

**MINUTES OF 32<sup>ND</sup> ANNUAL GENERAL MEETING OF THE COMPANY  
HELD ON SATURDAY, THE 29<sup>TH</sup> DAY OF SEPTEMBER, 2012 AT THE  
PREMISES OF NAHAR INDUSTRIAL ENTERPRISES LIMITED, FOCAL  
POINT, LUDHIANA.**

**PRESENT**

**DIRECTORS**

1. SH. DINESH GOGNA
2. PROF. K. S MAINI
3. DR. A.S. SOHI
4. DR. S.K. SINGLA
5. DR. O.P. SAHNI
6. SH. S.K. SHARMA
7. SH. Y.P. SACHDEVA

**MEMBERS**

(AS PER ATTENDANCE REGISTER)  
148 Shareholders holding 22764684  
Equity Shares attended the meeting.

**BY INVITATION :** Mr. Vinod Khanna, Partner of M/s Gupta Vigg & Co.,  
Auditors of the company.

**CHAIRMAN OF THE MEETING**

In the absence of the Chairman Sh. J.L. Oswal, the members unanimously elected Sh. Dinesh Gogna, Director of the company, as Chairman to preside over the meeting. The Chairman welcomed the members present and introduced the Board members sitting on the dias to the shareholders.

On being informed by Sh. Brij Sharma, Company Secretary that the quorum for the meeting is present, the Chairman called the meeting to order so that formal proceedings of the meeting could commence. He drew the attention of the members that statutory books were available for inspection at the meeting.

He informed that the company received 1 proxy and 13 Authorisation from the Corporate Shareholders holding totaling 22744847 equity shares of the company, equivalent to 63.07% of the total share capital. Thereafter he asked Sh. Brij Sharma, Company Secretary to read out the Auditor's report. The report was read out at the meeting.

Thereafter the Chairman gave a brief speech highlighting the textile scenario and company's performance during the year.



With the consent of the members present, the notice convening the meeting was taken as read. Thereafter, the meeting proceeded as per the items specified in the notice.

## **ORDINARY BUSINESS**

### **1. ADOPTION OF ANNUAL ACCOUNTS**

The Chairman drew the attention of the members to the 1st item of the Notice of the Annual General Meeting, Sh. P.K. Vashishth proposed and Sh. Preet Kanwar Singh seconded the following resolution as an Ordinary Resolution.

"RESOLVED that the Audited Profit & Loss Account for the year ended 31st March, 2012 and Balance Sheet as on date together with the Report of Auditors and Directors thereon, as laid before the members, be and are hereby approved and adopted."

Before putting the resolution to vote, the Chairman invited the members to offer their comment or seek clarification, if any, on the reports and Annual Accounts. Thereupon some members asked questions regarding the working of the company. The Chairman thanked the shareholders for showing keen interest in the working of the company. Thereafter Prof. K.S. Maini, Chairman of the Audit Committee replied to the queries of the members to their satisfaction.

Thereafter the chairman put the resolution to vote on a show of hands. He declared the resolution carried unanimously by show of hands.

### **2. APPOINTMENT OF DIRECTOR**

The Chairman drew the attention of the members to the 2<sup>nd</sup> item of the notice regarding reappointment of Sh. Dinesh Gogna, who was retiring by rotation pursuant to Section 256 of the Companies Act, 1956 and seeking re-appointment. Sh. Anil Garg proposed and Sh. Mukesh Sood seconded the following resolution as an Ordinary resolution:

"RESOLVED that Sh. Dinesh Gogna who retires by rotation and being eligible offer himself for re-appointment be and is hereby re-appointed as a director of the Company liable to retire by rotation."

Thereafter the chairman put the resolution to vote on a show of hands. He declared the resolution carried unanimously by show of hands.



### **3. APPOINTMENT OF DIRECTOR**

The Chairman drew the attention of the members to the 3<sup>rd</sup> item of the notice regarding reappointment of Dr. O.P. Sahni who was retiring by rotation pursuant to Section 256 of the Companies Act, 1956 and seeking re-appointment. Sh. Anil Garg proposed and Sh. Dharam Paul seconded the following resolution as an Ordinary resolution:

"RESOLVED that Dr. O.P. Sahni who retires by rotation and being eligible offer himself for re-appointment be and is hereby re-appointed as a director of the Company liable to retire by rotation."

Thereafter the chairman put the resolution to vote on a show of hands. He declared the resolution carried unanimously by show of hands.

### **4. APPOINTMENT OF DIRECTOR**

The Chairman drew the attention of the members to the 4th item of the notice regarding reappointment of Prof. K.S. Maini who was retiring by rotation pursuant to Section 256 of the Companies Act, 1956 and seeking re-appointment. Sh. Manjit Singh proposed and Sh. H.R. Kapoor seconded the following resolution as an Ordinary resolution:

"RESOLVED that Prof. K.S. Maini who retires by rotation and being eligible offer himself for re-appointment be and is hereby re-appointed as a director of the Company liable to retire by rotation."

Thereafter the Chairman put the resolution to vote on a show of hands. He declared the resolution carried unanimously by show of hands.

### **5. APPOINTMENT OF DIRECTOR**

The Chairman drew the attention of the members to the 5th item of the notice regarding reappointment of Dr.(Mrs.) H.K. Bal who was retiring by rotation pursuant to Section 256 of the Companies Act, 1956 and seeking re-appointment. Sh. Dharam Paul proposed and Sh. Shibu Thomas seconded the following resolution as an Ordinary resolution:

"RESOLVED that Dr.(Mrs.) H.K. Bal who retires by rotation and being eligible offer herself for re-appointment be and is hereby re-appointed as a director of the Company liable to retire by rotation."



Thereafter the chairman put the resolution to vote on a show of hands. He declared the resolution carried unanimously by show of hands.

#### **6. APPOINTMENT OF AUDITORS TO FIX THEIR REMUNERATION.**

The Chairman drew the attention of the members to the 6th item of the notice. He informed that period of appointment of M/s Gupta Vigg & Co., Chartered Accountants, Ludhiana, the Statutory Auditors of the Company is expiring today and they have given certificate under section 224A and other applicable provisions of the Companies Act, 1956. Sh. H.R. Kapoor proposed and Sh. Shibu Thomas seconded the following resolution as an Ordinary resolution:

"RESOLVED that pursuant to the provisions of Section 224A and other applicable provisions, if any, of the Companies Act, 1956, M/s Gupta Vigg. & Co. Chartered Accountants, Ludhiana, the retiring auditors of the company be and are hereby re-appointed as Auditors of the Company for a further period of one year, to hold office until the conclusion of the Next Annual General Meeting of the Company at a remuneration to be decided by Sh. Dinesh Oswal, Managing Director and Audit Committee/Board in consultation with the auditors."

Thereafter the chairman put the resolution to vote on a show of hands. He declared the resolution carried unanimously by show of hands.

#### **SPECIAL BUSINESS**

#### **7. TO APPROVE THE REMUNERATION AND TO APPOINT SH. DINESH OSWAL, AS MANAGING DIRECTOR**

The Chairman drew the attention of the members to the 7th item of the Notice and informed that the shareholders vide their Ordinary resolution passed at their Annual General Meeting held on 20.09.2011 approved the payment of salary to Sh. Dinesh Oswal who was appointed as Managing Director as Managing Director of the company on 1<sup>st</sup> January, 2012 for a period of 5 years. Now it is proposed to pass the said Resolution as a Special Resolution. Sh. P.K. Vashishth proposed and Sh. Manjit Singh seconded the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the Provisions of Section 198, 269, 309, 310 and other applicable provisions of the Companies Act, 1956, read with and in accordance with the conditions specified in Schedule XIII (including any statutory modification or re-enactment thereof, for the time being in force), consent and approval of the Company be and is hereby accorded for the re-appointment of Sh.



Dinesh Oswal, as Managing Director of the Company, for a period of 5 years w.e.f. 1st January 2012 on the remuneration & perquisites set out below:

<b>Salary</b>	:	Rs. 30,00,000/- per month
<b>Commission</b>	:	1.5% of the Net Profit.
<b>Perquisites</b>	:	Following perquisites shall be allowed in addition to Salary and commission.

**iv) Housing**

- a) The expenditure by the Company on hiring furnished accommodation will be subject to the ceilings of 60% of the salary over and above, 10% payable by Sh. Dinesh Oswal.
- b) If the Company does not provide accommodation to Sh. Dinesh Oswal, he shall be entitled to House Rent Allowance @60% of salary.

**Explanation**

- i) The expenditure incurred by the Company on gas, electricity, water and furnishings shall be valued as per Income Tax Rules, 1962. This shall however, be subject to a ceiling of 10% of the salary of Sh. Dinesh Oswal.
- ii) **Medical reimbursement:** Reimbursement of expenses incurred for self and family subject to a ceiling of one month's salary in a year or five months salary over a period of five years.
- iii) **Leave travel concession:** Leave travel concession for self and family twice in a year incurred by him.
- iv) **Club fees:** Fees of clubs subject to a maximum of four clubs. No admission and life membership fee will be paid.
- v) **Personal Accident Insurance:** Personal Accident Insurance of an amount, the annual premium of which shall not exceed Rs.4000/-.
- vi) **Provident fund and super-annuation fund:** Contribution to Provident fund, Super-annuation fund or Annuity fund in accordance with the rules specified by the Company.



- vii) **Gratuity:** Gratuity payable shall not exceed half month's salary for each completed year of service.
- viii) **Leave Encashment:** Encashment of leave at the end of tenure, as per rules of the Company.
- ix) **Car and Telephone:** Free use of Company's car for official work and telephone at residence.

Note: For the purpose of perquisites stated herein above, family means the spouse, the dependent children and dependent parents of the appointee.

"RESOLVED FURTHER THAT wherein any Financial year, the Company has no profits or its profits are inadequate, the Company may pay Sh. Dinesh Oswal, remuneration by way of salary, perquisites and other allowances not exceeding the ceiling limit specified under Section II of the Part II of Schedule XIII of the Companies Act, 1956.

"RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby authorised to take all such steps as may be necessary to give effect to above resolution."

Thereafter the chairman put the resolution to vote on a show of hands. He declared the resolution carried unanimously by show of hands as a Special Resolution.

There being no other point for discussion, the meeting concluded with a vote of thanks to the chair.

DATED : 29.09.2011  
PLACE : LUDHIANA

sd/-

CHAIRMAN

Certified To Be True Copy

For Nehar Spinning Mills Ltd.



Co. Secretary