



Works : KANGANWAL ROAD, V.P.O. JUGIANA,
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**GARG
FURNACE LTD.**

CIN: L99999PB1973PLC003385
Regd. Off: Kanganwal Road, V.P.O Jugiana
G. T. Road, LUDHIANA-141120
Web: gargfurnaceltd.com

May 30th, 2022

The Corporate Relationship Department
BSE Limited,
25th Floor, Phiroze Jeejeebhoy
Towers, Dalal Street,
Mumbai - 400 001

Scrip Code: 530615

Subject: Outcome of Board Meeting

Dear Sir/Madam,

Pursuant to Regulation 30 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform you that the Board of Directors of the Company in its meeting held on May 30, 2022, have inter-alia, transacted the following businesses:

1. Considered and approved the Audited financial results of the company for the Quarter/year ended 31st March, 2022 (copy enclosed) along with the Audit Report thereon issued by Ashwani & Associates, Statutory Auditors of the company;

The meeting of board of Directors commenced at 11.00 A.M. and concluded at 2.30 P.M.

Kindly take the same on your record.

Thanking You

Yours Faithfully
For Garg Furnace Limited

Devinder Garg
Managing Director

Independent Auditors' Report on the Annual Audited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To
The Board of Directors of
Garg Furnace Limited

Opinion

We have audited the accompanying annual Financial Results of Garg Furnace Limited CIN-(L99999PB1973PLC003385) ("the Company"), for the year ended March 31, 2022 ("the Financial Results"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Financial Results:

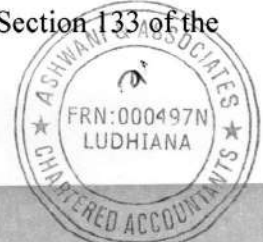
- (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- (ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year ended March 31, 2022.

Basis for Opinion

We conducted our audit in accordance with the standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit of evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Management Responsibilities for the Financial Results

These Financial Results, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of annual audited financial statements for the year ended March 31, 2022. The Company's Board of Directors is responsible for the preparation and presentation of the financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Ind-AS prescribed under Section 133 of the



Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's



ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial results, including the disclosures, and whether the financial results present the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

These financial results includes the financial results for the quarter ended on 31st March, 2022, being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year- to- date figures up to the third quarter of the current financial year, which were subject to limited review by us, as required under the Listing Regulations.

Place: Ludhiana
Dated: May 30, 2022

For and on behalf of
Ashwani & Associates
Chartered Accountants
Firm Registration Number: 000497N
by the hand of



Arvind Jain
Partner

Membership No.: 097549

UDIN: 22097549AJLKkY7071

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**GARG
FURNACE LTD.**

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2022

Sr. No.	Particulars	Quarter ended			Year ended	
		31.03.2022	31.12.2021	31.03.2021	31.03.2022	31.03.2021
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
	Income:					
I	Revenue from operations	4,784.56	5,216.47	4,489.61	17,859.74	11,935.08
II	Other Income	28.96	3.16	21.14	42.01	24.08
III	Total income	4,813.52	5,219.63	4,510.75	17,901.75	11,959.16
	Expenses:					
IV	Cost of materials consumed	3,272.35	3,805.69	3,478.25	13,169.34	9,600.34
	Purchase of stock-in-trade	627.70	1,072.51	237.72	2,082.44	237.72
	Change in inventories of finished goods, stock-in-trade and work-in-progress	89.45	(560.08)	190.20	(256.09)	162.95
	Employee benefits expense	39.64	26.62	25.72	115.54	96.22
	Finance costs	4.35	5.03	7.55	22.46	34.92
	Depreciation and amortization expenses	32.51	33.83	41.85	133.72	147.71
	Other expenses	499.25	572.19	745.45	2,002.07	1,828.43
	Total Expenses	4,565.25	4,955.79	4,726.74	17,269.48	12,108.29
V	Profit/ (loss) before exceptional items and tax (III-IV)	248.27	263.84	(215.99)	632.27	(149.13)
VI	Exceptional items	-	-	(315.13)	-	(315.13)
VII	Profit/ (loss) before tax (V-VI)	248.27	263.84	(531.12)	632.27	(464.26)
VIII	Tax Expense:					
	Current tax	-	-	-	-	-
	Current tax adjustment related to earlier year	-	-	5.75	-	5.75
	Deferred tax	-	-	-	-	0.49
	Total tax expense	-	-	5.75	-	6.24
IX	Profit/(loss) for the period (VII-VIII)	248.27	263.84	(536.87)	632.27	(470.50)
X	Other Comprehensive Income					
	Items that will not be reclassified to profit or loss					
(i)	Remeasurement (loss)/gain of defined benefit obligation	0.90	-	(2.26)	0.90	(2.26)
(ii)	(Loss)/gain on fair valuation of equity investments through other comprehensive income	(7.69)	-	(1.23)	(7.69)	(1.23)
XI	Total Comprehensive Income for the period (IX+X)	241.48	263.84	(540.36)	625.48	(473.99)
XII	Paid-up equity share capital (Face value ₹10/- per share)	400.87	400.87	400.87	400.87	400.87
XIII	Other equity (Reserves excluding revaluation reserve)				1,072.40	446.92
XIV	Earning per equity share of ₹10/- each (for continuing and discontinued operations) (not annualised except for the year ended 31.03.2021 and 31.03.2022)					
	Basic ₹	6.19	6.58	(13.39)	15.77	(11.74)
	Diluted ₹	6.19	6.58	(13.39)	15.77	(11.74)



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NOTES:

1. The above results have been reviewed by the Audit Committee and thereafter approved by the Board of Directors in their respective meetings held on May 30, 2022.
2. The financial results of the Company have been audited by the Statutory Auditors and prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder ("Ind AS") and other accounting principles generally accepted in India and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The statutory auditors have expressed an unmodified audit opinion on these results.
3. The Statement of Cash flows is attached with these financial results.
4. The Code on Social Security, 2020 ('SS Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The SS Code has been published in the Gazette of India. However, the date on which the SS Code will come into effect has not been notified. The Company will assess the impact of the SS Code when it comes into effect and will record any related impact in the period when the SS Code becomes effective.
5. The Company is engaged in the business of manufacturing of Iron and Steel Products such as M.S. Round, Ingot, Wire Rod etc. In the context of Ind AS 108 on 'Segment Reporting', the results are considered to constitute a single reportable entity/ business segment.
6. In compliance of Ind AS 12 on 'Income Taxes', due to uncertainty of future taxable profits, as a matter of prudence, the company has decided not to recognise the deferred tax asset (net) in books of accounts.

Place: Ludhiana
Date :30-05-2022



for Garg Furnace Limited
For GARG FURNACE LTD.
(Devinder Garg)
Chairman Cum Managing Director
DIN:01665456

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GARG FURNACE LTD.

Balance sheet as at 31st March, 2022

(All amounts ₹. in Lakhs, unless otherwise stated)

Particulars	As at 31st March, 2022	As at 31st March, 2021
ASSETS		1,425.33
Non-current assets	1,479.97	
a) Property, Plant and Equipment		45.41
b) Financial Assets	37.71	159.85
i) Investments	119.21	75.00
ii) Trade receivables	75.00	212.11
iii) Loans	209.12	43.54
iv) Other Financial assets	31.84	
c) Other non-current assets	<u>1,952.85</u>	<u>1,961.24</u>
Current assets	1,684.79	1,122.97
a) Inventories		1,077.61
b) Financial Assets	1,024.16	124.19
i) Trade receivables	203.37	27.91
ii) Cash and cash equivalents	32.41	15.60
iii) Bank balances other than (ii) above	29.14	4.03
iv) Other Financial assets	19.17	56.24
c) Current tax assets (net)	37.91	
d) Other current assets		
	<u>3,030.95</u>	<u>2,428.55</u>
	<u>4,983.80</u>	<u>4,389.79</u>
Total Assets		
EQUITY AND LIABILITIES		
EQUITY	400.87	400.87
a) Equity Share capital	1,072.40	446.92
b) Other equity	<u>1,473.27</u>	<u>847.79</u>
LIABILITIES		
Non-current liabilities		
a) Financial Liabilities	904.15	666.87
i) Borrowings	16.08	21.77
b) Provisions	<u>920.23</u>	<u>688.64</u>
Current liabilities		
a) Financial Liabilities	122.71	110.12
i) Borrowings		
ii) Trade payables		
(A) total outstanding dues of micro enterprises and small enterprises; and		
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	732.19	693.35
iii) Other financial liabilities	1.18	2.08
b) Other current liabilities	1,730.47	2,042.62
c) Provisions	3.75	5.19
	<u>2,590.30</u>	<u>2,853.36</u>
	<u>4,983.80</u>	<u>4,389.79</u>
Total Equity and liabilities		

Place: Ludhiana
Date :30-05-2022

For Garg Furnace Limited
For GARG FURNACE LTD.
(Devinder Garg)
Chairman Cum Managing Director
DIN:01665456

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GARG FURNACE LIMITED

CIN:L99999PB1973PLC003385

Regd Office : Kanganwal Road, V.P.O. Jugiana
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Email: gargfurnace@yahoo.com

Statement of Audited Financial Results for the Quarter / Year ended 31 Mar 2022

Sr.No.	Particulars	Quarter ending 31.03.2022	Corresponding Qtr for the previous year ended 31.12.2021	Year ended 31.03.2022
		Audited	Unaudited	Audited
1	Total Income from Operations	4,784.56	5,216.47	17,859.74
2	Net Profit/ (Loss) for the period (before Tax, Exceptional and/or Extraordinary Items*)	248.27	263.84	632.27
3	Net Profit/ (Loss) for the period before tax (after Tax, Exceptional and/or Extraordinary Items*)	248.27	263.84	632.27
4	Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary items*)	248.27	263.84	632.27
5	Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	248.27	263.84	632.27
6	Paid up Equity Share Capital			
7	Reserves (excluding Revaluation Reserve)	400.87	400.87	400.87
8	Securities Premium Account	1,072.40	446.91	1,072.40
9	Net Worth	-	-	-
10	Paid up Debt Capital / Outstanding Debt	1,473.27	847.78	1,473.27
11	Outstanding Redeemable Preference Shares	-	-	-
12	Debt Equity Ratio	-	-	-
13	Earnings Per Share (of Rs. ___/- each) (for continuing and discontinued operations) - (1) Basic : (2) Diluted :	- 6.19 6.19	- 6.58 6.58	- 15.77 15.77
14	Capital Redemption Reserve	-	-	-
15	Debenture Redemption Reserve	-	-	-
16	Debt Service Coverage Ratio	-	-	-
17	Interest Service Coverage Ratio	-	-	-

NOTES:

The above is an extract of the detailed format of Unaudited Financial Results filed with the Stock Exchanges as per Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations, 2015. The full format of the Unaudited Financial Results is available on the website of Stock Exchange(s) and the portal of Bombay Stock Exchange i.e. www. bseindia.com

Place : LUDHIANA

Date: 30-05-2022

for GARG FURNACE LTD.
For GARG FURNACE LTD.
(Devinder Garg)
Chairman Cum Managing Director
DIN:01665456

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**GARG
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GARG FURNACE LIMITED

Cash flow statement for the year ended 31st March, 2022

(All amounts ₹. in Lakhs, unless otherwise stated)

Particulars	For the year ended on 31st March, 2022	For the year ended on 31st March, 2021
A Cash flow from operating activities		
Profit/(loss) before Tax	632.27	(464.26)
Adjustments for:		
Depreciation and amortisation	133.72	147.71
Net (profit)/loss on sale of fixed assets	-	(0.51)
Finance costs	22.46	34.92
Loss on derecognition of Property, Plant & Equipment	-	315.13
Exchange Rate Fluctuations	(0.59)	
Bad debts	8.32	83.90
Provision for doubtful advances	-	73.62
Allowances for expected credit loss and doubtful receivables	(2.62)	28.21
Sundry Balances Written Off	-	2.60
Sundry Balances Written Back	(6.12)	(3.18)
Interest income on deposits	(16.23)	(17.09)
Operating profit before working capital changes	138.94	665.31
Changes in working capital:	771.22	201.06
Decrease/(Increase) in inventories	(561.82)	(69.70)
Decrease/(Increase) in trade and other receivables	104.88	(45.78)
Increase/(Decrease) in trade payables and other liabilities	(269.54)	217.11
Cash generated from operations	(726.48)	101.64
Taxes paid	44.74	302.69
Net cash flow from/(used in) operating activities (A)	(19.32)	(4.52)
B Cash flow from investing activities:	25.42	298.17
Proceeds from sale of property, plant and equipment	-	5.22
Purchase of property, plant and equipment	(188.36)	(27.45)
(Increase)/ Decrease in Term Deposits	(1.51)	(1.78)
Interest received	16.23	18.87
Net cash flow from/(used in) investing activities (B)	(173.64)	(5.15)
C Net cash flow from financing activities:		
Repayments from short term borrowings	-	(21.37)
Repayments from long term borrowings	-	(127.79)
Increase in short term borrowings	12.59	
Increase in long term borrowings	237.28	
Finance cost paid	(22.46)	(34.92)
Net cash flow from/(used in) financing activities (C)	227.40	(184.08)
Net change in Cash & cash equivalents (A+B+C)	79.18	108.94
Cash & cash equivalents as at the beginning of year	124.19	15.24
Cash & cash equivalents as at end of the year*	203.37	124.19
* Comprises		
Balances with banks in current account	187.19	109.47
Cash on hand	1.90	2.08
Cheques on hand	14.28	12.63
	203.37	124.19
	0.00	0.00

Place: Ludhiana
Date :30-05-2022

for Garg Furnace Limited
For GARG FURNACE LTD.
(Devinder Garg)
Chairman Cum Managing Director
DIN:01665456