

NOTICE

Notice is hereby given that the Forty First Annual General Meeting of the Members of **Alps Industries Limited** will be held on Monday, 30th September, 2013 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 2013, 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. Pramod Kumar Rajput (DIN No. 00597342) by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration and to consider and, if thought fit, to pass, with or without modification(s), the following resolution as **Special Resolution**:

“RESOLVED THAT M/s. P. Jain & Co., Chartered Accountants, Ghaziabad, (Firm Registration No. 000711C) be and are hereby appointed under section 224 & 224A and other applicable provisions of the Companies Act, 1956, as Statutory Auditors of the company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the company on such remuneration, plus service tax as applicable and reimbursement of out of pocket expenses related with the audit, as shall be fixed by the Audit committee and Board of Directors in this behalf.”

SPECIAL BUSINESS:

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

“RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, and subject to the limits specified in Schedule XIII of the said Act, directions as may be provided by Board of Industrial and Financial Reconstruction (BIFR) under the any directions issued by Board of Industrial and Financial Reconstruction (BIFR), 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 remuneration, as are set out below and in the draft Agreement, as may be entered into between the Company and Mr. Sandeep Agarwal:

1) Salary and Commission:

- (a) Salary : Rs.4,00,000/- per month.
- (b) 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 198 to 309 of the Companies Act, 1956.

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, Super-annuation 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 XIII of the Companies Act, 1956. 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, Super-annuation 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 in the event of any relaxation by the Central Government in Guidelines/Ceilings on managerial remuneration and/or perquisites, the Remuneration committee and Board of Directors be and are hereby authorized to alter and vary the terms and conditions (including salary, commission, perquisites and other allowance) of the said Agreement, so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 as may be agreed to between the Board of

Directors and Mr. Sandeep Agarwal, by suitably amending it to give effect to such modification, relaxation or variation without any further reference to the Company in general meeting."

"RESOLVED FURTHER THAT where in any financial year closing on and after 01.02.2014, the Company has no profits or its profits are inadequate, the Company may pay to Mr. Sandeep Agarwal remuneration by way of salary, perquisites and other allowances subject to the approval of the Bankers, if required, Central Government under section II of part II of Schedule XIII of the Companies Act, 1956 and directions as may be provided by Board of Industrial and Financial Reconstruction (BIFR) under the Draft Rehabilitation scheme (DRS)."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary, proper or expedient to give effect to this resolution."

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

AJAY GUPTA
(COMPANY SECRETARY & GM LEGAL)

Registered Office: B-2, Loni Road Industrial Area,
Opp. Mohan Nagar, Ghaziabad - 201 007 (U.P.)
Place : Ghaziabad
Date : May 30, 2013

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.
2. 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.
3. The Register of Members and Share Transfer Books of the Company will remain closed from

Wednesday, September 25, 2013 to Thursday, September 26, 2013 (both days inclusive).

4. It has been noticed that some shareholders have not encashed the dividend warrant(s) so far for the financial year ended 31st March 2006 or any subsequent financial years, such shareholders/investors are requested to make their claim to the company in respect of their unclaimed/unpaid dividend before being transferred to Investors Education and Protection Fund. Shareholders are requested to note that no claim shall lie against the said fund or the company in respect of said unclaimed and unpaid dividend, if transferred to the Investors Education and Protection Fund on due dates. In terms of the Notification dated May 10, 2012 issued by MCA, the details of eligible investors whose Dividend is lying unpaid has been displayed on the website of the company viz **www.alpsindustries.com**.
5. 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.
6. 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 nos) 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.
7. **Re-appointment of Directors:** At the forthcoming Annual General Meeting, Mr. Pramod Kumar Rajput (DIN No. 00597342) retire by rotation and being eligible offer himself for reappointment. The information/details pertaining to the above 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.
8. 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.
9. The members are requested to bring the copy of photo ID Proof like Driving License, Voter ID, Passport etc. to avoid the unscrupulous person entry to the meeting.
10. 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.
11. 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 during the previous year. 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.
12. Consequent upon the introduction of Section 109A of the Companies Act, 1956, 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. 2B in duplicate (which will be made available on request) to the Registrar and share Transfer Agent of the Company.

13. 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.

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 173 (2) OF THE COMPANIES ACT, 1956.

The Explanatory Statements for Item no. 3 and 4 of the accompanying Notice are as under:

ITEM NO. 3

Since the shareholding pattern, by holding of more than 25% preference shares (OCCPS/CRPS) by Bankers of the Company, is such that the provisions of section 224A of the Companies Act, 1956, become applicable, the appointment of Statutory Auditors of the Company is required to be made by a special resolution. It has been proposed to re-appoint M/s. P. Jain & Co., Chartered Accountants, Ghaziabad, (Firm Registration No. 000711C) as Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting. The Shareholders are requested to approve the reappointment of M/s. P. Jain & Co. as the Statutory Auditors by a special resolution, to audit the accounts of the Company as set out in Item No. 3 of the Notice. None of the Directors of the Company has any concern or interest in this item of business.

ITEM NO. 4

Mr. Sandeep Agarwal (DIN No. 00139439) was re-appointed as the Whole Time Director and designated as Managing Director at the Annual General Meeting of the Company held on 27th September, 2008 for a period of 5 years w.e.f. 01.02.2009. The terms of his office expires on 31st January 2014. As the Forty Second Annual General Meeting of the Company shall fall due after the expiry of the term of office of Managing Director, his re-appointment as a Whole Time Director w.e.f. 01.02.2014 is required to be approved. His re-appointment has been approved by the Remuneration committee and the Board of Directors

at the meeting held on May 30, 2013 subject to the approval of the members of the company and the central government, subject to any directions issued by Board of Industrial and Financial Reconstruction (BIFR), if required. Hence the matter has been referred to the members of the company for their approval by way of Special Resolution.

1) Salary and Commission:

- (a) Salary : Rs. 4,00,000/- per month.
- (b) 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 198 to 309 of the Companies Act, 1956.

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 XIII of the Companies Act, 1956. Provided further that following perquisites which are also allowed to him shall not be included in the computation of this ceiling :

- 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.
- Gratuity as per law.
- Encashment of leave at the end of the tenure.

A statement as required under Section II of Part II of the Schedule XIII of the Companies Act, 1956 related to the reappointment of Mr. Sandeep Agarwal as a whole time director designated as Managing Director.

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.	<div>(Rs. In Lacs)</div> <table><tr><td></td><td>2012-13</td><td>2011-12</td><td>2010-11</td></tr><tr><td>Net Profit</td><td>(11529.84)</td><td>(27750.41)</td><td>(10031.12)</td></tr><tr><td>Turnover</td><td>70022.58</td><td>66860.91</td><td>69549.77</td></tr></table>					2012-13	2011-12	2010-11	Net Profit	(11529.84)	(27750.41)	(10031.12)	Turnover	70022.58	66860.91	69549.77
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Net Profit	(11529.84)	(27750.41)	(10031.12)													
Turnover	70022.58	66860.91	69549.77													
e. Export performance and net foreign exchange collaborations	<div>i Financial year ended on 31.03.2013</div> <div>Export turnover: Rs. 19146.09 lacs</div> <div>ii Net foreign exchange collaborations – Nil</div>															
f. Foreign investments or collaborators, if any	<div>I. Foreign Investment – As on 31.03.2013</div> <div>Rs. 504.90 lacs.</div> <div>II. Collaboration - Nil</div>															

2. INFORMATION ABOUT THE APPOINTEE:	
a. Background Details	He is in the textile industry since long time 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.
b. Past remuneration	Rs.18.00 lacs during the 12 months period ended 31.03.2013.
c. Recognition or awards	<ul style="list-style-type: none"> Certificate for ISO 14001:2004 issued by AFNOR Certification for the management system implemented for Spinning, dyeing, weaving & processing of yarns, fabrics and home furnishings. Certificate for ISO 9001:2008 issued by AFNOR Certification for the management system implemented for Spinning, dyeing, weaving & processing of yarns, fabrics and home furnishings. COTTON USA License issued by Cotton Council

	<p>International for compliance with the licensing requirement to use to CCI's registered trade mark has been renewed.</p> <ul style="list-style-type: none"> • Certificate of membership from Indian Green Building Council (IGBC) under the category manufacturer/product suppliers. • Certificate for Global Organic Textile Standard (GOTS) for the processing of fibres from certified organic agriculture issued by Control Union Certifications, Netherlands. • Certificate for ISO/TS 16949:2009 for manufacturing seat fabrics for the Automotive application. • Certificate for Oeko-Tex for Hohenstein Textile Testing Institute, Germany. • Membership of BCI (Better Cotton initiative) from BCI, Switzerland.
d. Job profile and his suitability	<p>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>
e. Remuneration proposed	<p>1) Salary and Commission:</p> <p>(a) Salary : Rs. 4,00,000/- per month.</p> <p>(b) Commission : At a rate to be determined by the Board of Directors each Year.</p> <p>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 198 to 309 of the Companies Act, 1956.</p> <p>2. Perquisites:</p> <p>(a) Furnished residential accommodation inclusive of facilities such as electricity, water and gas.</p> <p>(b) Full reimbursement of all medical expenses for self and family.</p> <p>(c) Leave travel facility for self and family once a year.</p> <p>(d) Fees of Clubs subject to a maximum of two Clubs.</p> <p>(e) Personal accident and medical insurance.</p> <p>(f) Contributions to Provident Fund, Superannuation or Annuity Fund.</p> <p>(g) Gratuity as per law.</p>

	<ul style="list-style-type: none"> (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.
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).	Reasonable and competitive with respect to the Industries with similar nature.
g. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	None.

3. OTHER INFORMATION

1. Reasons of loss or inadequate profit	<ul style="list-style-type: none"> 1. The Global economy is facing an ongoing recession which is expected to continue for some more time and as a result thereof the export orders are being cancelled/renegotiated with discounts being sought with respect to original buyers there has been loss of value on account of negotiation with alternate buyers, etc. 2. During the previous year due to various unavoidable reasons and natural calamity the production of yarn had to be curtailed down in some of the units, just to meet out the urgent market demands. It had passed through a very hard phase and witnessed an estimated loss of Rs. 11000 crores to the Indian spinning companies due to intervention of Govt. on export of cotton and yarn marketing policies resulted in sudden fall in the domestic/international prices of cotton and yarn. 3. Exposure taken in derivatives in foreign currencies with a large number of banks, almost all of which resulted in losses/potential MTM losses. 4. 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 ranging from cotton growers, spinning mills to textile manufacturers and resultant
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	the entire Textile Industry, particularly, spinning, had gone through the worst period in its history during FY 2011-12.
2. Steps taken or proposed to be taken for improvement	<ul style="list-style-type: none"> • Meerut Unit has started showing significant improvements in terms of quality as well as production quantity. • Restructuring of Debts. • Business restructuring & Sale of surplus assets. • Reliefs and concessions from various concerned parties.
3. Expected increase in productivity and profits in measurable terms	The Company projected PAT 4.06 Crores to the F.Y 2014-15 and expects to optimize its operations in the year 2017-18.

4. DISCLOSURE

1. Remuneration package of the managerial person	1. Managing Director & Executive Director remuneration during the financial year ended 31.03.2013 is Rs. 18.00 lacs & Rs. 11.66 Lacs respectively. 2. Proposed Remuneration- Details are given in Part 2 (e).
2. a) All elements of remuneration packages such as salary, benefits, bonuses, stock options, pensions etc., of all directors; b) Details of fixed component and performance linked incentives along with the performance criteria; c) Service contracts, notice period, severance fees; 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.	The necessary disclosures has been mentioned in the Directors' Report under the heading of "Corporate Governance" attached to the Annual Report for the year 2012-13.

None of the Directors, except Mr. K.K. Agarwal, being father of appointee and Mr. Sandeep Agarwal, are interested or concerned in the said re-appointment, to the extent of their shareholdings.

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

AJAY GUPTA
(COMPANY SECRETARY & GM LEGAL)

Place : Ghaziabad
Date : May 30, 2013

ALPS INDUSTRIES LIMITED

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



Regd. Folio No.

* Client I.D.

* D.P. I.D.

ATTENDANCE SLIP – 41st ANNUAL GENERAL MEETING, 30th SEPTEMBER, 2013

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 **41st Annual General Meeting** of the Company held on Monday, the 30th September, 2013 at 10.00 A.M. at the Corporate Office of the company situated at 57/2, Site IV, Sahibabad industrial area, Ghaziabad - 201 010 (U.P.)

*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.

***Strike out whichever is not applicable**

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

ALPS INDUSTRIES LIMITED

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



Regd. Folio No.

** Client I.D.

** D.P. I.D.

PROXY FORM – 41st ANNUAL GENERAL MEETING, 30TH SEPTEMBER, 2013

I/We _____ R/o _____

_____ being a member/members

of Alps Industries Ltd, hereby appoint _____

R/o _____ or failing him/her

_____ of _____

as my/our Proxy to attend and vote for me/us on my/our behalf at the **41st Annual General Meeting** of the Company to be held on Monday, the 30th September, 2013 at 10.00 A.M. at the Corporate Office of the company situated at 57/2, Site IV, Sahibabad industrial area, Ghaziabad - 201 010 (U.P.)

Signed this day of2013

1. Proxy need not be a member.
2. Proxy form, complete in all respect, should reach the Company's Registered Office situated at, B-2, Loni Road, Industrial Area, Opp. Mohan Nagar, Distt. Ghaziabad (U.P.), not less than 48 hours before the scheduled time of the meeting

Signature of Proxy Holder _____

Signature of the Member -----

** Applicable only in case of investors holding shares in Electronic Form.

Affix
Revenue
Stamp

