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NAHAR GROUP OF COMPANIES

The Nahar Group



34TH

Annual Report 2013-14





Nahar SPINNING MILLS LIMITED

BOARD OF DIRECTORS

Sh. Jawahar Lal Oswal	**Chairman**
Sh. Dinesh Oswal	Managing Director
Sh. Kamal Oswal	Director
Sh. Dinesh Gogna	Director
Sh. Satish Kumar Sharma	Director
Dr. (Mrs.) H.K. Bal	Independent Director
Prof. Kanwar Sain Maini	Independent Director
Dr. Suresh Kumar Singla	Independent Director
Dr. Amrik Singh Sohi	Independent Director
Dr. Yash Paul Sachdeva	Independent Director

FINANCIAL CONTROLLERS

Sh. Anil Garg & Sh. P. K. Vashishth

COMPANY SECRETARY

Sh. Brij Sharma

AUDITORS

M/s. Gupta Vigg & Co., Chartered Accountants
101, Kismat Complex, G.T. Road, Miller Ganj, Ludhiana-141 003.

PRINCIPAL BANKERS	:	Punjab National Bank, State Bank of India
REGD. OFFICE	:	373, Industrial Area- 'A', Ludhiana-141 003
WORKS	:	427, Industrial Area - 'A', Ludhiana (Punjab)
		Dhandari Kalan, G.T. Road, Ludhiana (Punjab)
		Village Simrai, Mandideep, Distt. Raisen (M.P.)
		Village Lalru and Lehli, Distt. S.A.S. Nagar (Punjab)
		Village Jalalpur, Distt. S.A.S. Nagar (Punjab)
		Rishab Spinning Mills, Village Jodhan, Distt. Ludhiana
		Nahar Fibres, Jitwal Kalan, Malerkotla, Distt. Sangrur

34th ANNUAL GENERAL MEETING

Day	:	Tuesday
Date	:	30th September, 2014
Time	:	10.00 A.M.
Place	:	At the Premises of Nahar Industrial Enterprises Limited, Focal Point, Ludhiana

CONTENTS

	PAGE NO.
NOTICE	2
E-VOTING INSTRUCTIONS	6
DIRECTOR'S REPORT	17
CORPORATE GOVERNANCE REPORT	23
MANAGEMENT DISCUSSION AND ANALYSIS	31
AUDITOR'S REPORT	34
BALANCE SHEET	38
STATEMENT OF PROFIT & LOSS ACCOUNT	39
NOTES ON ACCOUNTS	40
BALLOT FORM	57



Save Tree
Save Earth

Green Initiative

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies. Your Company has decided to join the MCA in its environmental friendly initiative.

Henceforth, the Company proposes to send documents such as Notice of the General Meetings, Annual Report and other communication to its shareholders via electronic mode to the registered e- mail addresses of shareholders. To support this green initiative of the Government in full measure, shareholders are requested to register/update their latest e-mail addresses with their Depository Participant (D.P.) with whom they are having Demat A/c or send the same to the Company via e-mail at:-secnsm@owmnahar.com or gredressalnsml@owmnahar.com.

We solicit your valuable co-operation and support in our endeavor to contribute our bit to the environment.

NOTICE

Notice is hereby given that the **Thirty Fourth Annual General Meeting** of the members of **NAHAR SPINNING MILLS LIMITED** will be held on **Tuesday, the 30th day of September, 2014** at **10:00 A.M.** at the premises of M/s Nahar Industrial Enterprises Limited, Focal Point, Ludhiana to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company for the financial year ended 31st March, 2014 and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a director in place of Sh. Jawahar Lal Oswal (DIN 00463866), who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a director in place of Sh. Satish Kumar Sharma (DIN 00402712), who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), 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 and the Rules framed thereunder, as amended from time to time, 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 in consultation with the Auditors."

SPECIAL BUSINESS:

6. **To appoint Dr. (Mrs.) Harbhajan Kaur Bal (DIN: 00008576) as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 149, 152 of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Dr. (Mrs.) Harbhajan Kaur Bal (DIN 00008576) Director of the Company, whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for three consecutive years for a term up to the conclusion of 37th Annual General Meeting in the calendar year 2017."

7. **To appoint Dr. Suresh Kumar Singla (DIN: 00403423) as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 149, 152 of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Dr. Suresh Kumar Singla (DIN 00403423), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for three consecutive years for a term up to the conclusion of 37th Annual General Meeting in the calendar year 2017."

8. **To appoint Dr. Yash Paul Sachdeva (DIN: 02012337) as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 149, 152 of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013 and Clause 49 of the Listing

Agreement, Dr. Yash Paul Sachdeva (DIN 02012337), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for three consecutive years for a term up to the conclusion of 37th Annual General Meeting in the calendar year 2017."

9. **To appoint Dr. Amrik Singh Sohi (DIN 03575022) as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Dr. Amrik Singh Sohi (DIN 03575022), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for three consecutive years for a term up to the conclusion of 37th Annual General Meeting in the calendar year 2017."

10. **To appoint Prof. Kanwar Sain Maini (DIN 00454686) as an Independent Director and in this regard to consider and if thought fit, to pass with or without modification (s), the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Prof. Kanwar Sain Maini (DIN 00454686), Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for three consecutive years for a term up to the conclusion of 37th Annual General Meeting in the calendar year 2017."

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

"RESOLVED THAT in supersession of resolution dated 29th day of September, 2007 passed at the Annual General Meeting and pursuant to the provisions of Section 180(1)(c) and all other applicable provisions of Companies Act, 2013, consent and approval of the Company, be and is hereby accorded to the Board of Directors (hereinafter referred to as the 'Board' which expression shall also include a committee thereof) to borrow any sum and sums of money from time to time in rupee currency and/or foreign currency, as they may deem necessary or expedient for the purpose of business of the Company, upon such terms and conditions as the Board may in its absolute discretion think fit, notwithstanding the monies to be borrowed, together with monies already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) at any time, may exceed from the aggregate of the paid up Share Capital of the Company and it's Free Reserves, not set apart for any specific purpose, provided that total amount up to which monies may be borrowed by the Board of Directors shall not exceed the sum of Rs. 1500 Crores (Rupees One Thousand Five Hundred Crores) only."

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

"RESOLVED THAT in supersession of resolution dated 29th day of September, 2007 passed at the Annual General Meeting and pursuant to the provisions of Section 180(1)(a) and all other applicable provisions of Companies Act, 2013, consent and approval of the Company, be and is

hereby accorded to the Board of Directors (hereinafter referred to as the 'Board' which expression shall also include committee thereof) for the creation of mortgage and/or charge in addition to the mortgages/charges created/to be created by the Company in such form and manner and with such ranking and at such times and on such terms as the Board may determine on all or any of the movable and immovable properties of the Company, both present and future and/or on the whole or any part of the undertaking(s) of the Company for securing the borrowings and financial assistance not exceeding Rs. 1500 Crores (Rupees One Thousand Five Hundred Crores) only by way of loans (in foreign currency and/or rupee currency) and the securities and/or other debt instruments issued/to be issued by the Company from time to time together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premium on prepayment charges and expenses including any increase as a result of devaluation/ revaluation/fluctuations in the rates of exchange and all other moneys payable by the Company in terms of loan agreement(s), Heads of agreement(s), or any other document entered into/to be entered into between the Company and the Lender(s)/Agent(s) in respect of the said loan/borrowing/financial assistance."

"RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to finalise, settle and execute such documents / deeds / writings / papers / agreements as may be required and to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper and desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgages/charges as aforesaid."

13. To adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting, be and are hereby approved and adopted in substitution and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;"

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

14. To approve the payment of minimum remuneration to Mr. Dinesh Oswal, Managing Director in case of inadequacy or no profits and in this regard to consider and if thought fit to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of section 197 and 198 read together with Schedule V and the rules framed thereunder and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the "Act"), (including any statutory modification or re-enactment thereof, for the time being in force) and subject to the requisite approval of the Central Government and subject to such conditions and modifications as may be prescribed or imposed by the Central Government while granting such approval, the approval of the members be and is hereby accorded to the payment of the following remuneration as minimum remuneration to Mr. Dinesh Oswal, Managing Director in case of no profits or inadequacy of profits in any financial year during three financial years commencing from April 1, 2014:

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

I) Housing

Sh. Dinesh Oswal shall be entitled to House Rent Allowance @ 60% 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 the club 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 the leave at the end of the 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 the Board of Directors or a Committee thereof of the Board, be and is hereby authorized to take such steps as may be necessary for obtaining necessary approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and sign and execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such other acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

15. To Consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent and approval of the Company be and is hereby accorded to the Board of Directors to enter into an agreement for sale and purchase of Yarns, Fabrics, Garments and job work of manufacturing of garments with M/s. Monte Carlo Fashions Limited, sale and purchase of Yarns with M/s. Nahar Industrial Enterprises Limited and sale and purchase of Yarns, Garments and waste etc. with M/s. Oswal Woollen Mills Limited, for a period of three years w.e.f. 1st April, 2014, which may be renewed with the mutual consent of parties thereto."

"RESOLVED FURTHER THAT any acts / transactions done under this Agreement after 1st April, 2014 and upto the date of passing of this resolution be and are hereby approved and ratified."

"RESOLVED FUTHER THAT the Board of Directors, be and are hereby authorized to do all such acts, deeds or things as may be necessary to give effect to the above resolution."

BY ORDER OF THE BOARD

PLACE : LUDHIANA **BRIJ SHARMA**

DATED: 11th August, 2014 **(Company Secretary)**

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE EFFECTIVE MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN FORTY EIGHT HOURS BEFORE THE TIME OF THE MEETING. THE BLANK PROXY FORM IS ENCLOSED.
2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. 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 a part of this Notice.

4. The Register of Members and Share Transfer Register of the Company shall remain closed from 15th September, 2014 to 20th September, 2014 (both days inclusive).

5. The dividend on equity shares as recommended by the Board of Directors, if approved at the Annual General Meeting will be paid to the members, whose names appear in Register of members as on 15th September, 2014 or Register of beneficial owners, maintained by the Depositories at the close of 13th September, 2014.

6. Pursuant to Section 205C of the Companies Act, 1956, all unclaimed dividends up to the financial year 2005-06 have been transferred to Investor Education and Protection Fund. Further unpaid dividend for the year 2006-07 is to be transferred to Investor Education and Protection Fund pursuant to Section 205C of the Companies Act, 1956 in November, 2014. Shareholders who have not encashed their dividend warrants relating to the said period are requested to claim the amount from the Company at the earliest.

7. The bank Account particulars of the members will be printed on the dividend warrants. Members holding shares in physical form are requested to immediately notify change in their address/Bank details to the Company's Share Transfer Agent, M/s Alankit Assignments Limited or to the Company's Registered Office at 373, Industrial Area-A, Ludhiana – 141 003.

   Members holding shares in electronic form are requested to notify change in their address/Bank details to their Depository Participants before 13th September, 2014.

8. Since the Company's shares are in compulsory demat trading, to ensure better service and elimination of risk of holding shares in physical form, we request shareholders holding shares in physical form to dematerialize their shares at the earliest.

9. The documents referred to in the Explanatory Statement are open for inspection at the Registered Office of the Company on any working day (except Saturday and Holiday) between 10:00 A.M. To 12:00 Noon upto the date of Annual General Meeting.

10. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.

11. Electronic copy of the Annual Report for the year 2013-2014 is being sent to all the members whose email Ids are registered with the Company / Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report is being sent in the permitted mode.

12. Members seeking any information with regard to Annual Accounts at the time of meeting are requested to send their queries to the Company at least 7 days before the date of meeting so as to enable the management to keep the relevant information ready.

13. To avail the facility of nomination, Members are requested to send us duly filled and signed Nomination Form (Form No. SH-13)

14. The information required to be provided under clause 49 of the Listing Agreement entered into with the Stock Exchanges, regarding the Directors who are proposed to be appointed/re-appointed is given hereunder and form part of the Notice.

15. The Register under Section 189 (4) of the Companies Act, 2013 shall be produced at the commencement of the meeting and shall remain open and accessible during the continuance of the meeting.

16. In compliance with the provisions of Clause 35B of the Listing Agreement as well as Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is offering E-voting facility to all the shareholders of the Company. For this purpose, the Company has entered into an agreement with M/s. Central Depositories Services (India) Ltd. (CDSL) for providing e-voting facility to enable the shareholders to cast their votes electronically.

17. Instructions for Voting through electronic mode:-

   1. Members may choose to cast their vote electronically by logging on to the e-voting website (www.evotingindia.com)
   2. Click on "Shareholders" tab.
   3. 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.
   4. Next enter the Image Verification as displayed and Click on Login.
   5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

6. If you are a first time user, follow the steps given below:-

	For members holding shares in demat and physical form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the Client Id/Folio Number in the PAN field. • In case the Folio Number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with Folio Number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by the member on the cut off date in the Dividend Bank details field as mentioned in Note 5.

7. After entering these details appropriately, click on "SUBMIT" tab.

8. 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 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.

9. For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice of ensuing Annual General Meeting of the Company.

10. Click on the EVSN for <NAHAR SPINNING MILLS LIMITED> to vote.

11. 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 YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

12. Click on the "RESOLUTION FILE LINK" if you wish to view the entire Resolution details.

13. 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.

14. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

15. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

16. If Demat account holders has forgotten the same password then Enter the User Id and the image verification code and click on Forgot Password & enter the details as prompted by the system.

17. Note for Institutional Shareholders

a) Institutional shareholders (i.e. Other than individuals, HUF, NRI etc.) are required to log on to https://www.evotingindia.com and register themselves as Corporates.

b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to: helpdesk.evoting@cdslindia.com.

c) After receiving the login details, they have to create compliance user using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

d) A scanned copy of the Board Resolution/ Power of Attorney issued in favour of the Custodian should be uploaded in PDF format

in the system for the scrutinizer to verify the same.

e) The list of accounts should be e-mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

18. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to: helpdesk.evoting@cdslindia.com.

Other instructions:

19. The login ID and password for e-voting along with process, manner and instruction for e-voting is being sent to the members who have not registered their e-mail Ids with the Company. Those members who have registered their email Ids with the Company / Depository Participant will be forwarded the login ID and password for e-voting along with process, manner and instructions via email by Company.

20. The e-voting period shall commence on 24th September, 2014 (9.00 a.m. onwards) and ends on 26th September, 2014 (6.00 p.m.). During this period, members of the Company holding shares either in physical form or in dematerialised form, as on the cut off date may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

21. Vote on a resolution, once cast, cannot be changed subsequently.

22. Voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on cut off date.

23. Mr. P.S. Bathla, Practising Company Secretary (Membership No. FCS 4391), will act as a Scrutinizer to the e-voting process in a fair and transparent manner.

24. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of atleast two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in the favor or against, if any, forthwith to the Chairman of the Company.

25. Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer Mr. P. S. Bathla, Company Secretary, S.C.O. VI, IIIrd Floor, Feroze Gandhi Market, Ludhiana not later than 26th September, 2014 (6.00 p.m.). The members can also cast their votes at the Annual General Meeting of the company to be held on 30th Sept., 2014.

26. Ballot Form received after this date will be treated as invalid.

27. A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and ballot shall be treated as invalid.

28. The results shall be declared on or after the AGM of the Company. Results alongwith Scrutinizer's Report shall be placed on the website of the Company i.e. www.owmnahar.com and on the website of CDSL within two days of passing of the resolutions at the 34th Annual General Meeting.

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

Pursuant to section 102(1) of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the Special Business mentioned under Item Nos. 6 to 15 of the accompanying Notice:

ITEM NO. 6

Dr. (Mrs.) Harbhajan Kaur Bal is a Non-executive Independent Director of the Company. She joined the Board of Directors on 30th May, 2000. She is Post Graduate and Ph.D. in Statistics. She is an eminent educationist and retired as head of Business Management Department from Punjab Agriculture University, Ludhiana. She has more than 32 years of experience in Teaching Management & Administration.

Dr. (Mrs.) Harbhajan Kaur Bal is a director whose period of office is liable to determination by retirement of directors by rotation under the erstwhile applicable provisions of Companies Act, 1956. In terms of section 149 and other applicable provisions of the Companies Act, 2013 which came into effect from April 1, 2014, Dr. (Mrs.) Harbhajan Kaur Bal, being eligible and offered herself for appointment, is proposed to be appointed as an Independent Director for three years commencing from this Annual General Meeting upto the conclusion of