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

14/02/2020

The Corporate Relationship Department,
The Stock Exchange Mumbai.
Ist Floor. New Training Ring,
Rotunda Building, P J Towers,
Dalal Street, Mumbai

Sub: Submission of Unaudited Financial Results for the quarter ended on 31/12/2019 with Limited Review of Auditor thereon.

Dear Sir,

The Meeting of Board of Directors of the Company held today on Friday the 14TH February, 2020 at 3.30 P.M and concluded on 5.30.P.M, at Registered office of the Company at Ludhiana, to consider and approve unaudited financial results with auditor limited review thereon as on 31/12/2019.

We are enclosing herewith the Unaudited Financial Results for the quarter ended on 31/12/2019 with Limited Review of Auditor thereon as approved by board.

Your good office is requested to take on record the above said information.

Thanking You,

Yours Faithfully,

For Garg Furnace Limited

Devinder Garg
Managing Director
Din: 01665456
Encl as above

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GSTIN : 03AAACG8307R1ZD

GARG FURNACE LTD.

GARG FURNACE LIMITED

CIN:L99999PB1973PLC003385
Regd Office : Kanganwal Road, V.P.O. Jugiana
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Statement of Unaudited Financial Results for the Quarter Ended 31.12.2019

(Rs. In Lacs)

Particulars	3 Months ended 31.12.2019	Year to Date Fig - for Curr. Yr. Ended 31.12.2019
	Unaudited	Unaudited
1. Revenue From Operations		
(a) Revenue from operations (net of excise duty)	2140.46	7530.22
(b) Other Income	1.85	2.10
Exchange Difference	0.00	0.00
Total Income (a+b)	**2142.31**	**7532.32**
2. Expenses		
(a) Cost of Material Consumed	1728.12	6617.32
(b) Purchase of Stock-in-Trade	0.00	0.00
(c) Change in inventories of finished goods, work in process and stock in trade	201.03	137.15
(d) Employee benefits expense	23.21	100.51
(e) Finance Cost	70.73	91.29
(e) Depreciation and amortisation expense	33.07	96.83
(f) Power & Fuel consumed	277.11	886.04
(g) Other expenses	139.65	354.74
TOTAL EXPENSES	**2472.92**	**8283.88**
3. Profit / (Loss) exceptional items, corporate social responsibility expenditure and tax (1-2)	**(330.61)**	**(751.56)**
4. Exceptional Items	(1091.62)	(1091.62)
5. Corporate social responsibility expenditure	0.00	0.00
6. Net Profit / (Loss) before tax (3-4-5)	**761.01**	**340.06**
7. Tax Expense		
Current Tax (net)	0.00	0.00
Mat Credit entitlement	0.00	0.00
Deferred tax (assets /liability)	0.00	0.00
Earlier year tax provisions written back	0.00	0.00
8. Net Profit / (Loss) for the period (6-7)	**761.01**	**340.06**
9. Other Comprehensive Income		
A (i) Re-measurement gain (losses) on defined benefit plans	0.00	0.00
B (i) Items that will be reclassified to profit or loss	0.00	0.00

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GARG FURNACE LTD.

(ii) Income tax relating to items that will be reclassified to profit or loss	0.00	0.00
10. Total comprehensive income for the period (8+9)	**761.01**	**340.06**
11. Paid up equity share capital (Face Value Rs. 10/- per share)	400.87	400.87
12. Other equity excluding revaluation reserves as per balance sheet of previous accounting year	0.00	0.00
19. i Earning Per Share (before extraordinary items) of Rs. /- each) (not annualised)		
(a) Basic	18.98	8.48
(b) Diluted	18.98	8.48
see accompanying note to the Financial Results		

NOTES:

1. The above Financial Results have been prepared in accordance with Indian Accounging Standards as prescribed under Section 133 of the companies Act .2013 read with Rule 3 of the companies (Indian Accounting standard) Rules, 2015 and the companies (Indian Accounting Standard) Amendment Rules, 2016

2. The above Financial results have been reviewed and recommended by the Audit Committee and have been approved and taken on record by the board of directors at its meeting held on 14.02.20

3.The limited review as required under Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 has been completed by the auditors of the company

4. In compliance of 'Ind AS-12"Income Taxes", the Company has not recognised the deferred tax asset in respect of carry forward of unused tax losses upto the extent of deferred tax liabilities, as there is very less probability that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

5. The Company has defaulted in repayment of dues to (Indian Bank) banks and financial institutions. However the bank has approved One Time Settlement (OTS) for Rs. 45.00 Crores vide letter dated 13.08.2018 and payment of Rs. 45.00 Crores as on 31.12.2019 has been paid to bank. As a result the Company has recognized Rs. 1091.62 lacs in Exceptional items against the waiver of loan.

6. Previous period's figures have been regrouped / rearranged wherever considered necessary.

7. During the quarter ended 31-12-2019 balances of Debtors, Creditores, and Loans & Advances are subject to reconcilation.

For Garg Furnace Ltd

GARG FURNACE LTD. LUDHIANA

Place: Ludhiana
Date :14-02-2020

(Devinder Garg)
Chairman Cum Managing Director
DIN:01665456

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Balance sheet as at 31 Dec 2019

	IGAAP		IND AS
Particulars	**As at 31 Dec 2019**	**Ind As Adjustments**	**As at 31 Dec 2019**
ASSETS			
Non-current assets			
a) Property, Plant And Equipment	1902.52	-	1,902.52
b) Capital Work-In-Progress	7.32	-	7.32
c) Other Intangible Assets	-	-	-
d) Financial Assets		-	
i) Investments	21.20	-	21.20
ii) Loans	154.70	-	154.70
iii) Other Financial Assets	31.50	-	31.50
e) Deffered Tax Assets (Net)	-	-	-
f) Other Non-Current Assets	214.82	-	214.82
	2,332.06	-	**2,332.06**
Current assets			
a) Inventories	1,127.60	-	1,127.60
b) Financial assets			
i) Current Investments	-	-	-
ii) Trade receivables	816.30	-	816.30
iii) Cash and Cash equivalents	38.50	-	38.50
iv)Other bank balances	-	-	-
v) Loans	-	-	-
vi) Other financial asset	-	-	-
c) Government grant receivables	-	-	-
d) Current tax assets (net)	0.67	-	0.67
e) Other current assets	360.81	-	360.81
	2,343.88	-	**2,343.88**
Total Assets	**4,675.94**	-	**4,675.94**
EQUITY AND LIABILITIES			
a) Equity Share capital	400.87		400.87
b) Other equity	875.09	-	875.09
	1,275.96	-	**1,275.96**
LIABILITIES			

GARG FURNACE LTD. LUDHIANA

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GARG FURNACE LTD.

Non-current liabilities			
a) Financial liabilities			
i) Borrowings	760.30	-	760.30
ii) Others financial liabilities	-	-	-
b) other non-current liabilities	-	-	-
c) Provisions	6.82		6.82
	767.12	**-**	**767.12**
Current liabilities			
a) Financial liabilities			
i) Borrowings	-	-	-
ii) Trade and other payables	2,166.71	-	2,166.71
iii) other financial liabilities	98.31	-	98.31
b) Provisions	-	-	-
c) Other current liabilities	367.84	-	367.84
	2,632.86	**-**	**2,632.86**
Total Equity and liabilities	**4,675.94**	**-**	**4,675.94**

For Garg Furnace Ltd

Place: Ludhiana
Date :14-02-2020

(Devinder Garg)
Chairman Cum Managing Director
DIN:01665456

R.K. CHADHA & CO.
CHARTERED ACCOUNTANTS

Ludhiana Office:
6, Gian Market, Miller Ganj,
G.T. Road, Ludhiana- 141001
Ph. 0161-4640666
Mob. 9872026700

Phagwara Office:
6- B/6, New Model Town,
Phagwara- 144401
Ph. 9872788666

Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of the company pursuant to the Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements), Regulation, 2015, as amended

To
The Board of Directors,
Garg Furnace Limited,
Ludhiana

1. **Introduction:**

   We have reviewed the accompanying statement of unaudited financial results of **Garg Furnace Limited** (" the Company") for the quarter ended 31st December 2019 (the statement) attached herewith, being submitted by the company pursuant to requirements of Regulation 33 of SEBI (Listing Obligations and Disclosure requirements) Regulation 2015 ('The Regulation') as amended read with SEBI Circular No.CIR/CFD/CMD1/44/2019 dated march 29,2019('the Circular').

2. The preparation of the statement in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34,(Ind AS 34) "Interim Financial Reporting" Prescribed under Section 133 of the Companies Act 2013, as amended , read with relevant rules issued thereunder and other accounting principles generally accepted in India, read with the Circular is the responsibility of the company's management and has been approved by the Board of Directors of the company. Our responsibility is to express a Conclusion on the statement based on our review.

3. We conducted our review in accordance with standards on Review Engagement (SRE) 2410,"Review interim financial information performed by 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 financial statements are free of material misstatement. A review is limited primarily to enquires of company personnel and analytical procedure apply to financial data and thus provide less assurance that an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

R.K. CHADHA & CO. FRN 003513N CHARTERED ACCOUNTANTS

4. **Emphasis of Matter:**

We draw attention to the following:

i) We draw attention to Note No.4 in the financial results about compliance with Ind AS-12 "Income Taxes". The company has not created the deferred tax asset against the Operating Business loss, as there is no virtual certainty supported by convincing evidence that so much future taxable income will be available against which such deferred tax assets can be realised.

ii) The One Time Settlement Scheme of Company was sanctioned on 13/08/2018 and payment of ₹ 4500 lacs has been paid to bank as on 31.12.2019 as a result the Company has recognized amount of ₹ 1091.62 lacs in Exceptional items against the waiver of loan.

iii) The Company has done major transactions with related party under section 188 for which the company has complied with all the procedures and obtained the approval of shareholders required to be obtained under section 188 of the Companies Act 2013. The Company has represented to us that these transactions were done at Arm's length basis and resolution was also filed for the same. However, we are unable to comment whether these transactions are at arm length basis.

iv) As stated in Note No.7 of financial results, during the quarter ended 31-12-2019 balances of debtors, creditors, Loans & Advances are subject to confirmation from the parties.

Our opinion is not qualified in respect of the above matters.

5. **Conclusion:**

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable Ind AS and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For R.K. Chadha & Co.
Chartered Accountants
(Registration No. 003513N)

CA Paresh Chadha
PARTNER
M. No. 518195
UDIN: 20518195AAAABK8248

Place: LUDHIANA.
Date : 14-02-2020