





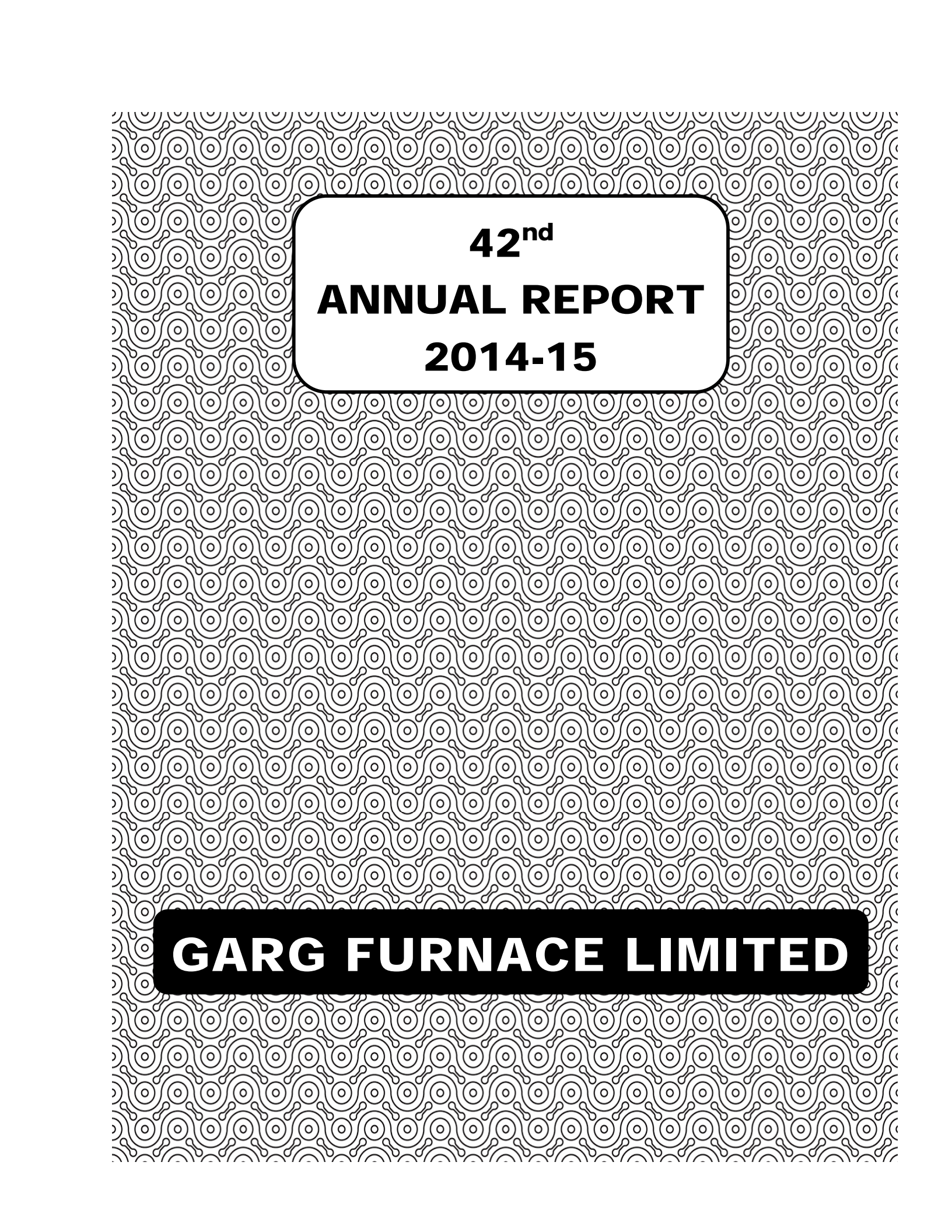
ANGANWAL ROAD, V.P.O. JUGIANA,
G.T. ROAD, LUDHIANA-141 120 (INDIA)
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**GARG
FURNACE LTD.**

Form A

1. Name of the Company	Garg Furnace Limited
2. Annual Financial Statements for the year ended	31st march 2015
3. Type of Audit observation	Un-qualified
4. Frequency of Observation	NA
5. (i) Mr. Devinder Garg- Chairman	
(ii) Mrs. Vaneera Garg- Whole Time Director	
Amarjit Kamboj-Partner M/s Dass Khanna & Co. (Statutory Auditor of the company)	
Mr. Pawan Kumar (Chairman of Audit Committee)	



42nd
ANNUAL REPORT
2014-15

GARG FURNACE LIMITED

MANAGEMENT**BOARD OF DIRECTORS**

DIRECTORS (PROMOTERS)	:	Sh. Devinder Garg (Executive Chairman) Sh. Toshak Garg (Managing Director) Smt. Vaneera Garg (Women, Wholetime Director)
DIRECTORS (INDEPENDENT)	:	Sh. Pawan Kumar Garg Sh. Amit Gupta
AUDITOR	:	M/s. Dass Khanna & Co. B-XX, 2815, 1st Floor, Gurdev Nagar, Pakhowal Road, LUDHIANA - 141 00.
COST AUDITOR	:	Meenu & Associates H. No. S-200, Basant Vihar Colony, Noorwala Road, LUDHIANA.
BANKERS	:	Indian Bank Clock Tower Chowk, Ludhiana
REGISTERED OFFICE & WORK	:	Kanganwal Road, Near Old Octroi Post Ambala Side, V.P.O. Jugiana, G. T. Road, LUDHIANA-141 120.

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GARG FURNACE LIMITED

CIN: L99999PB1973PLC003385

Regd. Office: Kanganwal Road, V.P.O. Jugiana, G.T. Road, Ludhiana-141120

Phone: +91-161-2510082, 2510084, 2511713,

2511813, 4692400, 4692409 FAX: +91-161-2512285

Email: gargfurnace@yahoo.com

NOTICE

Notice is hereby given that the 42nd Annual General Meeting of the members of the company would be held on Wednesday the 30th day of September, 2015 at 9:30 A.M. at the Registered office at Kanganwal Road V.P.O. Jugiana G T. Road, Ludhiana-141120 to transact the following business: -

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the year ended March 31, 2015 and the Balance Sheet as at that date together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr.Toshak Garg (DIN: 03503511), who retires from office by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors and to 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 first proviso to Section 139(1) of the Companies Act, 2013, read with the first proviso to Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the appointment of M/s Dass Khanna & Co. Chartered Accountants (ICAI Registration No. 000402N), Chartered Accountants, as the auditors of the Company to hold office from the conclusion of the 20th Annual General Meeting until the conclusion of the 23rd Annual General Meeting of the Company, on such remuneration as may be decided by the Board of Directors of the Company, made at the 41st Annual General Meeting of the Company held on 30th September, 2014, be and is hereby ratified.”

SPECIAL BUSINESSES

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

“**RESOLVED THAT** pursuant to Sections 149, 150 and 152 of the Companies Act, 2013 (the ‘Act’) read with Companies (Appointment and qualification of Directors) Rules, 2014 along with Schedule IV of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement(s), AMIT GUPTA (DIN : 03615152), an Additional Director (Non- executive & Independent) of the Company, who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act, and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing her candidature for the office of Director, be and is hereby appointed as a Non-executive & Independent Director of the Company, not liable to retire by rotation, for five (5) consecutive years effective 1st Sept, 2015.”

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’) and the rules made thereunder (including statutory modification(s) or reenactment thereof for the time being in force), read with Schedule V to the Act and Articles of Association of the Company and subject to the approval of Central Government, the consent of the shareholders of the Company be and is hereby accorded to re- appoint **Mr. Devinder Garg** (DIN : 01665456) as the Executive

Chairman of the Company for a period of three years effective August 1, 2015 on the terms and conditions, including remuneration, as are set out in explanatory statement to this resolution and as mentioned the draft agreement to be entered into between the Company and **Mr. Devinder Garg**, a copy of which, initialed by the Chairman & CFO for the purpose of identification, is placed before the meeting with liberty to the Board of Directors of the Company ("the Board") to alter and vary the terms and conditions thereof in such manner as may be agreed to between the Board and **Mr. Devinder Garg** subject to the applicable provisions of the Act, or any amendment thereto or any re-enactment thereof.

RESOLVED further that in the event of absence or inadequacy of profits in any financial year during his tenure as Executive Chairman, **Mr. Devinder Garg** be paid the aforesaid remuneration as minimum remuneration for that year.

RESOLVED FURTHER THAT Remuneration of **Mr. Devinder Garg** be increased to the maximum in increment, as mentioned in explanatory statement to this resolution, from the date as decided by Nomination and Remuneration Committee, if the Nomination and Remuneration Committee shall consider it suitable, after judging the Financial and profitability position of the company in its meeting to approve the annual Accounts of the Company for the Current/coming Financial Years, without getting the approval of members.

RESOLVED further that for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable."

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

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') and the rules made thereunder (including statutory modification(s) or reenactment thereof for the time being in force), read with Schedule V to the Act and Articles of Association of the Company and subject to the approval of Central Government, the consent of the shareholders of the Company be and is hereby accorded to re-appoint **Mr. Toshak Garg** (DIN : 03503511) as the Managing Director of the Company for a period of three years effective 15 November, 2015 on the terms and conditions, including remuneration, as are set out in explanatory statement to this resolution and as mentioned the draft agreement to be entered into between the Company and **Mr. Toshak Garg**, a copy of which, initialed by the Chairman & CFO for the purpose of identification, is placed before the meeting with liberty to the Board of Directors of the Company ("the Board") to alter and vary the terms and conditions thereof in such manner as may be agreed to between the Board and **Mr. Toshak Garg** subject to the applicable provisions of the Act, or any amendment thereto or any re-enactment thereof.

RESOLVED further that in the event of absence or inadequacy of profits in any financial year during his tenure as Executive Chairman, **Mr. Toshak Garg** be paid the aforesaid remuneration as minimum remuneration for that year.

RESOLVED FURTHER THAT Remuneration of **Mr. Toshak Garg** be increased to the maximum in increment, as mentioned in explanatory statement to this resolution, from the date as decided by Nomination and Remuneration Committee, if the Nomination and Remuneration Committee shall consider it suitable, after judging the Financial and profitability position of the company in its meeting to approve the annual Accounts of the Company for the Current/coming Financial Years, without getting the approval of members.

RESOLVED THAT Salary paid/being paid to **Mr. Toshak Garg** from the expiry of his original term as Managing Director till the date of meeting be and is hereby approved and confirmed.

RESOLVED further that for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable."

7. To consider and if thought fit, to pass with or without modification, the following Resolution as a **Special Resolution**:

“**RESOLVED That** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’) and the rules made thereunder (including statutory modification(s) or reenactment thereof for the time being in force), vread with Schedule V to the Act and Articles of Association of the Company and subject to the approval of Central Government, the consent of the shareholders of the Company be and is hereby accorded to re- appoint **Mrs. Vaneera Garg** (DIN : 01283990) as the Executive Chairman of the Company for a period of three years effective August 1, 2015 on the terms and conditions, including remuneration, as are set out in in explanatory statement to this resolution and as mentioned the draft agreement to be entered into between the Company and **Mrs. Vaneera Garg** , a copy of which, initialed by the Chairman & CFO for the purpose of identification, is placed before the meeting with liberty to the Board of Directors of the Company (“the Board”) to alter and vary the terms and conditions thereof in such manner as may be agreed to between the Board and **Mrs. Vaneera Garg** subject to the applicable provisions of the Act, or any amendment thereto or any re-enactment thereof.

RESOLVED FURTHER that in the event of absence or inadequacy of profits in any financial year during his tenure as Executive Chairman, **Mrs. Vaneera Garg** be paid the aforesaid remuneration as minimum remuneration for that year.

RESOLVED FURTHER THAT Remuneration of **Mrs. Vaneera Garg** be increased to the maximum in increment , as mentioned in explanatory statement to this resolution, from the date as decided by Nomination and Remuneration Committee, if the Nomination and Remuneration Committee shall consider it suitable, after judging the Financial and profitability position of the company in its meeting to approve the annual Accounts of the Company for the Current/coming Financial Years, without getting the approval of members.

RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable.”

8. To consider and if thought fit, to pass with or without modification, the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to Section 14 and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including the statutory modifications and re-enactments thereof for the time being in force) consent of the members be and is hereby accorded to adopt the new set of Articles of Association, as set out in the draft which is initialed by the Chairman & CFO and placed before the meeting for the purpose of identification, in substitution of the existing Articles of Association of the Company.

RESOLVED further that the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as deem necessary in relation thereto, and to file all the necessary documents with Registrar of Companies, for the purpose of giving effect to this resolution.”

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

“**RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time, the Company hereby ratifies the remuneration of Rs. 45000.00 plus out-of-pocket expenses payable to M/S Meenu & Associates, Cost Accountants (Firm's Registration No. Frn; 100729) who have been appointed by the Board of Directors as the Cost Auditors of the Company, to conduct the audit of the cost records of the Company, for the Financial Year ending 31 March, 2016.”

For and on behalf of the Board

(DEVINDER GARG)
CHAIRMAN
(DIN : 01665456)

Place: LUDHIANA.
Date: 01/09/2015

NOTES:

a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXY (IES) TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PER CENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. PROVIDED THAT A MEMBER HOLDING MORE THAN TEN PER CENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

THE INSTRUMENT APPOINTING THE PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DEPOSITED, DULY COMPLETED AND SIGNED, AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS SENT HERewith. PROXIES SUBMITTED ON BEHALF OF THE COMPANIES, SOCIETIES ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION/AUTHORITY, AS APPLICABLE.

b) Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special business under Item Nos. 1 to 9 above, is annexed hereto.

c) The Board of Directors of your Company comprised of 5 directors of which 2 directors viz. Mr. Pawan Kumar (DIN: 03591023), & , Mr. AMIT GUPTA (DIN : 03615152), are Independent Directors, who are not liable to retire by rotation in terms of Sections 149 and 152 of the Companies Act, 2013. Further, Mr. Devinder Garg, appointed as Chairman of your Company, Mr.Toshak Garg Managing Director & Mrs.Vaneera Garg whole time Directors are appointed are subject to liable to retire by rotation, and one of them Mr.Toshak Garg are liable to retire by rotation at this AGM in pursuance with the provisions of the Companies Act, 2013.

d) The relevant details of Directors seeking appointments/re-appointment under Item Nos. 4 to 7 above, as required by Clause 49 of the Listing Agreements entered into with the Stock Exchanges are also annexed.

e) The Register of Members and Share Transfer books of the Company will remain closed from Monday, September 28, 2015 to Wednesday, September 30, 2015 (both days inclusive).

f) Shareholders holding shares in the physical form are requested to notify any change in their address/mandate/bank details / e-mail address to, the Registrars and Transfer Agents, to facilitate better services.

g) Members are requested to register their e-mail addresses with the Company / Depository Participant to enable us to send you the Report and Accounts, Notices etc. in electronic mode, as a measure of support to the Green Initiative in Corporate Governance of the Ministry of Corporate Affairs, Government of India.

h) SEBI vide its circular ref no. MRD/DoP/ Cir-05/2009 dated 20.05.2009 has clarified that for securities market transactions and off-market/ private transactions involving transfer of shares in physical form of listed companies, it shall be mandatory for the transferee(s) to furnish a copy of the PAN Card to the Company/RTA for registration of such transfer of shares irrespective of the amount of such transaction.

i) All intended transferee(s) are, therefore, requested to furnish a self certified copy of their PAN Card along with the relevant transfer deed for registration of transfer of shares. Please note that the shares lodged for transfer without self certified copy of PAN Card of the transferee(s) shall be returned under objection.

j) Members desirous of any additional information as regards the Accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready at the meeting.

k) Members are requested to bring the admission slips along with their copies of the Annual Report to the meeting.

l) The Company has provided facility of e-voting to its members as prescribed under the Companies Act, 2013. The instructions for e-voting are annexed to this Notice.

m) The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.

n) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 read with Rules issued thereunder will be available for inspection by the members at the Annual General Meeting.

o) Voting through electronic means

I. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the company is pleased to provide members facility to exercise their rights to vote at the 42nd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL). The instructions for e-voting are as under:

1. The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on **Wednesday, 23rd September, 2015 (9.00AM IST)** and ends on **Friday, 25th September, 2015 (5.30PM IST)**. 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 **21ST September, 2015**, may cast their vote electronically. The 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 meeting venue.
- (iii) The shareholders should log on to the e-voting website - **www.evotingindia.com**
- (iv) Click on Shareholders.
- (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.
- (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 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:

For Members holding shares in Demat Form 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) <ul style="list-style-type: none"> • 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. Sequence number is printed on Address Slip

	<ul style="list-style-type: none"> In case the sequence 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 sequence number 1 then enter RA00000001 in the PAN field
<p>Dividend Bank Details OR Date of Birth (DOB)</p>	<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"> 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).

- (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 the relevant Garg Furnace Limited on which you choose 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) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to **www.evotingindia.com** and register themselves as Corporates.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to www.helpdesk.evotingindia.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 should be mailed to 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.
- (xx) 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 **21ST September, 2015** may follow the same instructions as mentioned above for e-Voting.
- (xxi) 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

EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013 (the Act), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos.3 to 9 of the accompanying Notice dated 1st September 2015:

Item No.3: This Statement is provided though strictly not required as per Section 102 of the Act. Messrs M/s Dass Khanna & Co. Chartered Accountants (ICAI Firm Registration No. 000402N), were appointed as the statutory auditors of the Company for a period of three years at the Annual General Meeting (AGM) of the Company held on 30th September, 2014.

As per provisions of Section 139(1) of the Act, their appointment for the above tenure is subject to ratification by Members at every AGM.

Accordingly, ratification of the Members is being sought for the proposal contained in the Resolution set out at Item No. 3 of the accompanying Notice.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 3 of the Notice.

The Board recommends the resolution set forth in Item No. 3 for the approval of the Members.

Item Nos.4

The Board of Directors ("**Board**"), at its meeting held on 15 November, 2014, appointed Mr. Amit Gupta as an Additional Director of the Company as also an Independent Director, not liable to retire by rotation, with effect from 15 November, 2014 to 2 September, 2017, subject to the approval of the Members.

Pursuant to the provisions of Section 161 of the Act, being an Additional Director, Mr. Amit Gupta will hold office up to the date of the ensuing Annual General Meeting ("**AGM**") and is eligible to be appointed a Director of the

Company. The Company has received notice in writing under Section 160 of the Act from a member along with the requisite deposit of ₹ 1,00,000/- proposing the candidature of Mr. Amit Gupta for the office of Director.

The Company has received from Mr. Amit Gupta (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) Intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164 (2) of Act (iii) A declaration to the effect that he meets the criteria of independence as provided in Section 149 (6) of Act.

The resolution seeks the approval of the members in terms of Section 149 and other applicable provisions of the Act, read with Schedule IV of the Act and the Rules made thereunder, for appointment of Mr. Amit Gupta as an Independent Director of the Company for a period of Five Years. Mr. Amit Gupta is not liable to retire by rotation. In the opinion of the Board of Directors, Mr. Amit Gupta, fulfills the conditions specified in the Act and the Rules made thereunder and he is independent of the Management. A copy of the letter of appointment of Mr. Amit Gupta as an independent director setting out the terms and conditions is available for inspection without any fee by the members at the Company's registered office during the normal business hours on working days up to the date of the AGM.

The profile and specific areas of expertise of Mr. Amit Gupta is provided in annexure to this notice.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, except Mr. Amit Gupta, to whom the resolution relates, is concerned or interested in the Resolution mentioned at Item No. 4 of the Notice.

The Board recommends the resolution set forth in Item No. 4 for the approval of the Members.

Item No.5

Sh. Devinder Garg was appointed as Managing Director of the company by the members w.e.f on 01/08/2010 for a period of 5 years. His term as Chairman Cum Managing Director, later changed designation as Chairman-Executive, is being expired on 31/07/2015, Board of Directors in its meeting held on 30/05/2015, after approval and recommendation of Nomination and Remuneration Committee, approved his re-appointments from 01/08/2015 to 31/07/2018 on following terms and Conditions

1. Salary : Rs. 70000/- per month (Rupees Seventy Thousand Only) may be increased in scale from RS.70000-7000- 91000 after consideration and approved by Nomination and Remuneration Committee, as mentioned in concerned resolution.
2. Commission : Nil
3. Perquisites The following perquisites will be allowed in addition to salary subject to a maximum of Rs. 100,000/- P.a.
 - i) Expenditure incurred/reimbursed by Company on Gas, Electricity, Water & Furnishing subject to a ceiling of 10% of the salary.
 - ii) Medical re-imburement for self and the family subject to a ceiling of one month salary in a year or three months salary over a period of three years.
 - iii) Leave Travel Concession for self, spouse, dependant children and dependant parents once in a year to and from any place in India, subject to the condition that only actual fare and no hotel expenses will be allowed.
 - iv) Club Fees: Subject to a maximum of two clubs, admission and life membership will also be allowed.
 - v) Personal Accident Insurance: Premium not to exceed Rs. '10,000/- per annum.
 - vi) Gratuity payment shall not exceed half a month's salary for each completed year of service subject to a ceiling of Rs. 10,00,000/-.

FURTHER:

- * No sitting fees will be paid for attending the meeting of Board of Directors or Committee

thereof.

- * In case of absence or inadequacy of profits in any financial year during the remaining period of his tenure, minimum remuneration as per Section –II of Part - II of Schedule XIII will be paid.
- * Use of car for Company's business and telephone at residence for Company's business will be provided and personal long distance call and use of car for private purposes shall be billed by the Company to Managing Director.

Except Smt. Vaneera Garg, & Sh. Toshak Garg being relative of Sh. Devinder Garg none of the other Directors is concerned or interested in the resolution.

Item No.6

Sh. Toshak Garg was appointed as Jt. Managing Director of the company by the members w.e.f on 01/09/2011 for a period of three years. His term as Jt. Managing Director, later changed designation as Jt. Managing Director and Key Managerial Personal (KMP), was expired on 30/08/2014, Board of Directors in its meeting held on 15/11/2014, after approval and recommendation of Nomination and Remuneration Committee, approved his re-appointment from three year w.e.f 15/11/2014 to on following terms and Conditions

1. Salary : Rs. 60000/- per month (Rupees Sixty Thousand Only) may be increased in scale from RS.60000-6000 -78000 after consideration and approved by Nomination and Remuneration Committee, as mentioned in concerned resolution.
2. Commission : Nil
3. Perquisites The following perquisites will be allowed in addition to salary subject to a maximum of Rs. 100,000/- P.a.
 - i) Expenditure incurred/reimbursed by Company on Gas, Electricity, Water & Furnishing subject to a ceiling of 10% of the salary.
 - ii) Medical re-imburement for self and the family subject to a ceiling of one month salary in a year or three months salary over a period of three years.
 - iii) Leave Travel Concession for self, spouse, dependant children and dependant parents once in a year to and from any place in India, subject to the condition that only actual fare and no hotel expenses will be allowed.
 - iv) Club Fees: Subject to a maximum of two clubs, admission and life membership will also be allowed.
 - v) Personal Accident Insurance: Premium not to exceed Rs. '10,000/- per annum.
 - vi) Gratuity payment shall not exceed half a month's salary for each completed year of service subject to a ceiling of Rs. 10,00,000/-.

FURTHER:

- * No sitting fees will be paid for attending the meeting of Board of Directors or Committee thereof.
- * In case of absence or inadequacy of profits in any financial year during the remaining period of his tenure, minimum remuneration as per Section –II of Part - II of Schedule XIII will be paid.
- * Use of car for Company's business and telephone at residence for Company's business will be provided and personal long distance call and use of car for private purposes shall be billed by the Company to Managing Director.

Except Smt. Vaneera Garg, & Sh. Devinder Garg being relative of Sh.Toshak Garg none of the other Directors is concerned or interested in the resolution.

Item No.7

Smt. Vaneera Garg was appointed as Whole Time Director of the company by the members w.e.f on 01/08/2010 for a period of 5 years. Her term as Whole Time Director, later changed designation as Woman - Whole Time Director, is being expired on 31/07/2015, Board of Directors in its meeting held on 30/05/2015, after approval and recommendation of Nomination and Remuneration Committee, approved her re-appointments from 01/08/2015 to 31/07/2018 on following terms and Conditions

1. Salary : Rs. 50000/- per month (Rupees Fifty Thousand Only) may be increased in scale from RS.50000-5000- 65000 after consideration and approved by Nomination and Remuneration Committee, as mentioned in concerned resolution.
2. Commission : Nil
3. Perquisites The following perquisites will be allowed in addition to salary subject to a maximum of Rs. 100,000/- P.a.
 - i) Expenditure incurred/reimbursed by Company on Gas, Electricity, Water & Furnishing subject to a ceiling of 10% of the salary.
 - ii) Medical re-imburement for self and the family subject to a ceiling of one month salary in a year or three months salary over a period of three years.
 - iii) Leave Travel Concession for self, spouse, dependant children and dependant parents once in a year to and from any place in India, subject to the condition that only actual fare and no hotel expenses will be allowed.
 - iv) Club Fees: Subject to a maximum of two clubs, admission and life membership will also be allowed.
 - v) Personal Accident Insurance: Premium not to exceed Rs. '10,000/- per annum.
 - vi) Gratuity payment shall not exceed half a month's salary for each completed year of service subject to a ceiling of Rs. 10,00,000/-.

FURTHER:

 - * No sitting fees will be paid for attending the meeting of Board of Directors or Committee thereof.
 - * In case of absence or inadequacy of profits in any financial year during the remaining period of his tenure, minimum remuneration as per Section –II of Part - II of Schedule XIII will be paid.
 - * Use of car for Company's business and telephone at residence for Company's business will be provided and personal long distance call and use of car for private purposes shall be billed by the Company to Managing Director.

Except Sh. Devinder Garg & Sh.Toshak Garg being relative of Smt. Vaneera Garg none of the other Directors is concerned or interested in the resolution.

Informations as require under clause (iv) after second Proviso to section II (A) of Part II of Schedule V of the Companies Act 2013 for Item No 5 to 7

I. General Information:	
(1) Nature of industry	Iron & steel Industry manufacturing Ingots, Round, Wire Rod, Steel Teeth, Mig wire CC Steel Wire, un machined Casting ,Billets etc.
(2) Date or expected date of commencement of commercial production	Company has started its Commercial Production in 1974
(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N/A

(4) Financial Performance based on given Indication.	FINANCIAL PERFORMANCE		
	(Rupees in Lacs)		
		2014-15	2013-14
	Operating Income	15994.92	16483.36
	Profit before depreciation, Interest & tax	912.64	1023.09
	Interest & Financial Expenses	767.73	758.58
	Profit before depreciation & tax	144.92	264.51
	Depreciation	114.73	132.27
	Profit before tax	30.19	132.24
	Provision for tax -Current Tax	5.94	25.31
	-Deferred Tax Asset	23.53	13.24
	Less : Mat Credit Entitlement	5.75	
	Profit after Tax	53.53	93.69
	Prior year Tax adjustments / Depreciation to Reverse as per Schedule – II	-56.57	0
	Balance brought forward	<u>229.93</u>	<u>156.24</u>
	<u>226.89</u>	<u>249.93</u>	
APPROPRIATIONS			
Transfer to General Reserve	0	20	
Balance carried over to Balance Sheet	<u>226.89</u>	<u>229.93</u>	
	<u>226.89</u>	<u>249.93</u>	
((5) Foreign investments or collaborations, if any.	Nil		
II. Information about the appointee:	Sh. Devinder Garg	Smt.Vaneera Garg	Sh. Toshak Garg
(1) Background details	Promoter Director /Chairman & MD from 19.01.1988	Promoter Whole Time Director from 01/05/2010	Promoter Director/MD from 30/07/2011
(2) Past remuneration	Rs.70000.00	Rs.50000.00	Rs60000.00
(3) Recognition or awards	NIL	NIL	NIL
(4) Job profile and his suitability	At present acting as Executive Chairman and looking after overall affair of the Company ,having more then 28 in the	At present acting as whole time director and looking after as Administrative head of the Company	At present acting as Managing director & KMP and looking after sale, purchase department of the Company
(5) Remuneration proposed	As mentioned above /in resolution	As mentioned above /in resolution	As mentioned above /in resolution
(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Comparative Less remuneration with respect to industry and size of Company at present profile of appointee	Comparative Less remuneration with respect to industry and size of Company at present profile of appointee	Comparative Less remuneration with respect to industry and size of Company at present profile of appointee
(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if	Promoter and Relative to each other	Promoter and Relative to each other	Promoter and Relative to each other

GARG FURNACE LIMITED

any.			
III. Other information:			
(1) Reasons of loss or inadequate profits	Company has inadequate profits due to decrease of turnover due to availability of imported Products in market at lesser price		
(2) Steps taken or proposed to be taken for improvement	Focus has been placed on promotion and marketing of products so as to increase the sales turnover of the company and efforts are being made to reduce overheads and fixed costs as compared to variable costs and this will result into increase in profits of the company.		
(3) Expected increase in productivity and profits in measurable terms.	Looking at the past performance and efforts being made during the year, the company is expecting around twenty five per cent increase in the sales turnover and one hundred per cent increase in the profits of the company during the year 2015- 16.		
IV. Disclosures:			
The following disclosures shall be mentioned in the Board of Director's report under the heading "Corporate Governance", if any, attached to the financial statement:—			
(i) all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors;	Mentioned in " Corporate Governance" report		
(ii) details of fixed component and performance linked incentives along with the performance criteria;	Mentioned in " Corporate Governance" report		
(iii) service contracts, notice period, severance fees;	Mentioned in " Corporate Governance" report		
(iv) stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.	Mentioned in " Corporate Governance" report		

A brief profile of the Directors to be appointed is given below, along with Informations pursuant to corporate governance clause of listing agreement(s) regarding the directors new appointment, seeking re-appointment in AGM.

Name of the Director	Sh. Devinder Garg	Smt.Vaneera Garg	Sh. Toshak Garg	Sh. Amit Gupta
Date of Birth	25.05.1964	25/05/1965	17/11/1990	03/09/1979
Date of Appointment	19.01.1988	01/05/2010	30/07/2011	15/11/2014
Qualification	B.A.	B.A	B-Tech	Graduate
Expertise in Specific Area	Industrial and Business experience of about 28 yrs in iron & Steel	Business Experience of More then 20 Yrs.	Business Experience of More then 4 Yrs	Business Experience of More then 4 Yrs
Directorship in other Companies	Garg Fincap Ltd., Avtar Export(P) Ltd., Vaneera Industries Ltd	Avtar Export Pvt Ltd, Vaneera Industries Limited ,GAL Cotex Pvt. Ltd.	Vaneera Industries Ltd	Vijay Oriental Arcade Pvt Ltd.
Chairman/Member of committees of other Companies	Nil	Nil	Nil	Nil

Item No. 8:

The existing Articles of Association ("AOA") of the Company are based on the previous Companies Act, 1956. Several regulations in the existing AOA are no longer in conformity with the Companies Act, 2013 (the 'Act'). Given this position, it would be expedient to replace the existing AOA of the Company with the new set of Articles of Association so as to conform to the provisions the Act.

Pursuant to Section 14 of the Act, amendment of AOA of the Company would require approval of the shareholders by way of Special Resolution. Hence the Board recommends the resolution to the shareholders for their approval.

The proposed new set of Articles of Association of the Company is available for inspection at the registered office of the Company during the business hours on any working day excluding public holidays, Saturdays, up to and including the day of this Meeting and also available on Company website for the shareholders information. None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 8.

Item No.9:

The Company is required under Section 148 of the Act to have the audit of its cost records conducted by a Cost Accountant in Practice. The Board of Directors of the Company has on the recommendation of the Audit Committee, approved the appointment and remuneration M/S Meenu & Associates, Cost Accountants (Firm's Registration No. Frn; 100729) of the Company to conduct audit of cost records of the Company for products covered under the Companies (Cost Records and Audit) Rules, 2014 for the Financial Year ending 31 March, 2016, at a remuneration of Rs.35000.00 plus reimbursement of out-of-pocket expenses.

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

Accordingly, the consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 8 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending 31 March, 2016.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No. 9 of the Notice.

The Board recommends the resolution set forth in Item No. 9 for the approval of the Members.

For and on behalf of the Board

Place: LUDHIANA.
Date: 01/09/2015

SD/-
(DEVINDER GARG)
CHAIRMAN
(DIN : 01665456)

DIRECTORS' REPORT

The Members of
Garg Furnace Limited

The Directors of your company have pleasure in presenting the 42nd Annual Report on the affair of the company together with the Audited Accounts for the year ending 31st March, 2015.

FINANCIAL RESULTS

	(Rupees in Lacs)	
	2014-15	2013-14
Operating Income	15994.92	16483.36
Profit before depreciation, Interest & tax	912.64	1023.09
Interest & Financial Expenses	767.73	758.58
Profit before depreciation & tax	144.92	264.51
Depreciation	114.73	132.27
Profit before tax	30.19	132.24
Provision for tax -Current Tax	5.94	25.31
-Deferred Tax Asset	23.53	13.24
Less : Mat Credit Entitlement	5.75	
Profit after Tax	53.53	93.69
Prior year Tax adjustments/	-56.57	0
Depreciation to Reverse as per Schedule – II		
Balance brought forward	<u>229.93</u>	<u>156.24</u>
	<u>226.89</u>	<u>249.93</u>

APPROPRIATIONS

Transfer to General Reserve	0	20
Balance carried over to Balance Sheet	<u>226.89</u>	<u>229.93</u>
	<u>226.89</u>	<u>249.93</u>

DIVIDEND

The Board of Directors do not recommend payment of dividend for the year under review.

SHARE CAPITAL

There was no public issue, rights issue, bonus issue or preferential issue etc. during the year. The Company has not issued shares with differential voting rights, sweat equity shares nor has it granted any stock options.

OPERATIONS

Detailed information on the operations of the different business lines of the Company and details on the state of affairs of the Company are covered in the Management Discussion and Analysis Report

EXTRACT OF ANNUAL RETURN

The extract of annual return as provided under sub-section (3) of section 92 of the Companies Act, 2013, in the prescribed Form MGT-9 is annexed to this Report.

NUMBER OF MEETINGS OF THE BOARD

There were 5 meetings of the Board held during the year. Detailed information is given in the Corporate Governance Report.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under clause (c) of sub-section (3) of section 134 of Companies Act, 2013 directors, to the best of their knowledge and belief, state that -

- (a) in the preparation of the annual accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DECLARATION BY INDEPENDENT DIRECTORS

The independent directors have submitted the Declaration of Independence, as required pursuant to section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section (6).

DIRECTORS' REMUNERATION POLICY AND CRITERIA FOR MATTERS UNDER SECTION 178

Information regarding Directors' Remuneration Policy and criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178 are provided in the Corporate Governance Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Information regarding loans, guarantees and investments covered under the provisions of section 186 of the Companies Act, 2013 are detailed in the Financial Statements.

RELATED PARTY TRANSACTIONS

There were no related party transactions (RPTs) entered into by the Company during the financial year, which attracted the provisions of section 188 of Companies Act, 2013. There being no 'material' related party transactions as defined under clause 49 of the Listing Agreement, there are no details to be disclosed in Form AOC-2 in that regard.

During the year 2014-15, pursuant to section 177 of the Companies Act, 2013 and clause 49 of the Listing Agreement, all RPTs were placed before Audit Committee for its prior/omnibus approval.

MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year of the Company and the date of this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.

The information relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earning and Outgo as required under Section 134 (3)(m) of The Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014 is annexed and forms part of this report.

RISK MANAGEMENT POLICY

Information on the development and implementation of a Risk Management Policy for the Company including identification therein of elements of risk which in the opinion of the Board may threaten the existence of the Company is given in the Corporate Governance Report.

CORPORATE SOCIAL RESPONSIBILITY

Provision of section 135 of the Companies Act, 2013 are not applicable to Company

FORMAL ANNUAL EVALUATION OF THE PERFORMANCE OF BOARD, ITS COMMITTEES AND DIRECTORS

Information on the manner in which formal annual evaluation has been made by the Board of its own performance and that of its Committees and individual directors is given in the Corporate Governance Report.

SUBSIDIARIES AND JOINT VENTURE

Company has no subsidiary, associate and Company in Joint Venture

DIRECTORS AND KEY MANAGERIAL PERSONNEL

- a) In light of the provisions of the Companies Act, 2013, Mrs. Vaneera Garg Woman Director , retires from the Board by rotation this year and being eligible, offers herself for re-appointment. The information as required to be disclosed under clause 49 of the Listing Agreement in case of re-appointment of the director is provided in the Notice of the ensuing annual general meeting.
- b). Sh. Amit Gupta was appointed as an additional director in the category of non-executive, independent director of the Company, in the meeting of the Board held on 15 November 2014. Pursuant to Section 149 and other applicable provisions of the Companies Act, 2013, your Directors are seeking appointment of). Sh. Amit Gupta, as regular & Independent Directors for the terms given in the Notice of the 42nd Annual General Meeting. Details of the proposal for the appointment of above Independent Directors are mentioned in the Explanatory Statement under Section 102 of the Companies Act, 2013 of the Notice of the 42nd Annual General Meeting.
- c) Pursuant to section 203 of the Companies Act, 2013, the Company has appointed Sh. Daksh Garg as Chief Financial Officer (CFO) of the Company with effect from 1st September 2014
- d) The Company already has Toshak Garg, Managing Director as the Key Managerial Personnel of the Company. Ms. Gursimran Kaur Sethi Company Secretary Key Managerial Personnel of the Company has resigned from her post as Company Secretary of the Company. Management in process to fill the vacancy by a suitable Candidate.
- e). Mr. Yogi Raj Aggarwal and Mr. Vivek Kaushal the directors of company and member of committees thereof has resigned from the board w.e.f 16th OCT 2014 & 28th OCT 2014 respectively due to their preoccupation in their business . The Directors would like to place on record their sincere appreciation for there commitment and contribution made by him during his tenure on the Board.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the year under review, there were no significant and material orders passed by the regulators or courts or tribunals, which may impact the going concern status of the Company and its operations in future.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Internal financial controls with reference to the financial statements were adequate and Operating effectively.

PRESENTATION OF FINANCIAL RESULTS

The financial results of the Company for the year ended 31 March 2015 have been disclosed as per Schedule III to the Companies Act, 2013.

STATUTORY DISCLOSURES

As Company has no subsidiaries and joint ventures Company, the summary of the key financials of the Company's (Form AOC-1) is not applicable to comply.

Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the prescribed particulars are set out in an annexure to the Directors' Report. As per provisions of section 136(1) of the said Act, these particulars will be made available to shareholder on request.

A Cash Flow Statement for the year 2014-15 is attached to the Balance Sheet.

Pursuant to the legislation 'Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace Act, 2013' introduced by the Government of India, which came into effect from 9 December 2013, the Company has framed a Policy on Prevention of Sexual Harassment at Workplace. There was no case reported during the year under review under the said Policy.

CORPORATE GOVERNANCE

The company has put in place a system of Corporate Governance. A Separate report on Corporate Governance forming part of the Annual Report is annexed hereto. A Certificate from the Auditors of the company regarding compliance of conditions of Corporate Governance as stipulated under The Corporate Governance clause of the Listing Agreement is annexed to the report on Corporate Governance.

PARTICULARS OF EMPLOYEES

Information as per Section 197 of the Companies Act, 2013 (the 'Act') read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report is NIL .However salary being paid to wholtime directors is mentioned in Corporate Governance Report.

ANNUAL PERFORMANCE EVALUATION BY BOARD

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 to the Listing Agreement, the Board has carried out an Annual Performance Evaluation of its own performance, the Directors individually as well as the evaluation of the working of the Committees. The manner in which the evaluation was carried out has been explained in the Corporate Governance Report.

RISK MANAGEMENT

The Board of Directors of your Company has, on recommendation of the Risk Management Committee framed and adopted a policy on Risk Management of the Company. The broad terms of reference of the Committee are stated in the Corporate Governance Report.

VIGIL MECHANISM

Your Company has an effective Vigil Mechanism system which is embedded in its Code of Conduct. The Code of Conduct of your Company serves as a guide for daily business interactions, reflecting your Company's standard for appropriate behavior and living Corporate Values. The Code of Conduct applies to all Colgate People, including Directors, Officers, and all employees of the Company. Even your Company vendors and suppliers are also subject to these requirements as adherence to the Code is a prerequisite for conducting business with your Company.

NOMINATION & REMUNERATION POLICY

The Board of Directors of your Company has, on recommendation of the Nomination & Remuneration Committee, framed and adopted a policy for selection and appointment of Directors, Senior Management and their remuneration. The contents of the policy are stated in the Corporate Governance Report.

**AUDITORS
STATUTORY AUDITOR**

Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules made thereunder, the current auditors of the Company, M/s Dass Khanna & Co. Chartered Accountants, Ludhiana (registration number: 000402N) were appointed by the shareholders at the 41st annual general meeting to hold office until the conclusion of the 44th annual general meeting to be held on 2017, subject to ratification by shareholders at each annual general meeting.

The members are requested to ratify the appointment of M/s Dass Khanna & Co. Chartered Accountants, Ludhiana, (registration number: 000402N) as statutory auditors of the Company and to fix their remuneration for the year 2015-16.

The statutory audit report does not contain any qualification, reservation or adverse remark or disclaimer made by statutory auditor.

Auditor's Comments on Corporate Governance Report are reply below in para pertains to Secretarial Auditor.

SECRETARIAL AUDITOR

Pursuant to the provisions of section 204 of the Companies Act, 2013 and Rules made thereunder the Company has appointed, Baldev Arora & Associates, (membership number: 4283) Company Secretaries in Practice, to undertake the secretarial audit of the Company. Secretarial Audit Report for the year 2014-15 given by Baldev Arora & Associates in the prescribed form MR-3 is annexed to this Report. The Secretarial Audit Report for the year under review does contain some observations, Para wise reply as same is given here under:-

- Company has filed all the forms with additional fee
- Company is in process to pay fee to all authorities / agencies as mentioned in report.
- Management is looking for a competent person to appoint him as an independent Director and members of committee.
- The management has decided to publish the notice of intimation of date of board meeting again under clause 41(II) b of Listing agreement, it was stopped as company gives notice to stock exchanges in advance regarding intimation of Date of Board meetings by mail as well as by post, and ever publish the financial results in required news papers, non publication of intimation was only to save funds of company.
- Management is in process to update website as per the requirement of law.

COST AUDITOR

Pursuant to section 148 of the Companies Act, 2013 and Rules made thereunder, Board of Directors had, on the recommendation of the Audit Committee, appointed M/s Meenu & Associates, (firm registration number: 100729) Cost Accountants, to audit the cost accounts of the Company for the financial year 2015-16 at a remuneration of Rs. 45000.00 plus service tax, out-of pocket and travel and living expenses, subject to ratification by the shareholders at annual general meeting. Accordingly, a resolution seeking members' ratification for the remuneration payable to cost auditor is included in the Notice convening the annual general meeting.

INDUSTRIAL RELATIONS

The Industrial relations remained cordial through out the year and have resulted in sustained growth of the company.

ACKNOWLEDGEMENT

The Directors wish to extend their sincere thanks to the Punjab & Sind Bank, Punjab State Power Corporation Limited, Container Corporation of India, other State & Central Government Agencies, Suppliers and Customers for their continued support and co-operation.

The Directors also wish to place on record their deep appreciation for the services rendered by the workers & staff at all levels.

For and on behalf of the Board

Place: LUDHIANA.
Date: 01/09/2015

**SD/-
(DEVINDER GARG)
CHAIRMAN
(DIN : 01665456)**

ANNEXURE TO BOARD REPORT

Information pursuant to Section 134 (3)(m) of The Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014 and forming part of the Director's Report for the year ended 31st March, 2015

I. CONSERVATION OF ENERGY

- a) Energy conservation measures : The company has always been conscious of the need to conserve energy and has always attempted various measures for the same wherever possible to achieve reduction in cost of production. The company has taken various measures on suggestions of experts in the areas where energy reduction and fuel & oil conservation is possible. The Company has installed LED lamps in place of failed Tube lights and CFL thereby reducing energy consumption in lighting during the year
- b) Additional Investment and proposals if any, being implemented for reduction of energy consumption. : No.
- c) Impact of Measures taken at (a) above for reduction of energy consumption and consequent impact on the cost of production of goods. : 5% Saving in Energy consumption.
- d) Total energy consumption per unit of production as per form A of the annexure to the rules in respect of industries specified in schedule thereto.

A. POWER & FUEL CONSUMPTION

1.	Electricity	<u>Current Year</u>	<u>Previous Year</u>
	a) Purchased		
	Units(KWH) (in Units)	14680250	11564443
	Total amount	Rs.102100380.00	Rs.82338834.00
	Rate per unit	Rs. 6.95	Rs. 7.12
	b) Own Generation	<u>Current Year</u>	<u>Previous Year</u>
	i) Through Diesel Generator Units (KWH)	25850	26800
	Units per litre of diesel	3.90	3.90
	Oil Cost/unit	Rs. 12.59	Rs. 13.25
	ii) Through steam Turbine	Nil	Nil
2.	Coal		
	Quantity (Kgs)	712430	743129
	Total Amount	Rs. 7781007.00	Rs. 8869515.00
	Average Rate per Kg	Rs. 10.92	Rs. 11.93

B. CONSUMPTION PER UNIT OF PRODUCTION

Products	<u>Current Year</u>	<u>Previous Year</u>
Electricity (KWH) Steel Ingots, Rounds, Castings/Wire Rod/Mig wire	404 Units (*)	413 Units (*)
Coal Rounds/Castings/Wire Rod	40 Kgs	41 Kgs

(*) Consumption for separate products is not feasible.

II. TECHNOLOGY ABSORPTION

Efforts made in technology absorption are as under:

A. Research and Development (R&D)	Nil
B. Technology absorption, adoption and innovation	Nil

The manufacturing process is based on the indigenous know-how. We are adopting water cooling system with heat exchanger and colloid-A-Tran equipment for improvement in the working of the plant.

III. FOREIGN EXCHANGE EARNING AND OUT GO

	<u>2014-15</u>	<u>2013-2014</u>
Total Foreign Exchange earned	NIL	NIL
Used (CIF Value of Imports)	Rs. 21,65,77,733.00	Rs. 21,02,06,528.00

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**A) BUSINESS REVIEW:****STEEL INDUSTRY – GLOBAL PERSPECTIVE**

The world economy has experienced subdued growth for another year in 2015. Underperformance in the world economy was observed across almost all regions and major economic groups. Most developed economies continued struggling against the lingering effects of the financial crisis, grappling in particular with the challenges of taking appropriate fiscal and monetary policy actions. A number of emerging economies, which had already experienced a notable slowdown in the past two years, encountered new headwinds during 2015 on both international and domestic fronts.

In 2014, the world crude steel production reached 1665 million tonnes (mt) and showed a growth of 1% over 2013.

China remained the world's largest crude steel producer in 2014 (823 mt) followed by Japan (110.7 mt), the USA (88.2 mt) and India (86.5 mt) at the 4th position. WSA has projected Indian steel demand to grow by 6.2% in 2015 and by 7.3% in 2016 as compared to global steel use growth of 0.5% and 1.4% respectively. Chinese steel use is projected to decline in both these years by 0.5%. Per capita finished steel consumption in 2014 is estimated at 217 kg for world and 510 kg for China by WSA.

Amongst the large steel consuming nations, the steel consumption growth in India has been 2nd only to China. With the steel consumption growth rate in China projected to moderate to around 3% in future, India is going to emerge as fastest growing major steel consuming nation. Today, India is the 3rd largest producer of crude steel in the world. Total finished steel at 91.46 million tonnes, registered a growth of 4.3% over 2013-14. Export of finished steel at 5.59 million tonnes decreased to the imports of 9.32 million again. Higher imports were driven by lower international prices of steel.

INDIAN OUTLOOK

Slow growth has been observed in the demand for steel products in India primarily due to near Stagnant growth in steel consuming sectors like Infrastructure, housing, auto and consumer goods.

Overall, the future outlook for the steel sector could be positive from third quarter onwards. The steel prices will be competitive as the demand is likely to pick up depending upon revival in economic growth and the government measures to ease infrastructure investment rules. The demand for value added products like bright bar, spheroidised annealing steel, normalized steel etc. will boost the demand in engineering and auto sector.

COMPANY'S BUSINESS STRATEGY

The Company is Installed the Continuous Caster Machine with requisite amount of investment. With this project the company will be able to produce M.S Billet with an automatic system which not only will reduce cost of production but also will allow to reduce cost as well.

As we had predicted last year's annual report, the year 2014-15 was going to be a difficult year with increased capacities among steel mills and slowdown in auto sector and other steel consuming sectors. As a result of overall down scenario we face squeeze in margins. This Situation is likely to continue at least for the first half of year.

COMPANY'S FUTURE OUTLOOK

Your Company, however, believes in the future of high quality products. As the country is witnessing the slowdown in growth, the steel industry has slowed down. This is having a serious impact on business sentiments for steel industry, as a result this year the volume will be under stress and also margins for the

first half of the year. In addition there will be plants shutdown which has to be taken for project. This will have an impact even on margins; the company hopes to recover its performance from the year 2014-15 onwards.

B) PRODUCTION AND SALES REVIEW

During the year under review, the company has produced 14828.763 Metric tons of Steel products. The operating receipts of the company has decreased to 159 Crores from 164 Crores in the previous year.

C) INTERNAL CONTROL & SYSTEMS

The company has adequate internal control procedures commensurate with its size and nature of its business. These internal policies ensure efficient use and Protection of assets and resources. Compliance with policies, ensure reliability of financial and operational reports.

D) RISK AND CONCERNS

The Steel Industry witnesses Cyclical price movements. The fortunes of the industry move up and down in time with the market trend of prices. This phenomenon has become more uncertain and unpredictable with the increased integration of domestic and global markets. The company has taken the cost cutting initiatives, enriching the product mix and strengthened its marketing to cope with the business trend.

E) HUMAN RESOURCE DEVELOPMENT/INDUSTRIAL RELATION

During the year, the company has employed 74 persons. The Industrial Relations remain cordial during the year. The company is continuing its efforts for improvement in the work culture wherein employees can contribute to their fullest potential. The management acknowledges the contribution of all employees in achieving better performance.

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY

The company GARG FURNACE LIMITED (GFL) believes in and practices good corporate Governance. The company's essential character is shaped by the very values of transparency, professionalism and accountability. The company continuously endeavours to improve on these aspects on an ongoing basis.

The commitment of (GFL) to the highest standards of good corporate governance practices predates SEBI and clause 49 of the Listing Agreements. Ethical dealings, transparency, fairness, disclosure and accountability are the main thrust to the working of the GFL maintains the same tradition and commitment.

SEBI vide its circular No. CIR/CFD/POLICY CELL/2/2014 dated 17 April 2014 and as subsequently amended by circular dated 15 September 2014 notified the revised clause 49 of the Listing Agreement to be applicable with effect from 1 October 2014. This Report, therefore states compliance as per requirements of Companies Act, 2013, revised clause 49.

Given below are the Company's corporate governance policies and practices for 2014-15. As will be seen, GFL's corporate governance practices and disclosures have gone well beyond complying with the statutory and regulatory requirements in accordance with the provisions of clause 49 of the Listing Agreement.

2. BOARD OF DIRECTORS

The Board of Directors consists of 5 directors. The composition and category of Directors as on 31/03/2015 are as follows:-

GARG FURNACE LIMITED

Category	<u>Name of Directors</u>
Promoter/Executive Directors	: Sh. Devinder Garg – Chairman Sh. Toshak Garg - Jt. Managing Director
Woman Director	: Smt. Vaneera Garg
Independent/Non-Executive Directors	: Sh.Pawan Kumar Sh Amit Gupta
Nominee/Institutional Directors	: Nil

Attendance of each director at the Board Meeting, last Annual General Meeting and number of other directorship and chairmanship/Membership of Committee of each Director in various companies.

Name of Director	Attendance Particulars		No. of other directorships and Committee membership/Chairman-		
	Board Meeting	Last AGM	Other Directorship	Committee Membership	Committee Chairmanship
Sh.Davinder Garg	5	Present	3	1	None
Smt.Vaneera Garg	5	Present	3	1	None
#Sh.Sushil Singla	-	---	5	None	None
Sh.Toshak Garg	5	Present	1	None	None
Sh.Pawan Kumar	5	--	None	2	2
@Sh.Stevon Soni	-	--	None	None	None
+ Sh.Yogi Aggarwal Raj	3	--	None	2	1
*Sh Vivek Kaushal	3	--	None	2	None
\$Sh Amit Gupta	2		None	3	None

Resigned w.e.f 25th Aug 2014
+ Resigned w.e.f 16th OCT 2014
* Resigned w.e.f 28th OCT 2014
\$ Appointed w.e.f 15th Nov 2014
@ Resigned w.e.f 25th Aug 2014

NUMBER OF MEETINGS OF THE BOARD

During the year, 5 Board Meetings were held as against the minimum requirement of 5 meetings. The dates on which the meetings were held are: 30/05/2014, 14/08/2014, 01/09/2014, 15/11/2014, and 14/02/2015

NON-EXECUTIVE DIRECTORS' COMPENSATION

Company is not paying any remuneration to any Non Executive Director.

INFORMATION SUPPLIED TO THE BOARD

In advance of each meeting, the Board is presented with relevant information on various matters related to the working of the Company, especially those that require deliberation at the highest level. Presentations are also made to the Board by different functional heads on important matters from time to time. Directors have separate and independent access to officers of the Company. In addition to items which are required to be placed before the Board for its noting and/or approval, information is provided on various significant items.

In terms of quality and importance, the information supplied by Management to the Board of the Company is far ahead of the list mandated under clause 49 of the Listing Agreement.

REVIEW OF LEGAL COMPLIANCE REPORTS

During the year, the Board periodically reviewed compliance reports with respect to the various laws applicable to the Company, as prepared and placed before it by the Management.

CODE OF CONDUCT

Revised clause 49 of Listing Agreement requires listed companies to lay down a code of conduct for its directors and senior management, incorporating duties of directors as laid down in the Companies Act, 2013.

The Company pursuant to erstwhile clause 49, already had a Code of Conduct for Directors and members of Senior Management.

As required under the revised clause 49, the Board at its meeting on 10 September 2014 adopted a revised Code of Conduct for all Directors and Senior Management of the Company.

All Directors and Senior Management personnel have affirmed compliance with the new code for 2014-15. A declaration to this effect signed by the Managing Director is given in this Annual Report.

MAXIMUM TENURE OF INDEPENDENT DIRECTORS

The maximum tenure of independent directors is in accordance with the Companies Act, 2013 and clause 49 of the Listing Agreement.

FORMAL LETTER OF APPOINTMENT TO INDEPENDENT DIRECTORS

The Company issues a formal letter of appointment to independent directors in the manner as provided in the Companies Act, 2013 and clause 49 of the Listing Agreement. The terms and conditions of appointment of independent directors.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and clause 49 of the Listing Agreement, the Board shall carry out an annual performance evaluation of its own performance, and that of its Committees and individual directors from FY 2015-16. Manner in which such formal annual evaluation to be made by the Board is given below:

Performance evaluation criteria for Board, Committees of the Board and Directors were approved by the Board at its meeting held on 14 February 2015.

Based on the said criteria, rating sheets to be filled by each of the directors towards the end of the year with regard to evaluation of performance of the Board, its Committees and Directors (except for the director being evaluated) for the year under review.

A consolidated summary of the ratings given by each of the directors shall be then prepared, based on which a report of performance evaluation to be prepared by the Chairman in respect of the performance of the Board, its Committees and Directors during the year under review.

The report of performance evaluation so arrived at shall then noted and discussed by the Nomination and Remuneration Committee and Board at their meetings to be held in March 2016.

As per the report of performance evaluation, the Board shall determine, inter alia, whether to continue the term of appointment of the independent director.

REMUNERATION POLICY

The Board on the recommendation of the Nomination and Remuneration Committee has framed a Remuneration Policy, providing (a) criteria for determining qualifications, positive attributes and independence of directors and (b) a policy on remuneration for directors, key managerial personnel and other employees.

BOARD DIVERSITY POLICY

In compliance with provisions of clause 49 of Listing Agreement, the Board through its Nomination and Remuneration Committee has formulated a Policy on Board Diversity.

The objective of the Policy is to ensure that the Board is comprised of adequate number of members with diverse experience and skills, such that it best serves the governance and strategic needs of the Company.

FAMILIARISATION PROGRAMME

With a view to familiarizing the independent directors with the Company's operations, as required under clause 49, the Company has held various familiarization programmes for the Independent Directors throughout the year on an ongoing and continuous basis. Some of the familiarisation programmes carried out during the year was as under:-

1. Various presentations were made by business heads of the Company and its various subsidiaries from time to time on different functions and areas.
2. Deliberations were held and presentations were made from time to time on major developments in the areas of the new Companies Act, 2013, the new clause 49 of the Listing Agreement.

WHISTLE BLOWER POLICY/VIGIL MECHANISM

Pursuant to section 177(9) of Companies Act, 2013 and clause 49 of the Listing Agreement, the Board of Directors at its meeting held on 14/02/2015, formulate a Whistle Blower Policy.

The Whistle Blower Policy/Vigil mechanism provides a mechanism for the director/employee to report violations, without fear of victimisation of any unethical behavior, suspected or actual fraud, violation of the Code of Conduct etc. which are detrimental to the organisation's interest.

The mechanism protects whistle blower from any kind of discrimination, harassment, victimisation or any other unfair employment practice.

The directors in all cases and employees in appropriate or exceptional cases will have direct access to the Chairman of the Audit Committee.

SUBSIDIARY COMPANIES

Company has no subsidiary Company.

RELATED PARTY TRANSACTIONS

All related party transactions (RPTs) which were entered into during the financial year were on an arm's length basis and were in the ordinary course of business and did not attract provisions of section 188 of Companies Act, 2013 and were also not material RPTs under clause 49 of the Listing Agreement.

During the year 2014-15, as required under section 177 of the Companies Act, 2013 and clause 49 of the Listing Agreement, all RPTs were placed before Audit Committee for prior approval.

A summary statement of transactions with related parties was placed periodically before the Audit Committee during the year.

A statement showing the disclosure of transactions with related parties as required under Accounting Standard 18 is set out separately in this Annual Report.

Details of `material' transactions, if any, with related parties are disclosed to stock exchanges on quarterly basis alongwith the compliance report on corporate governance.

There were no material transactions entered into with related parties, during the period under review, which may have had any potential conflict with the interests of the Company.

DISCLOSURES

Suitable disclosures have been made in the financial statements, together with the Management's explanation in the event of any treatment being different from that prescribed in Accounting Standards

AUDIT COMMITTEE

The Audit Committee comprises of independent/ Non Executive Directors viz Sh. Vivek Kaushal, Sh. Pawan Garg & Sh. Sh.Yogi Aggarwal Raj. Sh. Vivek Kaushal, & Sh. Sh.Yogi Aggarwal Raj have resigned from directorship during the year under review. Sh Amit Gupta independent/ Non Executive Directors become member of committee w.e.f 15/01/2015, the terms of reference of the Audit Committee are as contained in Corporate Governance Clause of the listing agreement. The Audit Committee met Four times during the year. The dates on which meeting were held are 30/05/2014, 14/08/2014, 15/11/2014, 14/02/2015 and attended by members as under:

Name of Director	Attendance Particulars
	Board Meeting
Sh.Pawan Kumar	4
+Sh.Yogi Aggarwal Raj	2
* Sh Vivek Kaushal	2
\$Sh Amit Gupta	2

Resigned w.e.f 25th Aug 2014

+ Resigned w.e.f 16th OCT 2014

* Resigned w.e.f 28th OCT 2014

\$ Appointed w.e.f 15th Nov 2014

REMUNERATION COMMITTEE

The Board of the company had constituted a Remuneration Committee comprising of 3 Independent Non Executive Directors viz.Sh. Yogi Raj Aggarwal Chairman, Sh. Vivek Kaushal, Sh. Pawan Garg. Sh. Vivek Kaushal, & Sh. Sh. Yogi Aggarwal Raj have resigned from directorship during the year under review. Sh Amit Gupta independent/ Non Executive Directors become member of committee w.e.f 15/11/2014

The remuneration Committee has been constituted to recommend/review the remuneration package of the Managing/Wholetime Directors based on performance.

The remuneration policy is directed towards rewarding performance based on review of achievement on a periodic basis.

Only one meeting was held on 01/09/2014 during the year and all the members of the Committee attend the meeting.

Detail of Remuneration paid to the Wholetime Directors during the financial year is as given below:-

a) Executive Directors

<u>Name</u>	<u>Designation</u>	<u>Salary</u>	<u>Other</u>	<u>Total</u>
Sh. Devinder Garg	Chairman	8,40,000	----	8,40,000
Sh. Toshak Garg	Jt. Managing Director	7,20,000	----	7,20,000
Smt. Vaneera Garg	Whole Time Director	6,00,000	----	6,00,000

Non Executive Directors have not been paid any remuneration/fees during the year.

REMUNERATION OF DIRECTORS

Pecuniary transactions with non-executive directors

During the year under review, there were no pecuniary transactions with any non-executive director of the Company.

The register of contracts is maintained by the Company under section 189 of the Companies Act, 2013. The register is signed by all the directors present at the respective Board meetings.

MANAGING DIRECTOR

During the year under review, the Company has paid remuneration to, Managing Director and other wholetime directors of the Company as provided above and in detail in an Annexure to the Directors' Report in Form MGT-9.

REMUNERATION TO DIRECTORS

Details of remuneration paid/payable to directors during 2014-15 are provided above and in an annexure to the Directors' Report in Form MGT-9.

SHAREHOLDING OF DIRECTORS

Information on shares held by directors in the Company as on 31 March 2015 is provided in the annexure to the Directors' Report in Form MGT-9.

INDEPENDENT DIRECTORS' MEETING

In compliance with Schedule IV to the Companies Act, 2013 and revised clause 49 of Listing Agreement, the Independent Directors held their separate meeting on 23 March 2015, without the attendance of non-independent directors and members of management, inter alia, to discuss the following:

- i) review the performance of non-independent directors and the Board as a whole;
- ii) review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors; and
- iii) assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All independent directors were present at the meeting, deliberated on the above and expressed their satisfaction.

MANAGEMENT

MANAGEMENT DISCUSSION AND ANALYSIS

This is given as separate chapter in the Annual Report.

DISCLOSURE OF MATERIAL TRANSACTIONS

Under clause 49, Senior Management has made periodical disclosures to the Board relating to all material financial and commercial transactions where they had (or were deemed to have had) personal interest that might have been in potential conflict with the interest of the Company.

The same was nil.

COMPLIANCES REGARDING INSIDER TRADING

The Company had in place a 'Code of Conduct for Prevention of Insider Trading and Corporate Disclosure Practices', in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 1992 as amended. These regulations have been substituted by SEBI with a new set of Regulations, which has come into effect from 15 May 2015.

Regulation 8 of the newly introduced Regulations, required the Company to formulate a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI), which the Company needs to follow in order to adhere to each of the principles set out in Schedule A to the said Regulations.

Further, regulation 9(1) of these Regulations required a listed company to formulate a Code of Conduct to Regulate, Monitor and Report Trading by its employees and other connected persons, towards achieving compliance with the said Regulations, adopting the minimum standards, set out in Schedule B to the Regulations.

Accordingly, the Board at its meeting held on 14 FEB 2015, approved and adopted:

- a) Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information; and
- b) Code of Conduct to Regulate, Monitor and Report Trading by its employees and other connected persons.

The said codes are being adhered to with effect from 15 May 2015.

SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE

The Board of the Company has re-constituted a Shareholder's/Investor's Grievances Committee comprising of #Sh Pawan Kumar (Chairman), Smt. Vaneera Garg and Sh Davinder Garg. The Committee inter alia approves issue of duplicate certificates and overseas and review all matters connected with Securities transfer. The committee also looks into redressal of Shareholder's complaints like transfer of shares, non receipt of Balance Sheet, Non receipt of declared dividends etc. The Board of Directors has delegated the power of approving transfer of securities to the Managing Director.

Sh. Pawan Kumar appointed vice Sh.Sushil Singla who resigned on 14/08/2014

The Board has designated Sh. Raj Deep Executive Secretarial Department as Compliance Officer. The total number of letters/complaints received and replied to the satisfaction of shareholders during the year ended 31st March, 2015 were NIL. Outstanding letters/complaints as on 31st March, 2015 were Nil. No request for transfer/dematerialization was pending for approval as on 31st March, 2015.

COMMUNICATION TO SHAREHOLDERS

Section 20 and 129 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 permit companies to service delivery of documents electronically on the registered members'/ shareholders' email addresses. The Company, during the year under review sent documents, such as notice calling the general meeting, audited financial statements, directors' report, auditors' report etc. in electronic form at the email addresses provided by the shareholders and made available by them to the Company through the depositories. Shareholders desiring to receive the said documents in physical form continued to get the same in physical form, upon request.

All financial and other vital official news releases are also communicated to the concerned stock exchanges, besides being placed on the Company's website.

The Company also files the following information, statements and reports on the Company website as specified by SEBI:

1. Full version of the annual report including the balance sheet, statement of profit and loss, directors' report, corporate governance report, auditors' report, cash flow statements, half-yearly financial statements and quarterly financial statements.
2. Shareholding pattern.

INFORMATION ON GENERAL BODY MEETINGS AND DETAILS OF SPECIAL RESOLUTION(S) PASSED

Detail of last three Annual General Meetings

<u>Meeting</u>	<u>Day</u>	<u>Date</u>	<u>Time</u>	<u>Venue</u>	<u>No. of Special Resolutions</u>
39th AGM	Saturday	29.09.2012	9.30 AM	Registered Office at Kanganwal Road, V.P.O Jugiana, G.T. Road, Ludhiana	2
40th AGM	Monday	30.09.2013	9.30 AM	Registered Office at Kanganwal Road, V.P.O Jugiana, G.T. Road, Ludhiana	1
41st AGM	Tuesday	30.09.2014	9.30 AM	Registered Office at Kanganwal Road, V.P.O Jugiana, G.T. Road, Ludhiana	2

DETAILS OF CAPITAL MARKET NON-COMPLIANCE, IF ANY

There was no non-compliance by the Company of any legal requirements; nor has there been any penalty/stricture imposed on the Company by any stock exchange, SEBI or any statutory authority on any matter related to capital markets during the last three years.

CEO/CFO CERTIFICATION

The MD and CFO have certified to the Board with regard to the financial statements and other matters as required by clause 49 of the Listing Agreement. The certificate is contained in this Annual Report.

REPORT ON CORPORATE GOVERNANCE

This chapter, read together with the information given in the Directors' Report and the chapters on Management Discussion and Analysis and General Shareholder Information, constitute the compliance report on corporate governance during 2014-15. The Company has been regularly forwarding the quarterly compliance report to the stock exchanges as required under clause 49 of the Listing Agreement.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

The Company has obtained the certificate from its statutory auditors regarding compliance with the provisions relating to corporate governance laid down in clause 49 of the Listing Agreement. This certificate is annexed to the Directors' Report and will be sent to the stock exchanges alongwith the Annual Report to be filed by the Company.

COMPLIANCE OF MANDATORY AND NON-MANDATORY REQUIREMENTS UNDER CLAUSE 49**Mandatory**

The Company has complied with all the mandatory requirements of clause 49 of the revised Listing Agreement.

Non-mandatory

The Company has also complied with all of the non-mandatory requirements as under:

1. The Board

The Non-executive Chairman has an office at the Company's premises and is allowed reimbursement of expenses incurred in performance of his duties.

2. Shareholder rights

A half-yearly declaration of financial performance including summary of significant events in the preceding six months is sent to each household of shareholder.

3. Audit qualifications

There are no qualifications in the financial statements of the Company for the year 2014-15.

4. Separate posts of Chairman and CEO

The Company has appointed separate persons to the post of Chairman and MD.

5. Reporting of Internal Auditor

The Internal Auditor reports directly to the Audit Committee.

DISCLOSURES

During the year, there was no material/significant transaction with the directors or the management, or relatives etc that have any Potential conflict with the interest of the company at large. Also there has not been any non-compliance by the company in respect of which Penalties or Strictures were imposed by the Stock Exchange or SEBI or any other Statutory Authority during the last three years. The management has not denied any personnel access to the Audit Committee of the Company (in respect of matters involving alleged misconduct) and that it has provided protection to the "Whistle Blower" from unfair termination and other unfair or prejudicial employment practices.

Further, the company has complied with all the mandatory requirements of clause 49 of the listing agreement. The company also take-up the non-mandatory requirement of clause 49 in due course of time.

MEANS OF COMMUNICATION

The company communicates with the shareholders at large through its Annual Reports, Publication of financial results and by filing of various reports and returns with the Statutory Bodies like Stock Exchange and the Registrar of Companies. The quarterly results are published in the English Daily "Financial World" & Punjabi daily "Desh Sewak".

The management discussion & Analysis forms part of Annual Report, which is mailed to the shareholders of the company.

GENERAL SHAREHOLDERS INFORMATION

- i) 42nd Annual General Meeting
 Date : Wednesday, 30th September, 2015.
 Time : 09.30 A.M
 Venue : Registered Office:
 Kangawal Road, VPO Jugiana, G.T. Road, Ludhiana.

- ii) Financial Calendar 2015-16 (Tentative)
- First Quarter Results : July, 2015.
 Second Quarter Results : October, 2015.
 Third Quarter Results : January, 2016.
 Forth Quarter Results : April, 2016.
- iii) Date of Book Closure : 28.09.2015 to 30.09.2015
 (Both days inclusive)
- iv) Dividend Payment due : Within 30 days after declaration.
- v) Listing :

The Securities of the Company are listed on the following Stock Exchanges:-

1. The Ludhiana Stock Exchange Association Limited (LSE),
 Feroze Gandhi Market,
 Ludhiana- 141 001.
2. The Delhi Stock Exchange Association Limited (DSE),
 DSE House, 3/1 Asaf Ali Road,
 New Delhi- 110 002.
3. The Stock Exchange Mumbai(BSE),
 1st Floor, New Trading Ring,
 Rotunda Building, P.J.Towers,
 Dalal Street, Fort, Mumbai- 400 001.

vi) Stock Code:

1. The Ludhiana Stock Exchange Association Limited (LSE), -
2. The Delhi Stock Exchange Association Limited (DSE), 6819
3. The Stock Exchange Mumbai (BSE), 30615

vii) Stock Market price data for the year 2014-15

BSE PRICES

Month	Open Rs.	High Rs.	Low Rs.	Close Rs.	No. of shares.
Apr 14	18.50	19.75	17.60	19.75	581
May 14	18.80	18.80	10.00	10.10	9,699
Jun 14	9.80	17.40	9.75	15.77	24,755
Jul 14	15.00	15.80	11.25	11.25	13,414
Aug 14	10.75	14.45	9.80	14.45	12,692
Sep 14	15.17	17.82	13.60	17.82	29,933
Oct 14	18.50	19.00	14.75	14.75	1,195
Nov 14	14.02	16.20	12.85	12.85	16,442
Dec 14	13.49	14.16	11.37	12.51	8,902
Jan 15	13.13	14.00	11.76	11.76	4,285
Feb 15	11.26	11.26	7.40	7.40	340
Mar 15	7.10	9.10	7.10	7.93	6,754

viii) Register & Transfer Agent

The work related to share transfer registry in terms of both physical and electronic mode is being dealt at Single Point with M/s Skyline Financial Services Private Limited, New Delhi as per address given below:-

M/s Skyline Financial Services Pvt Ltd,
246,1st Floor, Sant Nagar,
East of Kailash, NEW DELHI- 110064.
TEL: 26292682, 26292683
FAX: 26292681
Email-admin@skylinerta.com

ix) Share Transfer System

The company's shares are traded in the Stock Exchanges compulsorily in demat mode. Shares in physical mode which are lodged for transfer are processed and returned to the shareholders with the stipulated time.

x) Distribution of Shareholding as on 31st March, 2014

Range <u>No. of shares</u>	Share holders		Shares	
	<u>Numbers</u>	<u>% of total</u>	<u>Numbers</u>	<u>% to total</u>
Upto 500	1286	81.14	225144.00	5.62
501 to 1000	146	9.21	120605.00	3.01
1001 to 2000	58	3.66	89057.00	2.22
2001 to 3000	26	1.64	68793.00	1.72
3001 to 4000	16	1.01	56181.00	1.40
4001 to 5000	6	0.38	26646.00	0.66
5001 to 10000	18	1.14	126249.00	3.15
10001 and above	29	1.83	3296025.00	82.22
	1585	100.00	4008700	100.00

xi) Dematerialisation of shares

As on 31st March, 2015, 64.42 % of the Equity Share Capital comprising 25,82,225 Equity Shares was dematerialized.

xii) Plant Locations

Kanganwal Road, VPO Jugiana, G.T.Road, Ludhiana- 141 120.

Xiii) Address for Correspondence:-

Regd. Office : Kanganwal Road, VPO Jugiana,
G.T. Road, Ludhiana- 141 120.
Telephone : 0161- 4692400(30 lines)
Fax : 0161- 2512285
Email : www.gargfurnaceltd.com

NOMINATION

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in the case of death of the registered shareholder(s). The prescribed nomination form (SH-13) will be sent by the share transfer agent of the Company upon such request Nomination facility for shares held in electronic form is also available with depository participant as per the bye-laws and business rules applicable to NSDL and CDSL.

VOTING THROUGH ELECTRONIC MEANS

Pursuant to section 108 of the Companies Act, 2013 and the Rules made thereunder, every listed company is required to provide its members facility to exercise their right to vote at general meetings by electronic means. The Company has entered into an arrangement with CDSL (Central Depository Services Ltd), the authorised agency for this purpose, to facilitate such e-voting for its members.

The shareholders would therefore be able to exercise their voting rights on the items put up in the Notice of annual general meeting, through such e-voting method. Further, in accordance with the Companies (Management and Administration) Rules, 2014 as amended, the Company shall also be making arrangements to provide for e-voting facility at the venue of the annual general meeting.

Shareholders who are attending the meeting and who have not already cast their votes by remote e-voting shall only be able to exercise their right of voting at the meeting.

Cut-off date, as per the amended Rules shall be 21/09/2015 and the remote e-voting shall be open for a period of three (3) days, from 23/09/2015 (9.00 a.m.) till 25/09/2015 (5.30 p.m.).

The Board has appointed Baldev Arora & Associates, Practicing Company Secretary as scrutinizer for the e-voting process.

Detailed procedure is given in the Notice of the eighth annual general meeting and is also placed on the website of the Company.

Shareholders may get in touch with the Company Secretary for further assistance.

Chairman's Declaration

I Devinder Garg Chairman of Garg Furnace Limited declare that all Board members and senior Management Personal have affirmed compliance with code of conduct for Board & Senior Management personal for the year ended 31st March 2015.

For and on behalf of the Board

Place: LUDHIANA.
Date: 01/09/2015

(DEVINDER GARG)
CHAIRMAN
(DIN : 01665456)

EXTRACT OF ANNUAL RETURN (FORM MGT-9)

As on the financial year ended on 31 March 2015
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. Registration and other details

Corporate identification number (CIN)	L99999PB1973PLC003385
Registration date	27/12/1973
Name of the Company	Garg Furnace Limited
Category/sub-category of the Company	Company Limited by Shares/Indian Non Govt. Company
Address of the registered office and contact details	Kanganwal Road, VPO Jugiana, G.T. Road, Ludhiana-141 120. Telephone : 0161- 4692400(30 lines) Fax : 0161- 2512285 Email : gargfurnace@yahoo.com Web Site : www.gargfurnaceltd.com
Whether listed Company	YES
Name, address and contact details of Registrar and Transfer Agent	M/s Skyline Financial Services Pvt Ltd, 246,1st Floor, Sant Nagar, East of Kailash, NEW DELHI- 110064. TEL: 26292682, 26292683 FAX: 26292681 Email-admin@skylinerta.com

II. Principal business activities of the Company

Sr. No.	Name and description of main products/services	NIC Code of the product/service	% to total turnover of the Company
1	Manufacturing & trading of Iron & Steel	330.2	92.94
2	Trading of Textile	609.1	Nil
3	Trading of Chemicals (Dyes & Chemicals)	615	7.6

III. Particulars of holding, subsidiary and associate Companies

Sr. % of shares held as on 31 March 2015 Applicable section	No Name of the company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held as on 31 March 2015	Applicable section
Nil	Nil	Nil	Nil	Nil	Nil

IV. Shareholding pattern

(equity share capital breakup as percentage of total equity)

i) Category-wise shareholding

GARG FURNACE LIMITED

Category of shareholders	No. of shares held at the beginning of the year as on 1 April 2014				No. of shares held at the end of the year as on 31 March 2015				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	803140	1046860	1850000	46.15	828341	1046860	1875201	46.78	.063
b) Central government	0	0	0	0.00	0	0	0	0.00	0.00
c) State government (s)									
d) Bodies corporate	492900	206600	699500	17.45	492900	206600	699500	17.45	0.00
e) Banks/Financial institutions	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other....	0	0.00	0	0.00	0	0.00	0	0.00	0.00
Sub-total (A) (1):-	1296040	1253460	2549500	63.60	1321241	1253460	2574701	64.23	0.63
(2) Foreign	0	0	0	0.00	0	0	0	0.00	0.00
a) NRIs-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other-Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/Financial institutions	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other....	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (2):-	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	1296040	1253460	2549500	63.60	1321241	1253460	2574701	64.23	0.63
B. Public Shareholding									
1. Institutions	0	0	0	0.00	0	0	0	0.00	0.00
a) Mutual funds	0	200	200	0.00		0	200	0.00	
b) Banks/Financial institutions	0	0	0	0.00	0	0	0	0.00	0.00
1. Institutions	0	0	0	0.00	0	0	0	0.00	0.00
a) Mutual funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/Financial institutions	0	0	0	0.00	0	0	0	0.00	0.00
c) Central government	0	0	0	0.00	0	0	0	0.00	0.00
d) State government(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture capital funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance companies	0	0	0	0.00	0	0	0	0.00	0.00
g) Foreign institutional investors	0	0	0	0.00	2255	0	2255	0.06	0.06
h) Foreign venture capital funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Any others	0	0	0	0.00	0	0	0	0.00	0.00
l Foreign portfolio investors	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total(B)(1):	0	0	0	0.00	2455	0	2255	0.06	0.06
2. Non-Institutions									
a) Bodies corporate	618498	7800	626298	15.62	596431	7800	604231	15.07	0.55
i) Indian	0	0	0	0.00	0	0	0	0.00	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals	0	0	0	0.00	0	0	0	0.00	0.00
i) Individual shareholders holding nominal share capital upto B 1 lakh	442958	145715	588673	14.68	450312	144115	594427	14.83	0.15

GARG FURNACE LIMITED

ii) Individual shareholders holding nominal share capital in excess of B 1 lakh	189938	0	189938	4.74	176831	0	176831	4.41	0.33
c) Any others-HUF	26372	0	26372	0.67	29505	0	29505	0.74	0.07
I Foreign nationals	0	0	0	0.00	0	0	0	0.00	0.00
I Non-resident Indians	6819	20900	27719	0.69	5550	20910	26460	0.66	
Foreign bodies-DR	0	0.00	0	0.00	0	0.00	0	0.00	0.00
Trusts	0	0.00	0	0.00	0	0.00	0	0.00	0.00
Clearing members					100		100	0.00	
Sub-total(B)(2):-	1284585	174415	1459000	36.40	1258729	172825	1431554	35.71	0.63
Total Public Shareholding (B) = (B)(1)+(B)(2)	1284585	174415	1459000	36.40	1260984	173015	1433999	35.77	0.63
C. Shares held by custodian for GDRs	0	0.00	0	0.00	0	0.00	0	0.00	0.00
Grand total (A+B+C)	2580625	1428075	4008700	100.00	2582225	1426475	4008700	100.00	0.00

ii) Shareholding of promoters

Category of shareholders	No. of shares held at the beginning of the year as on 1 April 2014				No. of shares held at the end of the year as on 31 March 2015				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
DHARAM PALL GARG & SONS HUF	0	92580	92580	2.31	0	92580	92580	2.31	0.00
JAGDISH CHAND GARG HUF	0	85500	85500	2.13	0	85500	85500	2.13	0.00
PUSHPA DEVI	0	134520	134520	3.36	0	134520	134520	3.36	0.00
SANJEEV GARG#	0	222120	222120	5.54	0	222120	222120	5.54	0.00
RAJIV GARG #	0	287720	287720	7.18	0	287720	287720	7.18	0.00
DHRUV GARG	0	33560	33560	0.84	0	33560	33560	0.84	0.00
SANJEEV GARG HUF	0	13000	13000	0.32	0	13000	13000	0.32	0.00
RENU GARG	0	34260	34260	0.85	0	34260	34260	0.85	0.00
NEELU GARG	0	47500	47500	1.18	0	47500	47500	1.18	0.00
UJJWAL GARG	0	49700	49700	1.24	0	49700	49700	1.24	0.00
RAJIV GARG HUF	0	40400	40400	1.01	0	40400	40400	1.01	0.00
AMARPREET SINGH THUKRAL	0	1000	1000	0.02	0	1000	1000	0.02	0.00
SUBHASH CHANDRA GUPTA	0	1000	1000	0.02	0	1000	1000	0.02	0.00
SANJEEV GARG#	0	200	200	0.00	0	200	200	0.00	0.00
RAJIV GARG #	0	200	200	0.00	0	200	200	0.00	0.00
GARG FINCAP LIMITED	0	206600	206600	5.15	0	206600	206600	5.15	0.00
DEVINDER GARG KARTA OF	0	3600	3600	0.09	0		3600	0.09	0.00

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DAVINDER GAG HUF #									
DAVINDER GARG	284040	0	284040	7.09	284040	0	284040	7.09	0.00
VANEERA GARG	97000	0	97000	2.42	97000	0	97000	2.42	0.00
DAVINDER GARG HUF #	20000	0	20000	0.50	20000	0	20000	0.50	0.00
TOSHAK GARG	216950	0	216950	5.41	216950	0	216950	5.41	0.00
DAKSH GARG #	185150	0	185150	4.62	185150	0	185150	4.62	0.00
BASANT INVESTMENTS PRIVATE LIMITED	155100	0	155100	3.87	155100	0	155100	3.87	0.00
SHUBHAM INVESTMENTS PRIVATE LIMITED	169500	0	169500	4.23	169500	0	169500	4.23	0.00
GARGSONS INVESTMENTS PRIVATE LIMITED	168300	0	168300	4.20	168300	0	168300	4.20	0.00
DAKSH GARG #		0	0		25201	0	25201	0.63	0.63
# All have 2 folios			2549500	63.60			2574701	64.23	0.63

iii) Change in promoters' shareholding

Sr. No.	Name of the promoters	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company#
1	DAKSH GARG	185150	4.62	210351	5.25

Increased during the year is 0.63%

iv) Shareholding pattern of top ten shareholders (other than directors, promoters and holders of GDRs and ADRs)

Sr. No.	Name of the shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	SHIV NARAYAN INVESTMENTS PVT LTD	560000	13.97	535000	13.35
2	HARSHA HITESH JAVERI	65084	1.62	65100	1.62
3	HITESH RAMJI JAVERI	59206	1.48	59900	1.49
4	RAJESH SHANTILAL PAREKH	24000	0.60	0.00	0.00
5	HIMACHAL STEEL UDYOG LIMITED	15493	0.39	15493	0.39
6	BHADRESH RAMNIKLAL SHAH	15339	0.38	15379	0.38
7	SANJIV BHATIA	15000	0.37	15000	0.37
8	NORATANMAL CHORARIA	11309	0.28	11309	0.28
9	MITA RAJESH PAREKH	10000	0.25	0.00	0.00

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10	DINESH SHANKAR KHATU	0.00	0.00	10143	0.25
11	HEMENDRA RATILAL MEHTA	9999	0.25	9999	0.25
12	PRAVIN SHIVHARE	9600	0.24	9600	0.24

v) Shareholding of directors and key managerial personnel

Sr. No.	Name of the directors/ key managerial personnel (KMP)	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	DAVINDER GARG	284040	7.09	284040	7.09
2	VANEERA GARG	97000	2.42	97000	2.42
3	TOSHAH GARG	216950	5.41	216950	5.41
4	DAKSH GARG	185150	4.62	210351	5.25

V. Indebtedness

As on 31 March 2015, indebtedness of the Company including interest outstanding/accrued but not due for payment is INR- **49,34,81,249.44**

VI. Remuneration of directors and key managerial personnel

A. Remuneration to managing director(MD), whole-time directors(WTD) and/or Manager

Sr. No.	Particulars of remuneration	SH.DEVINDER GARG Chairman	SH.TOSHAH GARG-Managing Director	SH.VANEERA GARG. Wholetime Director	Total amount (in INR)
1	Gross salary				
	(a) Salary as per provisions contained under section 17(1) of the Income-tax Act, 1961	8,40,000.00	7,20,000.00	6,00,000.00	21,60,000.00
	(b) Value of perquisites under section 17(2) of the Income-tax Act, 1961	0.00	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	0.00	0.00	0.00	0.00
2	Stock options	0.00	0.00	0.00	0.00
3	Sweat equity	0.00	0.00	0.00	0.00
4	Commission	0.00	0.00	0.00	0.00
	as % of profit	0.00	0.00	0.00	0.00
	Others (thrice the annual basic salary)	0.00	0.00	0.00	0.00
5	Others - Contribution to provident fund etc	0.00	0.00	0.00	0.00
	Total (A)	8,40,000.00	7,20,000.00	6,00,000.00	21,60,000.00
	Ceiling as per the Act				42,00,000.00#

#Remuneration payable by companies having no profit or inadequate profit

Notes: Salary and perquisites include all elements of remuneration i.e. salary, allowances and benefits. No bonus, pension and performance linked incentive is paid to any of the directors. The Company has not issued any stock options to any of the directors. The term of Managing Director does not exceed five years. Appointment of Managing Director is governed by a service contract for a period of 5 years and notice period is of 90 days and is in compliance with the applicable provisions of the Companies Act, 2013.

B. Remuneration to other directors

(in INR)

Particulars of remuneration

	Name of directors	Total amount
1. Independent Directors -		
i) Fee for attending board/ committee meetings.	0.00	0.00
ii) Commission.	0.00	0.00
ii) Others	0.00	0.00
Total (1)		
2. Non-Independent Non-Executive Directors		
i) Fee for attending board/ committee meetings	0.00	0.00
ii) Commission.	0.00	0.00
iii) Others	0.00	0.00
Total (2)	0.00	0.00
Total (B)=(1+2)	0.00	0.00
Total Managerial Remuneration (A+B)	0.00	0.00
Overall Ceiling as per the Act	0.00	0.00

Note: Overall ceiling as per Act is not applicable to sitting fees paid to non-executive directors.

C. Remuneration to key managerial personnel other than MD/WTD/Manager

Key managerial personnel				
		# Company Secretary	Chief Financial Officer (CFO)	Total
Sr. No.	Particulars of remuneration			
1	Gross salary	45000.00	360000.00	405000.00
	(a) Salary as per provisions contained under section 17(1) of the Income-tax Act, 1961	0.00	0.00	0.00
	(b) Value of perquisites under section 17(2) of the Income-tax Act, 1961	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	0.00	0.00	0.00
2	Stock options	0.00	0.00	0.00
3	Sweat equity	0.00	0.00	0.00
4	Commission	0.00	0.00	0.00
	- as % of profit	0.00	0.00	0.00
	- others	0.00	0.00	0.00
5	Others	0.00	0.00	0.00
	- Contribution to provident fund etc.			

Resigned on 31-01-2015

VII. Penalties/punishment/compounding of offences:

During the year 2014-15, there were no penalties/punishment/compounding of offences under Companies Act, 2013.

Declaration by Chief Executive Officer (CEO)

I, Toshak Garg , Managing Director of Garg Furnace Ltd. hereby declare that all the Board members and Senior Management have affirmed for the year ended 31 March 2015 compliance with the Code of Conduct of the Company.

Toshak Garg
Managing Director
Din: 03503511
Ludhiana: 30/05/ 2015

Certificate by Chief Executive Officer (CEO) and Chief Financial Officer (CFO)

We, Toshak Garg , Managing Director and Daksh Garg , Chief Financial Officer of Garg Furnace Limited ,certify to the Board:

1. That we have reviewed the financial statements and the cash flow statement for the year ended 31 March 2015 and that to the best of our knowledge and belief;

- These statements do not contain any materially untrue statement nor omit any material fact or contain statements that might be misleading, and

- These statements together present a true and fair view of the Company's affairs and are in compliance with the existing Accounting Standards, applicable laws and regulations;

2. That there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct;

3. That we accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps that we have taken or propose to take to rectify these deficiencies; and

4. That we have informed the auditors and the Audit Committee of:

i. significant changes in internal control over financial reporting during the year;

ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the Management or an employee having a significant role in the Company's internal control system over financial reporting.

TOSHAK GARG

DAKSH GARG

Ludhiana: 30/05/ 2015

**Managing Director
Din: 03503511**

CFO

Form No.MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31 MARCH, 2015
[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the
Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,
Garg Furnace Limited,
Kanganwal Road, V.P.O. Jugiana,
G.T. Road, Ludhiana-141120

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Garg Furnace Limited** (hereinafter called the **Company**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31 March, 2015 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):—
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

- vi) We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with laws relating to labour & industrial laws, Central, State & Local Tax Laws, Environmental laws as applicable to Company.

The company has identified the following Laws as specifically applicable to the company.

- The Legal Metrology Act 2009
- The hazardous waste (Management and Handling) rules 1989.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (Not notified hence not applicable to the Company during the audit period).
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- *Company has yet to file Forms No. MR1, MGT 14 & DIR 12, all dated 15/11/2014 & MGT14 Dated 14/02/2015.*
- *Company has yet to pay Listing Fee, Depositories Fee & RTA fee as per agreements signed with concerned authorities by the company under applicable laws.*
- *Composition of Independent Directors has change during the years in the ratio of whole time directors due to resignations of existing Independent Directors , as require under clause 49 of listing agreement. Company had three whole time directors and two independent directors, till the end of year under review.*
- *Company has not published Notice of intimation of Date of Board meetings under clause 41(II) b of Listing agreement.*
- *Non maintenance of company website as per requirement of listing agreement.*

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously or by the majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Cs. Baldev R. Arora

Proprietor

Baldev R. Arora & Associates

Company Secretaries

C.P. No. 4665-FCS-4283

7-New Punjab Mata Nagar , Pakhowal Road,

Ludhiana-141013

Place: Ludhiana

Dated: 01/09/2015

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

'ANNEXURE A'

To,

**The Members,
Garg Furnace Limited,
Kanganwal Road, V.P.O. Jugiana,
G.T.Road, Ludhiana-141120**

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Cs. Baldev R. Arora
Proprietor
Baldev R. Arora & Associates
Company Secretaries
C.P. No. 4665-FCS-4283
7-New Punjab Mata Nagar , Pakhowal Road,
Ludhiana-141013
Place: Ludhiana
Dated: 01/09/2015

Detail pertaining to remuneration as required under section 197[12] of the Companies Act, 2013 read with Rule 5[1] of The Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014.

- a. The ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year:

Name of Directors to whom salary paid	Salary paid – INR	Ratio of each Director to the median remuneration of the employee
SH.DEVINDER GARG Chairman	8,40,000.00	95.7%
SH.TOSHAK GARG-Managing Director	7, 20,000.00	111.7%
SH.VANEERA GARG. Wholetime Director	6,00,000.00	134 %
No remuneration has paid to any Non Executive/Independent Directors	N/A	

- b. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year:
There is no increase in remuneration of any Director, Chief Financial Officer and Company Secretary in the financial year
- c. The percentage increase in the median remuneration of employees in the financial year was 2%
- d. There were 74 permanent employees on the rolls of the Company as on 31st March, 2015.
- e. The profits before tax for the financial year ended on 31st March, 2015 decreased by 77.73. %, whereas the average increase in remuneration of employees was 0 %.
- f. The profits before tax for the financial year ended on 31st March, 2015 decreased by 77.73. %, whereas the remuneration of Key Managerial Personnel, viz. [1] the Managing Director was increased by 0 %, [2] Chief Financial Officer by 0 % and [3] Company Secretary by 0 %.
- g. The market capitalization of the Company was Rs3,17,88,991.00 Lacs as on 31st March, 2015 as against Rs. 7,57,64,430 Lacs as on 31st March, 2014.
Whereas, Price Earnings Ratio of the Company was 5.92 as on 31st March, 2015 as against 7.84 as at 31st March, 2014.
- h. The Company came out with Initial Public Offer before 1995 at a price of Rs. 10/- per share. The market price of the share as on 31st March, 2015 was Rs7.93 on BSE Limited. The decreased in price is 79.3%, apart from the dividend received by the shareholders.
- i. The average annual increase in the salaries of the employees, other than managerial personnel was 0%, whereas the average increase in the managerial remuneration was 0 % for the financial year.
- J. There was no employee receiving remuneration higher than the highest paid Director during the financial year.
- i. The Company affirms remuneration is as per the Remuneration Policy of the Company.

For and on behalf of the Board

SD/-

Devinder Garg
Chairman Cum
Managing Director
DIN : 01665456

Place: LUDHIANA

Date : 01/09/2015

**Auditors' Certificate on Compliance of Corporate
Governance under Corporate Governance Clause of the Listing Agreement(s)**

To

The Members of
Garg Furnace Limited,

We have examined the compliance of conditions of corporate governance by Garg Furnace Limited for the year ended on March 31, 2015 as stipulated in Clause 49 of the Listing Agreement of the said company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representation made by the directors and Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned listing agreement *except*

- (i) *filling of vacancy of one independent director, due to resignation during the year and non disclosure of the same on company website. Consequently, the composition of Board, Audit Committee and Nomination & Remuneration Committee is not as per the listing agreement.*
- (ii) *Maintenance of company website.*

Further, we state that no investor's grievances are pending for a period of one month against the Company as per the records maintained by the Investor's Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For Dass Khanna & Co.
Chartered Accountants
(Reg No. 000402N)**

**Sd/-
(CA AMARJIT KAMBOJ)
PARTNER
M. No. 082152**

**Place: LUDHIANA.
Date : 01/09/2015**

INDEPENDENT AUDITORS' REPORT

To

The Members of
GARG FURNACE LIMITED

Report on the Financial Statements

We have audited the accompanying Financial Statements of Garg Furnace Limited ("the Company"), Kanganwal Road, V.P.O. Jugiana, G. T. Road, Ludhiana, which comprise the Balance Sheet as at March 31, 2015, the Profit and Loss Statement and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and Cash flows of the Company in accordance with the Accounting principles generally accepted in India including the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our Responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013 ("the Act"). Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on auditor's judgment, including assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments; the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An auditor also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 30 to the financial statements which describes the uncertainty related to outcome of appeal filed by the Company against demand of Punjab Power Corporation Ltd. However our Opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet, the statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
- f) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in our opinion and to the best of our information and according to explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial positions in its financial statements as referred to in note 30 to its financial statements.
 - ii) The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amount which were required to be transferred to Investor Education and Protection Fund by the company.

**For Dass Khanna & Co.
Chartered Accountants
(Reg No. 000402N)**

**Sd/-
(CA AMARJIT KAMBOJ)
PARTNER
M. No. 082152**

**Place: LUDHIANA.
Date : 30-05-2015**

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING OF "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE.)

- (i)
 - a). The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b). All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (ii)
 - a). The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - b). The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - c). The company is maintaining proper records of inventory. The discrepancies noticed on verification between physical stocks and the book records were not material.
- (iii) According to the information and explanations given to us and on the basis of our examination of the books of accounts, the company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under section 189 of the companies Act, 2013. Consequently, the provisions of clauses iii (b) and iii (c) of paragraph 3 of the order are not applicable to the company.

- (iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the company and the nature of its business for purchases of inventory, fixed assets and for sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- (v) According to the information and explanations given to us, the Company has not accepted deposits within the meaning of Section 73 to 76 or other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the year. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
- (vi) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of the record with a view to determine whether they are accurate or complete.
- (vii) a). The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, custom duty, excise duty, cess, service tax and other material statutory dues applicable to it.
- b). According to the information and explanations given to us, there are no dues of sales tax, income tax, custom duty, excise duty, cess and service tax which have not been deposited on account of any dispute except mentioned below:

Name of Statute	Nature of Dues	Forum where appeal is pending	Period to which amount relates	Amount involved in Rs
Income Tax Act,1961	Income Tax	ITAT	A.Y 2008-09	29.00 Lacs
Income Tax Act,1961	Income Tax	ITAT	A.Y 2010-11	10.00 Lacs
Income Tax Act,1961	Income Tax	ITAT	A.Y 2011-12	12.11 Lacs

- c). According to the information and explanations given to us, there is no amount which is required to be transferred to Investor education and protection fund in accordance with relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under.
- (viii) The Company does not have any accumulated losses, further it has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to bank/ financial institutions.
- (x) The Company has not given guarantees for loan taken by others from banks or financial institutions.
- (xi) In our opinion and according to the information and explanation given to us, the term loans have been applied for the purpose for which they were obtained.
- (xii) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

**For Dass Khanna & Co.
Chartered Accountants
(Reg No. 000402N)**

**Sd/-
(CA AMARJIT KAMBOJ)
PARTNER
M. No. 082152**

**Place: LUDHIANA.
Date : 30-05-2015**

GARG FURNACE LIMITED

BALANCE SHEET AS AT 31st MARCH 2015

Particulars	Note No.	AS AT		AS AT	
		31.03.2015		31.03.2014	
		Rs.	P.	Rs.	P.
I. EQUITY AND LIABILITIES					
1 Shareholders' funds					
(a) Share Capital	3	40087000.00		40087000.00	
(b) Reserves & Surplus	4	271494015.04		271797857.12	
(c) Money Received Against Share warrants			0.00		0.00
2 Share Application Money Pending Allotment			0.00		0.00
2 Non-current liabilities					
(a) Long-term borrowings	5	173290246.25		45203424.77	
(b) Deferred tax liabilities(Net)	6	12675427.00		17558623.00	
(c) Long-term provisions	7	802853.00		983995.00	
3 Current liabilities					
(a) Short-term borrowings	8	320191003.19		348806379.59	
(b) Trade Payables	9	593860113.00		315255353.00	
(c) Other current liabilities	10	72456549.65		73180736.21	
(d) Short-term provisions	11	45444.00		419765.00	
TOTAL		1484902651.13		1113293133.69	
II. ASSETS					
1 Non-current assets					
(a) Fixed Assets	12				
(i) Tangible assets		253526102.19		147012945.19	
(ii) Capital work-in-progress			0.00		51387291.00
(b) Non-current investments	13	23240000.00		23240000.00	
(c) Long-term loans and advances	14	62171070.25		61874569.25	
(d) Other Non Current Assets	15	22472715.44		22772320.35	
2 Current Assets					
(a) Inventories	16	130646242.00		134267747.00	
(b) Trade receivables	17	850560469.29		565217219.53	
(c) Cash and cash equivalents	18	38424666.56		16177697.41	
(d) Short-term loans and advances	19	103286085.40		91343343.96	
(e) Other Current Assets	20	575300.00		0.00	
TOTAL		1484902651.13		1113293133.69	
The Accompanying Notes are Integral Part of Financial Statements					

This is the Balance Sheet referred to in our report of even date

FOR AND ON BEHALF OF THE BOARD

FOR DASS KHANNA & CO.
CHARTERED ACCOUNTANTS
 Registration No. 000402N

(AMARJIT KAMBOJ)
PARTNER
 M.No.82152
 PLACE : LUDHIANA
 DATED : 30-05-2015

(Devinder Garg)
 Chairman Cum
 Managing Director
 DIN:01665456

(Vaneera Garg)
 Whole-Time
 Director
 DIN:01283990

(Daksh Garg)
 CFO

PROFIT & LOSS STATEMENT FOR THE YEAR ENDING 31st MARCH 2015

Particulaars	Note No.	AS AT		AS AT	
		31.03.2015		31.03.2014	
		Rs.	P.	Rs.	P.
I. Revenue from operations	21	1464209134.00		1481078691.00	
II. Other income	22	13780974.41		8495664.24	
III. Total Revenue (I+II)		1477990108.41		1489574355.24	
IV. EXPENSES :					
Cost of Materials consumed	23	909260923.81		1140805060.75	
Purchases of stock-in-trade	24	337059751.00		106774455.00	
Changes in inventories of finished goods work-in-progress and stock-in-trade	25	(18933161.00)		15374300.63	
Employee Benefits Expenses	26	12115417.00		12722136.00	
Finance Cost	27	76772716.68		75857562.92	
Depreciation and amortization Expenses	28	11472770.00		13227212.00	
Other expenses	29	147222653.00		111588997.42	
Total		1474971070.49		1476349724.72	
V. Profit before exceptional and extraordinary items and tax(III-IV)		3019037.92		13224630.52	
VI. Extraordinary and Exceptional items		0.00		0.00	
VII. Profit before Tax (V-VI)		3019037.92		13224630.52	
VIII. Tax expense:					
(1) Current tax Provision		594300.00		(2531810.00)	
Less: MAT Credit Entitlement		575300.00			
(2) Deferred tax		2353390.00		(1323863.00)	
(3) Taxes relating to earlier years					
IX. Profit for the period after Tax		5353427.92		9368957.52	
X. Earning per equity share:					
(1) Basic			1.34		2.34
(2) Diluted			1.34		2.34

The Accompanying Notes are Integral Part of Financial Statements

This is the Balance Sheet referred to in our report of even date

FOR AND ON BEHALF OF THE BOARD

**FOR DASS KHANNA & CO.
CHARTERED ACCOUNTANTS
Registration No. 000402N**

**(AMARJIT KAMBOJ)
PARTNER
M.No.82152
PLACE : LUDHIANA
DATED : 30-05-2015**

**(Devinder Garg)
Chairman Cum
Managing Director
DIN:01665456**

**(Vaneera Garg)
Whole-Time
Director
DIN:01283990**

**(Daksh Garg)
CFO**

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

PARTICULARS	AS AT 31.03.2015		AS AT 31.03.2014	
	Rs.	P.	Rs.	P.
(A) Cash Flow From Operating Activities :				
Net Profit before tax	3,019,037.92		13,224,630.52	
Adjusted for :				
Depreciation	11,472,770.00		13,227,212.00	
Interest Received	(6,661,729.00)		(6,096,216.00)	
Interest Charged	71,249,233.96		53,326,138.98	
Prior Year adjustment (Profit)/Loss on sale of Fixed Assets	(1,088.00)		(969,585.00)	
Operating Profit before working Capital Changes	79,078,224.88		72,712,180.50	
Adjusted for :				
Trade and other Receivables	(297,582,492.20)		17,249,162.88	
Inventories	3,621,505.00		(3,446,138.02)	
Trade Payables & Provisions	277,325,110.44		21,887,512.03	
Cash Generated From Operations	62,442,348.12		108,402,717.40	
Taxes Paid	(594,300.00)		(2,531,810.00)	
Net Cash from operating Activities	(A) 61,848,048.12		105,870,907.40	
(B) Cash From Investing Activities				
Purchase of fixed assets	(75,973,124.00)		(66,455,942.00)	
Margin money to Bank	299,604.91		(1354322.35)	
Sale of fixed assets	1,188,500.00		6,644,000.00	
Sale/(Purchase) of Investments	-		6,026,339.00	
Interest received	6,661,729.00		6,096,216.00	
Net Cash from Investing Activities	(B) (67,823,290.09)		(49,043,709.35)	
(C) Cash Flow From Financing Activities				
Proceeds from Short Term borrowings (Net)	(28615376.40)		11784015.59	
Proceeds from Long Term Borrowings (Net)	128,086,821.48		(22,025,048.93)	
Interest paid	(71,249,233.96)		(53,326,138.98)	
Net cash from Financing Activities	(C) 28,222,211.12		(63,567,172.32)	
Net Increase in Cash and Cash Equivalents (A+B+C)	22,246,969.15		(6,739,974.27)	
Cash and Cash Equivalents (Opening Balance)	16,177,697.41		22,917,671.69	
Cash and Cash Equivalents (Closing Balance)	38,424,666.56		16,177,697.41	
Bank Balances not considered as cash equivalents	22,472,715.44		22,772,320.35	

Subject to our separate report of even date

FOR AND ON BEHALF OF THE BOARD

For Dass Khanna & Co.
Chartered Accountants

SD/-
(Amarjit Kamboj)
Partner
M.No. 82152

SD/-
(Devinder Garg)
Chairman Cum
Managing Director
DIN:01665456

SD/-
(Vaneera Garg)
Whole-Time
Director
DIN:01283990

Place : Ludhiana
Dated : 30-05-2015

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST March 2015

1. Corporate Information:

Garg Furnace Limited is a Public Limited company incorporated in India under Provisions of Companies Act, 1956. Its shares are listed in Bombay Stock Exchange, Delhi stock exchange and Ludhiana stock exchange. The Company is engaged in manufacturing of Alloy and Non Alloy Steel Ingots, Wire Rod, Wire Round, Mig Wire, casting of Iron products and trading of Iron, Steel and Textile products

2. Significant Accounting Policies:

2.1.1 Basis of preparation of financial statements

The financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) .The Company has prepared these Financial Statements to comply in all material respects with the Accounting Standards notified under the Companies (Accounting Standard) Rules 2006,(as amended) and the relevant provisions of Companies Act, 2013. Financial Statements have been prepared in accordance with historical cost convention on accrual basis.

The Accounting policies adopted in preparation of financial statements are consistent with those of previous year.

All assets and liabilities have been classified as current and non-current as per company's normal operating cycle and other criteria set out in Schedule-III of Companies Act, 2013 .Based on nature of business company has ascertained its operating cycle as 12 months for purpose of current or non current classification of assets and liabilities.

2.2 Use of Estimates:

The presentation of financial statements require estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period in which results are known/materialized.

2.3 Inventories

The inventories are valued at cost or net realizable value whichever is lower. The cost formula used in valuation of different categories is as under:-

- | | | | |
|------|--------------------------------------|---|--|
| i) | For Raw-Material | - | FIFO Method |
| ii) | For Stores & spares | - | FIFO Method for boughtout items and weighted average material cost for inhouse manufactured items. |
| iii) | For Work in Process & Finished Goods | - | Weighted Average Material Cost Plus Conversion Cost. |
| iv) | For Goods in transit | - | At Cost plus expenses incurred up to their present condition and location |

2.4 Depreciation

Depreciation on Fixed Assets has been provided on straight line method in terms of useful life of the assets specified in Schedule-II of Companies Act, 2013

2.5 Investments

Long term Investments are carried at cost less provision, if any for diminution in value which is other than temporary, and Current Investment are carried at lower of cost and fair value.

2.6 Fixed Assets

All fixed assets are stated at cost of acquisition net off Cenvat & VAT including any attributable cost for bringing the assets to its working condition for its intended use less accumulated depreciation.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST March 2015**2.7 Revenue Recognition**

Revenue on sale of products is recognised at the point of despatch of finished goods to the Customers.

2.8 Excise Duty

Excise Duty in respect of goods manufactured by the company is accounted for at the time of removal of goods from the factory for sale and/or captive consumption and provisions are made for finished goods lying in the factory at the year-end.

2.9 Employee's Retirement Benefits

a) Short Term Employee Benefits:

Short Term Employee Benefits are recognized as an expenses on an undiscounted basis in the profit and loss account of the year in which the related service is rendered.

b) Post Employment Benefits:

i) Defined Contribution Plans:

Provident fund:

Contribution to Provident Fund is made in accordance with the provisions of the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and is charged to the statement of profit and loss..

ii) Defined Benefit Plans

Gratuity:

Provision for gratuity liability to employees is made on the basis of actuarial valuation as at the close of the year.

c) The actuarial gain/loss is recognized in statement of profit and loss.

2.10 FOREIGN CURRENCY TRANSACTIONS

- (i) Transactions in foreign currencies are recorded at the exchange rate prevailing at the time of transaction.
- (ii) Monetary foreign currency items outstanding at the year-end are restated into rupees at the rate of exchange prevailing on the balance sheet date except those covered by forward contracts.
- (iii) Non monetary foreign currency items are carried at cost.
- (iv) Any income or expense on account of exchange difference either on settlement or on translation is recognized in statement of profit and loss

2.11 Accounting for Taxes on Income :**Current Taxes**

Current Tax is determined as the amount of tax payable in respect of taxable income for period after considering tax allowances and exemptions.

Deferred Taxes

Deferred Tax is recognized, subject to consideration of prudence, on timing differences being the difference between taxable income and accounting income that originate in one period and capable of reversal in one or more accounting period.

Minimum Alternate Tax

Minimum Alternative Tax credit is recognized as an asset only when & to the extent there is convincing evidence that the Company will pay normal tax during the specified period. Such asset is reviewed at each Balance Sheet date & the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal income tax during the specified period.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST March 2015**2.12 Government Grants**

Government Grants are recognised if it is certain that the grants will be received & the conditions attached thereto could reasonably be complied with.

2.13 Impairment of Assets.

The carrying amount of assets is reviewed at each Balance Sheet date. If there is any indication of impairment based on internal and external factors an Impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the asset's net selling price and value in use. In assessing value, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

2.14 Provisions - Contingent Liabilities & Contingent Assets

- (i) Provisions involving substantial degree of estimate in measurement is recognized when there is a present obligation arising as a result of past events and it is probable that there will be an outflow of resource embodying economic benefits.
- (ii) Contingent Liability is a possible obligation from past event, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise or a present obligation that arises from past events but is not recognized because it is not probable that an outflow embodying economic benefits will be required to settle the obligation or a reliable estimate of the amount of obligation cannot be made. Such a liability is not recognized but is disclosed in the notes.
- (iii) Contingent Assets are neither recognized nor disclosed in financial statements.

2.15 Earning Per Share

Basic earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. There are no Dilutive Potential Shares outstanding during the period, so DEPS is same as BEPS.

2.16 Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalized as part of the cost of such assets. Qualifying assets is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

NOTE 3 :SHARE CAPITAL

PARTICULARS	AS AT 31.03.2015		AS AT 31.03.2014	
	Rs.	P.	Rs.	P.
(a) AUTHORISED 1,00,00,000 Equity Shares. Of Rs 10 each fully paid up	100000000.00		100000000.00	
(b) ISSUED, SUBSCRIBED & PAID UP 40,08,700 Equity Shares of Rs. 10/- each fully paid up	40087000.00		40087000.00	
	40087000.00		40087000.00	

(c) **Reconciliation of shares outstanding at the beginning and at the end of the reporting period.**

Particular	As at 31st March 2015		As at 31st March 2014	
	No. of Shares	Amounts Rs.	No. of Shares	Amounts Rs.
Shares outstanding at the beginning of the year	4008700	40087000.00	4008700	40087000.00
Movement during the year	0	0.00	0	0.00
Shares outstanding at the end of the year	4008700	40087000.00	4008700	40087000.00

(d) **Disclosure of More Than 5% Shareholding**

Name of Shareholder	As at 31st March 2015		As at 31st March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
i) Master Capital Services Pvt Ltd	-	-	535000	13.35
ii) Shiv Narayan Investments Pvt Ltd	535000	13.35	-	-
iii) Devinder Garg	304040	7.58	304040	7.58
iv) Rajiv Garg	287920	7.18	287920	7.18
v) Sanjeev Garg	222320	5.55	222320	5.55
vi) Toshak Garg	216950	5.41	216950	5.41
vii) Garg Fincap Ltd	206600	5.15	206600	5.15

(e) The Company presently has one class of Equity Shares having par value of Rs 10 each, holders of Equity shares are entitled to one vote per share. In the Event of liquidation of company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the company after distribution of all preferential amounts. The distribution will be proportion to the number of Equity Shares held by Shareholders.

NOTE 4 :RESERVES & SURPLUS

PARTICULARS	AS AT 31.03.2015		AS AT 31.03.2014	
	Rs.	P.	Rs.	P.
(a) Capital Reserves	2350000.00		2350000.00	
(b) Securities Premium Reserve	56530500.00		56530500.00	
(c) General Reserve				
Opening Balance	189923930.00		187923930.00	
Add: Transfer from surplus account	0.00		2000000.00	
Closing Balance	189923930.00		189923930.00	
(d) Surplus				
Opening Balance	22993427.12		15624469.60	
Add: Profit for the year	5353427.92		9368957.52	
Less: Adjustment relating to fixed assts (Net of Deferred Tax Ref Note -12)	-5657270.00			
Less : Transfer to general reserve	0.00		(2000000.00)	
Closing Balance	22689585.04		22993427.12	
TOTAL	271494015.04		271797857.12	

NOTE 5 :LONG-TERM BORROWINGS

Particulars	Non Current Portion		Current Maturities	
	As at 31.03.2015 Rs. P.	As at 31.03.2014 Rs. P.	As at 31.03.2015 Rs. P.	As at 31.03.2014 Rs. P.
Secured Loans				
(a) Term Loans from Banks	63525787.00	39751110.00	23100000.00	24004560.00
Unsecured Loans:				
(b) Other Loans and advances				
i) Vehicle Loans from Banks	4526968.40	2330521.17	5589097.01	3041253.77
ii) Vehicle Loans from Companies	686664.82	1135228.06	448563.24	398839.51
iii) From others	104550826.03	1986565.54	13649776.93	7444450.46
	173290246.25	45203424.77	42787437.18	34889103.74
Amount disclosed under other current liabilities see note no 10	Nil	Nil	42787437.18	34889103.74
Total	173290246.25	45203424.77	Nil	Nil

Nature of Security:

- (a) Term Loans From banks are Secured by equitable mortgage of entire Land & Building & Existing Plant & Machinery of
 (b) Term Loans from Banks carry an interest rate of 11.45% p.a. and are repayable in equal monthly installments.
 the year wise repayment due are as under :-
 (c) Other Loans include Loans from HDB Financial Services & Indiabulls Housing Fiance Ltd against residential property / Plot
 in the name of Directors

YEAR ENDED	MTL-I	MTL-II	MTL-III
	AMOUNT OF REPAYMENT		
31/03/2016	12576000.00	7500000.00	3024000
31/03/2017	12576000.00	7500000.00	3024000
31/03/2018	1307387.00	7500000.00	3024000
31/03/2019	0.00	7500000.00	3024000
31/03/2020	0.00	7500000.00	3024000
31/03/2021	0.00	5371419.00	2174981
TOTAL	26459387.00	42871419.00	17294981.00

- (c) Vehicle Loans from banks & companies are repayable in monyhly payments.The rate of Interest and year wise repayment due is as under:

	Loan No 27768003 Dt 05-04-2014	Loan No 30852167 Dt 05-01-2015	Loan No 30855098 Dt 05-01-2015	Loan No 27709102 Dt 01-12-2013
Financer's name	HDFC BANK LTD	HDFC BANK LTD	HDFC BANK LTD	ICICI BANK LTD
Outstanding amount of Loan	2740827.21	960890.88	3734439.16	888440.00
Rate of Interest	10.02	13.51	13.51	9.66
Mode of Repayment	MONTHLY INSTALLMENT	MONTHLY INSTALLMENT	MONTHLY INSTALLMENT	MONTHLY INSTALLMENT
	Loan No 26350090	Loan No LCV 79646 Dt 04/01/2013	Loan No 18333969 Dt 10/03/2011	Loan No LCV 121009 Dt 04/01/2013
Financer's name	HDFC BANK LTD	KOTAK MAHINDRA BANK LTD	KOTAK MAHINDRA BANK LTD	KOTAK MAHINDRA BANK LTD
Outstanding amount of Loan	542534.17	316622.00	201459.00	381466.00
Rate of Interest	11.78	12.46	12.45	12.45
Mode of Repayment	MONTHLY INSTALLMENT	MONTHLY INSTALLMENT	MONTHLY INSTALLMENT	MONTHLY INSTALLMENT
	Loan No 9622040 Dt 03/06/2010	Loan No 7000194412 Dt 03/06/2010	Loan No 31002571 Dt 05-01-2015	Loan No
Financer's name	KOTAK MAHINDRA PRIME LTD	ATA CAPITAL FINANCIA SERVICES PVT LTD	HDFC BANK LTD	
Outstanding amount of Loan	585520.00	549708.06	349386.99	
Rate of Interest	11.42	11.42	13.51	
Mode of Repayment	MONTHLY INSTALLMENT	MONTHLY INSTALLMENT	MONTHLY INSTALLMENT	

YEARWISE REPAYMENT DUE:

YEAR ENDED	FROM BANKS AMOUNT OF REPAYMENT	FROM COMPANIES AMOUNT OF REPAYMENT	TOTAL
	31/03/2016	5589097.14	448563.24
31/03/2017	4306624.27	504741.58	4811365.85
31/03/2018	220344.00	181923.24	402267.24
TOTAL	10116065.41	1135228.06	11251293.47

(d) Other Non Current loans are repayable in monthly payments. The rate of Interest and year wise repayment due is as under:

	Loan No HLAPLUD00130032 Dt 25/12/2012	Loan No HLAPLUD00191474 Dt 25/12/2012	Loan No HLAPLUD00213592 Dt 25/12/2012	HDB FINANCIAL SERVICES Dt 21/07/2014
Financer's name	INDIA BULLS FINANCIAL SERVICES LTD	INDIA BULLS FINANCIAL SERVICES LTD	INDIA BULLS FINANCIAL SERVICES LTD	HDB FINANCIAL SERVICES
Outstanding amount of Loan	1924114.05	26638619.04	12351003.67	77286866.20
Rate of Interest	14.00	14.00	14.00	14.00
Mode of Repayment	MONTHLY INSTALLMENT	MONTHLY INSTALLMENT	MONTHLY INSTALLMENT	MONTHLY INSTALLMENT

YEAR ENDED	AMOUNT OF REPAYMENT	AMOUNT OF REPAYMENT	AMOUNT OF REPAYMENT	AMOUNT OF REPAYMENT
31/03/2016	1924114.05	5020234.16	1918997.06	4786431.66
31/03/2017		5713187.29	2183880.98	5393470.99
31/03/2018		6501790.14	2485327.56	6077498.12
31/03/2019		7399245.45	2828383.50	6848276.99
31/03/2020		2004162.00	2934414.57	7716809.95
31/03/2021				8695494.60
31/03/2022				9798300.95
31/03/2023				11040970.77
31/03/2024				12441242.20
04/07/2024				4488369.97
TOTAL	1924114.05	26638619.04	12351003.67	77286866.20

NOTE 6 :DEFERRD TAX LIABILITIES

PARTICULARS	AS AT 31.03.2015		AS AT 31.03.2014	
	Rs.	P.	Rs.	P.
Deferred Tax Liability:				
Fixed Assets - Impact of difference between Tax Depreciation and depreciation/amortisation for financial reporting period	22794114.00		17992396.00	
	(a)			
	22794114.00		17992396.00	
Deferred tax Asset:				
Impact on account of Book Loss	9862434.00		0.00	
Impact of Expenditure charged to statement of profit and loss in the	256253.00		433773.00	
	(b)			
	10118687.00		433773.00	
Deferred Tax Liability Net	Total (a-b)		12675427.00	17558623.00

NOTE 7 :LONG TERM PROVISION

PARTICULARS	AS AT 31.03.2015		AS AT 31.03.2014	
	Rs.	P.	Rs.	P.
Provision for employee benefits. -Gratuity-	802853.00		983995.00	
Total	802853.00		983995.00	

NOTE 8 :SHORT TERM BORROWINGS

PARTICULARS	AS AT 31.03.2015		AS AT 31.03.2014	
	Rs.	P.	Rs.	P.
Secured Loans:				
(a) Loans repayable on demand -From banks-				
		320191003.19		348806379.59
Total		320191003.19		348806379.59

Nature of Security:

(a) (The Working Capital Loans are Secured by hypothecation of stock in trade,Book Debts of the company,the overdraft is further secured by

NOTE 9 :TRADE PAYABLES

PARTICULARS	AS AT 31.03.2015		AS AT 31.03.2014	
	Rs.	P.	Rs.	P.
(a) Acceptances Payable		204093250.00		226014126.00
(b) Other than acceptances*		389766863.00		89241227.00
Total		593860113.00		315255353.00

*The Company has not received information from vendors/service providers regarding their status under Micro, Small and Medium Enterprises

NOTE 10 :OTHER CURRENT LIABILITIES

PARTICULARS	AS AT 31.03.2015		AS AT 31.03.2014	
	Rs.	P.	Rs.	P.
(a) Current maturities of long-term debt (Refer Note 5)		42787437.18		34889103.74
(b) Other Payables:				
(a) Statutory remittances *		6440361.00		3936743.00
(b) Employee Related Payments		2324317.00		1378616.00
(c) Expenses Payable		6379927.47		6183897.47
(d) Advances from Customers		14524507.00		26792376.00
Total		72456549.65		73180736.21

* Statutory remittances include Contribution to Provident fund,ESIC,TDS,Excise duty,Service Tax,Vat etc.

NOTE 11:SHORT-TERM PROVISIONS

PARTICULARS	AS AT 31.03.2015		AS AT 31.03.2014	
	Rs.	P.	Rs.	P.
(a) Provision for Employee benefits. -Gratuity-		26444.00		352955.00
(b) Other				
i) Provision for Income Tax (net of Advance Tax)		0.00		0.00
ii) Provision for wealth Tax		19000.00		66810.00
Total		45444.00		419765.00

**Note - 12
FIXED ASSETS :**

Sl. NO.	NAME OF THE ASSETS	31.03.2015 (Value in Rs.)											
		GROSS BLOCK					DEPRECIATION					NET BLOCK	
		AS AT 01.04.2014	ADDITIONS DURING THE YEAR	SALES DURING THE YEAR	TO BE ADJ WITH RESERVES AS PER SCH-II	TOTAL AS AT 31.03.2015	AS AT 01.04.2014	PROVIDED DURING THE YEAR	ADJUSTMENT DURING THE YEAR	ADJUSTMENT AS PER SCH-II	TOTAL AS AT 31.03.2015	AS AT 31.03.2015	AS AT 31.03.2014
1.	Land	2468126.40	0.00	0.00	0.00	2468126.40	0.00	0.00	0.00	0.00	2468126.40	2468126.40	
2.	Building	31201893.69	38486554.00	0.00	0.00	69688453.69	9843141.00	1406273.00	0.00	1469706.00	12519126.00	57169327.69	21558758.69
3.	Plant & Machinery	208376098.84	83836987.00	0.00	0.00	292213085.84	108351766.81	7655828.00	0.00	2281678.00	118289272.81	173923813.03	100024332.03
4.	Vehicles	31797353.88	4930376.00	1625129.00	0.00	35102600.88	10383221.11	2093190.00	437717.00	4402536.00	16441230.11	18661370.77	21414132.77
5.	Office Equipments	2810308.66	106498.00	0.00	0.00	2916806.66	1652246.80	268518.00	0.00	33156.00	1953920.80	962885.86	1158061.86
6.	Furnitures & Fixtures	1225750.45	0.00	0.00	0.00	1225750.45	836217.01	48955.00	0.00		885172.01	340578.44	389533.44
TOTAL		277879537.92	127360415.00	1625129.00	0.00	403614823.92	130666592.73	11472770.00	437717.00	8187076.00	150088721.73	253526102.19	147012945.19

Note: Pursuant to enactment of Companies Act, 2013, the Company has applied the estimated useful lives of fixed assets as specified in Schedule-II. Accordingly the unamortised carrying amount of fixed assets is being depreciated/amortised over the revised remaining useful lives. The written down value/carrying amount of fixed assets whose lives have expired as on 01.04.2014 have been adjusted (net of taxes) in the opening balance of profit & loss account amounting to Rs. 5657270.00

NOTE 13 :NON CURRENT INVESTMENT

PARTICULARS	AS AT 31.03.2015		AS AT 31.03.2014	
	Rs.	P.	Rs.	P.
Other Invetments (At Cost): Unquoted:				
(a) Investments in Equity Instruments :				
ii) 212000 Equity Shares of Rs. 10/-each fully paid up in Sudhir Forgings Pvt. Ltd.	2120000.00		2120000.00	
iii) 412000 Equity Shares of Rs. 10/-each fully paid up in Shubham Investment Pvt.Ltd.	4120000.00		4120000.00	
(b) Investments in Preference Shares 17,00,000, 6% Redeemable Non Cumulative Preference Shares of Rs 10 each each fully paid in Garg Acrylics Ltd.	17000000.00		17000000.00	
Total	23240000.00		23240000.00	

PARTICULARS	AS AT 31.03.2015		AS AT 31.03.2014	
	Rs.	P.	Rs.	P.
Aggregate amount of unquoted investments.	23240000.00		23240000.00	
Aggregate provision for diminution in value of investments.	Nil		Nil	

NOTE 14 :LONG-TERM LOANS AND ADVANCES

PARTICULARS	AS AT 31.03.2015		AS AT 31.03.2014	
	Rs.	P.	Rs.	P.
Unsecured,considered good				
(a) Capital Advances	200000.00		3653383.00	
(b) Security Deposits	8460481.25		4710597.25	
(c) Electricity Bills Under Challenges Refer Note 30	53510589.00		53510589.00	
Total	62171070.25		61874569.25	

NOTE 15 :OTHER NON CURRENT ASSETS

PARTICULARS	AS AT 31.03.2015		AS AT 31.03.2014	
	Rs.	P.	Rs.	P.
Non Current Bank Balances Refer Note 18 -fixed deposits with more than twelve months maturity-	22472715.44		22772320.35	
Total	22472715.44		22772320.35	

NOTE 16:INVENTORIES

PARTICULARS	AS AT 31.03.2015		AS AT 31.03.2014	
	Rs.	P.	Rs.	P.
Raw Materials	25331090.00		48893042.00	
Work In Progress	10970460.00		6063061.00	
Finished Goods	40708804.00		26683042.00	
Stores & Spares	53635888.00		52628602.00	
Total	130646242.00		134267747.00	

NOTE 17 :TRADE RECEIVABLES

PARTICULARS	AS AT 31.03.2015		AS AT 31.03.2014	
	Rs.	P.	Rs.	P.
Unsecured,considered good:				
i) Outstanding for a period exceeding six months from the date they are due.	35263966.29		30993667.07	
ii) Other Debts	815296503.00		534223552.46	
Total	850560469.29		565217219.53	

NOTE 18: CASH AND CASH EQUIVALENTS

PARTICULARS	AS AT 31.03.2015		AS AT 31.03.2014	
	Rs.	P.	Rs.	P.
(a) Balances with Scheduled Banks in C/A (a)	1743856.89		2184153.74	
(b) Cash in Hand & Imprest Balances (b)	36680809.67		13993543.67	
(c) Other Bank Balances (c)				
- Deposits with more than 12 months maturity - (held as margin)	22472715.44		22772320.35	
Less : Amount disclosed as other non current assets (refer note 15)	(22472715.44)		(22772320.35)	
Total (a+b+c)	38424666.56		16177697.41	

Deposits includes:

- (i) Bank Deposits with more than 12 months maturity

NOTE 19 :SHORT TERM LOAN AND ADVANCES

PARTICULARS	AS AT 31.03.2015		AS AT 31.03.2014	
	Rs.	P.	Rs.	P.
(Unsecured, considered good unless otherwise stated)				
(a) Balance With Government Authorities	5585418.00		6503110.00	
(b) Advance To Employees	219893.00		191002.00	
(c) Advances To Suppliers	42988403.76		34565759.32	
(d) Advance Tax (net of Provision for Taxation)	2674884.00		2915437.00	
(e) Prepaid Expenses	938353.00		1487111.00	
(f) Others Recoverables*	50879133.64		45680924.64	
Total	103286085.40		91343343.96	

*Other Recoverables includes Loan to party, Income Tax refundable etc.

NOTE 20 :OTHER CURRENT ASSETS

PARTICULARS	AS AT 31.03.2015		AS AT 31.03.2014	
	Rs.	P.	Rs.	P.
MAT Credit	575300.00			
Total	575300.00			0.00
Total	575300.00			0.00

NOTE 21:REVENUE FROM OPERATIONS

PARTICULARS	AS AT 31.03.2015		AS AT 31.03.2014	
	Rs.	P.	Rs.	P.
Sale of Products	1599491867.00		1648336116.00	
Other operating revenue	-		-	
	1599491867.00		1648336116.00	
Less: Excise Duty	135282733.00		167257425.00	
Total	1464209134.00		1481078691.00	

DETAILS OF PRODUCTS SOLD:

PARTICULARS	AS AT 31.03.2015		AS AT 31.03.2014	
	Rs.	P.	Rs.	P.
Iron and Steel:				
Ingots	171543777.00		464307406.00	
Round	339411014.00		361667406.00	
Scrap	52486738.00		84282850.00	
Wire Rod	290296343.00		411798145.00	
Steel Teeth	36989608.00		29154659.00	
Mig Wire CC Steel Wire	11376884.00		29392237.00	
Unmachined Casting	8812138.00		11030111.00	
Silicon Magnese			-	
Billets	277072503.00		92608026.00	
Others Iron & steel products	298548205.00		7930086.00	
Textile:				
Knitted Cloth			40099985.00	
Dyes & Chemicals	112954657.00		116065205.00	
Total	1599491867.00		1648336116.00	

NOTE 22 :OTHER INCOME

PARTICULARS	AS AT 31.03.2015		AS AT 31.03.2014	
	Rs.	P.	Rs.	P.
Interest received	6661729.00		6096216.00	
Rent Received			18616.00	
Carriage Frieght Octroi	137454.00		0.00	
Rebate & Discount Received	486672.41		0.00	
Sundry Balances Written Back	6253234.00		1140723.24	
Profit on sale on Fixed Assets	1088.00		1231919.00	
Misc. Income	240797.00		8190.00	
Total	13780974.41		8495664.24	

NOTE 23 :COST OF MATERIALS CONSUMED

PARTICULARS	AS AT 31.03.2015		AS AT 31.03.2014	
	Rs.	P.	Rs.	P.
Opening Stock of Raw Material	48893042.00		43454644.35	
Add : Purchases	885698971.81		1146243458.40	
	934592013.81		1189698102.75	
Less : Closing Stock of Raw Material	25331090.00		48893042.00	
Total	909260923.81		1140805060.75	

DETAILS OF COST OF MATERIAL CONSUMED:

PARTICULARS	AS AT 31.03.2015		AS AT 31.03.2014	
	Rs.	P.	Rs.	P.
Melting Scrap	364254473.81		310792796.00	
Ferros	29168558.00		7871929.00	
M.S Ingots	392019452.00		531649077.00	
Billets	116585242.00		271726507.00	
Wire Rod	7233198.00		17334062.75	
Round			1430689.00	
Total	909260923.81		1140805060.75	

NOTE 24: PURCHASES OF STOCK IN TRADE:

PARTICULARS	AS AT 31.03.2015		AS AT 31.03.2014	
	Rs.	P.	Rs.	P.
Iron and Steel Products:				
M.S Scrap	0.00		0.00	
Non alloy Steel Round	27665177.00		6853469.00	
Wire Rod	83992043.00		0.00	
Bright Bar	83077436.00		0.00	
Others Iron and Steel Products	83762027.00		7968056.00	
Textile Products:				
Knitted Cloth	0.00		26274034.00	
Dyes And chemiclas	58563068.00		65678896.00	
Total	337059751.00		106774455.00	

NOTE 25 :CHANGE IN INVENTORIES

PARTICULARS	AS AT 31.03.2015		AS AT 31.03.2014	
	Rs.	P.	Rs.	P.
(a) OPENING STOCK:				
Finished Goods	26683042.00		41909227.63	
Work in progress	6063061.00		6211176.00	
Total (a)	32746103.00		48120403.63	
(b) CLOSING STOCK:				
Finished Goods	40708804.00		26683042.00	
Work in progress	10970460.00		6063061.00	
Total (b)	51679264.00		32746103.00	
Total(a-b)	(18933161.00)		15374300.63	

Details Of Inventory:

PARTICULARS	AS AT 31.03.2015		AS AT 31.03.2014	
	Rs.	P.	Rs.	P.
Work in progress:				
Steel Teeth		10970460.00		6063061.00
Total		10970460.00		6063061.00
Finished Goods:				
Ingots/Billet		13996969.00		1429163.00
M.S Runner And Riser		21061.00		663791.00
Round		10605349.00		8554832.00
Mig Wire CC Steel Wire		305071.00		672252.00
Steel Wire Rod		3608156.00		5299731.00
Miss Rolls/End Cutting/Ingot Moulds		11660590.00		9045139.00
Unmachined Steel Casting		511608.00		1018134.00
Total		40708804.00		26683042.00

NOTE 26 :EMPLOYEE BENEFITS EXPENSE

PARTICULARS	AS AT 31.03.2015		AS AT 31.03.2014	
	Rs.	P.	Rs.	P.
Salaries, Wages & Other Allowances		11128054.00		11501056.00
Staff & Labour Welfare		247869.00		309319.00
Contribution to Provident and other funds		739494.00		911761.00
TOTAL		12115417.00		12722136.00

NOTE 27:FINANCE COST

PARTICULARS	AS AT 31.03.2015		AS AT 31.03.2014	
	Rs.	P.	Rs.	P.
Interest Expense		71249233.96		53326138.98
Foreign Exchange Flucuation Charges		2548007.00		18785232.00
Other borrowing costs		2975475.72		3746191.94
TOTAL		76772716.68		75857562.92

NOTE 28 :DEPRECIATION

PARTICULARS	AS AT 31.03.2015		AS AT 31.03.2014	
	Rs.	P.	Rs.	P.
Depreciation on tangible assets		11472770.00		13227212.00
TOTAL		11472770.00		13227212.00

NOTE 29 :OTHER EXPENSES

PARTICULARS	AS AT 31.03.2015		AS AT 31.03.2014	
	Rs.	P.	Rs.	P.
Store & Spare consumed	28741762.00		14851137.00	
Power and Fuel	102100380.00		82338834.00	
Machinery Repair and Maintenance	92651.00		847578.00	
Electric Repair and Maintenance	33500.00		67052.00	
Excise Duty on Closing Stock	5783940.00		2935229.00	
Machining & Grinding Expenses	0.00		0.00	
Rates & Taxes	1411235.00		865448.00	
Postage, Telegrams, Telephone and Telex	299489.00		362738.00	
Printing & Stationery	172219.00		167377.00	
Legal & Professional Charges	1028105.00		762070.00	
Insurance	920276.00		1180583.43	
Directors Remuneration	2160000.00		2160000.00	
Electricity & Water (Directors)	0.00		0.00	
Auditor's Remuneration				
-Audit Fee	125000.00		125000.00	
-Tax Audit Fee	40000.00		40000.00	
Cost Audit Fee	35000.00		20000.00	
Repairs & Maintenance				
-Building	839578.00		341431.00	
-Vehicles	1864254.00		1900334.00	
-Office Equipments	234136.00		171991.00	
Travelling Expenses				
- Directors	400169.00		118943.00	
- Others	5450.00		5000.00	
Loss on Sale of Fixed Assets	0.00		262334.00	
Carriage, Freight & Octroi Outwards	0.00		425565.00	
Advertisement	187330.00		228213.00	
Security Charges	27152.00		258222.00	
Employer contribution to Welfare Fund	1628.00		3602.00	
Brokerage & Commission	375000.00		400000.00	
Rebate & Discount	9.00		371174.99	
Sales Promotions	0.00		0.00	
Service Tax Paid	70416.00		37019.00	
Subscription and Periodicals	0.00		0.00	
Charity and Donation	17000.00		116000.00	
Miscellaneous Expenses	145473.00		187613.00	
Listing Fee	111501.00		38509.00	
TOTAL	147222653.00		111588997.42	

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST March 2015

30. Contingent Liabilities

(I)	As at 31st March-2015	As at 31st March 2014
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- | | | | |
|-----|---|------------------|------------------|
| a) | For Bank Guarantees and letter of credit outstanding | Rs. 2163.87 Lacs | Rs. 2307.38 Lacs |
| b) | Other Contingent Liabilities | Rs. 51.11 Lacs | Rs. 55.20 Lacs |
| c). | Other monies for which company is contingently liable: | | |
| | The company has contested the demand of Punjab Power Corporation Ltd of Rs 72306370/- on account of voltage surcharge. As Against this a sum of Rs 53510589/- has been deposited under protest and stands included under the head "Advances Recoverable in cash or In kind."The Company has filed an appeal in Punjab And Haryana High Court. Honourable High court has granted stay in disconnection of supply of electricity of company. No provision in accounts has been made in respect thereof. | | |

(II) Commitments:

	As at 31st March-2015	As at 31st March 2014
--	-----------------------	-----------------------

- | | | | |
|----|---|-----|-----------------|
| a) | Estimated amount of contracts Remaining to be executed on Capital account (net of advances. | Nil | Rs. 202.08 Lacs |
|----|---|-----|-----------------|

31. Debit or Credit Balances on whatsoever account are subject to confirmation from parties.

32. In the opinion of the Board of Directors, all the Current Assets, Loans & Advances have a value on realization in the ordinary course of business at least equal to the amount of at which they are stated ,except as expressly stated otherwise.

Disclosure under Accounting Standards:

33. The Earning per share has been calculated in accordance with Accounting Standard (AS)-20 issued by the Institute of Chartered Accountants of India. The numerators and denominators used to calculate basic and Diluted Earning per share are as under:-

Basic Earnings

	2014-15	2013-14
a) Calculation of weighted average number of Equity shares of Rs. 10/- each		
Number of Equity Shares at the beginning of the year	4008700	4008700
Number of equity shares at the end of the year	4008700	4008700
Weighted average number of equity Shares Outstanding during the year	4008700	4008700
b) Net profit after tax available for Equity share holders	Rs. 5353428	Rs. 9368958
c) Basic earning per Equity shares of Rs. 10/- each	Rs. 1.34	Rs. 2.34

Diluted Earnings

a) Calculation of weighted average number of Equity shares of Rs. 10/- each		
Number of Equity Shares at the beginning of the year	4008700	4008700
Number of equity shares at the end of the year	4008700	4008700

GARG FURNACE LIMITED

Weighted average number of equity Shares Outstanding during the year	4008700	4008700
b) Net profit after tax available for Equity share holders	Rs. 5353428	Rs. 9368958
c) Diluted earning per Equity shares of Rs. 10/- each	Rs. 1.34	Rs. 2.34

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST March 2015

34. The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (Last drawn salary) for each completed year of service subject to a maximum amount of Rs. 10,00,000.00.

The Accounting Standard (AS-15 Revised) prescribed by the companies Accounting Standard Rules 2006 is being followed and the following table summarize the components of net benefit/expenses recognized in the Statement of profit and loss and the funded status and the amount recognized in the balance sheet for the gratuity plan.

		31-03-2015	31-03-2014
		Rs.	P
1.	CHANGES IN THE PRESENT VALUE OF OBLIGATION		
	Present value of obligation at the beginning of the Period	13,36,950.00	16,88,034.00
	Interest Cost	94,476.00	1,37,399.00
	Current Service Cost	2,72,871.00	3,27,447.00
	Benefits Paid	(2,66,856.00)	(3,56,304.00)
	Actuarial (Gain)/Loss on Obligation	(6,08,144.00)	(4,59,626.00)
	Present Value of Obligation at the end of the period	8,29,297.00	13,36,950.00
2.	CHANGES IN THE PRESENT VALUE OF PLAN ASSETS		
	Fair value of Plan Assets at the beginning of the Period.	--	--
	Expected return on Plan Assets	--	--
	Contribution	--	--
	Withdrawal	--	--
	Actuarial Gain/(Loss) on Plan Assets	--	--
	Fair value at the end of the period.	--	--
3.	FAIR VALUE OF PLAN ASSETS		
	Fair Value of Plan Assets at the beginning of the period	--	--
	Actual return on Plan assets	--	--
	Contribution	--	--
	Withdrawal	--	--
	Fair Value of Plan Assets at the end of the period	--	--
	Present Value of Obligation at the end of the period	8,29,297	13,36,950
	Funded Status	(8,29,297)	(13,36,950)
4.	ACTUARIAL GAIN/ LOSS RECOGNIZED		
	Actuarial gain/(loss) on Obligation	6,08,144.00	4,59,626.00
	Actuarial gain/(loss) on Plan Assets	--	--
	Total (gain)/loss for the period	(6,08,144.00)	(4,59,626.00)
	Actuarial(gain)/loss recognized in the period	(6,08,144.00)	(4,59,626.00)
	Unrecognized Actuarial (gain)/loss at the end of the period	--	--

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5. AMOUNT TO BE RECOGNIZED IN THE BALANCE SHEET			
Present value of obligation at the end of the period		8,29,297.00	13,36,950.00
Fair value of Plan assets at the end of the period		--	--
Funded Status		(8,29,297.00)	(13,36,950.00)
Unrecognized Actuarial (Gain)/Loss at the end of the period		--	--
Net Assets/(Liability) recognized in the Balance sheet		(8,29,297.00)	(13,36,950.00)
6. EXPENSE RECOGNIZED IN THE STATEMENT OF PROFIT & LOSS			
Current Service Cost		2,72,871.00	3,27,447.00
Interest Cost		94,476.00	1,37,399.00
Expected Return on Plan assets			
Actuarial (Gain)/Loss recognized in the period		(6,08,144.00)	(4,59,626.00)
Expenses recognized in the statement of Profit & Loss		(240797.00)	5220.00
ACTUARIAL ASSUMPTION (ECONOMIC & DEMOGRAPHIC)			
i) Imputed rate of interest		09.10% P.A.	09.10% P.A.
ii) Future Salary rise		06.00% P.A.	06.00% P.A.
iii) Return on Plan assets		N.A.	N.A.
iv) Retirement Age		58 Years	58 Years
v) Mortality Table		IAL 2006-08 Ultimate	IAL 2006-08 Ultimate
vi) Attrition Rate		05.00 % P.A.	05.00 % P.A.
vii) Remaining Working Life		19.16 Years	20.54 Years

Method of Valuation: Projected Unit Credit Method

35. Related Party Disclosure:

- i) Name of related parties and description of relationship
- A. Key Management Personnel
1. Sh. Devinder Garg - Executive Chairman
 2. Smt. Vaneera Garg - (Wholtime Director)
 3. Sh. Toshak Garg - (Managing Director)
 4. Sh. Daksh Garg - (CFO)
- ii) Enterprise owned or significantly influenced by key management personnel and their relatives.
- A. Vaneera Industries Ltd
- B. Avtar Exports Pvt Ltd
- C. Devinder Garg & Son's HUF

Summary of Transactions	Associates		Key Managerial Personnel	
	31-03-2015	31-03-2014	31-03-2015	31-03-2014
Remuneration Paid			2520000.00	2460000.00
Loans Taken	Nil	31822600.00	2768806.00	7643000.00
Loans Given	Nil	890000.00	Nil	Nil
Sale Made	Nil	Nil	Nil	Nil
Purchases Made	Nil	7286231.00	Nil	Nil
Payment Made	855680.00	47242951.00	2768806.00	13743000.00
Payment received	875000.00	15000.00	-	-
Balance Outstanding	0.00 DR 0.00 CR	875000.00 DR 855680.00 CR	Nil	Nil

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- iii) There is no provision for doubtful debts or amounts written off or written back during the year in respect of dues from or to related parties.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST March 2015

36. Segment Information as required by Accounting Standard (AS)-17 on Segment Reporting issued by the Institute of Chartered Accountants of India is disclosed hereunder :-

The company has identified two reportable segments viz; Iron & Steel Products & Textile product

The financial information about the business segments is presented in the table below:

	IRON & STEEL	TEXTILE PRODUCT	TOTAL
REVENUE			
External Sales	1486537210.00	112954657.00	1599491867.00
Inter Segment Sales	-----	-----	-----
Other Income	13780974.41	0.00	13780974.41
Total Revenue	1500318184.41	112954657.00	1613272841.41
RESULT			
Segment Result	35503217.60	54391589.00	89894806.60
Unallocated Corporate Expenses (Net)			10103052.00
Operating Profit			79791754.60
Interest Expense			76772716.68
Income Tax - current			(594300.00)
- MAT Entitlement			575300.00
- deferred			2353390.00
-related to earlier years-			0.00
Profit from ordinary activities			5353427.92
Extra ordinary loss/(income)			0.00
Net Profit			5353427.92
OTHER INFORMATION			
Segment Assets	1072832508.94	141749565.00	1214582073.94
Unallocated Corporate Assets			26490184.00
Total Assets			1241072257.94
Segment Liabilities	634073231.47	0.00	634073231.47
Unallocated Corporate Liabilities			548944113.62
Total Liabilities			1183017345.09
Capital Expenditure	403614823.92		403614823.92
Depreciation	150088721.73		150088721.73
Non Cash Expenses other than depreciation			

GARG FURNACE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST March 2015

37.	CIF value of Imports	Current year	Previous Year
	Raw Material	Rs. 21,65,77,733.81	Rs. 21,02,06,528.00
	Earning in foreign Currency	Current year	Previous Year
	FOB value of export of goods	NIL	NIL

Value of Imported & Indigenous raw material & stores consumed.

	Current Year		Previous Year	
	Value	%age	Value	%age
Raw Material				
Indigenous	69,26,83,190.00	76.18	93,05,98,532.75	81.57
Imported	21,65,77,733.81	23.82	21,02,06,528.00	18.43
Stores & Spares				
Indigenous	2,87,41,762.00	100.00	1,48,51,137.00	100.00

Subject to our report of even date.

For and on behalf of the Board

For Dass Khanna & Co.
Chartered Accountants

Sd/-
(AMARJIT KAMBOJ)
PARTNER
M.No.82152
PLACE : LUDHIANA

Sd/-
(Devinder Garg)
Chairman Cum
Managing Director
DIN:01665456

Sd/-
(Vaneera Garg)
Director
Director
DIN:01283990

Sd/-
(Daksh Garg)
CFO

Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L99999PB1973PLC003385

Name of the company: **Garg Furnace Limited,**
 Registered office: **Kanganwal Road, V.P.O. Jugiana,**
G.T. Road, Ludhiana-141120

Name of the member (s) :

Registered address :

E-mail Id:

Folio No/ Client Id :

DP ID :

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name : Address : E-mail Id :
 Signature :or failing him
2. Name : Address: E-mail Id :
 Signature:or failing him
3. Name : Address: E-mail Id:
 Signature:or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 42nd Annual general meeting of the company, to be held on the 30th day of September 2015, At 9.30. a.m. at **Kanganwal Road, V.P.O. Jugiana, G.T. Road, Ludhiana-141120** and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.1 to 9

Signed this..... day of..... 20....

Signature of shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp of
Rs. 1/-

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting

**Form No. MGT-12
Polling Paper**

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

Name of the company: **Garg Furnace Limited,**
CIN: L99999PB1973PLC003385
Registered office: **Kanganwal Road, V.P.O. Jugiana,**
G.T.Road, Ludhiana-141120

BALLOT PAPER

S No	Particulars	Details
1	Name of the First Named Shareholder (In block letters)	
2	Postal address	
3	Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4	Class of Share	

I hereby exercise my vote in respect of Ordinary/ Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

No	Item No.	No. of shares held by me	I assent to the resolution	I dissent from the resolution
1				
2				
3				
4				
5				
6				
7				
8				
9				

Place:
Date: (Signature of the shareholder)