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**GARG
FURNACE LTD.**

Date: 19.02.2026

To

BSE Limited

**Phiroze Jeejeebhoy Towers,
Dalal Street
Mumbai-400001**

Subject: Press Release relating to financial performance of the Company for the Q3 FY26

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Pursuant to the provisions of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed Press Release being issued by the Company for dissemination to the investors and public.

The same is for your information and record please.

Thanks and Regards

For Garg Furnace Limited

Devinder Garg

Managing Director

DIN: 01665456

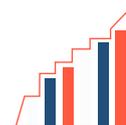
Garg Furnace Reports Strong Q3 FY26 Performance

Profit Growth, Margin Expansion and Alloy-Led Strategy Drive One of the Strongest Operational Quarters

Ludhiana, India – Garg Furnace Limited announced its financial results for the quarter and nine months ended December 31, 2025, reporting a strong operational performance driven by robust revenue growth, improved profitability, stable margins, and a continued shift toward higher-value alloy steel products.

Despite softer steel prices, the Company increased volumes, improved realizations through enhanced product quality, and maintained disciplined cost control, reflecting the strength of its operational systems and strategy.

Financial Highlights (Standalone)



Quarter Ended December 31, 2025 (Q3 FY26)

Revenue from Operations	: ₹ 9,239.14 lakh	Profit Before Tax (PBT)	: ₹ 367.82 lakh
Total Income	: ₹ 9,249.98 lakh	PBT Margin	: ~4.0%
EBITDA	: ₹ 414.50 lakh	Profit After Tax (PAT)	: ₹ 367.82 lakh
EBITDA Margin	: ~4.5%	Earnings Per Share (EPS)	: ₹ 6.01

Revenue increased by ~52.7% QoQ

Profit After Tax increased by ~36.3% QoQ

The quarter reflects improved product mix, stronger alloy realizations, sequential growth in volumes, and operational efficiencies achieved through structured internal optimization.

Management Commentary

Mr. Toshak Garg, Managing Director, Garg Furnace Limited, stated:

“Our performance this quarter reflects the strength of our internal systems, disciplined execution, and our commitment to consistent improvement. At Garg Furnace, we believe in building success the way the Japanese perfected it — through continuous improvement, process discipline, and respect for systems. We are consistently doing the right work, the right way, every single day.”

“Better efficiency leads to better quality, and better quality commands better pricing. Our focus on consistent metallurgical standards and process control has allowed us to achieve improved selling prices while strengthening customer trust.”

Key Operational Drivers of Performance

MS Rounds – Volume Growth Despite Market Price Corrections

While the broader steel industry faced price pressure, Garg Furnace delivered consistent quarter-on-quarter growth in MS round volumes.

The consistent increase reflects:

Improved metallurgical consistency

Higher repeat orders

Reduced rejection rates

Stronger plant utilization

Increased alloy steel proportion in product mix

The upgraded quality standards in MS rounds allowed the Company to safeguard performance even during softer pricing cycles.

Focus on Quality Over Commodity

Rather than competing purely on price, Garg Furnace strategically prioritized value creation.

Key initiatives included:

Prioritizing premium alloy grades

Enhancing internal chemistry balancing

Strengthening positioning in higher-quality MS rounds

Targeting customers demanding consistency and reliability

The Company's operational discipline ensured margin resilience even amid raw material volatility.

Ongoing Expansion

The Company's subsidiary, Vaneera Industries Ltd., is setting up a new alloy steel facility that will significantly enhance the product mix and long-term profitability.

The expansion will provide access to:

- Advanced metallurgy (LRF, EMS, VD)
- Premium alloy steel grades
- Automotive, engineering, and defense-focused customers

Scale alloy steel volumes

Increase share of value-added grades

Focus on margin-led growth rather than volume chasing

Strengthen internal systems and process discipline

Drive long-term shareholder value

For further information, please contact:

Garg Furnace Limited
Ludhiana