

STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS (FOR AUDIT REPORT WITH MODIFIED OPINION)
SUBMITTED ALONG-WITH ANNUAL FINANCIAL RESULTS FOR THE FINANCIAL YEAR ENDED ON MARCH
31, 2025 IN TERMS OF REGULATION 33 OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING
OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AS AMENDED ON 9TH MAY, 2018
AND CIR/CFD/CMD/56/2016 DATED MAY 30, 2016 (STANDALONE)

NAME OF THE COMPANY: ALPS INDUSTRIES LTD. (L51109UP1972PLC003544)

STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025. (See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016)				
Rs. in Lakh				
I.	Sl No.	Particulars	Audited Figures (as reported before adjusting for qualification)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover/Total Income	60.85	60.85
	2.	Total Expenditure	6459.89	219377.15
	3.	Net Profit/(Loss)	(6399.04)	(219316.30)
	4.	Earnings per share (in Rs.)	(16.36)	(560.71)
	5.	Total Assets	1402.25	1402.25
	6.	Total Liabilities	90765.85	303683.11
	7.	Net Worth	(89363.60)	(302280.86)
	8.	Any other financial item(s) (as felt appropriate by the management) – Contingent Liability towards Derivative Contracts & Corporate Guarantee Etc.)	-	-

I. AUDIT QUALIFICATION (EACH AUDIT QUALIFICATION SEPARATELY)

a.	Detail of Audit Qualification	"Refer to note no. 37 to the notes on accounts, the Company has not provided for its liability towards interest & part of principal loan, waived earlier, and impact of retained earnings in terms of draft rehabilitation scheme and now revoked by its consented lenders amounting to Rs. 212917.26 lakh, accordingly the loss for the year and loan liability would have been increased and shareholder's fund would have been reduced to that extent."
b.	Type of Audit qualification (Qualified opinion/Disclaimer of Opinion/ Adverse Opinion)	Qualified Opinion
c.	Frequency of qualification (Whether appeared first time/repetitive/since how long continuing)	Since Financial Year 2017-18

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SANDEEP AGARWAL

d.	<p>Audit Qualification where the impact quantified by the Auditor, Management's Views:</p>	<p>During earlier year, the lenders having more than 83% of the secured debts of the Company revoked their consent to the DRS/settlement scheme circulated by erstwhile Hon'ble BIFR, interalia containing the restructuring of the debts of the Company, which was partly implemented. The Company objected to the said revocation of consent being unjustified and beyond terms of the scheme and further submitted an offer for settlement. M/s Edelweiss Assets Reconstruction Company Ltd., (presently holding more than 99% of the total secured debt of the Company) (EARC), had filed an OA before the DRT and further under the provisions of SARFAESI has auctioned secured properties and have adjusted part of their dues with the realization made thereof. The Company was in discussion with EARC for settlement of its balance dues and Management of the Company with an expectation to get</p> <p>the revised settlement/restructuring proposal approved from lenders and accordingly, the Company would be meeting its revised financial obligations however in the meantime EARC has filed an application U/s 7 of the Insolvency and Bankruptcy Code (IBC), 2016 before</p> <p>Hon'ble National Company Law Tribunal, Allahabad Bench (NCLT). Vide its order dated 13.9.2024, Hon'ble NCLT's has admitted the above petition to initiate Insolvency proceeding, declared Moratorium against company and appointed Mr. Hemant Sharma having IBBI Regn. No. IBBI/IPA-002/IP-N00015/2016-17/10019 as Interim Resolution Professional (IRP) in the matter. Further the Committee of Creditors (CoC) in its meeting passed the resolution for appointment of Mr. Hemant Sharma to continue to act as Resolution Professional in the matter and thereupon he took-over the management and operations of the Corporate Debtor in terms of Section 23 of the Code. The Company, at present, is under the Corporate Insolvency Resolution Process ("CIRP") in terms of provisions of Insolvency & Bankruptcy Code, 2016 ("IBC/the Code"). Further, resolution plans for company were invited under the CIRP process against which prospective resolution applicants have submitted their plans which were presented to the CoC for its approval and in case of approval a plan by the CoC, the plan will need to be filed with the Hon'ble NCLT for its approval. The future prospects of the company, as such, would be determined on the completion of CIRP. As per the Code it is required that the Company be managed as a going concern during the CIRP. Also the Board of Directors (Power Suspended) of the company have recommended to the RP to continue with the maintenance of the status of company as "Going Concern" in view of above and its expectation to get the revised settlement/restructuring proposal approved from lenders and accordingly, the Company would be meeting its revised financial obligations.</p> <p>In view of above, the financial statements of the Company for the financial year ended on March 31, 2025 have been</p>
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		prepared on going concern assumption basis and continue with the earlier consented restructuring scheme. Hence, no provision considered necessary in these accounts towards interest on entire secured loans & part of principal secured loan waived earlier and impact on retained earnings thereon totaling to Rs. 212917.26 Lakh as per provisions of earlier consented scheme, which the Company continues to give effect. The impact, arising upon approval of the revised settlement/resolution plan, will be given effect in the financial statements of the year of approval by the Hon'ble NCLT.
e.	Audit Qualification where the impact is not quantified by the Auditor :-	
(i)	Management's Estimation on the impact of audit qualification	N.A
(ii)	If management is unable to estimate the impact, reasons for the same	NA
(iii)	Auditor's Comments on (i) or (ii) above:	NA

For A S GOEL & Co.
Chartered Accountants

(SAURABH GOEL)
Partner
Membership No. 418436
Firm Regn.No. - 017868C

ALPS INDUSTRIES LTD.

SANDEEP AGARWAL
Managing Director
Sandeep Agarwal
Managing Director
DIN : 00139439

Vikas Lamba
(Audit Committee
Chairman)
DIN: 09573001

For & on behalf of Board
Alps Industries Limited

Jamil Ahmed Khan
C.F.O.

(HEMANT SHARMA)
Insolvency Resolution
Professional
Registration Number
IBBI/IFA-002/1PNO0015/
2016-2017/10019

Place: Ghaziabad
Dated: June 27, 2025

STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS (FOR AUDIT REPORT WITH MODIFIED OPINION)
SUBMITTED ALONG-WITH ANNUAL FINANCIAL RESULTS FOR THE FINANCIAL YEAR ENDED ON MARCH
31, 2025 IN TERMS OF REGULATION 33 OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING
OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AS AMENDED ON 9TH MAY, 2018
AND CIR/CFD/CMD/56/2016 DATED MAY 30, 2016 (CONSOLIDATED)
NAME OF THE COMPANY:ALPS INDUSTRIES LTD. (L51109UP1972PLC003544)

STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025. (See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016)				
				Rs. in Lakh
I.	Sl No.	Particulars	Audited Figures (as reported before adjusting for qualification)	Adjusted Figures (audited figures after adjusting for qualifications)
	1.	Turnover/Total Income	66.04	66.04
	2.	Total Expenditure	6454.56	219371.81
	3.	Net Profit/(Loss)	(6388.52)	(219305.77)
	4.	Earnings per share (in Rs.)	(16.33)	(560.68)
	5.	Total Assets	1407.05	1407.05
	6.	Total Liabilities	90774.14	303691.40
	7.	Net Worth	(89367.09)	(302284.35)
	8.	Any other financial item(s) (as felt appropriate by the management) – Contingent Liability towards Derivative Contracts & Corporate Guarantee Etc.)		

II. AUDIT QUALIFICATION (EACH AUDIT QUALIFICATION SEPARATELY)

a.	Detail of Audit Qualification	"Refer to note no. 37 to the notes on accounts, the Company has not provided for its liability towards interest & part of principal loan, waived earlier, and impact of retained earnings in terms of draft rehabilitation scheme and now revoked by its consented lenders amounting to Rs. 212917.26 lakh, accordingly the loss for the year and loan liability would have been increased and shareholder's fund would have been reduced to that extent."
b.	Type of Audit qualification (Qualified opinion/Disclaimer of Opinion/ Adverse Opinion)	Qualified Opinion
c.	Frequency of qualification (Whether appeared first time/repetitive/since how long continuing)	Since Financial Year 2017-18
d.	Audit Qualification where the impact quantified by the Auditor, Management's Views:	During earlier year, the lenders having more than 83% of the secured debts of the Company revoked their consent to the DRS/settlement scheme circulated by erstwhile Hon'ble BIFR, interalia containing the restructuring of the debts of the Company, which was partly implemented. The Company objected to the said revocation of consent being unjustified and beyond terms of the scheme and further submitted an offer for settlement. M/s Edelweiss Assets Reconstruction



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Company Ltd., (presently holding more than 99% of the total secured debt of the Company) (EARC), had filed an OA before the DRT and further under the provisions of SARFAESI has auctioned secured properties and have adjusted part of their dues with the realization made thereof. The Company was in discussion with EARC for settlement of its balance dues and Management of the Company with an expectation to get the revised settlement/restructuring proposal approved from lenders and accordingly, the Company would be meeting its revised financial obligations however in the meantime EARC has filed an application U/s 7 of the Insolvency and Bankruptcy Code (IBC), 2016 before Hon'ble National Company Law Tribunal, Allahabad Bench (NCLT). Vide its order dated 13.9.2024, Hon'ble NCLT's has admitted the above petition to initiate Insolvency proceeding, declared Moratorium against company and appointed Mr. Hemant Sharma having IBBI Regn No. IBBI/PA-002/IP-N00015/2016-17/10019 as Interim Resolution Professional (IRP) in the matter. EARC has filed their claim for Rs. 6,11,939.59 lakh as on 13.9.2024 against the company. Further the Committee of Creditors (CoC) in its meeting passed the resolution for appointment of Mr. Hemant Sharma to continue to act as Resolution Professional in the matter and thereupon he took-over the management and operations of the Corporate Debtor in terms of Section 23 of the Code. The Company, at present, is under the Corporate Insolvency Resolution Process ("CIRP") in terms of provisions of Insolvency & Bankruptcy Code, 2016 ("IBC/the Code"). Further, resolution plans for company were invited under the CIRP process against which prospective resolution applicants have submitted their plans which were presented to the CoC for its approval and in case of approval a plan by the CoC, the plan will need to be filed with the Hon'ble NCLT for its approval. The future prospects of the company, as such, would be determined on the completion of CIRP. As per the Code it is required that the Company be managed as a going concern during the CIRP. Also the Board of Directors (Power Suspended) of the company have recommended to the RP to continue with the maintenance of the status of company as "Going Concern" in view of above and its expectation to get the revised settlement/restructuring proposal approved from lenders and accordingly, the Company would be meeting its revised financial obligations.

In view of above, the financial statements of the Company for the financial year ended on March 31, 2025 have been prepared on going concern assumption basis and continue with the earlier consented restructuring scheme. Hence, no provision considered necessary in these accounts towards interest on entire secured loans & part of principal secured loan waived earlier and impact on retained earnings thereon totaling to Rs. 212917.26 Lakh as per provisions of earlier consented scheme, which the Company continues to give effect. The impact, arising upon approval of the revised settlement/resolution plan, will be given effect in the financial statements of the year of approval by the Hon'ble NCLT.

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Sharma



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(i)	Management's Estimation on the impact of audit qualification	N.A
(ii)	If management is unable to estimate the impact, reasons for the same	NA
(iii)	Auditor's Comments on (i) or (ii) above:	NA

For A S GOEL & Co.
Chartered Accountants,

ALPS INDUSTRIES LTD.



(SAURASH GOEL)
Partner

Membership No. 418436
Firm Regn. No. - 017868C

SANDEEP
Managing Director
Sandeep Agarwal
Managing Director
DIN : 00139439

Vikas Lamba
(Audit Committee
Chairman)
DIN: 09573001

For & on behalf of Board
Alps Industries Limited

Jamil Ahmed Khan
C.F.O.



(HEMANT SHARMA)
Insolvency Resolution
Professional
Registration Number
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Place: Ghaziabad
Dated: June 27, 2025