

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, 2014
3.	Type of Audit qualification	<p>Details of Qualification in Audit Report:</p> <p>The Auditors have given the following qualification with regard to non provisioning of claims against company in earlier years in their Audit Report dated 30th May 2014:</p> <p><i>"The company has not made any provisions towards losses amounting to Rs. 38979 Lacs on derivative contracts crystallized (refer to note nos. 36 (A) (d) I, II and III to the notes to account) and towards claim amounting to Rs. 6009 Lacs against the corporate guarantee provided by the company on behalf of one of its subsidiary company (Refer to note no. 36 (A) (d) IV to the notes to account), hence to these extent the loss as shown in statement of profit & Loss, accumulated losses and current liabilities are understated."</i></p>
4.	Frequency of qualification	Since F.Y 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 2014 with regard to contingent liability in respect of disputed claims towards losses of derivative transactions and a corporate guarantee against the company.</p> <p>Management's response to the Auditors qualification in the Board of Directors report dated 30th May 2014 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>Company has certain disputed claims raised</p>

1

For Alps Industries Ltd.

 Managing Director

For ALPS INDUSTRIES LTD.

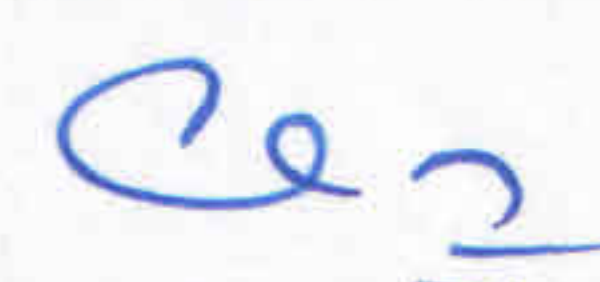
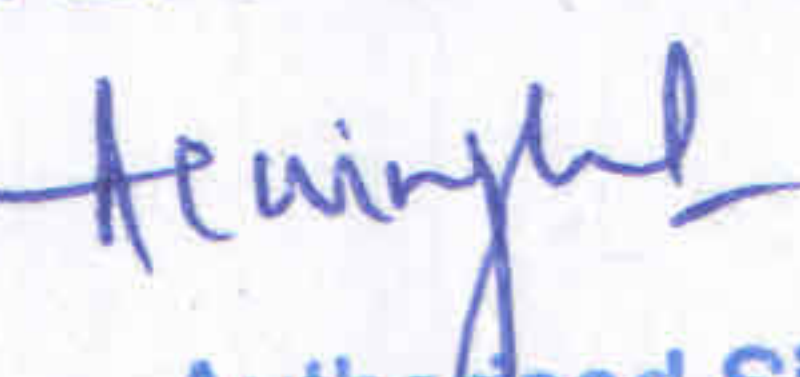
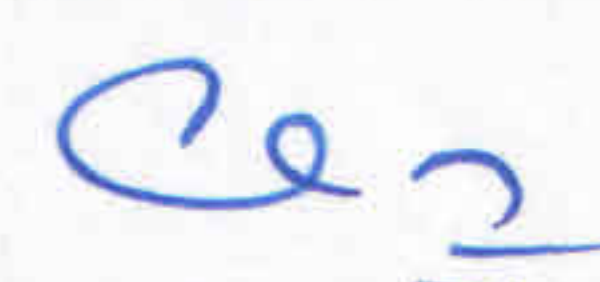
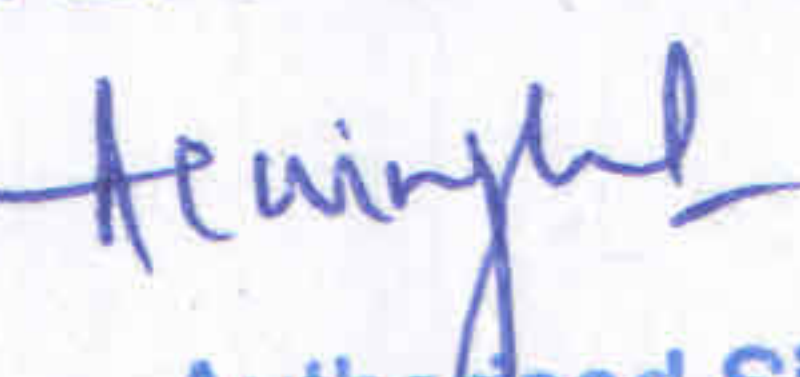
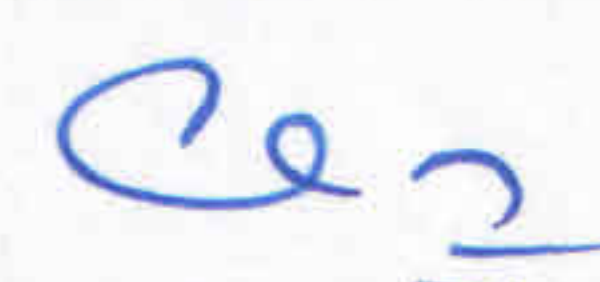
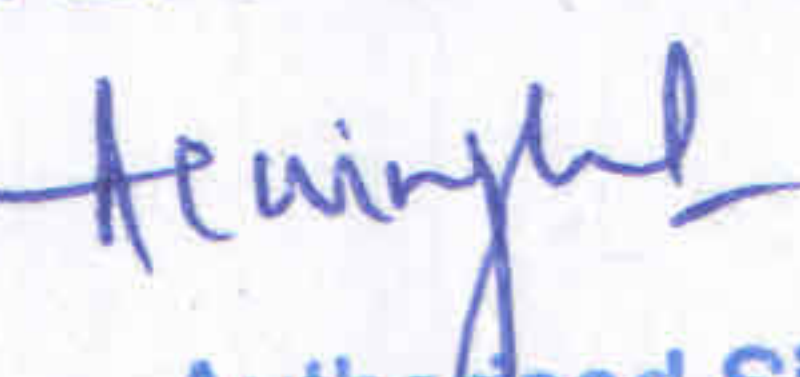
Authorized Signatory





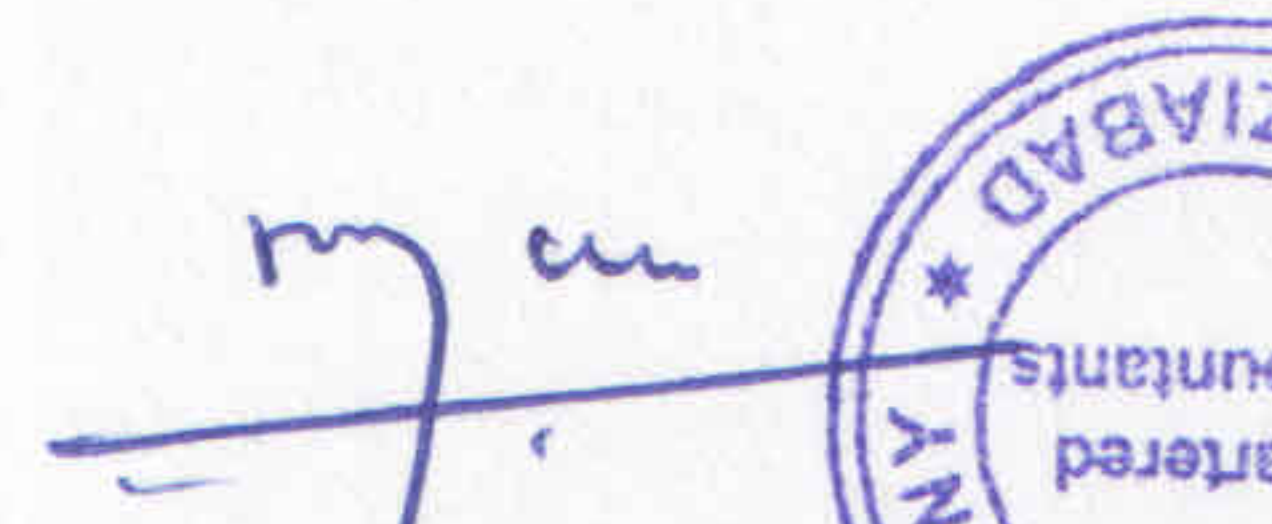
FORM B

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.

		<p>against it towards losses on derivative transactions and towards a corporate guarantee. The company has filed cases against the bankers who are party to the derivative transactions and these disputed claims are at present pending adjudication before the competent Hon'ble Courts of law, therefore these disputed claims have been stated as contingent liability of Rs. 43897 Lac in the last Audited Balance Sheet as of 31.03.2013 and of Rs. 44988 Lacs in the current Audited Balance Sheet as of 31.03.2014 while the Auditors has continued to qualify their reports with a total qualified amount of Rs. 44988 lacs in their current year's audit report dated 30th May 2014 on the financial statements for the year ended on March 31, 2014. The increase of Rs. 1091 lacs 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 2014 over previous year ended on 31st March 2013.</p> <p>In case company would have considered this as liability during the current financial year 2013-14 its Net Loss for the year would have been of Rs. 56740.19 Lac as against already stated Net Loss of Rs.11752.19 Lacs and current years Accumulated Loss would have been higher by Rs. 44988 Lacs.</p> <p>The management has decided to consider these disputed claims only after the decision of Hon'ble Courts against the company.</p>						
7.	To be signed by- CEO/Managing Director CFO Auditor of the	<table border="0"><thead><tr><th>Name</th><th>Signature</th></tr></thead><tbody><tr><td>Sandeep Agarwal</td><td> For ALPS INDUSTRIES LTD. Managing Director</td></tr><tr><td>A.K Singhal</td><td> Authorized Signatory For P. Jain & Co.</td></tr></tbody></table>	Name	Signature	Sandeep Agarwal	 For ALPS INDUSTRIES LTD. Managing Director	A.K Singhal	 Authorized Signatory For P. Jain & Co.
Name	Signature							
Sandeep Agarwal	 For ALPS INDUSTRIES LTD. Managing Director							
A.K Singhal	 Authorized Signatory For P. Jain & Co.							

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.

<p>company</p>	<p>Chartered accountants (Firm Reg. No. 000711C)</p> <p>Munish Kr. Jain (Partner) Membership No. 070335</p>	
<p>Audit Committee Chairman”</p>	<p>Prabhat Krishna (DIN No:-02569624)</p>	