

**NOTICE**

NOTICE IS HEREBY GIVEN THAT THE **40TH ANNUAL GENERAL MEETING (AGM)** of the members of **NAHAR SPINNING MILLS LIMITED ('the Company')** will be held on **Tuesday, the 29th day of September, 2020 at 11.00 A.M** through Video Conferencing (VC) / Other Audio Visual Means (OAVM) to transact the following business:

**ORDINARY BUSINESS:****ITEM NO.1-ADOPTION OF FINANCIAL STATEMENTS**

To receive, consider and adopt the Financial Statements of the Company for the financial year ended 31st March, 2020 and the Reports of the Board of Directors and Auditors thereon.

**ITEM NO.2 – APPOINTMENT OF MR. JAWAHAR LAL OSWAL AS A NON-EXECUTIVE DIRECTOR LIABLE TO RETIRE BY ROTATION**

To appoint a director in place of Mr. Jawahar Lal Oswal (DIN: 00463866), who retires by rotation and being eligible, offers himself for re-appointment.

**ITEM NO.3 - APPOINTMENT OF MR. SATISH KUMAR SHARMA AS A NON-EXECUTIVE DIRECTOR LIABLE TO RETIRE BY ROTATION**

To appoint a director in place of Mr. Satish Kumar Sharma (DIN: 00402712), who retires by rotation and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS:****ITEM NO. 4 - TO APPOINT DR. ROSHAN LAL BEHL (DIN 06443747) AS AN INDEPENDENT DIRECTOR**

To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and 164 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and on the recommendation of the Nomination and Remuneration Committee, Dr. Roshan Lal Behl (DIN 06443747), who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director not liable to retire by rotation to

hold office for 5 (five) consecutive years for a term upto September 29, 2025.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**ITEM NO.5 - RATIFICATION OF REMUNERATION OF COST AUDITORS OF THE COMPANY**

To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 148(3) and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force), the Cost Auditors M/s. Ramanath Iyer & Co. (Firm Registration No. 000019) appointed by the Board to conduct the audit of the Cost Records of the Company for the financial year 2020-21 at a remuneration of Rs. 1.75 Lakhs (Rupees One Lakh Seventy Five Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses incurred, be and is hereby ratified.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**ITEM NO.6 – TO APPROVE THE TRANSACTION(S) / CONTRACT(S) WITH RELATED PARTIES IN THE ORDINARY COURSE OF BUSINESS**

To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and Regulation 23 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, Consent and approval of the Company be and is hereby accorded to the Board of Directors to enter into an Agreement(s)/ Contract(s)/ Transaction(s), in the ordinary course of business with Group Companies/ Related Parties namely: M/s Oswal Woollen Mills Limited, M/s Nahar Industrial Enterprises Limited, M/s Monte Carlo Fashions Ltd., M/s Nahar Poly Films Limited and M/s Nahar Capital and Financial Services



Limited for sale and purchase of Yarns, Fabrics, Garments, job work of manufacturing of garments and waste etc and providing of financial services on arm's length basis for a period of three years w.e.f. 1st April, 2020, which may be renewed with the mutual consent of parties thereto."

**"RESOLVED FURTHER THAT** any acts/transactions done under this Agreement after 1 April, 2020 and upto the date of passing of this resolution, be and are hereby approved and ratified."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**BY ORDER OF THE BOARD**

**DATE: 12th August, 2020**

**BRIJ SHARMA  
(COMPANY SECRETARY)**

**REGISTERED OFFICE:**

**373, Industrial Area-A,  
Ludhiana -141003(India)**

**CIN: L17115PB1980PLC004341**

**E-mail: secnsm@owmnahar.com**

**NOTES:**

1. In view of the situation arising due to COVID-19 global pandemic, social distancing is a norm to be followed. Accordingly, the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 and Securities and Exchange Board of India (SEBI) vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 allowed conducting of Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM) without the physical presence of members at a common venue. Thus, in compliance with the said Circulars, the 40th Annual General Meeting (AGM) of the Company will be held through video conferencing (VC) or other audio visual means (OAVM). Hence, members can attend and participate in the AGM through VC/OAVM. The detailed procedure for participation in the meeting through VC/OAVM is as per note no. 23.
2. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto and form part of this Notice.
3. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 113 of the Companies Act, 2013, body corporates are entitled to appoint Authorised Representatives to attend the AGM through VC/OAVM and cast their votes through e-voting.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020 and SEBI Circular dated May 12, 2020, the Notice calling the AGM alongwith Annual Report for the year 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that Notice and Annual Report 2019-20 has been uploaded on the website of the Company at [www.owmnahar.com](http://www.owmnahar.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
6. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
7. In terms of the provisions of Section 152 of the Companies Act, 2013, Mr. Jawahar Lal Oswal and Mr. Satish Kumar Sharma Directors, retire by rotation at this Meeting and offered themselves for re-appointment. The Nomination and Remuneration Committee and the Board of Directors of the Company have recommend their



respective re-appointments.

8. The relevant information under Regulation 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, regarding the Directors who are proposed to be appointed/re-appointed, is given hereto and form part of the Notice.
9. Pursuant to Section 124(5) of the Companies Act, 2013, unclaimed dividend upto the financial year 2010-11 has been transferred to Investor Education and Protection Fund. Further, unpaid dividend for the year 2012-13 is to be transferred to Investor Education and Protection Fund in November, 2020. Shareholders who have not encashed their dividend warrants relating to said period are requested to claim the amount from the Company at the earliest.
10. Pursuant to Section 124(6) of the Companies Act, 2013 read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, the Company has transferred all the shares in respect of which dividend remained unclaimed or unpaid for a period of seven consecutive years or more to the demat account of IEPF Authority as per applicable Rules. Details of shares transferred to the IEPF Authority are available on the website of the Company and the same can be accessed through the link: <http://www.ownnihar.com/spinning/transfer-of-equity-shares-to-IEPF.php>. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in).
11. Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/investors are advised to visit the weblink: <http://iepf.gov.in/IEPF/refund.html> or contact the Company for lodging claim for refund of shares and / or dividend from the IEPF Authority.
12. As per Regulation 40 of SEBI (LODR) Regulations, 2015, as amended, Securities of listed companies can be transferred only in dematerialized form w.e.f. 1st April, 2019 except in case of request received for transmission or transposition of securities.

In view of the above and to eliminate all risks associated with physical shares and for ease of

portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrar and Transfer Agent: M/s. Alankit Assignments Limited for assistance in this regard.

13. The Company provides the facility of paying dividend through Electronics Clearing System (ECS). The members desirous of availing the facility of electronic credit of dividend are requested to ensure that their correct bank details alongwith 9 digit MICR code of their Bank is updated in the records of the Depository Participant (DP). Members, who hold the shares in physical form, should contact the Registrar & Transfer Agent or the Company in this regard. In order to prevent fraudulent encashment of dividend warrants, members are requested to provide their correct bank account details to their DP in case of electronic holding and to the Registrar & Transfer Agent or the Company in case of physical holding.
14. To avail the facility of nomination, Members are requested to send us duly filled and signed Nomination Form (Form No. SH-13).
15. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Registrar and Share Transfer Agent: M/s. Alankit Assignments Limited, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
16. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
17. **The Securities Exchange and Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) and Bank Details by every participant in the securities market. Members holding shares in electronic form are requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are requested to submit their self attested copy of PAN card bank details alongwith Original cancelled cheque leaf/attested bank passbook showing name of Account holder and address, to the company at its Registered Office at 373, Industrial Area- A, Ludhiana- 141003 or to the**



**Registrar and Share Transfer Agents, M/s. Alankit Assignments Limited, Unit: Nahar Spinning Mills Limited, Alankit House, 4E/2, Jhandewalan Extension, New Delhi-110055.**

18. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection in electronic mode during the AGM. All other documents referred to in the Notice will be available for inspection in electronic mode without any fee by the members from the date of circulation of this Notice up to the date of AGM i.e. September 29, 2020. Members seeking to inspect such documents can send an email to [secnsm@owmnahar.com](mailto:secnsm@owmnahar.com).
19. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
20. The members who have voted through remote e-voting will be eligible to attend the AGM but they will not be eligible to vote at the AGM.

**21. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED:**

1. **For Physical Shareholders** - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [secnsm@owmnahar.com](mailto:secnsm@owmnahar.com).
2. **For Demat Shareholders** - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID +

CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [secnsm@owmnahar.com](mailto:secnsm@owmnahar.com).

3. The company shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

**22. Instructions for shareholders voting through electronic mode are as under:**

- (i) The voting period begins on 26th September, 2020 (9:00 a.m.) and ends on 28th September, 2020 (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 (record date) of 22nd September, 2020, may cast their vote electronically. The remote 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 time of meeting.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on "Shareholders" tab.
- (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

OR

Alternatively, if you are registered for CDSL's **EASI/EASIE** e-services, you can log-in at <https://www.cdslindia.com> from Login-Myeasi using your login credentials. Once you successfully log-in to CDSL's **EASI/EASIE** e-services, click on **e-Voting** option and proceed directly to cast your vote electronically.

- (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](http://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:



	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	<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"> <li>Members who have not updated their PAN with the Company/ Depository Participant are requested to use the the first two letters of their name and the 8 digits of the sequence number in the PAN Field.</li> </ul>
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"> <li>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).</li> </ul>

- (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 NAHAR SPINNING MILLS LIMITED i.e. 200831060 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 out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the changed 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) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Stores. Please follow the instructions as prompted by the mobile app while remote voting on your mobile.
- (xx) **Note for Non-Individual Shareholders and Custodian**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto: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](mailto: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.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer at bathla7@gmail.com and to the Company at secnsm@owmnahar.com if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- (xxi) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date 22nd September, 2020 may follow the same instructions as mentioned above for e-Voting.
- (xxii) If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL), Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 022-23058542/43.

- (xxiii) Name, designation, address, e-mail ID and phone number of the person responsible to address the grievances connected with the e-voting:  
Mr. Brij Sharma,  
Company Secretary & Compliance Officer  
373, Industrial Area-A,

Ludhiana -141003(India)  
CIN: L17115PB1980PLC004341  
E-mail: [secnsm@owmnahar.com](mailto:secnsm@owmnahar.com)

### **23. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM AREAS UNDER:**

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/ members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [secnsm@owmnahar.com](mailto:secnsm@owmnahar.com). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [secnsm@owmnahar.com](mailto:secnsm@owmnahar.com). These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

### **24. INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned



above for Remote e-voting.

2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

**Other instructions:**

25. Voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on cutoff date.
26. The Company has appointed Mr. P.S. Bathla, Practising Company Secretary (Membership No. FCS 4391), to act as the Scrutinizer to the e-voting process i.e. votes casted during the AGM and votes casted through remote e-voting, in a fair and transparent manner.
27. The Scrutinizer will submit his report to the Chairman of the Company ('the Chairman') or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting), not later than 48 hours from the conclusion of the AGM.
28. The results declared along with the Scrutinizer's Report shall be placed on the website of the Company [www.owmnahar.com](http://www.owmnahar.com) and on the website of CDSL i.e. [www.cdslindia.com](http://www.cdslindia.com). The results shall simultaneously be communicated to the Stock Exchanges.
29. Subject to the receipt of requisite number of votes, the resolution shall be deemed to be passed on the date of the 40th Annual General Meeting i.e. 29th September, 2020.
30. A person, who is not a Member as on the cutoff date i.e. 22nd September, 2020 should treat this Notice for information purposes only.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

The following statement sets out all material facts relating to the Special Business mentioned under Item No. 4 to Item No. 6 of the accompanying Notice:

**ITEM NO. 4**

The Board, based on the recommendation of the Nomination and Remuneration committee, at its meeting held on August 12, 2020, recommend to the shareholders, the appointment of Dr. Roshan Lal Behl as an Independent Director of the Company with effect from September 29, 2020 for 5 years, pursuant to provisions of the Companies Act, 2013. The Company has received from him all statutory disclosures / declarations including, (i) consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 ("the Appointment Rules"), (ii) intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (2) of Section 164 of the Act, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act.

Dr. Roshan Lal Behl is 63 years of age. He is M.Com, MBA (Financial Management) and Ph.D (Corporate Disclosure Practices of Indian Companies). He is having more than 39 years of experience in Teaching. He retired as Principal from Sri Aurobindo College of Commerce and Management, Ludhiana in November, 2019. He has also served as Director of Ludhiana Stock Exchange from 2012-2014. Having regard to his vast knowledge and expertise, it will be in the interest of the Company to appoint him as an Independent Director.

He fulfills the conditions for independence specified in the Act, the Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and such other laws / regulations for the time being in force, to the extent applicable to the Company.

A copy of the draft letter for the appointment of Dr. Roshan Lal Behl as an Independent Director setting out the terms and conditions is available for electronic inspection without any fee by the members.

The Board seeks the approval of members for the appointment of Dr. Roshan Lal Behl as an independent director of the Company pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof) and his office shall not be liable to retire by rotation.



None of the Directors except Dr. Roshan Lal Behl, Key Managerial Personnel or their relatives, in any way may be deemed to be concerned or interested financially or otherwise in the Resolution.

The Board recommends the ordinary resolution set forth at Item no. 4 for your approval.

**ITEM NO. 5**

As per the provisions of Companies (Cost Records and Audit) Amendment Rules, 2014 notified by MCA vide its notification dated 31st December, 2014, Company's activities fall within the purview of Cost Audit requirement. Accordingly the Board, at its meeting held on June 26, 2020, on the recommendation of Audit Committee, approved the appointment of M/s Ramanath Iyer & Co., Cost Accountants (Firm Registration No. 000019) at a remuneration of Rs. 1.75/- Lakhs (Rupees One Lakh Seventy Five Thousand only) plus applicable taxes and Reimbursement of Out of pocket expenses incurred, for conducting the Cost Audit of the Cost records of the Company for the financial year 2020-21.

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration as mentioned above, payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the shareholders of the Company.

Accordingly consent and approval of the shareholders is being sought for passing an Ordinary Resolution as set out the Item No. 5 of the Notice for ratification of remuneration payable to M/s. Ramanath Iyer & Co., Cost Accountants (Firm Registration No. 000019) for financial year 2020-21.

None of the Directors of the Company, the Key Managerial Personnel of the Company or their relatives are, in any way concerned or interested financial or otherwise in the aforesaid resolution.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for your approval.

**ITEM NO. 6**

M/s Monte Carlo Fashions Limited, M/s. Nahar Industrial Enterprises Limited, M/s Oswal Woollen Mills Limited, M/s Nahar Poly Films Limited and M/s Nahar Capital and Financial Services Limited are the Group Companies and thus are the Related Parties as per section 2(76) and Section 188 of the Companies Act, 2013. M/s Monte Carlo Fashions Limited is engaged in the retail Business of Garments. M/s Nahar Industrial Enterprises Limited and M/s Oswal

Woollen Mills Limited are engaged in the manufacture of yarns and fabric. These Companies in the ordinary course of business buy/sell garments, yarns and fabrics etc. and also getting job work of manufacturing of garments from the Company. Sometimes, transactions with M/s Nahar Poly Films Limited and M/s Nahar Capital and Financial Services Limited also takes place. All the transactions are entered with the above said Companies, are in the ordinary course of business and are on Arm's length basis.

All the related party transaction(s) specified under section 188(1), the value/consideration of which is in excess of their respective limits prescribed under Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014, has to be approved by the members in the General Meeting. Whereas the third proviso to section 188(1) also states that nothing in section 188(1) will apply to any transaction entered into by the Company in its Ordinary course of business and at arm's length basis.

Further in accordance with Regulation 23 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 Company is required to seek shareholder's approval for material related party transactions.

Taking into Account the statutory provisions the Board of Directors intend to seek your prior approval for the Contracts(s)/ Agreement(s)/ Transaction(s) to be entered with the Group Companies for a period of three years w.e.f. 1st April, 2020.

Sh. Jawahar Lal Oswal, Chairman, Sh. Dinesh Oswal, Managing Director and Sh. Kamal Oswal, being the promoters and directors and Sh. Dinesh Gogna and Sh. S.K. Sharma being the common Non-Executive Directors of the said Companies, may be deemed to be concerned/ interested in the said resolution.

None of the directors and Key Managerial Personnel of the Company and their relatives, except as stated above, may be deemed to be concerned/ interested financially or otherwise in the said resolution.

Your Directors recommend the Ordinary Resolution set out at Item No. 6 of the Notice for your approval.

**Information pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding Director seeking appointment/re-appointment:**

As required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the particulars of Directors who are proposed to be appointed/re-appointed are given below:





**1. DR. ROSHAN LAL BEHL**

<b>Name</b>	<b>Dr. Roshan Lal Behl</b>
<b>Age</b>	63 Years
<b>Qualification</b>	M.Com, MBA (Financial Management) and Ph.D (Corporate Disclosure Practices of Indian Companies)
<b>Expertise</b>	He is Commerce Post Graduate and having good Financial & Accounting knowledge. Having more than 39 years of experience in Teaching. He retired as Principal. He served as Director of Ludhiana Stock Exchange Limited from 2012-2014.

**Listed Companies (other than Nahar Spinning Mills Limited) in which Dr. Roshan Lal Behl holds Directorship of Board, Chairmanship and Membership of Board Committees as on 31st March, 2020:**

**Directorship of Board:** Nil  
**Chairmanship of Board Committees:** Nil  
**Membership of Board Committees:** Nil  
**Shareholding in the Company:** 27 Equity Shares of Rs. 5/- each  
**Disclosure of relationship between Directors inter-se:** Nil

**2. Mr. JAWAHAR LAL OSWAL**

<b>Name</b>	<b>Mr. Jawahar Lal Oswal</b>
<b>Age</b>	76 Years
<b>Qualification</b>	Graduate
<b>Expertise</b>	Having more than 56 years of experience in Textile and Woolen Mills

**Listed Companies (other than Nahar Spinning Mills Limited) in which Mr. Jawahar Lal Oswal holds Directorship of Board, Chairmanship and Membership of Board Committees as on 31st March, 2020:**

**Directorship of Board:**

Sr. No.	Name of the Company	Status
1	Monte Carlo Fashions Limited	Chairman cum Managing Director
2	Nahar Capital and Financial Services Limited	Director

3	Nahar Poly Films Limited	Director
4	Nahar Industrial Enterprises Limited	Director

**Chairmanship of Board Committees:** Nil  
**Membership of Board Committees:** Nil  
**Shareholding in the Company:** 90374 Equity Shares of Rs.5/- each  
**Disclosure of relationship between Directors inter-se:** Mr. Jawahar Lal Oswal is the father of Mr. Kamal Oswal and Mr. Dinesh Oswal. Mr. Kamal Oswal and Mr. Dinesh Oswal are brothers.

**3. MR. SATISH KUMAR SHARMA**

<b>Name</b>	<b>Mr. Satish Kumar Sharma</b>
<b>Age</b>	67 Years
<b>Qualification</b>	MBA
<b>Expertise</b>	Having more than 39 years experience in Corporate Affairs and Marketing.

**Listed Companies (other than Nahar Spinning Mills Limited) in which Mr. Satish Kumar Sharma holds Directorship of Board, Chairmanship and Membership of Board Committees as on 31st March, 2020:**

**Directorship of Board:**

Sr. No.	Name of the Company	Status
1	Nahar Capital and Financial Services Limited	Director
2	Nahar Poly Films Limited	Executive Director

**Chairmanship of Board Committees:** NIL  
**Membership of Board Committees:**

Sr. No.	Name of the Company	Committee
1	Nahar Capital and Financial Services Limited	Audit Committee
2	Nahar Capital and Financial Services Limited	Stakeholder Relationship Committee

**Shareholding in the Company:** NIL  
**Disclosure of relationship between Directors inter-se:** NIL

**BY ORDER OF THE BOARD**

**DATE:** 12th August, 2020

**BRIJ SHARMA**  
(COMPANY SECRETARY)

**REGISTERED OFFICE:**  
 373, Industrial Area-A,  
 Ludhiana -141003(India)  
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