

Works : KANGANWAL ROAD, V.P.O. JUGIANA,
G.T. ROAD, LUDHIANA-141120 (INDIA)
Fax : +91-161-2512285
E-mail : gargfurnace@yahoo.com
CIN No. : L99999PB1973PLC003385
GSTIN : 03AAACG8307R1ZD



**GARG
FURNACE LTD.**

Date: December 21, 2023

The Chief General Manager
Listing Operation,
BSE Limited
20th Floor, P.J. Towers,
Dalal Street,
Mumbai - 400 001.

Dear Sir,

Sub: Application for "In-principle approval" for issue and allotment of 28,00,000 (Twenty Eight Lakhs Only) Convertible Warrants into Equity Shares on preferential basis under Regulation 28(1) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

In terms of Regulation 28(1) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, we hereby seek your "In-principle approval" prior to issue and allotment of 28,00,000 (Twenty Eight Lakhs Only) Convertible Warrants into Equity Shares to promoters and/or other than promoters on a preferential basis in accordance with provisions specified under Chapter V of SEBI (ICDR) Regulations, 2018.

1. The brief particulars of the proposed preferential issue are given as **Annexure I**.
2. The particulars of other issues (in sequential order) in respect of which approvals are pending with the Exchange are given hereunder:

Type of Issue (e.g. Amalgamation/ Arrangement, Preferential, Bonus, Rights, etc.)	Size of Issue	Date of Allotment (if applicable)	Stage of Approval Pending (Tick any one which is applicable)
NA	NA	NA	NA

3. Details of processing fee remitted are given hereunder:

Processing Fee (including GST)	Rs. 3,54,000/-
TDS, if any	Rs. 30,000/-
Net amount remitted after TDS	Rs. 3,24,000/-
Invoice No.	2023122169544736
Reference No.	4400137924532

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Dated	21-12-2023
Bank	Indian Bank

4. In case of any queries / clarifications the under-mentioned official may be contacted:

Contact Details	
Name & Designation of Contact Person	Gurmeet Singh Battu, Chief Financial Officer (CFO)
Telephone Nos. (landline & mobile)	+918427900130
Email - id	gargfurnace@yahoo.com

5. Details of PAN/ DIN of the company/directors/promoters/promoter group/ compliance officers

- i) Details of PAN of the company

Sr. No.	Name of the company	PAN of the company
1.	Garg Furnace Limited	AAACG8307R

- ii) Details of the PAN of the promoters, entities belonging to promoter group, Directors and Compliance Officer

Sr. No.	Name of the entities	Category (Promoter/Promoter group/ Director/ Compliance officer)	PAN of the person	DIN - only in case of Directors
1.	Davinder Garg	Promoter and Director	AAQPG7293R	01665456
2.	Vaneera Garg	Promoter and Director	ACBPG7170L	01283990
3.	Toshak Garg	Promoter and Director	AQRPG5512C	03503511
4.	Daksh Garg	Promoter	AVYPG8312J	-
5.	Davinder Garg and Sons	Promoter	AAKFD1533H	-

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6.	Devinder Garg Karta	Promoter	AABHD3708B	
7.	Subhash Chandra Gupta	Promoter	ABSPG8904C	-
8.	Amanpreet Singh Thukral	Promoter	BXRPE6900R	-
9.	Amandeep Kaur	Director	ETHPK8238Q	07728094
10.	Purti Katyal	Director	EHDPK2625B	09251560
11.	Jyoti Batra	Director	AVYPB8119N	10009491
12.	Supreena Tagra	Company Secretary	BDHPT9401P	-
13.	Gurmeet Singh Battu	Chief Financial Officer (CFO)	AJMPB6645F	-

iii) The equity shares of the issuer are listed at **BSE Limited** (BSE).

I / We hereby confirm that the information provided in the application and enclosures is true and correct.

Thanking you,
Yours faithfully,

For **Garg Furnace Limited**

Devinder Garg
Chairman and Managing Director
DIN: 01665466

Brief particular of the proposed preferential issue are:

I) Company details:

Name of the Company	Garg Furnace Limited
Scrip Code	530615
ISIN No.	INE194E01015
Face Value of the equity shares of the company	₹ 10 /-
Authorized Capital of the Company (Rs.)	₹ 10,00,00,000
Nominal value of the equity share capital (Rs.)	₹ 4,00,87,000
Paid up equity share capital of the Company (Rs.)	₹ 4,00,87,000
Maximum no. of shares that may be issued (inclusive of convertible instruments) pursuant to the proposed preferential issue	28,00,000
Paid up equity share capital of the Company post proposed issue on fully diluted basis (Rs.)	₹ 6,80,87,000

II) Issue details:

Date of Board Meeting wherein the proposed preferential issue was approved	December 19, 2023
Date of General Meeting approving the preferential issue of securities u/s 62	January 15, 2024
Date of approval by CDR or Order passed by the Hon'ble High Court/ NCLT, if applicable	Not Applicable
Relevant date	December 15, 2023
Minimum price as computed under Regulation 164 / 165 of SEBI (ICDR) Regulations, 2018 Regulations	₹ 193.11
Offer Price (Rs.)	₹ 195
Consideration (cash/ other than cash/ conversion of loan)	Cash
Whether any other regulatory approval is required for the issue. If yes, details thereof	NA

Details of security proposed to be issued			
	Promoters	Non-promoters	Total
Equity (Nos.)	-	-	-
Warrants (Nos.)	22,00,000	6,00,000	28,00,000
Others (PCD/FCD, preference shares, etc) (Nos.)	-	-	-
In case of convertible instrument, period when the same can be exercised/	Within a period of 18 (Eighteen) months from the date of allotment of Warrants		

converted

III) Allottee details:

Name of the Proposed Allottee	Category (Promoter / Non - Promoter)	Permanent Account Number (PAN)	If allottee is not a natural person, identity of the natural person who are the ultimate beneficial owner of the shares proposed to be issued, if applicable	Permanent Account Number (PAN) of the beneficial owners of proposed allottee	No. of securities to be allotted	Allottee is: *QIB/ Non QIB	Post issue % of capital that allottee will hold
Davinder Garg	Promoter	AAQPG7293R	NA	NA	7,00,000	Non-QIB	25.77%
Vaneera Garg	Promoter	ACBPG7170L	NA	NA	7,00,000	Non-QIB	25.96%
Toshak Garg	Promoter	AQRPG5512C	NA	NA	4,00,000	Non-QIB	9.06%
Daksh Garg	Promoter	AVYPG8312J	NA	NA	4,00,000	Non-QIB	8.97%
Sangeeta Pareekh	Non-Promoter	AASPP5260H	NA	NA	3,00,000	Non-QIB	4.41%
BGP 11 Analytics Private Limited	Non-Promoter	AAKCB5597N	Dinesh Pareekh	AAHPP2582M	3,00,000	Non-QIB	4.41%

(* QIB as defined under Definitions in Regulation 2(1)(ss) of Chapter I of SEBI (ICDR) Regulations, 2018

IV) Details of pre-preferential shareholding of the allottees:

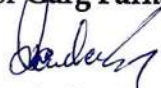
Name of the Allottee	Pre-preferential shareholding (No. of shares)	Whether pre-preferential shareholding in physical/demat	Lock in Details		Pledge Details	
			Date From	Date To	No of shares	Name of institution
Davinder Garg	10,54,290	Demat	15/12/2023	08/07/2024	NA	NA
Vaneera Garg	10,67,510	Demat	15/12/2023	08/07/2024	NA	NA
Toshak Garg	2,16,951	Demat	15/12/2023	08/07/2024	NA	NA
Daksh Garg	2,10,550	Demat	15/12/2023	08/07/2024	NA	NA
Sangeeta Pareekh	NA	NA	NA	NA	NA	NA
BGP Analytics Private Limited	11	NA	NA	NA	NA	NA
TOTAL	25,49,301					

NA: Not Applicable

V) Shareholding pattern of the company pre and post proposed preferential issue:

Category	Pre preferential issue		Post preferential issue	
	No of Shares	%	No of Shares	%
Promoters and Promoter Group (A)	25,74,901	64.23%	47,74,901	70.13%
Public (B)	14,33,799	35.77%	20,33,799	29.87%
Total (A) + (B)	40,08,700	100.00%	68,08,700	100.00%
Custodian (C)	--	--	--	--
Grand Total (A) + (B) + (C)	40,08,700	100.00%	68,08,700	100.00%

For Garg Furnace Limited



Devinder Garg
Chairman and Managing Director
DIN: 01665466

Sr.No.	Name of the Proposed Allottee	Category (Promoter/ Non - Promoter)	Permanent Account Number (PAN)	No. of securities to be allotted	Allottee is: *QIB/ Non QIB	Pre- preferential sharehold ing (No. of shares)	Whether pre- preferenti al sharehold ing in physical/ demat	Lockin Details		PLEDGE DETAILS	
								FROM	TO	FROM	TO
1	Davinder Garg	Promoter	AAQPG7293R	700,000	Non QIB	1,054,290	DEMAT	15.12.2023	08.07.2024	NA	NA
2	Vaneera Garg	Promoter	ACBPG7170L	700,000	Non QIB	1,067,510	DEMAT	15.12.2023	08.07.2024	NA	NA
3	Toshak Garg	Promoter	AQRPG5512C	400,000	Non QIB	216,951	DEMAT	15.12.2023	08.07.2024	NA	NA
4	Daksh Garg	Promoter	AVYPG8312J	400,000	Non QIB	210,550	DEMAT	15.12.2023	08.07.2024	NA	NA
5	Sangeeta Pareekh	Non Promoter	AASP5260H	300,000	Non QIB	NIL	NA	NA	NA	NA	NA
6	BGP 11 Analytics Private Limited	Non Promoter	AAKCB5597N	300,000	Non QIB	NIL	NA	NA	NA	NA	NA
			TOTAL	2,800,000							

For Garg Furnace Limited



Davinder Garg

Chairman and Managing Director

DIN: 01665466

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**GARG
FURNACE LTD.**

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF GARG FURNACE LIMITED AT THE BOARD MEETING HELD ON TUESDAY, DECEMBER 19, 2023 AT 4:00 P.M. AT REGISTERED OFFICE OF THE COMPANY SITUATED AT KANGANWAL ROAD V.P.O. JUGIANA G T. ROAD, LUDHIANA- 141120.

TO OFFER, ISSUE AND ALLOT EQUITY SHARES OF THE COMPANY ON THE PREFERENTIAL BASIS:

"RESOLVED THAT pursuant to the provisions of section 23(1)(b), 42, 62(1)(c) of the Companies Act, 2013 (the "Act"), read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Fifty-Three Rules, 2014 and any other applicable provisions if any of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), and in accordance with the provisions of Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "SEBI ICDR Regulations") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended up to date (the "Listing Regulations"), and subject to any other applicable rules, regulations, guidelines, notifications, circulars and clarifications issued thereunder from time to time by the Ministry of Corporate Affairs ("MCA"), the Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India ("RBI") and/or any other competent authorities (hereinafter referred to as "Applicable Regulatory Authorities") from time to time to the extent applicable and enabling provisions of the Memorandum of Association and Articles of Association of the Company, and subject to the requisite approvals, consents and permissions as may be necessary or required from regulatory or other appropriate authority including BSE Limited, and subject to any other alterations, modifications, conditions, corrections, changes and variations that may be decided by the Board of Director (the "Board") in its absolute discretion, the consent of the Board of Directors of the Company be and is hereby accorded 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 within a period of 18 (Eighteen) months from the date of allotment of Warrants, to persons / entity enlisted below ("Warrant Holder" / "Proposed Allottees") belonging to promoter group and non-promoter group of the Company on a preferential basis ("Preferential Issue"), for consideration payable through electronic means/ banking channels and in such manner and upon such terms and conditions as may be deemed appropriate by the Board in accordance with the terms of this Preferential Issue, provisions of SEBI ICDR Regulations, or other applicable laws in this respect:

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Sr. No.	Name of Proposed Allottees	Category (Promoter/ Non - Promoter)	No. of Convertible Warrants proposed to be issued
1.	Davinder Garg	Promoter	700000
2.	Vaneera Garg	Promoter	700000
3.	Toshak Garg	Promoter	400000
4.	Daksh Garg	Promoter	400000
5.	Sangeeta Pareekh	Non - Promoter	300000
6.	BGP 11 Analytics Private Limited	Non - Promoter	300000

RESOLVED FURTHER THAT in accordance with regulation 161 of the SEBI ICDR Regulations, the relevant date for the purpose of calculating floor price for the issue of warrant is Friday, December 15, 2023, the date that is 30 (Thirty) days prior to the date of shareholders meeting scheduled to be held on Monday, January 15, 2024 to approve the proposed Preferential Issue;

RESOLVED FURTHER THAT the said Warrants shall be issued and allotted by the Company to the allottees within a period of 15 days from the date of passing of this resolution provided that where the allotment of the said Warrants is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 days from the date of such approval.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the issue of Warrants shall be subject to following terms:

- I) The Equity Shares to be so allotted on exercise of the Warrants shall be in dematerialised form and shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects including dividend, with the existing Equity Shares of the Company. The Warrants may be exercised into Equity Shares as aforesaid by the Warrant holder(s) at any time before the expiry of 18 months from the date of allotment of the Warrants.
- II) A Warrant subscription price equivalent to 25% (i.e., the upfront amount) of the issue price will be payable at the time of subscription to the Warrants, as prescribed by Regulation 169 of the ICDR Regulations, which will be kept by the Company to be adjusted and appropriated against the issue price of the Equity Shares. A Warrant exercise price equivalent to the 75% of the issue price of the Equity Shares shall be payable by the Warrant holder(s) at the time of exercising the Warrants.
- III) The issue of the Warrants as well as Equity Shares arising from the exercise of the Warrants shall be governed by the regulations and guidelines issued by SEBI or any other statutory authority as the case may be or any modifications thereof.

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- IV) The respective Warrant Holders shall make payment of Warrant Subscription Price and Warrant Exercise Price from their own bank account into the designated bank account of the Company and in the case of joint holders, shall be received from the bank account of the person whose name appears first in the application.
- V) In the event the Warrant holder(s) does not exercise the Warrants within 18 months from the date of allotment, the Warrants shall lapse and the amount paid shall stand forfeited by the Company.
- VI) The Warrants and the Equity Shares allotted pursuant to exercise of such warrants shall be subject to a lock-in for such period as specified under Chapter V of ICDR Regulations.
- VII) The Warrants by itself, until exercised and converted into Equity Shares, shall not give to the Warrant Holders thereof any rights with respect to that of an Equity shareholder of the Company.

RESOLVED FURTHER THAT the pre-preferential allotment shareholding of the Warrant holders, if any, in the Company shall also be subject to lock-in as per the provisions of the ICDR Regulations.

RESOLVED FURTHER THAT the Board be and is hereby authorised to accept any modification(s) or modify the terms of issue of Warrants, subject to the provisions of the Act and ICDR Regulations, without being required to seek any further consent or approval of the Members of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of the Act and subject to receipt of such approvals as may be required under applicable law, the consent of the Members of the Company be and is hereby accorded to record the name and address of the allottees and issue a private placement offer cum application letter in the Form PAS-4 to the allottees inviting to subscribe to the Warrants in accordance with the provisions of the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such number of Equity Shares of the Company as may be required to be issued and allotted upon exercise of the option in the Warrants held by the Warrant holder(s).

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable and expedient for such purpose to give effect to the above resolution, including without limitation, issuing clarifications, resolving all questions of doubt, effecting any modifications or changes to the above mentioned Preferential offer (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Issue), making applications to Stock Exchange for obtaining of in-principle approval, filing of requisite documents with the Registrar of Companies ("ROC"), National Securities Depository Limited ("NSDL"), Central Depository Services (India) Limited ("CDSL") and/ or such other authorities as may be necessary for the purpose, and to take all such steps as may be necessary for the admission of the Warrants and Equity Shares (to be issued on exercise of the Warrants) with the

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depositories, viz. NSDL and CDSL and for the credit of such Warrants / Shares to the respective dematerialized securities account of the Warrant Holders and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the members of the Company and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Warrants and Equity Shares and listing thereof with the Stock Exchanges as appropriate and utilisation of proceeds of the Warrants or Equity Shares, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the Board shall be final and conclusive.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to Committee of Directors/ any Director(s)/ Company Secretary / any Officer(s) of the Company to give effect to the aforesaid resolution."

For Garg Furnace Limited



Devinder Garg
Chairman and Managing Director
DIN: 01665466

Date: 19.12.2023
Place: Ludhiana

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Annexure III

To,

The Chief General Manager
Listing Operation,
BSE Limited,
20th Floor, P.J.Towers,
Dalal Street,
Mumbai – 400 001.

Dear Sir,

Sub: Application for “In-principle approval” for issue and allotment of 28,00,000 (Twenty Eight Lakhs Only) Convertible Warrants into Equity Shares on a preferential basis under Regulation 28(1) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

In connection with above application for in-principle approval, we hereby confirm and certify that:

1. The proposed allottees have not sold any shares of the company during the 90 trading days period prior to the relevant date Friday, December 15, 2023.
2. The allotment shall be in compliance with the provisions of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and amendments thereof.
3. The proposed allottees and the beneficial owners to proposed allottees have not been directly or indirectly, debarred from accessing the capital market or have been restrained by any regulatory authority from, directly or indirectly, acquiring the said securities.
4. The equity shares to be issued on a preferential shall rank pari-passu in all respects including dividend entitlement with the existing equity shares of the company.
5. The allotment of equity shares/ warrants/ convertible securities and equity shares issued on conversion of warrants/ convertible securities will be made only in dematerialized form and fully paid-up.
6. The lock-in of pre-preferential holding (if any) of the allottees would be further extended upto 90 trading days from the last date of trading approval from all the Stock Exchanges to be in compliance with Regulation 167 (6) of SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018.

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7. The proposed issue is being made in accordance with the requirements of Chapter V of SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018, Section 42, Section 62 of the Companies Act 2013 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and other requirements of Companies Act, 2013, and RBI requirements. Further, the company will comply with all legal and statutory formalities and no statutory authority has restrained the company from issuing these proposed securities.
8. The issuer is in compliance with the conditions for continuous listing of equity shares as specified in the listing agreement with the stock exchange where the equity shares of the issuer are listed and the SEBI (Listing Obligations and Disclosure Requirements), 2015, as amended, and any circular or notification issued by the Board thereunder.
9. Offers have been made only to such persons whose names are recorded by the Company prior to the invitation to subscribe as per the requirements of Section 42 of the Companies Act, 2013
10. Total number of person to whom offer /invitation to subscribe to the securities has been made, including any previous offer/ invitation, is not more than 200 persons in aggregate in a financial year.
11. Allotment w.r.t invitation made earlier of the security offered under present issue or any other kind of security made earlier have been completed / withdrawn / abandoned.
12. Neither the proposed allottees, the beneficial owners to proposed allottees, issuer, its promoters and directors is a wilful defaulter as defined under Regulation 2 (1) (III) of SEBI (ICDR) Regulations, 2018 or a fraudulent borrower.

OR

~~"<Name of the issuer> / <name>, the promoter(s) of the issuer / <name> the director(s) of the issuer, <name> of the proposed allottee and the beneficial owners to proposed allottees is a wilful defaulter as defined under Regulation 2 (1) (III) of SEBI (ICDR) Regulations, 2018 or a fraudulent borrower and disclosures in this regard has been made at <place of disclosure>.as per the format given in said regulation."~~

13. None of the proposed allottees, the beneficial owners to proposed allottees, issuer, its promoters and directors is a fugitive economic offender as defined under Regulation 2(1) (p) of SEBI (ICDR) Regulations, 2018.
14. The issuer, its whole-time directors, person(s) responsible for ensuring compliance with the securities laws, its promoters and the companies which are promoted by any of them are not in violation of the provisions of Regulation 34 of the SEBI (Delisting of Equity Shares) Regulations, 2021.



15. The company, its promoters, its directors are not in violation of the restrictions imposed by SEBI under SEBI circular no. SEBI/HO/ MRD/DSA/CIR/P/2017/92 dated August 01, 2017.
16. If the allottee(s) belong to promoter / promoter group or no person belonging to promoter(s) or the promoter group who has previously subscribed to warrants of the issuer has failed to exercise the warrants within the time period mandated for the same in the SEBI (ICDR) Regulations
17. Consideration of specified securities, if paid in cash, shall be received from respective allottee's bank account.
18. The proposed preferential issue is being made in compliance with the provisions of Memorandum of Association (MOA) and Article of Association (AOA) of the company. It is further confirmed that for the proposed preferential issue, the price of the warrants/convertible Securities of the company has been determined in compliance with the Companies Act, 2013 read with applicable rules framed thereunder and in terms of the first Proviso to the Sub-Regulation 1 of Regulation 166A read with Sub- Regulation (1) of Regulation 164 of the SEBI (ICDR) Regulations and by using the Valuation Parameters as per the SEBI (ICDR) Regulations.
19. The Company does not have any outstanding dues to SEBI, stock exchanges or depositories.

OR

~~The Company has outstanding dues of Rs. _____ with SEBI/Stock Exchange/ Depositories which are the subject matter of a pending appeal or proceeding(s), which has been admitted by the relevant Court, Tribunal or Authority. [Note: Company to provide details of the pending appeal along with current/ latest status]~~

20. The company has not appointed any monitoring agency in terms of Regulation 162A of SEBI (ICDR) Regulations, 2018 as the application for issue size does not exceed 100 crores.

For **Garg Furnace Limited**

Devinder Garg

Digitally signed by Devinder Garg
DN: cn=, o=Garg,
2.5.4.20=2512512285,
email=, c=IN,
serial=, postalCode=141012, street=Kanganwal road,
subLocality=emclave, Raiguru Nagar, Ludhiana,
pseudoym=41160268000204680009605827e
c=, serialNumber=252026ch5667862c14c6a829d
1809d88674577761c1f8d70c274036,
o=Personal, cn=Devinder Garg
Date: 2023.12.20 12:57:38 +05'30'

Devinder Garg
Chairman and Managing Director
DIN: 01665466

To

The Chief General Manager
Listing Operation,
BSE Limited,
20th Floor, P. J. Towers,
Dalal Street,
Mumbai - 400 001.

Dear Sir,

Sub: Application for “In-principle approval” for issue and allotment of 28,00,000 (Twenty Eight Lakhs Only) Convertible Warrants into Equity Shares on a preferential basis under Regulation 28(1) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

We, Pooja Damir Miglani, Practicing Company Secretary, have verified the relevant records and documents of Garg Furnace Limited with respect to the proposed preferential issue by the company as per Chapter V of SEBI (ICDR) Regulations, 2018 and certify that:

- a) None of the proposed allottee(s) has/have sold any equity shares of the Company during the 90 trading days preceding the relevant date. Further, where the proposed allottee(s) is/are promoter/ promoter group entity, then none of entities in the promoter and promoter group entities has/ have sold any equity share of the company during the 90 trading days preceding the relevant date.
- b) Allottee(s) that do not hold any equity shares of the issuer Company for a period starting from the relevant date till the date of preferential allotment.

No.	Name of Allottee does not hold Shares of Issue	Category	PAN No.
1	Sangeeta Pareekh	Non- Promoter	AASPP5260H
2	BGP 11 Analytics Private Limited	Non- Promoter	AAKCB5597N

- c) The pre-preferential shareholding of each of proposed allottee(s) has been locked in accordance with Regulation 167 (6) SEBI (ICDR) Regulations, 2018. Further, there is no sale/pledge of pre-preferential holding from Friday, December 15, 2023, till July 08, 2024. The details of allottee-wise pre-preferential shareholding and lock-in thereon is as given hereunder:

Name of Proposed Allottee	DP ID *	Pre-preferential holding	Lock-in details		Pledged with	Pledge end date
			From	To		

Davinder Garg	IN30114310100138	10,54,290	15.12.2023	08.07.2024	-	-
Vaneera Garg	IN30114310100146	10,67,510	15.12.2023	08.07.2024	-	-
Toshak Garg	IN30114310974686 & 1202540000398391	2,16,951	15.12.2023	08.07.2024		
Daksh Garg	IN30114310975087 & 1202540000398157	2,10,550	15.12.2023	08.07.2024	-	-

(*) client id/ folio no in case allottee hold the securities in physical form.

- d) None of the proposed allottees belonging to promoter(s) or the promoter group is ineligible for allotment in terms of Regulations 159 of SEBI (ICDR) Regulations, 2018.
- e) The proposed issue is being made in accordance with the requirements of Chapter V of SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018, Section 42 and 62 of the Companies Act 2013 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and other requirements of Companies Act, 2013. Further, the company has complied with all legal and statutory formalities and no statutory authority has restrained the company from issuing these proposed securities.
- f) The proposed preferential issue is being made in compliance with the provisions of Memorandum of Association (MoA) and Article of Association (AoA) of the company. It is further confirmed that for the proposed preferential issue, the price of the equity shares of the company has been determined in compliance with the valuation requirement as mentioned in the AoA of the company.
- g) The total allotment to the allottee or allottees acting in concert in the present preferential issue or in the same financial year i.e. 28,00,000 is more than 5% of the post issue fully diluted share capital of the issuer.

OR

~~The total allotment to the allottee or allottees acting in concert in the present preferential issue or in the same financial year i.e. _____ is less than 5% of the post issue fully diluted share capital of the issuer.~~

**For PDM & Associates
Company Secretary in Practice**

Pooja Damir Miglani
Digitally signed by
Pooja Damir Miglani
Date: 2023.12.20
14:05:30 +05'30'

Pooja Damir Miglani
Membership No. A25988
CP No. 25003
Peer Review Number: 2788/2022
UDIN: A025988E002991324
Date: 20.12.2023

To,
The Chief General Manager
Listing Operation,
BSE Limited,
20th Floor, P.J.Towers,
Dalal Street, Mumbai - 400 001.

Dear Sir,

Sub: Application for "In-principle approval" for issue and allotment of 28,00,000 (Twenty Eight Lakhs Only) Convertible Warrants into Equity Shares on a preferential basis under Regulation 28(1) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.

1. We, Pooja Damir Miglani, Practicing Company Secretary hereby certify that the minimum issue price for the proposed preferential issue of Garg Furnace Limited, based on the pricing formula prescribed under Regulation 164 of Chapter V of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 has been worked out at ₹ 193.11/-. (Enclosed in **Annexure-A**).
2. The relevant date for the purpose of said minimum issue price was Friday, December 15, 2023.
3. The workings for arriving at such minimum issue price or valuation report from Independent Registered Valuer have been attached herewith.
4. The highest trading volume in respect of the equity shares of the issuer has been recorded during the preceding 90 trading days prior to the relevant date on BSE Limited.
5. We hereby certify that the Articles of Association of the issuer does not provide for a method of determination which results in a floor price higher than that determined under ICDR Regulations, 2018.

OR

~~We hereby certify that the Articles of Association of the issuer provides for a method of determination which results in a floor price higher than that determined under ICDR Regulations, 2018 then the same shall be considered as the floor price for equity shares to be allotted pursuant to the preferential issue. Accordingly, we have calculated the floor price which worked out as Rs. _____. [kindly provide the detailed working of the same]~~

For PDM & Associates
Company Secretary in Practice

Pooja Damir Miglani
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Pooja Damir Miglani
Date: 2023.12.20
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Pooja Damir Miglani
Membership No. A25988
CP No. 25003
Peer Review Number: 2788/2022
UDIN: A025988E002991434
Date: 20.12.2023

A. Volume Weighted Average Price (VWAP) for a period of 90 trading days of the equity shares of Garg Furnace Limited quoted on BSE Limited during the last 90 trading days preceding the Relevant date i.e. December 15, 2023.

Volume Weighted Average Price = Sum of Total Value ÷ Total Volume

$$150.18 = 61,740,597.00 \div 411,109$$

Date	Volume	Value
4-Aug-23	2,420	312,543.00
7-Aug-23	3,487	459,237.00
8-Aug-23	1,328	178,315.00
9-Aug-23	742	101,616.00
10-Aug-23	926	129,315.00
11-Aug-23	1,769	251,905.00
14-Aug-23	6,758	943,416.00
16-Aug-23	196	26,822.00
17-Aug-23	3,493	468,585.00
18-Aug-23	3,010	396,820.00
21-Aug-23	12,206	1,573,353.00
22-Aug-23	13,217	1,669,967.00
23-Aug-23	7,293	913,117.00
24-Aug-23	4,913	645,568.00
25-Aug-23	401	53,734.00
28-Aug-23	659	90,027.00
29-Aug-23	405	56,436.00
30-Aug-23	762	108,280.00
31-Aug-23	1,530	220,671.00
1-Sep-23	929	137,254.00
4-Sep-23	1,491	224,619.00
5-Sep-23	6,780	1,037,981.00
6-Sep-23	1,922	295,209.00
7-Sep-23	2,475	379,268.00
8-Sep-23	3,739	552,856.00
11-Sep-23	2,234	323,402.00
12-Sep-23	1,610	228,550.00
13-Sep-23	25	3,478.00
14-Sep-23	128	17,459.00
15-Sep-23	1,167	156,073.00
18-Sep-23	4,016	561,328.00
20-Sep-23	1,132	166,670.00
21-Sep-23	10,403	1,598,712.00
22-Sep-23	5,647	901,550.00
25-Sep-23	4,379	688,008.00
26-Sep-23	6,805	992,167.00
27-Sep-23	3,449	515,185.00
28-Sep-23	1,446	223,853.00
29-Sep-23	4,559	736,471.00
3-Oct-23	4,151	710,661.00
4-Oct-23	9,097	1,633,654.00
5-Oct-23	9,272	1,745,142.00
6-Oct-23	3,744	698,125.00
9-Oct-23	828	149,986.00
10-Oct-23	892	159,132.00

11-Oct-23	3,069	536,614.00
12-Oct-23	1,067	182,883.00
13-Oct-23	2,455	413,725.00
16-Oct-23	720	124,465.00
17-Oct-23	514	87,265.00
18-Oct-23	1,728	285,552.00
19-Oct-23	566	91,927.00
20-Oct-23	338	54,739.00
23-Oct-23	243	39,137.00
25-Oct-23	1,225	192,115.00
26-Oct-23	600	92,220.00
27-Oct-23	1,291	194,913.00
30-Oct-23	1,802	266,696.00
31-Oct-23	15	2,220.00
1-Nov-23	260	37,713.00
2-Nov-23	180	26,568.00
3-Nov-23	401	58,114.00
6-Nov-23	781	115,161.00
7-Nov-23	6,065	884,877.00
8-Nov-23	923	135,676.00
9-Nov-23	1,544	227,197.00
10-Nov-23	539	80,259.00
12-Nov-23	4,515	707,211.00
13-Nov-23	3,464	566,137.00
15-Nov-23	8,562	1,351,442.00
16-Nov-23	5,637	841,001.00
17-Nov-23	1,891	272,393.00
20-Nov-23	2,078	299,422.00
21-Nov-23	2,854	404,205.00
22-Nov-23	472	68,613.00
23-Nov-23	1,988	290,090.00
24-Nov-23	3,952	588,518.00
28-Nov-23	7,436	1,115,514.00
29-Nov-23	794	116,844.00
30-Nov-23	159,770	23,007,883.00
1-Dec-23	3,890	643,211.00
4-Dec-23	1,515	263,004.00
5-Dec-23	2,388	435,213.00
6-Dec-23	1,387	265,402.00
7-Dec-23	3,195	623,504.00
8-Dec-23	2,399	477,520.00
11-Dec-23	2,940	596,820.00
12-Dec-23	1,052	217,816.00
13-Dec-23	1,125	237,543.00
14-Dec-23	3,644	784,735.00
Total	411,109	61,740,597.00
'90 Trading Days' Volume Weighted Average Price Preceding Relevant i.e. December 15, 2023		150.18

B. Volume Weighted Average Price (VWAP) for a period of 10 trading days of the equity shares of Garg Furnace Limited quoted on BSE Limited during the last 10 trading days preceding the relevant date.

Volume Weighted Average Price = Sum of Total Value ÷ Total Volume

$$193.11 = 4,544,768.00 \div 23,535$$

Date	VOLUME	VALUE
1-Dec-23	3,890	643,211.00
4-Dec-23	1,515	263,004.00
5-Dec-23	2,388	435,213.00
6-Dec-23	1,387	265,402.00
7-Dec-23	3,195	623,504.00
8-Dec-23	2,399	477,520.00
11-Dec-23	2,940	596,820.00
12-Dec-23	1,052	217,816.00
13-Dec-23	1,125	237,543.00
14-Dec-23	3,644	784,735.00
Total	23,535	4,544,768.00
10 Trading Days' Volume Weighted Average Price Preceding Relevant Date i.e. December 15, 2023		193.11

I. Volume Weighted Average Price (VWAP) for a period of 90 trading days of the equity shares of Garg Furnace Limited quoted on BSE Limited during the last 90 trading days preceding the Relevant date	150.18
II. Volume Weighted Average Price (VWAP) for a period of 10 trading days of the equity shares of Garg Furnace Limited quoted on BSE Limited during the last 10 trading days preceding the relevant date	193.11
Applicable Minimum Price (Higher of I or II)	193.11