



Works : KANGANWAL ROAD, V.P.O. JUGIANA,
G.T. ROAD, LUDHIANA-141 120 (INDIA)
PBX : 00-91-161-4692400 (30 Lines)-2510084
FAX : 00-91-161-2512285
E-MAIL : gargfurnace@yahoo.com



**GARG
FURNACE LTD.**

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

November 13th, 2021

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 November 13, 2021, have inter-alia, transacted the following businesses:

1. Considered and approved the Unaudited financial results of the company for the Quarter ended 30th September, 2021 (copy enclosed) along with the Limited Review Report thereon issued by Ashwani & Associates, Statutory Auditors of the company;

The meeting of board of Directors commenced at 02.00 P.M. and concluded at 6.30 P.M.

Kindly take the same on your record.

Thanking You

Yours Faithfully

For Garg Furnace Limited

Devinder Garg
Managing Director

Independent Auditor's Review Report on the Quarter and Half year ended Unaudited Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
Garg Furnace Limited

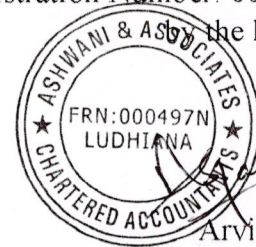
1. We have reviewed the unaudited Ind AS Financial Results of M/s Garg Furnace Limited (the "Company") for the quarter and half year ended 30th September, 2021 (the "Statement") attached herewith, being submitted by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Regulation"), read with SEBI Circular CIRICFD/CMD1/44/2019 dated March 29, 2019 (the "Circular").
2. The preparation of the statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended, read with 'the Circular' and other accounting principles generally accepted in India is the responsibility of the management of the Company and has been approved by the Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
4. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.



5. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results have not been prepared in all material respects in accordance with the applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies, and has not disclosed the information required to be disclosed in terms of 'the Regulation', read with 'the Circular' including the manner in which it is to be disclosed, or that it contains any material misstatement.

For and on behalf of
Ashwani & Associates
Chartered Accountants

Firm Registration Number: 000497N



Arvind Jain
Partner

Place: Ludhiana
Dated: November 13, 2021

Membership No.: 097549

UDIN: **21097549AAAAEM9051**

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GSTIN : 03AAAGG8807R1ZD



**GARG
FURNACE LTD.**

Balance sheet as at 30th Sept, 2021

(All amounts Rs. in Lakhs. unless otherwise stated)

| Particulars | As at 30th Sept, 2021 | As at 31st March, 2021 |
|--------------------------------------------------------------------------------------------|--------------------------|---------------------------|
| ASSETS | | |
| Non-current assets | | |
| a) Property, Plant and Equipment | 1,368.31 | 1,425.33 |
| b) Financial Assets | | |
| i) Investments | 45.41 | 45.41 |
| ii) Trade receivables | 148.03 | 159.85 |
| iii) Loans | 75.00 | 75.00 |
| iv) Other Financial assets | 209.11 | 212.11 |
| c) Other non-current assets | 31.84 | 43.54 |
| d) Deferred Tax Assets (Net) | - | - |
| | 1,877.70 | 1,961.24 |
| Current assets | | |
| a) Inventories | 715.89 | 1,122.97 |
| b) Financial Assets | | |
| i) Trade receivables | 1,166.19 | 1,077.61 |
| ii) Cash and cash equivalents | 70.86 | 124.19 |
| iii) Bank balances other than (ii) above | 31.69 | 27.91 |
| iv) Other Financial assets | 18.41 | 15.60 |
| c) Current tax assets (net) | 9.51 | 4.03 |
| d) Other current assets | 39.53 | 56.24 |
| | 2,052.08 | 2,428.55 |
| Total Assets | 3,929.78 | 4,389.79 |
| EQUITY AND LIABILITIES | | |
| EQUITY | | |
| a) Equity Share capital | 400.87 | 400.87 |
| b) Other equity | 567.07 | 446.92 |
| | 967.94 | 847.79 |
| LIABILITIES | | |
| Non-current liabilities | | |
| a) Financial Liabilities | | |
| i) Borrowings | 828.20 | 666.87 |
| b) Provisions | 18.01 | 21.77 |
| | 846.21 | 688.64 |
| Current liabilities | | |
| a) Financial Liabilities | | |
| i) Borrowings | 117.10 | 110.12 |
| 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 | 594.37 | 693.35 |
| iii) Other financial liabilities | 1.63 | 2.08 |
| b) Other current liabilities | 1,398.24 | 2,042.62 |
| c) Provisions | 4.29 | 5.19 |
| | 2,115.63 | 2,853.36 |
| Total Equity and liabilities | 3,929.78 | 4,389.79 |

Place: Ludhiana
Date : 13/11/2021

For Garg Furnace Ltd.
For GARG FURNACE LTD.

(Devinder Garg) **Director**
Chairman Cum Managing Director
DIN:01665456

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GARG FURNACE LIMITED

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Regd Office : Kanganwal Road, V.P.O. Jugiana
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UNAUDITED FINANCIAL RESULTS FOR THE QUARTER & HALF YEAR ENDED 30TH SEPT, 2021

| Sr. No. | Particulars | Quarter ended | | | Half Year ended | | in ₹ Lakhs |
|---------|-------------------------------------------------------------------------------------------------------------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------------|
| | | 30.09.2021 | 30.06.2021 | 30.09.2020 | 30.09.2021 | 30.09.2020 | Year ended |
| | | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| | Income: | | | | | | |
| I | Revenue from operations | 4,267.63 | 3,591.08 | 2,805.09 | 7,858.71 | 3,778.10 | 11,935.08 |
| II | Other Income | 8.36 | 1.53 | - | 9.89 | 1.45 | 24.08 |
| III | Total income (I+II) | 4,275.99 | 3,592.61 | 2,805.09 | 7,868.60 | 3,779.55 | 11,959.16 |
| | Expenses: | | | | | | |
| | Cost of materials consumed | 2,941.76 | 3,149.54 | 2,543.15 | 6,091.30 | 3,176.58 | 9,600.34 |
| | Purchase of stock-in-trade | 382.23 | - | - | 382.23 | - | 237.72 |
| | Changes in inventories of finished goods, work-in-progress and stock in trade | 367.98 | (153.44) | (161.48) | 214.54 | 12.15 | 162.95 |
| | Employee benefits expense | 23.10 | 26.18 | 24.87 | 49.28 | 42.38 | 96.22 |
| | Finance costs | 6.29 | 6.79 | 9.18 | 13.08 | 19.25 | 34.92 |
| | Depreciation and amortization expenses | 33.91 | 33.47 | 32.11 | 67.38 | 66.75 | 147.71 |
| | Other expenses | 485.34 | 445.29 | 396.18 | 930.63 | 572.33 | 1,828.43 |
| | Total Expenses (IV) | 4,240.61 | 3,507.83 | 2,844.01 | 7,748.44 | 3,889.44 | 12,108.29 |
| V | Profit/(loss) before exceptional items and tax (III-IV) | 35.38 | 84.78 | (38.92) | 120.16 | (109.89) | (149.13) |
| VI | Exceptional items | - | - | - | - | - | (315.13) |
| VII | Profit/(loss) before tax (V-VI) | 35.38 | 84.78 | (38.92) | 120.16 | (109.89) | (464.26) |
| VIII | Tax Expense: | | | | | | |
| | Current tax | - | - | - | - | - | - |
| | Deferred tax | - | - | - | - | - | - |
| | Taxes related to earlier years | - | - | - | - | 0.49 | 0.49 |
| | Total tax expense | - | - | - | - | 0.49 | 5.75 |
| IX | Profit/(loss) for the period (VII-VIII) | 35.38 | 84.78 | (38.92) | 120.16 | (110.38) | 6.24 |
| X | Other Comprehensive Income/(loss) | | | | | | |
| | Items that will not be reclassified to profit or loss | | | | | | |
| (i) | Remeasurement (loss)/gain of defined benefit obligation | - | - | - | - | - | (2.26) |
| (ii) | (Loss)/gain on fair valuation of equity investments through other comprehensive income | - | - | - | - | - | (1.23) |
| XI | Total Comprehensive Income for the period (IX+X) | 35.38 | 84.78 | (38.92) | 120.16 | (110.38) | (473.99) |
| XII | Paid-up equity share capital (Face value ₹10/- per share) | 400.87 | 400.87 | 400.87 | 400.87 | 400.87 | 400.87 |
| XIII | Other equity (Reserves excluding revaluation reserve) | | | | 567.07 | 810.52 | 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) | | | | | | |
| | Basic and Diluted ₹ | 0.88 | 2.11 | (0.97) | 3.00 | (2.75) | (11.74) |

NOTES:

- The above results have been reviewed by the Audit Committee and thereafter approved by the Board of Directors in their respective meetings held on November 13, 2021.
- The above financial results of the Company have been 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.
- 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.
- 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.
- Previous period/ year figures have been regrouped/ reclassified where necessary

Place : LUDHIANA
Date: 13/11/2021

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

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GARG FURNACE LTD.

Statement of Cash Flows for the period ended 30 Sep 2021
(All amounts in Rs. , unless otherwise stated)

| Particulars | Year ended 30 Sep 2021 |
|----------------------------------------------------------------------|---------------------------|
| A Cash flow from operating activities | |
| 1 Profit/ (Loss) before tax | 12,016,038.33 |
| 2 Adjustments for: | |
| Depreciation and amortisation | 6,737,985.00 |
| Net (profit) loss on sale of fixed assets | - |
| Finance costs | 1,307,831.97 |
| Loss on De Recognition of PPE | - |
| Bad Debts | 831,928.00 |
| Bad & doubtful advances | - |
| Allowances for expected credit loss and doubtful receivables | - |
| Sundry Balances Written Off | - |
| Sundry Balances Written Back | (613,852.04) |
| Interest income on deposits | (375,038.00) |
| 3 Operating cash flow before working capital changes (1-2) | 19,904,893.26 |
| 4 Change in working capital: (Excluding cash & bank balances) | |
| Decrease (Increase) in inventories | 40,707,881.85 |
| Decrease (Increase) in trade receivables | (8,507,577.01) |
| Decrease (Increase) in other assets | 2,497,518.10 |
| Increase (Decrease) in trade payables | (9,284,358.34) |
| Increase (Decrease) in other liabilities | (64,482,833.39) |
| Change in working capital | (39,069,368.79) |
| 5 Cash generated from operations (3+4) | (19,164,475.53) |
| 6 Less : Taxes paid Taxes related to Pr. Yr. | 951,226.85 |
| 7 Net cash flow from operating activities (5-6) | (20,115,702.38) |
| B Cash flow from investing activities: | |
| Proceeds from sale of property, plant and equipment | |
| Purchase of property, plant and equipment | (1,036,567.00) |
| Increase in Deposits | (77,913.00) |
| Interest received | 375,038.00 |
| Net cash generated (used) in investing activities: | (739,442.00) |
| C Net cash flow from financing activities: | |
| Repayments from short term borrowings | 698,059.68 |
| Repayments from long term borrowings | 16,132,132.75 |
| Finance cost paid | (1,307,831.97) |
| Net cash generated (used) from financing activities: | 15,522,360.46 |
| D Net change in Cash & cash equivalents (A+B+C) | (5,332,783.92) |
| E - 1 Cash & cash equivalents as at end of the year | 7,086,049.71 |
| E - 2 Cash & cash equivalents as at the beginning of year | 12,418,833.63 |
| NET CHANGE IN CASH & CASH EQUIVALENTS (E 1-2) | (5,332,783.92) |

The accompanying notes forms an integral part of the financial statements.

for Garg Furnace Limited
For GARG FURNACE LTD.

(Devinder Garg)
Chairman Cum Managing Director
DIN:01665456

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Statement of Unaudited Financial Results for the Quarter / Half Year Ended 30.09.2021

| Sr.No. | Particulars | Quarter ending 30.09.2021 | Corresponding Qtr ended in the previous year 30.09.2020 | Pr. Yr. ended 31.03.2021 |
|--------|----------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------------------------------------------|-----------------------------|
| | | Unaudited | Unaudited | Audited |
| 1 | Total Income from Operations | 4267.63 | 2805.09 | 11935.08 |
| 2 | Net Profit/ (Loss) for the period (before Tax, Exceptional and/or Extraordinary Items*) | 35.38 | (38.92) | (149.13) |
| 3 | Net Profit/ (Loss) for the period before tax (after Tax, Exceptional and/or Extraordinary Items*) | 35.38 | (38.92) | (464.26) |
| 4 | Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary items*) | 35.38 | (38.92) | (470.50) |
| 5 | Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)] | 35.38 | (38.92) | (473.99) |
| 6 | Equity Share Capital | 400.87 | 400.87 | 400.87 |
| 7 | Reserves (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the previous year | 567.07 | 810.52 | 446.92 |
| 8 | Earnings Per Share (of Rs. ____/- each) (for continuing and discontinued operations) - | | | |
| | (1) Basic : | 0.88 | (0.97) | (11.74) |
| | (2) Diluted : | 0.88 | (0.97) | (11.74) |

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

for Garg Furnace Limited

For GARG FURNACE LTD.

(Devinder Garg)

Chairman Cum Managing Director

DIN:01665456

Place : LUDHIANA

Date: 13-11-2021