

**INDEPENDENT PRACTITIONER'S REPORT ON
RECONCILIATION OF SHARE CAPITAL**

To

M/S Garg Acrylics Limited.
Kanganwal Road, P.O. Jugiana,
G.T. Road, Ludhiana- 141120

Independent Practitioner's Report in respect of Reconciliation of Share Capital of Garg Acrylics Limited for the quarter ended 31.03.2017

1. This Report is issued in accordance with the terms of our engagement.
2. The accompanying statement of reconciliation of share capital for the quarter ended 31/03/2017 containing the details as required pursuant to compliance with the terms and conditions of SEBI Circular D&CC/FITTC/CIR-16/2002 DATED 31/12/2002 is enclosed herewith.

Management's Responsibility

3. The preparation of the accompanying statement of reconciliation of share capital is the responsibility of the Management of Garg Acrylics Limited. (hereinafter the "Company") including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of statement of reconciliation of share capital and applying an appropriate basis of preparation.
4. The Management is also responsible for ensuring that the Company complies with the requirements of the SEBI Circular D&CC/FITTC/CIR-16/2002 DATED 31/12/2002 with respect to the disclosures and provides all relevant information.

Practitioner's Responsibility

5. Pursuant to the requirements of the SEBI Circular D&CC/FITTC/CIR-16/2002 DATED 31/12/2002, it is our responsibility to provide a reasonable assurance on our audit and examination of books & records whether the figures and disclosures in statement of reconciliation of share capital have been accurately extracted from the registrar's certificate and other relevant records, documents of the company and the information given in reconciliation statement is in accordance with the guidelines set out by SEBI Circular D&CC/FITTC/CIR-16/2002 DATED 31/12/2002.
6. We conducted our examination of the above information in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered



Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination, as above, we are of the opinion that:

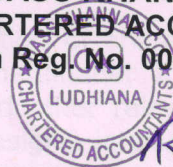
- (i) The figures and disclosures in statement of reconciliation of share capital for the quarter ended 31/03/2017 have been accurately extracted from the registrar's certificate and other relevant records, documents of the company and information given in reconciliation statement is in accordance with the guidelines set out by SEBI Circular D&CC/FITTC/CIR-16/2002 DATED 31/12/2002.

Restriction on Use

9. The certificate is addressed to and provided to the Company solely for the purpose to comply with the requirements of SEBI Circular D&CC/FITTC/CIR-16/2002 DATED 31/12/2002 and to submit the above information to SEBI, and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

PLACE: LUDHIANA
DATED: 17.04.2017

For DASS KHANNA & CO.
CHARTERED ACCOUNTANTS
(Firm Reg. No. 000402N)



Rahul Sami
(CA. RAKESH SONI)
PARTNER
M. No. 083142

STATEMENT OF RECONCILIATION OF SHARE CAPITAL

1. For Quarter Ended : 31st March, 2017
2. ISIN : INE244E01018
3. Face Value : Rs. 10/- per share
4. Name of the Company : GARG ACRYLICS LIMITED
5. Registered Office Address : A-50/1 WAZIRPUR INDUSTRIAL AREA, DELHI-52.
6. Correspondence Address : KANGANWAL ROAD, VPO JUGIANA, G.T.ROAD, LUDHIANA- 141 120.
7. Telephone & Fax Nos. : Tel: 0161-4692500
Fax: 0161-2510084
8. Email Address : gargacrylics@yahoo.com
9. Names of the Stock Exchanges where the company's securities are listed : Earlier the Equity Shares of the Company were listed on the Delhi Stock Exchange Limited (DSE) and the Ludhiana Stock Exchange Limited (LSE). At Present DSE and LSE have stopped their functioning and both are now non-operational stock Exchanges. In terms of SEBI Circular No. SEBI/HO/ MRD/DSA/CIR/P/2016/110 dated 10th October, 2016, the Company intends to list its Equity Shares on Nation vide Stock Exchange.

10. Issued Capital : i) Rs. 83,03,500.00 divided into 8,30,350
Equity shares of Rs. 10/- each fully paid up.
ii) Rs. 20,00,00,000 divided into 2,00,00,000,
6% redeemable Non Cumulative Preference shares
of Rs. 10/- each fully paid up.

11. Listed Capital*
(Exchange-wise)
(as per company records) : i) Equity Shares:-

The Delhi Stock Exchange Ltd 000001 to 396000 shares	The Ludhiana Stock and Capital Ltd 000001 to 396000 shares
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ii) Preference Shares:-
---Nil---

- | | | |
|------------------------------|--------------------------------------|--------|
| %age of total issued capital | i) Equity Shares:-
47.69% | 47.69% |
| | ii) Preference Shares:-
---Nil--- | |

*At Present DSE and LSE have stopped their functioning and both are now non-operational stock Exchanges.

12. Held in dematerialised form in CDSL : Nil
%age of total issued capital : Nil
13. Held in dematerialized form in NSDL : Nil
%age of total issued : Nil

For GARG ACRYLICS LTD.

Saysee
Director/Auth. Signatory



14. Physical	:	<u>Equity Shares</u>	<u>Preference Shares</u>
%age of total issued capital	:	8,30,350	2,00,00,000
	:	100.00%	100%

15 .Total No. of shares	:	<u>Equity Shares</u>	<u>Preference Shares</u>
(12+13+14)	:	8,30,350	2,00,00,000
	:	100.00%	100%

16. Reasons for difference if any, between (10&11), (10&15), (11&15) : 434350

On 29.05.2001, the Company has allotted 90,000 equity shares on preferential basis to promoters, their friends and relatives after complying with all the requirements of SEBI (Substantial Acquisition of shares & takeover) Regulations, 1997. The listing application has been made to Delhi Stock Exchange (DSE) & Ludhiana Stock Exchange (LSE) within time. The LSE has approved the application and have stated that listing would be confirmed after filing of Regional Stock Exchange (DSE) approval. All the information/documents required by DSE vide its letter dated July 20, 2001 and January 17, 2002 have been submitted. The listing approval of DSE is not received till the date of Order of exit of exchange

Further, the company has made following allotments for which application have been made to DSE.

Date of Allotment	No. of Equity Shares
27-03-2010	30000
25-03-2011	80000
14-03-2012	80000
29-09-2012	72000
29-07-2013	61700
28-03-2014	20650

The Listing approval for the same has not been received till the date of Order of exit of exchange

Now the Company intends to list its Equity Shares on Nation wide Stock Exchange.

Further, the company has on 31.3.2004, 31.3.2005, 31.3.2007, 31.3.2008 & 31.3.2009 allotted 2,00,00,000 6% Non Cumulative Redeemable Preference Shares of Rs. 10/- each (As authorised in the EGM held on 29.3.2004, 18.3.2005, 30.3.2007 & 25.3.2008). Of the 50,00,000 preference shares allotted on 31.03.2004 due for redemption on 31.03.2014 7,00,000 preference shares have been rolled over for a further period of 10 years & 4300,000 Preference Shares have been redeemed. Further fresh 4300,000 6% redeemable non-cumulative Preference Shares have been allotted on 28-03-2014. The 30,00,000 preference shares allotted on 31.03.2005 due for redemption on 31.03.2015 have been rolled over for a further period of 10 years. The 70,00,000 preference shares allotted on 31.03.2007 due for redemption on 31.03.2017 have been rolled over for a further period of 10 years

17. Certifying the details of change in share capital during the quarter under Consideration as per Table below

Particulars	No Of Shares	Applied/Not applied for listing	Listed on Stock exchanges (Specify names)	Whether intimated to CDSL	Whether intimated to NSDL	In Principal Approval pending for Stock Exchanges (specify Names)
NIL						

For GARG ACRYLICS LTD.

[Signature]
Director/Aud. Signatory



18. Register of Members is updated (Yes/No) : Yes
(if not, updated upto which date)
19. Reference of previous quarter with regards : N.A
to excess dematerialized shares, if any
20. Has the company resolved the matter : N.A
mentioned in point no. 19 above in the
current quarter? If not, reason why?
21. Mention the total no. of requests, if any, : No demat request recd.
confirmed after 21 days and the total no.
of requests pending beyond 21 days with
the reasons for delay:

<u>Total No. of demat requests</u>	<u>No. of request</u>	<u>No. of shares</u>	<u>Reasons for delay</u>
Confirmed after 21 days	N.A	N.A	N.A
Pending for more than 21 days	N.A	N.A	N.A

22. Name, Telephone & Fax No. of the : Miss. Ridhima Sood
Compliance Officer of the Co. Tel No. 0161-4692500
Fax No. 0161-2510084
23. Name, Address, Tel. & Fax No. Regn. : Sh Rakesh Soni, C.A (M.N 83142)
No. of the Auditor: Partner-Dass Khanna & Co.,
Chartered Accountants8
B-XX-2815, 1st Floor, Gurdev Nagar, Pakhowal Road,
Ludhiana.
Tel No. 0161-2401230, 2403029
24. Appointment of common agency for share : M/s Skyline Financial Services Private Limited
registry work (w.e.f 25.03.2003)
D-153/A, 1st Floor Okhla Industrial Area Phase -1,
New Delhi-110020
Ph: 011- 26812682 - 26812684
25. Any other detail that the auditor may like : Nil
to provide (e.g BIFR company, delisting
from SE, company changed its name etc.)

Referred to in our Independent Practitioner's Report of
even date

For Garg Acrylics Limited

For GARG ACRYLICS LTD.

(Director/Authorised signatory)

PLACE: LUDHIANA.
DATED: 17.04.2017

For DASS KHANNA & CO.
CHARTERED ACCOUNTANTS
(Reg. No. 000402N)



(RAKESH SONI)
PARTNER
M. No.083142