41st
ANNUAL REPORT
2013-14

GARG FURNACE LIMITED

MANAGEMENT

BOARD OF DIRECTORS

DIRECTORS	:-	Sh. Devinder Garg (Chairman & Managing Director)
(PROMOTERS)	:-	Sh. Toshak Garg (Joint Managing Director)
	:-	Smt. Vaneera Garg (Wholetime Director)
DIRECTORS (INDEPENDENT)	:-	Sh. Yogi Raj Agarwal
	:-	Sh. Steven Soni
	:-	Sh. Pawan Kumar Garg
	:-	Sh. Sushil Singla
	:-	Sh. Vivek Kaushal
AUDITOR	:-	M/s. Dass Khanna & Co. B-XX, 2815, Ist Floor, Gurdev Nagar, Pakhowal Road, LUDHIANA - 141 00.
COST AUDITOR	:-	Meenu & Associates H. No. S-200, Besant Vihar Colony, Noorwala Road, LUDHIANA.
BANKERS	:-	Indian Bank Clock Tower Chowk, Ludhiana.
REGISTERED OFFICE & WORK	:-	Kanganwal Road, Near Old Octroi Post Ambala Side, V.P.O. Jugiana, G. T. Road, LUDHIANA - 141 120.

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GARG FURNACE LIMITED

CIN: L99999PB1973PLC003385
Regd.office: Kanganwal Road, V.P.O.Jugiana, G.T. Road, Ludhiana-141120
Phone: +91-161-2510383, 2510913 FAX: +91-161-2512285
Email: gargfurnace@yahoo.com

NOTICE

Notice is hereby given that the 41st Annual General Meeting of the members of the company would be held on Tuesday the 30th day of September, 2014 at 9:30 A.M. at the Registered office at Kanganwal Road V.P.O. Jugiana G.T. Road, Ludhiana-**141120** to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the year ended March 31, 2014 and the Balance Sheet as at that date together with the Reports of the Board of Directors and the Auditors thereon.

2. To appoint a Director in place of Mrs. Vaneera Garg (DIN: 01283990), who retires from office by rotation and being eligible, offers herself for re-appointment.

3. To appoint Statutory Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**

"RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s Dass Khanna & Co. Chartered Accountants (Firm Registration No 000402N), be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of the AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM), at such remuneration plus service tax, out-of-pocket, travelling and living expenses etc.,as may be mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESSES

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

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, Schedule IV and all other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Yogi Raj Aggarwal (DIN: 03611466), Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (Five) consecutive years for a term up to 01st September, 2019".

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

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, Schedule IV and all other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Vivek Kaushal (DIN: 01259910), Director of the Company who has submitted a declaration that

he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (Five) consecutive years for a term up to 01st September, 2019".

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

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, Schedule IV and all other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Pawan Kumar (DIN: 03591023), Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (Five) consecutive years for a term up to 01st September, 2019".

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

"**RESOLVED THAT** in supersession of all earlier resolutions passed by the Company in this regard and pursuant to Section180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as 'the Board' which term shall deem to include any committee thereof) to borrow, at any time or from time to time, any sum or sums of monies which together with monies already borrowed by the Company apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business, exceeding the aggregate of paid-up share capital of the Company and its free reserves, provided that the total amount so borrowed by the Board shall not at any time exceed Rs 100 crores;

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of the Company be and is hereby authorised to do all such acts, deeds, matters and things and give such directions as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard."

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

"**RESOLVED THAT** in supersession of all earlier resolutions passed by the Company in this regard and pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as 'the Board' which term shall deem to include any committee thereof) to create such charges, mortgages, and hypothecations in addition to the existing charges, mortgages and hypothecation created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, in favour of banks/financial institutions, corporates, other entities/persons and trustees for holders of debentures/bonds/other instruments to secure borrowings of the Company availed/tobe availed by way of rupee/foreign currency loans/borrowings provided that the total amount of such loans/borrowings shall not exceed at any time Rs. 100 crores;

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of the Company be and is hereby authorised to do all such acts, deeds, matters and things and give such directions as it may

in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard."

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

"**RESOLVED THAT** pursuant to and in accordance with the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and rules there under, the Cost Auditors, M/s Meenu & Associates, Cost Accountants, having office at H.N S-200,Basant Vihar Colony,Noorwala Road,Ludhiana-141008, appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015, be paid a consolidated remuneration of Rs.45000/- (excluding applicable taxes) and they shall also be entitled to re-imbursement of out of pocket expenses as maybe incurred by them, if any, during the course of their assignment;

RESOLVED FURTHER THAT the Directors and the Company Secretary of the Company be and are hereby severally authorized to take all actions and do all such acts, deeds, matters and things as may be necessary or desirable in connection with or incidental to give effect to the above resolution."

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

"**RESOLVED THAT** pursuant to Section 181 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) , consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as 'the Board' which shall deem to include any committees thereof) to contribute to bonafide charitable and other funds provided that the aggregate amount of contribution to such funds in a financial year shall not exceed the limits as set out in section 181"

For and on behalf of the Board

SD/-
Devinder Garg
Chairman
Din: 01665456

Place: LUDHIANA
Date : 01/09/2014

NOTES

a) A member entitled to attend and vote at the meeting is entitled to appoint one or more proxy (ies) to attend and vote on a poll instead of himself/herself. A proxy need not be a member of the company.

A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten per cent of the total share capital of the company carrying voting rights. Provided that a member holding more than ten per cent of the total share capital of the company may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

The instrument appointing the proxy in order to be effective should be deposited, duly completed and signed, at the registered office of the company not less than forty-eight hours before the commencement of the meeting. A proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

b) Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special business under Item Nos. 4 to 10 above, are annexed hereto.

c) The Board of Directors of your Company comprised of 6 directors of which 3 directors viz. Mr. Yogi Raj Aggarwal (DIN: 03611466), Mr. Pawan Kumar (DIN: 03591023), & Mr. Vivek Kaushal (DIN: 01259910), are Independent Directors, who are not liable to retire by rotation in terms of Sections 149 and 152 of the Companies Act, 2013. Further, Mr. Devinder Garg, appointed as Chairman of your Company, Mr.Toshak Garg Managing Director & Mrs.Vaneera Garg whole time Directors are appointed are subject to liable to retire by rotation, Mrs.Vaneera Garg is liable to retire by rotation at this AGM in pursuance with the provisions of the Companies Act, 2013.

d) The relevant details of Directors seeking appointments/re-appointment under Item Nos. 4 to 6 above, as required by Clause 49 of the Listing Agreements entered into with the Stock Exchanges are also annexed.

e) The Register of Members and Share Transfer books of the Company will remain closed from Sunday, September 28, 2014 to September 30, 2014 (both days inclusive).

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

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

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

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

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

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

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

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

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

c) **Voting through electronic means**

I. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the company is pleased to provide members facility to exercise their rights to vote at the 41st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL). The instructions for e-voting are as under:

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

(i) The voting period begins on Tuesday 23rd September,2014 (9 AM IST) and ends on Thursday 25th September,2014 (5.30 PM IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 31st August,2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period

(iii) Click on "Shareholders" tab.

(iv) 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.

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

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

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

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the folio number/member ID in the PAN field. • In case the folio number/member ID is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number/member ID 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not, recorded with the depository or company please enter the No. of shares in the Dividend Bank details field.

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) 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.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant Garg Furnace Limited on which you choose to vote.

(xii) 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.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) 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.

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

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

(xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Institutional Shareholders

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to https://www.evotingindia.co.in and register themselves as Corporate.
- 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 they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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

EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013 (the Act), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos.3 to 10 of the accompanying Notice dated 1st September 2014:

Item No.3: This Explanatory Statement is provided though strictly not required as per Section 102 of the Act. M/s Dass Khanna & Co. Chartered Accountants ICAI Firm Registration No.000402N, Chartered Accountants (CAs), Ludhiana were appointed as the statutory auditors of the Company for financial year 2013-14 at the Annual General Meeting (AGM) of the Company held on 30th Sept 2013. As per the provisions of Section 139 of the Act, and rules made there under,a Listed Company can not appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. Section 139 of the Act has also provided a period of three years from the date of commencement of the Act to comply with this requirement.

In view of the above, M/s Dass Khanna & Co. Chartered Accountants, being eligible for re-appointment and based on the recommendation of the Audit Committee of Directors, the Board of Directors has, at its meeting held on 1st September 2014, proposed the appointment of M/s Dass Khanna & Co. Chartered Accountants as the statutory auditors of the Company for a period of three years to hold office from the conclusion of this AGM till the conclusion of the 44th AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM)

The Board commends the Resolution at Item No.3 of the accompanying notice for approval by the Members of the Company

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

Item Nos.4 to 6 Pursuant to the provisions of Section 149 of the Act, which came into effect from 1st April 2014, all the Listed Companies must have minimum Three independent directors on its board. Further, an Independent Director shall hold office for a term upto five consecutive years on the Board of a company and is not liable to retire by rotation.

To fulfill the requirement of Clause 49 of Listing Agreement, the Company had already appointed Mr. Yogi Raj Aggarwal (DIN: 03611466), Mr. Pawan Kumar (DIN: 03591023), & , Mr. Vivek Kaushal (DIN: 01259910), as Independent Directors , times before to fulfill the requirement of Section 149 read with Schedule IV and the Rules made thereunder for appointment as Independent Directors.

The above named Directors have given declarations to the Board that they meet the criteria of independence as provided under Section 149(6) of the Act.

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

Name of the Director	Sh. Yogi Raj	Sh. Vivek Kaushal	Sh.Pawan Kumar	Smt.Vaneera Garg
Date of Birth	[illegible]/1975	01.02.1966	25/01/1980	25/05/1965
Date of Appointment	30/07/2011	16.03.2003	30/07/2011	01/05/2010
Qualification	CA	B.Sc. MBA	BE	B.A
Expertise in Specific Area	Chartered Accountant Professional Experience of about 15 yrs	Marketing experience of 14 Years.	Industrial & Business Experience of more than 20 Yrs	Business Experience of More than 20 Yrs
Directorship in other Companies	Nil	Himachal Yarns Ltd	Nil	Avtar Export Pvt Ltd, Veneera Industries Limited, GAL Cotex Pvt. Ltd
Chairman/Member of committees of other Companies	Nil	Nil	Nil	Nil

Item Nos.7 & 8: under the provisions of Section 293(1)(d) of the Companies Act, 1956, the Board of Directors of a Company could, with the consent of the Members obtained by an Ordinary Resolution, borrow moneys, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, in excess of the aggregate of the paid-up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose.

Also, under Section 293(1)(a) of the Companies Act, 1956, the Board of Directors of a Company could, with the consent of the Members obtained by an Ordinary Resolution, create charge/mortgage/hypothecation on the Company's assets, both present and future, in favour of the lenders/trustees for the holders of debentures/bonds, to secure the repayment of moneys borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business).

Under the provisions of Section 180(1)(c) and Section 180(1)(a) of the Act, the above powers can be exercised by the Board only with the consent of the Members obtained by a Special Resolution. Further, as per clarification dated 25th March 2014 issued by the Ministry of Corporate Affairs, the Ordinary Resolutions earlier passed under Section 293(1)(d) and Section 293(1)(a) of the Companies Act, 1956 will remain valid for a period of one year from the date of notification of Section 180 of the Act, i.e. upto 11th September 2014.

As such, it is necessary to obtain fresh approval of the Members by means of a Special Resolution, to enable the Board of Directors of the Company to borrow moneys, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, in excess of the aggregate of the paid-up share capital and free reserves of the Company.

It is also necessary to obtain fresh approval of the Members by means of a Special Resolution, to enable the Board of Directors of the Company to create charge/mortgage/hypothecation on the Company's assets, both present and future, in favour of the lenders/ trustees for the holders of debentures/bonds, to secure the repayment of moneys borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business). As the documents to be executed between the Company and the lenders/trustees for the holders of debentures/bonds may contain the power to take over the management and concern of the Company in certain events, it is necessary to obtain Members' approval under Section 180(1)(a) of the Act, by way of a Special Resolution

Now it is propose to get the consent of members to empower to the Board of Directors for borrowing any sum or sums of money not exceeding at any time the sum of Rs. 100 crore. Further the Members consent require to empower to the Board of Directors for creation of mortgages, charges and hypothecations to secure borrowings same amount upto Rs. 100 crore.

The proposed borrowings of the Company may, if necessary, be secured by way of mortgages, charges and hypothecations on the Company's movable/immovable properties, present and future, in favour of the financial institutions/banks/insurance companies/other investing agencies/trustees for the holders of debentures/bonds/other instruments. As the documents to be executed by, with, or in favour of, the lender/parties may contain the power to take over the management and concern of the Company in certain events, it is necessary for the Members to pass a resolution for creation of mortgages, charges and hypothecation to secure such borrowings.

The Board recommends the Resolutions at Item Nos.7 and 8 of the accompanying Notice for approval by the Members of the Company by a Special Resolution.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolutions at Item Nos 8 & 9 of the accompanying Notice.

Item No.9: Pursuant to Section 148 of the Act, the Company is required to have the audit of its cost records conducted by a cost accountant in practice. On the recommendation of the Audit Committee of Directors, the Board of Directors has approved the appointment of M/s Meenu & Associates, Cost Accountants as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company for the Financial Year 2014-15, at a remuneration of ' 45000/- plus service tax and actual out-of-pocket expenses.

M/s. Meenu & Associates as the Cost Auditors of the Company have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company. They have vast experience in the field of cost audit and have conducted the audit of the cost records of the Company for the previous year under the provisions of the Companies Act, 1956.