

**26TH
Annual Report
1998-99**

GARG FURNACE LIMITED

GARG FURNACE LIMITED

MANAGEMENT

BOARD OF DIRECTORS

CHAIRMAN

Mr. J.C. Garg

MANAGING DIRECTOR

Mr. Sanjiv Garg

DIRECTORS

Mr. Davinder Garg
Mr. Rajiv Garg
Mr. R. D. Khanna
Mr. Ashwani Kumar

AUDITORS

M/s. Dass Khanna & Co.
B-XXX,711, 1st Floor,
Gurdev Nagar, Pakhowal Road.
Ludhiana - 141 001

BANKERS

Punjab & Sind Bank
Saban Bazar Ludhiana

REGISTERED OFFICE & WORKS

Kanganwal Road,
Near Octroi Post Ambala Side
V.P.O Jugiana. G.T. Road,
Ludhiana - 141 120.



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GARG FURNACE LIMITED

NOTICE

Notice is hereby given that 26th Annual General Meeting of the members of the Company will be held on Thursday, the 30th day of September, 1999 at 9.30 A.M. at B-XXIX-2252/1, Kanganwal Road, V.P.O. Jugiana, G. T. Road, Ludhiana to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 1999 and Profit and Loss Account for the year ended on that date, together with the reports of Directors and Auditors thereon.
2. To appoint a director in place of Sh. Jagdish Chand Garg who retires by rotation and being eligible offer himself for reappointment.
3. To appoint a director in place of Sh. Davinder Garg who retires by rotation and being eligible offer himself for reappointment.
4. To appoint auditors and to fix their remuneration, M/s Dass Khanna & Co., Chartered Accountants who retire on the conclusion of the meeting, being eligible offer themselves for reappointment.

SPECIAL BUSINESS

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

RESOLVED THAT in accordance with the provisions of Section 198, 269, 309, 311, Schedule XIII and other applicable provisions if any of the Company's Act, 1956 and subject to the consent of Share Holders at the General Meeting Sh. Jagdish Chand Garg be and is hereby re-appointed as Chairman-cum-Managing Director of the Company for a period of 5 years w.e.f. 01.09.1999 on the following terms and conditions as under :

- i) Salary : Rs. 8000/- per month (Rupees Eight Thousand only).
- ii) Commission : Nil
- iii) Perquisites : The following Perquisites will be allowed in addition to Salary subject to a maximum of Rs. 50,000/- per annum.
 - a) House Rent allowance @ 25% of Salary.
 - b) Expenditure incurred/re-imbursed by Company on Gas, Electricity, Water & Furnishing will be subject to a ceiling of 10% of the Salary.
 - c) Medical re-imburement for self and the family subject to a ceiling of one month's Salary in a year or three months' Salary over a period of three years.
 - d) Leave Travel Concession for self, wife, dependent children and dependent parents once in a year to and from any place in India, subject to the condition that only actual fare and no hotel expenses will be allowed.
 - e) Club Fees : Subject to a maximum of two clubs, admission and life membership will also be allowed.
 - f) Personal accident insurance : Premium not to exceed Rs. 5000/- per annum.
 - g) Gratuity payment shall not exceed half a month's salary for each completed year subject to a ceiling of Rs. 250000/-

NOTE :

1. No sitting fees will be paid for attending the Meeting of Board of Director's or Committee thereof.
2. In case of absence or inadequacy of profits in any financial year during the remaining period of his

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tenure, minimum remuneration as per Section-II of Part-II of Schedule XIII will be paid.

3. Use of car for company's business and telephone at residence for Company's business will be provided and personal long distance call and use of car for private purpose shall be billed by the Company to Chairman-cum-Managing Director.
6. To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution** :

RESOLVED THAT in accordance with the provisions of Section 198, 269, 309, 311, Schedule XIII and other applicable provisions if any of the Company's Act, 1956 and subject to the consent of Share Holders at the General Meeting Sh. Sanjiv Garg be and is hereby re-appointed as Managing Director of the Company for a period of 5 years w.e.f. 01.09.1999 on the following terms and conditions as under :

- i) Salary : Rs. 8000/- per month (Rupees Eight Thousand only).
- ii) Commission : Nil
- iii) Perquisites : The following Perquisites will be allowed in addition to Salary subject to a maximum of Rs. 50,000/- per annum.
 - a) House Rent allowance @ 25% of Salary.
 - b) Expenditure incurred/re-imbursed by Company on Gas, Electricity, Water & Furnishing will be subject to a ceiling of 10% of the Salary.
 - c) Medical re-imburement for self and the family subject to a ceiling of one month's Salary in a year or three months' Salary over a period of three years.
 - d) Leave Travel Concession for self, wife, dependent children and dependent parents once in a year to and from any place in India, subject to the condition that only actual fare and no hotel expenses will be allowed.
 - e) Club Fees : Subject to a maximum of two clubs, admission and life membership will also be allowed.
 - f) Personal accident insurance : Premium not to exceed Rs. 5000/- per annum.
 - g) Gratuity payment shall not exceed half a month's salary for each completed year subject to a ceiling of Rs. 250000/-

NOTE :

1. No sitting fees will be paid for attending the Meeting of Board of Director's or Committee thereof.
2. In case of absence or inadequacy of profits in any financial year during the remaining period of his tenure, minimum remuneration as per Section-II of Part-II of Schedule XIII will be paid.
3. Use of car for company's business and telephone at residence for Company's business will be provided and personal long distance call and use of car for private purpose shall be billed by the Company to Managing Director.
7. To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution** :

RESOLVED THAT in accordance with the provisions of Section 198, 269, 309, 311, Schedule XIII and other applicable provisions if any of the Company's Act, 1956 and subject to the consent of Share Holders at the General Meeting Sh. Davinder Garg be and is hereby re-appointed as Whole Time Director of the Company for a period of 5 years w.e.f. 01.09.1999 on the following terms and conditions as under :

- i) Salary : Rs. 8000/- per month (Rupees Eight Thousand only).

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ii) Commission : Nil

iii) Perquisites : The following Perquisites will be allowed in addition to Salary subject to a maximum of Rs. 50,000/- per annum.

- a) House Rent allowance @ 25% of Salary.
- b) Expenditure incurred/re-imbursed by Company on Gas, Electricity, Water & Furnishing will be subject to a ceiling of 10% of the Salary.
- c) Medical re-imbursement for self and the family subject to a ceiling of one month's Salary in a year or three months' Salary over a period of three years.
- d) Leave Travel Concession for self, wife, dependent children and dependent parents once in a year to and from any place in India, subject to the condition that only actual fare and no hotel expenses will be allowed.
- e) Club Fees : Subject to a maximum of two clubs, admission and life membership will also be allowed.
- f) Personal accident insurance : Premium not to exceed Rs. 5000/- per annum.
- g) Gratuity payment shall not exceed half a month's salary for each completed year subject to a ceiling of Rs. 250000/-

NOTE :

1. No sitting fees will be paid for attending the Meeting of Board of Director's or Committee thereof.
2. In case of absence or inadequacy of profits in any financial year during the remaining period of his tenure, minimum remuneration as per Section-II of Part-II of Schedule XIII will be paid.
3. Use of car for company's business and telephone at residence for Company's business will be provided and personal long distance call and use of car for private purpose shall be billed by the Company to Whole Time Director.
8. To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution** :

RESOLVED THAT in accordance with the provisions of Section 198, 269, 309, 311, Schedule XIII and other applicable provisions if any of the Company's Act, 1956 and subject to the consent of Share Holders at the General Meeting Sh. Rajiv Garg be and is hereby re-appointed as Whole Time Director of the Company for a period of 5 years w.e.f. 01.09.1999 on the following terms and conditions as under :

- i) Salary : Rs. 8000/- per month (Rupees Eight Thousand only).
- ii) Commission : Nil
- iii) Perquisites : The following Perquisites will be allowed in addition to Salary subject to a maximum of Rs. 50,000/- per annum.
 - a) House Rent allowance @ 25% of Salary.
 - b) Expenditure incurred/re-imbursed by Company on Gas, Electricity, Water & Furnishing will be subject to a ceiling of 10% of the Salary.
 - c) Medical re-imbursement for self and the family subject to a ceiling of one month's Salary in a year or three months' Salary over a period of three years.
 - d) Leave Travel Concession for self, wife, dependent children and dependent parents once in a year to and from any place in India, subject to the condition that only actual fare and no hotel expenses will be allowed.
 - e) Club Fees : Subject to a maximum of two clubs, admission and life membership

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will also be allowed.

- f) Personal accident insurance : Premium not to exceed Rs. 5000/- per annum.
- g) Gratuity payment shall not exceed half a month's salary for each completed year subject to a ceiling of Rs. 250000/-

NOTE :

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

For and on behalf of Board

Place : Ludhiana
Dated : 25th August, 1999

J. C. Garg
Chairman

NOTES :

- 1. The relative explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business under item No.5, 6, 7 & 8 is annexed hereto and forms part of the Notice.
- 2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. IN ORDER THE PROXIES ARE EFFECTIVE IT SHOULD BE DEPOSITED WITH THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN FORTY EIGHT HOURS BEFORE THE TIME OF THE MEETING.
- 3. Members seeking any information with regard to Annual Accounts at the time of meeting are requested to send their queries to the Company at least 7 days before the date of meeting so as to enable the management to keep the relevant information ready.
- 4. Members are requested to bring the copy of Annual Report alongwith them at the meeting.
- 5. **MEMBERS MAY PLEASE NOTE THAT NO GIFTS/COUPONS SHALL BE DISTRIBUTED AT THE ANNUAL GENERAL MEETING OF THE COMPANY.**

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EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 173(2) OF THE COMPANIES ACT, 1956.**ITEM NO. 5**

The present tenure of appointment of Sh. Jagdish Chand Garg, Chairman-cum-Managing Director of the Company expires on 31.08.1999. During his tenure the Company has recorded a sustained growth. The Board of Directors in their meeting held on 25th day of August, 1999 has decided to re-appoint Sh. Jagdish Chand Garg as Chairman-cum-Managing Director of the Company for a further period of 5 years w.e.f. 01.09.1999 at a remuneration & other terms & conditions mentioned in the resolution under item no. 5 of this Notice. The Directors are of opinion that re-appointment of Sh. Jagdish Chand Garg will be in the best interest of the Company & therefore recommend this resolution for your consideration and approval.

None of the directors of the Company accept Sh. Jagdish Chand Garg, the appointee & Sh. Davinder Garg being his relative is interested in this resolution.

ITEM NO. 6

The present tenure of appointment of Sh. Sanjiv Garg, Managing Director of the Company expires on 31.08.1999. During his tenure the Company has recorded a sustained growth. The Board of Directors in their meeting held on 25th day of August, 1999 has decided to re-appoint Sh. Sanjiv Garg as Managing Director of the Company for a further period of 5 years w.e.f. 01.09.1999 at a remuneration & other terms & conditions mentioned in the resolution under item no. 6 of this Notice. The Directors are of opinion that re-appointment of Sh. Sanjiv Garg will be in the best interest of the Company & therefore recommend this resolution for your consideration and approval.

None of the directors of the Company accept Sh. Sanjiv Garg, the appointee & Sh. Rajiv Garg being his relative is interested in this resolution.

ITEM NO. 7

The present tenure of appointment of Sh. Davinder Garg, Whole Time Director of the Company expires on 31.08.1999. During his tenure the Company has recorded a sustained growth. The Board of Directors in their meeting held on 25th day of August, 1999 has decided to re-appoint Sh. Davinder Garg as Whole Time Director of the Company for a further period of 5 years w.e.f. 01.09.1999 at a remuneration & other terms & conditions mentioned in the resolution under item no. 7 of this Notice. The Directors are of opinion that re-appointment of Sh. Davinder Garg will be in the best interest of the Company & therefore recommend this resolution for your consideration and approval.

None of the directors of the Company accept Sh. Davinder Garg, the appointee & Sh. Jagdish Chand Garg being his relative is interested in this resolution.

ITEM NO. 8

The present tenure of appointment of Sh. Rajiv Garg, Whole Time Director of the Company expires on 31.08.1999. During his tenure the Company has recorded a sustained growth. The Board of Directors in their meeting held on 25th day of August, 1999 has decided to re-appoint Sh. Rajiv Garg as Whole Time Director of the Company for a further period of 5 years w.e.f. 01.09.1999 at a remuneration & other terms & conditions mentioned in the resolution under item no. 8 of this Notice. The Directors are of opinion that re-appointment of Sh. Rajiv Garg will be in the best interest of the Company & therefore recommend this resolution for your consideration and approval.

None of the directors of the Company accept Sh. Rajiv Garg, the appointee & Sh. Sanjiv Garg being his relative is interested in this resolution.

For and on behalf of Board

Place : Ludhiana
Dated : 25th August, 1999

J. C. Garg
Chairman