

MANAGEMENT

BOARD OF DIRECTORS

DIRECTORS	:	Mr. Devinder Garg (Chairman and Managing Director)
(PROMOTERS)		Mrs. Vaneera Garg (Wholetime Director) Mr. Toshak Garg (Managing Director)
DIRECTORS INDEPENDENT	:	Mrs. Amandeep Kaur (Appointed w.e.f. 31.03.2023) Mrs. Jyoti Batra (Resigned w.e.f. 23.07.2024) Mrs. Shruti Gupta (Appointed w.e.f. 23.07.2024) Mrs. Purti Katyal (Appointed w.e.f. 14.08.2023 and resigned w.e.f. 14.08.2025) Mrs. Mehak Jain (Appointed w.e.f. 14.08.2025)
STATUTORY AUDITOR	:	M/s. Ashwani & Associates 19-A, Block-B, Udham Singh Nagar, Tagore Nagar, Ludhiana, Punjab 141001
COST AUDITOR	:	Anju Pardesi H No 149A, Block A, G.K. Estate Bhamian Khurd, Near Ansal Enclave, Ludhiana- Punjab-141015.
SECRETARIAL AUDITOR	:	PDM & Associates H.No.83, New Sant Fateh Singh Nagar, Dugri Road, Ludhiana-Punjab.
BANKERS	:	HDFC Bank
REGISTERED OFFICE & WORK	:	Kanganwal Road, V.P.O. Jugiana, G.T.Road, Ludhiana-141120

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GARG FURNACE LIMITED

CIN: L99999PB1973PLC003385

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

Phone: 0161-2512285 Email: gargfurnace@yahoo.com,

Web: www.gargfurnacelimited.com

NOTICE

Notice is hereby given that the 52nd Annual General Meeting of the Members of **Garg Furnace Limited** will be held on Monday, the 15th day of September, 2025 at 11:00 A.M. at the Registered office at Kanganwal Road V.P.O. Jugiana G T. Road, Ludhiana- 141120 to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements for the financial year ended on 31.03.2025 and the Reports of Board of Directors and Auditors thereon.
2. To appoint Director in place of **Sh. Toshak Garg (DIN: 03503511)** who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
3. Re-Appointment of M/s. Ashwani & Associates, Chartered Accountants, Ludhiana (Firm Registration No. 000497N), as a Statutory Auditor 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 provisions of Sections 139, 141 and 142 and other applicable provisions, if any of the Companies Act, 2013 (“the Act”) read with the Companies (Audit and Auditors) Rules, 2014 as amended from time to time (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Ashwani & Associates, Chartered Accountants, Ludhiana (Firm Registration No. 000497N), who being eligible for re-appointment as Statutory Auditors in terms of Section 141 of the Act and applicable rules, be and are hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of 52nd Annual General Meeting (AGM) till the conclusion of 57th Annual General Meeting (AGM) of the Company to be held in the year 2030, to conduct the audit of the accounts of the Company for the financial year ending 2025-26 to 2029-30, respectively, at a remuneration mentioned in the explanatory statement annexed herewith.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as “Board”, which term shall be deemed to include any Committee constituted or to be constituted by the Board or any person authorized by the Board in this regard), be and is hereby severally authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all acts and take all such steps as may be necessary, proper or expedient and desirable to giving effect to this resolution.”

SPECIAL BUSINESS:

4. **Re-appointment of Cost Auditors of the Company** and in this regard 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 **INR 20,000.00** (Rupees Twenty Thousand Only) plus out-of-pocket expenses payable to M/s. Anju Pardesi, Cost Accountants (Firm's Registration No. 003448) 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 **31st March, 2026.**”

5. **Appointment of M/s PDM & Associates, Mrs. Pooja Damir Miglani, Practicing Company Secretaries as Secretarial Auditor of the Company** and in this regard to consider and if thought fit, to pass the following resolution as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Sections 179 and 204 and other applicable provisions, if any, of the Companies Act, 2013, read with the rules made thereunder, and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and based on the recommendations of the Audit Committee and the Board of Directors, the approval of the members be and is hereby accorded for the appointment of M/s PDM & Associates, Mrs. Pooja Damir Miglani, Practicing Company Secretaries (Membership No. A25988, COP No. 25003), as Secretarial Auditors of the Company for a term of five consecutive years, commencing from Financial Year 2025-26 till Financial Year 2029-30 at such remuneration and on such terms and conditions as may be determined by the Board of Directors (including its committees thereof), and to avail any other services, certificates, or reports as may be permissible under applicable laws.

RESOLVED FURTHER THAT the Board of Directors of the Company, (including its committees thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms or submission of documents with any authority or accepting any modifications to the clauses as required by such authorities, for the purpose of giving effect to this resolution and for matters connected therewith, or incidental thereto.”

6. **To approve Material Related Party Transactions of the Company** and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, (“Listing Regulations”), the other applicable provisions of the Companies Act, 2013 (“Act”) read with Rules made thereunder, other applicable laws / statutory provisions, if any, (including any statutory modification(s) or amendment (s) or re-enactment(s) thereof, for the time being in force), the Company’s policy on Related Party transaction(s), and subject to

such approval(s), consent(s), permission(s) as may be necessary from time to time and basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded to the Company to enter/continue to enter into Material Related Party Transaction(s)/Contract(s)/Arrangement(s)/ Agreement(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) with entities falling within the definition of 'Related Party' under Regulation 2(1)(zb) of the Listing Regulations and any other applicable regulations if any to transactions the details of which are more particularly set out in the explanatory statement of this Notice, provided however that the aggregate amount/value of all such arrangements/ transactions contracts that to be entered into by the Company with the Related Party and remaining outstanding at any one point in time shall not exceed the limits mentioned below, during the financial year 2024-2025, on such terms and conditions as may be considered appropriate by the Board of Directors of the Company, provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

Name of Related Party and Nature of Relationship	Type of Transaction(s)	Value of Transactions (Rs. in crore) and Tenure of Transactions
Vaneera Industries Limited (Formerly Known as Vaneera Industries Private Limited) (Promoter Group Company)	Purchase of Goods Sales of Goods Rent Received Lease of Machinery	Aggregate value of transactions for the financial year 2024-2025 should not exceed Rs. 150.00 crore.
Devinder Garg (Managing Director and Promoter)	Remuneration Unsecured Loan Received	Aggregate value of transactions for the financial year 2024-2025 should not exceed Rs. 1.00 crore.
Vaneera Garg (Wholtime Director and Promoter)	Remuneration Unsecured Loan Received	Aggregate value of transactions for the financial year 2024-2025 should not exceed Rs. 1.00 crore.
Toshak Garg (Managing Director and Promoter)	Remuneration Unsecured Loan Received	Aggregate value of transactions for the financial year 2024-2025 should not exceed Rs. 1.00 crore.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include the Audit Committee of the Company and any duly constituted/to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution) be and is hereby authorized, to do and perform all such acts, deeds, matters and things, as may be necessary, including finalizing the terms and conditions, methods and modes in respect thereof and finalizing and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including Governmental/regulatory authorities, as applicable, in this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution and all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.”

7. Appointment of Mrs. Mehak Jain (DIN: 11152162) as an Independent Director of the Company.
To consider and if thought fit, to pass the following Resolution as **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’), the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV of the Act and Regulations 16(1)(b), 25, 17 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendations of the Nomination and Remuneration Committee and the Board of Directors of the Company (‘the Board’) given at their meetings held on 14th August, 2025, Mrs. Mehak Jain (DIN: 11152162), who was appointed as an Additional Director of the Company with effect from 14th August, 2025 pursuant to Section 161 of the Act and Articles of Association of the Company and who meets the criteria of independence as provided in Section 149(6) of the Act along with the Rules framed thereunder and Regulation 16 (1) (b) and other applicable provision of the Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a first term of 5 years effective from 14th August, 2025 to 13th August, 2030 (both days inclusive);

RESOLVED FURTHER THAT the Board of Directors of the Company, (including its committees thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms or submission of documents with any authority or accepting any modifications to the clauses as required by such authorities, for the purpose of giving effect to this resolution and for matters connected therewith, or incidental thereto.”

**By Order of the Board of
Directors
For Garg Furnace Limited**

**Place: Ludhiana
Date: 14.08.2025**

**Devinder Garg
Chairman and Managing Director
DIN: 01665456**

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting (the “meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the company. The instrument appointing the proxy should, however, be deposited at the registered office of the company not less than forty-eight hours before the commencement of the meeting.
2. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. In case of Joint-holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.
5. An Explanatory Statement pursuant to Section 102 of the Act and Rules framed thereunder, in respect of the Special Business under Item No. 3, 4, 5, 6 and 7 is annexed hereto. The recommendation of the Board of Directors of the Company (the “Board”) in terms of Regulation 17(11) of the Listing Regulations is also provided in the said Statement. Necessary information of the Directors seeking appointment/re-appointment at the AGM as required under Regulation 36(3) of the Listing Regulations and the Revised Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) is also appended to the Notice.

The Statement read together with the Annexures hereto and these notes form an integral part of this Notice.

6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ Skyline Financial services Limited.
7. The Register of Members and the Share Transfer Book of the company will remain closed from Tuesday, 09th September, 2025 and ends on Monday, 15th September, 2025 (both days inclusive).

8. DISPATCH OF ANNUAL REPORT THROUGH E-MAIL

Pursuant to the MCA Circulars and the SEBI Circulars, the Notice alongwith the Annual Report of the Company for the financial year ended March 31, 2025, will be sent only through e-mail, to

those Members whose e-mail addresses are registered with the Company or the Registrar and Share Transfer Agent (the "RTA"), i.e., M/s. Skyline Financial Services Private Limited or the Depository Participant(s). The Notice and the Annual Report for the financial year ended March 31, 2025 shall be available on the websites of the Company viz., www.gargfurnacelimited.com and of the Stock Exchanges where Equity Shares of the Company are listed i.e. i.e., BSE Limited at www.bseindia.com.

Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the Gate of Venue of the AGM.

Any queries regarding the Annual Accounts or otherwise must be sent to Registered Office of the Company at least 10 days before the date of meeting.

9. Mrs. Pooja Damir Miglani, PDM & Associates, Practicing Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner (including the ballot forms received from members who do not have access to the e-voting process). The scrutinizer shall upon the conclusion of General Meeting, unblock the votes in presence of at least two witnesses not in employment of the Company and make a report of the votes cast in favour or against, if any, forthwith to the chairman of the Company.
10. The Results of the resolutions passed at the AGM of the Company will be declared within 2 working days from the conclusion of AGM. The Results declared along with the Scrutinizer's report shall be placed on Company's website of CDSL and will be communicated to the stock exchanges.

11. Nomination Facility

SEBI vide its Circular dated 16th March, 2023 has mandated furnishing of PAN, KYC details (i.e. Postal Address with Pin Code, email address, mobile number, bank account details) and nomination details by holders of securities. On or after 1st October, 2023, in case any of the above cited documents/ details are not available in the Folio(s), RTA shall be constrained to freeze such Folio(s). Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at www.gargfurnacelimited.com

Members holding shares under a single name in physical mode are advised to make nomination in respect of their shareholding in the Company. The Nomination Form can be downloaded from the Company's website, i.e., www.gargfurnacelimited.com from "Investor Relations" section. Members holding shares in demat mode should file their nomination with their respective Depository Participant(s).

12. Pursuant to Regulation 40 of the Listing Regulations, the securities of listed companies can be transferred only in the dematerialized mode. In compliance with SEBI vide its circular SEBI/HO/MIRSD/MIRSD _ RTAMB/ P/CIR/2022/8 dated 25th January 2022, the following requests received by the Company/ Company RTA in physical form will be processed and the shares will be issued in dematerialisation form only:-

- i. Issue of duplicate share certificate

- ii. Claim from unclaimed suspense account
- iii. Renewal/Exchange of securities certificate
- iv. Endorsement
- v. Sub-division/splitting of securities certificate/ Consolidation of securities certificates/folios
- vi. Transmission
- vii. Transposition

For this purpose, the securities holder/claimant shall submit a duly filled up Form ISR-4 which is hosted on the website of the Company as well as on the website of Skyline Financial Services Pvt Ltd, Registrar and Share Transfer Agent (RTA). Members, who are holding shares in physical/electronic form and their e-mail addresses are not registered with the Company/their respective Depository Participants, are requested to register their e-mail addresses at the earliest by filling Form ISR-1 and sending the scanned copy of the Form mentioning their name, complete address, folio number, number of shares held with the Company along with self-attested scanned copy of the PAN Card and self-attested scanned copy of any one of the following documents viz, Aadhaar Card, Driving License, Election Card, Passport, utility bill or any other Govt. document in support of the address proof of the Member as registered with the Company for receiving the Annual Report 2024-25 along with AGM Notice by email to gargfurnace@yahoo.com. Members holding shares in demat form can update their email address with their Depository Participants and send scan copy of client master to gargfurnace@yahoo.com.

The Securities and Exchange Board of India ('SEBI') vide its circular no SEBVHO/MIRSD/MIRSD _RTAMB/ P/CIR/2021/655 dated 3rd November, 2021, circular no. SEBI/HO/MIRSD/MIRSD _RTAMBIP/CIR/2021/687 dated 14th December, 2021, circular no. SEBVHO/ MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March, 2023 (now rescinded by Master Circular SEBI/HO/MIRSD/P00-1/PiCIR/2023/70 dated 17th May, 2023) read with SEBI/HO/MIRSD/POD-1/P/ CIR/2023/1 81 dated 17th November, 2023 has made it mandatory for the shareholders holding securities in physical form to furnish PAN, KYC (complete address with pin-code, bank detail with MICR-CODE & IFS CODE, Email-ID, Mobile Number) and Nomination details to the Registrar and Transfer Agent ('RTA') of the Company. Registrar will not process any service requests or complaints received from the member until unless above KYC and nomination will not be completed by shareholder.

SEBI has made it mandatory for all Companies to use the bank account details furnished by the Depositories and the bank account details maintained by the RTA for payment of dividend to Members only electronically by rescinded the SEBI circular SEBI/HO/MIRSD/MIRSD _RTAMB/P/CIR/2021/655 dated 3rd November, 2021 and SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March, 2023 by issuance of Master Circular for Registrars to an Issue and Share Transfer Agents dated 17th May, 2023 and SEBI/HO/ MIRSD/POD-1/P/CIR/2023/ 181 dated 17th November, 2023, all dividend payments after 31st March, 2024, will be processed only electronically.

In compliance with SEBI Circular, please note that no dividend will be processed in Physical mode and the Company will process the dividend in electronic mode only as per the details provided by you within the stipulated time. Further to note that if the aforesaid details are not received and the dividend remain unpaid/unclaimed upto 7 years, dividend will be transferred to IEPF after 7 years as per the applicable provisions of the Companies Act, 2013.

Securities and Exchange Board of India ("SEBI") vide its Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/ 2023/131 dated 31st July. 2023 and SEBVHO/OIAE/ OIAE_IAD-1/P/CIR/2023/135 dated 4th August, 2023 and Master Circular no. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/145 (updated as on 11th August, 2023), has introduced a common Online Dispute Resolution Portal ("ODR Portal") to facilitate online conciliation and online arbitration for resolution of disputes arising in the Indian Securities Market. Investors may also refer link <https://scores.gov.in/> to access the ODR Portal as well as to the modalities of the ODR portal and operational guidelines and instructions including timelines for registration/review/ resolution of complaints/disputes filed through the portal, manner of proceedings to be conducted by the ODR institutions, role and responsibilities of market infrastructure intermediaries, code of conduct for conciliators and arbitrators etc. as provided in the SEBI Circulars referred above and available on the website of the Company. An intimation to the shareholders through email had been sent by Company RTA during the year under consideration whose email are registered with them in regard to the Online Dispute Resolution Mechanism (ODR system) as maintained by the Company.

13. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts.

Members holding shares in physical form are requested to advise any change in their address or Bank mandates immediately to the Company's Registrar and Share Transfer Agent, M/s Skyline Financial Services Pvt. Ltd, D-153 A, 1st Floor, Okhla Industrial, Area, Phase-I, New Delhi-110020. Tel: 011- 64732681-88 Web: www.skylinerta.com

14. Members holding shares in physical mode are requested to immediately notify any change in their address along with self attested copy of address proof i.e. Adhaar Card/Electricity Bill/Telephone Bill/Driving License/Passport/Bank Passbook particulars to the Company or its RTA and in case their shares are held in dematerialized mode, this information should be notified/submitted directly to their respective Dps.
15. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend, if any. The Company or its Registrar and Share Transfer Agent, M/s Skyline Financial Services Pvt. Ltd. cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to their Depository Participants by the Members.
16. Pursuant to Section 72 of the Companies Act, 2013, read in conjunction with Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members are provided the opportunity to make nominations concerning the shares held by them. Members who have not yet registered their nominations are hereby urged to do so by submitting Form No. SH 13. This form can be obtained from the Company's website <https://gargfurnacelimited.com/>
17. Members who hold shares individually in single name and in physical form are advised to initiate the nomination process regarding their shareholding in the Company. To accomplish this, they

must submit the duly completed Form No. SH 13 with the Company's Registrar and Transfer Agent (RTA) for shares in physical form, and with their respective depository for shares in electronic form.

18. In the event that any Member requires cancellation or modification of their existing nomination pertaining to their Shareholding in the Company, they may download Form ISR-3 or Form SH-14 from the Company's website <https://gargfurnacelimited.com/>. After obtaining the appropriate form, they must duly complete it and submit Form ISR-3 with the Company's Registrar and Transfer Agent (RTA) for shares in physical form, or Form SH-14 with their respective depository for shares in electronic form.

19. Non-Resident Indian Members are requested to inform Registrar and Share Transfer Agent, M/s Skyline Financial Services Pvt. Ltd., immediately of:

- a) Change in their residential status on return to India for permanent settlement.
- b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

20. Voting through Electronic Means: Pursuant to the Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management And Administration) Rules, 2014, as amended from time to time and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility to the Members a facility to exercise their right to vote at the 52nd Annual General Meeting (AGM) by electronic means

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

- a) The voting period begins on **Friday, 12th September, 2025 (9.00AM IST) and ends on Sunday, 14th September, 2025 (5.00PM IST)** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. **Monday, 08th September, 2025** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- b) Shareholders who have already voted prior to the meeting date through e-voting would not be entitled to vote at the meeting value.

CDSL e-Voting System – For e-voting.

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING:

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

c) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

d) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of Members	Login methods
Individual members holding shares in Demat mode with CDSL	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as

	per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting Service Providers.
Individual members holding shares in demat mode with NSDL	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-

	Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual member (holding shares in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual members holding shares in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual members holding shares in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 22-23058542-43.
Individual members holding shares in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

i. Login method for e-voting for Physical shareholders and shareholders other than individual holding in Demat form.

- 1) The members should log on to the e-voting website www.evotingindia.com
- 2) Click on “Shareholders/Members” module.
- 3) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,

- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first time user follow the steps given below:

	For members holding shares in both demat and physical form other than individual members
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) - Shareholders 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. - 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
Dividend Bank Details OR Date of Birth (DOB)	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. 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 (5).

- ii. After entering these details appropriately, click on "SUBMIT" tab.
- iii. 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.
- iv. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- v. Click on the EVSN for the relevant **Garg Furnace Limited** on which you choose to vote.

- vi. 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.
- vii. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- viii. 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.
- ix. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- x. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xi. If Demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xii. Members can also cast their vote using CDSLs mobile app “m-Voting available” for android, Apple and Windows based mobiles. The m- Voting app can be downloaded from Google Play Store, App Store and the Windows Phone store respectively. Please follow the instructions as prompted by the mobile app while remote e-voting on your mobile.
- xiii. **Note for Non – Individual Shareholders and Custodians- Remote e-voting:**
 - Non-Individual members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.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 Linked in the login 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.
 - Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; gargfurnace@yahoo.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no.1800 22 55 33.

22. Note to Shareholders: SEBI Circular – Special Window for Re-lodgement of Transfer Requests of Physical Shares

Pursuant to the Securities and Exchange Board of India (SEBI) Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2025/85 dated July 02, 2025, shareholders are hereby informed that SEBI has introduced a Special Window for re-lodgement of transfer requests for physical shares.

In accordance with the circular:

A special window is being provided to shareholders who had submitted transfer requests for physical shares between April 1, 2019 and March 31, 2021, which were returned/rejected due to regulatory restrictions on physical transfers.

Such shareholders may now re-lodge their transfer requests with the concerned listed company or its Registrar and Share Transfer Agent (RTA) between July 7, 2025 and January 6, 2026.

**For and on behalf of the Board
For Garg Furnace Limited**

**Place: Ludhiana
Date: 14.08.2025**

**Devinder Garg
Chairman and Managing Director
DIN: 01665456**

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

The following Explanatory Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice.

As required by Section 102 of the Companies Act, 2013 (the Act), Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, ("Listing Regulations") as amended from time to time and Secretarial Standards 2 on General Meeting issued by the Institute of Company Secretaries of India, the following Explanatory Statement sets out all material facts relating to the Special business mentioned under Respective 3 to 6 of the accompanying Notice dated **14th August, 2025:-**

Item No. 3

As the members are aware, M/s. Ashwani & Associates, Chartered Accountants, Ludhiana (Registration No. 000497N) were appointed as Statutory Auditors of the Company for five consecutive years (i.e. FY 2020-2021 to FY 2024-2025) from the conclusion of 47th Annual General Meeting ("AGM") till the conclusion of 52th AGM of the Company. The Board has recommended to appoint M/s. Ashwani & Associates, Chartered Accountants, Ludhiana (Registration No. 000497N) as Statutory Auditors of the Company for further second term for a period of five consecutive years.

In view of the above, approval of members is being sought at this AGM for re-appointment of M/s Ashwani & Associates, Chartered Accountants, Ludhiana (Registration No. 000497N) as Statutory Auditors of the Company for a further period of five years i.e. from the conclusion of 52nd AGM till the conclusion of 57th AGM of the Company (i.e. a total term of five consecutive years), to conduct the audit of accounts of the Company for the financial year ending March 31, 2026 to March 31, 2030.

M/s. Ashwani & Associates, Chartered Accountants have given their consent to be re-sappointed as the Statutory Auditors of the Company and have confirmed that the said appointment, if made will be within the limit specified under Section 144 of the Act. They have also confirmed that they are not disqualified to be appointed as Statutory Auditors in terms of provisions of Section 141 of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014. They have also provided confirmation that they have subjected themselves to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the 'Peer Review Board' of the ICAI.

Information pursuant to Regulation 36(5) of the SEBI Listing Regulations, the following details are mentioned below for the information of Members:

Sr. No.	Particulars	Details
1.	Proposed audit fees payable to auditors	The fees proposed to be paid to M/s. Ashwani & Asscoates towards the statutory audit and limited review for the financial year 2025-26 shall be Rs. 4,50,000/- plus applicable tax and reimbursement of out-of-pocket expenses incurred with authority to Board to make changes as it may deem fit for the balance term.
2.	Terms of Appointment	M/s. Ashwani & Associates will continue as Statutory

		Auditors for five more years, i.e., financial years ending from March 31, 2026 to March 31, 2030.
3.	Material Change in fees payable	None
4.	Basis of recommendation and auditor credentials	The Audit Committee and Board of Directors at its meeting held on August 14, 2025 had recommended the re-appointment of M/s. Ashwani & Associates, as Statutory Auditors of the Company based on a review of their profile, experience and specialization in audit of corporate sector. The said re-appointment shall be pursuant to applicable provisions of the Companies Act 2013, SEBI Listing Regulations.
		Profile M/s. Ashwani & Associates, with 70 years in the industry, M/s. Ashwani & associates is the pioneer of audit, tax and business consulting for a generation of businesses. Their exclusive clientele ranges from emerging businesses to billion-dollar multinational corporations. Their team of specialised industry experts would guide your business and personal finances through the complexities of the ever-changing landscapes of the world economy.

None of the Directors, Manager and / or Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in the proposed resolution as set out at Item No. 3 of the notice with regard to their appointment.

The Board of Directors recommends the Ordinary Resolution set out at Item No. 3 of the accompanying Notice for approval by the Members.

Item No.: 4

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 Anju Pardesi, Cost Accountants (Firm's Registration No.: 003448) 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, 2026, at a remuneration of Rs. 20000.00 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. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending **31 March, 2026**.

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. 4 of the Notice.

Item No. 5

Appointment of M/s PDM & Associates, Mrs. Pooja Damir Miglani, Practicing Company Secretaries as Secretarial Auditor of the Company.

Pursuant to the provisions of the Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("Listing Regulations") and Section 204 of the Companies Act, 2013 ("Act") read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, each as amended from time to time, the Company is required to undertake Secretarial Audit by a Secretarial Auditor who shall be a Peer Reviewed Company Secretary and shall annex a Secretarial Audit Report in such form as specified therein, with its annual report. Accordingly, the Board at its meeting held on 30th May, 2025, based on recommendation of the Audit Committee, after evaluating and considering various factors such as experience, Independence and competent audit team, had approved the appointment of M/s PDM & Associates, Mrs. Pooja Damir Miglani, Practicing Company Secretaries, a peer reviewed firm (Membership No. A25988, COP No. 25003), as Secretarial Auditors of the Company for a term of five consecutive years commencing from FY 2025-26 till FY 2029-30, subject to approval of the Shareholders of the Company.

M/s PDM & Associates, a leading firm of practicing Company Secretaries (hereinafter referred to as PDMA) She had qualified Company Secretary in July 2010. She has a rich experience of more than 14.5 years in handling Corporate Level ROC Compliance. She was working as a Company Secretary and Compliance Officer of Malwa Cotton Spinning Mills Limited (a Listed Company) for 5.5 years and as a Company Secretary of Hero Steels Limited for Six Years. She became an Insolvency Professional in January 2022 and has done several Sec-07, Sec 09 and personal Guarantee cases till date.

The Company has received consent to act as Secretarial Auditors of the Company from PDMA and confirmation to the effect that the firm is not disqualified and is eligible to be appointed as Secretarial Auditors in terms of the provisions of the Act, Listing Regulations and other applicable law. Further, PDMA has also confirmed that its aforesaid appointment (if approved) would be within the limits specified by Institute of Company Secretaries of India. The services to be rendered by PDMA as Secretarial Auditors is within the purview of the said provisions read with SEBI circular no. SEBI/ HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated December 31, 2024.

PDMA was serving the Company as Secretarial Auditors since 3 year and its past association with the Company as such was not considered as a term of appointment of Secretarial Auditor as per Regulation 24A of the Listing Regulations.

As per Regulation 36(5) of SEBI Listing Obligations and Disclosure Requirements, Regulations, 2025,

Fees payable along with terms of appointment and material change in Fees

The proposed remuneration to be paid to PDMA for secretarial audit services for the financial year ending March 31, 2026, is Rs. 40,000/- (Rupees Thirty Thousand Only) plus applicable taxes and out-of-pocket expenses and there is no material change from the outgoing Auditor.

Besides the secretarial audit services, the Company may also obtain certifications from PDMA under various statutory regulations and certifications required by banks, statutory authorities, audit related

services and other permissible non-secretarial audit services as required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved by the Board of Directors in consultation with the Audit Committee. PDMA shall be paid such remuneration for the subsequent year(s) of its term, as may be mutually agreed between the Board of Directors and PDMA.

M/s PDM & Associates, Mrs. Pooja Damir Miglani, Practicing Company Secretaries, a peer reviewed firm (Membership No. A25988, COP No. 25003), as Secretarial Auditors of the Company for a term of five consecutive years commencing from FY 2025-26 till FY 2029-30, subject to approval of the Shareholders of the Company.

Basis of recommendation and credentials

The Board of Directors, in consultation with the Audit Committee, may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with PDMA. Based on the recommendations of the Audit Committee, the Board of Directors have approved and recommended the aforesaid proposal for approval of members taking into account the eligibility of the firm's qualification, experience, independent assessment & expertise of the partners in providing secretarial audit related services, competency of the staff and Company's previous experience based on the evaluation of the quality of audit work done by them in the past.

Brief Profile

M/s PDM & Associates, a leading firm of practicing Company Secretaries (hereinafter referred to as PDMA) She had qualified Company Secretary in July 2010. She has a rich experience of more than 14.5 years in handling Corporate Level ROC Compliance. She was working as a Company Secretary and Compliance Officer of Malwa Cotton Spinning Mills Limited (a Listed Company) for 5.5 years and as a Company Secretary of Hero Steels Limited for Six Years. She became an Insolvency Professional in January 2022 and has done several Sec-07, Sec 09 and personal Guarantee cases till date.

In view of the above, the Board recommends the Ordinary Resolution as set out in Item No. 5 of this Notice for approval of the Members.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives are concerned or interested, financially or otherwise, in passing the proposed Resolution.

Item No. 6

Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations'), all Related Party Transactions will require prior approval of Audit Committee, all Material Related Party Transaction ('RPT') with an aggregate value exceeding Rs. 1,000 crore or 10% of annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower, shall require approval of shareholders by means of an ordinary resolution. The said limits are applicable, even if the transactions are in the ordinary course of business of the concerned company and at an arm's length basis. The amended Regulation 2(zb) definition of related party of the Listing Regulations also covers, any person or entity forming a part of the promoter or promoter group of the listed entity; or(b) any person or any entity, holding equity shares:(i) of twenty per cent or more; in the listed entity either directly or on a beneficial interest basis as provided under section 89 of the Companies Act, 2013, at any time, during the immediate preceding financial year shall be deemed to be a related party. The amended Regulation 2(1)(zc) of

the Listing Regulations has also enhanced the definition of related party transaction which now includes a transaction involving a transfer of resources, services or obligations between a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand, regardless of whether a price is charged or not.

The annual consolidated turnover of the Company for the financial year 2024-25 is INR 26.16 Crores. Accordingly, any transaction(s) by the Company with its related party exceeding INR 2.62 Crores (10% of the Company's annual consolidated turnover) shall be considered as material transaction and hence, the approval of the Members will be required for the same.

The Management has provided the Audit Committee with the relevant details, as required under law, of the proposed RPTs including material terms. The Audit Committee, after reviewing all necessary information, has granted approval for entering into the above-mentioned RPTs with Related Parties. The Committee has noted that the said transactions will be at an arm's length basis and in the ordinary course of business of the Company. Accordingly, basis the approval of the Audit Committee, the Board of Directors recommends the resolution contained in Item No. 5 of the accompanying Notice to the shareholders for approval.

Information pursuant SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/1055 dated November 11, 2024

Sr. No.	Description	Details			
1.	Details of Summary of information provided by the management to the Audit Committee				
a.	Name of the related party and its relationship with the listed entity or its subsidiary,	Vaneera Industries Limited (Formerly Known as Vaneera Industries Private Limited) (Promoter Group Company)	Devinder Garg (Managing Director and Promoter)	Vaneera Garg (Wholetime Director and Promoter)	Toshak Garg (Managing Director and Promoter)
b.	Nature of its concern or interest (financial or otherwise);	Financial	Financial	Financial	Financial
c.	Name of the director or key managerial personnel who is related, if any and nature of relationship	Sh. Daksh Garg and Smt. Nivedita Garg is son and daughter of Sh. Devinder Garg	Managing Director and Promoter of the Company	Wholetime Director and Promoter of the Company	Managing Director and promoter of the Company
d.	Type, material terms, and particulars of contracts or arrangement	The transaction involves Purchase of Goods, Sales of Goods, Rent received and lease	The transaction involves Remuneration and unsecured loan received are done	The transaction involves Remuneration and unsecured loan received are	The transaction involves Remuneration and

		of machinery given to related party is charged at prevailing market rates at arm's length basis and in the Ordinary Course of Business.	at prevailing market rates at arm's length basis and in the Ordinary Course of Business.	done at prevailing market rates at arm's length basis and in the Ordinary Course of Business.	unsecured loan received are done at prevailing market rates at arm's length basis and in the Ordinary Course of Business.
e.	Tenure of the proposed transaction (particular tenure shall be specified)	Approval is for Financial year 2025-2026	Approval is for Financial year 2025-2026	Approval is for Financial year 2025-2026	Approval is for Financial year 2025-2026
f.	Value of proposed Transaction (Rs. In Crore)	Aggregate value of transactions should not exceed Rs. 150.00 crore.	Aggregate value of transactions should not exceed Rs. 1.00 crore.	Aggregate value of transactions should not exceed Rs. 1.00 crore.	Aggregate value of transactions should not exceed Rs. 1.00 crore.
g.	Percentage of annual consolidated turnover of the Company as on March 31, 2025, that is represented by proposed RPT	174% (approx.) of the annual consolidated turnover of the Company.	26161.49% (approx.) of the annual consolidated turnover of the Company.	26161.49% (approx.) of the annual consolidated turnover of the Company.	26161.49% (approx.) of the annual consolidated turnover of the Company.
h.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders	The Company conducts transactions with related parties in its ordinary course of business at prices which are at arm's length. The Company uses methodologies as per Organisation for Economic Co-operation and Development guidelines for establishing arm's length pricing. The pricing for such transactions are established generally considering market price for comparable transactions with unrelated parties where available or on cost plus reasonable margin basis.			
2.	Justification for why the proposed	The Related party transactions are at arm's length basis	The Related party transactions are at arm's length basis	The Related party transactions are at arm's length	The Related party transactions

	transaction is in the interest of the listed entity;	for maximizing the yield on available surplus funds which is in the interest of the Company.	for maximizing the yield on available surplus funds which is in the interest of the Company.	basis for maximizing the yield on available surplus funds which is in the interest of the Company.	are at arm's length basis for maximizing the yield on available surplus funds which is in the interest of the Company.
3.	Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:				
a.	details of the source of funds in connection with the proposed transaction	Internal Accruals	Not Applicable	Not Applicable	Not Applicable
b.	where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments - nature of indebtedness; - cost of funds; and - tenure	Not Applicable	Not Applicable	Not Applicable	Not Applicable
c.	applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	Not Applicable	Not Applicable	Not Applicable	Not Applicable
d.	the purpose for which the funds will be utilized by the ultimate beneficiary of such funds	The Related party transactions are for working capital needs and general corporate purposes.	Not Applicable	Not Applicable	Not Applicable

	pursuant to the RPT				
4.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder	Not Applicable	Not Applicable	Not Applicable	Not Applicable
5.	Any other information that may be relevant	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.			

The ceiling on the amounts of the transactions specified as above would mean the transactions entered into and the remaining outstanding at any point of time.

The Members may note that in terms of the provisions of the Listing Regulations, the related parties as defined thereunder (whether such related party(ies) is a party to the aforesaid transactions or not), shall not vote to approve resolutions under Item No. 6.

None of the Directors and/ or Key Managerial Personnel of the Company and/or their respective relatives is in any way, concerned or interested, financially or otherwise, in the proposed ordinary resolution as set out at Item No. 6 of the notice.

The Board of Directors recommends the passing of Ordinary Resolution set out at Item No. 6 of the accompanying Notice for approval by the Members.

Item No. 7

The Members are requested to note that the provisions of Companies Act, 2013 ("Act") and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") provide that there should be optimum combination of Executive and Non-executive Director including Independent Director on the Board of a listed Company. Therefore, in order to meet the above requirement and to fill the vacancy arisen from the resign of Mrs. Purti Katyal Independent Director of the Company, it was required to appoint an Independent Director at the earliest but not later than three months from the date of such casual vacancy.

In view of the above and based on the recommendation of the Nomination and Remuneration Committee (NRC), the Board of Director ("the Board") in its meeting held on 14.08.2025 had appointed Mrs. Mehak Jain (DIN: 11152162) as Additional Director with effect from 14.08.2025 and

subject to the approval of Shareholders of the Company as an Independent Director of the Company for a tenure of 5 years commencing from 14th August, 2025 to 13th August, 2030.

Pursuant to the provisions of the Section 161 of the Act and Articles of the Association of the Company, Mrs. Mehak Jain holds office upto the date of this Annual General Meeting ('AGM')

Mrs. Mehak Jain, aged about 36 years graduate in B.COM and Worked as a Company Secretary for More than 2 years.

Mrs. Mehak Jain is not disqualified from being appointed as a Director in accordance with Section 164 of the Companies Act, 2013, and has not been debarred from holding the office of director by virtue of any SEBI order or any other such authority and has given her consent to act as a Director of the Company. The Company has also received declaration from Mrs. Mehak Jain that she meets the criteria of independence as prescribed both under Section 149 (6) of the Companies Act, 2013 and under Listing Regulations, as amended from time to time. As required under Regulation 25 (8) of Listing Regulations, Mrs. Mehak Jain has also confirmed that she is unaware of any circumstances or situations which exists or may be reasonably anticipated that could impair or impact her ability to discharge her duties.

In compliance with Section 150 of the Act read with the corresponding Rules, Mrs. Mehak Jain has been duly registered with the Indian Institute of Corporate Affairs (IICA) and confirmed his adherence to the requirements of Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014 (as amended), within the prescribed timeline. As required under Section 160 of the Act, the Company received a notice in writing from a member proposing the candidature of Mrs. Mehak Jain for the position of Independent Director of the Company.

While considering the above appointment, the NRC thoroughly evaluated various aspects, including Independence, Integrity, leadership capabilities, administrative knowledge, and managerial experience, as key skills required for the role. Based on their assessment, the NRC and the Board of Directors are of the view that Mrs. Mehak Jain possesses the requisite skills and capabilities that would be of immense benefit to the Company and hence it is desirable to appoint her as an Independent Director.

In the opinion of the NRC and the Board of Directors, Mrs. Mehak Jain fulfills the conditions as set out in Section 149(6) and Schedule IV of the Act, as well as the Listing Regulations, for being eligible for appointment. The Board has established the veracity of the abovementioned declarations or documents submitted by Mrs. Mehak Jain. In the opinion of the Board, Mrs. Mehak Jain fulfils the conditions specified in the Act and the rules made there under and Listing Regulations and she is independent of the Management.

A copy of the draft Letter of Appointment for Independent Directors is available for inspection through electronic mode. Members desiring to inspect the same may send their request to gargfurnace@yahoo.com from their registered email address, mentioning their names and folio numbers/ demat account numbers, and including a self-attested copy of PAN card or Adhaar Card or Voter ID Card. Mrs. Mehak Jain will be remunerated through sitting fees for attending the Company's Board Meetings or any other purpose whatsoever, as may be determined by the Board from time to time and within the limits specified under the provisions of the Act, and Listing Regulations.

Based on the aforementioned considerations and in accordance with the Listing Regulations, the consent of the members is sought by way of a special resolution for the appointment of Mrs. Mehak Jain as an Independent Director, not liable to retire by rotation, as set forth in the accompanying Notice.

A brief profile of Mrs. Mehak Jain, nature of her expertise in specific functional areas and names of Companies in which he holds directorships or Chairmanships of Board committees, shareholding, and relationships between directors inter se, as stipulated under the Act, Listing Regulations, and Secretarial Standards, is provided in **Annexure-A** to this Notice.

The Board of Directors, based on the recommendation of the NRC, consider that the appointment of Mrs. Mehak Jain as an Independent Director is in the interest of the Company and, therefore, recommends the Special Resolution as set out at item no. 7 of the Notice for approval of the Members.

Except Mrs. Mehak Jain an appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution as set out in the Notice.

**For and on behalf of the Board
For Garg Furnace Limited**

**Place: Ludhiana
Date: 14.08.2025**

**Devinder Garg
Chairman and Managing Director
DIN: 01665456**

ANNEXURE – A

Information pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 on General Meetings regarding Director seeking appointment/re-appointment as set out in this notice furnished below:

Particulars	Retire by rotation	Appointment
Name	Mr. Toshak Garg	Mrs. Mehak Jain
DIN	03503511	11152162
Designation	Managing Director	Non-Executive Independent Director
Date of birth	17/11/1990	27/12/1988
Age	23 years	36 years
Date of appointment	14/08/2023	14/08/2025
Qualification	Bachelor's degree	B.Com and CS
Expertise in specific functional areas	Mr. Toshak Garg, Director of the company, has been a pivotal part of the organisation since 15 years. He is responsible for the Production, Marketing and Finance departments in the firm. Being part of the new generation, his aim is bring in new & fresh ideas to enhance growth.	Mrs. Mehak Jain, aged about 36 years graduate in B.COM and Worked as a Company Secretary for More than 2 years.
Directorship in other Companies	Nil	Nil
Chairman/Member of committees of other Companies	Nil	Nil
Terms of appointment	He has been appointed as Managing Director of the Company and he is liable to retire by rotation	She has been appointed as Non-Executive Independent Director of the Company for a term of 5 years w.e.f. 14.08.2025 till 13.08.2030.
Remuneration for the F.Y. 2024-2025	Rs. 13,00,000/- (Rupees Thirteen Lakhs Only) per annum	Sitting fees: NIL
Remuneration sought to be paid:	Rs. 13,00,000/- (Rupees Thirteen Lakhs Only) per annum	
Disclosure of relationship between directors inter-se:	Sh. Toshak Garg is son of Sh. Devinder Garg and Smt. Vaneera Garg	Nil
Shareholding:	2,16,951 Equity Shares	Nil
No. of Board Meetings attended during the year:	9 out of 9	Not Applicable
List of Other Directorships on other Board along with listed entities from which the person has resigned	Nil	Nil

in the past three years:		
List of Committee Membership/ Chairmanship on other Board along with listed entities from which the person has resigned in the past three years:	Nil	Nil

**For and on behalf of the Board
For Garg Furnace Limited**

**Place: Ludhiana
Date: 14.08.2025**

**Devinder Garg
Chairman and Managing Director
DIN: 01665456**

DIRECTOR'S REPORT

Dear Members,

Your Directors present the 52nd Annual Report together with the audited accounts of the company for the financial year ended 31st March 2025.

FINANCIAL PERFORMANCE:

The financial performance of the company for the financial year under review is as under:-

(Amount in Lakhs)		
Particulars	2024-25	2023-24
Operating Income	26331.51	25935.33
Profit before tax & Exceptional items	763.59	555.84
Exceptional Items	0.00	0.00
Profit before tax	763.59	555.84
Provision for tax -Current Tax -tax related to earlier years	0.00	0.00
-Deferred Tax Asset	0.00	0.00
Less : Mat Credit Entitlement	0.00	0.00
Profit after Tax	763.59	555.84
Prior year Tax adjustments / Depreciation to Reverse as per Schedule – II	0.00	0.00
Re-measurement of define benefit liability	5.15	2.99
APPROPRIATIONS		
Transfer to General Reserve	0.00	0.00
Balance carried over to Balance Sheet	768.74	558.83

INDIAN ACCOUNTING STANDARDS:

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind-AS) as notified by Ministry of Corporate Affairs (MCA) under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

OPERATIONS AND STATE OF COMPANY AFFAIRS:

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 which form an integral part of this Annual Report.

DIVIDEND:

During the year under review, your Directors do not recommend any dividend for the financial year ended March 31, 2025 to conserve the resources.

TRANSFER TO RESERVE:

During the year under review, the Company has not transferred any amount to the General Reserve. The General Reserve of the Company stood at Rs. 1899.24 Lakhs as at 31.03.2025.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

Since there was no unpaid/unclaimed dividend, the provisions of Section 125 of the Companies Act, 2013 do not apply.

PUBLIC DEPOSIT:

During the year under review, the Company has not accepted any Public Deposit within the meaning of Section 73 of the Companies Act, 2013 and rules made there under. There is no outstanding/unclaimed deposit from the public. However, the information as required under Rule 8 of the Companies (Accounts) Rules, 2014 is given hereunder:-

- (i) Deposits accepted during the year: Nil
- (ii) Deposits remained unpaid or unclaimed as at the end of the year: Nil
- (iii) Default in repayment of deposits and deposits which are not in compliance with the Requirements of Chapter V of the Companies Act, 2013: not applicable.

SHARE CAPITAL:

As on March 31, 2025, the Authorised Share Capital of the Company was Rs. 10,00,00,000/- divided into 1,00,00,000 Equity Shares having face value of Rs. 10/- each. Further as on March 31, 2025, the issued, paid up and subscribed Share capital of the Company stood at Rs. 5,00,87,000/- divided into 50,08,700/- Equity Shares having face value of Rs. 10/- each.

The Company has issued 28,00,000 convertible warrants out of which 6,00,000 warrants were converted into Equity Shares on 28.03.2024. During the year under review, The Company has allotted 4,00,000 Equity Shares pursuant to conversion of warrants. The Company has not issued shares or convertible securities or shares with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2025, Sh. Devinder Garg, Managing Director, Sh. Toshak Garg, Managing Director and Smt. Vaneera Garg, Wholtime Director of the Company hold Convertible Warrants into Equity Shares of the Company. Further there was no public issue, rights issue, bonus issue etc. during the year.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT BY THE COMPANY:

The Company, during the year, has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties under the provisions of Section 185 and 186 of the Companies Act, 2013.

Information regarding loans, guarantees and investments covered under the provisions of section 186 of the Companies Act, 2013 are detailed in the Financial Statements at Note No. 4.

CHANGE IN THE NATURE OF BUSINESS:

During the year under review, there was no change in the nature of the business of the Company.

DIRECTORS:

As on March 31, 2025, the Board of Directors consists of 2 (Two) Managing Directors, 1 (One) Wholtime Director and 3 (Three) Non-Executive Independent Directors.

WOMAN DIRECTOR:

In terms of the provisions of Section 149 of the Companies Act, 2013, your Company has Mrs. Vaneera Garg, Ms. Shruti Gupta, Ms. Purti Katyal and Ms. Amandeep Kaur as Woman Directors on the Board as on March 31, 2024.

CHANGES IN THE BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

a. Ms. Shruti Gupta(DIN: 10310259) was appointed as an Additional Independent Director of the Company by the Board on the recommendation of Nomination & Remuneration Committee in their meeting held on 23rd July, 2024, with effect from 23rd July, 2024, in accordance with provisions of section 161 of the Companies Act, 2013.

Ms. Shruti Gupta is not disqualified from being appointed as Director in terms of Section 164 of the Act. As per the recommendation of Nomination and Remuneration Committee and based on the performance evaluation, the Board had recommended the appointment of Ms. Shruti Gupta (DIN: 10310259) as an Independent Director of the Company for a period of five years w.e.f. 23rd July, 2024 and Shareholders had approved her appointed in 51st Annual General Meeting of the Company.

The Company had also received a declaration from Ms. Shruti Gupta declaring that she meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Ms. Shruti Gupta fulfills the conditions required to be fulfilled for being appointed as an Independent Director of the Company as per the provisions of Companies Act, 2013 and applicable provisions of the SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015.

b. Mrs. Jyoti Batra (DIN: 10009491) has resigned as Independent Director w.e.f. 23 July 2024 on the Board of the Company.

c. Mrs. Mehak Jain was appointed as an Additional Independent Director of the Company by the Board on the recommendation of Nomination & Remuneration Committee in their meeting held on 14.08.2025, with effect from 14.08.2025, in accordance with provisions of section 161 of the Companies Act, 2013.

Mrs. Mehak Jain is not disqualified from being appointed as Director in terms of Section 164 of the Act. As per the recommendation of Nomination and Remuneration Committee and based on the performance evaluation, the Board had recommended the appointment of Mrs. Mehak Jain as an Independent Director of the Company for a period of five years w.e.f. 14.08.2025 and proposal before Shareholders for approval of her appointment in ensuing Annual General Meeting of the Company has been placed.

The Company had also received a declaration from Mrs. Mehak Jain declaring that she meets the criteria of independence as provided under Section 149(6) of the Companies Act, 2013.

In the opinion of the Board, Mrs. Mehak Jain fulfills the conditions required to be fulfilled for being appointed as an Independent Director of the Company as per the provisions of Companies Act, 2013 and applicable provisions of the SEBI (Listing Obligations and Disclosures Requirements) Regulation, 2015.

d. Mrs. Purti Katyal has resigned as Independent Director w.e.f. 14.08.2025 on the Board of the Company.

RETIREMENT BY ROTATION:

In accordance with the provisions of Section 152(6) of the Companies Act, 2013, Sh. Toshak Garg (DIN: 03503511) Managing Director of the Company, retires from the Board by rotation this year and being eligible, offers himself for re-appointment. The Information as required to be disclosed a per regulation as applicable of SEBI (LODR) Regulations 2015 in case of re- appointment of the director is provided in the Notice of the ensuing annual general meeting.

In compliance with Regulation 36(3) of Listing Regulations and Secretarial Standards information about the Director proposed to be appointed/re-appointed is attached along with the Notice calling the ensuing Annual General Meeting.

KEY MANAGERIAL PERSONNEL:

The following persons are the Key Managerial Personnel (KMP's) of the Company as on March 31, 2025 in terms of provisions of Section 203 of the Companies Act, 2013 and rules made there under:-

1. Mr. Devinder Garg – Chairman and Managing Director
2. Mrs. Vaneera Garg - Wholtime Director
3. Mr. Toshak Garg – Managing Director
4. Mr. Gurmeet Singh Battu – Chief Financial Officer
5. Mrs. Supreena Tagra – Company Secretary and Compliance Officer

DECLARATION OF INDEPENDENT DIRECTORS:

In terms of Section 149(7) of the Companies Act, 2013, the Company has received necessary declaration from all the Independent Directors of the Company. All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act, Regulation 16(1)(b) of the Listing Regulations along with the declaration that they have registered themselves with the Independent Director's Database maintained by the IICA as provided in sub-rule (3) rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014. In the opinion of the Board, the Independent Directors, fulfill the conditions of independence specified in Section 149(6) of the Act Regulation 16(1) (b) of the Listing Regulations. The Independent Directors have also confirmed that they have complied with the Company's Code of Business Conduct & Ethics.

MEETINGS OF THE BOARD AND COMMITTEES:

During the year under review, Nine meetings of the board were convened and held on 20.04.2024, 30.05.2024, 23.07.2024, 07.09.2024, 01.10.2024, 14.11.2024, 06.01.2025, 12.02.2025 and 14.02.2025. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details in respect to the Attendance are provided in the Corporate Governance Report forming part of this Report.

Information on the Audit Committee, the Nomination and Remuneration Committee, the Stakeholders' Relationship Committee and Risk Management Committee and meetings of those Committees held during the year is given in the Corporate Governance Report.

SEPARATE MEETING OF INDEPENDENT DIRECTORS:

The Company's Independent Directors held their meeting on 22.04.2024 without the attendance of Non Independent Directors and members of the management. All Independents Directors were present at the meeting and, they:

- 1 Reviewed the performance of non-Independent directors and the Board as a whole;
- 2 Assessed the quality and timeliness of the flow of information between the Company's Management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

BOARD EVALUATION:

Pursuant to the Section 134(3) of the Companies Act, 2013 and Regulation 17 of SEBI (LODR) regulations, 2015, the Company has devised a policy for performance evaluation of Independent Directors and the Board. The Board has carried out an annual evaluation of its own performance, performance of its Committees as well as directors individually. The Board of Directors formally assess their own performance based on parameters which, inter alia, include performance of the Board on deciding long term strategies, rating the composition and mix of Board members, discharging of governance and fiduciary duties, handling critical and dissenting suggestions, etc. The Board was satisfied with the evaluation process and approved the evaluation results thereof.

CORPORATE GOVERNANCE:

The Company is committed to follow the best Corporate Governance practices, including the requirements under the SEBI Listing Regulations and the Board is responsible to ensure the same, from time to time. The Company has duly complied with the Corporate Governance requirements. Further a separate section on Corporate Governance in compliance with the provisions of Regulation 34 of the Listing Regulations read with Schedule V of the said regulations along with a Certificate from a Practicing Company Secretary confirming that the Company is and has been compliant with the conditions stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report.

DIRECTORS RESPONSIBILITY STATEMENT:

Your Directors make the following statement in terms of Section 134(3)(c) of the Companies Act, 2013:-

- a) that in the preparation of the Annual Accounts for the year ended on 31st March, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) That the directors have 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 as at 31st March, 2024 and of the profit of the Company for the year ended on that date;
- c) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) that annual accounts have been prepared on a going concern basis.
- e) that 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) that 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.

ANNUAL RETURN:

The Annual Return of the Company, pursuant to sub-section 3 (a) of Section 134 and the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 for the financial year 2024-2025 in the Form MGT-7 has been uploaded on Company's website at <https://gargfurnacelimited.com/>

PARTICULARS OF CONTRACTS AND ARRANGEMENT MADE WITH RELATED PARTIES:

All transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis.

Further, the members of the Company in their 51st Annual General Meeting held on 30.09.2024, had approved the material-related party transaction by Garg Furnace Limited with its related parties for the financial year 2024-2025. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is annexed as **Annexure-1**.

The details of all the Related Party Transactions form part of Note No. 38 to the standalone financial statements attached to this Annual Report.

Your Company has framed a Policy on Related Party Transactions for purpose of identification and monitoring of such transactions in line with the requirements of the Companies Act, 2013 and Listing Regulations and the said policy is available www.gargfurnacelimited.com

We would like to inform you that during the year, no material related party transactions made by the Company with Promoters, directors, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large. Pursuant to Listing Regulations, the resolution for seeking approval of the shareholders on material related party transactions is being placed at the AGM.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company is having adequate internal control systems and procedures which commensurate with the size of the Company. The Company is having Internal Audit Department which ensures that the internal control systems are properly followed by all concerned departments of the Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant and material orders passed by the Regulators / Courts that would impact the going concern status of the Company and its future operations.

CORPORATE SOCIAL RESPONSIBILITY:

The Company is covered under the purview of the requirements of Section 135 of the Companies Act, 2013 and the rules made thereon.

CSR Policy

The Board of Directors of the Company has put in place a CSR policy in accordance with the provisions of Section 135 of the Companies Act, 2013. The CSR Policy of the Company can be downloaded at website of the Company at <https://gargfurnacelimited.com/>

Further Annual Report on the CSR activities of the Company for the Financial Year 2024-2025 is attached herewith as **Annexure - 2**

SECRETARIAL AUDITOR AND THEIR REPORT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made there under and Regulations 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has been appointed M/s PDM & Associates, (membership number: 25003), Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year 2024-2025.

M/s PDM & Associates, (membership number: 25003), Practicing Company Secretaries have carried out the Secretarial Audit for the financial year ended March 31, 2025. The Secretarial Audit Report in Form No. MR-3 for the financial year ended 31st March, 2025 under the Act, read with Rules made thereunder, is annexed herewith as **Annexure 3** and forms an integral part of this report.

There has been no qualification, reservation, adverse remark or disclaimer given by the Secretarial Auditor in his Report for the year under review and therefore, does not call for any further comments.

PARTICULARS OF EMPLOYEES:

The information required pursuant to the provisions of Section 197 (12) read with rule 5 (1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed hereto as **Annexure- 4** and forms part of this report.

AUDIT COMMITTEE:

The Company has constituted an Audit Committee pursuant to Section 177(8) read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 and SEBI (LODR), Regulations, 2015.

As on 31.03.2025, the Audit Committee consists Ms. Amandeep Kaur (Non-Executive Independent Director) as Chairman, Ms. Purti Katyal (Non-Executive - Independent Director) as Member and Ms. Shruti Gupta (Non-Executive Independent Director) as Member. The details in respect to the Attendance, Powers, Roles, and Terms of Reference etc. are provided in the Corporate Governance Report forming part of this Report.

NOMINATION AND REMUNERATION COMMITTEE AND POLICY:

As required u/s 178 of the Companies Act 2013 and SEBI (LODR), Regulations, 2015, the Company has constituted nomination & remuneration committee. As on 31.03.2025, the committee consists of Ms. Amandeep Kaur (Non-Executive Independent Director) as Chairman, Ms. Purti Katyal (Non-Executive - Independent Director) as Member and Ms. Shruti Gupta (Non-Executive Independent Director) as Member. Further, on the recommendation of Nomination and Remuneration Committee, the board has already framed a policy for selection and appointment of Directors, Key Management Personnels & Senior Management and their remuneration. The details in respect to the Attendance, Powers, Roles, and Terms of Reference etc. are provided in the Corporate Governance Report forming part of this Report. The Nomination and Remuneration Policy is available on the Company's website and the web link for the same is www.gargfurnacelimited.com

As mandated by proviso to Section 178(4) of the Companies Act, 2013, salient features of Nomination and Remuneration Policy is annexed as **Annexure-5** hereto and forms part of this report.

STAKEHOLDER RELATIONSHIP COMMITTEE:

As required u/s 178 of the Companies Act 2013 and SEBI (LODR), Regulations, 2015, the Company has constituted stakeholder relationship committee. As on 31.03.2025, the committee consists of Ms. Amandeep Kaur (Non-Executive Independent Director) as Chairman, Ms. Purti Katyal (Non-Executive - Independent Director) as Member and Ms. Shruti Gupta (Non-Executive Independent Director) as Member. The details in respect to the Attendance, Powers, Roles, and Terms of Reference etc. are provided in the Corporate Governance Report forming part of this Report.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

As on 31.03.2025, the Corporate Social Responsibility Committee of the Company consists of Ms. Amandeep Kaur (Non-Executive Independent Director) as Chairman, Ms. Purti Katyal (Non-Executive - Independent Director) as Member and Ms. Shruti Gupta (Non-Executive Independent Director) as Member. The Composition and terms of Reference of the Corporate Social Responsibility Committee are in line with Section 135 of the Companies Act, 2013 and rules made thereunder and are provided in the Corporate Governance Report forming part of this Report.

MAINTENANCE OF COST RECORDS:

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 Anju Pardesi, (Firm Registration Number: 003448) Cost Accountants, to audit the cost accounts of the Company for the financial year 2025-26 at a remuneration of 20000.00 plus service tax, out-of pocket and travel and living expenses, subject to ratification by the shareholders at ensuing 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.

The Company pursuant to the Rules made by the Central Government for the maintenance of Cost records under section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.

REPORTING OF FRAUD:

There are no frauds on or by your Company, which are required to be reported by the Statutory Auditors of your Company.

DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Your Company has always believed in providing a safe and harassment free workplace for every individual working in our company's premises through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company has in place a robust policy on prevention of sexual harassment at workplace. The policy aims at prevention of harassment of employees as well as contractors and lays down the guidelines for identification, reporting and prevention of sexual harassment. There is an Internal Complaints Committee which is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the policy.

During the year ended 31st March, 2025 the Committee did not receive any complaint pertaining to sexual harassment and there is no complaint pending as on the date of beginning of this Financial

year and as on the date of the closure of this Financial year. Consequently, there are NIL cases disposed off during the year and NIL cases pending for more than ninety days.

COMPLIANCE OF THE PROVISIONS RELATING TO THE MATERNITY BENEFIT ACT 1961:

During the year under review, the Company has complied with the provisions relating to the Maternity Benefit Act 1961.

MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and analysis Report as required under Regulation 34 and Schedule V of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 forms an integral part of this Report.

LISTING AGREEMENT:

To streamline the provisions of the Listing Agreement and its better enforceability the Securities and Exchange Board of India (SEBI), on September, 2, 2015 issued SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. The said Regulation became effective from 1st. December, 2015. In compliance of the said Regulations, the company has entered into Listing Agreement with the BSE Ltd. on 23rd February, 2016.

SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES AND HOLDING COMPANIES:

Your Company does not have any Subsidiary, Joint Venture or Associate Company and Holding Company as on 31st March, 2025.

STATUTORY AUDITORS & AUDITOR'S REPORT:

Pursuant to Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 M/s. Ashwani & Associates, Chartered Accountants, (Firms Registration No. 000497N), was appointed as Statutory Auditors of the Company by the Shareholders at their Annual General Meeting held on September 30, 2020, to hold office for a period of five years, from the conclusion of the 47th Annual General Meeting till the conclusion of the 52nd Annual General Meeting of the Company to be held in the year 2025.

The Statutory Auditors of the Company have submitted the Auditor's Report on the Financial Statements of the Company for the Financial Year ended March 31, 2025. The Auditor's Report is self-explanatory and requires no comments. Further, there were no adverse remarks or qualification in the Report that calls for Board's explanation. During the year under review, there were no frauds reported by Auditors under Section 143(12) of Companies Act, 2013.

Further, We wish to inform you that M/s. Ashwani & Associates, Chartered Accountants, (Firms Registration No. 000497N) were re-appointed as Statutory Auditors of the Company in the 52nd Annual General Meeting (AGM) to hold office up to the conclusion of the 57th AGM for a further period of five consecutive years to conduct the audit of the company for financial years commencing from 31.03.2026 to 31.03.2030. They are holding a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

INTERNAL AUDITORS:

Pursuant to the provisions of Section 138 of the Companies Act, 2013, the Board of Directors of the Company has been appointed Mrs. Nazma Khatoon to conduct the internal audit of the Company for the 3 quarters of the financial year 2024-2025.

Mrs. Nazma Khatoon performs the duties of internal auditors of the Company for the first 3 quarters of the financial year 2024-2025 and their report is reviewed by the audit committee.

However, Mrs. Nazma Khatoon has tendered her resignation from the post of Internal Auditor of the Company w.e.f. 21.02.2025. In her place, The Board has appointed Mr. Sahil Barniyal as an Internal Auditor of the company w.e.f. 21.02.2025 for the 4th quarter for the financial year 2024-2025 and for the financial year 2025-2026.

Mr. Sahil Barniyal performs the duties of internal auditors of the Company for the 4th quarter of the financial year 2024-2025 and their report is reviewed by the audit committee.

COMPLIANCE WITH SECRETARIAL STANDARDS:

During the year under review, your Company has duly complied with applicable provisions of the Secretarial Standards on meetings of the Board of Directors (SS-1) and General Meetings (SS-2).

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, 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 herewith as **Annexure -6** and forms part of this report.

MATERIAL CHANGES OR COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY:

There were no material changes or commitments, affecting the financial position of the company which have occurred between the end of Financial Year 31st March, 2024 and the date of this report.

RISK MANAGEMENT POLICY

The Company has in place a risk management policy including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company and also the comprehensive risk assessment and minimization procedures, which are reviewed by the Board periodically as per the Risk Management Policy of the Company. The Board provides oversight and reviews the Risk Management Policy periodically.

VIGIL MECHANISM/WHISTLE BLOWER POLICY:

Pursuant to the provisions of Section 177 and applicable provisions of SEBI (LODR) Regulation, the Company has put in place an effective Vigil Mechanism/ Whistleblower Mechanism. The Vigil mechanism is implemented not only as a safeguard to unethical practices. This mechanism is intended to provide mechanism for reporting genuine concerns or grievance and ensure that deviations from the Company's Business Conduct Manual and Values are dealt with in a fair and unbiased manner. The mechanism also ensures the protection of whistleblower against the victimization for the disclosure made by him/her. Under the mechanism an Ethics committee has been established for managing the vigil mechanism and the mechanism also provides for direct access to the Chairman of the Audit Committee in exceptional circumstances. The Audit Committee reviews and ensures the adequacy of the system laid down by the Company for the said purpose.

No concern was reported in aforesaid connection during the financial year ended March 31, 2025. The Vigil Mechanism/Whistle Blower Policy is posted on the website of the Company and the web link for the same is <https://gargfurnacelimited.com/details-of-establishment/>

POLICIES:

Your Company has framed the Policies (i) the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information; (ii) the Code of Conduct as required under SEBI (Prohibition of Insider Trading) Regulations, 2015, (iii) Policy on inquiry in case of leak of unpublished price sensitive information (UPSI) (iv) Policy for Preservation of Documents (v) Policy for determination of Materiality of the Disclosure of Events & Information (vi) Archival Policy and the same is available on the website of Company at <https://gargfurnacelimited.com/>

FAMILIARISATION PROGRAMMES:

The Company, at the time of appointing a Director, issues a formal letter of appointment which, inter alia, explains the role, functions, duties and responsibilities expected from him/her as a Director of the Company. All the Independent Directors are provided with all the Policies/Guidelines as framed by the Company under various statutes and SEBI Regulations, to familiarize them with Company's procedures and practices. Further, to update them on a regular basis, the Company provides copies of all the amendments in Corporate Laws, Corporate Governance Rules and SEBI Regulations. The details of Company's Policy on Familiarization Programs for Independent Directors are posted on the website of the Company and can be accessed at <https://gargfurnacelimited.com/>

GREEN INITIATIVE:

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies. Further, as per the provisions of Companies Act, 2013, the Company may send financial statements and other documents by electronic mode to its members. Your Company has decided to join the MCA in its environmental friendly initiative. Accordingly, henceforth Company propose to send documents such as Notice of the General Meetings, Annual Report and other communication to its shareholders via electronic mode to the registered e-mail addresses of shareholders. To support this green initiative of the Government in full measure, shareholders are requested to register/update their latest e-mail addresses with their Depository Participant (D.P.) with whom they are having Demat A/c. We solicit your valuable co-operation and support in our endeavor to contribute our bit to the environment.

LISTING OF SECURITIES, LISTING FEES AND ANNUAL CUSTODY FEES:

The Securities of the Company are listed on BSE Limited (Scrip Code: 530615), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. The Company has paid the listing fee to the BSE Limited for the financial year 2025-2026. The Company has also made the payment of Annual Custody fee to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for the financial year 2025-2026.

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT:

- (a) aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year: Nil
- (b) number of shareholders who approached listed entity for transfer of shares from suspense account during the year: Nil
- (c) number of shareholders to whom shares were transferred from suspense account during the year: Nil

(d) aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year: Nil

(e) that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares: Not Applicable

HUMAN RESOURCES/INDUSTRIAL RELATIONS:

The Industrial Relations remained cordial throughout the year. A detailed section on Human Resources/Industrial Relations is provided in the Management Discussion and Analysis Report, which forms part of this Annual Report.

OTHER DISCLOSURES:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:-

No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable; and

The requirement to disclose the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons there of, is not applicable.

The Company has not defaulted in payment of interest and/ or repayment of loans to any of the financial institutions and/ or banks during the year under review is not applicable.

ACKNOWLEDGEMENT:

The Directors of the company wish to place on record their sincere thanks to the shareholders for their continued support, co-operation and confidence in the management of the Company.

**For and on behalf of the Board
For Garg Furnace Limited**

**Place: Ludhiana
Date: 14.08.2025**

**Devinder Garg
Chairman and Managing Director
DIN: 01665456**

ANNEXURE-1 TO THE DIRECTORS' REPORT
Form AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

Details of contracts or arrangements or transactions not at arm's length basis –

During the Financial Year 2024-25, the Company had not entered into any contract/ arrangement/ transaction with its related parties which is not in ordinary course of business or at arm's length.

Number of contracts or arrangements or transactions not at arm's length basis: **NIL**

(a) Corporate Identity Number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for individuals or any other registration number: **Not Applicable**

(b) Name(s) of the related party: **Not Applicable**

(c) Nature of relationship: **Not Applicable**

(d) Nature of contracts/arrangements/transactions: **Not Applicable**

(e) Duration of the contracts/arrangements/transactions: **Not Applicable**

(f) Salient terms of the contracts or arrangements or transactions including actual /expected contractual amount: **Not Applicable**

(g) Justification for entering into such contracts or arrangements or transactions: **Not Applicable**

(h) Date of approval by the Board: **Not Applicable**

(i) Amount paid as advances, if any: **Not Applicable**

(j) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: **Not Applicable**

(k) SRN of MGT-14: **Not Applicable**

Details of material contracts or arrangements or transactions at Arm's length basis –

All the transactions entered into by the Company with its related parties, during the year under review were in the "ordinary course of the business" and on "an arm's length basis", in accordance with the Company's Related Party Transactions Policy.

Number of material contracts or arrangements or transactions at arm's length basis: 4 (Four)

(a) Corporate Identity Number (CIN) or foreign company registration number (FCRN) or Limited Liability Partnership number (LLPIN) or Foreign Limited Liability Partnership number (FLLPIN) or Permanent Account Number (PAN)/Passport for	U17120PB2011PLC035017	AAQPG7293R	ACBPG7170L	AQRP5512C
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individuals or any other registration number:				
(b) Name(s) of the related party:	Vaneera Industries Limited (Formerly Known as Vaneera Industries Private Limited)	Devinder Garg	Vaneera Garg	Toshak Garg
(c) Nature of relationship:	(Promoter Group Company)	(Managing Director and Promoter)	(Wholetime Director and Promoter)	(Managing Director and Promoter)
(d) Nature of contracts/arrangements/transactions:	Financial	Financial	Financial	Financial
(e) Duration of the contracts/arrangements/transactions:	Approval is for Financial year 2025-2026	Approval is for Financial year 2025-2026	Approval is for Financial year 2025-2026	Approval is for Financial year 2025-2026
(f) Salient terms of the contracts or arrangements or transactions including actual /expected contractual amount:	The transaction involves Purchase of Goods, Sales of Goods, Rent received and lease of machinery given to related party is charged at prevailing market rates at arm's length basis and in the Ordinary Course of Business.	The transaction involves Remuneration and unsecured loan received are done at prevailing market rates at arm's length basis and in the Ordinary Course of Business.	The transaction involves Remuneration and unsecured loan received are done at prevailing market rates at arm's length basis and in the Ordinary Course of Business.	The transaction involves Remuneration and unsecured loan received are done at prevailing market rates at arm's length basis and in the Ordinary Course of Business.
(g) Date of approval by the Board:	14.08.2025	14.08.2025	14.08.2025	14.08.2025
(h) Amount paid as advances, if any:	NIL	NIL	NIL	NIL

**For and on behalf of the Board
For Garg Furnace Limited**

**Place: Ludhiana
Date: 14.08.2025**

**Devinder Garg
Chairman and Managing Director
DIN: 01665456**

ANNEXURE – 2 TO THE DIRECTORS' REPORT**ANNUAL REPORT ON CSR ACTIVITIES****1. Brief outline on CSR Policy of the Company:**

The Company's CSR policy and programs are in accordance with Section 135 of Companies Act, 2013. The CSR policy of the Company can be accessed on its website at <https://gargfurnacelimited.com/>

2. Composition of CSR Committee:

SL No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	AMANDEEP KAUR	Chairperson/ Non-Executive - Independent Director	1	1
2.	SHRUTI GUPTA	Member / Non-Executive - Independent Director	1	1
3.	PURTI KATYAL	Member / Non-Executive Independent Director	1	1

3. Provide the web-link(s) where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

<https://gargfurnacelimited.com/>

4. Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not Applicable

5. (a) Average net profit of the company as per sub-section (5) of Section 135: Rs. 5.94 Cr.
 (b) Two percent of average net profit of the company as per sub-section (5) of Section 135: Rs. 11.88 Lakhs
 (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil
 (d) Amount required to be set off for the financial year, if any: Nil
 (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: Rs. 11.88 Lakhs

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Rs. 14.47 Lakhs
 (b) Amount spent in Administrative Overheads: Nil
 (c) Amount spent on Impact Assessment, if applicable: Not Applicable
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: Rs. 14.47 Lakhs
 (e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
14.47 Lakhs	NIL	NIL	NIL	NIL	NIL

(f) Excess amount for set off, if any: 2.59 Lakhs

SL No.	Particular	Amount (in Rs.)
1.	2.	3.
(i)	Two percent of average net profit of the company as per sub-section (5) of Section 135	11.88 Lakhs
(ii)	Total amount spent for the Financial Year	14.47 Lakhs
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	2.59 Lakhs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	2.59 Lakhs

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years

1.	2.	3.	4.	5.	6.	7.	8.
SL No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in `)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in `)	Amount Spent in the Financial Year (in `)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any	Amount remaining to be spent in succeeding Financial Years (in `)	Deficiency, if any
NIL							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

☐

Yes

☒

No

If Yes, enter the number of Capital assets created/ acquired : Not Applicable

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

SL No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, If applicable	Name	Registered Address
Not applicable							

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of Section 135: Not Applicable

For and on behalf of the Board
For Garg Furnace Limited

For and on behalf of the Board
For Garg Furnace Limited

Place: Ludhiana

Date : 14.08.2025

Amandeep Kaur
Chairman of Committee

DIN: 07728094

Devinder Garg
Chairman and Managing
Director
DIN: 01665456

ANNEXURE-3 TO THE DIRECTOR'S REPORT

**Form No. MR-3
SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and rule
No. 9 of the Companies (Appointment and Remuneration Personnel)
Rules, 2014]

SECRETARIAL AUDIT REPORT

To,

The Members,
Garg Furnace Limited
CIN: L99999PB1973PLC003385
KANGANWAL ROAD VPO JUGIANA G T ROAD LUDHIANA PB 141120 IN

I 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 me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my Opinion thereon.

Based on my/our verification of the **Garg Furnace Limited** 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2025 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Garg Furnace Limited** ("The Company") for the financial year ended on 31st March, 2025 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) 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;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

(vi). Other Applicable Laws

1. The Shops & Establishment Act, 1954
2. The Factories Act
3. Payment of Gratuity Act
3. Minimum Wages Act, 1948
5. Maternity Benefit Act, 1961
6. The Employees State Insurance Act, 1948
7. Employees Provident Fund and Miscellaneous Provisions Act
8. The Contract Labour (Regulation & Abolition) Act 1970
9. The Payment of Bonus Act, 1965
10. The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013

With reference to aforesaid specific Acts of the Company, i have relied on the Compliance Certificates placed before the Board by the respective Department heads. With regard to compliance system relating to direct tax, indirect tax and other tax laws, i have relied on the reports of Internal as well as the Statutory Auditors of the Company for. Our report of compliance would be limited to their reporting and subject to the observations and comments made by them in their report.

(vii) I 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 well as other laws specifically applicable to the Company.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India: Secretarial Standards issued by The Institute of Company Secretaries of India for Board Meetings and General Meetings are applicable and have been duly complied.

(ii) The Listing Agreements entered into by the Company with Stock Exchange(s): During the period under review the Company has generally complied with the provisions of the Corporate Laws and applicable Rules, Regulations, Guidelines, Standards, etc.

1. The Company has kept and maintained all Registers as per the provisions of the Corporate Laws and the Rules made there under and all entries therein have been recorded.
2. The Company is not required to obtain any approval of the Central Government, National Company Law Tribunal, Regional Director, Registrar and/or such authorities prescribed under the provision of the Act during the said year.
3. There was no prosecution initiated against or show cause notice received by the Company and no fines or penalties or other punishment was imposed on the Company during the financial year, for offences under the Corporate Laws.
4. Based on the Audit Procedures performed and the information and explanations given to us, i report that no fraud on or by the Company was noticed or reported during the year.
5. Management has informed us that the website of the Company (gargfurnacelimited.com) is being updated regularly as per the provisions of the Companies Act, 2013.
6. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

I further report that

The Board of Directors of the Company was duly constituted with a proper balance of Executive, Non-Executive Directors.

Composition of Board of Directors of the Company is adequate. 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that based on the information provided by the Company, its officers and authorized representatives during the conduct of the Audit and also on review of quarterly compliance reports by respective department heads/ Company Secretary taken on record by the Board of Directors of the Company, in our opinion, 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.

We further report that during the audit period the Company has no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above except:

1. To create, issue, offer and allot from time to time, in one or more tranches, 28,00,000 (Twenty Eight Lakhs only) Convertible Warrants into Equity shares on preferential basis , at a price of ₹ 195/- (Rupees One Hundred Ninety Five Only) per share, aggregating upto ₹ 54,60,00,000/- (Rupees Fifty Four Crore Sixty Lakhs Only) ("Total Issue Size"), with a right to the warrant holders to apply for and be allotted 1 (One) fully paid-up equity share of the Company of face value ₹ 10.00/- (Rupees Ten only), each at a premium of ₹ 185/- per share for each Warrant

2. To issue and allot 4,00,000 (Four Lakh) Equity Shares of face value of Rs. 10/- (Rupees Ten only) each upon conversion of the warrants at an issue price of Rs. 195/- (Rupees One Hundred and Ninety-Five only) each, including premium of Rs. 185/- each as on 01.10.2024.

This report is to be read with my letter of even date which is annexed as **Annexure-A** and forms an integral part of this Report.

Place: Ludhiana
Date: 14.08.2025

FOR PDM & ASSOCIATES

CS Pooja Damir Miglani
Company Secretaries Prop.
M.No. A25988
C.P No. 25003
UDIN: A025988G001018529
Peer Review No: Peer Review No: 6237/2024

Annexure-A**To,**

The Members,

Garg Furnace Limited**CIN: L99999PB1973PLC003385****KANGANWAL ROADVPO JUGIANA G T ROAD LUDHIANA PB 141120 IN**

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis of 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 procedure on test check basis.

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.

Place: Ludhiana

Date: 14.08.2025

FOR PDM & ASSOCIATES
CS Pooja Damir Miglani
Company Secretaries

Prop.

M.No. A25988

C.P No. 25003

UDIN: A025988G001018529

Peer Review No: Peer Review No: 6237/2024

ANNEXURE – 4 TO THE DIRECTORS' REPORT

Disclosure in the Boards' Report 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

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary or Manager during the Financial Year 2024-2025, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2024-2025.

Sr. No.	Name & Designation of Director/KMP	Remuneration for F.Y. 2024-2025 (in Rs.)	% age increase/(decrease) in remuneration in the F.Y. 2024-2025	Ratio of Remuneration of each director to median remuneration of employees
1.	Mr. Devinder Garg, Chairman and Managing Director	12,00,000	+ 5.15 %	---
2.	Ms. Vaneera Garg, Wholetime Director	12,00,000	0 %	---
3.	Mr. Toshak Garg, Managing Director	15,00,000	0 %	---
4.	Mr. Amandeep Kaur Non-Executive Independent Director	--	Not Applicable	Not Applicable
5.	Mr. Gurmeet Singh Battu Chief Financial Officer	---	Not Applicable	Not Applicable
6.	Ms. Supreena Tagra Company Secretary	156000	Not Applicable	Not Applicable
7.	Ms. Purti Katyal Non-Executive Independent Director	--	Not Applicable	Not Applicable
8.	Ms. Shruti Gupta Non-Executive Independent Director#	--	Not Applicable	Not Applicable
9.	Ms. Jyoti Batra Non-Executive Independent Director*	--	Not Applicable	Not Applicable

*Resigned as a Non-Executive Independent Director with effect from 23rd July, 2024

Appointed as Non-Executive Independent Director with effect from 23rd July, 2024

2. The median remuneration of employees of the Company during the financial year was Rs. 20328
3. In the financial year under review, there was 5.45 % decrease in the median remuneration of employees.
4. There were 69 permanent employees on the rolls of Company as on March 31, 2025.
5. Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year 2024-2025 is NIL.
6. It is hereby affirmed that the remuneration paid to Directors, KMP's and other employees during the year is as per the Remuneration Policy of the Company.

Details of Top ten employees of the Company in terms of salary drawn as required under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the financial year 2024-2025.

Sr. No.	Name & Designation	Remuneration Received (in Rs.)	Nature of Employment	Qualification and Experience	Date of commencement of employment	Age (in years)	Last employment held	% age of equity shares held	Whether relative of any director or manager
1	Devinder Garg	1200000	Managing Director	B.A.	01.08.2015	60	-	654290	Father of Mr. Toshak Garg and Husband of Smt. Vaneer a Garg
2	Vaneera Garg	1200000	Wholetime Director	B.A.	14.11.2015	58	-	1568510	Mother of Mr. Toshak Garg and Wife of Sr. Devinder Garg
3	Toshak Garg	1500000	Managing Director	B.SC	14.08.2023	34	-	216951	Son of Mr. Devinder Garg and Mrs. Vaneer a Garg
4	SANJAY	342000	PERMANENT	10 TH	01.07.2022	38	-	-	-
5	AMARJEET	528000	PERMANENT	12 TH	01.07.2023	33	-	-	-

	KUMAR YADAV								
6	NIRANJAN KUMAR	300000	PERMANENT	10 TH	01.07.2023	32	-	-	-
7	PRITAM SINGH	186000	PERMANENT	10 TH	01.06.2021	60	-	-	-
8	RAMESH SINGH	336000	PERMANENT	B.A.	01.08.2018	68	-	-	-
9	ASHOK KUMAR	504000	PERMANENT	B.A.	01.12.2024	61	-	-	-
10	RAJINDER PRASAD	234000	PERMANENT	10 TH	16.01.2022	64	-	-	-

Note:

- i. During the Financial Year 2024-2025, there was no employee who, if employed throughout the financial year, was in receipt of remuneration in the aggregate, not less than one crore and two lakh rupees.
- ii. During the Financial Year 2024-2025, there was no employee who, if employed for a part of the financial year, was in receipt of remuneration for any part of the year, at a rate which, in the aggregate, was not less than Eight Lakhs and Fifty Thousand Rupees per month.
- iii. During the Financial Year 2024-2025, there was no employee who, if employed throughout the financial year or part thereof, was in receipt of remuneration in the year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, was in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company

**For and on behalf of the Board
For Garg Furnace Limited**

**Place: Ludhiana
Date: 14.08.2025**

**Devinder Garg
Chairman and Managing Director
DIN: 01665456**

ANNEXURE -5 TO THE DIRECTORS' REPORT**SALIENT FEATURES OF THE NOMINATION AND REMUNERATION POLICY**
[as Per Proviso To Section 178(4) Of The Companies Act, 2013]**APPLICABILITY**

This Policy is applicable to:

- a. Directors (Executive, Non-Executive and Independent)
- b. Key Managerial Personnel (KMP)
- c. Senior Management Personnel
- d. Other employees as may be decided by the Committee ("NRC")

OBJECTIVE

The Policy provides criteria for:

1. Determining qualifications, positive attributes and independence of a Director;
2. Performance evaluation of Independent Directors, non-independent Directors, Chairman and the Board;
3. Remuneration of Directors, Key Managerial Personnel, Senior Management Personnel and other employees, as may be decided by the Committee;

PROVISIONS RELATING TO REMUNERATION OF MANAGING DIRECTOR, KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT PERSONNEL AND OTHER EMPLOYEES

The following are the guiding factors:

- The scope of duties, the role and nature of responsibilities;
- The level of skill, knowledge, experience, local factors and expectations of individual;
- The Company's performance, long term strategy and availability of resources;
- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMPs, Senior Management Personnel and other employees of the quality required to run the Company successfully; and
- Relationship of remuneration to performance is clear and meets appropriate performance benchmark;

PROVISIONS RELATING TO REMUNERATION OF NON-EXECUTIVE / INDEPENDENT DIRECTOR(S)

The following are the guiding factors:

- The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force and as decided by the Board from time to time.
- The Non-Executive/ Independent Director(s) may also receive remuneration / compensation / commission etc as per criteria/limit thereof prescribed under Companies Act, 2013 and rules made thereunder
- Any increase in the maximum aggregate remuneration payable beyond permissible limit under the Companies Act, 2013 shall be subject to the approval of the Shareholders', as may be applicable

EVALUATION

The evaluation will be done on following parameters:

1. Role which he/she is expected to play, internal Board Relationships to make decisions objectively and collectively in the best interest of the Company to achieve organizational successes and harmonizing the Board;
2. Attendance and contribution at Board and Committee meetings;

3. Subject expertise, skills, behavior, experience, leadership qualities, understanding of business and strategic direction to align company's values and standards;
4. Ability to monitor the performance of management and satisfy himself with integrity of the financial controls and systems in place by ensuring right level of contact with external stakeholders
5. Vision on Corporate Governance and Corporate Social Responsibility
6. Ability to create a performance culture that drives value creation and a high quality of discussions;
7. Effective decision making ability to respond positively and constructively to implement the same to encourage more transparency;

For and on behalf of the Board

For Garg Furnace Limited

Place: Ludhiana
Date: 14.08.2025

Devinder Garg
Chairman and Managing Director
DIN: 01665456

ANNEXURE 6 TO THE DIRECTORS' 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, 2025

A. 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

No

b) Additional Investment and proposals if any, being implemented for reduction of energy consumption**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.**B. POWER & FUEL CONSUMPTION**

1. Electricity	Current Year (2024-25)	Previous Year (2023-24)
a) Purchased		
Units(KWH) (in Units)	31235282	31259609
Total amount	212721867	222568479
Rate per unit	7.11 Rs.	7.11 Rs.
b) Own Generation		
i) Through Diesel Generator Units(KWH)	3539	3541
Units per litre of diesel	3.90	3.90
Oil Cost/unit	Rs. 22.81	Rs. 22.81
ii) Through steam Turbine	Nil	Nil
2. Coal		
Quantity (Kgs) Total	--	--
Amount	0.00	0.00
Average Rate per Kg	0.00	0.00

B. 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

	2024-2025	2023-2024
Total Foreign Exchange	0.00	0.00
Used (CIF Value of Imports)	0.00	0.00

For and on behalf of the Board

For Garg Furnace Limited

Place: Ludhiana
Date: 14.08.2025

Devinder Garg
Chairman and Managing Director
DIN: 01665456

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Part-A

NAMASTE SHAREHOLDERS

It gives me great pride to present the Management Discussion and Analysis for FY 2024–25 on behalf of the Board of Garg Furnace Limited. As the next generation entrusted with this legacy, I see our role not just as steel manufacturers—but as engineering partners, building stronger foundations for India's growth through quality, innovation, and responsibility.

This year marked a turning point. We have begun shifting from a commodity mindset to a value-first, margin-driven model. The steel industry is evolving, and so are we. Every decision we made this year was rooted in one core belief: Steel should perform, not just weigh.

INDUSTRY OVERVIEW

The global steel industry in FY 2024–25 witnessed significant headwinds. Benchmark steel prices declined by 10–15% due to global oversupply, softened demand in China, and fluctuating input and freight costs. While India's infrastructure-driven demand remained robust, industry-wide profitability was challenged.

In this evolving landscape, Garg Furnace Limited (GFL) made a strategic shift from volume-based growth to a value-first, margin-led business model. Our focus remains on engineering high-performance steel solutions, especially in specialized and fast-growing end-use segments such as automotive, infrastructure, and precision manufacturing.

OUR COMPANY

We operate in the steel industry, primarily supplying to the agricultural, auto, nut and bolt and cycle parts market in India.

Our Three Core Focus Areas in FY 2024–25

1. **Chemistry-Led Product Innovation**
Tailoring our steel compositions to meet specific strength, machinability, and consistency requirements for industrial applications.
2. **Entry into Value-Added Segments**
Launching high-strength steel and self-drilling screws aimed at auto, engineering, and infrastructure sectors.
3. **Strategic Acquisition (Initiated)**
We have taken a decisive step toward acquiring a 51% stake in Vaneera Industries Ltd., which brings advanced alloy steel capabilities to our ecosystem.

OPPORTUNITIES AND THREATS

OPPORTUNITIES

Chemistry-Led Value Creation

Introduced custom steel compositions—carbon, manganese, and chromium balanced for specific performance needs

Supplied to auto component suppliers, agricultural equipment makers, and industrial fastener producers

Gained traction as a preferred vendor to Tier-2 OEM suppliers

Enabled performance-linked pricing, reducing dependence on general market prices

This strategic transformation allowed us to:

- Carve out a niche based on quality
- Maintain 100% capacity utilization
- Grow margins and customer loyalty, even as prices fell

THREATS

- Volatility in raw material (scrap) and energy costs
- Pricing pressure from imports and commoditized steel players
- Delays in infrastructure spending or auto sector slowdowns
- Risk of integration and execution in new acquisitions and business verticals

FINANCIAL/OPERATIONAL PERFORMANCE

Despite falling steel prices, our innovation-led strategy helped us increase net profit by 60%, proving that quality and value addition are the future of this business and we continued to remain 100% debt free. The detailed performance has already been discussed in the Directors' Report under the column 'Financial Performance'.

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. The detailed point has already been discussed in the Directors' Report under the point Internal Financial Control.

RISK AND CONCERNS

This year brought challenges across the global steel value chain. Benchmark per-ton steel prices declined by 10–15%, driven by:

- Global oversupply
- Softened demand from China
- Volatile input prices and freight

Despite strong infrastructure-led demand in India, margin pressure persisted industry-wide. Many players saw squeezed profitability and stagnating growth.

STATUS FY 2024–25

Improve margins through better quality & direct scrap sourcing

50% direct sourcing achieved, cost savings realized

Enter alloy steel market

Strategic step taken via proposed Vaneera stake

Diversify into auto/defense-grade steels

Value-added grades accepted by OEM-tier suppliers

Strategic Expansion – Vaneera Industries Ltd.

This year, we initiated the acquisition process for a 51% stake in Vaneera Industries Ltd., Ludhiana—a critical step in our journey toward becoming a premium alloy steel player.

Why Vaneera?

- Advanced metallurgy: LRF, EMS, VD
- Total planned capacity: 204,000 MT
- Serves auto, engineering, and defense sectors
- Allows mid-premium pricing at 5–10% discount to arc furnace steel
- Perfect for import substitution

The acquisition is expected to:

- Expand product range
- Improve realizations
- Provide entry into high-margin, performance-focused industries

Fasteners: Scaling a New Growth Vertical

We also commissioned a new self-drilling screw plant this year:

- 400 MT/year capacity, expandable to 1200 MT
- Technology sourced from Taiwan
- Targets India's ₹5,000 Cr+ fastener market (20%+ imports)
- Strong policy tailwinds with anti-dumping protections

Our positioning here is clear: Local quality at global standards.

Sustainability & Compliance

We continue our journey as a responsible manufacturer:

- 100% recycled scrap used as raw material

FUTURE OUTLOOK

As we look ahead, we're optimistic and laser-focused. Key initiatives:

- Complete the Vaneera acquisition and begin alloy steel production
- Scale up value-added steel and fastener volumes
- Expand customer base in auto and engineering segments
- Sustain bottom-line-led growth, not just top-line expansion

Our internal goal is clear: Build a differentiated, defensible steel business that thrives in every cycle.

HUMAN RESOURCE DEVELOPMENT/INDUSTRIAL RELATION

During the year, the company has employed 69 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.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS:

As per SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Company is required to provide details of significant changes (change of 25% or more as compared to immediately previous financial year) in key financial ratios. Accordingly, the Company has identified the following ratios as key financial ratios:-

Ratio	F.Y. 2024-2025	F.Y. 2023-2024	% Change
Current Ratio	3.91	3.98	-1.83%
Debt equity Ratio	0.02	0.03	-24.96%
Debt Services coverage Ratio	70.36%	42.10%	67.13%
Return on equity ratio (ROE)	13.76%	16.02%	-14.11%
Inventory Turnover Ratio (in days)	21.99	22.34	-1.56%
Trade receivable turnover ratio (in days)	11.02	12.23	-9.93%
Trade payable turnover ratio (in days)	22.51	29.02	-22.42%
Net capital turnover ratio	6.34	8.13	-22.04%
Net profit ratio	2.92%	2.14%	36.39%
Return on capital employed (ROCE)	12.45%	11.42%	8.98%

EXPLANATION FOR CHANGE OF 25% OR MORE IN KEY FINANCIAL RATIOS:

Change in Debt services coverage ratio due to increase in earnings during the year. Change in net profit ratio due to increase in net profit after tax during the year

ACCOUNTING TREATMENT:

The financial statements of the Company for financial year 2024-2025 have been prepared in accordance with the applicable accounting principles in India and the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with the rules made thereunder. The Company has followed accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 ('the Act') and other relevant provisions of the Act. The significant accounting policies which are consistently applied are set out in the notes to the financial statements.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**Part-B**

For FY 2024-25

**Presented by Toshak Garg, Promoter cum Managing Director
Garg Furnace Limited**

Leading the Future – Next-Gen Vision at Garg Furnace

Namaste Shareholders,

It gives me great pride to present the Management Discussion and Analysis for FY 2024-25 on behalf of the Board of Garg Furnace Limited. As the next generation entrusted with this legacy, I see our

role not just as steel manufacturers—but as engineering partners, building stronger foundations for India's growth through quality, innovation, and responsibility.

This year marked a turning point. We have begun shifting from a commodity mindset to a value-first, margin-driven model. The steel industry is evolving, and so are we. Every decision we made this year was rooted in one core belief: Steel should perform, not just weigh.

Our Three Core Focus Areas in FY 2024–25

1. Chemistry-Led Product Innovation

Tailoring our steel compositions to meet specific strength, machinability, and consistency requirements for industrial applications.

2. Entry into Value-Added Segments

Launching high-strength steel and self-drilling screws aimed at auto, engineering, and infrastructure sectors.

3. Strategic Acquisition (Initiated)

We have taken a decisive step toward acquiring a 51% stake in Vaneera Industries Ltd., which brings advanced alloy steel capabilities to our ecosystem.

Industry Context – The Steel Landscape in FY 2024–25

This year brought challenges across the global steel value chain. Benchmark per-ton steel prices declined by 10–15%, driven by:

- Global oversupply
- Softened demand from China
- Volatile input prices and freight

Despite strong infrastructure-led demand in India, margin pressure persisted industry-wide. Many players saw squeezed profitability and stagnating growth.

Our Response: Innovation, Efficiency, and Margin-Focus

Amid this backdrop, Garg Furnace chose not to compete on price—but on performance. We redesigned our internal chemistry, processes, and customer base with one goal: Improve bottom-line profitability regardless of commodity cycles.

Chemistry-Led Value Creation

- Introduced custom steel compositions—carbon, manganese, and chromium balanced for specific performance needs

- Supplied to auto component suppliers, agricultural equipment makers, and industrial fastener producers
- Gained traction as a preferred vendor to Tier-2 OEM suppliers
- Enabled performance-linked pricing, reducing dependence on general market prices

This strategic transformation allowed us to:

- Carve out a niche based on quality
- Maintain 100% capacity utilization
- Grow margins and customer loyalty, even as prices fell



Financial Performance Snapshot

Despite falling steel prices, our innovation-led strategy helped us increase net profit by 60%, proving that quality and value addition are the future of this business. And we continued to remain 100% debt free.

Delivered What We Promised (from FY 2023–24)

Commitment (Last Year)

Status FY 2024–25

Improve margins through better quality & direct scrap sourcing

✓ 50% direct sourcing achieved, cost savings realized

Enter alloy steel market

✓ Strategic step taken via proposed Vaneera stake

Diversify into auto/defense-grade steels

✓ Value-added grades accepted by OEM-tier suppliers



Strategic Expansion – Vaneera Industries Ltd.

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- Allows mid-premium pricing at 5–10% discount to arc furnace steel
- Perfect for import substitution

The acquisition is expected to:

- Expand product range
- Improve realizations
- Provide entry into high-margin, performance-focused industries



Fasteners: Scaling a New Growth Vertical

We also commissioned a new self-drilling screw plant this year:

- 400 MT/year capacity, expandable to 1200 MT
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- Targets India's ₹5,000 Cr+ fastener market (20%+ imports)
- Strong policy tailwinds with anti-dumping protections

Our positioning here is clear: Local quality at global standards.

Sustainability & Compliance

We continue our journey as a responsible manufacturer:

- 100% recycled scrap used as raw material

Outlook for FY 2025–26

As we look ahead, we're optimistic and laser-focused. Key initiatives:

- Complete the Vaneera acquisition and begin alloy steel production
- Scale up value-added steel and fastener volumes
- Expand customer base in auto and engineering segments
- Sustain bottom-line-led growth, not just top-line expansion

Our internal goal is clear: Build a differentiated, defensible steel business that thrives in every cycle.

A Note of Gratitude

To all our shareholders, thank you for believing in us. This year we didn't grow by chance—we grew by choice, by discipline, and by design.

As I take forward the legacy of Garg Furnace, I assure you that the best is yet to come. We are not just forging steel anymore—we are forging value, resilience, and leadership.

Warm regards,
Toshak Garg
Promoter cum Managing Director
Garg Furnace Limited
Ludhiana, Punjab

**For and on behalf of the Board
For Garg Furnace Limited**

**Place: Ludhiana
Date: 14.08.2025**

**Devinder Garg
Chairman and Managing Director
DIN: 01665456**

REPORT ON CORPORATE GOVERNANCE

[In terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")]

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2025, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE REPORT

In Garg Furnace Limited ("The Company"), we strongly believe that establishing good corporate governance practices in each and every function of the organization leads to increased operational efficiencies and growth as well as enhancing investor confidence. Beyond mere compliance we are committed towards taking initiative to enhance investor's wealth in the long run. This is reflected in the well balanced and independent structure of Company's eminent and well represented Board of Directors. The Company considers it absolutely essential to abide by the laws and regulations in letter and spirit and is committed to the highest standards of corporate governance and be considered as a good corporate citizen of the Country. Our Corporate Governance framework ensures that we make timely disclosures and share accurate information regarding our financials, performance and operations of the Company.

The Company as a good Corporate citizen complies with the conditions of corporate governance pursuant to the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time.

BOARD OF DIRECTORS

The Company has a diversified Board, constituted in compliance with the Companies Act, 2013 ("The Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and in accordance with the best practices of Corporate Governance. The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. The Company is managed by the Board of Directors in co-ordination with the Senior Management.

The Board of Directors constitute of 6 (Six) Directors. There are 2 (Two) Managing Director, 1 (One) Wholtime Director and remaining 3 (Three) are Non- Executive Independent Directors.

During the year under review, the Board met on 9 (Nine) occasions viz. 20.04.2024, 30.05.2024, 23.07.2024, 07.09.2024, 01.10.2024, 14.11.2024, 06.01.2025, 12.02.2025 and 14.02.2025. The maximum gap between any two Board meetings was less than One hundred and twenty days.

Category of each director on the Board, their status, their attendance at the Board Meetings and the last Annual General Meeting together with the details of number of other directorships and Committee Membership(s)/ Chairmanship(s) of each Director and Name of other Listed Entities in which concerned director is a director and the category of directorship as at 31.03.2025 are as under:

Name of the Director	Category of Director	No. of Board Meetings Attended	Attendance at AGM held on 30.09.2024	No. of Directorship ¹	No. of Committees ² in which Chairman / Member		Name of Other Listed entities in which concerned director is a director	The category of directorship
					Chairman	Member ³		
Sh. Devinder Garg	Managing Director	9 of 9	Present	1	-	-	Nil	Nil
Smt. Vaneera Garg	Wholetime Director	9 of 9	Present	1	-	-	Nil	Nil
Sh. Toshak Garg	Managing Director	9 of 9	Present	1	-	-	Nil	Nil
Ms. Amandeep Kaur	Non-Executive Independent Director	9 of 9	Present	2	2	2	Dolphin Rubbers Limited	Non-Executive Independent Director
Ms. Purni Katyal	Non-Executive Independent Director	6 of 6	Present	2	2	2	Acme Resources Limited	Non-Executive Independent Director
Ms. Jyoti Batra*	Non-Executive Independent Director	3 of 3	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Ms. Shruti Gupta#	Non-Executive Independent Director	6 of 6	Present	2	2	2	1. Checkpoint Trends Limited 2. Mercury Trade Links Limited 3. Superfine Knitters Limited	Non-Executive Independent Director

*Ms. Jyoti Batra has resigned w.e.f. 23.07.2024 from the Board of the Company as a Non- Executive Independent Director.

#Ms. Shruti Gupta was appointed as a Non- Executive Independent Director of the Company w.e.f. 23.07.2024.

Notes:

1. The number of directorships excludes directorship of Garg Furnace Limited, Private Companies, Foreign Companies and Companies incorporated under Section 8 of the Companies Act, 2013.

2. *Chairmanship/ Membership of Committee only includes Audit Committee and Stakeholders Relationship Committee as per Regulation 26 (1) (b) of the Listing Regulations in Indian Public Limited Companies other than Garg Furnace Limited.*
3. *Number of memberships in Committees are inclusive of Chairmanship.*
4. There are no inter-se relationships between the Board Members.

The number of Directorships and Committee positions held by the Directors are in conformity with the limits laid down in the Companies Act, 2013 and Listing Regulations, as on 31st March, 2025.

SHAREHOLDING DETAILS OF NON-EXECUTIVE DIRECTORS AS ON 31.03.2025:

Sr. No.	Name of the Director	Designation	No. of Equity Shares	% of shareholding
	NIL	NIL	NIL	NIL

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The Company on appointment of an Independent Director, issues a formal Letter of Appointment setting out the terms of appointment, duties and responsibilities. The Company in terms of Regulation 25(7) of Listing Regulations, has also put in place a system to familiarize the Independent Directors of their roles, rights, responsibilities, nature of industry in which the Company operates, business model of the Company and the ongoing events relating to the Company. It aims to provide the Independent Directors an insight into the Company's functioning and to help them to understand its business in depth, so as to enable them to contribute significantly during the deliberations at the Board and Committee meetings. The details of Familiarization Programme imparted to Independent Directors can also be accessed from www.gargfurnacelimited.com

CHART SETTING OUT THE CORE SKILLS/EXPERTISE/COMPETENCE OF THE BOARD OF DIRECTORS

Core skills/expertise/competencies identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively	Those actually available with the board	Name of the Directors who have such skills
1. Quick decision making	As per the Board, all these skills/expertise/competencies are available with the Board	Sh. Devinder Garg Smt. Vaneera Garg Sh. Toshak Garg Ms. Amandeep Kaur Ms. Purti Katyal Ms. Shruti Gupta
2. Understanding of Company's business		
3. Leadership Skills		
4. Understanding of relevant laws, rules, regulations and policies		
5. Corporate Governance		
6. Ability to understand Financial Statements		

7. Industry knowledge and experience		
8. Finance and Taxation		

CONFIRMATION FROM THE BOARD:

Pursuant to clause C(2) (i) of Schedule V read with Regulation 34(3) of Listing Regulations, in the opinion of the Board all the independent directors fulfill the conditions required for independent directors as specified in the Listing Regulations and are independent of the management.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

DETAILED REASONS FOR THE RESIGNATION OF AN INDEPENDENT DIRECTOR WHO RESIGNS BEFORE THE EXPIRY OF HIS TENURE ALONG WITH A CONFIRMATION BY SUCH DIRECTOR THAT THERE ARE NO OTHER MATERIAL REASONS OTHER THAN THOSE PROVIDED:

Ms. Jyoti Batra resigned as a Non- Executive Independent Director from the Board of the Company w.e.f. 23.07.2024 before expiry of her term of appointment during the Financial Year ended March 31st, 2025.

Further, she has confirmed that she has resigned from the Directorship of the Company due to her personal reasons and pre-occupancy. She has also confirmed that there is no other material reason other than those provided by her.

Notes:

- Based on the respective disclosures made by the Directors including Independent Directors, no Director of the Company holds the office of Director in more than seven (7) listed entities, and was not a member of the more than 10 (ten) Committees or acted as Chairperson of more than five (5) Committees, across all the companies in which he / she was a Director. The necessary disclosures regarding Committee positions have been made by the Directors.
- None of the Directors held Directorships in more than twenty (20) Indian companies including ten (10) public limited companies.
- None of the Independent Directors of the Company served as Independent Director in more than 7 listed companies.
- None of the Independent Directors is a Whole – Time Director in any other company.

- e. All Independent Directors of the Company have been appointed as per the provisions of the Companies Act, 2013.
- f. Formal letters of appointment have been issued to the Independent Directors.
- g. The meeting of the Independent Directors of the Company was held on 22.04.2024.

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL:

The Board of Directors of the Company has laid down a Code of Conduct for all the Board Members and Senior Management Personnel of the Company. The Code has been communicated to the Directors and the members of Senior Management. The said Code of Conduct is available at the link www.gargfurnacelimited.com. The Company has received confirmations from the Directors and Senior Management regarding compliance with the Code for the year ended 31st March, 2025. A declaration to this effect signed by Managing Director of the Company is annexed to this report.

COMMITTEES OF THE BOARD:

The Board of Directors has constituted various Committees of Board in accordance with the provisions of Companies Act, 2013 and the Listing Regulations to take informed decisions in the best interest of the Company. These Committees monitor the activities falling within their terms of reference. These Committees play an important role in overall management of day to day affairs and governance of the Company. Details on the role and composition of these committees, including the no. of meetings held during the financial year and attendance at meetings are provided below:

(A) Audit Committee:

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013, read with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee comprises of 3 (Three) members with the Chairman of the Committee being an Independent Director. The Audit Committee met on 5 (five) occasions viz. 30.05.2024, 23.07.2024, 07.09.2024, 14.11.2024 and 14.02.2025 to deliberate on various matters. Not more than 120 days lapsed between any two consecutive meetings of the Audit Committee during the year. The necessary quorum was present at all the Meetings. The Chairman of the Audit committee was present at the last Annual General Meeting of the Company for addressing shareholders queries.

The composition of the Audit Committee as on 31.03.2025 and particulars of meetings attended by the members during the financial year 2024-25 are given hereunder:

Sr. No.	Name of the Director	Position	Category	No. of Meetings attended
1.	Ms. Amandeep Kaur	Chairman	Non-Executive Independent	5
2.	Ms. Purti Katyal	Member	Non-Executive Independent	5
3.	Ms. Shruti Gupta#	Member	Non-Executive Independent	3
4.	Ms. Jyoti Batra*	Member	Non-Executive Independent	2

*Ms. Jyoti Batra has resigned w.e.f. 23.07.2024 from the Board of the Company as a Non-Executive Independent Director.

#Ms. Shruti Gupta was appointed as a Non- Executive Independent Director of the Company w.e.f. 23.07.2024.

The Company Secretary acts as the secretary to the Audit committee.

Ms. Amandeep kaur, the Chairman of the Audit Committee was present at the last Annual General Meeting held on 30.09.2024.

The members of the Audit Committee are financially literate and bring in expertise in field of finance, taxation etc. The terms of reference of the Audit Committee are in line with Regulation 18 of the Listing Regulations and Section 177 of the Companies Act, 2013 and rules made thereunder. The brief description of the terms of reference of the Committee is described below:

Power of the Audit Committee:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of the Audit Committee

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions; and

- g. Modified Opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the Board to take up steps in this matter;
 7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of the company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 14. Discussion with internal auditors of any significant findings and follow up there on;
 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
 16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 17. To look into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 18. To review the functioning of the Whistle Blower Policy / Vigil Mechanism;
 19. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
 20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
 21. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

22. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

In addition to the above, the following items will be reviewed by the Audit Committee:-

23. management discussion and analysis of financial condition and results of operations;
24. management letters / letters of internal control weaknesses issued by the statutory auditors;
25. internal audit reports relating to internal control weaknesses; and
26. the appointment, removal and terms of remuneration of the of the chief internal auditor shall be subject to review by the audit committee;
27. statement of deviations:
- (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to BSE/Stock exchange in terms of Regulation 32(1) of Listing Regulations.
- (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of Listing Regulations.

(B) Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of 3 (Three) members (all are Non-Executive Directors) and the Chairman of the Committee is an Independent Director. During the year under review, the Committee met 2 (Two) time on 23.07.2024 and 07.09.2024. The necessary quorum was present at the meeting. The Company Secretary acts as the secretary to the Committee. The Chairman of the Nomination and Remuneration committee was present at the last Annual General Meeting of the Company for addressing shareholders queries.

The composition of the Nomination and Remuneration Committee as on 31.03.2025 and particulars of meetings attended by the members are given below:

Sr. No.	Name of the Director	Position	Category	No. of Meetings attended
1.	Ms. Amandeep Kaur	Chairman	Non-Executive Independent	2
2.	Ms. Purti Katyal	Member	Non-Executive Independent	2
3.	Ms. Shruti Gupta#	Member	Non-Executive Independent	1
4.	Ms. Jyoti Batra*	Member	Non-Executive Independent	1

*Ms. Jyoti Batra has resigned w.e.f. 23.07.2024 from the Board of the Company as a Non- Executive Independent Director.

#Ms. Shruti Gupta was appointed as a Non- Executive Independent Director of the Company w.e.f. 23.07.2024.

Terms of Reference:

The terms of reference of the Nomination and Remuneration Committee are in line with Regulation 19 of the Listing Regulations and Section 178 of the Companies Act, 2013 and rules made thereunder.

The brief description of the terms of reference of the Committee is described below:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of an external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates.
- Formulation of criteria for evaluation of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- recommend to the board, all remuneration, in whatever form, payable to senior management.

Performance Evaluation:

In compliance with the requirements of the provisions of Section 178 of the Companies Act, 2013 and the listing regulations, the Company has devised a policy for performance evaluation of Independent Directors, Board, Committees and other Directors which includes criteria for performance evaluation of the non- executive directors. The evaluation of the Independent Directors was carried out by the Board excluding the director being evaluated and that of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The exercise was carried out through a structured evaluation process covering various aspects of the Board's functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. The performance was reviewed on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. The Directors express their satisfaction over the entire evaluation process.

(C) Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprises of 3 (Three) members and the Chairman of the Committee is Ms. Amandeep Kaur, Non-Executive Independent Director of the Company. During the year under review, Committee met on 1 (One) occasions viz. 06.01.2025 to deliberate on various matters. The necessary quorum was present at all the meetings.

The Committee looks into various queries / issues relating to shareholders/ non-receipt of dividend, Annual Report. Ms. Supreena Tagra, Company Secretary is the Compliance Officer of the Company. The Company Secretary acts as the secretary to the Committee. The Chairman of the Stakeholders Relationship committee was present at the last Annual General Meeting of the Company for addressing shareholders queries.

The table below highlights the composition and attendance of the Members of the Committee as on March 31, 2025:

Sr. No.	Name of the Director	Position	Category	No. of Meetings attended
1.	Ms. Amandeep Kaur	Chairman	Non-Executive Independent	1
2.	Ms. Purti Katyal	Member	Non-Executive Independent	1
3.	Ms. Shruti Gupta#	Member	Non-Executive Independent	1
4.	Ms. Jyoti Batra*	Member	Non-Executive Independent	-

*Ms. Jyoti Batra has resigned w.e.f. 23.07.2024 from the Board of the Company as a Non- Executive Independent Director.

#Ms. Shruti Gupta was appointed as a Non- Executive Independent Director of the Company w.e.f. 23.07.2024.

Terms of Reference

The Stakeholders Relationship Committee shall be responsible for, among other things, as may be required by the stock exchanges from time to time, the following:

- Resolving the grievances of the security holders of the Company, including complaints in respect of transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

(D) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee comprises of 3 (Three) members and the Chairman of the Committee is Ms. Amandeep Kaur, Non-Executive Independent Director of the Company. During the year under review, Committee met on 1 (One) occasions viz. 06.01.2025 to deliberate on various matters. The necessary quorum was present at all the meetings.

The Committee looks into various queries / issues relating to CSR spent/ uspent amount, ongoing projects and CSR activities. Ms. Supreena Tagra, Company Secretary is the Compliance Officer of the Company. The Company Secretary acts as the secretary to the Committee. The Chairman of the Stakeholders Relationship committee was present at the last Annual General Meeting of the Company for addressing shareholders queries.

The table below highlights the composition and attendance of the Members of the Committee as on March 31, 2025:

Sr. No.	Name of the Director	Position	Category	No. of Meetings attended
1.	Ms. Amandeep Kaur	Chairman	Non-Executive Independent	1
2.	Ms. Purti Katyal	Member	Non-Executive Independent	1
3.	Ms. Shruti Gupta#	Member	Non-Executive Independent	1
4.	Ms. Jyoti Batra*	Member	Non-Executive Independent	-

*Ms. Jyoti Batra has resigned w.e.f. 23.07.2024 from the Board of the Company as a Non- Executive Independent Director.

#Ms. Shruti Gupta was appointed as a Non- Executive Independent Director of the Company w.e.f. 23.07.2024.

Details of Shareholder's complaints Received, Solved and Pending:

Particulars	No. of Complaints	Particulars	No. of Complaints
Pending as on 01-04-2024	0	Resolved during the year	0
Received during the year	0	Pending as on 31-03-2025	0

No complaints remained unattended/ pending for more than thirty days. The Company has no share transfers/ transmission pending as on March 31, 2025. Further, no shareholders complaint/ grievance were received under 'SCORES' during the Financial Year 2024-2025.

SENIOR MANAGEMENT:

Particulars of senior management including the changes therein since the close of the previous financial year.

Sr. No.	Name	Designation	PAN	Date of Appointment	Changes
1.	Sh. Devinder Garg	Managing Director	AAQPG7293R	01/08/2015	No changes since the close of the previous financial year
2.	Smt. Vaneera Garg	Wholetime Director	ACBPG7170L	14/11/2015	
3.	Sh. Toshak Garg	Managing Director	AQRPG5512C	14/08/2023	

4.	Ms. Supreena Tagra	Company Secretary and Compliance Officer	BDHPT9401P	15/07/2022	
5.	Mr. Gurmeet Singh Battu	Chief Financial Officer	AJMPB6645F	25/01/2016	

SEPARATE MEETING OF INDEPENDENT DIRECTORS

The meeting of Independent Directors was held on 22.04.2024 inter alia:

- To review the performance of Non-Independent directors and the Board as a whole;
- To review the performance of the Chairperson of the Company, and;
- To 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.

REMUNERATION OF DIRECTORS:

Directors with Pecuniary Relationship or Business Transaction with the Company:

The Board comprises with Non-Executive Directors and Executive Directors, they have not been paid any sitting fees to any of the directors of the Company.

Details of Remuneration paid during the Financial Year ended March 31, 2025 is as follows:

(Amount in Rs.)

Sr. No.	Name of the Director	Remuneration	Total
1.	Sh. Devinder Garg	1200000	1200000
2.	Smt. Vaneera Garg	1200000	1200000
3.	Sh. Toshak Garg	1500000	1500000
4.	Ms. Amandeep Kaur	-	-
5.	Ms. Purti Katyal	-	-
6.	Ms. Jyoti Batra*	-	-
7.	Ms. Shruti Gupta#	-	-

CRITERIA FOR MAKING PAYMENTS TO DIRECTORS AND KEY MANAGERIAL PERSONNEL:

As per the Nomination & Remuneration Policy of the Company, the Board, on the recommendation of the Nomination and Remuneration Committee, reviews and approves the remuneration payable to the Key Managerial Personnel and Executive Directors. The Board and the Committee considers the provisions of the Companies Act, 2013 and approving the remuneration of the Key Managerial Personnel and Executive Directors.

The remuneration, as the case may be paid to the Executive Directors, shall be in accordance with the provisions of the Act and the Rules made there under for the time being in force or as may be decided by the Committee / Board / Shareholders.

Note:

There are no stock options, pension, bonuses, benefits, service contracts, severance fees, fixed component and performance linked incentives along-with the performance criteria to the Directors.

GENERAL BODY MEETINGS:

1. The details of the last three Annual General Meeting(s) of the Company are given as follows:

Year	Day and Date	Time	Venue	No. of Special Resolutions
2023-2024	Monday, 30 th September, 2024	01:00 P.M.	Registered Office of the Company situated at Kanganwal Road V.P.O. Jugiana G T. Road, Ludhiana- 141120	8
2022-2023	Friday, 22 nd December, 2023	01:00 P.M.	Registered Office of the Company situated at Kanganwal Road V.P.O. Jugiana G T. Road, Ludhiana- 141120	8
2021-2022	Friday, 30 th September, 2022	10:30 A.M.	Registered Office of the Company situated at Premises Kanganwal Road V.P.O. Jugiana G T. Road, Ludhiana- 141120	0

2. **POSTAL BALLOT/ EXTRA-ORDINARY GENERAL MEETING**

The Company has not conducted any Postal Ballot Exercise and Extra-Ordinary General Meeting during the Financial Year ended March 31, 2025 and no Special Resolution is proposed to be conducted through Postal Ballot.

MEANS OF COMMUNICATION:

- a) Prior intimation of the Board Meeting to consider and approve the Unaudited/ Audited Financial Results of the Company is submitted to the Bombay Stock Exchange [“BSE” / “Stock exchange”] and also disseminated on the website of the Company.
- b) The Quarterly/ Half Yearly / Annual Financial Results of the Company are published generally through Financial Express (English Newspaper), Desh Sewak (Punjabi Newspaper) and are also posted on the Company’s website i.e. www.gargfurnacelimited.com

- c) The Company's website i.e. www.gargfurnacelimited.com also contains an exclusive section on '**Investors**' which enables them to access information such as Quarterly / Half Yearly / Annual Financial Statements, Corporate Governance, Shareholding Patterns.
- d) Whether it also displays official news releases- Not Applicable
- e) SEBI Complaints Redress System ("SCORES") is a web based complaint redress system. Action Taken Reports (ATRs) on the investor complaint(s) are uploaded on the SCORES for online viewing by investors of actions taken on the complaint by the Company and its current status.
- f) Presentations made to institutional investors or to the analysts: No presentations have been made to institutional investors or to the analysts during the year under review.

GENERAL SHAREHOLDER INFORMATION

Day & Date of 52nd Annual General Meeting	Monday, 15th Day of September, 2025
Financial Year	2024-2025
Time	At 11:00 A.M.
Venue	Registered Office of the Company situated at Kanganwal Road V.P.O. Jugiana G T. Road, Ludhiana- 141120
Date of Book Closure	September 09, 2025 to September 15, 2025 (both days inclusive)
Listing on Stock Exchanges	The Equity Shares of the Company are listed on the following Stock Exchange:- BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.
ISIN	INE194E01015
Dividend Payment Date	Not Applicable

Listing Fee / Annual Custody Fee:

The Annual Listing Fee has been paid to BSE for the financial year 2025-2026. The Company has also made the payment of Annual Custody fee to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for the financial year 2025-2026.

In case the securities are suspended from trading, the directors report shall explain the reason thereof: Not Applicable

Registrar & Share Transfer Agent:

SKYLINE FINANCIAL SERVICES PRIVATE LIMITED

UNIT: Garg Furnace Limited

D-153 A, 1st Floor, Okhla Industrial, Area,

Phase-I, New Delhi-110020.

Tel: 011- 64732681-88

Web: www.skylinerta.com

Share Transfer System:

Stakeholders Relationship Committee has been constituted to approve all the transfers, transmission, Demat/ remat of shares etc. and all the share transfer/transmission/transposition/dematerialization/ re-materialization are handled by our Registrar and Transfer Agents i.e. Skyline Financial Services Pvt. Ltd. During the year under review, requests received, if any for transfer/ transmission/ dematerialization/ re-materialization of shares etc. has been duly completed as per the prescribed provisions and regulations of the SEBI (LODR), Regulations, 2015 along with circulars issued thereunder.

Distribution of Shareholding as on March 31, 2025:

S. No.	Distribution of No. of Shares	No. of Shareholders	% age of No. of Shareholders	No. of Shares held	% age of shares held
1	1-500	2749	85.77	319728	6.94
2	501-1000	214	6.68	175940	3.82
3	1001-2000	102	3.18	150341	3.26
4	2001-3000	38	1.19	96919	2.10
5	3001-4000	20	0.62	71028	1.54
6	4001-5000	14	0.44	65313	1.42
7	5001-10000	33	1.03	251092	5.45
8	10001 to above	35	1.09	3878339	75.47
	Total	3205	100.00	5008700	100.00

Commodity price risk or foreign exchange risk and hedging activities: NIL

Shareholding pattern as on 31.03.2025:

Category	No. of Shares	% age
Promoters & Promoters Group	2674901	53.41
Bodies Corporate, Mutual Fund, Public and Others	2333799	46.59

Dematerialization of Equity Shares and Liquidity:

As on March 31, 2025, 89.26% of the total equity share capital of the Company (4470785 Equity Shares) were held in de-materialised form. The Company has entered into agreements with National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for de-materialization of shares through Skyline Financial Services Pvt. Ltd., Registrar & Transfer Agent (RTA) of the Company.

Secretarial Compliance Report

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 read with Regulation 24(A) of the Listing Regulations, directed listed entities to conduct Annual Secretarial compliance audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued there under. The said Secretarial Compliance report is in addition to the Secretarial Audit Report by Practicing Company Secretaries under Form MR- 3 and is required to be submitted to Stock Exchanges within 60 days of the end of the financial year.

Reconciliation of Share Capital Audit:

As stipulated by SEBI under Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018, a Company Secretary in whole time practice carries out Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchange where the Company's Shares are listed. The audit confirms that the total Listed and Paid-up capital is in agreement with the aggregate of the total number of shares in de-materialized form (held with NSDL and CDSL) and total number of shares in physical form.

Outstanding GDR/ADR/Warrants or any convertible instruments, conversion instruments, conversion date and impact on equity:

18,00,000 (Eighteen Lakh) warrants of face value of Rs. 10/- (Rupees Ten only) each and an issue price of Rs. 195/- (Rupees One Hundred and Ninety-Five only) each, including premium of Rs. 185/- each is outstanding as on 31.03.2025.

Plant Locations: NIL

Disclosure of Commodity price risk and commodity hedging activities: Not Applicable

Address for Correspondence:

Company	Registrar and Share Transfer Agent (RTA)
The Company Secretary Garg Furnace Limited Kanganwal Road, V.P.O. Jugiana, G.T. Road, Ludhiana-141120 Website: www.gargfurnace@yahoo.com Ph. No. 0161-2512285	M/s Skyline Financial Services Pvt. Ltd, D-153 A, 1st Floor, Okhla Industrial, Area, Phase-I, New Delhi-110020. Tel: 011- 64732681-88 Web: www.skylinerta.com

For any assistance regarding Share Transfer(s), Transmission(s), Change of Address, issue of Duplicates/ Lost share certificate(s)/De-materialisation/ Re-materialisation of Share(s) and other relevant matters please write to the Registrar and Transfer Agent (RTA) of the Company.

Further, Members are required to note that, in respect of shares held in de-materialized form, they will have to correspond with their respective Depository Participants (DPs) for any change related to Address, Bank details or any other related matter.

List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India

or abroad: On July 31, 2024 from CIRISIL Ratings Limited received CIRISIL BBB-/Stable (Assigned) link for the same is [Rating Rationale](#).

OTHER DISCLOSURES

- Disclosures on materially significant related party transactions that may have potential conflict with the interests of Company at large:**

As on March 31, 2025, Related Party Transactions was entered into with Group Companies and with related parties as per given at Note No. 38 to the Financial Statements of the Company. All the related party transactions were in the ordinary course of business and on Arm's length basis and are not in conflict with the interest of the Company.

- Details of non-compliance by the company, penalties and strictures imposed on the company by Stock Exchange, SEBI or any statutory authority, on any matter related to capital markets, during the last three years.**

The Company had received notices for non-compliances of regulations of SEBI (LODR), Regulations, 2015 during the last three years details of the same is given below:

Regulations	Quarter/Month	Date of Notice (Review letter)	Due Date	Date of Submission	Whether first /subsequent and consecutive non-compliance	Total Fine levied (incl.GST@18%)	Fine Outstanding
SOP-Reg-29(2) 29(3)	Aug-21	14-Sep-21	-	-	First	11800	11800
SOP-Reg-18(1)	Mar-22	20-May-22	-	-	First	212400	212400
SOP-Reg- 24A	Mar-22	29-Jun-22	30-May-22	Not Submitted	First	70800	70800
SOP-Reg-31	Jun-22	16-Aug-22	21-07-2022	29-07-2022	First	18880	18880
SOP-Reg-17(1)	Mar-23	22-05-2023	21-04-2023			442500	442500
SOP-Reg-19(1)/19(2)	Mar-23	22-05-2023	21-04-2023			177000	177000

Further, the Company has paid the penalty after settlement and waive off aggregate Amount Rs. 638701/- (including GST of Rs. 97333/-) on 19.10.2023

Further, the Company has complied with all requirements specified under the Listing Regulations as well as other regulations and SEBI guidelines.

- Vigil Mechanism / Whistle Blower Policy**

Pursuant to Section 177(9) & (10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy / Vigil Mechanism for Directors and employees to report to the management about the unethical behaviour, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the

personnel of the Company has been denied access to the Audit Committee. Further the Audit Committee reviews and ensures the adequacy of the system laid down by the Company for the said purpose and no concern was reported during the Financial Year ended 31.03.2025. The said policy is also posted on the website of the Company and the web link for the same is www.gargfurnacelimited.com

- **Weblink where policy for determining 'material' subsidiaries is disclosed:**
As on March 31, 2025, your Company does not have any Subsidiary.
- **Web link where policy on dealing with related party transactions:**
Your Company has also framed a Policy on Related Party Transactions for purpose of identification and monitoring of such transactions in line with the requirements of the Companies Act, 2013 and Listing Regulations, which can also be accessed from the Company's website at www.gargfurnacelimited.com
- **Other Policies:**
Your Company has also framed the Policies (i) the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and (ii) the Code of Conduct as required under SEBI (Prohibition of Insider Trading) Regulations, 2015 (iii) Policy on inquiry in case of leak of unpublished price sensitive information (UPSI) and the same is available on the website of Company at www.gargfurnacelimited.com
- **Secretarial Compliance Report:**
SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 read with Regulation 24(A) of the Listing Regulations, directed listed entities to conduct Annual Secretarial compliance audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued thereunder. The said Secretarial Compliance report is in addition to the Secretarial Audit Report by Practicing Company Secretaries under Form MR-3 and is required to be submitted to Stock Exchanges within 60 days of the end of Financial year.
- **Certificate from Practicing Company Secretary**
Certificate as required under Part C of Schedule V of Listing Regulations, received from Smt. Pooja Damir Miglani of M/s. PDM & Associates (C.P. 25003), Practicing Company Secretary, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority was placed before the Board of Directors at their meeting held on 14.08.2025.
- **Disclosure of Commodity price risk and commodity hedging activities:** Not Applicable
- **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):** Funds utilised for making Vaneera Industries Limited a 51% Subsidiary of Garg Furnace Limited.
- **Recommendations of any committee** In the financial year 2024-2025, the Board has accepted all the recommendations of all its committee.
- **Fees paid to Statutory Auditors:** During the year under review, company paid Audit fees of Rs. 4,50,000/- per annum inclusive of certification charges and out of pocket expensive to Statutory Auditors.
- **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention,**

Prohibition and Redressal) Act, 2013:

The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace. The details relating to the number of complaints received and disposed of during the financial year 2024-2025 are as under:

- a. number of complaints filed during the financial year: NIL
- b. number of complaints disposed of during the financial year: NIL
- c. number of complaints pending as on end of the financial year: NIL

- **Compliance of the provisions relating to the Maternity Benefit Act 1961:**

During the year under review, the Company has complied with the provisions relating to the Maternity Benefit Act 1961.

- **Disclosure by listed entity and its subsidiaries of Loans and advances in the nature of loans to firms/companies in which directors are interested by the name and amount:** Not applicable.
- **Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:** NIL

- **Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed:**

The Company has complied with all the requirements of Corporate Governance Report from sub-paras(2) to (10) of Part C of Schedule V of SEBI (LODR), Regulations, 2015.

- **Details of Compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause.**

As on March 31, 2025, the Company has fully complied with the mandatory requirements as stipulated under Listing Regulations. The status of compliance with discretionary recommendations and adoption of the non-mandatory requirements as specified in Regulation 27(1) of the Listing Regulations is being reviewed by the Board.

- **Discretionary Requirements**

The extent to which the discretionary requirements as specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, have been adopted:

The Board

The requirement relating to maintenance of office and reimbursement of expenses of Non-Executive Chairman is not applicable to the Company since the Chairman of the Company is an Executive Director.

Shareholders rights

The Company has not adopted the practice of sending out half-yearly declaration of financial performance to shareholders. Quarterly results as approved by the Board are disseminated to BSE/Stock Exchange and updated on the website of the Company.

Modified opinion(s) in audit report

There is no modified opinion in the audit report

Reporting of Internal Auditor

In accordance with the provisions of Section 138 of the Act, the Company has appointed an Internal Auditor who reports to the Audit Committee. Internal audit

reports submitted on quarterly basis are reviewed by the Audit Committee and suggestion / directions, if any, are given for necessary action.

• **Disclosure of Compliance with Corporate Governance Requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of Regulation 46(2) of Listing Regulations:**

Pursuant to Schedule V of Listing Regulations, the Company hereby confirms that it has complied with the corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) inter-alia covering the following subject matter/heads:

- Board of Directors
- Maximum number of directorships
- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Risk Management Committee – Not Applicable
- Vigil Mechanism
- Related Party Transactions
- Corporate governance requirements with respect to subsidiary of Company - Not Applicable
- Secretarial Audit and Secretarial Compliance Report
- Obligations with respect to Independent Directors
- Obligations with respect to Directors and senior management
- Other Corporate governance requirements as stipulated under the Regulations
- Dissemination of various information on the website of the Company w.r.t clauses (b) to (i) of Regulation 46(2).

Disclosures with respect to demat suspense account/ unclaimed suspense account

(1) The listed entity shall disclose the following details in its annual report, as long as there are shares in the demat suspense account or unclaimed suspense account, as applicable:

- (a) aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year; NIL
- (b) number of shareholders who approached listed entity for transfer of shares from suspense account during the year; NIL
- (c) number of shareholders to whom shares were transferred from suspense account during the year; NIL
- (d) aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year; NIL
- (e) that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares; Not Applicable

- **Disclosure of certain types of agreements binding listed entities (1) Information disclosed under clause 5A of paragraph A of Part A of Schedule III of these regulations:** During the year under review, the company has not entered into any such kind of agreements.

For Garg Furnace Limited

Date: 14.08.2025

Place: Ludhiana

For and on the behalf of Board of Directors

(Devinder Garg)

Chairman and Managing Director

DIN: 01665456

DECLARATION REGARDING COMPLIANCE WITH CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

I hereby declare that all the Members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management for the year ended 31st March 2025.

For Garg Furnace Limited

Place: Ludhiana
Date: 30.05.2025

Devinder Garg
Chairman and Managing Director

CEO/CFO CERTIFICATION

We the undersigned hereby certify that:

A. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2025 and that to the best of their knowledge and belief:

(1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year ended 31st March, 2025 which are fraudulent, illegal or violative of the listed entity's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity 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 we have taken or propose to take to rectify these deficiencies.

D. We have confirmed that there were no:

- (1) significant changes in internal control over financial reporting during the year;
- (2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- (3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant

Place: Ludhiana
Date: 30.05.2025

For Garg Furnace Limited

Devinder Garg
Chairman and Managing Director

Gurmeet Singh Battu
Chief Financial Officer

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members
Garg Furnace Limited
(CIN: L99999PB1973PLC003385)

1. We have been approached by Garg Furnace Limited ("Company") to examine the compliance with the conditions of Corporate Governance by the Company, as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), as amended from time to time, for the financial year ended on 31st March, 2025.

2. Management's Responsibility

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. The management shall devise adequate systems, internal controls and processes to monitor and ensure the same.

3. Our Responsibility

Our responsibility is limited to conduct an examination of the systems, internal controls and processes adopted by the Company and implementation thereof to monitor and ensure with the conditions of Corporate Governance and report thereon.

4. Opinion

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on 31st March 2025.

5. Disclaimer

5.1 We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

5.2 The report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For PDM & Associates
(Company Secretaries)**

**Pooja Damir Miglani
(FCS No. 25988)
(C. P No. 25003)**

**Place: Ludhiana
Date: 14.08.2025
UDIN: A025988G001018562
Peer Review Certificate No: 6237/2024**

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of

Garg Furnace Limited

Kanganwal Road, V.P.O. Jugiana, G.T. Road, Ludhiana-141120, Punjab

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Garg Furnace Limited having CIN: L99999PB1973PLC003385 and having registered office at Kanganwal Road, V.P.O. Jugiana, G.T. Road, Ludhiana-141120, Punjab (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me/us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Sh. Devinder Garg	01665456	01.08.2015
2.	Smt. Vaneera Garg	01283990	14.11.2015
3.	Sh. Toshak Garg	03503511	14.08.2023
4.	Mrs. Amandeep Kaur	07728094	31.03.2023
5.	Mrs. Jyoti Batra*	10009491	27.04.2023
6.	Mrs. Shruti Gupta#	10310259	23.07.2024
7.	Mrs. Purti Katyal	09251560	14.08.2023

*Mrs. Jyoti Batra (DIN: 10009491) has resigned as Independent Director w.e.f. 23 July 2024 on the Board of the Company.

#Mrs. Shruti Gupta (DIN: 10310259) appointed as an Independent Director of the Company for a period of five years w.e.f. 23rd July, 2024 and Shareholders had approved her appointed in 51st Annual General Meeting of the Company.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on the basis of our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For PDM & Associates
(Company Secretaries)**

**Pooja Damir Miglani
(FCS No. 25988)
(C. P No. 25003)**

Place: Ludhiana

Date: 14.08.2025

UDIN: A025988G001018540

Peer Review Certificate No: 6237/2024

Form No. MGT - 11 PROXY FORM

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

GARG FURNACE LIMITED CIN: L99999PB1973PLC003385
Regd. 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: DPID:

I/We, being the member(s) of GARG FURNACE LIMITED holding 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 52nd Annual General Meeting of the Company, to be held on Monday, 15th day of September, 2025 at 11:00 A.M. and at any adjournment thereof in respect of such resolutions to be proposed at such 49th Annual General Meeting

Signed this day of 2025

Signature of Shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp

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

GARG FURNACE LIMITED CIN: L99999PB1973PLC003385
 Regd.office: Kanganwal Road, V.P.O.Jugiana,G.T.Road, Ludhiana-141120
 Phone-+91-2512285, 8437004842
 Email_ gargfurnace@yahoo.com Web: www.gargfurnacelimited.com

ATTENDANCE SLIP
52nd ANNUAL GENERAL MEETING ON 15th DAY OF SEPTEMBER, 2025

DP ID- Client ID/ Folio No :	
Name & Address of Sole Member:	
No. of Shares held:	

I certify that I am a member/ proxy of the Company.

I hereby record my presence at the 52nd Annual General Meeting of the Company, to be held on Monday, 15th Day of September, 2025 at 11:00 A.M. at Registered Office of the Company.

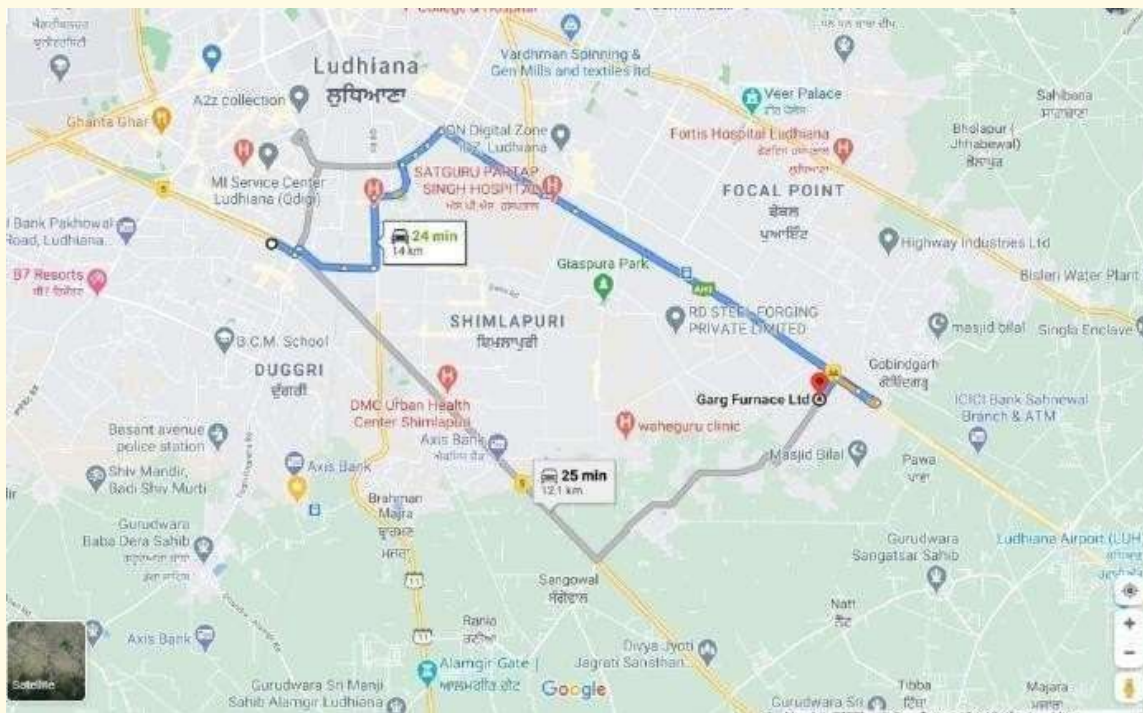
Member/ Proxy Signature

ELECTRONIC VOTING PARTICULARS

EVSN	User ID	Password/Pin
(Electronic Voting Sequence Number)		(Pan/Seq.No.)

Note: Please read the complete instructions given under the Notes (The instructions for shareholders voting electronically) to the Notice of 52ND Annual General Meeting. The voting time starts from **Friday, 12th September, 2025 (9.00AM IST) and ends on Sunday, 14th September, 2025 (5.00PM IST)**. The voting module shall be disabled by CDSL for voting thereafter.

VENUE OF AGM



If undelivered please return to:

GARG FURNACE LIMITED

Regd. Office : Kanganwal Road, V.P.O. Jugiana,

G.T. Road, Ludhiana-141-120