.	CHARGE ID NO.	NAME & ADDRESS OF BANK/ARC	CHARGE AMOUNT FOR CREDIT FACILITIES EXTENDED.
13	10126165	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR - STATE BANK OF BIKANER AND JAIPUR) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	19.64
14	10125150	PUNJAB NATIONAL BANK MOHAN NAGAR, GHAZIABAD, UTTAR PRADESH - 201007	20.00
15	10115855	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -STATE BANK OF PATIALA) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	18.34
16	10112098	INFOTECH TRUSTEESHIP SERVICES LIMITED 3RD TO 6TH FLOOR, INTERNATIONAL INFOTECH PARK, TOWER NO.5, VASHI RAILWAY STATION COMPLEX, VASHI, NAVI MUMBAI, MAHARASHTRA - 400703	8.00
17	10106371	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -STATE BANK OF MYSORE) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA -400098	25.00
18	10091892	STANDARD CHARTERED BANK CREDIT RISK CONTROL, NARAIN MANZIL, 23, BARAKHAMBA ROAD, NEW DELHI -110001	10.00
19	10083704	STATE BANK OF HYDERABAD 74, JANPATH, NEW DELHI - 110001	33.00
20	10080409	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -UCO BANK) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	24.16
21	10076828	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	25.00
22	10044088	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -STATE BANK OF MYSORE) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	30.00
23	10044092	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -STATE BANK OF MYSORE) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	37.00

(Rs. in Crores)

S. No.	CHARGE ID NO.	NAME & ADDRESS OF BANK/ARC	CHARGE AMOUNT FOR CREDIT FACILITIES EXTENDED.
24	10040259	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -EXPORT IMPORT BANK OF INDIA) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	12.58
25	10039657	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -UCO BANK) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	28.00
26	10036111	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -STATE BANK OF PATIALA) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	7.56
27	10038078	ABN AMRO BANK N.V. HANSALAYA BUILDING, 15, BARAKHAMBIA ROAD, DELHI - 110001	20.50
28	10031838	STATE BANK OF HYDERABAD 74, JANPATH, NEW DELHI, DELHI - 110001	42.136
29	10028229	PUNJAB NATIONAL BANK MOHAN NAGAR, GHAZIABAD, GHAZIABAD, UTTAR PRADESH - 201007	75.00
30	10026022	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (Assignor -State Bank of India) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	39.92
31	10025618	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -STATE BANK OF MYSORE) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	60.19
32	10016390	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -STATE BANK OF PATIALA) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	35.82
33	10018728	KOTAK MAHINDRA BANK LIMITED 36-38A, NARIMAN BHAVAN, 227,D, NARIMAN POINT, MUMBAI, MAHARASHTRA - 400021	5.00
34	80039195	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -THE HONGKONG & SHANGHAI BANKING CORPORATION LIMITED) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	14.00

(Rs. in Crores)

S. No.	CHARGE ID NO.	NAME & ADDRESS OF BANK/ARC	CHARGE AMOUNT FOR CREDIT FACILITIES EXTENDED.
35	80039279	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -THE HONGKONG & SHANGHAI BANKING CORPORATION LIMITED) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	14.00
36	80016666	PUNJAB NATOINAL BANK MOHAN NAGAR, GHAZIABAD, UTTAR PRADESH - 201007	23.00
37	80016662	PUNJAB NATOINAL BANK MOHAN NAGAR, GHAZIABAD, UTTAR PRADESH - 201007	33.51
38	80035288	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -STATE BANK OF PATIALA) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	40.00
39	90281031	SYNDICATE BANK CORPORATE FINANCE BRANCH DELHI TAMIL SANGAM BUILDING, R.K. PURAM, SECTOR-V, NEW DELHI -110022	7.08
40	80022064	STANDARD CHARTERED BANK CREDIT RISK CONTROL, NARAIN MANZIL, 23, BARAKHAMBA ROAD, NEW DELHI - 110001	25.00
41	80022066	STANDARD CHARTERED BANK CREDIT RISK CONTROL, NARAIN MANZIL, 23 BARAKHAMBA ROAD, NEW DELHI - 110001	25.00
42	90280845	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -STATE BANK OF PATIALA) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	10.00
43	90277817	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -STATE BANK OF PATIALA) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	15.00
44	90280768	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -STATE BANK OF PATIALA) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	7.56
45	90280728	SYNDICATE BANK CORPORATE FINANCE BRANCH, DELHI TAMIL SANGAM BUILDING, R.K. PURAM, SECTOR-V, NEW DELHI - 110022	11.02

(Rs. in Crores)

S. No.	CHARGE ID NO.	NAME & ADDRESS OF BANK/ARC	CHARGE AMOUNT FOR CREDIT FACILITIES EXTENDED.
46	90280722	THE JAMMU & KASHMIR BANK LTD. 26/34, PAL MOHAN MANSION, EAST PATEL NAGAR, RAJIN DER PLACE, NEW DELHI - 110008	21.96
47	80046862	IDBI BANK LIMITED INDIAN RED CROSS SOCIETY BUILDING, 1, RED CROSS ROAD, NEW DELHI - 110001	5.00
48	90280326	ABN-AMRO BANK NV HANSALAYA BUILDING, 15; BARAKHMABA ROAD, NEW DELHI - 110001	10.00
49	90275299	IDBI BANK LIMITED INDIAN RED CROSS SOCIETY BUILDING, 1, RED CROSS ROAD, NEW DELHI - 110001	11.50
50	90278875	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -STATE BANK OF INDIA) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	170.56
51	90276714	EDELWEISS ASSET RECONSTRUCTION COMPANY LIMITED (ASSIGNOR -STATE BANK OF INDIA) EDELWEISS HOUSE, OFF. C.S.T ROAD, KALINA, MUMBAI, MAHARASHTRA - 400098	418.50

The financial assistance from Banks/ Financial institutions/ ARCs continues to be secured by way of first charge on pari-passu basis for financial assistance received/to be received from Financial Institutions/Banks for terms loans and second charge basis in favour of Bankers of the company on pari-passu basis, to secure Working Capital facilities provided by Banks and on exclusive charge basis in their favour as may be called for, on all the immovable & movable properties of the Company, both present & future subject to any conditions as may be specified by the Board of Industrial and Financial Reconstruction (BIFR),.

As per Section 180 (1) (a), and other applicable provisions, if any, of the Companies Act, 2013 the Board of Directors of a public company shall not, without the consent of the Shareholders in General Meeting, Sale/lease or otherwise dispose off the whole, or substantially the whole of the undertaking of the company, or where the company owns more than one undertaking, of the whole or substantially the whole of any such undertakings.

Since the mortgaging by the company of its immovable & movable properties, as aforesaid in favour of above financial institutions and Bank may be regarded as disposal of the Company's properties/ undertaking, it is necessary for the members to pass a resolution under Section 180 (1) (a), and other applicable provisions, if any, of the Companies Act, 2013 to continue the creation of the said mortgage/charges. Copy of the sanction letters/LOI from the above financial institutions/ Banks are open for inspection at the Corporate office of the Company situated at 57/2, Site-IV, Sahibabad Industrial Area, Sahibabad, Ghaziabad (U.P.), during the business hours on all the working days except Sundays between 10.00 A.M. to 1.00 P.M. till the date of the Annual General meeting.

As the aforesaid item is also covered under Section 110 and the Companies (Management & Administration) Rules, 2014 and any other provisions of the Companies Act, 2013 it is proposed to be passed by postal ballot also. The necessary postal ballot slip is enclosed along with the Notice.

None of the persons specified in Section 102 of the Companies Act, 2013 namely the Promoters, Directors, Key Managerial Personnel, Relatives of Promoters, Directors and Key Managerial Personnel or the entities comprising the interest of Promoters, Directors or Key Managerial Personnel, are concerned or interested in the above resolution financially or otherwise except to the extent of their shareholdings if any.

Place: Ghaziabad
Date: August 22, 2015

By the Order of the Board
For ALPS INDUSTRIES LTD.

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

AJAY GUPTA
(COMPANY SECRETARY
& GM-LEGAL)
FCS No. 4474

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

(Pursuant to Clause 49 of the Listing Agreement and in terms of Clause 1.2.5 Of Secretarial Standards on General Meetings Issued By ICSI forming the part and parcel of Explanatory statement under section 102 of the Companies Act 2013.)

S. No.	Particulars	Mr. Sandeep Agarwal	Mr. Prabhat Krishna	Mr. Pradyumn Kumar Lamba	Mr. Tilak Raj Khosla	Ms. Deepika Shergill
a)	Nature of Directorship	Managing Director	Independent & Non Executive	Independent & Non Executive	Independent & Non Executive	Independent & Non Executive
b)	Age	51	70	69	70	53
c)	Date of First Appointment	1st January 1993 as Director	31 July 2009	12 December 2009	31 July 2009	11 February 2015
d)	Qualifications	B.Com with wide experience in the textile sector	B. Tech (Chem.) from IIT, Delhi	Arts Graduate with qualified Subordinate Accounts Services (S.A.S.)	Arts Graduate with qualified Subordinate Accounts Services (S.A.S.)	Sociology Hons; Diploma in Office Management
e)	Terms and Conditions of appointment/ Re-appointment	He is in the textile industry since last 26 years and under his acumen and dynamic leadership, the company had floated various Indian and overseas subsidiary companies.	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 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 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.	She possess over of diversified exposure in the administrations of reputed companies engaged in diversified fields.
f)	Details of Remuneration Sought to be paid	Salary : Rs. 8,00,000/- per month with increment of 10% per annum due on April each year.	NA	NA	NA	NA
g)	Remuneration Last drawn	Rs. 3.00 Lacs for the month of February and March 2014 in terms of the approval of MCA during the financial year 2014-15.	NA	NA	NA	NA
h)	Relationship with other directors, manager and other KMP of the company	Son of Mr. K. K. Agarwal, Non Executive Chairman and Non Independent Director.	NA	NA	NA	NA
i)	No. of meetings of the Board attended during the year	Three	Four	Four	Four	Nil (Appointed on 11.02.2015 only)
j)	Chairmanships/ Directorships of other Companies./ membership of Committees	<ul style="list-style-type: none"> • Pacific Texmark Pvt. Ltd. - Director • Alps Processors Pvt. Ltd. - Director • Alps USA Inc. - Director 	<ul style="list-style-type: none"> • Sharda Spuntext Pvt. Ltd. - Director • AMD Industries Ltd - Director • Snowflakes Meditech Pvt. Ltd. - Director • Alps Energy Pvt. Ltd. - Director. 	NA	NA	NA
k)	Number of shares held in the Company	6,51,510 Equity shares	Nil	Nil	Nil	Nil

Particulars	Mr. Sandeep Agarwal	Mr. Prabhat Krishna	Mr. Pradyumn Kumar Lamba	Mr. Tilak Raj Khosla	Ms. Deepika Shergill
l) Justification for choosing the appointee for appointment as independent directors	NA. Since he is non-Independent Director.	He has a long and outstanding experience in the areas of Banking, Forex & Corporate Finance.	He has wide experience of about four decades in accounts and auditing of Accounts	He has wide experience of accounts and auditing of Accounts	She possess over of diversified exposure in the administrations of reputed companies engaged in diversified fields.
m) In case of re-appointment of independent directors summary of performance evaluation of such independent director	NA. Since he is non-Independent Director.	Awarded 88.86% out of 100 Marks which is considered very Good.	Awarded 88.42% out of 100 Marks which is considered very Good.	Awarded 88.82% out of 100 Marks which is considered very Good.	Awarded 88.71% out of 100 Marks which is considered very Good.

ANNEXURE 1

A. PROCESS OF VOTING THROUGH ELECTRONIC MEANS

1. In compliance with provisions of section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, and clause 35 B of the listing agreement with the stock exchanges, the company is pleased to provide members the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).
2. Mr. Rajiv Khosla of M/s. Rajiv Khosla & Associates, Practicing Company Secretaries has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
3. The Scrutinizer shall within a period not exceeding Three (3) days from the conclusion of the e-voting period unblock the votes in the presence of at least Two (2) witnesses not in the employment of the company and make a scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the company.
4. The result shall be declared on or after the AGM of the company. The result declared along with the scrutinizer's Report shall be placed on the Company's website www.alpsindustries.com and on the website of CDSL immediately after the approval and declaration by the Chairman of the meeting and be communicated to BSE & NSE.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Sunday, September 27, 2015 at 10.00 A.M. and ends on Tuesday, September 29, 2015 at 5.00 P.M.. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Thursday September 24, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

PAN	<p>For Members holding shares in Demat Form and Physical Form</p> <p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id/ folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant Company Name on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.



ALPS INDUSTRIES LIMITED
 Registered Office: B-2, Loni Road Industrial Area,
 Opp. Mohan Nagar, Ghaziabad -201007 (U.P.)
 CIN NO :- L51109UP1972PLC003544



Clint Id DP Id Folio No

ATTENDANCE SLIP – 43rd ANNUAL GENERAL MEETING 30th SEPTEMBER, 2015

PLEASE BRING THIS ATTENDANCE SLIP TO THE MEETING HALL AND HAND OVER IT AT THE ENTRANCE*

I Certify that I am a member/proxy for the member of the Company.

I hereby record my presence at the 43rd **Annual General Meeting** of the Company held on Wednesday, the 30th September, 2015 at 10.00 A.M. at the Corporate Office of the company situated at 57/2, Site IV, Sahibabad Industrial Area, Ghaziabad (U.P.) - 201010

Member/Proxy's Name in Block Letters

Members/Proxy's Signature

Note :

1. Member/Proxy must bring the Attendance Slip to the Meeting and hand it over, duly signed, at the registration counter.
2. The copy of the Notice may please be brought to the Meeting Hall.
3. NO GIFTS WILL BE GIVEN.
4. Shareholders or their proxy should bring their Driving License/ Voter Identity Card or PAN Card for Verification / Identification or any other valid proof of identity and copy of Bard resolution with duly attested copy of id proof/POA in case of authorised representatives of body corporate/Banks.
5. The user id and password for the e voting will be as mentioned in the instruction of E-voting as per Annexure-1.

***Strike out whichever is not applicable**

-----Tear Here-----

Form No. MGT-11

Proxy form

Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3)
 of the Companies (Management and Administration) Rules, 2014

ALPS INDUSTRIES LIMITED

Registered Office: B-2, Loni Road Industrial Area,
 Opp. Mohan Nagar, Ghaziabad -201007 (U.P.)
 CIN NO :- L51109UP1972PLC003544



Name of the member (s):

Registered address :

Email Id:

Folio No/Client Id:

DP ID:

I/We, being the member (s) of shares of the above named Company, hereby appoint

(i) Name: (ii) Name:.....

Address: Address:.....

E-mail Id: E-mail Id.....

Signature:....., or failing him Signature:.....,or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 43rd Annual General Meeting of the company, to be held on Wednesday the 30th day of September, 2015 At 10.00 A.M. at the Corporate Office of the company situated at 57/2, Site IV, Sahibabad Industrial Area, Ghaziabad-201010 (U.P.) and at any adjournment thereof in respect of such resolutions as are indicated below:

Affix Rs. 1
Revenue
Stamp

Signature of Shareholder

Notes :

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. A member holding more than 10% of the share capital of the Company carrying voting rights may appoint a single person as a proxy. However, such person shall not act as proxy for any other shareholders.

Clint Id DP Id Folio No

S.No.	Resolutions	In Favor	Not in favor
1.	To consider, approve and adopt the Audited Balance Sheet for the financial year ended on 31st March 2015, the statement of Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon. (Ordinary Resolution)		
2.	To appoint a Director in place of Mr. K.K. Agrawal (DIN, No. 00139252), Non-Independent & Non-Executive Promoter Director by rotation and being eligible, offers himself for re-appointment. (Ordinary Resolution)		
3.	To appoint M/s R.K. Govil & Co., Chartered Accountants, (Firm Registration No. 000748C), Statutory Auditors who shall hold office from the date of appointment by the board to fill the casual vacancy till the conclusion of this Annual General Meeting and further for four years and to fix their remuneration. (Special Resolution)		
4.	To appoint Mr. Prabhat Krishna, (DIN: 02569624) an Independent Director of the Company for a period of three years (Special Resolution)		
5.	To appoint Mr. Pradyuman Kumar Lamba, (DIN: 02843166) an Independent Director of the Company for a period of three years (Special Resolution)		
6.	To appoint Mr. Tilak Raj Khosla, (DIN: 02724242)an Independent Director of the Company for a period of three years (Special Resolution)		
7.	To appoint Ms. Deepika Shergill (DIN NO. 07093795) an Independent Director of the Company for a period of three years (Special Resolution)		
8.	To Re-appoint Mr. Sandeep Agarwal (Din No. 00139439) as Managing Director of the Company for a further period of five years (Special Resolution)		
9.	To reappoint M/s. Neeraj Sharma & Co, Cost Accountants, Ghaziabad as Cost Auditors for the year ended on March 31 2016. (Special Resolution)		
10.	To approve the 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. (Special Resolution)		
11.	To approve the borrowing powers of the company under section 180(1)(c) of the company act 2013. (Special Resolution)		
12.	To approve the borrowing of the company under section 180 (1)(a) of the company act 2013. (Special Resolution)		

Signed this 30th day of September 2015.

Signature of shareholder

Signature of Proxy holder(s)

ALPS INDUSTRIES LIMITED
Registered Office: B-2, Loni Road Industrial Area,
Opp. Mohan Nagar, Ghaziabad -201007 (U.P.)
CIN NO :- L51109UP1972PLC003544



I hereby tender my vote at the Annual General Meeting of the Company held on, Wednesday, 30th September, 2015 at 10:00 A.M. at the Corporate Office of the company situated at 57/2, Site IV, Sahibabad Industrial Area, Ghaziabad-201010 (U.P.) and at the adjournment thereof.

SL NO.

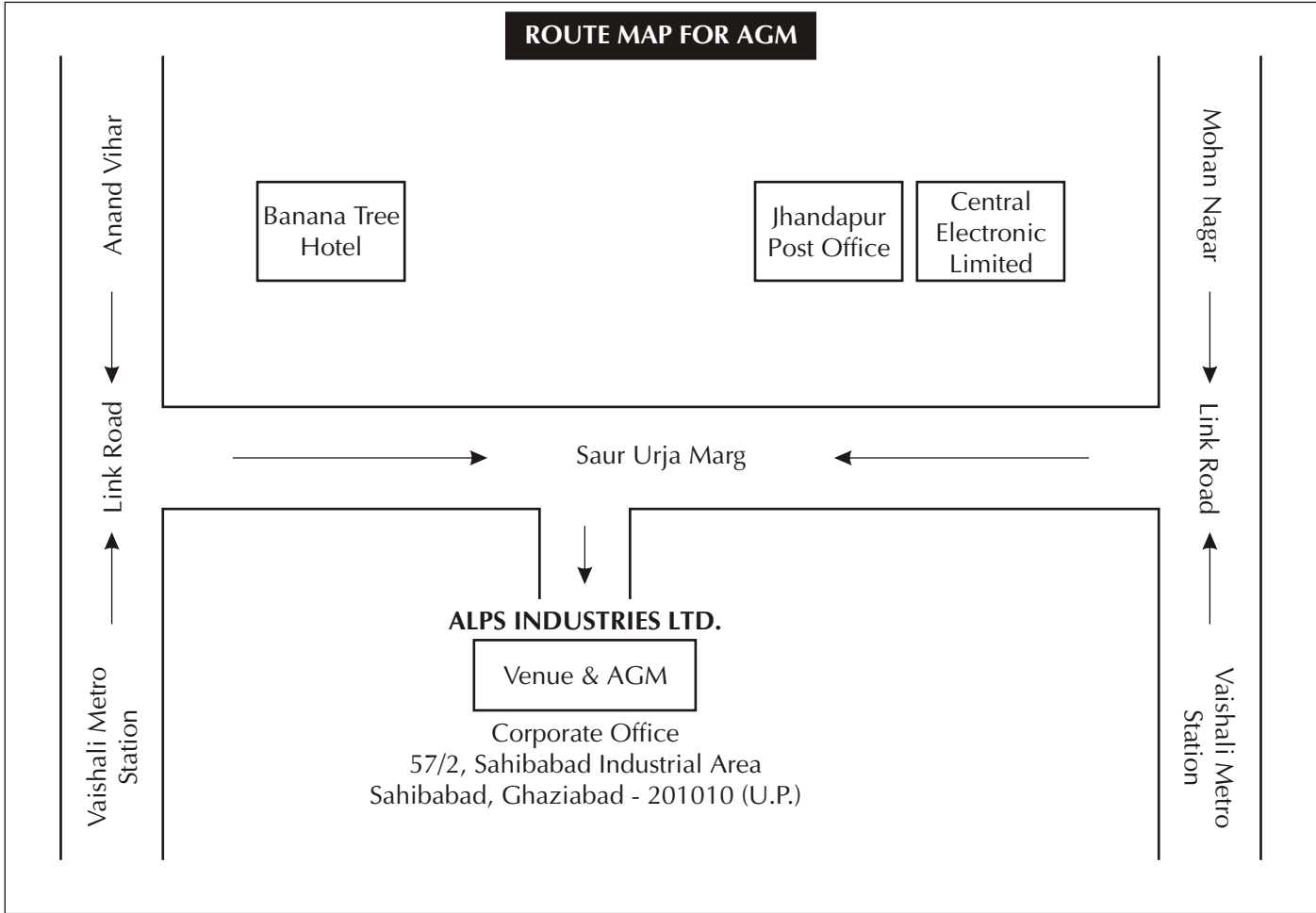
POSTAL BALLOT FORM

1. **Name of the Shareholder**
/Proxy holder :
2. **Folio No./Client I.D. No.**
& No. of Shares held :
3. **Voted for the**
Resolution No. 12 :
4. **Signature of the** :
member (In favour) (Not in Favour)

Place :

Dated :

Note : As required and to facilitate the voting through postal ballot, a pre-paid self addressed envelope is enclosed.



Nearest Landmark Jhandapur Post Office



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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
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.)
Email –sales@alpsindustries.com

Showroom

B-2, Loni Road Industrial Area, Opp. Mohan
Nagar, Ghaziabad – 201 007 (U.P.)
Ph : 0120-2657 649
Fax : 0120-2657 540
Email –b2alps@alpsindustries.com

REGISTERED OFFICE

B-2, Loni Road Industrial Area, Opp. Mohan
Nagar, Ghaziabad – 201 007 (U.P.)
Ph : 0120-2657 649
Fax : 0120-2657 540
Email –b2alps@alpsindustries.com

STATUTORY AUDITORS

R.K. Govil & Co., Chartered Accountants

COMPANY IDENTIFICATION NUMBER (CIN)

L51109UP1972PLC003544

Unit II

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

Unit V

Vista Window Covering Division
B -160-161, Industrial Estate, Mettupalayam,
Puducherry - 605009

Yarn & Fabric Marketing office

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

R&T AGENCY

Alankit Assignments Ltd.
Alankit House, 2E/21, Jhandewalan Extn.,
New Delhi – 110 055 (INDIA)
Ph : 91-11-4154 0061-63, Fax : 91-11-4154
0064, 4254 1201
Email: alankit@alankit.com

COST AUDITORS

Neeraj Sharma & Co., Cost Accountants

Unit III

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

Unit VI

Home Furnishing Made ups Division
57/2 & 58/1, Site-IV Industrial Area, Sahibabad,
Ghaziabad – 201010 (U.P.)
Email – info@alpsindustries.com

CORPORATE OFFICE & SHARE DEPTT.

57/2, Site-IV Industrial Area, Sahibabad,
Ghaziabad – 201010 (U.P.)
Ph : 0120-4161700
Fax : 0120-2895299, 2896041
Email – info@alpsindustries.com

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Ajay Gupta
57/2, Site-IV Industrial Area, Sahibabad,
Ghaziabad – 201010 (U.P.)
Ph (D) : 0120-4161716
Fax : 0120-2896041, 2895299
Email ID : ajaygupta@alpsindustries.com
investorsgrievance@alpsindustries.com

SECRETARIAL AUDITORS

V.K. Chaudhary & Co., Company Secretaries

REGIONAL & MARKETING OFFICES - VISTA DIVISION

BANGALORE : 303, Ahuja Chambers of
Commerce, 3rd Floor, Kumara Krupa Road,
Bangalore – 560 001
Ph.: 080-40914620
Telefax: 080-41136070
Email : vista-bangalore@alpsindustries.com

CHENNAI : Door No.T-26/1, 11th Street,
T Block, Annanagar, Chennai - 600040.
Ph: 044-28156210
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 : 2-3-531/19/A1 First Floor,
Kachi Colony, D.V. Colony Minister Road,
Secunderabad
Hyderabad-500003
Tel: 088-01022295
Email: vista-hyderabad@alpsindustries.com

Mr. K.K. Agarwal, 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, President – NITMA & Chairman-North Zone AIMO, Executive Member of FICCI, FIEO, CII & HEPC. He is Executive Member of CITI and member of Cotton Yarn Advisory Board. Textile Association (India) at the national Textile Seminar has also awarded “Life Time Achievement Award” in recognition of his immense services to textile industry for creating jobs for Textile graduates. Mr. Agarwal is also involved in various social activities through educational organizations, for 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 and style of CDK Foundation. He is also the president of Chaudhary Chhabil Das Junior Public School, a reputed institution in education in Ghaziabad having approx. 5000 students. He is currently the Non Executive Chairman and Founder-Promoter Director of the Company.

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

He is in the textile industry since last 26 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.

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 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. He is an independent and non executive director.

Mr. Pradyuman 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 Defence. 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.

Mr. Mohan Lal Sharma, Special Director (BIFR) (DIN NO. 03110692)

He is a Law Graduate from Delhi University and possesses vast experience in the areas of legal and company law/tax matters. He is Advocate-On-Record for Supreme Court of India and standing Counsel for the State of

Himachal Pradesh and also member of Bar Association of Supreme Court of India and Indian Council of Arbitration, New Delhi. He is also arbitrator of Govt. of Delhi and many other organization of repute. He has been appointed as Special Director by Hon'ble Board of Industrial and Financial Reconstruction (BIFR) in your company as well as in various other companies.

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

She possess over of diversified exposure in the administrations of repute companies engaged in diversified fields.

To,
The Members,
Alps Industries Limited.

Your Directors have pleasure in presenting the 43rd Annual Report, together with the Audited Statements of Account of the Company for the financial year ended 31st March, 2015 in terms of the Companies Act' 2013 and rules & regulation made there under.

The Financial 'Performance of the Company, for the year ended March 31, 2015 is summarized below:

FINANCIAL RESULTS

(Rs. in Millions)

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Total Income	6426.83	8058.24
Operating Earnings/Losses before Financial Expenses, Depreciation & Amortization and Tax	194.69	417.61
Finance Cost	42.02	1144.47
Depreciation	447.54	449.70
Profit/Loss Before Tax	(294.87)	(1176.56)
Provision for Tax		-
Profit/Loss After Tax	(294.87)	(1176.56)
Exceptional Items	-	-
Surplus of last year Add:	(9260.77)	(8084.21)
Surplus available for appropriation	(9568.15)	(9260.77)
Appropriations	-	-
Surplus carried to Balance Sheet	(9568.15)	(9260.77)
Surplus available for appropriation	(9568.15)	(9260.77)

OPERATING SCENARIO

At Macro Level - Domestic & Exports

During the year, low export demand from China has been weighing heavily on cotton till now. But prices are expected to move northwards in the near to medium term as the minimum support price (MSP) for kharif crops are likely to be revised and a deficient monsoon will affect sowing of cotton. Cotton prices had touched the four-year low as they dipped to Rs 13,990 per bale in the third week of January. Prices had seen a high of Rs 21,440 per bale in May 2014. In 2014-15, cotton prices have been falling continuously and trading on a negative note because of higher production and lower export demand from China. The off take by China, which used to buy 50 per cent of Indian cotton, came down to 10 per cent this time. Against 11.79 million bales of cotton exported in 2013-14, only 4.5 million bales have been exported till now in 2014-15. As the price of kapas or raw cotton fell below MSP, the Cotton Corporation of India hiked the procurement of cotton from farmers. CCI has procured over 86 lakh bales of cotton in 2014-15 against 40,800 bales in the previous year. The global tender will be one of the factors that will support the prices in the near to medium term. Further, the Government is expected to revise MSP of most kharif crops in shortly. Once kapas prices are revised, it will have a bearing on the prices of ginned cotton as well. The other cause of current distress is high volatility, either coming from vagaries of nature or tumbling prices. Today, it is not only unseasonal rains and hailstorms, but also crash in prices of several Agri-commodities, be it potatoes or corn or cotton. Their tumbling prices have slashed farmers' incomes substantially, and the MSP system is benefiting less than 10% of the farmers. It is the efforts of Indian companies to take the initiative of the Trans-Pacific Partnership [TPP] trade deal which will offer a boost to the local garment and textile industry.

Man-made fibre yarn as well as woven and knitted fabrics, in addition to Garments, have been extended a 2 per cent incentive (in the form of fully transferable duty scrips) 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. But that would imply it getting confined to the upstream and lower end of the textile value chain. Exports of raw cotton during April-February 2015 have declined by 41.32 per cent in quantity terms and 46.6 per cent in value terms as compared to same period 2013-14. As exports account for a substantial share of India's production of cotton, the decline in exports has resulted in a surplus for the domestic market and has impacted the cotton growers. Unseasonal rains in central parts of the country including Gujarat, Maharashtra and Madhya Pradesh has resulted in loss of about five lakh bales (of 170 kg each) of cotton this season to September.

Technology should be evaluated on a cost-benefit basis. At present, the Indian spinning industry is essentially paying for the R&D done abroad. Unless this scenario changes, this arrangement cannot be in the best interest of our nation. But technology is such an extremely powerful tool that every new development has to be evaluated for its merits. Ignoring key technological developments is extremely dangerous. Embracing any bought-out technology far ahead too early or far behind too late the pack will be monetarily disadvantageous. Textile exporters are feeling let down by the new foreign trade policy (FTP), which they said has ignored the cotton yarn sector. The estimated exports for the Textile & Clothing sector during the previous fiscal year (2014-2015) is approximately US\$ 35.96 billion against US\$ 34.29 billion in fiscal 2013-2014 marking a growth of 4.88%.

At micro level- overall performance

During the period under review, the impact on the financial performance of the company due to consolidation its operations during the previous year, has been reflected marginally but which will be improve during the coming years.

In the fabric export segment, the current fiscal year has shown improvement due to the consolidation in various markets for "fabric by roll" exports. In "fabric by roll", focus is always on quantity as well as quality to serve the customers in best possible way. The last year's performance was better as compared to past years, in terms of Values, Quality etc. US market has been developing well, both on the residential fabric and contract business viz. hotel and hospitality industry. 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. It was planned to avoid Europe and Latin America for sometime till the worst is over there. Your company has emerged as a prominent supplier of blackouts cotton and natural upholstery fabrics, in last few years. We expect an upward trend in export business in coming years. The Company has also introduced some new products in export segment like multi-head embroidered fabrics which has higher value proposition, outdoor fabrics etc. This range is expected to have lesser competition, is highly technical with a higher value addition.

Overall Furnishing industry globally has been under a lot of pressure for past couple of years. This year US market has shown significant improvement in terms of retail sales. Hence exports has picked up in USA also. In the range of cotton and blackouts products, your company has been able to penetrate further in these categories globally also. Indian market has shown tremendous growth for both fabrics and readymade products in the past year. In the efforts to gain wide reach to valuable customers, E-commerce has also become a part of channel through big home furnishing online retailers domestically and globally. It looks promising for coming years as well. In one of the most important and major segment i.e. yarn, your company is focusing on some of the key markets like domestic, South America and China. To penetrate the market with only sizeable buyers, the market friendly terms of supply are being offered. Your company is also taking various steps to strengthen the buyer base, domestic as well as overseas. Efforts are also made to introduce various variety of value added yarn. Your company has also added more value added yarn like Core Spun Lycra, Slub Yarn, Multi Fold & Multi Count Yarn etc. in the product range. We are also striving to take a balanced approach towards all premium paying markets, increasing the share in most contributing count. Besides above, your company has also to expand the export of yarn. One of the segments of the company i.e. Vista, in domestic market, has earned an enviable reputation and is the market leader in window dressing range of products, which are well known in the domestic market for its world class quality & continuous innovations in the segment. Under this product range, which are crafted with absolute focus towards customer's needs and desire, company has introduced various new products like Carpet tiles, Hospital Curtains, New Gallery & window blinds, Mellee, Medley & Milange for residential sectors, new shades in Naturons, S-contour & Sheer dimout blinds, New mechanism called "Top Down Bottom Up" have been introduced in cellular blinds range, roller blinds etc. apart from various other customer-friendly services like after sale services to the buyers, free home deliveries, arranging for spare parts & its installation at the door of the customers, to boost the market share. The Carpet tiles are emerging trends in floor covering. Owing to its ease of maintenance the trend is gripping up in commercial as well as in residential sectors. Its maintenance includes regular vacuuming only. Vista Carpet tiles are available in two base materials; PP & Nylon in different shades to choose from. The range encompasses Bendable Curtain Track, Decorative Curtain Track, Hospital Curtain tracks and many more. Our range of curtains is appreciated for their smooth & noiseless movement, longer functional life and easy installation. These products find application in hospitals, hotels, houses, offices etc. Vista laminated flooring, capturing design, appeal and elegance with special attention to physical texture. Vista Laminate flooring consists of full textural coverage. With continuous urge of giving the best to the consumer, vista has made a mark in the market for its classy, elegance and durability. The natural variations and randomness found in flooring is indicative of perfection.

To maintain the market share in domestic Market in Made ups Segments, company has introduced various new products/range in its CMT divisions and fabric. Your company is catering to almost all big retailers related to above segment by introducing various range in the product line like Curtains, Cushions, Pillows, Bed Linen and Table Cloth etc. It is our endeavor to increase the business by meeting the demands of the market timely. Your company is targeting to be a leading name in the field of home textiles, for which networking for direct supply to leading international customers, implementation of SAP and introducing the new segment e-business on domestic and exports. During the period under review your company could not maintain the EBITDA which drops to Rs.194.69 millions in comparison to Rs 417.61 million in previous year due to various unavoidable factors. Company has incurred a net loss of Rs 294.87 millions in comparison to net loss of Rs. 1176.56 millions in the previous year showing the increase, inspite of meeting the various operational challenges in the production and marketing front, like decrease in the margin of yarn, up trend in cotton prices and consolidation/merging and closing of some of its units on economical viability grounds during the previous year but having the financial impact during the current year under review. The impact of measures for improvement in the performance will be reflected in the current year's financial parameters.

FUTURE OUTLOOK – TECHNICAL FRONT

In view of the economical, technical & financial viability and to centralize the production & marketing activities, your company had consolidated/closed down the operation at various units of the company during previous year. The impact of the these efforts has been shown for whole year during this financial year and resulted to reduce the losses. At the yarn manufacturing units located at Haridwar, some major technical contribution has been carried out by inducting machineries or manufacturing of soft yarn which is in good demand in the Rugs segment. Unit has also planned comprehensive modernization of technical support to improve the quality as well as quantity.

The Weaving and Processing units manufacture Furnishing & Automotive Fabric for export and domestic segments. There has been a significant growth of market share in US, UK, Middle East, South East Asia, Australia, New Zealand and Japan during the fiscal year 2014-15, parallel to the same trend as compared to previous year. The competition has intensified but the pace with which this segment has been growing due to the novelty and uniqueness of designs/patterns. The economic scenario in

Europe/US is showing signs of revival and resultant, the demand for fabric in these regions will go up. Due to recent pick up in the export demand and the offering of variety, the turnover is expected to increase in the coming years. To strengthen the market, the company introduced various new products in residential and contract business segments. The unit has been able to create a niche at market place by way of new product offerings in different fiber blends, which are unique from other players. The unit had launched new product range in decorative curtain fabrics which includes Fire Resistant Coated Fabric, which has been very well accepted in the international market. New products like Embroidery, Laminated, Cotton Dyed & Peached in bigger widths have also been introduced. There is a continuous effort on product innovation as well as cost optimization in operations. Under the Automotive Fabric Segment range, the unit is continuing to cater the demands of various fabrics for OEM and Non OEM consumers. For OEM fabric supply to international car makers, company has made arrangements for Technical & Marketing tie-ups with some of the leading companies to cater to the OEM reputed consumers. It will boost the turnover in the coming years significantly. For Non OEM Fabric, the focus is mainly on “after sale market” for Car and Bus segment. The unit is exploring the opportunities in overseas market for Car, Bus, Railway Projects & Automotive Seating Fabrics Segment with Japanese technology which requires high performance fabrics with good level of aesthetics. Due to the best quality management, the division has, in a short span of over three years, secured the business from highly quality oriented OEM consumers. Beside these OEM consumers, the other products contribute “after markets” of various other reputed car makers. The unit is targeting to enter some more OEMs and international market to increase the volumes.

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.

RESTRUCTURING/REHABILITATION OF THE COMPANY UNDER THE PROVISIONS OF CDR AND THE SICK INDUSTRIAL COMPANIES (SPECIALPROVISIONS) ACT, 1985 (SICA).

In Aug 2009, while the company was facing liquidity crunch, a restructuring scheme was sanctioned and implemented under the Capital Debt Restructuring (CDR) mechanism set up by Reserve Bank of India. The main features of the scheme were among others, the conversion of a portion of debt/liability into OCCPS/CRPS, extension of debts repayment period and reduction of rate of interest. In the mean time, due to erosion of the Net Worth of the company as per Audited Accounts as of 31st March 2010, the Company filed a reference with Hon’ble BIFR for its rehabilitation under Section 15(1) of Sick Industrial Companies (Special Provisions) Act, 1985 (SICA) which was registered vide Case No. 32/2010 as per BIFR’s letter dated June 29, 2010 and vide BIFR’s order dated 06.12.2010, company has been declared as a “Sick Industrial Company”. Vide the same order, State Bank of India has been appointed as the Operating Agency (O.A.) and Hon’ble BIFR also directed to prepare and submit a fully tied up Draft Rehabilitation Scheme for the revival of the company. Afterwards, due to another setback faced by the company, in the year 2011, the CDR Scheme was reworked and was partly implemented while the remaining part of the package was to be implemented after the approval of Hon’ble BIFR. However, the case of the company has been withdrawn by CDR EG w.e.f. November 16, 2012.

State Bank of India, the operating Agency, has filed the Draft Rehabilitation Scheme (DRS) for the rehabilitation of the company with Hon’ble BIFR on 07.07.2011, as recommended by the majority of lenders in their Joint Lenders Meet (JLM) held on 15th June’ 2011 and by the Statutory Agencies in their meet held on 5th July’ 2011 from whom company sought some reliefs and concessions in the DRS however in view of the developments taken place afterwards, the Hon’ble BIFR has directed to file the updated DRS for its consideration.

Accordingly company has filed the updated DRS which has been approved by the majority of secured lenders of the company in their Joint meeting held on 29th Nov 2014 accordingly the State Bank of India (OA) has recommended the Draft Rehabilitation Scheme of the company to the Hon’ble BIFR for its circulation. The said DRS is under consideration of the Hon’ble BIFR.

In view of consent of majority of secured creditors of the company to the Draft Rehabilitation Scheme pending under consideration of the Hon’ble BIFR, inter alia envisages complete waiver of interest outstanding and future, towards secured and unsecured loans from Banks/ARC/Financial institutions and subsidiary companies Accordingly the provision for interest for the Financial Year 2014-15 amounting to Rs. 12291.37 Lac payable to these lenders is not considered necessary in the financial statements.

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 14001:2004 for the management system implemented, renewed by Afnor Certification for the period 2013 to 2015 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).

Certificate of Compliance of standards issued by the CU Inspections & Certifications Private Limited.

Certification to use the Trademarks from Cotton Egypt Association (CEA).

Certification of membership of Indian Green Building Council (IGBC) issued by the CII.

Achievement award for the workplace conditions issued by the Workplace Conditions Assessment (WCA).

MEASURES TO REDUCE/CONTROL 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 try 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 major 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 control, waste reduction and rationalization, inventory control & Manpower optimization.

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.

FINANCIAL STATEMENTS OF SUBSIDIARY COMPANIES

The company had 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

Zero central Excise Duty Route as existed in the past is being continued on Yarn, Fabric, Clothing Accessories & Made-Ups, provided the CENVAT Credit Route is not adopted by the unit/assesses, as per current union budget 2015-2016.

Textile exporters are feeling let down by the new Foreign Trade Policy (FTP), which has ignored the cotton yarn sector. The Commerce Ministry announced the much-awaited FTP which outlines the vision, goals and objectives for the country's export-import sector for 2015-20, with the high export targets set by the government. The sectors like textile and clothing, the

second-largest employment provider in the country, has not got its due in the FTP. The textile sector has been granted duty scrips of 2 per cent only for mainstream cotton textile products at a time when it's facing challenges in the form of high tariffs and barriers due to preferential tariff arrangements. In contrast, higher rates have been given for handlooms, carpets, coir products under the Merchandise Exports from India Scheme (MEIS). Sectors like cotton yarn have been totally ignored, especially at a time when exports of these products have declined sharply and face high logistics cost. Under FTP 2015-2020 some amendments have been notified like omission of Provision related to EPCG authorization on annual requirement and technological upgradation of existing EPCG Machinery. The limit on value of spares imported has now been relaxed, validity of the authorization is now limited to 18 months from the date of issue of such authorization, export of restricted goods under the authorization now allowed. In the backdrop of nationwide farmer distress, particularly among cotton farmers, the government has been urged to allow farmers to use the reusable straight line BN Bt cotton seed and other similar varieties as against those non-reusable hybrid seeds being sold by corporate.

Union Budget 2015-16 has evoked mixed response from the Indian textile industry. Budget ignored the highly labour intensive textile industry which has significant potential for growth. The only positive aspect of the Budget for the textile sector was the continuation of the optional excise duty regime. Fresh investments will be impossible under the Technology Upgradation Fund Scheme (TUFS) during 2015-16, owing to reduction in allocation for the scheme from Rs 1864 crore in 2014-15 to Rs 1520 crore for 2015-16. There is no funds available for fresh investments under the scheme as of now. Increase in service tax to 14 per cent will have an adverse impact on the textile industry. The hike in effective rate of excise duty on manmade fibres from 12.36 per cent to 12.5 per cent under the current Budget will also negatively affect the industry. However it has marked a good beginning to achieve the 'Make in India' vision. The government is extending the optional CENVAT route for cotton textiles and also for the announcement of implementing GST with effect from 1 April, 2016. The decision in the reduction in corporate tax from 30 per cent to 25 per cent is a positive feature. All industries Duty drawback rate should be enhanced immediately after taking into account the new incidence of service Tax, excise duty and increase of excise duty on diesel.

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, the unclaimed dividend relating to the financial year 2013-2014 which was due for remittance during the financial year 2014-2015 amounting to Rs. 6,03,111.75 have been 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 appointment as an Independent Director under the provisions of the Companies Act, 2013 as well as Clause 49 of the Listing Agreement with the Stock Exchanges.

RISK MANAGEMENT POLICY

In compliance of clause 49(VI)(C) of the Listing Agreement related to corporate governance, Risk Management policy 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.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

In terms of section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, 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 the Listing Agreement 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 at their meeting held on May 30 , 2014. 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.

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 Companies Act, 2013 and relevant rules and in terms of the Clause 35B of the listing agreement 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.

Your company 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. 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 Clause 47(f) of the Listing Agreement. The e-mail ID is: investorsgrievances@alpsindustries.com

HUMAN RESOURCES – VALUABLE ASSETS

It's a firm belief that while productivity of the machines can be enhanced to a limited level as per its capacity through better maintenance and effective Production Planning, that of Human Resources can be enhanced to any level through various HR initiatives on training, motivation, engagement, leadership development, leadership synergy, etc. Therefore, Alps management is continuously endeavoring to implement good HR practices in all these areas thereby aligning the skill levels of the people with the job requirements, improving their engagement with the job as well as organization through their better participation in the discussions for various improvement initiatives and making the work environment more conducive for efficient working.

During the year, special attention has been given to strengthen the training set-up at different Unit locations starting with mandatory Induction Training for all the new joiners in the team, developing internal trainers, restructuring the training modules, developing good training material and hiring more competent trainers. Besides, initiatives have been taken to get affiliation from the Textile Sector Skill Council (TSC) for various job roles in Spinning, Weaving, Processing and knitting to benchmark the training material and processes with the best in the Industry.

Our basic objective to ensure availability of the right Human Resources at right time is met through timely sourcing. The initiatives to improve the organization structure optimize the utilization of available human resources, clearly defining the job responsibilities so as to avoid over-lapping and also defining Key Results Areas and Key Performance Indices for better focus and assessment of the contributions are part of the continuous improvement process. Formulating/continuously reviewing HR policies for its effective and fair implementation and improving hygiene factors for facilitating creation of a conducive work environment are part of the routine. Consistent efforts continued to improve the female workers/employees ratio, particularly at the shop floor, in-line with the national policy of gender equality. The Sexual Harassment Policy formulated during previous year in line with the government directives implemented, though there was no case reported, thereby reassuring that the company gives safe and congenial environment for females to work. The company's commitment for treating its employees with human dignity and fairness were visible in its efforts throughout the year. The company's concerns for welfare of its workforce continued during the year and accordingly Group Personnel 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. During the year, the Company employed around 2300 employees (2600 employees during previous year 2013-14). 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-APPOINTMENTS/REAPPOINTMENTS PROPOSALS

Re-appointment of Managing Director

Mr. Sandeep Agrawal, Managing Director (DIN No. 00139439) proposed to be reappointed at the forthcoming Annual General meeting as-Whole time director designated as Managing Director of the company due to implementation of Companies Act 2013, again and proposing some revised terms for payment of remuneration, as the Re-appointment was earlier approved at the AGM held on September 30 2013. The information/details pertaining to the above Whole time director that is to be provided in terms of Clause 49 of the Listing Agreement and in terms of the Article No. 106-109 of Articles of Association of the company. The disclosures as required under the Companies Act 2013 and clause 49 of the Listing agreement related to Corporate Governance published elsewhere in the Annual Report.

APPOINTMENT OF INDEPENDENT DIRECTORS

In terms of section 149 of the Companies Act 2013 and clause 49 of Listing Agreement Mr. Pradyumn Kumar Lamba (DIN N0.02843166), Mr. Tilak Raj Khosla (DIN N0.02724242), Mr. Prabhat Krishna (DIN N0.02569624) 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 w.e.f. 11.02.2015 for a first term of three years and proposal for the approval of the members of the company at the forthcoming AGM of the company. The disclosures as required under the Companies Act 2013 and clause 49 of the Listing agreement related to Corporate Governance published elsewhere in the Annual Report.

APPOINTMENT OF INDEPENDENT WOMAN DIRECTOR

In terms of Section 149,152 and 161 of the Companies Act 2013 and Clause 49 II (A) of the Listing Agreement related to Corporate Governance, Ms. Deepika Shergill (DIN N0.07093795) was appointed as Additional Women Independent Director of the Company by the Board at their meeting held on February 11, 2015 as recommended by the Nomination & Remuneration Committee w.e.f. 11.02.2015 for a first term of three years and proposal for the approval of the members of the company at the forthcoming AGM of the company. The disclosures as required under the Companies Act 2013 and clause 49 of the Listing agreement related to Corporate Governance published elsewhere in the Annual Report.

REAPPOINTMENT OF NON-INDEPENDENT DIRECTOR 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. K.K. Agarwal, Non Executive Director (DIN No.00139252) recommended by the Nomination & Remuneration Committee and by the Board of Directors at their meeting held on May 30, 2015 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 and clause 49 of the Listing agreement related to Corporate Governance published elsewhere in the Annual Report.

KEY MANAGERIAL PERSONEL

During the under review as required under Section 203 of the Companies Act, 2013 and applicable rules, Mr. Ashok Kumar Singhal the existing President(Corp. Accounts & Finance) has been appointed as Key Managerial Personnel along with existing KMP viz. Mr. Sandeep Agarwal (Managing Director) and Mr. Ajay Gupta (Company Secretary & General Manager-Legal).

NOMINEE/SPECIAL DIRECTOR

There is no change in the Special Director appointed by BIFR during the period under review.

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

CORPORATE SOCIAL RESPONSIBILITY

Due to the losses incurred by the company the provisions of section 135 and schedule VII of the Companies Act, 2013, related to CSR are not applicable to the company.

RELATED PARTY TRANSACTIONS

In terms of the Section 188 of the Companies Act 2013 and Companies (Meetings of Board and its Powers) Rules, 2014 and further in terms of clause 49 (VII) of the listing agreement related to the corporate governance, company has formulated Related Party Transaction 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 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 companies 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:

- (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, in the case of a listed company, 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.

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 I**.

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-II**) here to and forms part of this report.

COST AUDIT REPORT

In compliance with the Order dated 24th January, 2012 reference no. F. No. 52/26/CAB-2010 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 has appointed M/s. Neeraj Sharma & Co., Cost Accountants, Ghaziabad, 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, 2015 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 The Cost Audit report will be filed by the company within the due date i.e. on or before September 27, 2015, being 180 days from the close of the financial year or as may be extended by the department from time to time.

Further, in compliance of Notification Reference No. GSR No. 01(E) on January 1, 2015 and Companies (Cost Records and Audit) Rules, 2014 the aforesaid firm of Cost Accountants has also 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, 2016, at the meeting of Audit Committee and Board of Directors of the company held on May 30, 2015. 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. P. Jain & Co., Chartered Accountants, the Statutory Auditors of the Company, completes one year out of their first term of four years as approved at the previous Annual General Meeting of the Company held on September 30 2014. Now they have submitted their resignation vide letter dated August 19, 2015 showing their inability to continue in the position of Statutory Auditors with immediate effect due to their occupation in some of their other assignments. The resignation was placed before the Audit Committee and Board of Directors at their meetings held on August 22, 2015 and taken on record after the approval of the members. Therefore the Audit Committee and Board of Directors have expressed their opinion to appoint M/s. R. K. Govil & Co. Chartered Accountants (Firm Regn. Number 000748C) being eligible as Statutory Auditors of the company to fill the casual vacancy arises due to resignation of existing Auditors under Section 139 (8) and Companies (Audit and Auditors) Rules, 2014, initially for a period of three months or up to the conclusion of the General Meeting in which the approval of their appointment by the members of the company, whichever is earlier, from the date of appointment i.e. August 22, 2015. The members of the Board approved the aforesaid appointment for filling the casual vacancy. After the confirmation of eligibility of M/s. R. K. Govil & Co., Chartered Accountants, (Firm Regn. Number 000748C) to continue as the Statutory Auditors of the company and on the recommendations by the Audit Committee, it is further approved and recommended by the Board of Directors at their meeting held on August 22, 2015 of their appointment under Section 139 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 for a further period of four years from the conclusion of 43rd AGM till the conclusion of 47th AGM of the company subject to ratification by the subsequent Annual General Meeting on the recommendations of the Board of Directors.

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.

INTERNAL AUDITORS

In terms of Section 138 of the Companies Act, 2013 and Companies (Accounts) Rules, 2014, M/s. Manoj Kumar Mittal & Co., Chartered Accountants, Board has appointed as the Internal Auditors of the Company for the financial year 2015-16 to submit the internal audit reports from time to time

FIXED DEPOSITS

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

CORPORATE GOVERNANCE

A report as per the requirements of Clause 49 of the listing agreement on the Corporate Governance practices followed by the Company and the Statutory Auditors' Certificate on Compliance of mandatory requirements alongwith Management Discussion and Analysis is given as an **Annexure III & IV** to this report. The mandatory and non-mandatory information under corporate governance is annexed as **Annexure-IV**. 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 on the close of the Financial Year 2014-15 being attached with the Directors Report as **Annexure V**.

SECRETARIAL AUDIT REPORT

In terms of the Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, company has appointed M/s. V.K. Chaudhary & Co., Company Secretaries to provide the Secretarial Audit Report for the Financial year ended on March 31 2015. In compliance of aforesaid requirement they has provided the Secretarial Audit Report which has been annexed with Board report as **Annexure VI**.

AUDITORS' OBSERVATIONS

Observations in the Statutory Auditors' Report are dealt within Notes to Accounts at appropriate places and being self-explanatory, need no further explanations. As required under amended Clause 31(a) of the listing agreement and SEBI Circular No.CIR/CFD/DIL/7/2012 dated August 13, 2012, the necessary disclosures/details in the prescribed Form 'A' and Form 'B' have been appended with the Annual Report to the 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 period under review:

1. Details relating to deposits covered under Chapter V of the Act.
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 thanks the Financial Institutions, Banks, Board for Industrial and Financial Reconstruction (BIFR), ARCs, Reserve Bank of India, Central and State Governments Authorities, Regulatory Authorities, Stock Exchanges, Stakeholders, Customers and Vendors for their continued support and co-operation, and also thanks 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 : August 22, 2015

P.K. Rajput
Executive Director
DIN - 00597342

Sandeep Agarwal
Managing Director
DIN - 00139439

ANNEXURE-I

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

(Amount in Rupees)

S. NO.	NAMES OF EMPLOYEES	DESIGNATION	REMUNERATION	RATIO BETWEEN ED REMUNERATION AND EMPLOYEES
	P K Rajput	Executive Director	109400	
1	Mr. Vivek Rastogi	DGM (Commercial & Accounts - Meerut)	112465	1.02
2	Mr. Ashok Kumar Singhal	President Corp. (Accounts & Finance)	114560	1.04
3	Mr. Chetan Agarwal	G.M. (Finance)	118204	1.08
4	Mr. Mukul Mittal	Vice President (Marketing & Prod.)	126514	1.15
5	Mr. Himanshu Bhardwaj	AVP (Ready Made Marketing - Corporate)	127478	1.16
6	Mr. Mahen Kaushik	AVP (Commercial & Accounts - Haridwar)	134617	1.23
7	Mr. Senthil Kumar	DGM (Technical Textile Marketing - Corporate)	142190	1.29
8	Mr. Rakesh Kumar	VP (Operations - Haridwar)	145810	1.33
9	Mr. Anil Kumar Jain	Vice President (Processing)	148586	1.35
10	Mrs. Seema Dutta	G.M. (Finance)	149060	1.36
11	Mr. Vineet Adlakha	AVP (Processing - Meerut)	149500	1.37
12	Mr. Kamlesh Kumar Verma	Vice President - HR (Corp.)	155845	1.42
13	Mr. Anish Kumar Rai	Sr. Vice President (Sale & Admin)	162380	1.48
14	Mr. P K Dhawan	Vice President (Maintenance)	165750	1.51
15	Mrs. Raman Garg	Vice President (MIS) Finance	182495	1.66
16	Mr. Dinesh Manuja	Sr. Vice President (Yarn Mkt.)	209963	1.91
17	Mr. K V H Rao	Sr. Vice President (Operations)	210504	1.92
18	Mr. Ajay Mahajan	President (Operations - Meerut)	291945	2.66
19	Mr. Amitabh Sen	Sr. Vice President (Decorative Fabric & Unit Head - Meerut)	293602	2.68

Note : The Median remuneration of the employees of the company is INR 9303/- P.M. and ratio w.r.t. Whole Time Director comes to 0.085.

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;	N.A
2.	Percentage increase in the median remuneration of employees in the financial year;	11.34%
3.	Number of permanent employees on the rolls of company;	2366
4.	Explanation on the relationship between average increase in remuneration and company performance;	N.A
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, 2015 Rs. 778.37 Lac (Rs. 547.59 Lac as on March 31, 2014). Price Earnings Ratio of the Company is Nil as at March 31, 2015 and March 31, 2014. The Company had come out with Initial Public Offer (IPO) in 1995, at Rs. 50 per share for Indian Public. As on March 31, 2015 the share price declined by 96.02 %.
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 Executive Director is 10.64 % and for overall staff it is 11.34 %. The increment is commensurate the size of the company and parallel to the structure in other industry in the same nature.
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. 60 lacs per annum or Rs. 5 lacs 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 are not applicable for the period under review

ANNEXURE TO THE DIRECTORS' REPORT

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

<p>1. a.</p>	<p>Conservation of Energy Energy conservation measures taken</p>	<p>:</p>	<p>Energy conservation continues to be an area of major emphasis in your Company. 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 have been taken during the period under review for bringing down the energy cost:</p> <ul style="list-style-type: none"> • 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 Energy Saving FRP Fan. • Power from Open Market through energy exchange is purchased to reduce electricity consumptions. • To separate the thermopac and thermopac line for stenter which causes inprovement in Speed, efficiency and production. • Development of double folding inspection machines with automize function to reduce the process time.
<p>b.</p>	<p>Additional investments and proposals, if any, being implemented for reduction of consumption of energy.</p>	<p>:</p>	<p>Rs NIL</p>
<p>c.</p>	<p>Impact of measures at (a) & (b) above for reduction of Energy consumption and consequent impact on the cost of production of goods.</p>	<p>:</p>	<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.

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

A. POWER AND FUEL CONSUMPTION

S. No.	PARTICULARS	Year ended 31.03.2015	Year ended 31.03.2014
1	Electricity		
	a. Purchased		
	Units (Nos.)	88101059	99581532
	Total Amount (Rs.)	470948875	523601698
	Rate/Unit (Rs.)	5.35	5.26
	b. Own Generation		
	i) Through Diesel/FO		
	Quantity (Ltrs)	148070	172593
	Total Amount (Rs.)	8000839	9514066
	Average Rate (Rs.)	54.03	55.12
	Generation (Units) (Nos.)	460172	518886
	Units per Litre of Diesel oil (Nos.)	3.11	3.01
	Cost/Unit (Rs.)	17.39	18.34
	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	460172	518886
	Total Cost	8000839	9514066
	Cost/Unit	17.39	18.34
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

S. No.	Particulars	Yarn Per Mt		Made-ups Per 1000 Sqm		Architectural Products Per 1000 Sqm	
		Year Ended 31.03.2015	Year Ended 31.03.2014	Year Ended 31.03.2015	Year Ended 31.03.2014	Year Ended 31.03.2015	Year Ended 31.03.2014
1	ELECTRICITY (KWH)	2936.16	3053.20	38.49	36.37	761.71	795.19
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.

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 by the Company.	:	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.
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.	:	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	:	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.

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.	:	Your company is targeting for a leading name in field of Home Textiles, by networking for direct supply to leading international customers, implementation of SAP 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.
2.	Total Foreign Exchange used and earned	:	Used Rs. 43.94 Mn. For the financial year ended March 31, 2015 (Rs. 52.05 Mn for the financial ended as on March 31, 2014) Earned Rs. 2177.13 Mn for the financial year ended March 31, 2015 (Rs. 2768.48 Mn for the financial year ended as on March 31, 2014)

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**

The global tender will be one of the factors that will support the prices in the near to medium term. Further, the Government is expected to revise MSP of most kharif crops in shortly. Once kapas prices are revised, it will have a bearing on the prices of ginned cotton as well. The other cause of current distress is high volatility, either coming from vagaries of nature or tumbling prices. Today, it is not only unseasonal rains and hailstorms, but also crash in prices of several Agri-commodities, be it potatoes or corn or cotton. Their tumbling prices have slashed farmers' incomes substantially, and the MSP system is benefiting less than 10% of the farmers. It is the efforts of Indian companies to take the initiative of the Trans-Pacific Partnership [TPP] trade deal which will offer a boost to the local garment and textile industry.

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. But that would imply it getting confined to the upstream and lower end of the textile value chain. Exports of raw cotton during April-February 2015 have declined by 41.32 per cent in quantity terms and 46.6 per cent in value terms as compared to same period 2013-14. As exports account for a substantial share of India's production of cotton, the decline in exports has resulted in a surplus for the domestic market and has impacted the cotton growers. Unseasonal rains in central parts of the country including Gujarat, Maharashtra and Madhya Pradesh has resulted in loss of about five lakh bales (of 170 kg each) of cotton this season to September.

Technology should be evaluated on a cost-benefit basis. At present, the Indian spinning industry is essentially paying for the R&D done abroad. Unless this scenario changes, this arrangement cannot be in the best interest of our nation. But technology is such an extremely powerful tool that every new development has to be evaluated for its merits. Ignoring key technological developments is extremely dangerous. Embracing any bought-out technology far ahead too early or far behind too late the pack will be monetarily disadvantageous. Textile exporters are feeling let down by the new foreign trade policy (FTP), which they said has ignored the cotton yarn sector. The estimated exports for the Textile & Clothing sector during the previous fiscal year (2014-2015) is approximately US\$ 35.96 billion against US\$ 34.29 billion in fiscal 2013-2014 marking a growth of 4.88%.

COTTON

During the year, low export demand from China has been weighing heavily on cotton till now. But prices are expected to move northwards in the near to medium term as the minimum support price (MSP) for kharif crops are likely to be revised and a deficient monsoon will affect sowing of cotton. Cotton prices had touched the four-year low as they dipped to Rs 13,990 per bale in the third week of January. Prices had seen a high of Rs 21,440 per bale in May 2014. In 2014-15, cotton prices have been falling continuously and trading on a negative note because of higher production and lower export demand from China. The off take by China, which used to buy 50 per cent of Indian cotton, came down to 10 per cent this time. Against 11.79 million bales of cotton exported in 2013-14, only 4.5 million bales have been exported till now in 2014-15. As the price of kapas or raw cotton fell below MSP, the Cotton Corporation of India hiked the procurement of cotton from farmers. CCI has procured over 86 lakh bales of cotton in 2014-15 against 40,800 bales in the previous year. Indian spinners are the major consumers of ELS Cotton and holds high regards globally when it comes to spinning finer yarn counts. Indian Spinners have to continually maintain the leadership position for which they need a consistent supply of good quality ELS Cotton. This Panel discussion among the elite user fraternity would try to address the current issues in regard to the availability and usage of ELS Cotton. The current cotton Textiles supply chain is witnessing an unprecedented shifts due to ever-increasing production costs, rapidly changing consumer behavior and increasing level of social and environmental awareness. This demands a stronger and sustainable partnerships among all the stake holders of the supply chain.

YARN – A SIGNIFICANT SEGMENT

Man-made fibre yarn as well as woven and knitted fabrics, in addition to Garments, have been extended a 2 per cent incentive (in the form of fully transferable duty scrips) 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. But that would imply it getting confined to the upstream and lower end of the textile value chain. Exports of

raw cotton during April-February 2015 have declined by 41.32 per cent in quantity terms and 46.6 per cent in value terms as compared to same period 2013-14. As exports account for a substantial share of India's production of cotton, the decline in exports has resulted in a surplus for the domestic market and has impacted the cotton growers. Unseasonal rains in central parts of the country including Gujarat, Maharashtra and Madhya Pradesh has resulted in loss of about five lakh bales (of 170 kg each) of cotton this season to September.

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.

A. Government policies-Textile Sector

Textile exporters are feeling let down by the new Foreign Trade Policy (FTP), which has ignored the cotton yarn sector. The Commerce Ministry announced the much-awaited FTP which outlines the vision, goals and objectives for the country's export-import sector for 2015-20, with the high export targets set by the government. The sectors like textile and clothing, the second-largest employment provider in the country, has not got its due in the FTP. The textile sector has been granted duty scrips of 2 per cent only for mainstream cotton textile products at a time when it's facing challenges in the form of high tariffs and barriers due to preferential tariff arrangements. In contrast, higher rates have been given for handlooms, carpets, coir products under the Merchandise Exports from India Scheme (MEIS). Sectors like cotton yarn have been totally ignored, especially at a time when exports of these products have declined sharply and face high logistics cost. Under FTP 2015-2020 some amendments have been notified like omission of Provision related to EPCG authorization on annual requirement and technological upgradation of existing EPCG Machinery. The limit on value of spares imported has now been relaxed, validity of the authorization is now limited to 18 months from the date of issue of such authorization, export of restricted goods under the authorization now allowed. In the backdrop of nationwide farmer distress, particularly among cotton farmers, the government has been urged to allow farmers to use the reusable straight line BN Bt cotton seed and other similar varieties as against those non-reusable hybrid seeds being sold by corporate.

Union Budget 2015-16 has evoked mixed response from the Indian textile industry. Budget ignored the highly labour intensive textile industry which has significant potential for growth. The only positive aspect of the Budget for the textile sector was the continuation of the optional excise duty regime. Fresh investments will be impossible under the Technology Upgradation Fund Scheme (TUFS) during 2015-16, owing to reduction in allocation for the scheme from Rs 1864 crore in 2014-15 to Rs 1520 crore for 2015-16. There is no funds available for fresh investments under the scheme as of now. Increase in service tax to 14 per cent will have an adverse impact on the textile industry. The hike in effective rate of excise duty on manmade fibres from 12.36 per cent to 12.5 per cent under the current Budget will also negatively affect the industry. However it has marked a good beginning to achieve the 'Make in India' vision. The government is extending the optional CENVAT route for cotton textiles and also for the announcement of implementing GST with effect from 1 April, 2016. The decision in the reduction in corporate tax from 30 per cent to 25 per cent is a positive feature. All industries Duty drawback rate should be enhanced immediately after taking into account the new incidence of service Tax, excise duty and increase of excise duty on diesel.

B. EXPORT – AN INSIGHT

In 2014, India emerged as a world's second largest textile exporter, with textiles and clothing exports worth US\$40.2bn, India now commands more than 5% share in the global textile and clothing trade. Cotton has played an extremely important role in contributing towards this robust growth, be it Cotton Fibre, Cotton Yarn, Cotton Textiles or Apparel, all the Sectors have shown an impressive growth. India holds a leadership position when it comes to spinning fine yarn counts. Indian Spinners have contributed more than US\$4.8bn to Indian Textile exports in Financial Year 2013-14. The

Panel discussion on Creating Successful partnerships in the Textile Supply Chain” at COTTON USA Seminar session will bring together experts from each segment of the supply chain to discuss how the successful partnerships can be formed among the upstream and downstream players to propel the growth in Textiles and Clothing sector. According to the latest global lifestyle monitor study conducted by Cotton Incorporated, “Cotton meets Consumer Expectations”, as more than 8 in 10 shoppers in India describe cotton as good quality.

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 23.83 % for Home Furnishing & Fashion Accessories, 70.21 % for Yarn and 5.96 % 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. Our textile unit has a competitive edge in terms of quality, designs and innovative products. We expect much better performance in the coming years on the back of revival in the world economy including India. Your directors believe that sales 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.

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.

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 authorised, 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. In order to further strengthen the internal control system and to automate the various process of the business, the implementations of Enterprises Resource Planning (ERP) by SAP-AG have been accomplished.

VII. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Your company has spread its wings in most of the markets now like US, UK, South East Asia, Australia, NZ and Middle East. It was planned to avoid Europe and Latin America for sometime till the worst is over there. Your company have emerged in last few years as a serious supplier of blackouts cotton and natural upholstery fabrics. We expect the upward trend in export business. Company has also introduced some of the new product in export segment like Multi-head embroidered fabrics which has higher value proposition, outdoor fabrics etc. This range is expected to have lesser competition, is highly technical and with a higher value.

To maintain the market share in domestic Market in Made ups Segments Company have introduced various new products/range in its CMT divisions and Fabric. Your company is catering to almost all big retailers related to above segment by introducing various range in the product line like Curtains, Cushion, pillows, bed Linen and Table Cloth. In Fabric by roll focus is always on Quantity as well as quality to serve the customers in best possible way. The last year performance was better than in comparison to past years in terms of Values, Quality etc. It is our endeavor to increase the business by timely meeting the demands of the market. Your company is targeting for a leading name in field of home textiles for which by networking for direct supply to leading international customers, implementation of SAP and introducing the new segment e-business on domestic and exports. During the period under review your company could not maintain the EBITDA which drops to Rs.194.69 millions in comparison to Rs 417.61 million in previous year due to various unavoidable factors. Company has incurred a net loss of Rs 294.87 millions in comparison to net loss of Rs. 1176.56 millions in the previous year showing the increase, inspite of meeting the various operational challenges in the production and marketing front, like decrease in the margin of yarn, up trend in cotton prices and consolidation/merging and closing of some of its units on economical viability grounds during the previous year but having the financial impact during the current year under review. The impact of measures for improvement in the performance will be reflected in the current year's financial parameters.

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

During the year, special attention has been given to strengthen the training set-up at different Unit locations starting with mandatory Induction Training for all the new joinees in the team, developing internal trainers, restructuring the training modules, developing good training material and hiring more competent trainers. Besides, initiatives have been taken to get affiliation from the Textile Sector Skill Council (TSC) for various job roles in Spinning, Weaving, Processing and knitting to benchmark the training material and processes with the best in the Industry.

Our basic objective to ensure availability of the right Human Resources at right time is met through timely sourcing. The initiatives to improve the organization structure, optimize the utilization of available human resources, clearly defining the job responsibilities so as to avoid over-lapping and also defining Key Results Areas and Key Performance Indices for better focus and assessment of the contributions are part of the continuous improvement process. Formulating/continuously reviewing HR policies for its effective and fair implementation and improving hygiene factors for facilitating creation of a conducive work environment are part of the routine. Consistent efforts continued to improve the female workers/employees ratio, particularly at the shop floor, in-line with the national policy of gender equality. The Sexual Harassment Policy formulated during previous year in line with the government directives implemented, though there was no case reported, thereby reassuring that the company gives safe and congenial environment for females to work. The company's commitment for treating its employees with human dignity and fairness were visible in its efforts throughout the year. The company's concerns for welfare of its workforce continued during the year and accordingly Group Personnel 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. During the year, the Company employed around 2366 employees (2600 employees during previous year 2013-14). 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 – PART – I
(http://alpsindustries.com/corporate_governance.php)
(MANDATORY REQUIREMENTS)

Annexure-IV

(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 Listing Agreement(s), 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 agreement, 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 latest SEBI Circular dated April 8, 2008, 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

(II) (a) Composition and category of Directors under Corporate governance

Nature of Directorship	Nos.	% to the total strength
Promoter and Non Executive	1	12.5%
Promoter & Executive	1	12.5%
Executive (Non-Independent)	1	12.5%
Non-Executive (Independent)	4	50.0%
Nominee (Special) – BIFR (Independent)	1	12.5%
Total	8	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 30.09.2014
			(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	3	Yes
Mr. P.K. Rajput	Executive & non independent	-	Nil	4	4	Yes
Mr. Prabhat Krishna	Independent	-	65.00	4	4	Yes
Mr. Tilak Raj Khosla	Independent	-	60.00	4	4	Yes
Mr. P.K. Lamba	Independent	-	60.00	4	4	Yes
Mr. M.L. Sharma	Special Director by BIFR	-	45.00	4	4	No
Ms. Deepika Shergill	Independent	-	-	-	-	NA

Note : - In compliance of the clause 49(II) of the listing agreement the Independent woman director was appointed by the Board of Directors at their meeting held on February 11, 2015.

(c) Number of other BoDs 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	2	-	-
Mr. Sandeep Agarwal	-	2	1	-	-
Mr. P.K. Rajput	-	-	-	-	-
Mr. Prabhat Krishna	1	3	-	-	-
Mr. Tilak Raj Khosla	-	-	-	-	-
Mr. P.K. Lamba	-	-	-	-	-
Mr. M.L. Sharma	1	-	-	-	-
Mrs. Deepika Shergill	-	-	-	-	-

\$ In accordance with clause 49 of the listing agreement membership/chairmanship of only the Nomination and Remuneration Committee, Audit committee and Stakeholder Relationship Committee in all public limited companies (excluding Alps Industries Limited) as on date have been considered.

In compliance of the clause 49(II) of the listing agreement the Independent woman director was appointed by the Board of Directors at their meeting held on February 11, 2015.

(d) Number of BoD meetings held, dates on : No. of Board Meetings held: 4 : Dates - 30/05/2014, 11/08/2014, 11/11/2014 and 11/02/2015.

(e) Details of the Directors liable to retire by rotation and proposed to be reappointment. Regularization and appointment of woman director & appointment of all independent directors for the first term under section 149 of the Companies Act, 2013 and in terms of clause 49 of the listing agreement :

1. Details of Mr. Sandeep Agarwal, Managing Director (DIN No. 00139439) proposed to be reappointed as whole time director designated as Managing Director. : He is in the textile industry since last 26 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 and there is no inter-se relationship amongst 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, 2015:-

S.No.	Name of Company	Nature of Interest
1	Pacific Texmark Pvt. Ltd.	Directorship
2	Alps Processors Pvt. Ltd.	Directorship
3	Alps Usa Inc.	Directorship
4	Peek Finvest Pvt. Ltd.	Shareholding
5	Perfect finmen Pvt. Ltd.	Shareholding
6	Careen Fintec Pvt. Ltd.	Shareholding
7	Saurabh Floriculture Pvt. Ltd.	Shareholding
8	Padam Precision Dies & Components Pvt. Ltd	Shareholding
9	Coronation Spinning Pvt. Ltd.	Shareholding
10	CDK Foundation (HUF)	Member
11	Aspen Enterprises	Relationship

2. Details of Mr. Prabhat Krishna, Independent Director (DIN No. 02569624) proposed to be reappointed. : He is a B. Tech (Chem.) from IIT, Delhi. He is 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 amongst 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, 2015:-

S.No.	Name of Company	Nature of Interest
1	Sharda Spuntex Pvt. Ltd.	Directorship
2	AMD Industries Ltd.	Directorship
3	Snowflakes Meditech Pvt. Ltd.	Directorship
4	Alps Energy Pvt. Ltd.	Directorship

3. Details of Mr. Tilak Raj Khosla, Independent Director (DIN No. 02724242) proposed to be appointed. : 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 amongst 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 31,2015

4. 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 Defence. 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 amongst 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 31,2015.
5. Regularization and appointment of Ms. Deepika Shergill (DIN No. 07093795) : She possess over of diversified exposure in the administrations of reputed companies engaged in diversified fields. There is no inter-se relationship amongst 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 31,2015
6. Details of Mr. K.K. Agarwal, Non Executive Director (DIN No. 00139252) proposed to be reappointed. : 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, President – NITMA & Chairman-North Zone AIMO, Executive Member of FICCI, FIEO, CII & HEPC. He is Executive Member of CITI and member of Cotton Yarn Advisory Board. Textile Association (India) at the national Textile Seminar has also awarded “Life Time Achievement Award” in recognition of his immense services to textile industry for creating jobs for Textile graduates. Mr. Agarwal is also involved in various social activities through educational organizations, for 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 and style of CDK Foundation. He is also the president of Chaudhary Chhabil Das Junior Public School, a reputed institution in education in Ghaziabad having approx.5000 students. It is to be mentioned that the relationship between proposed appointee and Mr. Sandeep Agarwal, Managing Director & Promoter Director is of father and son and there is no inter-se relationship amongst 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:-

S. No.	Name of Company	Nature of Interest
1	Pacific Texmark Pvt. Ltd.	Directorship
2	Alps Processors Pvt. Ltd.	Directorship
3	Confederation of Indian Textile Industry	Directorship
4	Alps Usa Inc.	Directorship
5	Peek Finvest Pvt. Ltd.	Shareholding
6	Perfect finmen Pvt. Ltd.	Shareholding
7	Careen Fintec Pvt. Ltd.	Shareholding
8	Saurabh Floriculture Pvt. Ltd.	Shareholding
9	Padam Precision Dies & Components Pvt. Ltd	Shareholding
10	Coronation Spinning Pvt. Ltd.	Shareholding
11	CDK Foundation (HUF	Karta
12	The ICMF Cotton Development and Research Association	Member

III 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 revised clause 49 of the listing agreement related to the code of conduct, company has adopted the revised code of conduct at their meeting held on November 11, 2014 which is also available on Company's website i.e. [http://alpsindustries.com/downloads/Code of Conduct.pdf](http://alpsindustries.com/downloads/Code%20of%20Conduct.pdf). All Directors and senior management personnel have affirmed compliance with the Code for F.Y. 2014-15. A declaration to this effect signed by the Managing Director is given in this Annual Report.

IV Audit Committee

: The composition of Audit Committee meets with the requirements of Section of 177 of the Companies Act 2013 and revised clause 49 of the listing agreement.

(a) Brief description of terms of reference

- : (a) As specified under Clause 49 of the Listing Agreement;
- 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 appointment of Cost Auditors & 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.
- 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.
- Any other specific matters referred by the Board of Directors from time to time.

(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

(V) Nomination and Remuneration Committee

- | | | | |
|---|---|-----|--|
| (a) Brief description of terms of reference | : | (a) | As specified under Clause 49 of the Listing Agreement. |
|---|---|-----|--|
- 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.
 - 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
- Any other matter, as may be assigned by the Board with respect to financial commitment for whole time directors.
- 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 and 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 Listing Agreement with the 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 May, 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 April 1, 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 Ltd.
- '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 levels of 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, Health care 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 at 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 incentive 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.

- (b) Composition, name of members and : 1. Mr. Prabhat Krishna - Independent Director & Chairman
Chairperson.
2. Mr. Sandeep Agarwal - Whole time director & Member
3. Mr. P.K Lamba - Independent director & Member
4. Mr. M.L. Sharma - Special Director- BIFR & Member.

Due to recomposition of the committee at the meeting of the board of directors held on May 30, 2014 he was appointed as a member w.e.f. 30 May 2014.

- (c) Meetings and attendance during the year : Meeting held: One
Present Members
1. Mr. Prabhat Krishna - Chairman
2. Mr. Sandeep Agarwal - Member
3. Mr. M.L. Sharma - Special Director- BIFR

- (d) Details of remuneration and pecuniary benefits to all the Directors, during the financial year ended on March 31, 2015 are as per details given below :-

(Rs. in 000' s)

Name of the Directors	Salary	Perquisites [#]	Sitting fees	Others*	Total
Mr. K.K. Agarwal	0.00	0.00	40.00	4.00	44.00
Mr. Sandeep Agarwal\$	300.00	0.00	0.00	0.00	300.00
Mr. P.K. Rajput	1281.29	31.50	0.00	0.00	1312.79
Mr. Prabhat Krishna	0.00	0.00	65.00	4.00	69.00
Mr. Tilak Raj Khosla	0.00	0.00	60.00	4.00	64.00
Mr. P.K. Lamba	0.00	0.00	60.00	4.00	64.00
Mrs. Deepika Shergill	0.00	0.00	0.00	0.00	0.00
Mr. M.L. Sharma	0.00	0.00	45.00	4.00	49.00
TOTAL	1581.29	31.50	270.00	20.00	1902.79

\$ The remuneration has been paid in term of approval from MCA dated 30.7.2014 for February 2014 and March 2014 @ 1.50 lac P.M.

Out of pocket expenses for attending the meeting of Board of Directors paid by the Company.
It includes reimbursement of Medical Expenses & Provident Fund.

NOTES:

1. In terms of Clause 49II (viii) (2) related to Corporate Governance of the Listing Agreement, it is confirmed that there are no pecuniary relationships or transactions of the non-executive directors vis company, except as mentioned above.
2. In compliance of Clause 49(II) (viii) (3) related to Corporate Governance of the Listing Agreement, 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.
3. The shareholding of directors as on 31st March, 2015 is as under:

(e) Details of Shareholding of Directors:

Sl. No.	Name	Shareholding	Percentage of paid up Equity Share Capital
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
8	Mr. M.L. Sharma, Special Director by BIFR	NIL	NIL
	Total	1,978,970	5.06

Note: None of the director's holds any convertible instruments of the company.

VI E STAKEHOLDERS RELATIONSHIP COMMITTEE

- (a) Brief description of terms of reference :
- As specified under Clause 49 of the Listing Agreement;
 - To review the status of Investors' Grievances of each Quarter,
 - To review the statement of transfer of shares.
 - To review of split, consolidation & demat/remat of shares.
 - Redressing the grievances related to non receipt of annual report/dividend and any matter related with the Investors' Grievances.
 - The committee also looks after redressal of investors' grievances and performance of the Registrar and Transfer Agent of the company.
 - Monitoring the violations of the code of conduct for prevention of Insider Trading, if any.
 - To Confirm the rights of stakeholders that are established by law or through mutual agreements are to be respected.
 - To Confirm the Stakeholders should have the opportunity to obtain effective redress for violation of their rights.
 - To encourage mechanisms for employee participation.
 - To allow stakeholders relevant, sufficient and reliable information on a timely and regular basis to enable them to participate in Corporate Governance process.
 - 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) Composition, name of members and Chairperson. :
- Mr. Prabhat Krishna - Chairman
 - Mr. Sandeep Agarwal - Member
 - Mr. Tilak Raj Khosla - Member
 - Mr. P.K. Lamba - Member
- (c) Meetings and attendance during the year : Meeting held: NIL

(d) Name and designation of compliance officer and contact details : Mr. Ajay Gupta,
Company Secretary & General Manger - Legal.
Ph (D) : 0120-4161716 Fax : 0120-2896041, 2895299
Email ID : ajaygupta@alpsindustries.com
investorsgrievance@alpsindustries.com

(e) Number of shareholders' complaints received so far. : Details of complaints received and redressed during the period 2014-2015:

Sr. No	Particulars	Received	Redressed	Pending as on 31.03.15
1.	Non-receipt of refund order	Nil	Nil	Nil
2.	Non-receipt of Dividend Warrants	Nil	Nil	Nil
3.	Non-Receipt of Share Certificates	1	1	Nil
4.	Others	9	9	Nil
	TOTAL	10	10	Nil

(f) Number not solved to the satisfaction of shareholders. : Nil

(g) Number of pending share transfers. : Share Transfer Details:

Sr. No	Particulars	Equity Share
a.	Number of Transfers	1
b.	Average No. of Transfers per month	0.08
c.	Number of shares transferred	200

Demat/ Remat of Shares:

Sr. No	Particulars	Equity Share
a.	Number of Demat Transfers approved	6
b.	Number of shares Dematerialized	1200
c.	Percentage of shares Dematerialized	0.003
d.	Number of Rematerialization Requests approved	1
e.	Number of shares rematerialized	100

(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.	29.09.2012	10:00 A.M	AGM
2.	--Do--	30.09.2013	10:00 A.M	AGM
3.	--Do--	30.09.2014	10:00 A.M.	AGM

(b) Whether special resolutions were passed in the previous three AGMs/EGMs : Yes, as per following details:
At the AGM held on 29.09.2012

- Re-appointment of M/s P. Jain & Co., Chartered Accountants as Statutory Auditors of the company under Section 224A of Companies Act, 1956.
- Recomposition and Reclassification of Authorized Share Capital.
- Amendment in MAP for issuance of OCCPS in terms of CDR Scheme.
- Preferential Allotment of CRPS in terms of CDR Scheme.

At the AGM held on 30.09.2013

- Re-appointment of M/s P. Jain & Co., Chartered Accountants as Statutory Auditors of the company under Section 224A of Companies Act, 1956.
- Re-appointment of Mr. Sandeep Agarwal as Managing director of the company.

At the AGM held on 30.09.2014

- Re-appointment of M/s P. Jain & Co., Chartered Accountants as Statutory Auditors of the company under Section 139 of Companies Act, 2013.
- Re-appointment of Mr. P. K. Rajput as Executive Director of the company.
- Appointment of Cost Auditors M/s. Neeraj Sharma & Co., Cost Accountants

- (c) Special Resolutions were put through postal ballot last year, details of voting pattern. : No, such Resolution was passed.
- (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 Clause 32 of the Listing Agreement 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.
- (ii) Disclosure of Accounting Treatment under clause 49(VIII) (B) of the Listing Agreement : 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 2015. Hence the requirement to disclose in the financial statements, is 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 part III of the compliance report.
- (d) Compliance of Non- Mandatory requirement under the Corporate Governance : As per the details mentioned in part IV of the compliance report.
- (e) Whistle Blower & Vigil Policy : The company has implemented the Vigil policy/Whistle Blower Policy as specified 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) Shareholding pattern and any other material information on the business/joint venture/agreements entered into by the Company : On company website along with information to the stock exchanges separately.
- (c) Which newspapers normally published in. : Money Makers and Dainik Mahalaxmi Bhagyodaya
- (d) NSE Electronic Application Processing System (NEAPS) and BSE Listing centre for electronic filing. : The NSE and BSE developed web based application for corporate. The shareholding Pattern, Intimation of Board meetings and Corporate Governance Report are also filed electronically on NEAPS and Listing centre of BSE by the company on quarterly basis.
- (e) SEBI Complaints Redress 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.
- (f) 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, 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.
- (g) Whether it also display official news release : Yes
- (h) 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.

(i) Whether MD&A is a part of Annual Report or not. : Yes. Company also display on the official website.

(j) Voting by electronic means : In terms of the requirement of Section 108 and Companies (Management and Administration) Rules, 2014, clause 35B of the listing agreement and in terms of the better corporate governance, the company is continues with the necessary arrangements to facilitate the e-voting by all the members of the company for the forthcoming AGM.

(x) General Shareholder information

(a) AGM: Date, time and venue (Tentative) : Date : September 30, 2015
Day : Wednesday
Time : 10:00 A.M
Venue : 57/2, Site IV, Industrial Area,
Sahibabad, Ghaziabad, (U.P.) Pin-201010

(b) Financial Calendar (Tentative) : 2015-16
Financial Year : April 1, 2015 to March 31, 2016
Annual General Meeting : September 30, 2015
Result for quarter ending June 30, 2015 : Second Week of August, 2015.
Result for quarter ending Sept 30, 2015. : Second Week of November, 2015
Result for quarter ending Dec 31, 2015. : Second Week of February, 2016
Result for quarter ending March 31, 2016. : Last Week of May, 2016
Audited Accounts for the financial year ending on March 31, 2016 : Last Week of May, 2016

(c) Date of Book Closure : Wednesday, September 9, 2015 to Thursday, September 10 2015 (Both days inclusive)

(d) Cut-off date for Voting Rights for AGM under Section 108 of the Companies Act 2013. : Thursday, September 24, 2015

(e) Schedule of e-voting : From Sunday, 27.09.2015, 10:00 A.M. to Tuesday, 29.09.2015, at 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, 2015.

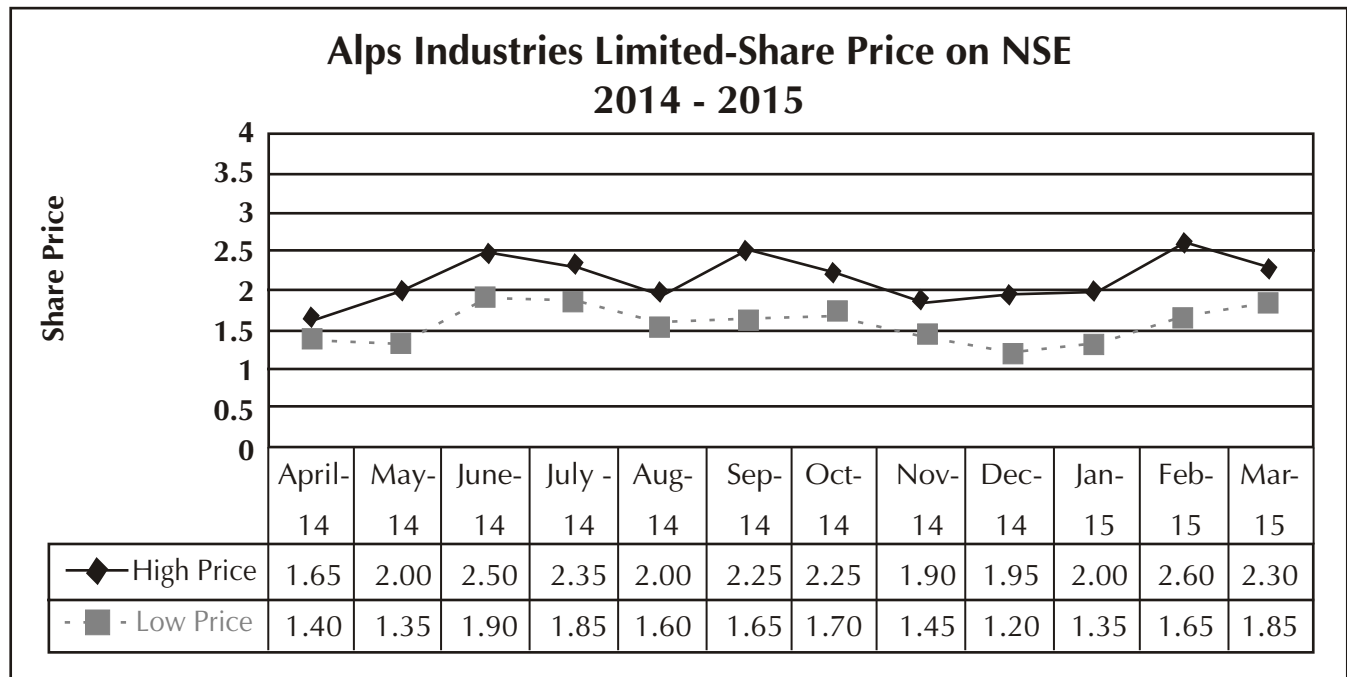
(g) Listing on Stock Exchanges : Equity Shares of the company are listed at the National Stock Exchange of India Ltd. and Bombay Stock Exchange Ltd., Mumbai.

(h) Stock Code : NSE : ALPSINDUS – EQ
BSE : 530715/ALPSIND

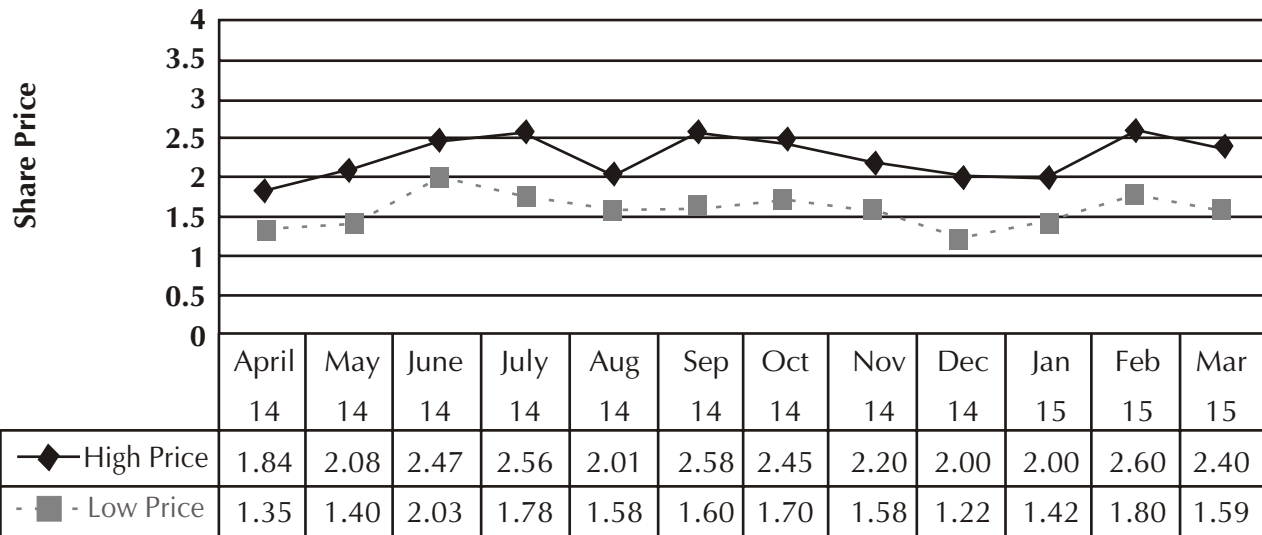
(i) Issue & reclassification of Quasi Equity shares under Corporate Debt Restructuring Scheme : The Company has not reclassified/issue any quasi equity shares during the year under review.

(j) 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 – 14	1.65	25.04.2014	1.40	04.04.2014	1.84	25.04.2014	1.35	01.04.2014
2	May – 14	2.00	27.05.2014	1.35	16.05.2014	2.08	26.05.2014	1.40	13.05.2014
3	June –14	2.50	12.06.2014	1.90	03.06.2014	2.47	12.06.2014	2.03	04.06.2014
4	July – 14	2.35	09.07.2014	1.85	31.07.2014	2.56	04.07.2014	1.78	31.07.2014
5	Aug – 14	2.00	06.08.2014	1.60	18.08.2014	2.01	06.08.2014	1.58	19.08.2014
6	Sept – 14	2.55	16.09.2014	1.65	08.09.2014	2.58	15.09.2014	1.62	01.09.2014
7	Oct – 14	2.25	16.10.2014	1.70	27.10.2014	2.45	10.10.2014	1.70	28.10.2014
8	Nov – 14	1.90	05.11.2014	1.45	24.11.2014	2.20	11.11.2014	1.58	20.11.2014
9	Dec – 14	1.95	09.12.2014	1.20	23.12.2014	2.00	11.12.2014	1.22	17.12.2014
10	Jan – 15	2.00	19.01.2015	1.35	01.01.2015	2.00	20.01.2015	1.42	13.01.2015
11	Feb – 15	2.60	09.02.2015	1.65	02.02.2015	2.60	11.02.2015	1.88	16.02.2015
12	Mar – 15	2.30	09.03.2015	1.85	24.03.2015	2.40	09.03.2015	1.59	17.03.2015



**Alps Industries Limited-Share Price on BSE
2014 - 2015**

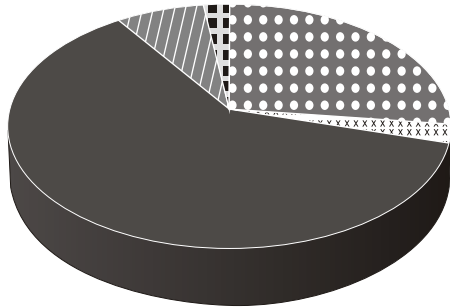


- (k) Shareholding Pattern as on 31.03.2015
Scrip Code: NSE –ALPSINDUS & BSE -530715/ALPSIND
Name of the Scrip: Alps Industries Limited
Class of the Security: Equity Shares

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	10,00,500	2.56
	(2) Non Institutions	23,387	27,527,582	70.38
	Total Public Shareholding	23,392	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)	23,411	39,114,100	100.00

- For definitions of “Promoter Shareholding” and “Promoter Group” refer to Clause 40A of Listing Agreement.
- For definition of “Public Shareholding”, refer to Clause 40A of Listing Agreement.

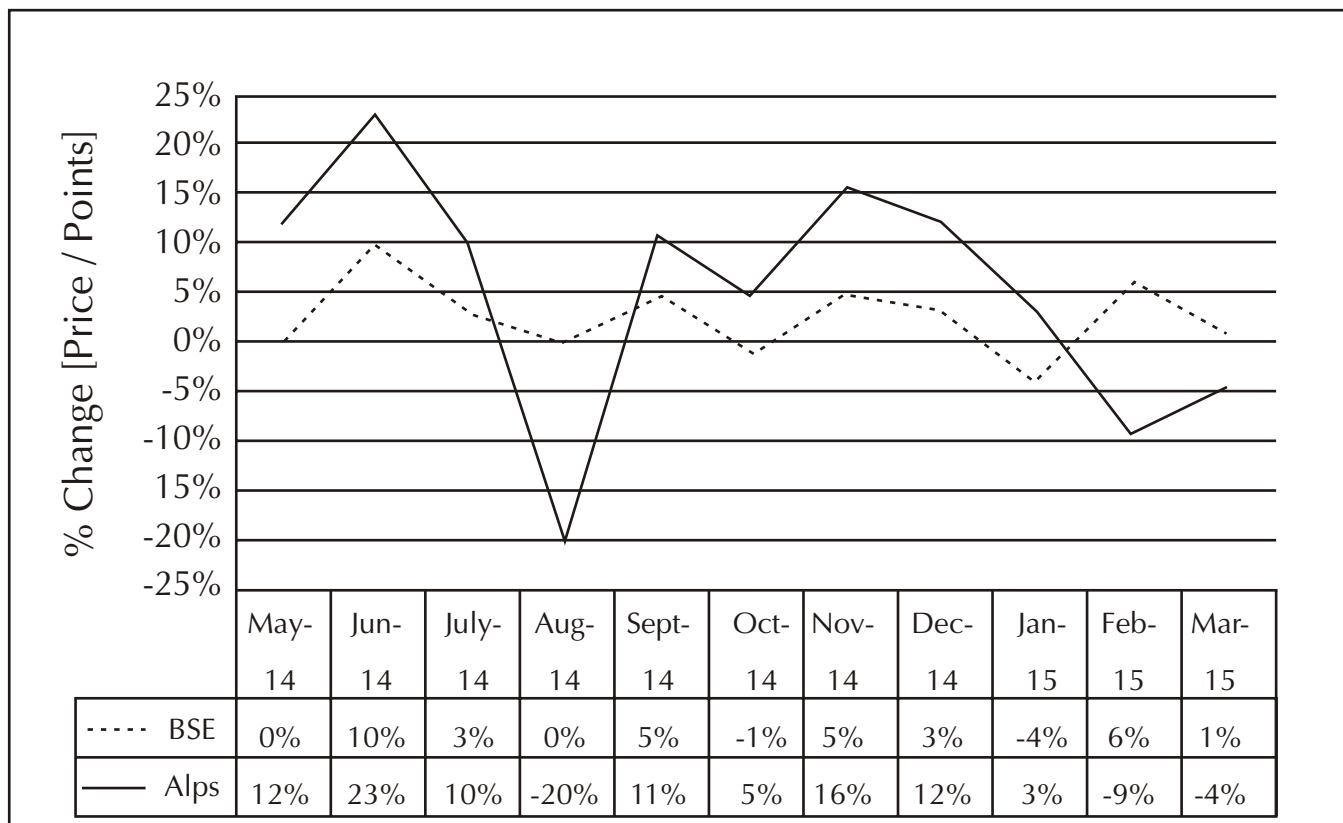
SHAREHOLDING PATTERN AS ON MARCH 31, 2015



SHAREHOLDER	SHAREHOLDING (%)
Promoter	27
Mutual funds/UTI, financial Institutions/ Banks, Insurance Companies (Central/State Gov. Institutions/Non Government Institutions)	2
Private corporate Bodies	8
Indian Public	61
Others (NRI/OCB, Clearing Members & DRs)	2
TOTAL	100

Performance in comparison to broad-based indices such as BSE Sensex, CRISIL, Index etc:

BSE CHART FOR THE YEAR 2014-15 OF ALPS INDUSTRIES LTD. Vs. BSE SENSEX



- (m) Registrar and Transfer Agents for Demat & Physical Shares : Alankit Assignments Limited, Corporate Office, Alankit House, 2E/21, Jhandewalan Extension New Delhi-110 055 India.
- (n) Share Transfer System and Investors Grievances : In terms of the SEBI Circular 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.
- (o) Uniform procedure for dealing with unclaimed shares : In terms of Clause 5A(I) & (II) of the Listing Agreement 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, 2014	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, 2015	Nil	Nil	76	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	--	--	--	--

(p) Distribution of shareholding : As on 31st March, 2015

Share holding of nominal value	Shareholders		Share Amount	
	In Rs.	Number	%	Rs. In 000's
Upto- 5000	17477	74.653	114789.37	29.347
5001- 10000	2564	10.952	30318.15	7.751
10001- 20000	1439	0.742	26094.46	6.671
20001- 30000	569	0.156	9048.90	2.313
30001- 40000	278	0.066	5454.57	1.395
40001- 50000	294	0.07	7649.15	1.956
50001- 100000	438	0.09	16981.98	4.342
100001 and above	352	0.164	180804.42	46.225
TOTAL	23411	100.000	391141.00	100.000

(q) Dematerialization of shares and liquidity : 99.75 % of Issued Capital is in Dematerialized form as on 31st March 2015. The shares are listed at the two stock exchanges.

(r) Outstanding GDRs/ADRs /Warrants or any Convertible instrument, conversion date and likely impact on equity :
 (i) No GDRs is outstanding as on 31st March 2015.
 (ii) The company has not issued any ADRs.
 (iii) There are no outstanding convertible security as on March 31, 2015.

(s) 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 and 58/1, Site IV Industrial Area, Sahibabad, Ghaziabad 201010 (U.P.)

(t) Address for correspondence : Corp. Office: 57/2, Site - IV, Sahibabad Industrial Area, Ghaziabad-201 010 (U.P.)

49(I) CEO/CFO Certification : As required under Clause 49 of the Listing Agreement, a Certificate duly signed by the CEO/CFO was placed at the meeting of Board of Directors held on May 30, 2015.

- (v) 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.
- (w) Company CIN No. and ROC : CIN No. is L51109UP1972PLC003544 and Registered with Registrar of Companies, Kanpur, Uttar Pradesh (State Code 20).

GREEN INITIATIVE

The Ministry of Corporate Affairs ('MCA'), Government of India, through its Circular No. 17/2011 dated April 21 2011 and 18/2011 and 29th April, 2011 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 the circular issued by MCA, 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-IV

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 Clause 49 of the Listing Agreement, All the independent directors have been proposed for appointment for a first term of three years at the forthcoming annual general meeting w.e.f. February 11, 2015.
2. Nomination & Remuneration Committee ; Company is having a Nomination & Remuneration Committee in terms of the requirements of Schedule V in Part II in Section II of the Companies Act, 2013.
 - (i) Terms of Reference and remuneration Policy : It is authorized to do all functions as prescribed under the section 178 of the Companies Act, 2013 and clause 49 of the listing agreement.
 - (ii) Constitution of the committee :
 1. Mr. Prabhat Krishna - Independent Director & Chairman
 2. Mr. Sandeep Agarwal - Whole time director & Member
 3. Mr. P.K Lamba - Independent director & member
 4. Mr. M.L. Sharma - Special Director- BIFR & member.

Due to recomposition of the committee at the meeting of the Board of Directors held on May 30, 2014 he was appointed as a member w.e.f. 30 May 2014.
 - (iii) Presence at the meeting. : Meeting held: one
Present Members
 1. Mr. Prabhat Krishna - Chairman
 2. Mr. Sandeep Agarwal - Member
 3. Mr. M.L. Sharma - Special Director- BIFR
 - (iv) Presence of the Chairman of the committee at the Annual General Meeting. : The Chairman of the meeting was present at the Annual General Meeting.
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 is qualification / reservation in the Audit Report of the Statutory Auditors, for the financial year ended on March 31, 2015 and the same has been explained in the Notes to Accounts at appropriate place and being self explanatory needs no further explanation. As required under amended clause 31(a) and SEBI Circular No. CIR/CFD/DIL/7/2012 dated August 13, 2012, the necessary disclosures/details in the prescribed Form 'B' have been appended with the Annual Report. The company has received a

letter Ref No. CFD/DIL/HB/MT/114118/2014 dated April 21, 2014 from Securities and Exchange Board of India (SEBI) in relation to audit qualification given in Annual Report related to Financial Year 2012-13. In response to their letter the company had filed suitable reply vide letter dated May 8, 2014 to Financial Reporting Review Board (FRRB) of ICAI as per the requirement of SEBI. On November 6 2014, the company has received the further direction of SEBI through the National Stock Exchange of India Limited vide letter dated October 30, 2014 directing the company for restatement of Financial Statement pertaining to Financial Year 2012-13 in terms of clause 5(d)(ii) of the SEBI circular dated August 13,2012 and June 05,2013. In view the financial and legal implication, Company has filed an appeal before Hon'ble SAT vide Appeal No. 451/2014 against the directions for restatement of financial statements for the year ending 31st March 2013 of the company w.r.t. qualifications made by the Auditors thereon, which is under consideration of Hon'ble SAT.

5. Training of Board Members : 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 clause 49 of the listing agreement 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.
6. 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 clause 49 of the Listing Agreement company has Evaluation Policy to review the performance of Non executive directors as and when required.
- As per Clause 49 II (V) (b) the Nomination and Remuneration Committee has laid down the criteria for evaluation of performance of Directors which is 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.

7. Whistle Blower & Vigil Policy : The company has implemented the Vigil policy/Whistle Blower Policy as specified under section 177 of the Companies Act, 2013 and all the concerned officials have been advised suitably.
8. Postal Ballot : It has been conducted wherever required.
9. E-voting : In terms of section 108 of the Companies Act, 2013 , relevant rules and in terms of clause 35B of the listing agreement, the necessary facility has been provided .
10. 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 revised clause 49 of the listing agreement related to the code of conduct, company has adopted the revised code of conduct at their meeting held on November 11, 2014 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. 2014-15. A declaration to this effect signed by the Managing Director is given in this Annual Report.
11. Disclosure for Non-Mandatory requirements : All the major and effective Non-Mandatory requirements have been complied with.

12. Post of Chairman & CEO : There is a Different Officials 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.
13. 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, 2011 and 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 SEBI (Prohibition of Insider Trading) Regulations, 2011 and 2015 as amended from time to time and as approved & prescribed by the Board of Directors of the Company.

Place: Ghaziabad
Date: May 30, 2015

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, 2011 and 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 financial year ended on 31st March 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. 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 and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

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

For P. Jain & Co.
Chartered Accountants

(Munish Kr. Jain)
Partner
Membership No.70335

Place : Ghaziabad
Date : May 30, 2015

To,

Board of Directors,
Alps Industries Limited,
B-2 Loni Road Indl. Area,
Opp. Mohan Nagar,
Ghaziabad (Uttar Pradesh).

Dear Sirs,

- A. We have reviewed financial statements for the financial year ended on March 31, 2015 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's 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 period which are fraudulent, illegal or violative of the company's 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 company 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 period and that the same have been disclosed in the notes to the financial statements; and
 3. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For Alps Industries Limited

Sandeep Agarwal
(Managing Director)
(Chief Executive Officer)
DIN - 00139439

Place: Ghaziabad
Date: May 30, 2015

For Alps Industries Limited

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

INFORMATION AS PER REQUIREMENT OF SEBI CIRCULAR NO. SMDRP/CIR14/98 DATED 29.04.1998 AND CLAUSE 32 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES.

1. Names and Address of the Stock Exchanges of where the Company's Securities are Listed.

S. No.	Name	Address
(i)	Bombay Stock Exchange Ltd.	1st Floor, New Trading Ring, Rotunda Building, P.J. Towers, Dalal Street, Fort, Mumbai- 400001.
(ii)	National Stock Exchange of India Ltd.	Exchange Plaza, 5th Floor, Plot No. C/1, G-Block, Bandra-Kurla Complex Bandra (E), Mumbai – 400 051.

2. The Company has paid listing fees for the year 2015-2016 to both the Stock Exchanges.
 3. Annual Custodian/Issuer Fees for the year 2015-16 could not be paid as the NSDL & CDSL yet to submit the bill for due amount. Hence as on date there is no overdue outstanding amount is payable to NSDL & CDSL.

Sl. No.	Particulars	Amount
i.	Loans and advances in the nature of loans to subsidiaries (by name and amount)	NIL
ii.	Loans and advances in the nature of loans to associates by name and amount	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
iv.	Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount.	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

ABSTRACT OF ANNUAL RETURN as on the financial year ended on 31.03.2015

ANNEXURE-V

[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 and contact details :		B-2, Loni Road Industrial Area, Opp Mohan Nagar, Ghaziabad -201 007, (U.P.) Tel. : 0120-4161716
Whether listed company	:	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	:	ALANKIT ASSIGNMENTS LIMITED 205-208, Anarkali Market, Jhandewalan Extn., New Delhi-110005, Tel.: 011-41540061

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	70.65
2	Fabrics	235.3	14.96

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 USA Inc. 508, Main Street, Wilmington, New Castle, 19804 USA	NA	Wholly Owned Subsidiary	100	2(87)
2	Alps Energy Pvt. Ltd F-228 Ground Floor Lado Sarai New Delhi 110030	U40109DL2007PTC169994	Subsidiary	69.75	2(87)
3	Snowflakes Meditech Pvt. Ltd F-228 Ground Floor Lado Sarai New Delhi 110030	U52599DL2006PTC153283	Subsidiary	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	2906028	0	2906028	7.43	2906028	0	2906028	7.43	0
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
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
(2) Foreign									
a) NRIs- Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other – Individuals									
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
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	100	0	100	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	1993738	0	1993738	5.10	1000000	0	1000000	2.56	-2.54

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)	1994138	200	1994338	5.10	1000500	200	1000500	2.56	-2.54
(2) Non-institutions									
a) Bodies Corporate	3044257	5220	3049477	7.80	2963762	5220	2968982	7.59	-0.21
i) Indian	0	0	0	0.00	0	0	0	0.00	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals	0	0	0	0.00	0	0	0	0.00	0.00
i.) Individual shareholders holding nominal share capital up to Rs 1 lakh	13605368	63789	13669157	34.94	13646097	62689	13708786	35.04	0.10
ii.) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	9058003	0	9058003	23.16	9997233	0	9997233	25.6	2.44
c) Any Other (specify)									
i) Trust & Foundation	0	0	0	0.00	0	0	0	0.00	0.00
ii) NRI	728562	28545	757107	1.94	824036	28545	852581	2.18	0.24
Sub-Total (B)(2)	26436190	97754	26533944	70.38	27431128	96454	27527582	70.38	0
Total Public Shareholding (B)= (B)(1)+(B)(2)	28430328	97754	28528082	72.94	28431428	96454	28528082	72.94	0
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)	39016346	97754	39114100	100.00	39017446	96654	39114100	100.00	0

(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
2	K.K. Agarwal	1147460	2.93	1147460	1147460	2.93	1147460	0
3	Nidhi Agarwal	216100	0.55	16100	216100	0.55	16100	0
4	Sandeep Agarwal	651510	1.67	651510	651510	1.67	651510	0
5	Rohan Agarwal	430128	1.10	230128	430128	1.10	230128	0
6	Sanyog Agarwal	248650	0.64	248650	248650	0.64	248650	0
7	Sandeep Agarwal (HUF)	94380	0.24	44380	94380	0.24	44380	0
8	Sunandini Agarwal	800	0.00	800	800	0.00	800	0
9	Alps Processors Private Limited	250116	0.64	250116	250116	0.64	250116	0
10	Careen Fintec (P) Ltd.	295000	0.75	295000	295000	0.75	295000	0
11	Coronation Spinning India (P) Ltd.	900000	2.30	300000	900000	2.30	300000	0
12	Pacific Texmark Pvt. Ltd.	2835872	7.25	2835872	2835872	7.25	2835872	0
13	Padam Precision Dies & Components Private Ltd.	1688200	4.32	188200	1688200	4.32	188200	0
14	Peek Finvest (P) Ltd	342082	0.87	342082	342082	0.87	342082	0
15	Peek Texfab Ltd.	100120	0.26	120	100120	0.26	120	0
16	Perfect Finmen Services (P) Ltd.	412800	1.06	262800	412800	1.06	262800	0
17	Roseat Finvest (P) Ltd.	382000	0.98	382000	382000	0.98	382000	0
18	Saurabh Floriculture (P) Ltd.	183800	0.47	183800	183800	0.47	183800	0
19	Supreme Finvest (P) Ltd.	290000	0.74	140000	290000	0.74	140000	0
	Total	10586018	27.06	7586018	10586018	27.06	7586018	0

(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 1.4.2014		Change in shareholding during the year		Shareholding at the end of the year as on 31.3.2015	
	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
General Insurance Corporation of India Suraksha	1000000	2.557	-	-	1000000	2.557
Kinnari Rakesh Pujara	-	-	-	-	617249	1.578
Bjd Securities Private Ltd	482630	1.234	-	-	482630	1.234
Bharat Jamnadas Dattani	468887	1.199	-	-	468887	1.199
Sunil Kumar Malik	413383	1.057	-	-	413383	1.057
Manoj Kumar Tanwar	329774	0.843	-	-	329774	0.843
Bharat Jamnadas	328634	0.84	-	-	328634	0.84
Sangeetha S	318960	0.815	-	-	318960	0.815
Bharati Bharat Dattani	315380	0.806	-	-	315380	0.806
Sunil Kumar Malik	-	-	-	-	226067	0.578

Note:

1. The above details are given as on 31 March, 2015. 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. Further, Company has not allotted/transferred or issued any bonus or sweat equity shares during the year.
2. The investor has several client Id. Hence it has been shown separate as per the record of R&T.

(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):	-	-	-	-
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):	-	-	-	-
At the End of the year	651510	1.67	651510	1.67
Mr. P K Rajput, Executive Director				
At the beginning of the year	155000	0.39	155000	0.39
ADD: September. 5, 2014	25000	0.07	25000	0.07
At the End of the year	180000	0.46	180000	0.46
Mr. T.R. Khosla, Director				
At the beginning of the year	-	-	-	-
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
At the End of the year	-	-	-	-
Mr. P.K.Lamba, Director				
At the beginning of the year	-	-	-	-
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
At the End of the year	-	-	-	-
Mr. Prabhat Krishna, Director				
At the beginning of the year	-	-	-	-
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
At the End of the year	-	-	-	-

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

V. INDEBTEDNESS

Indebtedness of the company including interest outstanding/accrued but not due for payment

(Rs. In Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	107445.53	2080.00	0.00	109525.53
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	24907.20	179.75	0.00	25086.95
Total (i+ii+iii)	132352.73	2259.75	0.00	134612.48
Change in Indebtedness during the financial year				
Principal				
Addition	0.00	287.75	352.10	639.85
Reduction	2121.07	0.00	0.00	2121.07
Net Change at the end of the financial year	-2121.07	287.75	352.10	-1481.22
i) Principal Amount	105324.46	2367.75	352.10	108044.31
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	24116.63	102.46	0.00	24219.09
Total (i+ii+iii)	129441.09	2470.21	352.10	132263.40

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

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	300000	1281290	1581290
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	31500	31500
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL
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) Ceiling as per the Act	300000 N.A.	1312790 N.A.	1612790 N.A.

B. Remuneration to other directors:

S. No	Particulars of Remuneration	Name of Directors					Total
		Mr. K K Agarwal	Mr. Prabhat Krishna	Mr. T R Khosla	Mr. P K Lamba	Mr. M L Sharma	
1.	Independent Directors						
	• Fee for attending board committee meetings	N.A.	65000	60000	60000	45000	230000
	• Commission	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	• Others, Out of Pocket Expenses for attending the Meeting	N.A.	4000	4000	4000	4000	16000
	Total (1)	N.A.	69000	64000	64000	49000	246000
2.	Other Non-Executive Directors						
	• Fee for attending board committee meetings	40000	N.A.	N.A.	N.A.	N.A.	40000
	• Commission	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
	• Others, Out of Pocket Expenses for attending the Meeting	4000	N.A.	N.A.	N.A.	N.A.	4000
	Total (2)	44000	N.A.	N.A.	N.A.	N.A.	44000
	Total (B)=(1+2)	44000	69000	64000	64000	49000	290000
	Total Managerial Remuneration	44000	69000	64000	64000	49000	290000
	Overall Ceiling as per the Act	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

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

Particulars of Remuneration	Key Managerial Personnel		
	Company Secretary	CFO	Total
1. Gross salary			
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6,47,460	13,74,720	20,22,180
(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	6,47,460	13,74,720	20,22,180

II. 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

**Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015**

ANNEXURE-VI

[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 compliance of applicable statutory provisions and the adherence to good corporate practices by ALPS Industries Limited (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, 2015 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, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder 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, 1992;
 - (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- **Not Applicable**
 - (h) The Securities and Exchange Board of India (Buy back of securities) Regulations, 1998- **Not Applicable**
- (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 Notification 2000;
 - (b) Textile (Development & Regulation) Order, 2001;
 - (c) The Sick Industrial Companies (Special Provisions) Act, 1985.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India - **Not Applicable**
- (ii) The Listing Agreements entered into by the company with Bombay Stock Exchange Ltd. and National Stock Exchange India Ltd.

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:

- (i) The Company had filed a reference with Hon'ble BIFR for its rehabilitation on June 16, 2010 due to the erosion of the net worth of the company as per audited accounts of 31st March, 2010 and Hon'ble BIFR vide its order dated December 06,2010 has declared the company as a "Sick Industrial Company". State Bank of India has been appointed as the operating agency by the BIFR and directed to prepare and submit a fully tied up Draft Rehabilitation Scheme (DRS). State Bank of India, operating agency has filed the DRS for the rehabilitation of the Company with BIFR on 8th Dec 2014, as recommended by the majority of the lenders and statutory agencies which is under consideration of Hon'ble BIFR.

For V. K. Chaudhary & Co.
(Company Secretaries)

Mr. Vineet K Chaudhary
FCS No.5327
C P No.4548

Place: Noida
Date: May 30, 2015

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 V. K. Chaudhary & Co.
(Company Secretaries)

Mr. Vineet K Chaudhary
FCS No.5327
C P No.4548

Place: Noida
Date: May 30, 2015

Form AOC - 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

SUBSIDIARY COMPANIES AS ON MARCH 31, 2015.

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part A : 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, 2015	March 31, 2015 (Rs in Lacs)	March 31, 2015 (Rs in Lacs)
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	US\$ 62.5908	NA	NA
Share capital	15 shares of no par value	22,60,000 of Rs. 10/- each	22,60,000 of Rs. 10/- each
Reserves & surplus	US\$(711,500)	1531.65	1058.86
Total assets	US\$ 529000	2257.37	1782.93
Total Liabilities	US\$ 529000	2257.37	1782.93
Investments	US\$ 529000	-	-
Turnover	-	472.73	173.52
Profit before taxation	US\$ (3)	9.19	3.39
Provision for taxation	-	2.60	0.57
Profit after taxation	US\$ (3)	6.59	2.82
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 **P. Jain & Co.**
Chartered Accountants
(Firm Registration No. : 000711C)

For and on behalf of the Board

Munish Kr. Jain
Partner
Membership No. : 70335

Sandeep Agarwal
Managing Director
DIN NO. 00139439

P.K. Rajput
Executive Director
DIN NO. 00597342

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

Ajay Gupta
Company Secretary

Place: Ghaziabad
Dated: May 30, 2015

**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, 2015, 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 flows 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our Qualified audit opinion on the standalone financial statements.

Basis for Qualified Opinion

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.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid 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, 2015, and its loss and its 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 the Note no. 37 relating to non provision of interest amounting to RS. 12291.33 lac for the financial year 2014-15 on loans taken from banks/Financial Institution/ARC/Subsidiary companies pursuant to consent of the secured lenders, constituting more than 83% of the outstanding secured debt of the company, to the Draft Rehabilitation Scheme (DRS) which is pending consideration before the Hon'ble BIFR, which interalia envisages the complete waiver of all outstanding interest from these lenders.
2. To note no 42 regarding pending confirmation of balances from trade receivable, loans & Advances and trade payables and reconciliation thereof and ascertainment of slow, non moving and damaged inventory and impact thereof, if any.
3. To the Note no. 43 relating to non adjustment of amounts paid to secured lenders in terms of settlement reached with them, under consideration of the DRS by the Hon'ble BIFR.
4. To the Note no. 45 which briefs the status of the reference of the company filed with the Hon'ble Board of Industrial & Financial Reconstruction (BIFR) u/s 15 of the Sick Industrial Companies (Special Provisions) Act, 1985. The financial statements have been prepared by the company on going concern basis pending sanction of the rehabilitation scheme by the Hon'ble BIFR.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), 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 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) Except for the effects of the matter described in the basis for qualified opinion paragraph above, 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) The matters described in the Basis for Qualified Opinion paragraph and Emphasis on Matters above, in our opinion, may have an adverse effect on the functioning of the Company;
 - (f) On the basis of the written representations received from the directors as on 31st March 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015, from being appointed as a director in terms of Section 164 (2) of the Act;
 - (g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above; and
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements- Refer Note No. 36 to the financial statements;
- ii. Except non provision of losses stated in the Basis for Qualified Opinion paragraph above, 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 P. Jain & Co.

Chartered Accountants
(Firm Reg. No. : 000711C)

Munish Kr. Jain

Partner
Membership No. : 070335

Place : Ghaziabad
Date : May 30, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 under the heading of "Report on other Legal and Regulatory Requirement" of our report of even date In terms of the information and explanations given to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state as under:

- I. (a) The Company has maintained records which are yet 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 due to closure, 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.
- II. (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 other than ascertainment of slow moving, non moving and damaged inventories, and impact thereof, if any, as referred in note on 42.
- III. 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.
- IV. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for purchases of inventory and fixed assets and for the sale of goods and services. In our opinion, there is no continuing failure to correct major weaknesses in internal control systems.
- V. In our opinion and according to the information and explanations given to us, the company has not accepted deposits from the public.
- VI. 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.
- VII. a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund Employees' State Insurance, Income-tax, Sales tax, Wealth 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, Wealth Tax, Service Tax, Sales-tax, Duty of Custom, Duty of Excise, Cess and other aforesaid statutory dues were outstanding as at 31st March, 2015 for a period of more than six months from the date they became payable.

- b) The disputed statutory dues aggregating to Rs. 567.49 Lac as on 31st March, 2015 have not been deposited on account of matters pending before appropriate authorities are as under:

Sr. No.	Name of the Statute	Nature of Dues	Amount	From where Dispute is Pending
1	U.P. Tax on entry of Goods	Entry Tax	Rs. 3.56 Lac	Hon'ble Tribunal Ghaziabad
2	Nagar Nigam Act, 1959	Sewerage Tax	Rs. 5.13 Lac	Hon'ble Commisioner, Nagar Nigam Gzb
3	Uttrakhand Agriculture Produce Marketing (Development & Regulation) (Amended) Act 2012	Mandi Samitee Cess	Rs. 558.80 Lac	Hon'ble Supreme Court of India

- (c) The amount required to be transferred to Investor protection fund in accordance with the relevant provisions of the Companies Act, 1956 and rule made there under has been transferred to such fund within time.

- VIII. The accumulated losses of the company as at 31st March, 2015 are more than fifty percent of its net worth. As per the financial statements, the Company has not incurred cash losses during the current financial year ended 31st March, 2015 but incurred cash loss in the immediately preceding financial year.
- I . 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.
- . According to information and explanations given to us, the company has not given any guarantees for loan taken by others from Banks & Financial Institution during the year.
- I. According to information and explanations given to us by the management, no term loans have been obtained during the year.
- II. As per information and explanation given to us, no fraud on or by the company noticed or reported during the year.

For P. Jain & Co.
Chartered Accountants
(Firm Reg. No. : 000711C)

Munish Kr. Jain
Partner
Membership No. : 070335

Place : Ghaziabad
Date : May 30, 2015

ALPS INDUSTRIES LTD.

BALANCE SHEET

BALANCE SHEET AS AT 31st MARCH, 2015

	Notes	AS AT 31.03.15 Rs.(in Lacs)	AS AT 31.03.14 Rs.(in Lacs)
EQUITY AND LIABILITIES			
Shareholders Funds			
Share Capital	1	30,704.31	30,704.31
Reserves and Surplus	2	(70,723.25)	(67,649.54)
		<u>(40,018.94)</u>	<u>(36,945.23)</u>
Non-Current Liabilities			
Long-term borrowings	3	69,725.90	69,373.96
Deferred tax Liabilities(Net)		-	-
Other Long term Liabilities	4	23,040.59	23,056.16
Long-term provisions	5	343.56	290.26
		<u>93,110.05</u>	<u>92,720.38</u>
Current Liabilities			
Short-term borrowings	6	38,318.41	40,151.57
Trade payables	7	5,201.32	6,476.44
Other current liabilities	8	6,698.75	6,845.18
Short-term provisions	9	32.26	36.64
		<u>50,250.74</u>	<u>53,509.83</u>
Total		<u>103,341.85</u>	<u>109,284.98</u>
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	10	45,813.81	49,894.37
Intangible Assets	10	15.81	37.36
Capital Work in Progress		36.66	105.01
Intangible Assets Under Development		188.32	102.08
Non-current Investments	11	958.56	958.56
Long-term loans and advances	12	1,270.02	1,160.88
Other non-current assets	13	536.86	1,209.69
		<u>48,820.04</u>	<u>53,467.95</u>
Current Assets, Loans & Advances			
Current Investments	14	25.00	25.00
Inventories	15	38,454.87	37,755.50
Trade Receivables	16	9,319.75	11,557.66
Cash & Bank Balances	17	3,087.09	4,775.04
Short-Term Loans & Advances	18	2,687.48	752.77
Other current assets	19	947.62	951.06
		<u>54,521.81</u>	<u>55,817.03</u>
Total		<u>103,341.85</u>	<u>109,284.98</u>

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 attached

For P. Jain & Co.

Chartered Accountants

(Firm Registration No. : 000711C)

Munish Kr. Jain

Partner

Membership No. : 070335

Place : Ghaziabad

Date : May 30, 2015

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

STATEMENT OF PROFIT & LOSS

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2015

	Notes	Year Ended 31.03.15 Rs.(in Lacs)	Year Ended 31.03.14 Rs.(in Lacs)
Revenue from operations			
Sale of Products	20	60,656.44	76,535.05
Other Operating Revenues		3,812.91	4,306.61
Less :Excise Duty		201.06	259.27
Net Revenue		<u>64,268.29</u>	<u>80,582.39</u>
Other Income	21	711.71	1,069.14
Total Revenue		<u>64,980.00</u>	<u>81,651.53</u>
Expenses			
Cost of Materials Consumed	22	40,983.05	54,061.99
Purchase of Stock-in-Trade	23	909.07	1,324.94
Change in inventories of finished goods and Work-in-Progress	24	(84.54)	12.90
Employee Benefit Expenses	25	6,933.02	7,290.53
Finance Cost	26	420.22	11,444.66
Depreciation/Amortization of Expenses	10	4,475.42	4,497.04
Other Expenses	27	14,292.46	14,785.08
Total Expenses		<u>67,928.70</u>	<u>93,417.14</u>
Profit/(Loss) Before Tax		<u>(2,948.70)</u>	<u>(11,765.61)</u>
Tax Expense			
(1) Current Tax		-	-
(2) Deferred Tax		-	-
Profit/(Loss) after Tax		<u>(2,948.70)</u>	<u>(11,765.61)</u>
Basic & Diluted Earning Per Share(Rs.)	28	(10.78)	(33.23)

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 attached

For P. Jain & Co.

Chartered Accountants

(Firm Registration No. : 000711C)

Munish Kr. Jain

Partner

Membership No. : 070335

Place : Ghaziabad

Date : May 30, 2015

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 Lacs)	
	31.03.2015	31.03.2014
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) Before Tax and Extraordinary items	(2,948.70)	(11,765.61)
Adjustment for :		
Depreciation	4,475.42	4,497.04
Interest Received	(341.31)	(348.10)
Finance Cost	420.21	11,444.66
Loss on Sale of Assets	14.68	7.12
Loss on Investment	-	2.39
Operating Profit/Loss Before Working Capital Changes	1,620.30	3,837.50
Adjustment for Working Capital Changes		
Inventories	(699.37)	(2197.13)
Trade & other Receivable	908.43	(480.30)
Trade Payable & other Liabilities	(1388.21)	10278.84
Direct taxes received/(paid)	(38.12)	(38.63)
Net Cash from/ (used in) Operating Activities	403.03	7562.78
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(545.83)	(678.54)
Proceeds from Fixed Assets	14.98	16.56
Interest Received	341.31	348.10
(Increase)/Decrease in Fixed Deposits	1,560.62	(1,735.26)
Net Cash from/ (used in) Investment Activities	1,371.08	(2,049.14)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Finance Cost	(420.21)	(11,444.66)
Receipt of Government Grant	-	30.00
Proceeds of Long Term Borrowing (Net)	351.94	744.79
Proceeds/(Repayment) of Short Term Borrowing (Net)	(1,833.17)	800.29
Net Cash from/ (used in) Financing Activities	(1,901.44)	(9,869.58)
Net Increase(Decrease) in Cash & Cash Equivalents	(127.23)	(518.44)
Opening Balance of Cash and Cash Equivalents	638.57	1,157.01
Closing Balance of Cash and Cash Equivalents (refer note 17(ii))	511.24	638.57

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 attached

For P. Jain & Co.

Chartered Accountants

(Firm Registration No. : 000711C)

Munish Kr. Jain

Partner

Membership No. : 070335

Place : Ghaziabad

Date : May 30, 2015

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 of 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.

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

Depreciation on the Tangible Assets and 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 of assets upto Rs. 5000/- 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 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 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.

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 31.03.15 Rs.(in Lacs)	AS AT 31.03.14 Rs.(in Lacs)
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>34500.00</u>	<u>34500.00</u>
(B) Issued , Subscribed & Paid up		
39114100(39114100) Equity Share of Rs.10/-each fully paid up	3,911.41	3,911.41
	<u>3911.41</u>	<u>3911.41</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>26792.90</u>	<u>26792.90</u>
Total	<u>30704.31</u>	<u>30704.31</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 have preference in discounted Redemption as per Erstwhile CDR scheme CRPS (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 have preference of Repayment over other instruments in discounted redemption as per CDR Scheme over other instrument issued and a Category CDR Scheme erstwhile subject to the availability of funds

1% CRPS under Category -C:- Such shares have right of 1 % dividend with no voting right have preference of Repayment over 1 % CRPS in discounted redemption as per erstwhile CDR Scheme subject to the availability of funds

1% CRPS under Category -D:- Such shares have right of 1 % dividend with no voting right have preference of Repayment against other instruments in discounted redemption as per erstwhile CDR Scheme subject to the availability of funds Earlier date of Redemption is 30/01/2017 to 30/01/2019

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 Lacs (P.Y. 1629.61 lacs) Equity shares of Rs. 10 each at par aggregating to Rs.1629.61 Lacs (P.Y. Rs.16296.06 lacs)

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)

Details of Share holders holding more than 5 % Share Capital

PARTICULARS	As at 31 Mar'2015	Percentage (%)	As at 31 Mar'2014	Percentage (%)
Equity Shares:				
Pacific Texmark Pvt. Ltd.	2835872	7.25	2835872	7.25
6% CRPS				
State Bank of Bikaner & Jaipur	4891690	3.12	4891690	3.12
The Jammu & Kashmir Bank	6194500	3.95	6194500	3.95
Export Import Bank of India	3534800	2.25	3534800	2.25
IDBI Bank Ltd.	1413076	0.90	1413076	0.90
Edelweiss Asset Reconstruction Company Limited (Shares acquired by way of transfer from SBI during March 2015)	40376560	25.74	-	-
State Bank of India	-	-	40376560	25.74
State Bank of Patiala	23081900	14.72	23081900	14.72
State Bank of Mysore	18756986	11.96	18756986	11.96
State Bank of Hyderabad	13626294	8.69	13626294	8.69
ICICI Bank Ltd.	2112482	1.35	2112482	1.35
HDFC Bank	1056241	0.67	1056241	0.67
Punjab National Bank	27560343	17.57	27560343	17.57
1% CRPS				
Development Credit Bank Ltd.	11661448	10.50	11661448	10.50
State Bank of India	38384749	34.55	38384749	34.55
ICICI Bank Limited	9816345	8.84	9816345	8.84
HDFC Bank	15482087	13.94	15482087	13.94
Standard Chartered	35749418	32.18	35749418	32.18

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.15 Rs.(in Lacs)	AS AT 31.03.14 Rs.(in Lacs)
2. RESERVES AND SURPLUS		
A. Capital Reserve		
At the Beginning of the Year	290.00	260.00
Add : Capital Subsidy	-	30.00
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	16,668.93	16,668.93
C. General Reserves		
At the Beginning and at the end of the Year	7,999.30	7,999.30
D. Statement of Profit And Loss Account		
Loss at the Beginning of the Year	(92,607.77)	(80,842.16)
Add: Retained Earning on change in useful life of Fixed Assets	(125.01)	-
Add: Loss for the Year	<u>(2,948.70)</u>	<u>(11,765.61)</u>
Loss at the end of the Year	<u>(95,681.48)</u>	<u>(92,607.77)</u>
Total	<u>(70,723.25)</u>	<u>(67,649.54)</u>
3. LONG TERM BORROWINGS		
Secured Loans		
(a) Term Loans		
(1) Banks & Financial Institutions/ARC (See Note Below i, ii & Refer note no 46)	67,006.05	67,293.96
(i) Term loans Rs.55222.87 Lacs (P.Y. Rs. 55510.78 Lacs) 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.		
(ii) WCTL Rs. 8885.54 Lacs (P.Y.Rs. 8885.54 Lacs)and FITL Rs. 2897.64 Lacs (P.Y.Rs. 2897.64 Lacs) from Bank & Financial Institutions are secured by first pari- passu charge on fixed assets of the company, alongwith Personal Guarantees of promotor Directors.		
Unsecured Loans		
Loans and Advances from Related Parties (Refer Note No. 3.2)	2,367.75	2,080.00
Loans and Advances from others	352.10	-
Total	<u>69,725.90</u>	<u>69,373.96</u>
3.1 Maturity Profile of Term Loans From Banks & Financial Institutions		
By order dated 02.09.2011 of Hon'ble BIFR and order dt. 12.03.2012 of hon'ble AAIFR, the amount of Bank and Financial Institutions becoming due after May 2011 are deferred till the date of sanction of the scheme by Hon' ble BIFR, such amount has been considered as long term borrowing and will be dealt with in terms of draft rehabilitation scheme on sanction by hon'ble BIFR.		
3.2 Maturity Profile of Unsecured Loans		
Particular	Amount	Period
Towards Related Party	2367.75	2016-17
Towards Others	352.10	2016-17
4. OTHER LONG TERM LIABILITIES		
Interest accrued but not due on borrowing (Refer Note No. 3.1 above)	23,040.59	23,056.16
Total	<u>23,040.59</u>	<u>23,056.16</u>

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.15 Rs.(in Lacs)	AS AT 31.03.14 Rs.(in Lacs)
5. LONG TERM PROVISION		
Provision for Employee benefits (Refer Note No 47)	343.56	290.26
Total	<u>343.56</u>	<u>290.26</u>
6. SHORT TERM BORROWINGS		
Secured Loans		
Loan repayable on Demand (Working Capital)		
From Banks / ARC (Refer note no 46)	38,318.41	40,151.57
Total	<u>38,318.41</u>	<u>40,151.57</u>
6.1 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.		
7. TRADE PAYABLES		
(a) Micro, Small & Medium Enterprises (Refer Note No. 7.1)	47.54	26.23
(b) Others	5,153.78	6,450.21
Total	<u>5,201.32</u>	<u>6,476.44</u>
7.1 Based on the information available with the Company and relied upon by auditors 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,2015 as per the terms of Contract.		
8. OTHER CURRENT LIABILITIES		
(a) Current maturities of long-term debt	-	0.97
(b) Unpaid dividend	-	6.03
(c) Interest accrued but not due on borrowing	1,076.04	1,851.04
(d) Interest accrued and due on borrowing (Related Party)	102.46	179.75
(e) Other payable		
(1) Expenses payable (Refer Note No. 8.1)	4,247.04	4,245.16
(2) Creditors for Fixed Assets	320.91	179.62
(3) Book overdraft	3.86	83.70
(4) Advance from Customers	948.44	298.91
Total	<u>6,698.75</u>	<u>6,845.18</u>
8.1 Expenses Payable include the liabilities to employees, Sales Tax/Vat, Other taxes, Commission & Discount etc.		
9. SHORT TERM PROVISIONS		
Provision for Employee benefits (Refer Note No 47)	32.26	34.25
Other Provision	-	2.39
Total	<u>32.26</u>	<u>36.64</u>

NOTES FORMING PART OF ACCOUNTS

AS AT
31.03.15
Rs.(in Lacs)

AS AT
31.03.14
Rs.(in Lacs)

10. FIXED ASSETS

Rs.(in Lacs)

Particulars	Gross Block				Depreciation					Net Block	
	Opening Balance	Addition for the year	Deduction/ Sale	Total Upto 31.03.2015	Opening Balance	Retained Earning	Depreciation During The Year	On Deduction	Total Upto 31.03.2015	As on 31.03.2015	As on 31.03.2014
TANGIBLE ASSETS											
Leasehold Land	1301.37	-	-	1301.37	149.88	-	13.83	-	163.71	1137.66	1151.49
Free Hold Land	637.70	-	-	637.70	-	-	-	-	-	637.70	637.70
Building	14670.86	15.20	-	14686.06	3424.74	0.01	501.37	-	3926.12	10759.94	11246.12
Plant & Machinery	62043.22	453.64	-	62496.86	25776.75	46.72	3780.58	-	29604.05	32892.81	36266.47
Furniture Fixture	404.71	1.44	-	406.15	208.73	31.12	28.28	-	268.13	138.02	195.98
Vehicles	461.49	23.15	89.92	394.72	293.23	-0.58	48.18	60.50	280.33	114.39	168.26
Office Equipment	263.67	20.16	-	283.83	94.15	61.83	56.59	-	212.57	71.26	169.52
Computers	714.63	14.40	0.31	728.72	655.80	-14.14	25.09	0.06	666.69	62.03	58.83
Sub Total A	80497.65	527.99	90.23	80935.41	30603.28	124.96	4453.92	60.56	35121.60	45813.81	49894.37
INTANGIBLE ASSETS											
Computer (software)	76.09	-	-	76.09	52.59	0.05	7.64	-	60.28	15.81	23.50
Brand & Trade Mark	646.05	-	-	646.05	632.19	-	13.86	-	646.05	-	13.86
Sub Total B	722.14	-	-	722.14	684.78	0.05	21.50	-	706.33	15.81	37.36
Total	81219.79	527.99	90.23	81657.55	31288.06	125.01	4475.42	60.56	35827.93	45829.62	49931.73
Previous Year	80615.80	672.28	68.29	81219.79	26835.64	-	4497.04	44.62	31288.06	49931.73	-

Note : Depreciation during the year includes depreciatin of fixed assets whoes life expired as at 1st April 2014 have been adjusted in the opening balance of profit & loss account Rs. 125.01 lacs.

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. 64454 (221100)	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 Paid-up) (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

12. LONG-TERM LOANS AND ADVANCES

(Unsecured, Considered Good)

Capital Advance	632.67	594.95
Security Deposits	637.35	565.93
Total	1,270.02	1,160.88

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.15 Rs.(in Lacs)	AS AT 31.03.14 Rs.(in Lacs)
13. OTHER NON CURRENT ASSETS		
(Unsecured)		
Considered Good		
Receivable from Banks	-	656.64
Receivable from Others	214.05	230.24
Minimum Alternate Tax Adjustable	322.81	322.81
Considered Doubtful	32.38	16.19
Less : Provision as Doubtful for realisation	(32.38)	(16.19)
Total	<u>536.86</u>	<u>1,209.69</u>
14. 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. -898780 (635030/-)	2.00	2.00
19560(19560) Unit of Franklin India High Growth Co. Market Value - Rs. - 583163.80 (336221/-)	2.00	2.00
100000(100000) Unit of Rs. 10/- each of SBI Infrastructure Fund Market Value - Rs. - 1177770 (760840/-)	10.00	10.00
2930 (2930) Unit of Reliance Growth Fund Market Value- Rs. - 2384406.46 (1496362/-)	10.00	10.00
10000(10000) of Rs. 10/- each of UTI Infrastructure Advantage Fund-Series-I Market Value- Rs. - 440655.00 (299497/-)	1.00	1.00
Total	<u>25.00</u>	<u>25.00</u>
15. INVENTORIES		
(Valued and certified by the Management)		
Raw Materials	24,528.96	24,109.17
Work-in-Progress (Refer Note No. 51)	4,986.15	4,554.21
Finished Goods (Refer Note No. 51)	8,241.72	8,589.12
Stores & Spares Parts	698.04	503.00
Total	<u>38,454.87</u>	<u>37,755.50</u>
16. TRADE RECEIVABLES		
Outstanding for a Period Exceeding Six Months from the date they are due for payment		
Unsecured Considered, Good	1,243.52	1,326.13
Doubtful	215.52	193.55
Less: Provision for Doubtful Receivables	(215.52)	(193.55)
	<u>1,243.52</u>	<u>1,326.13</u>
Other Trade Receivables		
Unsecured Considered Good	8,076.23	10,231.53
Total	<u>9,319.75</u>	<u>11,557.66</u>

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.15 Rs.(in Lacs)	AS AT 31.03.14 Rs.(in Lacs)
17. CASH & BANK BALANCES		
Cash and Cash Equivalents		
In Current Accounts	308.48	260.42
In Unpaid Dividends A/c	-	6.03
Cheques and Draft on Hand	122.15	93.65
Cash on Hand	<u>80.61</u>	<u>278.47</u>
	511.24	638.57
Other Bank Balances		
In Fixed Deposit Pledged against Margin and other Commitments	<u>2,575.85</u>	<u>4,136.47</u>
Total	<u>3,087.09</u>	<u>4,775.04</u>
18. 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	92.26	127.23
Advance Income Tax /TDS Recoverable	121.96	83.85
Other Receivables	<u>2,466.65</u>	<u>535.08</u>
Total	<u>2,687.48</u>	<u>752.77</u>
Includes Advance to suppliers, Staff, Prepaid Expenses, Payment to Secured Lenders etc.		
19. OTHER CURRENT ASSETS		
Export Incentive Receivable	724.21	717.21
Insurance and other Claim Receivable	138.71	153.42
Interest Accrued but not due	<u>84.70</u>	<u>80.43</u>
Total	<u>947.62</u>	<u>951.06</u>
20. REVENUE FROM OPERATIONS	YEAR ENDED 31.03.15	YEAR ENDED 31.03.14
(A) Sale of Products (Including Traded Goods)		
Export	21,771.28	27,684.85
Domestic	<u>38,885.16</u>	<u>48,850.20</u>
Sub Total (A)	<u>60,656.44</u>	<u>76,535.05</u>
(B) Other Operating Revenues		
Scrap / Waste Sale	2,235.40	2,667.28
Export Incentives	1,323.02	1,531.65
Job Work Receipt	<u>254.49</u>	<u>107.68</u>
Sub Total (B)	<u>3,812.91</u>	<u>4,306.61</u>
Total (A+B)	<u>64,469.35</u>	<u>80,841.66</u>
Details of Product Sold	2014-15	2013-14
Yarn	42855.78	56236.75
Fabric/Made up/Fashion	13759.49	16081.30
Architectural Products	2772.80	2437.78
Others	<u>1268.37</u>	<u>1779.22</u>
Total	<u>60656.44</u>	<u>76535.05</u>

NOTES FORMING PART OF ACCOUNTS

	YEAR ENDED 31.03.15 Rs.(in Lacs)	YEAR ENDED 31.03.14 Rs.(in Lacs)
21. OTHER INCOME		
(A) Income from Interest	341.31	348.10
(B) Other Non Operating Income	150.97	223.89
(C) Foreign Currency Exchange Fluctuation (Net)	219.43	497.15
Total	<u>711.71</u>	<u>1,069.14</u>
22. COST OF MATERIAL CONSUMED (Refer Note No. 49)		
Opening Stock	24,109.17	21,932.03
Add: Purchases	41,402.84	56,239.12
Total	<u>65,512.01</u>	<u>78,171.15</u>
Less: Closing Stock	24,528.96	24,109.16
Total	<u>40,983.05</u>	<u>54,061.99</u>
23. PURCHASE OF STOCK-IN-TRADE (Refer Note No. 50)	<u>909.07</u>	<u>1,324.94</u>
24. CHANGE IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS		
Inventories (at commencement)		
Finished Goods	8,589.12	8,767.22
Work-in-Progress	4,554.21	4,389.01
Sub Total (A)	<u>13,143.33</u>	<u>13,156.23</u>
Inventories (at end)		
Finished Goods	8,241.72	8,589.12
Work-in-Progress	4,986.15	4,554.21
Sub Total (B)	<u>13,227.87</u>	<u>13,143.33</u>
Total (A-B)	<u>(84.54)</u>	<u>12.90</u>
25. EMPLOYEE BENEFIT EXPENSES		
Salaries Including other Benefits	3,450.11	3,266.70
Wages Including other Benefits	3,036.77	3,629.82
Contribution to Provident & other Funds-Wages	175.00	154.57
Contribution to Provident & other Funds-Salary	56.96	44.57
Gratuity	87.17	57.14
Staff Welfare	110.88	110.87
Managerial Remuneration (Refer Note No. 48)	16.13	26.86
Total	<u>6,933.02</u>	<u>7,290.53</u>
26. FINANCE COST		
Interest to Banks & Fin. Institutions (Refer Note No. 37)	-	10,948.34
Interest to Others	419.35	384.06
Other Borrowing Cost	0.87	112.26
Total	<u>420.22</u>	<u>11,444.66</u>

NOTES FORMING PART OF ACCOUNTS

	YEAR ENDED 31.03.15 Rs.(in Lacs)	YEAR ENDED 31.03.14 Rs.(in Lacs)
27. OTHER EXPENSES		
Manufacturing Expenses		
Production Expenses	958.91	824.20
Security & Vigilance	60.01	52.58
Consumption of Stores & Spares	1,350.84	1,187.18
Power & Fuel	5,495.21	5,979.07
Carriage & Cartage	36.14	51.61
Administrative Expenses		
Rent	55.11	240.13
Insurance	145.06	164.88
Rates & Taxes	24.95	33.52
Postage & Telegram	20.56	22.93
Printing, Stationery & Computer Expenses	58.06	61.22
Legal & Professional Expenses	370.20	394.42
Travelling & Conveyance - Others	415.16	471.27
Travelling & Conveyance - Directors	18.52	21.84
Telephone ,Fax & Internet Exp.	72.26	73.22
Books & Periodicals	0.87	1.33
Fees & Subscription	31.36	28.37
General Expenses	40.69	37.26
Bank Charges	133.24	117.46
Payment to Auditors (Refer Note 32)	16.85	16.85
Vehicle Running Expenses	117.00	141.28
Donation	0.02	1.00
Hank Yarn Obligation	57.07	45.10
Loss on foreign currency fluctuation	3.45	-
Prov. For Investment	-	2.39
Loss on Disposal/Sale of Assets	14.68	7.12
Repairs & Maintenance		
Building	21.85	54.00
Machinery	86.99	75.21
Others	67.38	69.54
Selling & Distribution Expenses		
Packing & Forwarding	2,409.26	2,124.83
Sales Promotion & Incentives	919.55	1,097.04
Cash Discount	47.05	103.20
Bad Debts W/OFF	-	35.42
Prov. For doubtful Debts	141.89	95.68
Advertisement & Publicity	84.49	101.49
VAT/Sales Tax Paid	2.24	33.29
Freight on Exports	1,010.93	998.24
Sub Total	14,287.85	14,764.18
Prior Period Expenses (Net)	4.61	20.90
Total	14,292.46	14,785.08

NOTES FORMING PART OF ACCOUNTS

28. Basic & Diluted Earning Per Share

Particulars	For the year ended 31 st March 15	For the year ended 31 st March 14
Profit (Loss) for the Year before Preference Dividend and attributable tax thereon Rs.(in Lacs)	(2948.70)	(11765.61)
Less:- Preference Dividend and attributable tax Rs.(in Lacs)	(1266.28)	(1230.90)
Profit/(Loss) attributable to the Equity shareholders after Preference Dividend and attributable tax thereon Rs.(in Lacs) - (A)	(4214.98)	(12996.51)
Weighted average number of equity shares outstanding during the year - (B)	39114100	39114100
Nominal value of equity shares (Rs.)	10.00	10.00
Basic & Diluted Earnings per share (Rs.)	(10.78)	(33.23)

Note : Since the diluted negative EPS is less than basic EPS hence the basic and diluted EPS is considered same.

29. Earnings in Foreign Exchange

Rs.(in Lacs)

Particulars	For the year ended 31 st March 15	For the year ended 31 st March 14
F.O.B. Value of Exports	21724.24	27429.81

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

Rs.(in Lacs)

Particulars	For the year ended 31 st March 15	% of consumption	For the year ended 31 st March 14	% of consumption
Raw Material				
Imported	2196.37	5.36%	2447.10	4.53%
Indigenous	38786.68	94.64%	51614.89	95.47%
Total	40983.05	100.00	54061.99	100.00
Stores				
Imported	627.78	46.47%	311.77	26.26%
Indigenous	723.06	53.53%	875.42	73.74%
Total	1350.84	100.00	1187.19	100.00

31. C.I.F. Value of Imports

Rs.(in Lacs)

Particulars	For the year ended 31 st March 15	For the year ended 31 st March 14
Raw Materials	2066.33	2399.78
Capital Goods	64.50	228.21
Components & Spare Parts	638.40	296.69

NOTES FORMING PART OF ACCOUNTS

32. Payment to Auditors

Particulars	Rs.(in Lacs)	
	For the year ended 31 st March 15	For the year ended 31 st March 14
a. Audit Fee	13.48	13.48
b. Other Services	3.37	3.37

33. Expenditure in Foreign Currency

Particulars	Rs.(in Lacs)	
	For the year ended 31 st March 15	For the year ended 31 st March 14
Foreign Travels	58.22	80.11
Others	381.22	440.47

34. 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:-

- | | |
|---|---|
| <p>a. Subsidiary</p> | <ul style="list-style-type: none"> : Alps Energy Pvt. Ltd. : Snowflakes Meditech Pvt. Ltd
(Formerly known as Alps Retail Pvt Ltd) |
| <p>b. Wholly owned Subsidiary</p> | <ul style="list-style-type: none"> : Alps USA INC. |
| <p>c. Entities Controlled by subsidiaries, KMP and their relatives</p> | <ul style="list-style-type: none"> : Alps Processors 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 Finevest Pvt.Ltd. : Saurabh Floriculture (P) Ltd : Supreme Finvest Pvt. Ltd : Aspen Enterprises : Peek Texfab Limited : DRS Securities Private Limited : Supersonic Telecommunication Private Limited |
| <p>ii Key Management Personnel</p> <p>Non-Executive Chairman
Managing Director
Executive Director (WTD)
President Accounts and Finance
Company Secretary</p> | <ul style="list-style-type: none"> a. Mr. K.K Agarwal b. Mr. Sandeep Agarwal c. Mr. P.K. Rajput d. Mr. Ashok Kumar Singhal e. Mr. Ajay Gupta |

NOTES FORMING PART OF ACCOUNTS

- iii **Relatives of Key Management Personnel**
- Mrs. Sanyog Agarwal
 - Mrs. Nidhi Agarwal
 - Mrs. Indu Singhal

Transactions with Related Parties for the year ended 31st March 2015 are as follows:

Rs.(in Lacs)

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 (0.42)	NIL (NIL)	NIL (NIL)	NIL (NIL)	3007.23 (1108.08)	NIL (NIL)	- -
b. Rent Paid	NIL (NIL)	2.40 (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	10.80 (10.80)	- -
c. Interest Paid	NIL (58.80)	NIL (40.00)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	- -
d. Interest Received	NIL (NIL)	NIL (9.01)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	- -
e. Advance/Loans taken	325.00 (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	- -
f. Repayment of Advance /Loans	NIL (NIL)	37.25 (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	- -
g. Sitting fee to KMP								
- Non-Executive Chairman	-	-	-	-	-	-	-	0.40
Remuneration to KMP								(0.40)
- Managing Director	-	-	-	-	-	-	-	3.00
- Executive Director(WTD)	-	-	-	-	-	-	-	(15.00)
- President Account and Finance	-	-	-	-	-	-	-	13.13
- Company Secretary	-	-	-	-	-	-	-	(11.86)
	-	-	-	-	-	-	-	13.75
	-	-	-	-	-	-	-	(13.75)
	-	-	-	-	-	-	-	6.47
	-	-	-	-	-	-	-	(6.47)
h. Salary to relative of KMP								
-Mrs. Sanyog Agarwal	-	-	-	-	-	-	-	5.23
	-	-	-	-	-	-	-	(5.23)
- Mrs. Nidhi Agarwal	-	-	-	-	-	-	-	9.60
	-	-	-	-	-	-	-	(9.60)
- Mrs. Indu Singhal	-	-	-	-	-	-	-	7.44
	-	-	-	-	-	-	-	(7.44)
i. Balance at the year end (cr.)	1897.46 (1645.55)	572.75 (614.20)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	- -
j. Balance at the year end (dr.)	NIL (NIL)	NIL (NIL)	6.61 (6.61)	12.19 (12.19)	0.54 (0.54)	1242.25 (58.22)	NIL (NIL)	- -

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

NOTES FORMING PART OF ACCOUNTS

35. 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 Lacs)	
Particulars	SEGMENTS						Total	
	Home Furnishing & Fashion Accessories		Yarn		Architectural Products			
Year	For the Year ended 31st Mar 15	For the Year ended 31st Mar 14	For the Year ended 31st Mar 15	For the Year ended 31st Mar 14	For the Year ended 31st Mar 15	For the Year ended 31st Mar 14	For the Year ended 31st Mar 15	For the Year ended 31st Mar 14
Segment Revenues	16063.36	17293.54	47327.57	61,362.39	4013.61	4,172.13	67404.54	82,828.06
Less Inter Segment Revenue	398.61	312.21	2737.64	1,933.46	-	-	3136.26	2,245.67
Net Segment Revenue	15664.75	16,981.33	44589.93	59,428.93	4013.61	4,172.13	64268.29	80,582.39
Segment Results	(834.81)	(1,092.98)	(2369.94)	(285.36)	(35.45)	28.74	(3240.19)	(1,349.60)
Less Financial Expenses							(420.22)	(11,485.15)
Less Un-allocable expenses								-
Add Other Income							711.71	1,069.14
Profit before tax							(2948.70)	(11,765.61)
Other Information's								
Segment Assets	37457.47	36,397.92	55278.01	64,161.86	2684.71	2,751.16	95420.19	103,310.94
Unallocated Assets							7921.66	5,974.04
Total Assets							103341.85	109,284.98
Segment Liability	22956.48	20,437.40	21450.89	28,546.61	1990.04	2,081.55	46397.41	51,065.56
Unallocated liability							96,963.38	95,164.65
Share Capital, Reserve & Surplus and Profit & Loss							(40,018.94)	(36,945.23)
Total Liability							103,341.85	109,284.98
Capital Expenditure	223.54	238.00	279.33	332.00	20.54	101.04		
Depreciation	1456.10	1997.78	2902.60	2418.61	90.18	59.09		
Non Cash Expenses								

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

Secondary Segments						Rs.(in Lacs)	
Particulars	SEGMENTS				Total		
	Domestic		Export				
	For the Year ended 31 st March 15	For the Year ended 31 st March 14	For the Year ended 31 st March 15	For the Year ended 31 st March 14	For the Year ended 31 st March 15	For the Year ended 31 st March 14	
Segment Revenue	41173.98	51365.89	23094.30	29216.50	64268.29	80582.39	

NOTES FORMING PART OF ACCOUNTS

36. Contingent Liabilities and Commitments

A) Contingent liability exists in respect of:

Particulars	As at	Rs.(in Lacs)
	31.03.2015	As at 31.03.2014
a) Guarantees issued by banks on behalf of company.	97.69	236.35
b) Claims against the company not acknowledged as debts	1660.18	997.49
c) Other Claims against the company not acknowledged as debt :		

- I. The Company had certain exotic derivative transactions with ABN Amro Bank, which the Company has disputed in an earlier year as these transactions were per se illegal and also not within the exchange control 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. ABN Amro Bank had communicated an estimated liability of the Company against these transactions of Rs. 12530 Lac (P.Y. Rs. 12530 Lac). Subsequently, the deal expired in June 2010 and as per assessment by the independent expert, the maximum claim which can be raised by the bank against the company is Rs. 30800 Lac as of June 2010, excluding any fee or any amount received/ paid or payable on settlement. However bank has not communicated any further amount to the company during last about 5 years. On the basis of legal opinion, the Company has not admitted the claims and filed a suit in the competent civil court who had issued an interim order for maintenance of status quo with regard to recovery towards these transactions, which is still continued. The Hon'ble Allahabad High Court while admitting the appeal of the bank against this status quo order and the suit has directed the continuation of the status quo order granted by the Hon'ble Civil Court and also stayed the proceedings before Hon'ble Civil Court till further order. The said appeal is still under consideration of Hon'ble High Court. In view of above facts, no provision against these transactions is considered necessary.
- II. 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 lac (P.Y. Rs. 601.11 lac) in respect of certain foreign currency derivative transactions which were 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 Lac (P.Y. Rs. 1435 Lac) 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.
- III. DBS Bank Ltd. has raised claims amounting to US\$ 91.09 Lac & Rs. 667.39 lac (totaling to Rs. 6369.38 lac, approx) (P.Y. totaling to Rs. 6142.45 lac approx) against the Company in respect of certain foreign currency derivative transactions which were 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

- IV. Merrill Lynch Capital Services Inc. raised a claim of US\$ 195.80 Lac (Rs. 12255.24 Lac approx.) (P.Y. Rs. 11767.54 Lac approx.) against the company in respect of an alleged corporate guarantee of US\$ 100 Lac (Rs. 6259.08 lac approx.) (P.Y. Rs. 6009.98 Lac 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 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.
- V. 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 Lac, 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:-

	31.03.2015	Rs.(in Lacs) 31.03.2014
i) Estimated amount of contracts remaining to be executed On capital account and not provided for:	60.40	52.58
ii) Arrears of preferential dividend as on 31.03.2015 amounting to Rs 3995.28 Lac (Previous year amounting to Rs. 2943.18 Lac).		

C) Forward Contracts Outstanding:-

	31.03.2015	Rs.(in Lacs) 31.03.2014
a) Future Contracts	2665.87	NIL

37. In view of consent of secured creditors consisting more than 83% of the secured debts of the company to the Draft Rehabilitation Scheme pending under consideration of the Hon'ble BIFR, which inter alia envisages complete waiver of interest outstanding towards secured and unsecured loans from Banks/ARC/ Financial institutions and subsidiary companies, provision for interest for the Financial Year 2014-15 amounting to Rs.12291.33 Lac payable to these lenders is not considered necessary.
38. Pursuant to the enactment of Companies Act, 2013 (the Act), and applicability of Schedule II from the current financial year, the company has reviewed and revised the estimated useful lives of its fixed assets in accordance to the Schedule II of the Act. However in case of assets which have been capitalized along with its main assets but now required to be depreciated differently under the Act has been segregated from its main block of assets from the estimated date and amount of its capitalization and depreciation has been charged accordingly.
39. 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, SIDCUL. With regard to Impairment of other units Assets, on assessment it is ascertained that no potential loss is present. Accordingly no impairment loss has been provided in the books of account.
40. Deferred Tax adjustments resulting from items of timing differences have been measured using the rates and tax laws enacted or substantially enacted as on 31.03.15 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.

NOTES FORMING PART OF ACCOUNTS

41. The unclaimed dividend amounting to Rs. 6.03 Lac for the Financial Year 2006-07 (Rs. 2.50 Lac for the Financial Year 2005-06) has been transferred to the Investor Education and Protection Fund, as per the provisions of Section 124(5) of the Companies Act, 2013.
42. 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. Further the company is in the process of identifying the solw/non moving or damaged inventory and the financial impact, if any, will be given in the books of accounts on the completion of the same.
43. Pending sanction of the Draft Rehabilitation Scheme (DRS) by the Hon'ble BIFR, the amount paid to secured lenders in terms of repayment proposed in the DRS, have been accounted as 'Advance Against Settlement' and shown as Current Assets. The same will be set off against their due repayment as per DRS upon sanction of the Scheme by the Hon'ble BIFR.
44. Sales are net of Rebate & Discounts amounting to Rs. 702.26 Lac (Previous Year Rs. 774.10 Lac).
45. The company had filed a Reference with Hon'ble Board of Industrial & Financial Restructuring (BIFR) under Section 15 of the SICA. The BIFR has registered the company vide letter no. 3 (A-4)/BC/2010 dated 29th June 2010 and vide Order dated 06.12.2010, declared the company as Sick Industrial Company under Section 3 (1) (o) of the SICA. The Draft Rehabilitation Scheme (DRS) of the company as consented by the secured creditors constituting more than 83% of the total secured debts of the company filed in terms of the directions of the Hon'ble BIFR, is pending consideration before the 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.
46. The Company has received communication from State Bank of India, State Bank of Mysore, Exim Bank, State Bank of Hyderabad, State Bank of Patiala, State Bank of Bikaner and Jaipur, UCO Bank and HSBC Bank stating that they have assigned their dues recoverable from company (except an amount of Rs.100 Lac retained by State Bank of India) to M/s Edelweiss Assets Reconstruction Company Ltd. and from IDBI Bank stating that it has assigned its dues recoverable from company to M/s Assets Reconstruction Company India Ltd. The same however does not have any effect on the Balance Sheet or Profit and Loss account of the company for the year as the same requires only substitution of the name of the ARCs for the transferor banks.

47. 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 Lacs)	
	For the year ended 31 st March 15	For the year ended 31 st March 14
Employers contribution to Provident Fund and Employee's State Insurance Corporation	231.96	199.14

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:

Particulars	Gratuity (Unfunded)		Earned Leave (Unfunded)	
	For the Year ended 31 st March 15	For the Year ended 31 st March 14	For the Year ended 31 st March 15	For the Year ended 31 st March 14
Discount Rate (per annum)	7.75%	8.75%	7.25%	8.75%
Future Salary Increase	5.25%	6.25%	5.25%	6.25%
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	56.12	47.53	30.08	25.27
Past Service Cost - Vested	Nil	Nil	Nil	Nil
Interest Cost	20.59	18.68	7.81	6.52
Net Actuarial (Gain)/ Loss recognized in the year	10.46	(9.07)	0.09	3.48
Total Expenses	87.17	57.14	37.98	35.26
II. Net Assets /(Liability) recognized in the Balance Sheet				
Present value of the Defined Benefit obligation	270.75	235.26	105.07	89.24
Fund Status (Deficit)	(270.75)	(235.26)	(105.07)	(89.24)
Net assets/ (Liability)	(270.75)	(235.26)	(105.07)	(89.24)
III. Change in present value of obligation				
Present Value of obligation as at the beginning of the period	235.26	233.54	89.24	81.47
Interest Cost	20.59	18.68	7.81	6.52
Past Service Cost - Vested	Nil	Nil	Nil	Nil
Current Service Cost	56.12	47.53	30.08	25.27
Benefits Paid	(51.68)	(55.41)	(22.15)	(27.49)
Actuarial (gains)/ Loss on obligation	10.46	(9.07)	0.09	3.48
Present Value of obligation as at the end of the period	270.75	235.26	105.07	89.24

48. Directors Remuneration

Rs.(in Lacs)

Particulars	For the year ended 31 st March 15	For the year ended 31 st March 14
Salary	15.81	26.61
Perquisites	0.32	0.25
Total	16.13	26.86

NOTES FORMING PART OF ACCOUNTS

49. Particulars of Raw Material Consumption

Rs.(in Lacs)

Particulars	For the year ended 31 st March 15	For the year ended 31 st March 14
Cotton	31489.74	42569.63
Yarn	3226.12	3619.21
Fabric	2118.10	2614.09
Architectural Products	2570.32	2055.82
Others	1578.77	3203.24
Total	40983.05	54061.99

50. Details of Purchases of Stock-in-Trade

Rs.(in Lacs)

Particulars	For the year ended 31 st March 15	For the year ended 31 st March 14
Yarn	769.68	1015.61
Fabric	6.25	142.36
Architectural	133.14	166.97
Total	909.07	1324.94

51. Inventories

Rs.(in Lacs)

Particulars	As at 31 st March 15	As at 31 st March 14
-------------	------------------------------------	------------------------------------

Work-in-Progress

Cotton / Fibre	2671.39	1717.54
Yarn	1945.58	2355.22
Fabric / Made up	340.55	445.91
Others	28.63	35.54
Total	4986.15	4554.21

Finished Goods

Yarn	5468.91	6458.81
Fabric / Made up	2691.30	1931.95
Others	81.51	198.36
Total	8241.72	8589.12

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 attached

For P. Jain & Co.

Chartered Accountants

(Firm Registration No. : 000711C)

Munish Kr. Jain

Partner

Membership No. : 070335

Place : Ghaziabad

Date : May 30, 2015

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

FINANCIAL STATEMENTS FOR SUBSIDIARY COMPANIES

ALPS USA INC.

**Financial Statements for the year
ended 31st March, 2015**

ALPS USA INC.

Incorporation	:	April 25, 2007
Number	:	070478097-4341527
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.

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

Your Directors have pleasure in presenting the seventh Annual Report, together with the Audited Statements of Account of the Company for the financial year ended 31st March, 2015 in terms of the Companies Act' 2013 and rules & regulation made there under.

FINANCIAL RESULTS

The Financial Statements for the financial year ended on 31st March, 2015 has been prepared. Due to slowdown in the overall economic recession, the company has incurred the operational loss of 3 USD.

PROJECT AND PERFORMANCE

The company is exploring the opportunities to maintain the business activities in other Home Furnishing Textile Products. However, the present operations of the company are downside and not operative. However, the suitable decision with respect to the running of the company will be taken keeping in view the Company's financial position and in compliance with the U.S. and Indian Laws.

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
Date : May 7, 2015

K.K. Agarwal
Director
DIN - 00139252

Sandeep Agarwal
Director
DIN - 00139439

BALANCE SHEET

BALANCE SHEET AS AT MARCH 31, 2015

	AS AT 31.03.15 AMOUNT (US\$)	AS AT 31.03.14 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)	(1,351.00)
Net Intangible Assets	-	3.00
Total Assets	<u>529,000.00</u>	<u>529,003.00</u>
LIABILITIES AND SHARE HOLDERS EQUITY		
Current Liabilities		
Accounts Payable (see schedules attached)	15,500.19	15,500.19
Total Current Liabilities	<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)	(711,497.19)
Total Shareholders equity	<u>513,499.81</u>	<u>513,502.81</u>
Total Liabilities and Shareholders equity	<u>529,000.00</u>	<u>529,003.00</u>

For and on behalf of the Board

Alps USA Inc.

Place : Ghaziabad
Date : May 07, 2015

K.K.Agarwal
Director
DIN - 00139252

Sandeep Agarwal
Director
DIN - 0013943

INCOME AND RETAINED EARNINGS

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED MARCH 31, 2015

	YEAR ENDED 31.03.15 AMOUNT (US\$)	YEAR ENDED 31.03.14 AMOUNT (US\$)
Revenue	-	-
Gross Profit	<u>-</u>	<u>-</u>
Operating Expenses		
Amortisation Expense	<u>3.00</u>	<u>193.00</u>
Bank Service Charges	<u>-</u>	<u>-</u>
Total Expenses	<u>3.00</u>	<u>193.00</u>
Profit/(Loss) Before Interest & Tax	<u>(3.00)</u>	<u>(193.00)</u>
Profit/(Loss) Before Tax	<u>(3.00)</u>	<u>(193.00)</u>
Provision For Tax	<u>-</u>	<u>-</u>
Profit/(Loss) after Interest & Tax	<u>(3.00)</u>	<u>(193.00)</u>
Retained Earnings - Opening Balance	(711,497.19)	(711,304.19)
Retained Earnings - Closing Balance	<u>(711,500.19)</u>	<u>(711,497.19)</u>

For and on behalf of the Board

Alps USA Inc.

Place : Ghaziabad
Date : May 07, 2015

K.K.Agarwal
Director
DIN - 00139252

Sandeep Agarwal
Director
DIN - 0013943

CASH FLOW

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2015

	AS AT 31.03.15 AMOUNT (US\$)	AS AT 31.03.14 AMOUNT (US\$)
Operating activities	(3.00)	(193.00)
Depreciation and Amortisation	3.00	193.00
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 07, 2015

K.K.Agarwal
Director
DIN - 00139252

Sandeep Agarwal
Director
DIN - 0013943

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.15 AMOUNT (US\$)	AS AT 31.03.14 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>

For and on behalf of the Board

Alps USA Inc.

Place : Ghaziabad
Date : May 07, 2015

K.K.Agarwal
Director
DIN - 00139252

Sandeep Agarwal
Director
DIN - 0013943

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' and fashion accessories under brand name 'Le-Pashmina'. 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, 2015 the Company had the following transactions with affiliates: Nil

4. Contingent Liabilities and Assets

As at March 31, 2015 the Company had a legal claim lodged against it for foreign currency transactions. The Company has denied liability and is defending the claims. In addition, the Company has lodged the claims to recover damages which are also being defended. The estimated liability of these claims could be up to \$25 millions.

For and on behalf of the Board
Alps USA Inc.

Place : Ghaziabad
Date : May 7, 2015

K.K. Agarwal
Director
DIN - 00139252

Sandeep Agarwal
Director
DIN - 00139439

ALPS ENERGY PRIVATE LIMITED

**Financial Statements for the year
ended 31st March, 2015**

ALPS ENERGY PRIVATE LIMITED

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

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

Your Directors have pleasure in presenting the Eighth Annual Report along with Audited Accounts of the Company for the period ended on 31st March, 2015.

FINANCIAL RESULTS

The financial accounts for the financial year 2014-15 have been compiled. The company has earned a profit of Rs 6.58 Lacs 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 being holding of more than 51% by Alps Industries Limited.

FINANCIAL ARRANGEMENTS

Company has not availed any financial assistance during the year.

ISSUE & TRANSFER OF SECURITIES

The company has not issued any further capital during the year under review. However, 100000 shares has been transferred as per the request of shareholders 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

In view of the future plans of the company, your company is unable to declare any dividend for the year under review

INTER CORPORATE LOANS, GUARANTEES AND INVESTMENTS

During the year under review company has given further an Inter Corporate Loan of Rs. 3.25 Crores to its Holding Company namely Alps Industries Limited, which are within the limits of the company as specified under the Companies Act 2013. However no Guarantees/ Investments made during the year which may be covered under section 186 of the Companies Act, 2013.

The company has received a communication from M/s Alps Industries Limited (AIL), the holding company, expressing its inability to pay outstanding interest on the unsecured loans given by the company stating that being a sick industrial company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985, the majority of secured lenders has restrained the AIL to pay towards interest on its secured or unsecured loans of Banks/ARC/Financial institutions and Subsidiary Companies while consenting to the Draft Rehabilitation Scheme

(DRS) of the AIL which is pending under consideration of the Hon'ble BIFR which inter-alia envisages complete waiver of outstanding and future interest towards these lenders and also envisages that the unsecured loans from subsidiaries companies shall remain subrogated to the debt of secured lenders till the completion of their payment as per the agreed terms.

In view of above, interest income recognized during the year towards interest receivable up to Sep, 2014 from AIL on the unsecured loans has been reversed and also no further income towards interest has been recognized due to uncertainty of its recoverability. However company has not made any provision towards outstanding interest receivable for earlier period from Alps Industries Limited on this unsecured loan in view of the pendency of the sanction of their rehabilitation scheme by Hon'ble BIFR.

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-01863250), Director of the Company, shall retire by rotation, pursuant to the provisions of Section 152 of the Companies Act, 2013, and being eligible offer himself for reappointment.

APPOINTMENT OF INDEPENDENT DIRECTOR AS REPRESENTATIVE OF HOLDING COMPANY.

In terms of Section 149, 152 and 161 of the Companies Act 2013 and Clause 49 of the Listing Agreement related to Corporate Governance applicable to the holding company namely Alps Industries Limited, Mr. Prabhat Krishna (DIN N0.02729624) was appointed as Additional Independent Director of the Company by the Board being representative of holding company as it comes under the Material Subsidiary category, at their meeting held on December 26 2014 and their regularization by the members of the company is proposed at the forthcoming AGM of the 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, in the case of a listed company, 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 and has not commenced its commercial 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 2014-15 being attached with the Directors Report as Annexure I.

STATUTORY AUDITORS

M/s. P. Jain & Co., Chartered Accountants, the Statutory Auditors of the Company, completes one year out of their first term of four years as approved at the previous Annual General Meeting of the Company held on July 31 2014. Now they have submitted their resignation vide letter dated August 19, 2015 showing their inability to continue in the position of Statutory Auditors with immediate effect due to their occupation in some of their other assignments. The resignation was placed before the Board of Directors at their meetings held on August 20, 2015 and taken on record after the approval of the members. Therefore the Board of Directors has appointed M/s. R. K. Govil & Co. Chartered Accountants (Firm Regn. Number 000748C) being eligible as Statutory Auditors of the company to fill the casual vacancy arises due to resignation of existing Auditors under Section 139 (8) and Companies (Audit and Auditors) Rules, 2014, initially for a period of three months or up to the conclusion of the General Meeting in which the approval of their appointment by the members of the company, whichever is earlier, from the date of appointment i.e. August 20, 2015. After the confirmation of eligibility of M/s. R. K. Govil & Co., Chartered Accountants, (Firm Regn. Number 000748C) to continue as the Statutory Auditors of the company, it is further approved and recommended by the Board of Directors at their meeting held on August 20, 2015 of their appointment under Section 139 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 for a further period of four years from the conclusion of 8th AGM till the conclusion of 12th AGM of the company subject to ratification by the subsequent Annual General Meeting on the recommendations of the Board of Directors.

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

Observations in the Auditors' Report are dealt within Notes to Accounts at appropriate places and being self-explanatory needs no further explanations.

INFORMATION IN TERMS OF SEBI CIRCULAR

As per the latest SEBI Circular No. CSD/COMP/Cir/662/2007 dated 1st August 2007, the following information are being furnished related to the Financial Year 2014-2015, the company being the subsidiary Company of Alps Industries Limited, a listed company on the Stock Exchanges:

S. No.	Particulars	Amount
1.	Loans and advances in the nature of loans to subsidiaries (by name and amount)	NIL
2.	Loans and advances in the nature of loans to associates (by name and amount).	NIL
3.	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 372A of the Companies Act , 1956/186 of the Companies Act 2013 by name and amount	NIL
4.	Loans and advances in the nature of loans to firms/ companies in which directors are interested	NIL
5.	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

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.

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

Place : Ghaziabad
Date : August 20, 2015

Arun Kumar Agarwal
Director
DIN - 06436816

Chetan Agarwal
Director
DIN - 01863250

**ABSTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2015**

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 B-2, Loni Road Industrial Area, Opp. Mohan Nagar, Ghaziabad -201007	L51109UP1972PLC003544	Holding	69.75	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									
Indian									
a) Individuals/HUF	0	10	10	0.01	0	0	0.01	0	0
b) Central Government	0	0	0	0	0	0	-	0	0
c) State Governments	0	0	0	0	0	0	-	0	0
d) Bodies Corporate	0	0	0	0	0	0	0	0	0
									0
e) Banks/FI	0	0	0	0	0	0	0	0	0
f) Any Others (Specify)	0	0	0	0	0	0	0	0	0
Sub Total(A)(1)	0	10	10	0.01	0	10	10	0.01	0
(2) Foreign									
a) NRIs- Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any Others (Specify)	0	0	0	0	0	0	0	0	0
Sub Total(A)(2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	0	10	10	0.01	0	10	10	0.01	0
B. Public shareholding	-								
a) Mutual Funds/ UTI	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0
c) Central Government	0	0	0	0	0	0	0	0	0
d) State Governments	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0

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	0	0	0	0	0
h) Foreign Venture Capital fund	0	0	0	0	0	0	0	0	0
i) Other (specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B)(1)	0	0	0	0	0	0	0	0	0
(2) Non-institutions									
a) Bodies Corporate									
i) Indian	0	3240030	3240030	99.99	0	3240030	3240030	99.99	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i.) Individual shareholders holding nominal share capital up to Rs 1 lakh	0	0	0	0	0	0	0	0	0
ii.) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	0	0	0	0	0	0	0	0	0
c) Any Other (specify)	0	0	0	0	0	0	0	0	0
ii) NRI	0	0	0	0	0	0	0	0	0
Sub-Total (B)(2)	0	3240030	3240030	99.99	0	3240030	3240030	0	0
Total Public Shareholding (B)= (B)(1)+(B)(2)	0	3240030	3240030	99.99	0	3240030	3240030	0	0
C. Shares held by Custodians for GDRs & ADRs	0	0	0	0	0	0	0	0	0
GRAND TOTAL (A)+(B)+(C)	0	3240040	3240040	100.00	0	3240040	3240040	100.00	0

(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 B-2, Loni Road Indl. Area, Opp. Mohan Nagar, Ghaziabad - 201007	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	Vizwise Commerce Private Limited 1111, 11th Floor, New Delhi House 27, Barakhamba Road, Delhi	1,00,000	3.09	NIL	NIL
	Less : Sale 26.03.2015	(100000)			
8	Pan India Corporation 1111, 11th Floor, New Delhi House 27, Barakhamba Road, New Delhi - 110 001 Add : Purchase 26.03.2015	NIL	NIL	1,00,000	3.09
		1,00,000	3.09		

(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
1.	Mr. Chetan Agarwal	-		-	-
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-
2.	Mr. Arun Kumar Agarwal	-		-	-
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-
3.	Mr. Prabhat Krishna	-		-	-
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-

(v) INDEBTEDNESS

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

Particulars	Secured Loans Excluding	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	NIL	NIL	NIL	NIL
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due				
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				
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:

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
1.	Gross salary	-	-	-	-	-
	(a) Salary as per provisions contained in the section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission	-	-	-	-	-
	- as % of profit					
	- others, specify					
5.	Others, please specify	-	-	-	-	-
	Total (A)	-	-	-	-	-
	Ceiling as per the Act	-	-	-	-	-

B. Remuneration to other directors:

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

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 financial statements of **Alps Energy Private Limited** (the Company) which comprise the Balance Sheet as at 31st March, 2015, 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 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows 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 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 thereunder. 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our Qualified audit opinion on the financial statements.

Basis for Qualified Opinion

Referring to note no. 23, company has not made any provision towards interest receivable of Rs. 102.46 lac pertaining to earlier period on unsecured loan receivable from M/s Alps Industries Ltd., had it been provided the loss would be Rs 95.88 lac in current year instead of profit of Rs. 6.58 lac and Reserves and Surplus & Current Assets would have been lower by Rs. 102.46 lac.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid 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, 2015, and its Profit 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, 2015 ("the Order"), 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 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, 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;
 - (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) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid 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) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
 - (f) On the basis of the written representations received from the directors as on 31 March 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
 - (g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above; and
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. As confirmed 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.

Place : Ghaziabad
Date : May 7, 2015

For P. Jain & Co.
Chartered Accountants
(Firm Reg. No. : 000711C)

Munish Kr. Jain
Partner
Membership No. : 070335

ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 1 under the heading of "Report on other Legal and Regulatory Requirement" of our report of even date. In terms of the information and explanations given to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state as under:

- I. (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.
- II. (a) The inventory has been physically verified during the period by the Management in a phased manner.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are 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 of stocks as compared to book records were not material, however, the same have been properly dealt with in the books of account.
- III. 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 appears no overdue amount outstanding towards principal however the interest is overdue.
(b) The company has taken the reasonable steps for recovery of overdue interest as referred in note no. 23 of the financial statements.
- IV. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for purchases of inventory and fixed assets and for the sale of goods and services. In our opinion, there is no continuing failure to correct major weakness in internal control systems.
- V. In our opinion and according to the information and explanations given to us, the company has not accepted deposits from the public.
- VI. 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.
- VII. (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth 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, Wealth Tax, Sales-tax, Service Tax, Duty of Custom, Duty of Excise, Cess and other aforesaid statutory dues were outstanding as at 31st March, 2015 for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us, there are no dues of sales tax, income tax, service tax, duty of custom, duty of excise, which have not been deposited on account of any dispute.
(c) According to the information and explanations given to us, there is no amount required to be transferred to the Investor's Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and the rules made there under.
- VIII. The company's accumulated losses at the end of the financial year are less than fifty percent of its total net worth. The company has not incurred any cash loss during the current financial year and in the immediately preceding financial year.
- I . In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank. The company has not issued any debentures.

- . According to information and explanations given to us, the company has not given any guarantees for loan taken by others from Banks & Financial Institution during the year.
- I. According to information and explanations given to us by the management, no term loans have been obtained during the year.
- II. As per information and explanation given to us, no fraud on or by the company noticed or reported during the year.

Place : Ghaziabad
Date : May 7, 2015

For P. Jain & Co.
Chartered Accountants
(Firm Reg. No. : 000711C)

Munish Kr. Jain
Partner
Membership No. : 070335

ALPS INDUSTRIES LTD. ALPS ENERGY PVT. LTD.

BALANCE SHEET

BALANCE SHEET AS AT 31st MARCH, 2015

	Notes	AS AT 31.03.15 Rs.(in Lacs)	AS AT 31.03.14 Rs.(in Lacs)
EQUITY AND LIABILITIES			
Shareholders Funds			
Share Capital	1	449.94	449.94
Reserves and Surplus	2	1,531.64	1,525.06
		<u>1,981.58</u>	<u>1,975.00</u>
Current Liabilities			
Short Term Borrowings	3	-	41.04
Trade payables	4	272.85	-
Other Current Liabilities	5	0.34	65.01
Short-Term Provisions	6	2.61	4.57
		<u>275.80</u>	<u>110.62</u>
Total		<u>2,257.38</u>	<u>2,085.62</u>
ASSETS			
Non-current Assets			
Fixed Assets			
Tangible Assets	7	33.87	38.60
Long-Term Loans and Advances	8	1,795.00	1,470.00
		<u>1,828.87</u>	<u>1,508.60</u>
Current Assets, Loans & Advances			
Inventories	9	46.73	-
Trade Receivables	10	183.98	-
Cash & Bank Equivalents	11	63.68	358.70
Short-Term Loans & Advances	12	19.04	19.64
Other Current assets	13	115.08	198.68
		<u>428.51</u>	<u>577.02</u>
Total		<u>2,257.38</u>	<u>2,085.62</u>

Significant Accounting Policies and other Notes on Financial Statements 1-26
Notes referred to above form an integral part of Financial Statements

As per our report of even date

For P. Jain & Co.

Chartered Accountants

(Firm Registration No. : 000711C)

Munish Kr. Jain

Partner

Membership No. : 070335

Place : Ghaziabad

Date : May 7, 2015

Sanjay Kumar
Astt. 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, 2015

	Notes	Year Ended 31.03.15 Rs.(in Lacs)	Year Ended 31.03.14 Rs.(in Lacs)
Revenue from operations			
Sale of Products	14	463.81	1,057.11
Less :Excise Duty		-	-
Net Revenue		463.81	1,057.11
Other Income	15	8.92	91.70
Total Revenue		472.73	1,148.81
Expenses			
Purchase of Stock-in-Trade	16	499.85	1,127.65
Changes in inventories of Stock-in-Trade	17	(46.73)	-
Employee Benefit Expenses	18	1.20	1.75
Finance Cost	19	0.28	1.04
Depreciation/Amortization of Expenses	7	4.73	1.40
Other Expenses	20	4.21	0.58
Total Expenses		463.54	1,132.42
Profit/(Loss) Before Tax		9.19	16.39
Tax Expense			
(1) Current Tax		2.61	4.57
(2) Deferred Tax		-	-
Profit/(Loss) for the Period after tax		6.58	11.82
Basic Earning Per Share(Rs.)	21	0.20	0.36
Diluted Earning Per Share(Rs.)		0.15	0.26

Significant Accounting Policies and other Notes on Financial Statements **1-26**

Notes referred to above form an integral part of Financial Statements

As per our report of even date

For P. Jain & Co.

Chartered Accountants

(Firm Registration No. : 000711C)

Munish Kr. Jain

Partner

Membership No. : 070335

Place : Ghaziabad

Date : May 7, 2015

Sanjay Kumar
Astt. 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 Lacs)	
	31.03.2015	31.03.2014
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) Before Tax and Extraordinary items	9.19	16.39
Adjustment for :		
Depreciation	4.73	1.40
Interest Received	(8.92)	(91.66)
Finance Cost	0.28	1.04
Miscellaneous Expenditure	-	(89.22)
Operating Profit Before Working Capital Changes	5.28	(72.83)
Adjustment for Working Capital Changes		
Inventories	(46.73)	-
Trade & other Receivable	(100.38)	(7.40)
Trade Payable & other Liabilities	208.18	50.78
Direct Taxes Received/(Paid)	(3.97)	(9.17)
Net Cash From (Used in) Operating Activities	62.38	(38.62)
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-	(39.59)
Interest/Dividend received	8.92	91.66
Increase in Fixed Deposits	355.09	(55.09)
Expenditure incurred in project	-	-
Net Cash From (used in) Investment Activities	364.01	(3.02)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Finance Cost	(0.28)	(1.04)
Repayment of Borrowings	-	-
Proceeds from Non EMI Bank Loan	(41.04)	41.04
Movements in Loans & Advances	(325.00)	-
Proceeds from issue of Share Application Money	-	-
Proceeds from issue of Share Capital/ Premium	-	-
Net Cash From (used in) Financing Activities	(366.32)	40.00
Net Increase in Cash & Cash Equivalents	60.07	(1.64)
Opening Balance of Cash and Cash Equivalents	3.61	5.25
Closing Balance of Cash and Cash Equivalents (Referred Note No. 11(i))	63.68	3.61

Notes:

- Figure in brackets are for decrease.
- 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 P. Jain & Co.
 Chartered Accountants
 (Firm Registration No. : 000711C)

Munish Kr. Jain
 Partner
 Membership No. : 070335
Place : Ghaziabad
Date : May 7, 2015

Sanjay Kumar
 Astd. 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.

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.15 Rs.(in Lacs)	AS AT 31.03.14 Rs.(in Lacs)
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
	<u>500.00</u>	<u>500.00</u>
(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	<u>449.94</u>	<u>449.94</u>

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	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. 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'2015	As at 31 Mar'2014
	2259990	2259990
	1259360	1259360

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

Particulars	As at 31 Mar' 2015 No of Shares	%age	As at 31 Mar' 2014 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

Nil

Aggregate no. of shares allotted as fully paid up by way of bonus share(s)

Nil

Aggregate no. of shares bought back

Nil

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.15 Rs.(in Lacs)	AS AT 31.03.14 Rs.(in Lacs)
2. RESERVES AND SURPLUS		
A. Securities Premium		
At the beginning of the year	1,372.06	1,372.06
Add : share premium	-	-
At the end of the year	<u>1,372.06</u>	<u>1,372.06</u>
B. Statement of Profit and Loss Account		
Profit (loss) at the beginning of the year	153.00	141.18
Add: profit (loss) for the year	6.58	11.82
Profit (loss)at the end of the year	<u>159.58</u>	<u>153.00</u>
Total	<u>1,531.64</u>	<u>1,525.06</u>
3. SHORT TERM BORROWINGS		
Secured Loans		
(a) Loans Repayable on Demand		
From Banks(Non EMI Loan)	-	41.04
Total	-	<u>41.04</u>
4. TRADE PAYABLES		
(a) Micro, Small & Medium Enterprises	-	-
(b) Others	272.85	-
Total	<u>272.85</u>	-
5. OTHER CURRENT LIABILITIES		
Other payable		
(1) Expenses payable	0.34	0.39
(2) Book Overdraft	-	64.62
Total	<u>0.34</u>	<u>65.01</u>
5.1 Expenses Payable include the liabilities towards TDS Payable, Commision, Audit Fee etc.		
6. SHORT TERM PROVISIONS		
Provision for Income Tax	2.61	4.57
Total	<u>2.61</u>	<u>4.57</u>

7. FIXED ASSETS

Rs.(in Lacs)

Particulars	Gross Block				Depreciation					Net Block	
	Opening Balance	Addition for the year	Deduction/ Sale	Total Upto 31.03.2015	Opening Balance	For The Year	Retained Earnings	On Deduction	Total Upto 31.03.2015	As on 31.03.2015	As on 31.03.2014
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	0.99	4.73	-	-	5.72	33.87	38.60
Total	40.13	-	-	40.13	1.53	4.73	-	-	6.26	33.87	38.60
Previous Year	0.54	39.59	-	40.13	0.13	1.40	-	-	1.53	38.60	

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.15 Rs.(in Lacs)	AS AT 31.03.14 Rs.(in Lacs)
8. LONG-TERM LOANS AND ADVANCES (Unsecured, Considered Good)		
Loans And Advances to Related Parties (Refer note no 25)	<u>1,795.00</u>	<u>1,470.00</u>
Total	<u>1,795.00</u>	<u>1,470.00</u>
9. INVENTORIES (Valued and certified by the Management)		
Stock-in-Trade	<u>46.73</u>	<u>-</u>
Total	<u>46.73</u>	<u>-</u>
10. TRADE RECEIVABLES		
Outstanding for a Period Exceeding Six Months from the date they are due for payment		
Unsecured Considered:	-	-
Good	-	-
Doubtful	-	-
Less: Provision for Doubtful Receivables	-	-
Other Trade Receivables		
Unsecured Considered Good	<u>183.98</u>	<u>-</u>
Total	<u>183.98</u>	<u>-</u>
11. CASH & BANK BALANCES		
(i) Cash and Cash Equivalents		
In Current Accounts	<u>61.05</u>	<u>1.11</u>
Cash on Hand	<u>2.63</u>	<u>2.50</u>
	<u>63.68</u>	<u>3.61</u>
(ii) Other Bank Balances		
In Fixed Deposit	<u>-</u>	<u>355.09</u>
Total	<u>63.68</u>	<u>358.70</u>
12. SHORT TERMS LOANS & ADVANCES (Unsecured, Considered Good)		
OTHERS		
Advance Income Tax /TDS Recoverable	<u>19.04</u>	<u>19.64</u>
Total	<u>19.04</u>	<u>19.64</u>
13. OTHER CURRENT ASSETS		
Interest Accrued	-	11.00
Prepaid Expenses	<u>0.48</u>	<u>-</u>
Other Receivables (Refer note no 25)	<u>102.46</u>	<u>175.55</u>
Minimum Alternate Tax Adjustable	<u>12.14</u>	<u>12.13</u>
Total	<u>115.08</u>	<u>198.68</u>

NOTES FORMING PART OF ACCOUNTS

	YEAR ENDED 31.03.15 Rs.(in Lacs)	YEAR ENDED 31.03.14 Rs.(in Lacs)
14. REVENUE FROM OPERATIONS		
Sales of Products		
Domestic (Traded Goods) Cotton Fabric	463.81	1,057.11
Total	<u>463.81</u>	<u>1,057.11</u>
15. OTHER INCOME		
(a) Income from Interest	8.92	91.66
(b) Prior Period Income	-	0.04
Total	<u>8.92</u>	<u>91.70</u>
16. PURCHASE OF STOCK-IN-TRADE (Cotton Fabric)	<u>499.85</u>	<u>1,127.65</u>
17. CHANGES IN INVENTORIES OF STOCK-IN-TRADE		
Opening Stock-in-Trade	-	-
Closing Stock-in-Trade	46.73	-
Total	<u>(46.73)</u>	<u>-</u>
18. EMPLOYEE BENEFIT EXPENSES		
Salary to Staff	1.20	1.75
Total	<u>1.20</u>	<u>1.75</u>
19. FINANCIAL EXPENSES		
Interest to Banks & Financial Institutions	0.28	1.04
Interest to Others	-	-
Total	<u>0.28</u>	<u>1.04</u>
20. OTHER EXPENSES		
Printing & Stationery Exp.	0.02	-
Rent	0.60	-
Legal & Professional Expenses	1.94	0.08
Insurance	0.31	-
Vehicle Running & Maintenance Exps.	0.94	0.05
General Expenses	0.04	-
Bank Charges	0.01	0.11
Prior Period Expenses	0.01	-
Payment to Auditors (Audit Fee) (Refer note no 24)	0.34	0.34
Total	<u>4.21</u>	<u>0.58</u>

NOTES FORMING PART OF ACCOUNTS

21. BASIS FOR PREPARATION OF ACCOUNTS

Particulars	For the year ended 31 st March 15	For the year ended 31 st March 14
Profit/(Loss) attributable to the Equity shareholders (A) (Rs. in Lacs)	6.58	11.82
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.)	0.20	0.36
Diluted Earnings per share (Rs.)	0.15	0.26

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. The interest income amounting to Rs. 30.91 lac on unsecured loan to Alps Industries Limited (Holding Company registered with the BIFR as a sick industrial Company) recognized during the year till 30th September, 2014 has been subsequently reversed and no further interest has been recognized due to uncertainty regarding its recoverability, in view of the communication received from them, whereby they have expressed their inability to pay outstanding interest on such loan pursuant to a restraint by their secured lenders representing 83% of their outstanding secured debt, while according their consent to the Draft Rehabilitation Scheme of AIL, which is under consideration of the Hon'ble BIFR. Further company has not made any provision towards outstanding interest receivable amounting to Rs. 102.46 lac for earlier period from Alps Industries Limited on this unsecured loan in view of the pending sanction of their rehabilitation scheme by Hon'ble BIFR.

24. AUDITORS REMUNERATION

Particulars	Rs.(in Lacs)	
	For the year ended 31 st March 15	For the year ended 31 st March 14
Audit Fees	0.17	0.17
Others	0.17	0.17

25. RELATED PARTY TRANSACTIONS

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

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

NOTES FORMING PART OF ACCOUNTS

Rs.(in Lacs)

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 15	For the year ended 31 st March 14	For the year ended 31 st March 15	For the year ended 31 st March 14
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	58.80	NIL	NIL
6. Advances/Loans given	325.00	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.)	1897.46	1645.55	NIL	NIL

26. 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 P. Jain & Co.
 Chartered Accountants
 (Firm Registration No. : 000711C)

Munish Kr. Jain
 Partner
 Membership No. : 070335
Place : Ghaziabad
Date : May 7, 2015

Sanjay Kumar
 Astt. Manager (Accounts)

Arun Kumar Agarwal
 Director
 DIN - 06436816

Chetan Agarwal
 Director
 DIN - 01863250

For and on behalf of the Board

SNOWFLAKES MEDITECH PVT. LTD.

**Financial Statements for the year
ended 31st March, 2015**

SNOWFLAKES MEDITECH PVT. LTD.

Incorporation	:	September 7, 2006
CIN No.	:	U52599DL2006TC153283
Directors	:	Dr. S. M. Ishtiaque (DIN NO. 00125505) 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

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

Your Directors have pleasure in presenting the Nineth Annual Report along with Audited Accounts of the Company for the period ended on 31st March, 2015.

FINANCIAL RESULTS

The financial accounts for the financial year 2014-15 have been compiled. The company has earned of Rs 2.82 Lacs during the year under review due to other income.

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 being holding of more than 51% by Alps Industries Limited.

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

In view of the future plans of the company, your company is unable to declare any dividend for the year under review

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.

The company has received a communication from M/s Alps industries Limited (AIL), the holding company, expressing its inability to pay outstanding interest on the unsecured loans given by the company stating that being a sick industrial company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985, the majority of secured lenders has restrained the AIL to pay towards interest on its secured or unsecured loans of Banks/ARC/Financial institutions and Subsidiary Companies while consenting to the Draft Rehabilitation Scheme (DRS) of the AIL which is pending under consideration of the Hon'ble BIFR which inter-alia envisages complete waiver of outstanding and future interest towards these lenders and also envisages that the unsecured loans from subsidiaries companies shall remain subrogated to the debt of secured lenders till the completion of their payment as per the agreed terms.

In view of above, interest income recognized during the year towards interest receivable up to Sep, 2014 from AIL on the unsecured loans has been reversed and also no further income towards interest has been recognized due to uncertainty of its recoverability.

RELATED PARTY TRANSACTIONS

In terms of the Section 188 of the 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. Arun Kumar Agarwal (DIN-06436816), Director of the Company, shall retire by rotation, pursuant to the provisions of Section 152 of the Companies Act, 2013, and being eligible offer himself for reappointment.

APPOINTMENT OF INDEPENDENT DIRECTOR AS REPRESENTATIVE OF HOLDING COMPANY.

In terms of Section 149,152 and 161 of the Companies Act 2013 and Clause 49 of the Listing Agreement related to Corporate Governance applicable to the holding company namely Alps Industries Limited, Mr. Prabhat Krishna (DIN N0.02729624) was appointed as Additional Independent Director in the Company by the Board being representative of the holding company as it come under the Material Subsidiary category, at their meeting held on December 26 2014 and the regularization by the members of the company is proposed at the forthcoming AGM of the 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, in the case of a listed company, 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, under review 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 and has not commenced its commercial 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 2014-15 being attached with the Directors Report as Annexure I.

STATUTORY AUDITORS

M/s. P. Jain & Co., Chartered Accountants, the Statutory Auditors of the Company, completes one year out of their first term of four years as approved at the previous Annual General Meeting of the Company held on July 31 2014. Now they have submitted their resignation vide letter dated August 19, 2015 showing their inability to continue in the position of Statutory Auditors with immediate effect due to their occupation in some of their other assignments. The resignation was placed before the Board of Directors at their meetings held on August 20, 2015 and taken on record after the approval of the members. Therefore the Board of Directors has appointed M/s. R. K. Govil & Co. Chartered Accountants (Firm Regn. Number 000748C) being eligible as Statutory Auditors of the company to fill the casual vacancy arises due to resignation of existing Auditors under Section 139 (8) and Companies (Audit and Auditors) Rules, 2014, initially for a period of three months or up to the conclusion of the General Meeting in which the approval of their appointment by the members of the company, whichever is earlier, from the date of appointment i.e. August 20, 2015. After the confirmation of eligibility of M/s. R. K. Govil & Co., Chartered Accountants, (Firm Regn. Number 000748C) to continue as the Statutory Auditors of the company, it is further approved and recommended by the Board of Directors at their meeting held on August 20, 2015 of their appointment under Section 139 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 for a further period of four years from the conclusion of 9th AGM till the conclusion of 13th AGM of the company subject to ratification by the subsequent Annual General Meeting on the recommendations of the Board of Directors.

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

The Auditors report does not contain any qualification, reservation or adverse remark.

INFORMATION IN TERMS OF SEBI CIRCULAR

As per the SEBI Circular No. CSD/COMP/Cir/662/2007 dated 1st August 2007, the following information are being furnished related to the Financial Year 2014-2015, the company being the subsidiary Company of Alps Industries Limited, a listed company on the Stock Exchanges:

S. No.	Particulars	Amount
1.	Loans and advances in the nature of loans to subsidiaries (by name and amount)	NIL
2.	Loans and advances in the nature of loans to associates (by name and amount).	NIL
3.	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 372A of the Companies Act , 1956/186 of the Companies Act 2013 by name and amount	NIL
4.	Loans and advances in the nature of loans to firms/ companies in which directors are interested	NIL
5.	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

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.

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

Place: Ghaziabad
Dated: August 20, 2015

Arun Kumar Agarwal
Director
DIN - 06436816

Chetan Agarwal
Director
DIN - 01863250

**ABSTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2015**

[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 B-2, Loni Road Industrial Area, Opp. Mohan Nagar, Ghaziabad -201007	L51109UP1972PLC003544	Holding	73.94	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									
Indian									
a) Individuals/HUF	0	10	10	0.01	0	0	0.01	0	0
b) Central Government	0	0	0	0	0	0	-	0	0
c) State Governments	0	0	0	0	0	0	-	0	0
d) Bodies Corporate	0	0	0	0	0	0	0	0	0
e) Banks/FI	0	0	0	0	0	0	0	0	0
f) Any Others(Specify)	0	0	0	0	0	0	0	0	0
Sub Total(A)(1)	0	10	10	0.01	0	10	10	0.01	0
(2) Foreign									
a) NRIs- Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any Others(Specify)	0	0	0	0	0	0	0	0	0
Sub Total(A)(2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	0	10	10	0.01	0	10	10	0.01	0
B. Public shareholding	-								
(1) Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds/ UTI	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0

c)Central Government	0	0	0	0	0	0	0	0	0
d)State Governments	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs									
h) Foreign Venture Capital fund	0	0	0	0	0	0	0	0	0
i)Other (specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B)(1)	0	0	0	0	0	0	0	0	0
(2) Non-institutions									
a)Bodies Corporate									
i) Indian	0	3056690	3056690	99.99	0	3056690	3056690	99.99	0
ii)Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i.) Individual shareholders holding nominal share capital up to Rs 1 lakh	0	0	0	0	0	0	0	0	0
ii.) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	0	0	0	0	0	0	0	0	0
c)Any Other (specify)	0	0	0	0	0	0	0	0	0
i)Trust & Foundation	0	0	0	0	0	0	0	0	0
ii)NRI	0	0	0	0	0	0	0	0	0
Sub-Total (B)(2)	0	3056690	3056690	99.99	0	3056690	3056690	99.99	0
Total Public Shareholding (B)= (B)(1)+(B)(2)	0	3056690	3056690	99.99	0	3056690	3056690	99.99	0
C. Shares held by Custodians for GDRs & ADRs	0	0	0	0	0	0	0	0	0
GRAND TOTAL (A)+(B)+(C)	0	3056700	3056700	100.00	0	3056700	3056700	100.00	0

(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	-	10	0.01	-	-

(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 B-2, Loni Road Indl. Area, Opp. Mohan Nagar, Ghaziabad - 201007	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:

	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	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-
2.	Mr. Arun Kumar Agarwal	-	-	-	-
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-
3.	Dr. S. M. Ishtiaque	-	-	-	-
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-
4.	Mr. Prabhat Krishna	-	-	-	-
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-

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

	Secured Loans excluding interest	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	NIL	NIL	NIL	NIL
i) Principal Amount				
ii) Interest due but not paid				
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	NIL	NIL	NIL	NIL
Addition				
Reduction	NIL	NIL	NIL	NIL
Net Change	NIL	NIL	NIL	NIL
Indebtedness at the end of the financial year	NIL	NIL	NIL	NIL
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
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:

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
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	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission	-	-	-	-	-
	- as % of profit					
	- others, specify					
5.	Others, please specify	-	-	-	-	-
	Total (A)	-	-	-	-	-
	Ceiling as per the Act	-	-	-	-	-

B. Remuneration to other directors:

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

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

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary	N.A.	N.A.	N.A.	N.A.
	(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				
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	N.A.	N.A.	N.A.	N.A.
	- 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 2015, 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 and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows 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 thereunder.

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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our Qualified audit opinion on the standalone financial statements.

Basis for Qualified Opinion

The company has not made provision of interest of Rs.22.92 lacs from Alps Industries Limited (Holding Company) on unsecured loan given to them hence to these extent the Profit as shown in Statement of Profit & loss, Current assets are understated.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid 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, 2015, and its Profit 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, 2015 ("the Order") 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 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) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
 - (f) On the basis of the written representations received from the directors as on 31 March 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; 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 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.

For P. Jain & Co.

Chartered Accountants
(Firm Registration No. : 000711C)

Munish Kr. Jain

Partner
Membership No. : 070335

Place: Ghaziabad
Date: May 7, 2015

ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph 1 under the heading of "Report on other Legal and Regulatory Requirement" of our report of even date. In terms of the information and explanations given to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state as under:

- I. (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.
- II. (a) The inventory has been physically verified during the period by the Management in a phased manner.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are 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 of stocks as compared to book records were not material, however, the same have been properly dealt with in the books of account.
- III. 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 appears no overdue amount outstanding towards principal however the interest is overdue.
 - b) The company has taken the reasonable steps for recovery of overdue interest as referred in note no. 24 of the financial statements.
- IV. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for purchases of inventory and fixed assets and for the sale of goods and services. In our opinion, there is no continuing failure to correct major weakness in internal control systems.
- V. In our opinion and according to the information and explanations given to us, the company has not accepted deposits from the public.
- VI. 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.
- VII. (a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth 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, Wealth Tax, Sales-tax, Service Tax, Duty of Custom, Duty of Excise, Cess and other aforesaid statutory dues were outstanding as at 31st March, 2015 for a period of more than six months from the date they became payable.
 - (b) According to the information and explanations given to us, there are no dues of sales tax, income tax, service tax, duty of custom, duty of excise, which have not been deposited on account of any dispute.
 - (c) According to the information and explanations given to us, there is no amount required to be transferred to the Investor's Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 and the rules made there under.
- VIII. The company's accumulated losses at the end of the financial year are less than fifty percent of its total net worth. The company has not incurred any cash loss during the current financial year and in the immediately preceding financial year.

- I . The company has not taken any loan from Banks or Financial Institutions nor issued any debentures.
- . According to information and explanations given to us, the company has not given any guarantees for loan taken by others from Banks & Financial Institution during the year.
- I. According to information and explanations given to us by the management, no term loans have been obtained during the year.
- II. As per information and explanation given to us, no fraud on or by the company noticed or reported during the year.

Place : Ghaziabad
Date : May 7, 2015

For P. Jain & Co.
Chartered Accountants
(Firm Reg. No. : 000711C)

Munish Kr. Jain
Partner
Membership No. : 070335

BALANCE SHEET

BALANCE SHEET AS AT 31st MARCH, 2015

	Notes	AS AT 31.03.15 Rs.(in Lacs)	AS AT 31.03.14 Rs.(in Lacs)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	434.26	434.26
Reserves and Surplus	2	1,058.86	1,056.04
		<u>1,493.12</u>	<u>1,490.30</u>
Current Liabilities			
Trade payables	3	202.64	117.93
Other current liabilities	4	86.60	123.38
Short Term provision	5	0.57	0.40
		<u>289.81</u>	<u>241.71</u>
Total		<u>1,782.93</u>	<u>1,732.01</u>
ASSETS			
Non-current Assets			
Fixed Assets			
Tangible Assets	6	1,040.13	1,046.01
Capital Work in Progress (Tangible)	6	27.95	25.12
Long-term loans and advances	7	586.13	623.38
		<u>1,654.21</u>	<u>1,694.51</u>
Current Assets, Loans & Advances			
Inventories	8	36.96	18.56
Trade Receivables	9	73.80	
Cash & Bank Balances	10	5.51	3.69
Short-Term Loans & Advances	11	12.45	11.05
Other Current Assets	12	-	4.20
		<u>128.72</u>	<u>37.50</u>
Total		<u>1,782.93</u>	<u>1,732.01</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 P. Jain & Co.
 Chartered Accountants
 (Firm Registration No. : 000711C)

Munish Kr. Jain
 Partner
 Membership No. : 070335
 Place : Ghaziabad
 Date : May 7, 2015

Rahul Sharma
 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, 2015

	Notes	YEAR ENDED 31.03.15 Rs.(in Lacs)	YEAR ENDED 31.03.14 Rs.(in Lacs)
Revenue from operations			
Sale of Products	13	170.72	576.31
Less :Excise Duty			
Net Revenue		<u>170.72</u>	<u>576.31</u>
Other Income	14	2.80	40.06
Total Revenue		<u>173.52</u>	<u>616.37</u>
Expenses			
Cost of Materials Consumed	15	-	-
Purchase of Stock-in-Trade	16	177.91	614.06
Change in Inventories	17	(18.40)	(17.65)
Depreciation/Amortization of Expenses	6	5.88	6.24
Employee Benefit Expenses	18	1.20	1.80
Financial Cost	19	-	9.01
Other Expenses	20	3.54	0.82
Total Expenses		<u>170.13</u>	<u>614.28</u>
Profit/(Loss) Before Tax		<u>3.39</u>	<u>2.09</u>
Tax Expense			
(1) Current Tax		0.57	0.40
(2) Deferred Tax		-	-
Profit/(Loss) for the Period		<u>2.82</u>	<u>1.69</u>
Basic Earning Per Share(Rs.)	21	0.09	0.06
Diluted Earning Per Share(Rs.)		0.06	0.04

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 P. Jain & Co.

Chartered Accountants

(Firm Registration No. : 000711C)

Munish Kr. Jain

Partner

Membership No. : 070335

Place : Ghaziabad

Date : May 7, 2015

Rahul Sharma
Manager (Accounts)

Arun Kumar Agarwal
Director
DIN - 06436816

For and on behalf of the Board

Chetan Agarwal
Director
DIN - 01863250

CASH FLOW

	Rs.(in Lacs)	
	31.03.2015	31.03.2014
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/ (Loss) Before Tax	3.39	2.09
Adjustment for :		
Depreciation	5.88	6.24
Interest Received	-	(40.00)
Finance Cost	-	9.01
Miscellaneous Expenditure W/Off	-	(24.75)
Operating Profit Before Working Capital Changes	9.27	(22.66)
Adjustment for Working Capital Changes		
Inventories	(18.40)	(17.65)
Trade & other Receivable	(69.61)	374.35
Trade Payable & other Liabilities	47.92	(337.68)
Direct Taxes Received/(Paid)	(1.79)	(4.00)
Net Cash From / (used in) Operating Activities	(32.61)	(7.64)
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Sale(Purchase) of Fixed Assets	(2.82)	(25.12)
Interest received	-	40.00
Loans and Advances Repayment (given)	37.25	-
Net Cash From (used in) Investing Activities	34.43	14.88
(C) CASH FLOW FROM IN FINANCING ACTIVITIES		
Finance Cost	-	(9.01)
Net Cash From (used in) Financing Activities	-	(9.01)
Net Increase (Decrease) in Cash & Cash Equivalent includes	1.82	(1.77)
Opening Balance of Cash & Cash Equivalents	3.69	5.46
Closing Balance of Cash & Cash Equivalents	5.51	3.69

Notes:

- Reconciliation of Cash and Cash Equivalent at the end of the year

Cash & Bank Balances as per Note 10	5.51	3.69
Less:- Fixed Deposits	-	-
Cash & Cash Equivalent at the end of the year	5.51	3.69
- Figures 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 P. Jain & Co.

Chartered Accountants

(Firm Registration No. : 000711C)

Munish Kr. Jain

Partner

Membership No. : 070335

Place : Ghaziabad
Date : May 7, 2015
Rahul Sharma
 Manager (Accounts)

Arun Kumar Agarwal
 Director
 DIN - 06436816

Chetan Agarwal
 Director
 DIN - 01863250

For and on behalf of the Board

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 31.03.15 Rs.(in Lacs)	AS AT 31.03.14 Rs.(in Lacs)
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
	<u>500.00</u>	<u>500.00</u>
(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	<u>434.26</u>	<u>434.26</u>

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	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'2015	As at 31 Mar'2014
	2259990	2259990
	1285910	1285910

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

Particulars	As at 31 Mar' 2015	%age	As at 31 Mar' 2014	%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 31.03.14 Rs.(in Lacs)	AS AT 31.03.13 Rs.(in Lacs)
2. RESERVES AND SURPLUS		
A. Securities Premium		
At the Beginning of the year	1,115.38	1,115.38
Add: Share Premium	-	-
At the 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	(59.34)	(61.03)
Add: Profit (Loss) for the year	2.82	1.69
Profit (Loss) at the end of the year	<u>(56.52)</u>	<u>(59.34)</u>
Total	<u>1,058.86</u>	<u>1,056.04</u>
3. TRADE PAYABLE	<u>202.64</u>	<u>117.93</u>
4. OTHER CURRENT LIABILITIES		
Other payable		
Expenses payable	0.74	1.55
Creditors for Fixed Assets	3.55	3.54
Book Overdraft	82.31	118.29
Advance from Customers	-	-
Total	<u>86.60</u>	<u>123.38</u>
4.1 Expenses Payable include the liabilities towards Sale tax, TDS Payable, Contractual exp. etc.		
5. SHORT TERM PROVISIONS		
Provision for Income Tax	0.57	0.40
	<u>0.57</u>	<u>0.40</u>

6. FIXED ASSETS

Rs.(in Lacs)

Particulars	Gross Block				Depreciation				Net Block		
	Opening Balance 01.4.2014	Addition During The Year	Deduction	Total Upto 31.03.2015	Opening Balance as on 01.04.2014	During The Year	Retained Earning	On Deduction	Total Upto 31.03.2015	As On 31.03.2015	As On 31.03.2014
Intangible Assets											
Freehold Land	877.77	-	-	877.77	-	-	-	-	-	877.77	877.77
Factory Building	186.97	-	-	186.97	18.73	5.88	-	-	24.61	162.36	168.24
Total	1,064.74	-	-	1,064.74	18.73	5.88	-	-	24.61	1,040.13	1,046.01
Previous Year	1,064.74	-	-	1,064.74	12.49	6.24	-	-	18.73	1046.01	

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

Loans and Advance to Related Parties (refer Note No. 25)	572.75	610.00
Capital Advance	13.13	13.13
Security Deposits	0.25	0.25
Total	<u>586.13</u>	<u>623.38</u>

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.14 Rs.(in Lacs)	AS AT 31.03.13 Rs.(in Lacs)
8. INVENTORIES (Refer Note No. 22) (Valued as per accounting policy)		
Raw Materials	0.91	0.91
Stock in Trade	36.05	17.65
Total	<u>36.96</u>	<u>18.56</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	73.80	-
Total	<u>73.80</u>	<u>-</u>
10. CASH & BANK BALANCES		
Balances with Scheduled Banks		
In Current Accounts	0.54	0.54
Cash in Hand	4.97	3.15
Total	<u>5.51</u>	<u>3.69</u>
11. SHORT TERMS LOANS & ADVANCES (Unsecured, Considered Good)		
OTHERS		
Balance with Revenue Authorities	-	-
Advance Income Tax /TDS Recoverable	12.40	11.00
Advance to Supplier	0.05	0.05
Total	<u>12.45</u>	<u>11.05</u>
12. OTHER CURRENT ASSETS		
Other Receivables (From Related Party)(Refer note no 25)	-	4.20
Total	<u>-</u>	<u>4.20</u>
13. REVENUE FROM OPERATIONS		
Sales of Products (Fabric)	170.72	576.31
Total	<u>170.72</u>	<u>576.31</u>
14. OTHER INCOME		
(a) Interest	-	40.00
(b) Rent	2.40	-
(c) Other Income	0.40	-
(d) Prior Period Income	-	0.06
Total	<u>2.80</u>	<u>40.06</u>

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.14 Rs.(in Lacs)	AS AT 31.03.13 Rs.(in Lacs)
15. COST OF MATERIAL		
Opening Stock	0.91	0.91
Add: Purchases	-	-
Less: Closing Stock	0.91	0.91
Total	<u>-</u>	<u>-</u>
16. PURCHASE OF STOCK-IN-TRADE (Fabric)	<u>177.91</u>	<u>614.06</u>
17. CHANGES IN INVENTORIES		
Opening Stock-in-Trade	17.65	-
Closing Stock-in-Trade	36.05	17.65
Total	<u>(18.40)</u>	<u>(17.65)</u>
18. EMPLOYEE BENEFIT EXPENSES		
Salary to Staff	1.20	1.80
Total	<u>1.20</u>	<u>1.80</u>
19. FINANCIAL COST		
Interest to Others	-	9.01
Total	<u>-</u>	<u>9.01</u>
20. OTHER EXPENSES		
Rent	0.60	-
Printing & Stationery	0.01	-
Legal & Professional Expenses	2.27	0.37
Fees & Subscription	0.11	0.01
General Expenses	0.16	0.02
Bank Charges	-	0.07
Payment to Auditors (Refer Note No. 26)	0.34	0.34
Repairs & Maintenance		
Others	0.05	-
Selling & Distribution Expenses		
Packing & Forwarding	-	0.01
Total	<u>3.54</u>	<u>0.82</u>

NOTES FORMING PART OF ACCOUNTS
21. BASIC & DILUTED EARNINGS PER SHARE has been calculated as under:

Particulars	For the year ended 31 st March 15	For the year ended 31 st March 14
Profit/(Loss) attributable to the Equity shareholders (Rs.) - (A) (Rs. in Lacs)	2.82	1.69
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.)	0.09	0.06
Diluted Earnings per Share (Rs.)	0.06	0.04

22. INVENTORIES

Particulars	Rs.(in Lacs)	
	For the year ended 31 st March 15	For the year ended 31 st March 14
Fabric	36.96	18.56
Total	36.96	18.56

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

24. The interest income amounting to Rs. 11.56 lac on unsecured loan to Alps Industries Limited (Holding Company registered with the BIFR as a sick industrial Company) recognized during the year till 30th September, 2014 has been subsequently reversed and no further interest has been recognized due to uncertainty regarding its recoverability, in view of the communication received from them, whereby they have expressed their inability to pay outstanding interest on such loan pursuant to a restraint by their secured lenders representing 83% of their outstanding secured debt, while according their consent to the Draft Rehabilitation Scheme of AIL, which is under consideration of the Hon'ble BIFR.

25. RELATED PARTY TRANSACTIONS
Name of related parties and description of relationship as required by AS-18:

Holding Company	:	Alps Industries Ltd.
Key Managerial Personnel,	:	1. Mr. Chetan Agarwal
Entities controlled by them	:	2. Mr. Arun Kumar Agarwal
	:	3. Alps Energy Private Limited

NOTES FORMING PART OF ACCOUNTS

Rs.(in Lacs)

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 15	For the year ended 31 st March 14	For the year ended 31 st March 15	For the year ended 31 st March 14
1. Purchase of Goods	NIL	0.42	NIL	NIL
2. Rental Income	2.40	NIL	NIL	NIL
3. Interest Paid	NIL	9.01	NIL	NIL
4. Interest Received	NIL	40.00	NIL	NIL
5. Advances/Loans taken	37.25	NIL	NIL	NIL
6. Balance at year end(Dr.)	572.75	614.20	NIL	NIL

26. AUDITORS REMUNERATION

Rs.(in Lacs)

Particulars	For the year ended 31 st March 15	For the year ended 31 st March 14
Audit Fees	0.17	0.17
Others	0.17	0.17

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 P. Jain & Co.
 Chartered Accountants
 (Firm Registration No. : 000711C)

Munish Kr. Jain
 Partner
 Membership No. : 070335
Place : Ghaziabad
Date : May 7, 2015

Rahul Sharma
 Manager (Accounts)

Arun Kumar Agarwal
 Director
 DIN - 06436816

For and on behalf of the Board

Chetan Agarwal
 Director
 DIN - 01863250

CONSOLIDATED

**Financial Statements for the year
ended 31st March, 2015**

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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** (the Company) and its subsidiaries (collectively referred to as "the Group"), which comprises the Consolidated Balance Sheet as at 31st March, 2015, the Consolidated Statement of Profit and Loss, the Consolidated 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 Consolidated 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 consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Group 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 Group and for preventing and detecting frauds and other irregularities; selection and application of the 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 consolidated 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 consolidated financial statements based on our audit. While conducting the 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's 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 the internal financial control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and information received from the management referred to in paragraph of the other matters as stated below, is sufficient and appropriate to provide a basis for our Qualified audit opinion on the consolidated financial statements.

Basis for Qualified Opinion

The company has not made any provision towards losses amounting to Rs.39205 Lac on derivative contracts (refer to note nos. 37 (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. 37 (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.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2015, 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 the Note no. 38 relating to non provision of interest amounting to Rs. 12201.24 Lac for the financial year 2014-15 on loans taken from banks/Financial Institution/ARC pursuant to consent of the secured lenders, constituting more than 83% of the outstanding secured debt of the company, to the Draft Rehabilitation Scheme (DRS) of the company which is pending consideration before the Hon'ble BIFR, which inter alia envisages the complete waiver of all outstanding interest from these lenders.
2. To Note no 43 regarding pending confirmation of balances from trade receivable, loans & Advances and trade payables and reconciliation thereof and ascertainment of slow, non moving and damaged inventory and impact thereof, if any.
3. To the Note no. 44 relating to non adjustment of amounts paid to secured lenders in terms of settlement reached with them, pending sanction of the scheme by the Hon'ble BIFR.
4. To the Note no. 46 which briefs the status of the reference of the company filed with the Hon'ble Board of Industrial & Financial Reconstruction (BIFR) u/s 15 of the Sick Industrial Companies Act, 1985. The financial statements have been prepared by the company on going concern basis pending sanction of the rehabilitation scheme by the Hon'ble BIFR.

Other Matters

We have relied on the unaudited financial statements of one subsidiary (Alps USA Inc.) whose financial statements reflect total assets of 331.11 Lac as at 31st March, 2015, total expense of Rs. 0.0019 Lac, 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'.

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 **P. Jain & Co.**
Chartered Accountants
(Firm Registration No. : 000711C)

Munish Kr. Jain
Partner
Membership No. : 070335

Place: Ghaziabad
Date: May 30, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

As stated in Para 1, Report on Other Legal and Regulatory Requirements in our Auditor's Report of even date, the following statement is based on the comments in the Auditor's Reports on the standalone financial statements of the Holding Company and its subsidiary companies incorporated in India:

- I. (a) The Holding Company has maintained records which are yet to be updated and subsidiary companies incorporated in India have maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
(b) As explained to us, the management of Holding Company has physically verified all the fixed assets during the year except for Jaspur and Kashipur unit due to closure in a phased periodical manner, and the management of subsidiary companies incorporated in India have physically verified all the fixed assets during the year which in our opinion is reasonable having regard to the size of the Holding Company and its subsidiary companies incorporated in India. We have been informed that no material discrepancies were noticed on such physical verification during the year.
- II. (a) The inventory has been physically verified during the year by the management of the Holding Company and its subsidiary companies incorporated in India in phased manner.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management as referred to above are reasonable and adequate in relation to the size of the Holding Company and its subsidiary companies incorporated in India and the nature of their businesses.
(c) The Holding Company and its subsidiary companies incorporated in India have 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 amount other than ascertainment of slow moving, non moving and damaged inventories, and impact thereof, if any, as referred in note in 43.
- III. According to the information and explanations given to us, the Holding company and its subsidiary companies incorporated in India have not granted any loans, secured or unsecured, to Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly paragraph 3 (iii) of the order are not applicable to the Holding company and its subsidiary companies incorporated in India.
- IV. In our opinion and according to the information and explanations given to us, there is an adequate internal control system in Holding company and its subsidiary companies incorporated in India commensurate with the size of the respective entities and the nature of their business, for purchases of inventory and fixed assets and for the sale of goods and services. In our opinion, there is no continuing failure to correct major weaknesses in internal control systems.
- V. In our opinion and according to the information and explanations given to us, the Holding company and its subsidiary companies incorporated in India have not accepted deposits from the public.
- VI. According to the information and explanations given to us, the Holding 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 subsidiary companies incorporated in India, the Central Government has not prescribed cost records under sub-section (10) of section 148 of the Companies Act, 2013.
- VII. a) According to the information and explanations given to us, the Holding Company and its subsidiary companies incorporated in India are generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues applicable to the respective entities with the appropriate authorities.

According to the information and explanations given to us, no amounts payable in respect of Income-tax, Wealth Tax, Sales-tax, Service Tax, Duty of Custom, Duty of Excise, Cess and other aforesaid statutory dues were outstanding as at 31st March, 2015 for a period of more than six months from the date they became payable.

- b) The disputed statutory dues aggregating to Rs. 567.49 Lacs have not been deposited on account of matters pending before appropriate authorities as on 31st March, 2015, are as under:

Sr. No.	Name of the Company and Relationship	Name of the Statute	Nature of Dues	Amount	From where Dispute is Pending
1	Alps Industries Ltd. (Holding company)	U.P. Tax on entry of Goods	Entry Tax	Rs. 3.56 Lac	Hon'ble Tribunal Ghaziabad
2	Alps Industries Ltd. (Holding company)	Nagar Nigam Act, 1959	Sewerage Tax	Rs. 5.13 Lac	Hon'ble Commisioner, Nagar Nigam Gzb
3	Alps Industries Ltd. (Holding company)	Uttrakhand Agriculture Produce Marketing (Development & Regulation) (Amended) Act 2012	Mandi Samitee Cess	Rs. 558.80 Lac	Hon'ble Supreme Court of India

- (c) According to information and explanations given to us, the amount required to be transferred by the holding company to Investor Education and Protection Fund in accordance with the relevant provision of Companies Act, 1956 and Rules made there under has been transferred to such fund on time. The subsidiary companies incorporated in India do not have any dues on accounts of Investor Education and Protection Fund.

VIII. The holding and one of its subsidiaries companies incorporated in India have accumulated losses at the end of the year on standalone basis. The accumulated losses of the holding company are more than fifty percent of its net worth on standalone basis, and the other remaining subsidiary company incorporated in India does not have accumulated losses at the end of year on standalone basis. The holding company and its subsidiary companies incorporated in India have not incurred cash losses during the current year ended 31st March, 2015 on standalone basis. However, the holding company has incurred cash loss in the immediately preceding financial year. On a consolidated basis, the holding company and its subsidiary companies incorporated in India have accumulated losses at the end of the current financial year which is more than fifty percent of the Group's net worth. The Group has not incurred cash losses during the current financial year but incurred cash losses in immediately preceding financial year.

I . According to the information and explanations given to us in case of holding company, 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 Draft Rehabilitation Scheme (DRS) by Board and further 83% of the secured lenders have consented to revised DRS pending before the Board and some other banks opted for One Time Settlement (OTS) with the company. Having regard to pending approvals of DRS and OTS, we are unable to express any opinion about the default of Principal/interest and period of default if any. In case of subsidiary companies incorporated in India, the companies have not taken any loans from Banks or Financial Institutions.

. According to information and explanations given to us, the Holding company and its subsidiary companies incorporated in India have not given any guarantees for loan taken by others from Banks & Financial Institution during the year.

I. According to information and explanations given to us the Holding company and its subsidiary companies incorporated in India have not raised term loan during the year.

II. As per information and explanation given to us, no fraud on or by the Holding company and its subsidiary companies incorporated in India noticed or reported during the year.

For **P. Jain & Co.**
Chartered Accountants
(Firm Registration No. : 000711C)

Munish Kr. Jain
Partner
Membership No. : 070335

Place: Ghaziabad
Date: May 30, 2015

ALPS INDUSTRIES LTD. CONSOLIDATED

BALANCE SHEET

BALANCE SHEET AS AT 31st MARCH, 2015

	Notes	AS AT 31.03.15 Rs.(in Lacs)	AS AT 31.03.14 Rs.(in Lacs)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	1	30,704.31	30,704.31
Reserves and Surplus	2	(69,127.96)	(66,060.54)
		<u>(38,423.65)</u>	<u>(35,356.23)</u>
Minority Interest		<u>916.94</u>	<u>914.21</u>
Non-Current Liabilities			
Long-term borrowings	3	67,358.15	67,293.96
Other Long term Liabilities	4	23,040.59	23,056.16
Long-term provisions	5	343.56	290.26
		<u>90,742.30</u>	<u>90,640.38</u>
Current Liabilities			
Short-term borrowings	6	38,318.41	40,192.61
Trade payables	7	5,676.81	6,594.37
Other current liabilities	8	6,686.31	6,856.54
Short-term provisions	9	35.44	41.61
		<u>50,716.97</u>	<u>53,685.13</u>
Total		<u>103,952.56</u>	<u>109,883.49</u>
ASSETS			
Non-Current Assets			
Fixed Assets			
Tangible Assets	10	46,887.81	50,978.99
Intangible Assets	10	15.81	37.37
Capital Work in Progress		64.60	130.13
Intangible Assets Under Development		188.32	102.08
Non-current Investments	11	5.78	5.78
Long-term loans and advances	12	1,283.40	1,174.26
Other non-current assets	13	536.85	1,209.69
		<u>48,982.57</u>	<u>53,638.30</u>
Current Assets, Loans & Advances			
Current Investments	14	25.00	25.00
Inventories	15	38,538.56	37,774.06
Trade Receivables	16	9,577.54	11,557.66
Cash & Bank Balances	17	3,156.28	5,137.44
Short-Term Loans & Advances	18	2,712.85	776.84
Other current assets	19	959.76	974.19
		<u>54,969.99</u>	<u>56,245.19</u>
Total		<u>103,952.56</u>	<u>109,883.49</u>
Significant Accounting Policies and other notes on Financial Statements	1-53		
Notes referred to above form an integral part of Financial Statements			

As per our report of even date attached

For P. Jain & Co.

Chartered Accountants

(Firm Registration No. : 000711C)

Munish Kr. Jain

Partner

Membership No. : 070335

Place : Ghaziabad

Date : May 30, 2015

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

STATEMENT OF PROFIT & LOSS
CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2015

	Notes	YEAR ENDED 31.03.15 Rs.(in Lacs)	YEAR ENDED 31.03.14 Rs.(in Lacs)
Revenue from operations			
Sale of Products	20	61,290.97	78,168.47
Other Operating Revenues		3,812.91	4,306.61
Less :Excise Duty		201.06	259.27
Net Revenue		64,902.82	82,215.81
Other Income	21	721.03	1,093.00
Total Revenue		65,623.85	83,308.81
Expenses			
Cost of Materials Consumed	22	40,983.05	54,061.99
Purchase of Stock-in-Trade	23	1,586.83	3,066.65
Change in inventories of finished goods and Work-in-Progress	24	(149.66)	(4.75)
Employee Benefit Expenses	25	6,935.42	7,294.08
Finance Cost	26	420.49	11,346.90
Depreciation/Amortization of Expenses	10	4,486.02	4,504.68
Other Expenses	27	14,297.81	14,786.48
Total Expenses		68,559.96	95,056.03
Profit/(Loss) Before Tax		(2,936.11)	(11,747.22)
Tax Expense			
(1) Current Tax		2.61	4.97
(2) Minimum Alternate Tax		0.57	-
Profit/(Loss) after Tax		(2,939.29)	(11,752.19)
Less: Minority Interest		2.73	4.02
Profit/(Loss) for the Year		(2,942.02)	(11,756.21)
Basic & Diluted Earning Per Share (Rs.)	28	(10.76)	(33.20)
Significant Accounting Policies and other Notes on Financial Statements	1-53		
Notes referred to above form an integral part of Financial Statements			

As per our report of even date attached
For P. Jain & Co.
 Chartered Accountants
 (Firm Registration No. : 000711C)

Munish Kr. Jain
 Partner
 Membership No. : 070335
Place : Ghaziabad
Date : May 30, 2015

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 Lacs)	
	31.03.2015	31.03.2014
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax	(2,936.11)	(11,747.22)
Adjustment for :		
Depreciation & Amortisation	4,486.02	4,504.69
Interest Received	(350.23)	(371.96)
Finance Cost	420.49	11387.39
Loss on Sale of Assets	14.68	7.12
Loss on Investments	-	2.39
Exchange Fluctuation	(0.39)	(0.88)
Operating Profit Before Working Capital Changes	1,634.46	3,781.53
Adjustment for Working Capital Changes		
Inventories	(764.50)	(2214.78)
Trade & other Receivable	661.16	(466.13)
Trade Payable & other Liabilities	(1,054.44)	9,955.70
Direct Taxes received/ (Paid)	(43.88)	(51.79)
Net Cash from/(used in) Operating Activities	432.80	11,004.53
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(548.66)	(743.26)
Proceeds from Fixed Assets	14.98	16.56
Interest Received	350.23	371.96
(Increase)/Decrease in Fixed Deposits	1,915.71	(1,790.36)
Net Cash from/(used in) Investment Activities	1,732.26	(2,145.10)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Finance Cost	(420.49)	(11,387.39)
Proceeds from Long Term Borrowing(Net)	64.19	1,134.79
Receipt of Government Grant	-	30.00
Proceeds/(Repayment) of Short Term Borrowing (Net)	(1,874.21)	(841.33)
Net Cash from/(used in) Financing Activities	(2,230.51)	(9,381.27)
Net Increase(Decrease) in Cash & Cash Equivalents	(65.45)	(521.84)
Opening Balance of Cash and Cash Equivalents	<u>645.88</u>	<u>1,167.72</u>
Closing Balance of Cash and Cash Equivalents (refer note 17(i))	<u>580.43</u>	<u>645.88</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 attached

For P. Jain & Co.

Chartered Accountants

(Firm Registration No. : 000711C)

Munish Kr. Jain

Partner

Membership No. : 070335

Place : Ghaziabad
Date : May 30, 2015
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 of 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:

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. Leasehold lands are amortised over the lease period. However having regard to materiality of assets upto Rs. 5000/- 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 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 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 31.03.15 Rs.(in Lacs)	AS AT 31.03.14 Rs.(in Lacs)
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(129900866) 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 have preference in discounted Redemption as per Erstwhile CDR scheme CRPS (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 have preference of Repayment over other instruments in discounted redemption as per CDR Scheme over other instrument issued and a Category CDR Scheme erstwhile subject to the availability of funds

1% CRPS under Category -C:- Such shares have right of 1 % dividend with no voting right have preference of Repayment over 1 % CRPS in discounted redemption as per erstwhile CDR Scheme subject to the availability of funds

1% CRPS under Category -D:- Such shares have right of 1 % dividend with no voting right have preference of Repayment against other instruments in discounted redemption as per erstwhile CDR Scheme subject to the availability of funds

Earlier date of Redemption is 30/01/2017 to 30/01/2019

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 Lacs (P.Y. 1629.61 lacs) Equity shares of Rs. 10 each at par aggregating to Rs.1629.61 Lacs (P.Y. Rs.16296.06 lacs)

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

AS AT
31.03.15
Rs.(in Lacs)

AS AT
31.03.14
Rs.(in Lacs)

Details of Share holders holding more than 5 % Share Capital

Particulars	No. of Shares	
	As at 31 Mar' 2015	%age
Equity Shares		
Pacific Texmark Pvt. Ltd.	2835872	7.25
6% CRPS		
State Bank of Bikaner & Jaipur	4891690	3.12
The Jammu & Kashmir Bank	6194500	3.95
Export Import Bank of India	3534800	2.25
IDBI Bank Ltd.	1413076	0.90
Edelweiss Asset Reconstruction Company Limited (Shares acquired by way of transfer from SBI during march 2015)	40376560	25.74
State Bank of India	-	-
State Bank of Patiala	23081900	14.72
State Bank of Mysore	18756986	11.96
State Bank of Hyderabad	13626294	8.69
ICICI Bank Ltd.	2112482	1.35
HDFC Bank	1056241	0.67
Punjab National Bank	27560343	17.57
1% CRPS		
Development Credit Bank Ltd.	11661448	10.50
State Bank of India	38384749	34.55
ICICI Bank Limited	9816345	8.84
HDFC Bank	15482087	13.94
Standard Chartered	35749418	32.18

2. RESERVES AND SURPLUS

A Capital Reserve

At the Beginning of the Year	290.00	260.00
Add : Capital Subsidy	-	30.00
At the end of the Year	290.00	290.00

B Securities Premium

At the Beginning of the Year	19,156.37	19,156.37
At the end of the Year	19,156.37	19,156.37

C. General Reserves

At the Beginning and at the end of the Year	7,999.30	7,999.30
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D. Exchange Fluctuation Reserve

At the Beginning of the Year	85.00	85.88
Less : Exchange Fluctuation	0.39	0.88
At the end of the Year	84.61	85.00

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.15 Rs.(in Lacs)	AS AT 31.03.14 Rs.(in Lacs)
E. Statement of Profit And Loss Account		
Loss at the Beginning of the Year	(92,878.37)	(81,122.16)
Add: Retained earning on change in useful life on fixed assets	(125.01)	-
Add: Loss for the Year	<u>(2,942.02)</u>	<u>(11,756.21)</u>
Loss at the end of the Year	<u>(95,945.40)</u>	<u>(92,878.37)</u>
Group Total	(68,415.12)	(65,347.70)
Less : Minority Interest	712.84	712.84
Total	<u>(69,127.96)</u>	<u>(66,060.54)</u>
3. LONG TERM BORROWINGS		
Secured Loans		
(a) Term Loans		
(1) Banks & Financial Institutions/ARC (See Note Below i, ii & Refer Note No.46)	67,006.05	67,293.96
(i) Term loans Rs.55222.87 Lacs (P.Y. Rs. 55510.78 Lacs) 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.		
Unsecured Loans		
Loans and Advances from Related Parties (Refer Note No. 3.2)	-	-
Loans and Advances from Others	352.10	-
Total	<u>67,358.15</u>	<u>67,293.96</u>
3.1 Maturity Profile of Term Loans From Banks & Financial Institutions		
By order dated 02.09.2011 of Hon'ble BIFR and order dt. 12.03.2012 of hon'ble AAIFR, the amount of Bank and Financial Institutions becoming due after May 2011 are deferred till the date of sanction of the scheme by Hon' ble BIFR, such amount has been considered as long term borrowing and will be dealt with in terms of draft rehabilitation scheme on sanction by hon'ble BIFR.		
3.2 Maturity Profile of Unsecured Loans		
Particular	Amount	Period
Towards Others	352.10	2016-17
4. OTHER LONG TERM LIABILITIES		
Interest accrued but not due on borrowing (Refer Note No. 3.1 above)	23,040.59	23,056.16
Total	<u>23,040.59</u>	<u>23,056.16</u>
5. LONG TERM PROVISION		
Provision for Employee benefits (Refer Note No 48)	343.56	290.26
Total	<u>343.56</u>	<u>290.26</u>

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.15 Rs.(in Lacs)	AS AT 31.03.14 Rs.(in Lacs)
6. SHORT TERM BORROWINGS		
Secured Loans		
Loan repayable on Demand (Working Capital)	-	-
From Banks/ARC (Refer Note No. 47)	<u>38,318.41</u>	<u>40,192.61</u>
Total	<u>38,318.41</u>	<u>40,192.61</u>
1) Working capital Rs. 38318.41 Lacs (P.Y.40151.57 Lacs) from Assets Reconstruction Companies are secured by first pari - passu charge on current assets and second pari - passu charge on fixed assets of the company, alongwith.		
7. TRADE PAYABLES		
(a) Micro, Small & Medium Enterprises (Refer Note No. 7.1)	47.54	26.23
(b) Others	<u>5,629.27</u>	<u>6,568.14</u>
Total	<u>5,676.81</u>	<u>6,594.37</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,2014 as per the terms of Contract relied upon by auditors.		
8. OTHER CURRENT LIABILITIES		
(a) Current maturities of long-term debt	-	0.97
(b) Unpaid dividend	-	6.03
(c) Interest accrued but not due on borrowing	1,076.04	1,851.04
(d) Other payable		
(1) Expenses payable (Refer Note No. 8.1)	4,248.96	4,247.92
(2) Creditors for Fixed Assets	324.46	183.17
(3) Book overdraft	86.17	266.61
(4) Advance from Customers	948.44	298.91
(5) Others	2.24	1.89
Total	<u>6,686.31</u>	<u>6,856.54</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)	32.26	34.25
Provision for Tax	3.18	4.97
Other Provision	-	2.39
Total	<u>35.44</u>	<u>41.61</u>

NOTES FORMING PART OF ACCOUNTS

AS AT
31.03.15
Rs.(in Lacs)

AS AT
31.03.14
Rs.(in Lacs)

10 FIXED ASSETS

Particulars	Gross Block				Depreciation					Net Block	
	Opening Balance	Addition During The Year	Deduction/ Sale	Total Upto 31.03.2015	Opening Balance	Retained Earning	During The Year	On Deduction	Total Upto 31.03.2015	As On 31.03.2015	As On 31.03.2014
TANGIBLE ASSETS											
Leasehold Land	1301.37	-	-	1301.37	149.89	-	13.83	-	163.72	1137.65	1151.48
Free Hold Land	1515.48	-	-	1515.48	-	-	-	-	-	1515.48	1515.48
Building	14857.83	15.20	-	14873.03	3443.48	0.01	507.26	-	3950.75	10922.28	11414.35
Plant & Machinery	62043.42	453.64	-	62497.06	25776.93	46.72	3780.57	-	29604.22	32892.84	36266.49
Furniture Fixture	404.71	1.44	-	406.15	208.71	31.12	28.28	-	268.11	138.04	196.00
Vehicles	501.08	23.14	89.92	434.30	294.23	-0.58	52.90	60.50	286.05	148.25	206.85
Office Equipment	264.02	20.15	-	284.17	94.49	61.83	56.58	-	212.90	71.27	169.53
Computers	714.62	14.39	0.31	728.70	655.81	-14.14	25.09	0.06	666.70	62.00	58.81
Sub Total A	81602.53	527.96	90.23	82040.26	30623.54	124.96	4464.51	60.56	35152.45	46887.81	50978.99
INTANGIBLE ASSETS											
Computer (software)	76.10	-	-	76.10	52.62	0.05	7.62	-	60.29	15.81	23.48
Brand & Trade Mark	646.05	-	-	646.05	632.16	-	13.89	-	646.05	-	13.89
Sub Total B	722.15	-	-	722.15	684.78	0.05	21.51	-	706.34	15.81	37.37
Total	82324.68	527.96	90.23	82762.41	31308.32	125.01	4486.02	60.56	35858.79	46903.62	51016.36
Previous Year	81681.09	711.88	68.29	82324.68	26848.26	-	4504.68	44.62	31308.32	51016.36	-

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. 64454 (221100) 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 Paid-up) (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)

Total 5.78 5.78

12. LONG-TERM LOANS AND ADVANCES

(Unsecured, Considered Good)

Capital Advance 645.80 608.08

Security Deposits 637.60 566.18

Total 1,283.40 1,174.26

13. OTHER NON CURRENT ASSETS

(Secured)

Considered Good

Receivable from Banks - 656.64

Receivable from Others 214.05 230.24

Minimum Alternate Tax Adjustable 322.80 322.81

Considered Doubtful 32.38 16.19

Less : Provision as Doubtful for realisation (32.38) (16.19)

Total 536.85 1,209.69

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.15 Rs.(in Lacs)	AS AT 31.03.14 Rs.(in Lacs)
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. -898780 (635030/-)	2.00	2.00
19560(19560) Unit of Franklin India High Growth Co. Market Value - Rs. - 583163.80 (336221/-)	2.00	2.00
100000(100000) Unit of Rs. 10/- each of SBI Infrastructure Fund Market Value - Rs. - 1177770 (760840/-)	10.00	10.00
2930 (2930) Unit of Reliance Growth Fund Market Value- Rs. - 2384406.46 (1496362/-)	10.00	10.00
10000(10000) of Rs. 10/- each of UTI Infrastructure Advantage Fund-Series-I Market Value- Rs. - 440655 (299497/-)	1.00	1.00
Total	<u>25.00</u>	<u>25.00</u>
15. INVENTORIES (Valued and certified by the management)		
Raw Materials	24,529.87	24,110.08
Work-in-Progress (Refer Note No. 52)	4,986.15	4,554.21
Finished Goods (Refer Note No. 52)	8,324.49	8,606.77
Stores & Spares Parts	698.05	503.00
Total	<u>38,538.56</u>	<u>37,774.06</u>
16. TRADE RECEIVABLES		
Outstanding for a Period Exceeding Six Months from the date they are due for payment		
Unsecured Considered, Good	1,501.31	1,326.13
Doubtful	215.52	193.55
Less: Provision for Doubtful Receivables	(215.52)	(193.55)
	<u>1,501.31</u>	<u>1,326.13</u>
Other Trade Receivables		
Unsecured Considered Good	8,076.23	10,231.53
Total	<u>9,577.54</u>	<u>11,557.66</u>
17. CASH & BANK BALANCES		
i) Cash and Cash Equivalents		
In Current Accounts	370.07	262.07
In Unpaid Dividends A/c	-	6.03
Cheques and Draft on Hand	122.14	93.65
Cash on Hand	88.22	284.13
	<u>580.43</u>	<u>645.88</u>
ii) Other Bank Balances		
in Fixed Deposit Pledged against Margin and other Commitments	2,575.85	4,491.56
Total	<u>3,156.28</u>	<u>5,137.44</u>

NOTES FORMING PART OF ACCOUNTS

	AS AT 31.03.15 Rs.(in Lacs)	AS AT 31.03.14 Rs.(in Lacs)
18. SHORT TERM LOANS & ADVANCES		
(Unsecured, Considered Good)		
(A) Loans & Advances to Related Parties (With Subsidiaries Company)	0.00	0.00
(B) Others		
Balances With Revenue Authorities	92.26	127.23
Advance Income Tax /Tds Recoverable	153.40	114.48
Other Receivables	2,467.19	535.13
Total	<u>2,712.85</u>	<u>776.84</u>
Includes Advance to suppliers, Staff, Prepaid Expenses etc.		
19. OTHER CURRENT ASSETS		
Export Incentive Receivable	724.21	717.21
Insurance and other Claim Receivable	138.71	153.41
Interest Accrued but not due	84.70	80.43
Interest Accrued	-	11.00
Minimum Alternate Tax Adjustable	12.14	12.14
Total	<u>959.76</u>	<u>974.19</u>
	YEAR ENDED	YEAR ENDED
	31.03.15	31.03.14
20. REVENUE FROM OPERATIONS		
(A) Sale of Products		
(Including Traded Goods)		
Export	21,771.28	27,684.86
Domestic	39,519.69	50,483.61
Sub Total (A)	<u>61,290.97</u>	<u>78,168.47</u>
(B) Other Operating Revenues		
Scrap/Waste Sale	2,235.40	2,667.28
D.E.P.B/Duty Drawback/Export Incentives	1,323.02	1,531.65
Job Work Receipt	254.49	107.68
Sub Total (B)	<u>3,812.91</u>	<u>4,306.61</u>
Total (A+B)	<u>65,103.88</u>	<u>82,475.08</u>
	Rs.(in Lacs)	
Details of Product Sold	2014-15	2013-14
Yarn	43490.31	57870.17
Fabric/Made up/Fashion	13759.49	16081.30
Architectural Products	2772.80	2437.78
Others	1268.37	1779.22
Total	<u>61290.97</u>	<u>78168.47</u>
21. OTHER INCOME		
(A) Income from Interest	350.23	371.96
(B) Other Non Operating Income	151.37	223.89
(C) Foreign Currency exchange fluctuation (Net)	219.43	497.15
Total	<u>721.03</u>	<u>1,093.00</u>

NOTES FORMING PART OF ACCOUNTS

	YEAR ENDED 31.03.15 Rs.(in Lacs)	YEAR ENDED 31.03.14 Rs.(in Lacs)
22. COST OF MATERIAL CONSUMED (Refer Note No. 50)		
Opening Stock	24,110.08	21,932.94
Add: Purchases	41,402.84	56,239.13
Total	65,512.92	78,172.07
Less: Closing Stock	24,529.87	24,110.08
Total	40,983.05	54,061.99
23. PURCHASE OF STOCK-IN-TRADE (Refer Note No. 51)	1,586.83	3,066.65
24. CHANGE IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS		
Inventories (at commencement)		
Finished Goods	8,606.77	8,767.22
Work-in-Progress	4,554.21	4,389.01
Sub Total (A)	13,160.98	13,156.23
Inventories (at end)		
Finished Goods	8,324.49	8,606.77
Work-in-Progress	4,986.15	4,554.21
Sub Total (B)	13,310.64	13,160.98
Total (A-B)	(149.66)	(4.75)
25. EMPLOYEE BENEFIT EXPENSES		
Salaries Including other Benefits	3,452.51	3,270.25
Wages Including other Benefits	3,036.77	3,629.82
Contribution to Provident & other Funds-Wages	175.00	154.57
Contribution to Provident & other Funds-Salary	56.96	44.57
Gratuity	87.17	57.14
Staff Welfare	110.88	110.87
Managerial Remuneration (Refer Note No. 49)	16.13	26.86
Total	6,935.42	7,294.08
26. FINANCE COST		
Interest to Banks & Fin. Institutions (Refer Note No. 38)	0.28	10,949.38
Interest to Others	419.34	285.26
Other Borrowing Cost	0.87	112.26
Total	420.49	11,346.90

NOTES FORMING PART OF ACCOUNTS

	YEAR ENDED 31.03.15 Rs.(in Lacs)	YEAR ENDED 31.03.14 Rs.(in Lacs)
27. OTHER EXPENSES		
Manufacturing Expenses		
Production Expenses	958.91	824.20
Security & Vigilance	60.01	52.58
Consumption Of Stores & Spares	1,350.84	1,187.18
Power & Fuel	5,495.21	5,979.07
Carriage & Cartage	36.13	51.61
Administrative Expenses		
Rent	53.91	240.13
Insurance	145.22	164.88
Rates & Taxes	24.95	33.52
Postage & Telegram	20.56	22.93
Printing, Stationery & Computer Expenses	58.09	61.22
Legal & Professional Expenses	374.41	394.87
Travelling & Conveyance - Others	415.16	471.27
Travelling & Conveyance - Directors	18.52	21.84
Telephone ,Fax & Internet Exp.	72.26	73.22
Books & Periodicals	0.87	1.33
Fees & Subscription	31.47	28.38
General Expenses	40.89	37.28
Bank Charges	133.25	117.64
Payment to Auditors (Refer Note 32)	17.53	17.53
Vehicle Running Expenses	118.09	141.33
Donation	0.02	1.00
Hank Yarn Obligation	57.07	45.10
Loss on Foreign Currency Fluctuation	3.45	-
Misc. and Deferred Revenue Expenditure W/off	-	0.12
Prov. For Investment	-	2.39
Loss on Disposal/Sale of Assets	14.68	7.12
Repairs & Maintenance		
Building	21.85	54.00
Machinery	86.99	75.21
Others	67.43	69.54
Selling & Distribution Expenses		
Packing & Forwarding	2,409.26	2,124.84
Sales Promotion & Incentives	919.55	1,097.04
Cash Discount	47.05	103.20
Bad Debts W/OFF	-	35.42
Prov. For doubtful Debts	141.89	95.67
Advertisement & Publicity	84.49	101.49
VAT/Sales Tax Paid	2.25	33.29
Freight on Exports	1,010.92	998.24
Sub Total	14,293.18	14,765.68
Prior Period Expenses (Net)	4.63	20.80
Total	14,297.81	14,786.48

NOTES FORMING PART OF ACCOUNTS
28. Basic & Diluted Earnings Per Share:

Particulars	For the year ended 31 st March 15	For the year ended 31 st March 14
Profit (Loss) for the Year before Preference Dividend and attributable tax thereon Rs.(in Lacs)	(2942.02)	(11756.21)
Less:- Preference Dividend and attributable tax Rs.(in Lacs)	(1266.28)	(1230.90)
Profit/(Loss) attributable to the Equity shareholders after Preference Dividend and attributable tax thereon Rs.(in Lacs) - (A)	(4208.30)	(12987.11)
Weighted average number of equity shares outstanding during the year - (B)	39114100	39114100
Nominal value of equity shares (Rs.)	10.00	10.00
Basic & Diluted Earnings per share (Rs.)	(10.76)	(33.20)

Note : Since the diluted negative EPS is less than basic EPS hence the basic and diluted EPS is considered same.

29. Earnings in Foreign Exchange

Rs.(in Lacs)

Particulars	For the year ended 31 st March 15	For the year ended 31 st March 14
F.O.B. Value of Exports	21724.24	27429.81

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

Rs.(in Lacs)

Particulars	For the year ended 31 st March 15	% of consumption	For the year ended 31 st March 14	% of consumption
Raw Material				
Imported	2196.37	5.36%	2447.10	4.53%
Indigenous	38786.68	94.64%	51614.89	95.47%
Total	40983.05	100.00	54061.99	100.00
Stores				
Imported	627.78	46.47%	311.77	26.26%
Indigenous	723.06	53.53%	875.42	73.74%
Total	1350.84	100.00	1187.19	100.00

31. C.I.F. Value of Imports

Rs.(in Lacs)

Particulars	For the year ended 31 st March 15 Amount	For the year ended 31 st March 14 Amount
Raw Materials	2066.33	2399.78
Capital Goods	64.50	228.21
Components & Spare Parts	638.40	296.69

NOTES FORMING PART OF ACCOUNTS

32. Payment to Auditors

Rs.(in Lacs)

Particulars	For the year ended 31 st March 15	For the year ended 31 st March 14
a. Audit Fee	13.82	13.82
b. Other Services	3.71	3.71

33. Expenditure in Foreign Currency

Rs.(in Lacs)

Particulars	For the year ended 31 st March 15	For the year ended 31 st March 14
Foreign Travels	58.22	80.11
Others	381.22	440.47

34. Holdings of Alps Industries Limited in its Subsidiaries:

Name of the Subsidiary	Country of Incorporation	Holding as on 31 st March 2015	Holding as on 31 st March 2014
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.

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 Pvt. Limited
 - : Careen Fintec Pvt. Ltd
 - : Coronation Spinning India Pvt. Ltd
 - : Pacific Texmark Pvt. Ltd.
 - : Padam Precision Dies & Component Pvt. Ltd
 - : Peek Finvest Pvt. Ltd
 - : Perfect Finmen Services Pvt. Ltd
 - : Roseate Finevest Pvt. Ltd.
 - : Saurabh Floriculture Pvt. Ltd
 - : Supreme Finvest Pvt. Ltd
 - : Aspen Enterprises
 - : Peek Texfab Limited
 - : DRS Securities Pvt. Limited
 - : Supersonic Telecommunication Pvt. Limited

NOTES FORMING PART OF ACCOUNTS

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

Transactions with Related Parties for the year ended 31st March 2015 are as follows:

Rs.(in Lacs)

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)	3007.23 (1108.08)	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. Advance /Loans given	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	- -
g. Sitting fee to KMP					
- Non-Executive Chairman	-	-	-	-	0.40 (0.40)
Remuneration to KMP					
- Managing Director	-	-	-	-	3.00 (15.00)
- Executive Director (WTD)	-	-	-	-	13.13 (11.86)
- President Account and Finance	-	-	-	-	13.75 (13.75)
- Company Secretary	-	-	-	-	6.47 (6.47)
h. Salary to relative of KMP					
- Mrs. Sanyog Agarwal	-	-	-	-	5.23 (5.23)
- Mrs. Nidhi Agarwal	-	-	-	-	9.60 (9.60)
- Mrs. Indu Singhal	-	-	-	-	7.44 (7.44)
i. Balance at the yearend (cr.)	NIL (NIL)	NIL (NIL)	NIL (NIL)	NIL (NIL)	- -
j. Balance at the yearend (dr.)	12.19 (12.19)	0.54 (0.54)	1242.25 (58.22)	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 Lacs)

Particulars	SEGMENTS							
	Home Furnishing & Fashion Accessories		Yarn		Architectural Products		Total	
Year	For the year ended 31 st March 2015	For the year ended 31 st March 2014	For the year ended 31 st March 2015	For the year ended 31 st March 2014	For the year ended 31 st March 2015	For the year ended 31 st March 2014	For the year ended 31 st March 2015	For the year ended 31 st March 2014
Segment Revenues	16697.90	18926.96	47327.57	61,362.39	4013.61	4,172.13	68,039.08	84,461.48
Less Inter Segment Revenue	398.62	312.21	2737.64	1,933.46	-	-	3,136.26	2,245.67
Net Segment Revenue	16299.28	18614.75	44589.93	59,428.93	4013.61	4,172.13	64,902.82	82,215.81
Segment Results	(831.27)	(1,196.23)	(2369.94)	(285.36)	(35.45)	28.74	(3,236.65)	(1,412.36)
Less Financial Expenses							(420.49)	(11,387.39)
Less Un-allocable expenses							-	-
Add Other Income							721.03	1,093.00
Profit before tax							(2,936.10)	(11,747.24)
Other Informations								
Segment Assets	38068.18	36,996.43	55278.01	64,161.86	2684.71	2,751.16	96,030.90	103,909.45
Unallocated Assets							7921.66	5974.04
Total Assets							103,952.56	109,883.49
Segment Liability	23419.53	18,527.71	21450.89	28,546.61	1990.04	2,081.55	46860.46	49155.87
Unallocated liability							95,515.75	96,083.85
Share Capital, Reserve & Surplus and Profit & Loss							(38,423.65)	(35,356.23)
Total Liability							103,952.56	109,883.49
Capital Expenditure	223.54	277.59	279.33	332.00	20.54	101.04		-
Depreciation	1466.70	2005.42	2902.60	2418.61	90.18	59.09		-
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 Lacs)
	SEGMENTS						
	Domestic		Export		Total		
	For the year ended 31 st March 2015	For the year ended 31 st March 2014	For the year ended 31 st March 2015	For the year ended 31 st March 2014	For the year ended 31 st March 2015	For the year ended 31 st March 2014	
Segment Revenue	41808.52	52999.31	23094.30	29216.50	64,902.82	82215.81	

37. Contingent Liabilities and Commitments
A) Contingent liability exists in respect of:

Particulars	Rs.(in Lacs)	
	As at 31.03.2015	As at 31.03.2014
a) Guarantees issued by banks on behalf of company.	97.69	236.35
b) Claims against the company not acknowledged as debts	1660.18	997.49
c) Other Claims against the company not acknowledged as debt :		
I. The Company had certain exotic derivative transactions with ABN Amro Bank, which the Company has disputed in an earlier year as these transactions were per se illegal and also not within the exchange control 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. ABN Amro Bank had communicated an estimated liability of the Company against these transactions of Rs. 12530 Lac (P.Y. Rs. 12530 Lac). Subsequently, the deal expired in June 2010 and as per assessment by the independent expert, the maximum claim which can be raised by the bank against the company is Rs. 30800 Lac as of June 2010, excluding any fee or any amount received/ paid or payable on settlement. However bank has not communicated any further amount to the company during last about 5 years. On the basis of legal opinion, the Company has not admitted the claims and filed a suit in the competent civil court who had issued an interim order for maintenance of status quo with regard to recovery towards these transactions, which is still continued. The Hon'ble Allahabad High Court while admitting the appeal of the bank against this status quo order and the suit has directed the continuation of the status quo order granted by the Hon'ble Civil Court and also stayed the proceedings before Hon'ble Civil Court till further order. The said appeal is still under consideration of Hon'ble High Court. In view of above facts, no provision against these transactions is considered necessary.		
II. 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 lac (P.Y. Rs. 601.11 lac) in respect of certain foreign currency derivative transactions which were 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 Lac (P.Y. Rs. 1435 Lac) 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.		

NOTES FORMING PART OF ACCOUNTS

- III. DBS Bank Ltd. has raised claims amounting to US\$ 91.09 Lac & Rs. 667.39 lac (totaling to Rs. 6369.38 lac, approx) (P.Y. totaling to Rs. 6142.45 lac approx) against the Company in respect of certain foreign currency derivative transactions which were 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.
- IV. Merrill Lynch Capital Services Inc. raised a claim of US\$ 195.80 Lac (Rs. 12255.24 Lac approx.) (P.Y. Rs. 11767.54 Lac approx.) against the company in respect of an alleged corporate guarantee of US\$ 100 Lac (Rs. 6259.08 lac approx.) (P.Y. Rs. 6009.98 Lac approx.) to be given by the company for one of its subsidiary company M/s Alps USA Inc. These claims relate to derivative transactions with subsidiary company and corporate guarantee thereof which were 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.
- V. 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 Lac, 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:-

	31.03.2015	Rs.(in Lacs) 31.03.2014
i) Estimated amount of contracts remaining to be executed On capital account and not provided for:	60.40	52.58
ii) Arrears of preferential dividend as on 31.03.2015 amounting to Rs 3995.28 Lac (Previous year amounting to Rs. 2943.18 Lac).		

C) Forward Contracts outstanding:-

	31.03.2015	Rs.(in Lacs) 31.03.2014
a) Forward Contracts	2665.87	NIL
38. In view of consent of secured creditors consisting more than 83% of the secured debts of the Alps Industries Ltd. to the Draft Rehabilitation Scheme pending under consideration of the Hon'ble BIFR, which inter alia envisages complete waiver of interest outstanding towards secured and unsecured loans from Banks/ARC/Financial institutions and subsidiary companies, provision for interest for the Financial Year 2014-15 amounting to Rs.12201.24 Lac payable to these lenders is not considered necessary.		
39. Pursuant to the enactment of Companies Act, 2013 (the Act), and applicability of Schedule II from the current financial year, the company has reviewed and revised the estimated useful lives of its fixed assets in accordance to the Schedule II of the Act. However in case of assets which have been capitalized along with its main assets but now		

NOTES FORMING PART OF ACCOUNTS

required to be depreciated differently under the Act has been segregated from its main block of assets from the estimated date and amount of its capitalization and depreciation has been charged accordingly.

40. Certain assets lying at the erstwhile units at Kashipur and Jaspur of Alps Industries Ltd. have not been reviewed w.r.t. its impairment at the end of the year for want of access since these are under the possession of lessor, SIDCUL. With regard to Impairment of other Assets, on assessment it is ascertained that no potential loss is present. Accordingly no 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 31.03.15 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. The unclaimed dividend amounting to Rs. 6.03 Lac for the Financial Year 2006-07 (Rs. 2.50 Lac for the Financial Year 2005-06) has been transferred to the Investor Education and Protection Fund, as per the provisions of Section 124(5) 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. Further the company is in the process of identifying the slow/non moving or damaged inventory and the financial impact, if any, will be given in the books of accounts on the completion of the same.

44. Pending sanction of the Draft Rehabilitation Scheme (DRS) of Alps Industries Ltd. by the Hon'ble BIFR, the amount paid to secured lenders in terms of repayment proposed in the DRS, have been accounted as 'Advance Against Settlement' and shown as Current Assets. The same will be set off against their due repayment as per DRS upon sanction of the Scheme by the Hon'ble BIFR.

45. Sales are net of Rebate & Discounts amounting to Rs. 702.26 Lac (Previous Year Rs. 774.10 Lac).

46. The Alps Industries Ltd. had filed a Reference with Hon'ble Board of Industrial & Financial Restructuring (BIFR) under Section 15 of the SICA. The BIFR has registered the company vide letter no. 3 (A-4)/BC/2010 dated 29th June 2010 and vide Order dated 06.12.2010, declared the company as Sick Industrial Company under Section 3 (1) (o) of the SICA. The Draft Rehabilitation Scheme (DRS) of the company as consented by the secured creditors constituting more than 83% of the total secured debts of the company filed in terms of the directions of the Hon'ble BIFR, is pending under consideration with Hon'ble BIFR. The Financial Statements are prepared under going concern concept and the management is hopeful of an early sanction of the Scheme.

47. The Alps Industries Ltd. has received communication from State Bank of India, State Bank of Mysore, Exim Bank, State Bank of Hyderabad, State Bank of Patiala, State Bank of Bikaner and Jaipur, UCO Bank and HSBC Bank stating that they have assigned their dues recoverable from company (except an amount of Rs.100 Lac retained by State Bank of India) to M/s Edelweiss Assets Reconstruction Company Ltd. and from IDBI Bank stating that it has assigned its dues recoverable from company to M/s Assets Reconstruction Company India Ltd. The same however does not have any effect on the Balance Sheet or Profit and Loss account of the company for the year as the same requires only substitution of the name of the ARCs for the transferor banks.

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 Lacs)	
	For the year ended 31 st March 15	For the year ended 31 st March 14
Employers contribution to Provident Fund and Employee's State Insurance Corporation	231.96	199.14

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:

Particulars	Gratuity (Unfunded)		Earned Leave (Unfunded)	
	For the Year ended 31 st March 15	For the Year ended 31 st March 14	For the Year ended 31 st March 15	For the Year ended 31 st March 14
Discount Rate (per annum)	7.75%	8.75%	7.25%	8.75%
Future Salary Increase	5.25%	6.25%	5.25%	6.25%
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	56.12	47.53	30.08	25.26
Past Service Cost - Vested	Nil	Nil	Nil	Nil
Interest Cost	20.59	18.68	7.81	6.52
Net Actuarial (Gain)/ Loss recognized in the year	10.46	(9.07)	0.09	3.48
Total Expenses	87.17	57.14	37.98	35.26
II. Net Assets /(Liability) recognized in the Balance Sheet				
Present value of the Defined Benefit obligation	270.75	235.26	105.07	89.24
Fund Status (Deficit)	(270.75)	(235.26)	(105.07)	(89.24)
Net assets/ (Liability)	(270.75)	(235.26)	(105.07)	(89.24)
III. Change in present value of obligation				
Present Value of obligation as at the beginning of the period	235.26	233.54	89.24	81.47
Interest Cost	20.59	18.68	7.81	6.52
Past Service Cost - Vested	Nil	Nil	Nil	Nil
Current Service Cost	56.12	47.53	30.08	25.26
Benefits Paid	(51.68)	(55.41)	(22.15)	(27.49)
Actuarial (gains)/ Loss on obligation	10.46	(9.07)	0.09	3.48
Present Value of obligation as at the end of the period	270.75	235.26	105.07	89.24

49. Directors Remuneration

Rs.(in Lacs)

Particulars	For the year ended 31 st March 15	For the year ended 31 st March 14
Salary	15.81	26.61
Perquisites	00.32	00.25
Total	16.13	26.86

NOTES FORMING PART OF ACCOUNTS

50 Particulars of Raw Material Consumption

Rs.(in Lacs)

Particulars	For the year ended 31 st March 15	For the year ended 31 st March 14
Cotton	31489.74	42569.63
Yarn	3226.12	3619.21
Fabric	2118.10	2614.09
Architectural Products	2570.32	2055.82
Others	1578.77	3203.24
Total	40983.05	54061.99

51. Details of Purchases of Stock-in-Trade

Rs.(in Lacs)

Particulars	For the year ended 31 st March 15	For the year ended 31 st March 14
Yarn	769.68	1015.61
Fabric	684.01	1884.07
Architectural	133.14	166.97
Total	1586.83	3066.65

52. Inventories

Rs.(in Lacs)

Particulars	As at 31 st March 15	As at 31 st March 14
Work-in-Progress		
Cotton / Fibre	2671.39	1717.54
Yarn	1945.58	2355.22
Fabric / Made up	340.55	445.91
Others	28.63	35.54
Total	4986.15	4554.21
Finished Goods		
Yarn	5468.91	6458.81
Fabric / Made up	2774.07	1949.60
Others	81.51	198.36
Total	8324.49	8606.77

53. 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 attached

For P. Jain & Co.

Chartered Accountants

(Firm Registration No. : 000711C)

Munish Kr. Jain

Partner

Membership No. : 070335

Place : Ghaziabad

Date : May 30, 2015

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

NOTES FORMING PART OF ACCOUNTS

DISCLOSURE OF ADDITIONAL INFORMATION PERTAINING TO THE PARENT COMPANY, SUBSIDIARIES AND JOINT VENTURES UNDER SCHEDULE III OF COMPANIES ACT, 2013.

Rs.(in Lacs)

S. No.	Name of the Entity	Net Assets (Total Assets - Total Liabilities)		Share in Profit or Loss	
		As % of Consolidated Net Assets	Net Assets as on 31.03.2015	As % of Consolidated Profit or Loss	Profit/ (Loss) for the Year Ended on 31.3.2015
	Parent Company Alps Industries Limited	106.70%	(40,018.93)	100.32%	(2,948.70)
	Subsidiary Company				
1.	Alps Energy Pvt. Ltd.	-4.34%	1,629.65	-0.22%	6.59
2.	Snowflakes Meditech Pvt. Ltd.	-3.04%	1,138.53	-0.10%	2.82
3.	Alps USA Inc.	0.68%	(255.96)	0.00%	(0.00)

As per our report of even date attached

For P. Jain & Co.

Chartered Accountants
(Firm Registration No. : 000711C)

Munish Kr. Jain

Partner
Membership No. : 070335

Place : Ghaziabad
Date : May 30, 2015

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 2015, The statement has been prepared by the Company in accordance with the requirements of clause 32 of listing agreement 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, 2015 to the members of the Company.

For P. Jain & Co.
Chartered Accountants
Firm Registration No. : 000711C

Place : Ghaziabad
Date : May 30, 2015

Munish Kr. Jain
Partner
Membership No. : 070335

IMPORTANT AND USEFUL LINKS :

1. **Board of Directors :** 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-transction-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>.



Alps Industries Limited

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e-mail : alps@alpsindustries.com • www.alpsindustries.com

FORM A

Format of covering letter in terms of SEBI circular no.CIR/CFD/DIL/7/2012 dated August 13, 2012 of the Annual Audit Report to be filed with the Stock Exchange.

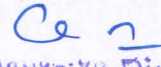
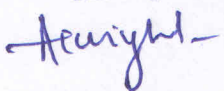

1.	Name of the company	ALPS INDUSTRIES LTD.
2.	Annual Financial Statements for the year ended	31 st March, 2015
3.	Type of Audit observation	<p>Un-qualified / Matter of Emphasis Details of Matter of Emphasis:</p> <p>The Auditors have emphasized the following Matters in their Audit Report dated 30th May 2015 on the Annual Financial Statement for the year ended on 31.03.2015:</p> <p>“Emphasis of Matters</p> <p>We draw attention to the following matters in the Notes to Financial Statements:</p> <ol style="list-style-type: none"> 1. To the Note no. 37 relating to non provision of interest amounting to RS. 12291.33 lac for the financial year 2014-15 on loans taken from banks/Financial Institution/ARC/Subsidiary companies pursuant to consent of the secured lenders, constituting more than 83% of the outstanding secured debt of the company, to the Draft Rehabilitation Scheme (DRS) which is pending consideration before the Hon’ble BIFR, which interalia envisages the complete waiver of all outstanding interest from these lenders. 2. To note no 42 regarding pending confirmation of balances from trade receivable, loans & Advances and trade payables and reconciliation thereof and ascertainment of slow, non moving and damaged inventory and impact thereof, if any. 3. To the Note no. 43 relating to non adjustment of amounts paid to secured lenders in terms of settlement reached with them, under consideration of the DRS by the Hon’ble BIFR. 4. To the Note no. 45 which briefs the status of the reference of the company filed with the Hon’ble Board of Industrial & Financial Reconstruction (BIFR) u/s 15 of the Sick Industrial Companies (Special Provisions) Act, 1985. The financial statements have been prepared by the company on going concern basis pending sanction of the rehabilitation scheme by the Hon’ble BIFR.”



C-2
 Aswight
 [Signature]

FORM A

Format of covering letter in terms of SEBI circular no.CIR/CFD/DIL/7/2012 dated August 13, 2012 of the Annual Audit Report to be filed with the Stock Exchange.

4.	Frequency of Qualification	First Time, w.e.f. Financial Year 2014-15.	
5.	To be signed by- CEO/Managing Director CFO Auditor of the Company Audit Committee Chairman	<p align="center">Name</p> <p>Sandeep Agarwal (DIN No:-00139439)</p> <p>A.K. Singhal</p> <p>For P. Jain & Co. Chartered accountants (Firm Reg. No. 000711C)</p> <p>Munish Kr. Jain (Partner) Membership No. 070335</p> <p>Tilak Raj Khosla (DIN No:-02724242)</p>	<p align="center">Signature</p> <p>for Alps Industries Ltd  Managing Director</p> <p></p> <p></p>

Note: As Mr. Prabhat Krishna, the Chairman of Audit Committee was on leave of absence in the Audit Committee & Board Meetings held on May 30, 2015, Mr. T. R. Khosla an Independent Director and Member of Audit Committee was appointed as the Chairman of the Meeting. Hence the Form is being signed by Mr. T. R. Khosla.

FORM B

Format of covering letter in terms of SEBI circular no.CIR/CFD/DIL/7/2012 dated August 13, 2012 of the Annual Audit Report to be filed with the Stock Exchange.

1.	Name of the company	ALPS INDUSTRIES LTD.
2.	Annual Financial Statements for the year ended	31 st March, 2015
3.	Type of Audit qualification	<p>Detail of Qualification in Audit Report: The Auditors have given the following qualification with regard to non provisioning of disputed claims in earlier years against company in their Audit Report dated 30th May 2015 on the Financial Statements for the year ended on 31st March, 2015:</p> <p align="center"><i>“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.”</i></p>
4.	Frequency of qualification	Since Financial Year 2008-09
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	<p>Please refer to note nos. 36 (A) (d) I, II, III and IV to the notes to account in the financial statements as of 31st March 2015 with regard to contingent liability in respect of illegal & disputed claims towards derivative transactions and corporate guarantee against the company reproduced as under:</p> <p>36 (A) (d)</p> <p>I. The Company had certain exotic derivative transactions with ABN Amro Bank, which the Company has disputed in an earlier year as these transactions were per se illegal and also not within the exchange control 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. ABN Amro Bank had</p>



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	<p>communicated an estimated liability of the Company against these transactions of Rs. 12530 Lac (P.Y. Rs. 12530 Lac). Subsequently, the deal expired in June 2010 and as per assessment by the independent expert, the maximum claim which can be raised by the bank against the company is Rs. 30800 Lac as of June 2010, excluding any fee or any amount received/ paid or payable on settlement. However bank has not communicated any further amount to the company during last about 5 years. On the basis of legal opinion, the Company has not admitted the claims and filed a suit in the competent civil court who had issued an interim order for maintenance of status quo with regard to recovery towards these transactions, which is still continued. The Hon'ble Allahabad High Court while admitting the appeal of the bank against this status quo order and the suit has directed the continuation of the status quo order granted by the Hon'ble Civil Court and also stayed the proceedings before Hon'ble Civil Court till further order. The said appeal is still under consideration of Hon'ble High Court. In view of above facts, no provision against these transactions is considered necessary.</p> <p>ii. 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 lac (P.Y. Rs. 601.11 lac) in respect of certain foreign currency derivative transactions which were 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</p>
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	<p>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 Lac (P.Y. Rs. 1435 Lac) 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.</p> <p>III. DBS Bank Ltd. has raised claims amounting to US\$ 91.09 Lac & Rs. 667.39 lac (totaling to Rs. 6369.38 lac, approx) (P.Y. totaling to Rs. 6142.45 lac approx) against the Company in respect of certain foreign currency derivative transactions which were 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.</p> <p>IV. Merrill Lynch Capital Services Inc. raised a claim of US\$ 195.80 Lac (Rs. 12255.24 Lac approx.) (P.Y. Rs.</p>
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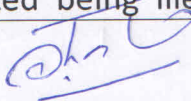


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		<p>11767.54 Lac approx.) against the company in respect of an alleged corporate guarantee of US\$ 100 Lac (Rs. 6259.08 lac approx.) (P.Y. Rs. 6009.98 Lac approx.) to be given by the company for one of its subsidiary company M/s Alps USA Inc. These claims relate to derivative transactions and corporate guarantee thereof which were 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.</p> <p>Management's Response to the Auditors qualification in the Board of Directors report dated 30th May, 2015 is as follows:</p> <p>"Observations in the Auditors' Report are dealt within notes to accounts at appropriate places and being self explanatory, needs no further explanations."</p>
6.	Additional Comments from the Board/Audit Committee chair:	<p>This may relate to nature of the qualification including materiality agreement/disagreement on the qualification, steps taken to resolve the qualification, etc.</p> <p>In fact the subject matter of auditor's qualification relates to certain derivative transactions & Corporate Guarantee for derivative transactions (transactions or contracts) of the years 2006-09. These transactions are actually void ab-initio and these resultant claims are disputed being illegal.</p>

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		<p>However the claims against these transactions are disclosed as contingent liability under Note Nos. 36 (A) (d) I, II, III and IV to the notes to Account in the financial statements as of 31st March, 2015.</p> <p>Some of the discrepancies of these transactions (Derivative as well as Corporate Guarantee) are as under:</p> <ol style="list-style-type: none">i. The Company while executing the aforesaid Contracts was actually got lewd by the Market tactics of the respective Bankers/Parties to persuade the Company to enter into these transactions.ii. In terms of the FEMA & its guidelines these Derivate Contracts/options could not have been entered into by the Company. The writing of option contract was permitted at that time only to the Authorized Dealer and the clients were actually prohibited to write options.iii. In term of extent FEMA Guideline, the Company could have only purchased Derivative contracts against payment of a clear cut premium.iv. The Company had no underlying exposure to the Foreign Exchange Market in relation to which the permuted transaction could have been entered by the company in pursuance to extent of RBI/FEMA guidelines under FEMA Act.v. The receipt of premium by the Company was prohibited in terms of the then FEMA Guidelines.vi. In fact while writing the Derivative Option
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	<p>Contract and taking the consent of the Company thereto, the technicality and details of the Derivatives Contracts were never explained to the Company or to any of its officials and very complex Derivative Option Contracts were executed by the aforesaid Bankers i.e. ABN Amro Bank, DBS Bank, Kotak Mahindra Bank with the Company without making the Company understand that a very small upside of the contract, whereas the huge downside (that is the possibility of making losses is unlimited) of the Company.</p> <p>vii. That conceptually, in an option contract the option writer charges a premium from the option buyer, where by the option writer provides an option to the option buyer, an option to buy or sell a currency on a pre determined date at a pre-determined rate. The option purchasers only have an option and no obligation to execute the contract. Therefore the maximum loss an option writer can incur is limited to the premium paid by the option purchaser to the option writer.</p> <p>viii. That in this background only the exchange control manual containing RBI guidelines under FEMA Act clearly provides that Foreign Exchange Derivatives are complex product and were after being permitted for the first time after a long gap of more than 3 decades, only with a clear cut condition that the Authorized Dealer, through verification of Documentary Evidence is satisfied about the genuineness of the underlying exposure.</p>
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	<p>ix. That the Company authorized the execution of derivative contracts vide Resolution dated June 02, 2004, Feb 02, 2007 and Feb 29, 2008 and these aforesaid Resolutions authorizes the execution of derivatives <i>"to hedge currency fluctuation in respect of its export and import contracts and foreign currency loans and other foreign currency related matters as permitted by the Reserve Bank of India"</i>. In our view, the execution of the various contracts analyzed in this note, which start with swapping rupee debt into JPY, are not covered by the powers delegated under the said resolutions nor does the writing of options seem to be covered by the company's Memorandum.</p> <p>x. That the whole transactions entered into by the Company with ABN Amro Bank was in gross violation of Foreign Exchange Regulations and was a clear case of defrauding the Company by the concerned banks taking benefit of ignorance of complex technicalities of derivative transaction by the Company's management.</p> <p>xi. That the Company entered into similar derivative transaction with other two banks i.e. Kotak Mahindra Bank and DBS Bank.</p> <p>xii. That the Company was only one of the thousands of corporate which were duped by the fraudulent approach of several banks, while undertaking Foreign Exchange Derivative Transactions arising out of the white spread losses and claims raised by</p>
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	<p>banks on large number of Corporate, a Public Interest Litigation was filed by Writ Petition (Crl.) No. 344 of 2009 in the name of Pravanjan Patra Vs. Republic of India & others before Hon'ble High Court of Orissa at Cuttack.</p> <p>xiii. That the Hon'ble Orissa High Court had also got conducted preliminary enquiry in the matter by the Central Bureau of Investigation (CBI).</p> <p>xiv. That Hon'ble Orissa High Court has made following important observation in Para 13 to 16 to their order dated 24th Dec, 2009 in the Writ Petition (Crl.) No. 344 of 2009 which are reproduced herein below for kind reference.</p> <ol style="list-style-type: none">1. Para 13 of the Hon'ble Orissa High Court Judgment states that upon Perusal of the report of CBI, as mentioned above and considering the facts and circumstances of the case, prima facie we are of the opinion that commission of offences of cheating, criminal conspiracy and fraud cannot be ruled out. This Court has not formed any opinion about the involvement of officers of RBI. Therefore, the apprehensions of the learned counsel for the RBI that this court may not take the submission of the learned counsel for the petitioner for granted that there is involvement of the officials of the RBI has no relevance.2. Para 14 of the Hon'ble Orissa High Court Judgment states that from the above mentioned facts and circumstances, it appears
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	<p>that besides serious irregularities as admitted in the report of CBI, as indicated above, the following criminal actions cannot be ruled out (i)making false declaration deliberately by the users/ customers in making hedge transactions in excess of their exposures, (ii) IDG has identified violation which are serious in nature and appears to be intentional and deliberate which also forms mensrea in commission of offence, (iii) booking of contracts under past performance basis beyond 50% of the eligible limit without obtaining CA certificate, (iv) misuse of transactions by using photocopies of the same underlying to enter into different contracts with different banks. The CBI has specifically observed in the report that there is clear cut violations of the guidelines of RBI and it may be said that there is enough in this world for every one's need but not for any one's greed .There are apparent violation of FEMA and if investigation is done by the CBI, the violation of FEMA can also seen and on that basis criminal offences can also be found out.</p> <p>3. Para 15 of the Hon'ble Orissa High Court Judgment states that from the Facts that false declaration were made as also from the abovementioned actions, the commission of offences of cheating, fraud and criminal conspiracy cannot be ruled out. The CBI has conducted a thorough enquiry. The Action of the CBI is appreciable. CBI is the reputed investigating agency and there is no other investigating agency of national level in the country. The instant matter is the matter of the national interest. If the allegations are found to</p>
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	<p>be true, then CBI would be busting a large financial scam affecting the economy of the country. The culprits should not, therefore, be allowed to go free. Considering the facts and circumstances we think it appropriate that the matter should be investigated by the CBI and action in accordance with the law should be taken.</p> <p>4. Para 16 of the Hon'ble Orissa High Court Judgment states that in the result, we allow this writ petition and direct the CBI to investigate in to the offences on the basis of above observation.</p> <p>xv. That the aforesaid Judgment of Hon'ble Orissa High Court is under appeal before Hon'ble Supreme Court, whereby under Case No. CRLMP No.4199/2010 [CRLMP No. 5475/2015] The Hon'ble Supreme Court had given an Interim Stay to the Judgment of Hon'ble Orissa High Court.</p> <p>xvi. That the Company had filed several cases against ABN Amro Bank, DBS Bank Limited and Kotak Mahindra Bank against their illegal demands & debit notes in pursuance to complex Cross Currency Derivatives Contract entered into by the Company with them. In all the cases filed in the Year 2008 & 2010, there is a stay by an appropriate Court against the banks to recover the alleged demands. However in case of Kotak Mahindra Bank, in view of the circumstances, subsequently the Court did not consider the need of continuing its earlier stay order.</p>
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- xvii.** That an Amount of Rs. 10649.42 Lac [US\$ 19.57 Millions] has also been reflected as Contingent Liability in the Financial Statement for the year ended on 31st March 2013 towards the demand made on the company against the Corporate Guarantee provided by the Company in favour of Merrill Lynch Inc, USA in respect of the Derivative Transactions undertaken by 100% subsidiary of the Company [Alps USA Inc]. It may be noted that the Corporate Guarantee executed for US\$ 10 Million only whereas a claim has been raised as equivalent to US\$19.57 Millions. That it may be further noted that the derivative transactions have been entered into with the subsidiary company in India only by the MLCS which are not permitted by FEMA. It may be noted that the Corporate Guarantee executed by the Company was not permitted in terms of Indian Foreign Exchange Regulation and accordingly returned to be taken on record (rejected) by the Reserve Bank of India.
- xviii.** That in furtherance to the disputed demands by ABN Amro Bank, Kotak Mahindra Bank, DBS Bank, the Board of Directors of the Company considers the matter and demands to disclose the estimated claims of these Banks as a contingent liability in the financial statement for the financial year ending on 31st March 2009 onwards.
- xix.** That the disclosure of the claims of the banks as a contingent liability has been continuing for



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	<p>last several years and similar qualification has been coming in the financial statement since 31st March, 2009. Accordingly these disputed claims have been stated as contingent liability of Rs. 44988 Lac in the last Audited Balance Sheet as of 31.03.2014 and of Rs. 45464 Lac in the current Audited Balance Sheet as of 31.03.2015 while the Auditors has continued to qualify their reports with a total qualified amount of Rs. 45464 lac in their current year's Audit Report dated 30th May, 2015 on the financial statements for the year ended on March 31, 2015. The increase of Rs. 476 lac in the total qualified amount as compared to their previous qualification is on account of change in exchange rate of USD against Rupee at the current year ended on 31st March 2015 over previous year ended on 31st March 2014.</p> <p>xx. That it is well accepted principle in India in terms of Indian Accounting standards and Standards on Auditing that the contingent liability need not be provided unless the liability becomes a present obligation where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations and reliable estimate can be made out of the amount of the obligation.</p> <p>In case company would have considered this qualification as liability during the current financial year 2014-15 its Net Loss for the year would have been of Rs. 48403.29 Lac as</p>
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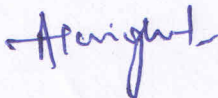

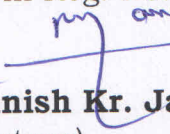
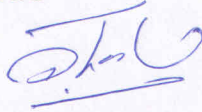

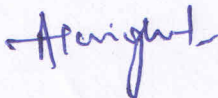

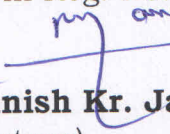
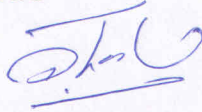

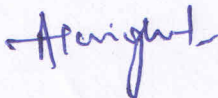

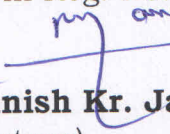
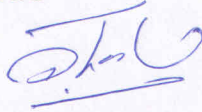
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		<p>against already stated Net Loss of Rs. 2948.70 Lac and current years Accumulated Loss & Current Liabilities would have been higher by Rs. 45464 Lac.</p> <p>The management has decided to consider for provision of these disputed claims only after the decision of Hon'ble Courts against the company.</p>												
7.	<p>To be signed by-</p> <p>CEO/Managing Director</p> <p>CFO</p> <p>Auditor of the Company</p> <p>Audit Committee Chairman</p>	<table border="0"> <thead> <tr> <th align="left">Name</th> <th align="right">Signature</th> </tr> </thead> <tbody> <tr> <td>Sandeep Agarwal</td> <td align="right"> <i>For Alps Industries Ltd.</i>  <i>Managing Director</i> </td> </tr> <tr> <td>A. K. Singhal</td> <td align="right">  </td> </tr> <tr> <td> For P. Jain & Co. Chartered Accountants (Firm Reg. No. 0007110) </td> <td align="right">  </td> </tr> <tr> <td>Munish Kr. Jain (Partner) Membership No. 070335</td> <td align="right">  </td> </tr> <tr> <td>T. R. KHOSLA (DIN No:-02724242)</td> <td align="right">  </td> </tr> </tbody> </table>	Name	Signature	Sandeep Agarwal	<i>For Alps Industries Ltd.</i>  <i>Managing Director</i>	A. K. Singhal		For P. Jain & Co. Chartered Accountants (Firm Reg. No. 0007110)		Munish Kr. Jain (Partner) Membership No. 070335		T. R. KHOSLA (DIN No:-02724242)	
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Munish Kr. Jain (Partner) Membership No. 070335														
T. R. KHOSLA (DIN No:-02724242)														

Note: As Mr. Prabhat Krishna, the Chairman of Audit Committee was on leave of absence in the Audit Committee & Board Meetings held on May 30, 2015, Mr. T. R. Khosla an Independent Director and Member of Audit Committee was appointed as the Chairman of the Meeting. Hence the Form is being signed by Mr. T. R. Khosla.