

**PROFILE OF MR. PRADYUMAN KUMAR LAMBA,  
(Independent Director)**

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 Finance. 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.





# Alps Industries Limited

(A Government Recognised Trading House)  
An ISO 14001 & ISO 9001 Company

Corp. Off. : 57/2, Site-IV Industrial Area, Sahibabad, Ghaziabad-201010 INDIA  
Phones : 91-120-4161700 (60 Lines) Fax : 91-120-2895299  
Email : alps@alpsindustries.com Web. : www.alpsindustries.com  
CIN No. : L51109UP1972PLC003544

February 12, 2015

Dear Mr. Pradyumn Kumar Lamba,  
(DIN NO. 02843166)

## SUB: RE-APPOINTMENT AS INDEPENDENT DIRECTOR

We thank you for your confirmation to Alps Industries Limited (the "Company") that you meet the "independence" criteria as envisaged in Section 149(6) of the Companies Act, 2013 ("2013 Act") and Clause 49 of the Listing Agreement (as amended vide circular issued by Securities and Exchange Board of India ref no.CIR/CFD/POLICYCELL/2/2014 dated April 17, 2014 and CIR/CFD/POLICYCELL/7/2014 dated September 15, 2014 effective from October 1, 2014))-and also for your consenting to hold office as a director of the Company.

Pursuant to your confirmation, we are pleased to confirm that the Board subject to the approval of the shareholders at the forthcoming Annual General Meeting ,have approved your Re-appointment as an Independent Director on the Board of the Company.

This letter sets out the terms of your re-appointment as an Independent Director. Your relationship with the Company will be that of an office-holder and not one of contract for employment in the Company.

The terms of your re-appointment , as set out in this letter, are subject to the extant provisions of the (i) applicable laws, including 2013 Act and Clause 49 of the Listing Agreement (as amended from time to time) and (ii) Articles of Association of the Company ("AOA").



Page 1 of 10



## 1. TERM OF APPOINTMENT

Your appointment will be for an initial term up to **three years** and shall take effect from February 11, 2015 till February 10, 2018 unless terminated earlier or extended, as per the provisions of this letter or applicable laws ("Term").

As an Independent Director you will not be liable to retire by rotation.

Re-appointment at the end of the Term shall be subject to the approval of the Board and the shareholders. Your re-appointment would be considered by the Board based on the outcome of the performance evaluation process and you continuing to meet the independence criteria.

As per the Board's current assessment, you will be a member of the following Committees:

- A) Audit committee
- B) Nomination and Remuneration Committee
- C) Stakeholders Relationship Committee

The mandates of the aforesaid Committees are provided as **Annexure A**. The Board may reconstitute the composition of any/all Committees, from time to time, and any such change shall be promptly communicated to you. In such an event you may also be required to serve on other Committees of the Board.

## 2. ROLE, DUTIES AND RESPONSIBILITIES

A. As member of the Board you along with the other Directors will be collectively responsible for meeting the objectives of the Board which include:

- Requirements under the Companies Act, 2013,
- Responsibilities of the Board" as outlined in the Corporate Governance requirements as prescribed by Stock Exchanges under Clause 49 of the Listing Agreement,
- Accountability under the Director's Responsibility Statement,
- Overseeing the maintenance of high standards of ALPS values and ethical conduct of business. Overseeing the Company's contribution to enhancing the quality of life of communities,





- Reviewing, findings and monitoring the action plan,
  - Protecting and enhancing the ALPS brand.
- B. You shall abide by the 'Code For Independent Directors' as outlined in Schedule IV to section 149(8) of the 2013 Act, and duties of directors as provided in the 2013 Act (including Section 166) and in Clause 49 of the Listing Agreement. For your ready reference, the relevant provisions have been mentioned under the Code of Conduct of ALPS and attached to this letter as per **Annexure B**.
- C. You also responsible for providing guidance in the area of your experience.

### 3. TIME COMMITMENT

Considering the nature of the role of a director, it is difficult for a company to lay down specific parameters on time commitment. You agree to devote such time as is prudent and necessary for the proper performance of your role, duties and responsibilities as an Independent Director.

### 4. REMUNERATION

As an Independent Director you shall be paid sitting fees for attending the meetings of the Board and the Committees as decided by the Board from time to time.

Further, the Company may pay or reimburse to you such fair and reasonable expenditure, as may have been incurred by you while performing your role as an Independent Director of the Company. This could include reimbursement of expenditure incurred by you for attending Board/ Committee meetings, Annual General Meetings, Extraordinary General Meetings, court convened meetings, meetings with shareholders/ creditors/ management, site visits, induction and training (organized by the Company for Directors) and in obtaining, subject to prior consultation with the Board, professional advice from independent advisors in the furtherance of your duties as an Independent Director.

### 5. ALPS CODE OF CONDUCT

As an Independent Director of the Company, you agree to comply with the ALPS Code of Conduct for Directors. For your reference, the Code of Conduct of ALPS is attached to this letter as **Annexure B**.





## 6. INDUCTION AND DEVELOPMENT

The Company shall, if required, conduct formal induction program for its Independent Directors which may include any or all of the following:

- Board roles and responsibilities, whilst seeking to build working relationship among the Board members,
- Company's vision, strategic direction, core values, ethics and corporate governance practices,
- Familiarization with financial matters, management team and business operations,
- Meetings with stakeholders, visits to business locations and meetings with senior and middle management.

The Company shall, as may be required, support Directors to continually update their skills and knowledge and improve their familiarity with the company and its business. The Company will fund/arrange for training on all matters which are common to the whole Board.

## 7. PERFORMANCE APPRAISAL / EVALUATION PROCESS

As a member of the Board, your performance as well as the performance of the entire Board and its Committees shall be evaluated annually. Evaluation of each director shall be done by all the other directors. The criteria for evaluation shall be determined by the Nomination and Remuneration Committee and disclosed in the Company's Annual Report. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board / Committee. An indicative list of factors that may be evaluated as part of this exercise is:

- Participation and contribution by a director,
- Commitment (including guidance provided to senior management outside of Board / Committee meetings),
- Effective deployment of knowledge and expertise,
- Effective management of relationship with stakeholders,
- Integrity and maintenance of confidentiality,





- Independence of behavior and judgment, and
- Impact and influence.

#### **8. DISCLOSURES, OTHER DIRECTORSHIPS AND BUSINESS INTERESTS**

During the Term, you agree to promptly notify the Company of any change in your directorships, and provide such other disclosures and information as may be required under the applicable laws. You also agree that upon becoming aware of any potential conflict of interest with your position as Independent Director of the Company, you shall promptly disclose the same to the Chairman and the Company Secretary. Please confirm that as on date of this letter, you have no such conflict of interest issues with your existing directorships.

During your Term, you agree to promptly provide a declaration under Section 149(7) of the 2013 Act, upon any change in circumstances which may affect your status as an Independent Director.

#### **9. CHANGES OF PERSONAL DETAILS**

During the Term, you shall promptly intimate the Company Secretary and the Registrar of Companies in the prescribed manner, of any change in address or other contact and personal details provided to the Company.

#### **10. TERMINATION**

Your directorship on the Board of the Company shall terminate or cease in accordance with law. Apart from the grounds of termination as specified in the 2013 Act, your directorship may be terminated for violation of any provision of the Alps Code of Conduct as applicable to Non-Executive Directors.

You may resign from the directorship of the Company by giving a notice in writing to the Company stating the reasons for resignation. The resignation shall take effect from the date on which the notice is received by the Company or the date, if any, specified by you in the notice, whichever is later.






of our Company. If these terms of Re-appointment are acceptable to you, please confirm your acceptance by signing and returning the enclosed copy of this letter.

We thank you for your continued support and commitment to the Company.

Yours Sincerely,

**For ALPS INDUSTRIES LIMITED**

  
**(Sandeep Agarwal)**  
**Managing Director**

**AGREEANDACCEPT**

I have read and understood the terms of my re-appointment as an Independent Director of the Company and I hereby affirm my acceptance to the same.

  
**( Pradyumn Kumar Lamba)**  
**(DIN NO. 02843166)**

Place: Ghaziabad  
Date: 12.02.2015



**MANDATES OF COMMITTEES:**

## A) Audit Committee

1. 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;
2. Recommendation for re-appointment, remuneration and terms of re-appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report.
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Compliance with listing and other legal requirements relating to financial statements
  - e. Disclosure of any related party transactions
  - f. To deal with qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Examination of the financial statement and the auditor's report thereon;
9. Approval or any subsequent modification of transactions of the company with related parties;
10. Scrutiny of inter-corporate loans and investments;





11. Valuation of undertakings or assets of the company, wherever it is necessary;
12. Monitoring the end use of the funds raised through public offers and related matters;
13. Evaluation of internal financial controls and risk management systems;
14. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
15. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
16. Discussion with internal auditors of any significant findings and follow up there on;
17. Reviewing the findings of any internal investigations by the internal auditors intomatters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
18. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
19. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
20. To review the functioning of the Whistle Blower mechanism;
21. Approval of Re-appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee under Section 177 of the Companies Act, 2013 and clause 49 of the Listing Agreement.
23. Any other activities as recommended by the Board from time to time.





**B. NOMINATION AND REMUNERATION COMMITTEE:**

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their Re-appointment and removal.
5. Any other activities as recommended by the Board from time to time.

**C. STAKE HOLDERS RELATIONSHIP COMMITTEE:**

1. To consider and resolve the grievances of security holders of the Company.
2. Any other activities as recommended by the Board from time to time.

