

NAHAR CAPITAL AND FINANCIAL SERVICES LIMITED
Regd. Office: 375, INDUSTRIAL AREA – A,
LUDHIANA

MINUTES OF SIXTH ANNUAL GENERAL MEETING OF THE COMPANY HELD ON TUESDAY, 20TH SEPTEMBER, 2011 AT 11.00 A.M. AT THE PREMISES OF NAHAR INDUSTRIAL ENTERPRISES LIMITED, FOCAL POINT, LUDHIANA.

PRESENT

DIRECTORS

1. SH. KAMAL OSWAL
2. SH. DINESH GOGNA
3. PROF. K.S. MAINI
4. DR. S. K. SINGLA

MEMBERS

(AS PER ATTENDANCE REGISTER)

61 Shareholders holding 10282902 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. Kamal Oswal, 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 Mrs. Anjali Modgil, 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. But before the commencement of the official business of the meeting, the Chairman informed the members regarding the sad demise of Sh. Amarjeet Singh, Director of the Company, on 30th May, 2011. Thereafter one minute silence was observed by the members as a mark of respect to the departed soul.

Thereafter the Chairman drew the attention of the members that statutory books were available for inspection at the meeting. He further informed that the Company received 3 proxies and 13 authorisations from the Shareholders totaling 1,02,58,682 Equity Shares of the Company, equivalent to 61.26% of the total Share Capital. Thereafter he asked Mrs. Anjali Modgil, Company Secretary of the Company, to read out the Auditor's report. The Report was read out at the meeting.

Thereafter the Chairman gave a brief speech highlighting the performance as well as achievements of the company 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 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 Profit & Loss Account for the year ended 31st March, 2011 and Balance Sheet as on date together with the Directors Report and Auditor's Report thereon, as laid before the members, be and are hereby adopted and confirmed."

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 the show of hands.

2. DECLARATION OF DIVIDEND ON EQUITY SHARES

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, 2011. Thereafter Sh. H.R. Kapoor proposed and Sh. Dharam Paul seconded the following resolution as an Ordinary Resolution:

"RESOLVED that a 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, 2011 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 20th September, 2011 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, 2011 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, 1956, to all the shareholders who are entitled to receive the payment."



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

3. APPOINTMENT OF DIRECTOR

The Chairman drew the attention of the members to the third item of the Notice regarding reappointment of Dr. Suresh Kumar Singla who was retiring by rotation pursuant to Section 256 of the Companies Act, 1956 and seeking reappointment. Thereafter Sh. Manjit Singh proposed and Sh. G.T. Pillai seconded the following resolution as an Ordinary Resolution.

"RESOLVED that Dr. Suresh Kumar Singla who retires by rotation pursuant to Section 256 of the Companies Act, 1956 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."

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

4. APPOINTMENT OF DIRECTOR

The Chairman drew the attention of the members to the fourth item of the Notice regarding reappointment of Dr. (Mrs.) Harbhajan Kaur Bal who was retiring by rotation pursuant to Section 256 of the Companies Act, 1956 and seeking reappointment. Thereafter Sh. H.R. Kapoor proposed and Sh. P.K Vashishth seconded the following resolution as an Ordinary Resolution.

"RESOLVED that Dr. (Mrs.) Harbhajan Kaur Bal who retires by rotation pursuant to Section 256 of the Companies Act, 1956 and being eligible offers 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 the show of hands.

5. APPOINTMENT OF DIRECTOR

The Chairman drew the attention of the members to the fifth item of the Notice regarding reappointment of Prof. Kanwar Sain Maini who was retiring by rotation pursuant to Section 256 of the Companies Act, 1956 and seeking reappointment. Thereafter Sh. Anil Garg proposed and Sh. Shibhu Thomas seconded the following resolution as an Ordinary Resolution.

"RESOLVED that Prof. Kanwar Sain Maini who retires by rotation pursuant to Section 256 of the Companies Act, 1956 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."



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

6. APPOINTMENT OF AUDITORS AND TO FIX THEIR REMUNERATION

The Chairman drew the attention of the members to the sixth 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. Thereafter Sh. Manjit Singh proposed and Sh. Atul Sud 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 Statutory Auditors of the Company for the financial year 2011-12 to hold office up to the conclusion of the next Annual General Meeting of the Company at such remuneration as may be fixed and decided by the Board of Directors of the Company in consultation with the Audit Committee and Statutory Auditors."

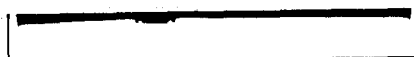
Thereafter, the Chairman put the resolution to vote on a show of hands. He declared the resolution carried unanimously by the show of hands.

SPECIAL BUSINESS:

7. TO APPOINT DR. YASH PAUL SACHDEVA AS DIRECTOR OF THE COMPANY:

The Chairman drew the attention of the members to the seventh Item of the Notice and informed the shareholders that the Board of Directors appointed Dr. Yash Paul Sachdeva, as Additional Director of the Company on 30th May, 2011. His period of office expires today i.e. on 20th September, 2011. The Company has received a notice in writing alongwith requisite deposit from a member under Section 257 of the Companies Act, 1956 signifying his intention to propose the appointment of Dr. Yash Paul Sachdeva as a director, liable to retire by rotation. The Company has also received consent in writing from Dr. Yash Paul Sachdeva to act as a Director of the Company, if appointed. Thereafter, Mr. Brij Sharma proposed and Mr. Pritpal Singh seconded the following resolution as an Ordinary Resolution:-

"RESOLVED THAT pursuant to the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification or re-enactment thereof, for the time being in force and Article 108 of the Articles of Association of the Company, Dr. Yash Paul Sachdeva, who was appointed as an Additional Director of the Company w.e.f. 30th May, 2011 and who holds such office upto the date of forthcoming Annual General Meeting in terms of Section 260 of the Companies Act, 1956 and in respect of whom Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby 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 the show of hands as an Ordinary Resolution.

8. TO RE-APPOINT SH. DINESH OSWAL AS MANAGING DIRECTOR OF THE COMPANY:

The Chairman drew the attention of the members to the eighth Item of the Notice and informed the shareholders that Sh. Dinesh Oswal was appointed as Managing Director of the Company on 29th December, 2007 for a period of 5 years. His period of office shall expire on 31st December, 2011. Sh. Dinesh Oswal is 46 years of age and is having 26 years business experience in Textile Industry. The Board, keeping in view the overall growth of the Company under his able and dynamic leadership, has recommended to re-appoint him as Managing Director for a further period of 5 years commencing from 1st January, 2012. Sh. Dinesh Oswal, is eligible for re-appointment as Managing Director and his remuneration and perquisites as set out in the resolution, are in accordance with the provisions of Schedule XIII of the Companies Act, 1956.

Thereafter, Mr. Brij Sharma proposed and Mr. Mukesh Sood seconded the following resolution as an Ordinary Resolution:-

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 and 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 and perquisites set out below:

A. Salary: Rs. 10,00,000/- per month.

B. Perquisites: Following perquisites shall be allowed in addition to salary:

1. Medical Reimbursement: Reimbursement of expenses incurred for self and family subject to a ceiling of one month's salary in a year.
2. Leave Travel Concession: Leave Travel Concession for self and family once in a year incurred by him.
3. Club Fees: Fees of clubs subject to a maximum of two clubs. No admission and life membership fees will be paid.
4. Personal Accident Insurance: Personal Accident Insurance of an amount, the annual premium of which shall not exceed Rs. 4000/-.
5. 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.



6. Gratuity: Gratuity payable shall not exceed half month's salary for each completed year of service.
7. Leave Encashment: Encashment of leave at the end of the tenure, as per rules of the Company.
8. 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 not exceeding the limits, 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 authorized to take all such steps as may be deemed necessary to give effect to the above resolution."

Thereafter, the Chairman put the resolution to vote on a show of hands. He declared the resolution carried unanimously by the show of hands as an Ordinary Resolution.

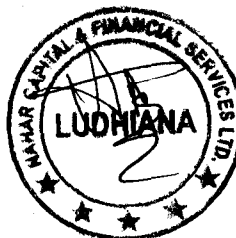
9. TO COMMENCE THE REAL ESTATE BUSINESS:

The Chairman drew the attention of the members to the ninth Item of the Notice and informed that seeing the good business opportunities in "Real Estate Sector", the Board is proposing for diversifying the Company's activities into this new line of business. Accordingly, approval of the shareholders is sought u/s 149(2A) of the Companies Act, 1956 to bring sub clause 22 (a & b) of Clause - III-C of the "Other Object" to the "Main Object" of the Memorandum of Association of the Company.

Thereafter, Mr. H.R. Kapoor proposed and Mr. Brij Sharma seconded the following resolution as a Special Resolution:-

"RESOLVED THAT pursuant to the provisions of Section 149(2A) and other applicable provisions, if any, of the Companies Act, 1956, consent and approval of the Company, be and is hereby accorded for commencing and undertaking the Real Estate Business as enumerated in sub clause 22 (a & b) of the Object Clause of the Memorandum of Association of the Company, namely:

22. a) To purchase, sell, develop, take in exchange, or on lease, hire or otherwise acquire, whether for investment or sale or working the same, any real or personal estate, including land mines, houses, cottages, shops, deposits and ware-houses, in consideration for a gross sum or rent or partly in one way and partly in the other or for any other consideration.



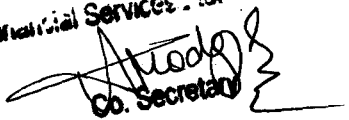
b) To carry on the business as proprietors of flats and buildings and to let on lease or otherwise apartments therein and to provide for the convenience commonly provided in flats, suites and residential quarters."

Thereafter, the resolution put to vote by show of hands and was carried with requisite majority.

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

DATED: 20.09.2011
PLACE: LUDHIANA

Sd/-
CHAIRMAN

For Nahar Capital & Financial Services Ltd.

Co. Secretary