



EL FORGE LIMITED

Regd. Off : No.1A, Sriperumbudur High Road (Via) Singaperumal Koil Appur Village,
Kattangulathur Onrium, Kancheepuram District 603204 Phone: (044) 47112500

Fax: (044) 47112523 E-Mail: edf@elforge.com

Web Site : <http://www.elforge.com> CIN : L34103TN1934PLC000669

Ref : EFL/BSE/0526/17

26th May, 2017

The DCS-CRD
Bombay Stock Exchange Ltd
Phiroze Jee Jee Bhoy Towers
Dalal Street
Mumbai 400 001

Dear Sir,

Sub : Outcome of Board Meeting

Ref : Our Company Code No.531144

Pursuant to Regulation 33 & 47 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015, please find enclosed herewith

1. Copy of Standalone Financial Results of the Company for the Quarter ended and Year ended 31st March, 2017, duly approved and taken on record by the Board of Directors at their meeting held today ie. 26th May, 2017 along with Extract of Results to be published in newspaper and
2. Copy of Limited Review Report on the aforesaid Results form the Auditors of the Company placed before the Board of Directors of the Company at their meeting held today.

Time of Commencement of the Board Meeting : 12.05 PM

Time of Conclusion of the Board Meeting : 01.20PM

Kindly acknowledge receipt.

Thanking you,

Yours Faithfully

For EL FORGE LIMITED

COMPANY SECRETARY



EL FORGE LIMITED

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STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31-03-2017

Sl. No.	Particulars	Standalone			
		Quarter Ended 31.03.2017 Unaudited	Quarter Ended 31.03.2016 Unaudited	Year Ended 31.03.2017 Audited	Year Ended 31.03.2016 Audited
		Rs. In Lakhs			
	PART I				
1	Operating Income				
	Gross sales / Income from Operations	950.87	984.26	3542.98	4113.60
	Less: Excise Duty /Sale Tax recovered	77.73	68.08	287.74	236.88
	a) Net Sales/Income from Operations	873.14	916.18	3255.24	3876.72
	b) Other Operating Income	0.00	0.00	0.00	0.00
	Total Operating Income (1)	873.14	916.18	3255.24	3876.72
2	Expenditure				
	(a) (Increase)/decrease in Stock in Trade	38.50	132.44	60.98	147.92
	(b) Consumption of Raw Materials	503.58	506.90	1866.33	2247.71
	(c) Employees Cost	156.22	217.52	652.07	782.86
	(d) Depreciation	169.98	231.21	821.96	954.48
	(e) Other Expenditure	247.30	236.82	958.24	1092.26
	Total Expenditure (2)	1115.58	1324.89	4359.58	5225.23
3	Profit / (Loss) From Operations before other income Interest & Exceptional Items(1-2)	(242.44)	(408.71)	(1104.34)	(1348.51)
4	Other Income	0.00	407.00	0.02	410.31
	Profit/(Loss) before Interest and exceptional item(3+4)	(242.44)	(1.71)	(1104.32)	(938.20)
5	Exceptional items(Expenses)	204.84	540.26	204.84	540.26
6	Interest	63.95	48.07	189.06	128.88
7	Net Profit / (Loss) after interest before exceptional item(5-6)	(511.23)	(590.04)	(1498.22)	(1607.34)
8	Tax Expenses	0.00	0.00	0.00	0.00
9	Previous year tax paid/Provision	0.00	0.00	0.00	0.00
10	Net Profit/(Loss) after tax but before share of profit/Loss of associate	(511.23)	(590.04)	(1498.22)	(1607.34)
11	Share of Profit of Associates (*)	0.00	0.00	0.00	0.00
12	Minority Interest	0.00	0.00	0.00	0.00
13	Net Profit after tax, Minority interest share of profit of associates	(511.23)	(590.04)	(1498.22)	(1607.34)
14	Paid Up Equity Share Capital (Face Value of the share Rs.10/- each)	2032.43	2032.43	2032.43	2032.43
15	Reserves excluding Revaluation Reserves as per balance sheet	(9823.48)	(8325.25)	(9823.48)	(8325.25)
16	Earning per Share(EPS) -Basic (Rs.)	(2.52)	(2.90)	(7.37)	(7.91)
	-Diluted (Rs.)	(2.52)	(2.90)	(7.37)	(7.91)
	PART II				
A	Particulars of Share Holding				
1	Public Share Holding				
	Number of Shares	11938446	11938446	11938446	11938446
	Percentage of Shareholding	58.74	58.74	58.74	58.74
2	Promoters and Promoter group share holding	8385858	8385858	8385858	8385858
	a) Pledged/Encumbered				
	- Number of Shares	7704600	7704600	7704600	7704600
	- Percentage of share (as a % of the total shareholding of promoter and promoter group)	91.88	91.88	91.88	91.88
	- Percentage of shares(as a % of the total share capital of the company)	37.90	37.90	37.90	37.90
	b) Non-encumbered				
	- Number of Shares	681258	681258	681258	681258
	- Percentage of share (as a % of the total shareholding of promoter and promoter group)	8.12	8.12	8.12	8.12
	- Percentage of shares(as a % of the total share capital of the company)	3.35	3.35	3.35	3.35
B	Particulars				
	Investor complaints				
	Pending at the beginning of the Quarter	Nil			
	Received during the Quarter	Nil			
	Disposed of during the Quarter	Nil			
	Remaining unresolved at the end of the Quarter	Nil			

C Standalone Statement of Assets and Liabilities

Sl. No.	Particulars	Standalone	
		As at 31.03.2017	As at 31.03.2016
		Audited	Audited
A	Equity and Liabilities		
1	Shareholders' Fund	Rs. In Lakhs	Rs. In Lakhs
	(a) Share Capital	3243.55	3243.55
	(b) Reserves & Surplus	-8604.45	-7106.22
	Sub-Total (Shareholders Fund)	-5360.90	-3862.67
2	Minority Interest*	0.00	0.00
3	Non-current liabilities		
	(a) Long-term borrowings	7049.32	7439.93
	(b) Deferred Tax liabilities (Net)	0.00	0.00
	(c) Other Long term liabilities	0.00	0.00
	Sub-Total : Non-Current Liabilities	7049.32	7439.93
4	Current Liabilities		
	(a) Short term borrowings	3808.18	5006.44
	(b) Trade payables	2532.32	2498.94
	(c) Other current liabilities	3918.64	3181.49
	(d) Short term provisions	22.57	22.57
	Sub-Total : Current Liabilities	10281.71	10709.44
	Total : Equity and Liabilities	11970.13	14286.70
B	ASSETS		
1.	Non-current assets		
	(a) Fixed assets	5882.14	8123.30
	(b) Goodwill on Consolidation	0.00	0.00
	(c) Non-current investments	385.26	385.26
	(d) Deferred tax assets (net)	0.00	0.00
	(e) Long-term loans and advances	19.05	21.45
	(f) Other non-current assets	1572.36	1605.79
	Sub-Total : Current Assets	7858.81	10135.80
2.	Current assets		
	(a) Current investments		
	(b) Inventories	752.45	864.69
	(c) Trade receivables	1523.87	1312.09
	(d) Cash and Bank Balances	5.32	5.56
	(e) Short-term loans and advances	321.94	344.41
	(f) Other current assets	1507.74	1624.15
	Sub-Total : Current Assets	4111.32	4150.90
	TOTAL	11970.13	14286.70

Notes:

- The above audited financial results were reviewed by the Audit Committee and taken on record by the Board of Directors of the Company at its meeting held on 26.05.2017.
- The Company has two business segments (1) Manufacture and sale of steel forgings.(2)Land and Development described as "Other Operating Income".
- Number of complaints from share holders received during the quarter Nil and disposed off during the quarter Nil. There were no pending complaints at the beginning or end of the quarter.
- Figures have been regrouped/rearranged wherever necessary. The Figures for the quarter ended March 31,2017 and March 31, 2016 are the balancing figures in respect of the full financial year and the unaudited published year-to-date figures up to the third quarter ended March 31, 2017 and March 31,2016 respectively.
- There has been no stoppage of operations in the Company and orders from Customers continue to flow in. The Management is taking steps to address the financial requirements of the Company and is confident of addressing the same and move to profitable operations. The Current Asset position will be strengthened once the Company generates profits from operations. The Management is confident of resolving the issues and hence prepared the financial statement on going concern basis.
- The Management is taking steps to remit all statutory dues at the earliest.
- The company has changed the method of accounting of interest on bank borrowings from mercantile to cash basis. However, The Interest on Borrowings, Other than Bank Borrowings, are charged during the year.
- The consolidated statements of El Forge Ltd & Shakespeare Forging Ltd has not been included as, shakespeare forging ltd does not fall under the definition of an associated company under the Companies Act 2013, read with the Accounting Standard-23 on "Accounting for Investment in Associates" in Consolidated Financial Statements.
- Segment wise Revenue, Results capital employed clause 41 of the listing agreement.

Particulars	Quarter		Year	Previous
	Ended 31.03.2017	Ended 31.03.2016	Ended 31.03.2017	Ended 31.03.2016
	Unaudited	Unaudited	Audited	Audited
Segment Revenue	Rs. In Lakhs			
Forgings	873.14	916.18	3255.24	3876.72
Land Income	0.00	0.00	0.00	0.00
Total Revenue	873.14	916.18	3255.24	3876.72
Segment Results				
Loss on forgings	(242.44)	(408.71)	(1104.34)	(1348.51)
Land Income	0.00	0.00	0.00	0.00
Net Profit/ Loss before Interest	(242.44)	(408.71)	(1104.34)	(1348.51)
Add : Interest Cost	63.95	48.07	189.06	128.88
Other Income	0.00	407.00	0.02	410.31
Previous year tax paid/Provision	0.00	0.00	0.00	0.00
Extraordinary /Exceptional Item	204.84	540.26	204.84	540.26
Net Profit / Loss	(511.23)	(590.04)	(1498.22)	(1607.34)
Capital Employed				
Forgings	101.60	1599.83	101.60	1599.83
Land	1003.18	1003.18	1003.18	1003.18
Total	1104.78	2603.01	1104.78	2603.01

For and on behalf of the Board



VICE CHAIRMAN AND MANAGING DIRECTOR

Date : 26.05.2017

Place : Chennai



EL FORGE LIMITED

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EXTRACT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31-03-2017

Sl.No.	PARTICULARS	Quarter Ended 31.03.2017 Unaudited	Quarter Ended 31.03.2016 Unaudited	Year Ended 31.03.2017 Audited	Year Ended 31.03.2016 Audited
		← Rs. In Lakhs →			
1	Total Income from Operations (net)	873.14	916.18	3255.24	3876.72
2	Net Profit/(Loss) from ordinary activities after tax	(306.39)	(456.78)	(1293.40)	(1477.39)
3	Net Profit/(Loss) for the period after tax (after extraordinary Items)	(511.23)	(590.04)	(1498.22)	(1607.34)
4	Paid Up Equity Share Capital (Face Value of the share Rs.10/- each)	2032.43	2032.43	2032.43	2032.43
5	Reserves excluding Revaluation Reserves as per balance sheet	(9823.48)	(8325.25)	(9823.48)	(8325.25)
6	Earning per share in Rs. Before extraordinary items (Not Annualised)				
	Basic	(1.51)	(2.25)	(6.36)	(7.27)
	Diluted	(1.51)	(2.25)	(6.36)	(7.27)
7	Earning per share in Rs. after extraordinary items (Not Annualised)				
	Basic	(2.52)	(2.90)	(7.37)	(7.91)
	Diluted	(2.52)	(2.90)	(7.37)	(7.91)

Notes :

The above is an extract of the detailed format of Unaudited Financial Results for the Quarter and Audited Results for the Year Ended 31st March, 2017 filed with the Stock Exchange under Regulation 33 of the SEBI (Listing and Obligations and Disclosure Requirements) Regulations 2015. The full format of the said results are available on the website of BSE Limited (www.bseindia.com) and on the Company's website www.elforge.com

For and on behalf of the Board

K.V.RAMACHANDRAN

VICE CHAIRMAN AND MANAGING DIRECTOR

Date : 26.05.2017

Place : Chennai

Ref. No.....

Date :.....20

Independent Auditors' Report

(Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Board of Directors of EL Forge Limited

01. Financial Results, Period, etc.

We have audited the quarterly Standalone Financial Results for the quarter ended March 31, 2017 ("the Statement") and the year to date results for the period April 1, 2016 to March 31, 2017, attached herewith, of EL Forge Limited ("the Company") being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

02. Management Responsibility

The Board of Directors of the Company is responsible for preparation of the Statement in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with relevant Rules issued or prescribed there under, giving a true and fair view and are free from material misstatement, whether due to fraud or error. The Statement has been approved by the Board, in terms of the Statutory Regulations.

03. Auditors' Responsibility

- (01) Our responsibility is to express an opinion on these financial results based on our audit.
- (02) We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management.
- (03) We believe that our audit provides a reasonable basis for our opinion.

04. Emphasis Matters

Without qualifying our opinion on the Financial Results, we draw the attention to the following

- (01) *Non-provision of loss or gains on account of Actuarial Valuation, as required by the Accounting Standard, namely, Employees Benefit, as per AS-15 (Reversed) due to Non-Payment of contribution to Employees Gratuity Plan agreed upon with Life Insurance Corporation of India, amounting to Rs. 173.34 Lakh (as at March 31, 2017), determined based on the information available with the Company.*
- (02) *Penalty and Interest, due to non remittance of statutory dues, on account of delay / short remittance of statutory dues is not ascertainable at present.*
- (03) *The deferred revenue expenses and deferred interest have not been charged to the aforesaid financial results.*

Ref. No.....

Date :20

Independent Auditors' Report
(Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

- (04) Default of loan, both long terms and short term, obtained by the company from the bank
- (05) A few creditors have filed cases against the company, before the Honourable Madras High Court, under section 433 of the Companies Act, 1956, for winding up of the company. The company has taken up the matter; and it has been explained that company has been contesting the case and/ or following directions given by the Honourable Madras High Court.
- (06) The company has paid all the fixed deposits which have matured and claimed; but the company has not paid the Fixed Deposits matured but not claimed. The amount of such deposits works out to Rs 87.77 Lakh, as at March 31, 2017; since the amount is due for payment, the same has been included and/ or shown under the under the grouping Current Liabilities.
- (07) Shakespeare Forgings Ltd (SFL), a company incorporated in United Kingdom (UK) was a wholly owned subsidiary (WOS) of the Company. During the Financial Year 2014-15, the UK based wholly owned subsidiary (WOS) of the company has ceased to be 100% foreign subsidiary (February 2015) and has become as Associate Company (in UK) within the meaning of the Companies Act 2013. However, consolidation of the Financial Statements (Financial Results) has not been prepared, since the Company is not, in the opinion of the management, have any significant control and further as per the management, investment shall be disposed in the near future, if suitable buyer is identified. Accordingly, the loss or profit relating to the aforesaid SFL was not accounted in the books of the Company. The diminution, if any, in value of the investment shall also not provided in the books.
- (08) As said at the beginning of the paragraph, we have not qualified or modified our opinion on the aforesaid matters, including their impacts, on the Financial Results

05. Basis for Qualification of Opinion:

(01) Going Concern:

- (a) The Company's operating results (for the Quarter ended March 31, 2017 and Financial Year ended March 31, 2017) have been materially affected due to various factors during earlier years and also during the financial year ended March 31, 2017, under report, and the Company has huge accumulated losses as on the aforesaid date, which has eroded the entire net worth of the company. Accordingly, the appropriateness of the going concern assumption is dependent on the Company's ability to establish consistent profitable operations as well as raising, obtaining or infusing adequate/ required fund to meet its short term and long term obligations
- (b) At the end of the Financial Year 2016-17, net worth of the company has been totally eroded and become negative.
- (c) Further, the Company's Current Liabilities (as at March 31, 2017) have also exceeded its Current Assets. These factors also raise doubts about the ability of the Company to continue as a going concern.



P. RAJAGOPALAN & CO.,
CHARTERED ACCOUNTANTS

Phone : 2433 1104, 2433 2331
No.32, 2nd Cross Street,
West C.I.T. Nagar,
Chennai - 600 035.

Ref. No.....

Date :20

Independent Auditors' Report

(Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

(d) In case the going concern concept is vitiated, necessary adjustments will be required on the carrying amount of Assets and Liabilities (as at March 31, 2017) which are not ascertainable, at this stage.

(02) Change in the Method of accounting

(a) With effect from the Financial Year 2013-14, the company has changed the method of accounting of Interest on Bank Borrowings (both short term and long term borrowings) from mercantile method to cash method. Accordingly, an amount of Interest (as determined by the management, based on the information available with them, and relied upon by the auditors) of Rs.1786.71 Lakh, relating to Financial Year under report, has not been provided in the books of account and the same has not been charged as an expense in the Statement under report.

(b) Had the aforesaid interest been provided, as per the earlier method of accounting, consistently followed by the company, the operating loss, for the year under report, would have been more by an amount of Rs. 1786.71 Lakh and the Net worth, as at March 31, 2017, of the company would have been less by an equal amount.

(c) In our opinion, the method of accounting of the aforesaid Bank Interest is not in accordance with the provisions of Sections 128, 129 and 134 of the Companies Act, 2013 read with Companies (Accounts) Rules 2014.


06. Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph:

(01) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and

(02) give a true and fair view of the net loss and other financial information for the quarter ended March 31, 2017 and the year to date results for the period April 1, 2016 to March 31, 2017.

For P. Rajagopalan & Co
Chartered Accountants
Regn No. of the Firm: 003408S


R.VENKATESH
Partner
MNo:028368

Place: Chennai
Date: 26-05-2017

