

Regd. Office & Corporate Office : 373, Industrial Area-A, LUDHIANA-141 003 (INDIA)
Phones : 91-161-2600701 to 705, 2606977 to 980 Fax : 91-161-2222942, 2601956
E-mail : secnsm@owmnahar.com Web Site : www.owmnahar.com
CIN No. : L17115PB1980PLC004341

NSML/SD/2016-17/

October 01, 2016

1. The Manager,
The National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1, G-Block
Bandra-Kurla Complex, Bandra (E)
MUMBAI – 400 051
2. The General Manager,
The Bombay Stock Exchange Limited
25th Floor, P.J. Tower,
Dalal Street, Mumbai
MUMBAI – 400 001

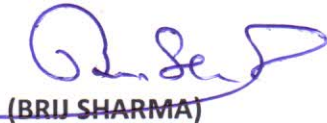
Dear Sir,

Pursuant to Regulation 30 read with Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith proceedings of 36th Annual General Meeting of the members of the Company held on Friday, September 30, 2016 at 11:30 A.M. at the premises of Nahar Industrial Enterprises Limited, Focal Point, Ludhiana.

Kindly take the same on your record.

Thanking you,

Yours faithfully,
For NAHAR SPINNING MILLS LTD.



(BRIJ SHARMA)
COMPANY SECRETARY
Encls: As above

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**PROCEEDINGS OF THIRTY SIXTH ANNUAL GENERAL MEETING OF THE COMPANY
HELD ON FRIDAY, THE 30TH DAY OF SEPTEMBER, 2016 AT 11.30 A.M.**

PRESENT

DIRECTORS

- | | | |
|---------------------|---|----------------------|
| 1. SH.DINESH OSWAL | - | MANAGING DIRECTOR |
| 2. SH. KAMAL OSWAL | - | DIRECTOR |
| 3. SH. DINESH GOGNA | - | DIRECTOR |
| 4. DR. S. K. SINGLA | - | INDEPENDENT DIRECTOR |
| 5. SH. S.K. SHARMA | - | DIRECTOR |

MEMBERS:

117 members holding 23307637 Equity Shares attended the Meeting as per Attendance Register.

IN ATTENDANCE:

- | | | |
|-----------------|---|-------------------------|
| SH. BRIJ SHARMA | - | COMPANY SECRETARY |
| SH. ANIL GARG | - | CHIEF FINANCIAL OFFICER |

BY INVITATION:

Mr. Vinod Kumar Khanna, Partner M/s. Gupta Vigg & Co., Auditors of the Company.
Mr. P.S. Bathla, Practicing Company Secretary, Scrutinizer and Secretarial Auditor of the Company.

The 36th Annual General Meeting of the members of the Company was held on Friday, September 30, 2016 at 11:30 A.M. at the premises of Nahar Industrial Enterprises Limited, Focal Point, Ludhiana. The meeting was attended by 117 members in person and authorized representatives of Corporates. There was no proxy.

In the absence of the Chairman, Sh. J.L. Oswal, the members unanimously elected Sh. Dinesh Oswal, Managing Director of the Company, as Chairman to preside over the meeting.

On being informed by Sh. Brij Sharma, Company Secretary that the requisite quorum for the Meeting is present, he called the meeting to order. He welcomed the Directors sitting on the dias and members present. He informed that Sh. J.L. Oswal, Dr. A.S. Sohi, Prof. K.S. Maini, Dr. (Mrs.) H.K. Bal and Dr. Y.P. Sachdeva, couldn't attend the Meeting due to their preoccupation. He informed that the Statutory Registers (Register of Director and Key Managerial Personnel and their Shareholding, Register of Contracts, etc.) and the Auditor's Report and Secretarial Auditor



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Report and documents referred to in the Notice of the AGM are open for inspection as per the provisions of Companies Act, 2013 and Rules made thereunder. Thereafter the Chairman addressed the Shareholders highlighting the performance of the Company during the year and briefed them regarding the prevailing Textile scenario.

Thereafter, he asked the Company Secretary to read out the Auditor's report and Secretarial Audit Report. The Reports were read out at the Meeting. It was informed that the Auditor's Report and Secretarial Audit Report does not contain any qualification as such, no explanation or clarification was required to be given by the Board and the same have been mentioned in the Directors Report.

Thereafter, the Chairman asked the Members that in case they have any query/clarification on the Financial Statements of the Company, they are most welcomed. 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, he replied to the queries of the members to their satisfaction.

Thereafter, the Meeting proceeded as per the Agenda of the Notice of AGM. The Chairman informed the members that pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company offered remote e-voting facility to all the shareholders of the Company in respect of Resolution No. 1 to 7 as contained in the Notice of AGM dated 12th August, 2016.

The Chairman further informed the shareholders that Company engaged the services of Central Depository Services (India) Limited for providing remote e-voting facility to its shareholders. The remote e-voting opened for three days starting from 27th September, 2016 at 9.00 a.m. to 29th September, 2016 at 5.00 p.m.

It was further informed that Mr. P.S. Bathla, a Practising Company Secretary, Ludhiana, having Membership No. FCS-4391, has already been appointed to act as a Scrutinizer for the e-voting as well as to conduct poll process in a fair and transparent manner. Ms. Vanshika Nayyar and Ms. Shikha Patial were appointed to act as witness to the poll process.

The Chairman briefed the members regarding the poll process and informed that now poll is to be taken on all the seven Resolutions as contained in the Notice of AGM dated 12th August, 2016. The Shareholders will have to give their assent / dissent by filling up the ballot form complete in all respect and thereafter sign the same.



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He briefed the members regarding the subject matter of the Resolutions as summarized hereunder:

ORDINARY BUSINESS:

1. Adoption of Financial Statements (Ordinary Resolution)

The Chairman drew the attention of the members to the first item of the Notice. Thereafter Sh. Mukesh Sood proposed and Sh. Surinder Singh seconded the following resolution as an Ordinary Resolution.

"RESOLVED that the Financial Statements of the Company for the financial year ended 31st March, 2016 together with the Reports of the Board of Directors and Auditor's Report thereon, as laid before the members, be and are hereby approved and adopted."

2. Declaration of dividend @ 30% i.e. Rs. 1.50/- per Equity Share of Rs. 5/- each for the year ended 31st March, 2016. (Ordinary Resolution)

The Chairman drew the attention of the members to the second item of the Notice. He informed that the Board has recommended equity dividend @ 30% i.e. Rs. 1.50 per Equity Share for the year ended on 31st March, 2016. Thereafter Sh. H.R. Kapoor proposed and Sh. Dharam Paul seconded the following resolution as an Ordinary Resolution:

"RESOLVED that a equity dividend @ 30% i.e. Rs. 1.50 per fully paid up share on Equity Share Capital of the Company for the year ended 31st March, 2016 be and is hereby declared out of the current years profits."

"RESOLVED FURTHER THAT dividend in respect of physical shares be paid to those shareholders whose names appear in the Register of Members of the Company on 9th September, 2016 and in respect of shares held in Electronic form, the dividend be paid on the basis of Beneficial Ownership data on the close of business on 9th September, 2016 as furnished by the Depositories, viz. National Securities Depository Limited and Central Depository Services (India) Limited and the dividend warrants be posted within prescribed period under the Companies Act, 2013, to all the shareholders who are entitled to receive the payment."

3. Appointment of Mr. Jawahar Lal Oswal (DIN: 00463866), Director retiring by rotation. (Ordinary Resolution)

The Chairman drew the attention of the members to the third item of the Notice regarding reappointment of Sh. Jawahar Lal Oswal who was retiring by rotation pursuant to Section 152



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of the Companies Act, 2013 and seeking reappointment. Thereafter Sh. Manjit Singh proposed and Sh. P.K. Vashishth seconded the following resolution as an Ordinary Resolution.

"RESOLVED that Sh. Jawahar Lal Oswal (DIN: 00463866) who retires by rotation pursuant to Section 152 of the Companies Act, 2013 and being eligible offers himself for re-appointment be and is hereby re-appointed as a Director of the Company liable to retire by rotation."

4. Appointment of Mr. Satish Kumar Sharma (DIN: 00402712), Director retiring by rotation. (Ordinary Resolution)

The Chairman drew the attention of the members to the fourth item of the Notice regarding reappointment of Sh. Satish Kumar Sharma who was retiring by rotation pursuant to Section 152 of the Companies Act, 2013 and seeking reappointment. Thereafter Sh. H.R. Kapoor proposed and Sh. P.K Vashishth seconded the following resolution as an Ordinary Resolution.

"RESOLVED that Sh. Satish Kumar Sharma (DIN: 00402712) who retires by rotation pursuant to Section 152 of the Companies Act, 2013 and being eligible offers himself for re-appointment be and is hereby re-appointed as a Director of the Company liable to retire by rotation."

5. Appointment of Auditors and fixation of their remuneration. (Ordinary Resolution)

The Chairman drew the attention of the members to the fifth 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 139 and other applicable provisions of the Companies Act, 2013. Thereafter Sh. Dharam Paul proposed and Sh. Shibu Thomas seconded the following resolution as an Ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of Section 139 and 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) thereof, for the time being in force), M/s. Gupta Vigg & Co., Chartered Accountants (Firm Registration No. 001393N), be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company, at such remuneration as shall be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS:

6. Ratification of Remuneration of Cost Auditors of the Company (Ordinary Resolution)



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The Chairman drew the attention of the members to the sixth item of the Notice regarding ratification of remuneration of M/s Ramanath Iyer & Co., Cost Accountants (Firm Registration No. 000019) for conducting the Cost Audit of the Cost records of the Company for the financial year ended 31st March, 2017. Thereafter, Mrs. Anjali Modgil proposed and Mr. Mukesh Sood seconded 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 and 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. (Membership No. 000019) appointed by the Board to conduct the audit of the Cost Records of the Company for the Financial year ending March 31, 2017, be paid a remuneration of Rs. 1.62 Lacs (Rupees One Lakh Sixty Two Thousand Only)".

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

7. Reappointment of Mr. Dinesh Oswal as Managing Director of the Company (Special Resolution)

The Chairman drew the attention of the members to the seventh item of the Notice regarding re-appointment of Sh. Dinesh Oswal as Managing Director for a period of 5 years commencing from 1st January, 2017 (as recommended by the Nomination and Remuneration Committee) on the remuneration and perquisites as set out in the resolution, in accordance with the provisions of Section 197 read with Schedule V of the Companies Act, 2013.

Thereafter, Mr. H.R. Kapoor proposed and Mrs. Nidhi Khande seconded the following resolution as a Special Resolution:-

"RESOLVED THAT pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and rules framed thereunder and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, (including any statutory modification(s) or re-enactment(s) 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 (DIN : 00607290), Managing Director of the Company, for a period of five years w.e.f. 1st January, 2017 to 31st December, 2021 on the remuneration and perquisites set out below:

Salary (Scale): Rs. 40,00,000 - 4,00,000 - 60,00,000 per month.

Commission : 1.5% of the Net Profit

Perquisites: Following perquisites shall be allowed in addition to salary and commission:





Nahar

SPINNING MILLS LTD.



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i) Housing

Sh. Dinesh Oswal shall be entitled to House Rent Allowance @50% of the 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 including admission fees and life membership fees.
- v) **Personal Accident Insurance:** Personal Accident Insurance of an amount, the annual premium of which shall not exceed Rs. 20,000/-.
- 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 the tenure, as per rules of the Company.
- ix) **Car and Telephone:** Free use of Company's car with Driver 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 and perquisites not exceeding the ceiling limits as specified under Section II of the Part II of Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) or such other limit as may be prescribed by the Government from time to time as minimum remuneration."

"RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby authorized to alter and vary the terms and conditions of appointment and /or remuneration, subject to the same not exceeding the limits specified under Section 197 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof,



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for the time being in force) and do all such acts and take all such steps as may be necessary, proper or expedient to give effect to the above resolution.”

Mr. Dinesh Oswal didn't participate in voting in respect of this Resolution.

Thereafter, the Chairman asked the Scrutinizer to conduct the poll in a fair and transparent manner. Mr. P.S. Bathla, the Scrutinizer, showed the empty ballot box to the shareholders. Thereafter, he asked the shareholders whether they got the ballot forms and filled up the same. After getting confirmation from the Shareholders, he asked the Chairman to declare the start of the poll process. Thereafter, the Chairman declared the start of the poll process and the Shareholders present in the meeting casted their votes. After ensuring that all the shareholders present have casted their vote, he asked the Chairman to declare the closure of poll process.

Thereafter, the Chairman declared the closure of the voting and asked the Scrutinizer to take the custody of the ballot box/polling papers and give his Consolidated Report i.e. remote e-voting and voting at the Annual General Meeting through poll by tomorrow.

Thereafter, the Chairman declared that on getting the Consolidated Report from Mr. P.S. Bathla, Scrutinizer, the Results of the voting will be declared at the Registered Office of the Company and uploaded on the Company's website i.e. www.owmnahar.com, CDSL's website www.cdslindia.com. and will also be communicated to the National Stock Exchange Ltd. and BSE Ltd. in the prescribed format under Regulation 44(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, simultaneously.

Thereafter, he informed that the business of the Notice of AGM has been transacted and thanked the members present and declared the Meeting as concluded at 12:45 p.m.

Date: 01.10.2016
Place: Ludhiana

Sd/-
Chairman

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FOR NAHAR SPINNING MILLS LTD.**


COMPANY SECRETARY