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

June 30th, 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 June 30, 2021, 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, 2021 (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 04.00 P.M. and concluded at 5.45 P.M.

Kindly take the same on your record.

Thanking You

Yours Faithfully
For Garg Furnace Limited



Devinder Garg
Managing Director

ashwani & associates
chartered accountants

226-a, tagore nagar, ludhiana (punjab) - 141001
voice : +91-161-2301394, +91-161-4500426
facsimile : +91-161-2302083
mail : info@ashwaniassociates.in
web : www.ashwaniassociates.in

Independent Auditors' Report on the Quarterly and Year to Date Audited Financial Results of the Company Pursuant to the Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To
The Board of Directors of
Garg Furnace Limited

Report on the audit of the Financial Results

Opinion

We have audited the accompanying Financial Results of Garg Furnace Limited (CIN-L99999PB1973PLC003385) ("the Company"), for the quarter and year ended March 31, 2021 ("the Financial Results"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and 52 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 and 52 of the Listing Regulations

(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 loss and other comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2021.

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

The Company's Board of Directors are responsible for the preparation and presentation of the financial results that give a true and fair view of the net loss 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

ASHWANI & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★ FRN:000497N LUDHIANA

compliance with Regulation 33 and 52 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

ASHWANI & ASSOCIATES
FRN:000497N
LUDHIANA
CHARTERED ACCOUNTANTS

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 represent 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.

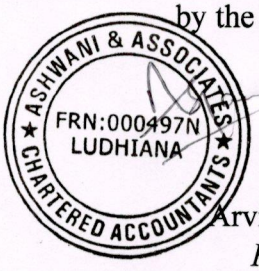
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

(i) The Financial Results includes the results for the quarter ended March 31, 2021 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2021 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

(ii) The comparative financial results of the Company for the quarter and year ended March 31, 2020, included in these financial results were audited by the predecessor Auditor, who, vide their Report dated June 30, 2020 expressed a qualified opinion on these financial results. Our opinion is not modified in respect of this matter.

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



Arvind Jain
Partner
Membership No.: 097549
UDIN: 21097549AAAACT2731

Place: Ludhiana
Dated: June 30, 2021

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GARG FURNACE LTD.

Cash flow statement for the year ended 31st March, 2021

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

Particulars		For the year ended on 31st March, 2021	For the year ended on 31st March, 2020
A	**Cash flow from operating activities**		
	Profit/(loss) before Tax	(464.26)	358.28
	Adjustments for:		
	Depreciation and amortisation	147.71	131.66
	Net (profit)/loss on sale of fixed assets	(0.51)	15.36
	Finance costs	34.92	109.39
	Loss on derecognition of Property, Plant & Equipment	315.13	-
	Bad debts	83.90	2.66
	Provision for doubtful advances	73.62	-
	Allowances for expected credit loss and doubtful receivables	28.21	-
	Sundry Balances Written Off	2.60	-
	Sundry Balances Written Back	(3.18)	(2.86)
	Interest income on deposits	(5.63)	(2.46)
		676.77	253.75
	Operating profit before working capital changes	212.51	612.03
	Changes in working capital:		
	Decrease/(Increase) in inventories	(69.69)	655.03
	Decrease/(Increase) in trade and other receivables	(45.78)	221.77
	Increase/(Decrease) in trade payables and other liabilities	217.11	791.13
		101.64	1,667.93
	Cash generated from operations	314.15	2,279.96
	Taxes paid	(4.52)	(2.08)
	Net cash flow from/(used in) operating activities (A)	309.63	2,277.88
B	**Cash flow from investing activities:**		
	Proceeds from sale of property, plant and equipment	5.22	24.51
	Purchase of property, plant and equipment	(27.45)	(50.89)
	(Increase)/ Decrease in Term Deposits	(1.78)	20.71
	Interest received on Term Deposit and Security Deposits	7.41	2.46
	Net cash flow from/(used in) investing activities (B)	(16.60)	(3.21)
C	**Net cash flow from financing activities:**		
	Repayments of short term borrowings	(21.37)	(2,538.25)
	Repayments of long term borrowings	(127.79)	338.82
	Finance cost paid	(34.92)	(109.39)
	Net cash flow from/(used in) financing activities (C)	(184.08)	(2,308.82)
	Net change in Cash & cash equivalents (A+B+C)	108.95	(34.15)
	Cash & cash equivalents as at the beginning of year	15.24	49.39
	Cash & cash equivalents as at end of the year*	124.19	15.24
	* Comprises		
	Balances with banks in current account	109.47	10.85
	Cash on hand	2.08	4.39
	Cheques on hand	12.64	-
		124.19	15.24
		0.00	(0.00)

Place: Ludhiana
Date :30-06-2021

For Garg Furnace Ltd

GARG FURNACE LIMITED LUDHIANA

(Devinder Garg)
Chairman cum Managing Director
DIN:01665456

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GARG FURNACE LTD.

Balance sheet as at 31st March, 2021

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

Particulars	As at 31st March, 2021	As at 31st March, 2020
ASSETS		
Non-current assets		
a) Property, Plant and Equipment	1,425.33	1,865.29
b) Financial Assets		
i) Investments	45.41	46.64
ii) Trade receivables	159.85	263.00
iii) Loans	75.00	75.00
iv) Other Financial assets	212.11	231.29
c) Other non-current assets	43.54	150.83
c) Deffered Tax Assets (Net)	-	5.75
	1,961.24	2,637.80
Current assets		
a) Inventories	1,122.97	1,053.28
b) Financial Assets		
i) Trade receivables	1,077.61	948.22
ii) Cash and cash equivalents	124.19	15.24
iii) Bank balances other than (ii) above	27.91	-
iv) Other Financial assets	15.60	12.61
c) Other current assets	56.24	123.30
d) Current tax assets (net)	4.03	2.08
	2,428.55	2,154.73
Total Assets	4,389.79	4,792.53
EQUITY AND LIABILITIES		
EQUITY		
a) Equity Share capital	400.87	400.87
b) Other equity	446.92	920.91
	847.79	1,321.78
LIABILITIES		
Non-current liabilities		
a) Financial Liabilities		
i) Borrowings	666.87	803.87
b) Provisions	21.77	15.65
	688.64	819.52
Current liabilities		
a) Financial Liabilities		
i) Borrowings	-	21.37
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	693.35	676.59
iii) Other financial liabilities	112.20	103.65
b) Other current liabilities	2,042.62	1,844.50
c) Provisions	5.19	5.12
	2,853.36	2,651.23
Total Equity and liabilities	4,389.79	4,792.53

GARG FURNACE LIMITED LUDHIANA

Garg Furnace Ltd

(Devinder Garg)
Chairman Cum Managing Director
DIN:01665456

Place: Ludhiana
Date :30-06-2021

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GARG FURNACE LTD.

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2021

in ₹ Lakhs

Sr. No.	Particulars	Quarter ended			Year ended	
		31.03.2021 (Audited)	31.12.2020 (Unaudited)	31.03.2020 (Audited)	31.03.2021 (Audited)	31.03.2020 (Audited)
	Income:					
I	Revenue from operations	4,489.61	3,667.37	2,322.00	11,935.08	9,852.22
II	Other Income	21.14	1.49	167.47	24.08	169.57
III	**Total income**	**4,510.75**	**3,668.86**	**2,489.47**	**11,959.16**	**10,021.79**
IV	**Expenses:**					
	Cost of materials consumed	3,478.25	2,945.51	1,882.36	9,600.34	8,499.68
	Purchase of stock-in-trade	237.72	-	-	237.72	-
	Changes in inventories of finished goods and work-in-progress	190.20	(39.40)	132.88	162.95	270.03
	Employee benefits expense	25.72	28.12	54.45	96.22	154.97
	Finance cost	7.55	8.12	20.91	34.92	109.39
	Depreciation and amortization expense	41.85	39.11	34.83	147.71	131.66
	Other expenses	745.45	510.65	345.81	1,828.43	1,589.41
	Total Expenses	**4,726.74**	**3,492.11**	**2,471.24**	**12,108.29**	**10,755.14**
V	Profit before exceptional items and tax (III-IV)	(215.99)	176.75	18.23	(149.13)	(733.35)
VI	Exceptional items	(315.13)	-	-	(315.13)	1,091.62
VII	**Profit before tax (V-VI)**	**(531.12)**	**176.75**	**18.23**	**(464.26)**	**358.27**
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 for the period (VII-VIII)**	**(536.87)**	**176.75**	**18.23**	**(470.50)**	**358.27**
X	**Other Comprehensive Income**					
	Items that will not be reclassified to profit or loss					
(i)	Remeasurement (loss)/gain of defined benefit obligation	(2.26)	-	2.15	(2.26)	2.15
(ii)	(Loss)/gain on fair valuation of equity investments through other comprehensive income	(1.23)	-	25.44	(1.23)	25.44
XI	**Total Comprehensive Income for the period (IX+X)**	**(540.36)**	**176.75**	**45.82**	**(473.99)**	**385.86**
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)				446.92	920.91
XIV	Earning per equity share of ₹10/- each (for continuing and discontinued operations) (not annualised except for the year ended 31.03.2020 and 31.03.2021)					
	Basic ₹	(13.39)	4.41	1.14	(11.74)	8.94
	Diluted ₹	(13.39)	4.41	1.14	(11.74)	8.94

GARG FURNACE LIMITED LUDHIANA

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GARG FURNACE LTD.

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 June 30, 2021.
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 has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, inventories, property, plant and equipment and intangible assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions, the Company has, as at the date of approval of these financial results, used internal and external sources of information, including economic forecasts and estimates from market sources, on the expected future performance of the Company. On the basis of evaluation and current indicators of future economic conditions, the Company expects to recover the carrying amounts of these assets and does not anticipate any impairment to these financial and non-financial assets. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration. The Company will continue to monitor any material changes to future economic conditions.
6. Exceptional item represent Loss on Derecognition of various items of Property, Plant and Equipment in accordance with Ind AS 16 on 'Property, Plant and Equipment'.
7. 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.
8. The company has revised the useful life of Property, Plant and Equipment which is a change in accounting estimates in accordance with the Ind AS 8 on 'Accounting Policies, Changes in Accounting Estimates and Errors'. Accordingly, the change in estimates has resulted in the increase in depreciation to the tune of Rs. 36.84 Lakhs for the current period.
9. In compliance of Ind AS 12 on 'Income Taxes', due to uncertainity 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.
10. The figures of last quarter of the current year and previous year are the balancing figures between audited figures in respect of full financial year and the published year to date figures upto the third quarter of the financial year of the current year and previous year. The previous financial period/year figures have been regrouped/rearranged wherever necessary to make them comparable.

GARG FURNACE LIMITED LUDHIANA

For Garg Furnace Ltd

(Devinder Garg)
Chairman Cum Managing Director
DIN:01665456

Place: Ludhiana
Date :30-06-2021

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