



## ***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  
Corporate Off : No.21E, A.R.K.Colony, Eldams Road, Alwarpet, Chennai 600018  
Ph (044) 24334010 E-Mail: [edf@elforge.com](mailto:edf@elforge.com) Web Site : <http://www.elforge.com>  
CIN : L34103TN1934PLC000669

Ref : EFL/BSE/0530/18

30<sup>th</sup> May, 2018

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

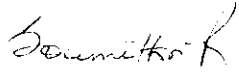
1. Copy of Standalone Financial Results of the Company for the Quarter ended and Year ended 31<sup>st</sup> March, 2018, duly approved and taken on record by the Board of Directors at their meeting held today ie. 30<sup>th</sup> May, 2018 along with Extract of Results to be published in newspaper and
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 : 11.30 AM  
Time of Conclusion of the Board Meeting : 03.30 PM

Kindly acknowledge receipt.

Thanking you,

Yours Faithfully  
**For EL FORGE LIMITED**

  
**COMPANY SECRETARY**

**EL FORGE LIMITED**

Reg.office: 1A, Sriperumbudur High Road (Via) Singaperumal Koil, Appur Village, Kattangulathur Onrium, kancheepuram 603204

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Phone: (044) 24334010 /11 Email : edf@elforge.com

**Audited Standalone Financial Results for the quarter and year ended March 31, 2018****(Prepared in Compliance with Indian Accounting Standards - IND AS)**

Sl.No.	Particulars	Quarter ended March 31, 2018 Audited	Quarter ended December 31, 2017 Unaudited	Quarter ended March 31, 2017 Audited	For the year ended March 31, 2018 Audited	For the year ended March 31, 2017 Audited
		Rs. In Lacs	Rs. In Lacs	Rs. In Lacs	Rs. In Lacs	Rs. In Lacs
1	Total Income from Operations(Net)	1212.42	1202.18	950.86	4317.99	3543.00
2	Net Profit/(Loss) from ordinary activities after tax	(478.58)	(234.67)	(331.33)	(1,276.76)	(1,393.12)
3	Net Profit/(Loss) for the period after tax(after Exceptional Items)	(365.02)	(234.67)	(536.17)	(1,163.20)	(1,597.95)
4	Paid Up Equity Share Capital (Face Value of the share Rs.10/-each)	2032.43	2032.43	2032.43	2032.43	2032.43
5	Reserves excluding Revaluation Reserves as per balance sheet	(10,863.07)	(10,498.07)	(9,823.48)	(10,863.07)	(9,823.48)
6	Earning Per Share in Rs. Before Exceptional Items (Not Annualised)					
	Basic	(2.35)	(1.15)	(1.63)	(6.28)	(6.85)
	Diluted	(2.35)	(1.15)	(1.63)	(6.28)	(6.85)
7	Earning Per Share in Rs. after Exceptional Items (Not Annualised)					
	Basic	(1.80)	(1.15)	(2.64)	(5.72)	(7.86)
	Diluted	(1.80)	(1.15)	(2.64)	(5.72)	(7.86)

**Notes:**

The above is an extract of the detailed format of Audited Financial Results for the Quarter ended 31st March 2018 and Audited Results for the Year ended 31st March, 2018 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](http://www.bseindia.com)) and on the Company's website [www.elforge.com](http://www.elforge.com)

The above results duly reviewed by Audit Committee, have been approved by the Board of Directors in its meeting held on 30.05.2018.

For EL FORGE LIMITED

Place : Chennai

Date : May 30, 2018

Sd/-

K.V. Ramachandran

Vice Chairman &amp; Managing Director

DIN : 00322331



**EL FORGE LIMITED**

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**Audited Standalone Financial Results for the quarter and Year ended March 31, 2018**

(Prepared in Compliance with Indian Accounting Standards - IND AS)

Particulars	Note No.	Quarter ended March 31, 2018 Audited	Quarter ended December 31, 2017 Unaudited	Quarter ended March 31, 2017 Audited	For the year ended March 31, 2018 Audited	For the Year ended March 31, 2017 Audited
		Rs. In Lacs	Rs. In Lacs	Rs. In Lacs	Rs. In Lacs	Rs. In Lacs
<b>Income</b>						
Revenue from operations (Refer Note No. 7)	2.1	1,215.39	1,201.62	950.86	4,311.10	3,542.98
Other income	2.2	(2.97)	0.56	-	6.89	0.02
<b>Total Income - (2=2.1+2.2)</b>		<b>1,212.42</b>	<b>1,202.18</b>	<b>950.86</b>	<b>4,317.99</b>	<b>3,543.00</b>
<b>Expenses</b>						
Cost of materials and services consumed	2.3	764.86	734.20	503.59	2,601.03	1,866.33
Changes in inventories of finished goods, stock-in-trade and work-in-progress	2.4	23.10	(15.92)	38.50	24.40	60.98
		<b>787.96</b>	<b>718.27</b>	<b>542.09</b>	<b>2,625.43</b>	<b>1,927.31</b>
Excise Duty on sale of goods		-	-	77.73	65.12	287.74
Employee benefits expense	2.5	223.59	176.57	156.23	737.22	652.07
Finance costs	2.6	151.83	77.40	88.88	340.22	288.79
Depreciation and amortisation expense	2.7	172.28	171.03	169.98	685.37	821.96
Other expenses	2.8	355.34	293.58	247.29	1,141.38	958.24
<b>Total Expenses - (3=2.3 to 2.9)</b>		<b>1,691.00</b>	<b>1,436.85</b>	<b>1,282.20</b>	<b>5,594.74</b>	<b>4,936.11</b>
<b>Profit/ (Loss) before exceptional items and tax - (4=2-3)</b>		<b>(478.58)</b>	<b>(234.67)</b>	<b>(331.33)</b>	<b>(1,276.76)</b>	<b>(1,393.12)</b>
Exceptional Items - 5	2.9	(113.56)	-	204.84	(113.56)	204.84
<b>Profit/ (Loss) before tax - (6=4-5)</b>		<b>(365.02)</b>	<b>(234.67)</b>	<b>(536.17)</b>	<b>(1,163.20)</b>	<b>(1,597.95)</b>
<b>Tax expense:</b>						
(a) Current tax expense		-	-	-	-	-
(e) Deferred Tax		-	-	-	-	-
<b>Tax expense - 7</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net profit/(Loss) for the period - (8=6-7)</b>		<b>(365.02)</b>	<b>(234.67)</b>	<b>(536.17)</b>	<b>(1,163.20)</b>	<b>(1,597.95)</b>
<b>Other Comprehensive Income</b>						
<b>A (i) Items that will not be reclassified to Profit or Loss</b>						
Remeasurement of Defined Benefit Plans		-	-	-	-	-
Tax on the same		-	-	-	-	-
<b>(ii) Income tax relating to items that will not be reclassified to Profit or Loss</b>						
<b>Total Other Comprehensive Income - 9</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Income - (10 = 8+9)</b>		<b>(365.02)</b>	<b>(234.67)</b>	<b>(536.17)</b>	<b>(1,163.20)</b>	<b>(1,597.95)</b>
Paid of equity share capital ( Face Value of the share of Rs.10/- each)- Absolute value		20,32,43,040	20,32,43,040	20,32,43,040	20,32,43,040	20,32,43,040
Earning Per Share (Rs.) - Basic and Diluted [Net Profit/(loss) for the period after tax/Weighted average number of equity shares]		(1.80)	(1.15)	(2.64)	(5.72)	(7.86)
		[Not annualised]	[Not annualised]	[Not annualised]		

**Notes:**

1. The above Audited standalone financial results for the quarter and year ended March 31, 2018 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 30, 2018.
2. This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. Beginning April 1, 2017 the Company has for the first time adopted Ind AS with effect from April 1, 2017.
3. In compliance with the Ministry of Corporate Affairs [MCA] Notification dated February 16, 2015, announcing the Companies (Indian Accounting standards) Rule 2015, as amended ["Ind AS"], the Company has prepared its standalone financial results adopting Ind AS with effect from April 1, 2017. The standalone financial results for the comparative period / year are also presented under Ind AS.
4. The results for the quarter ended March 31, 2018 & March 31, 2017 are the balancing figures between Standalone audited figures of the full financial year ended March 31, 2018 and March 31, 2017 respectively and the standalone un-audited published year to date figures upto December 31, 2017 being the end of third quarter for financial year 2017-18 were subject to limited review.
5. Amounts for quarter ended and year ended March 31, 2017 were audited by previous auditors P. Rajagopalan & Co. under old Indian GAAP (pre IND AS). The previous year numbers have been considered by management for conversion to IND AS.
6. Consequent to transition from the previous IGAAP to Ind-AS, the reconciliation of profit is provided as below for the previous period in accordance with the requirements of paragraph 32 of Ind-AS 101 - First time adoption of Ind-AS.

Particulars	Quarter ended March 31, 2017	Year Ended March 31, 2017
Net profit as per Indian GAAP	-511.24	-1498.23
Add:		
ii. Decrease in fair value of finance assets and liabilities(Net)	-24.93	-99.72
Net profit as per Ind AS (A)	-536.17	-1597.95

7. Post the applicability of Goods and Services Tax (GST) with effect from July 1, 2017, revenue from operations are required to be disclosed net of GST in accordance with the requirements of Ind AS. Accordingly, the revenue from operations for the quarter and twelve months ended March 31, 2018 are not comparable with the corresponding previous quarter and twelve months ended March 31, 2017 in the above financial results which are reported inclusive of excise duty.
8. The Company has two business segment (1) Manufacture and Sale of Steel forgings, (2) Land and Development described as "Other Operating Income". The Company has disclosed the same as per IND AS 108.

Particulars	Quarter ended March 31, 2018 Rs. In Lacs	Quarter ended March 31, 2017 Rs. In Lacs
Segment Revenue		
Forgings	1212.42	950.86
Land Income	0.00	0.00
Total Revenue	1212.42	950.86
Segment Results		
Loss on forgings	-365.02	-536.17
Land Income	0.00	0.00
Net Profit / Loss	-365.02	-536.17

9. Previous period figures have been regrouped / reclassified, wherever necessary, to conform to the current classification of this quarter.
10. 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.
11. 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 generate profits from Operations. The Management is confident of resolving the issues and hence prepared the financial statement on going concern basis.
12. The Management is taking steps to remit all statutory dues at the earliest.
13. The Company has changed the method of accounting of Interest on bank borrowing from mercantile to cash basis. However, the interest on borrowings, other than bank borrowings, other than bank borrowings are charged during the year.

Place : Chennai  
Date : May 30, 2018

For EL FORGE LIMITED



K.V. Ramachandran  
Vice Chairman & Managing Director  
DIN :00322331

**EL FORGE LIMITED**

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**Audited Standalone Financial Results for the quarter and Year ended March 31, 2018**

**(Prepared in Compliance with Indian Accounting Standards - IND AS)**

Details	As at March 31, 2018 Audited	As at March 31, 2017 Audited
	Rs in Lacs	Rs in Lacs
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	4,709.20	5,579.85
Capital work-in-progress	302.28	302.28
Financial Assets		
(i) Investments	373.84	385.26
(iv) Others	39.97	36.80
Other non-current assets	7.41	24.19
	<b>5,432.69</b>	<b>6,328.40</b>
<b>Current assets</b>		
Inventories	1,535.77	1,883.61
Financial Assets		
(ii) Trade Receivables	448.15	1,523.86
(iii) Cash and cash equivalents	22.62	5.32
Other Current Assets	1,869.74	2,228.93
	<b>3,876.27</b>	<b>5,641.73</b>
<b>Total Assets</b>	<b>9,308.96</b>	<b>11,970.13</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity Share capital	2,032.43	2,032.43
Other Equity	-9,544.32	-8,480.84
<b>Liabilities</b>	<b>-7,511.89</b>	<b>-6,448.41</b>
<b>Non-current liabilities</b>		
Financial Liabilities		
(i) Borrowings	3,931.29	8,136.83
	<b>3,931.29</b>	<b>8,136.83</b>
<b>Current liabilities</b>		
Financial Liabilities		
(i) Borrowings	9,282.17	3,885.55
(ii) Trade Payables	2,619.54	3,337.93
(iii) Other financial liabilities	452.46	2,402.70
Other current liabilities	342.35	459.62
Provisions	170.48	173.34
Current Tax Liabilities (Net)	22.57	22.57
	<b>12,889.57</b>	<b>10,281.71</b>
<b>Total Equity and Liabilities</b>	<b>9,308.96</b>	<b>11,970.13</b>

See accompanying notes to the Financial Results

**Notes:**

1. The disclosure is an extract of audited balance sheet as at March 31, 2018 and March 31, 2017 prepared in compliance with Indian Accounting Standards [IND AS]
2. In compliance with the Ministry of Corporate Affairs [MCA] Notification dated February 16, 2015, announcing the Companies [Indian Accounting standards] Rule 2015, as amended ["Ind AS"], the Company has prepared its standalone financial results adopting Ind AS with effect from April 1, 2017 [with transition of April 1, 2016]. The standalone financial results for the comparative period / year are also presented under Ind AS.
3. Consequent to transition from the previous IGAAP to Ind-AS, the reconciliation of profit is provided as below for the previous period in accordance with the requirements of paragraph 32 of Ind-AS 101 - First time adoption of Ind-AS.

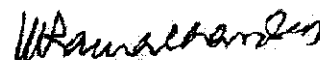
Details	Year ended March 31, 2017 [Rs in Lacs]
Reserves and Surplus under previous GAAP (Indian GAAP)	-8604.45
Add:	
Preference debt fair value adjustments	223.33
Fair value unwinding during 2016-17	-99.72
Other Equity under Ind AS	-8480.84

3. Previous period figures have been regrouped / reclassified, wherever necessary, to conform to the current period classification.

For EL FORGE LIMITED

Place : Chennai

Date : May 30, 2018



K.V. Ramachandran  
Vice Chairman & Managing Director  
DIN :00322221



**L. MUKUNDAN & ASSOCIATES**  
Chartered Accountants

Flat No. 1, 2 Kamala Arcade,  
669 Mount Road,  
Thousandlights, Chennai - 600 006  
Ph: 044 - 2829 1328, 98401 45586  
e-mail: lmaishere@gmail.com

**Independent Auditors' Report on the Statement of Quarterly Financial Results and Year to Date Results  
of M/s El Forge Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure  
Requirements) Regulations, 2015**

To

The Board of Directors  
El Forge Limited  
No 1A, Sriperumbudur High Road,  
Kattangulathur Onnium,  
Kancheepuram District - 603 204

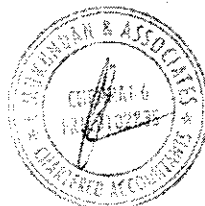
1. We have audited the financial results of **El Forge Limited** (the "Company") for the quarter and year ended March 31, 2018 which are included in the accompanying 'Statement of Audited Financial Results for the quarter and year ended March 31, 2018' together with the notes thereon (the "Statement" or "Interim Financial Information"). The Statement has been prepared by the Company's Management pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015") and SEBI Circular dated July 5, 2016, which has been initialled by us for identification purposes. The Statement is the responsibility of the Company's Management and has been approved by its Board of Directors. This Statement has been prepared by the management in accordance with the recognition and measurement principles laid down in Ind AS 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. Further, the Management is also responsible to ensure that the accounting policies used in preparation of this Statement are consistent with those used in the preparation of the Company's opening balance sheet as at April 1, 2016 prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies.

Our responsibility is to express an opinion on the financial results based on our audit of the aforesaid Statement/ interim financial information

2. We conducted our audit of the Statement / Interim financial information in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement / interim financial information is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement/ interim financial information. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement/ interim financial information, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Statement/ interim financial information that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the Statement / interim financial information.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Statement / interim financial information.





3. We draw attention to the following matters:

- i. Non provision of loss or gains on account of Actuarial Valuation, as required by the Indian Accounting Standards, namely, Employees Benefit, as per Ind AS 19 due to non payment of contribution to Employees Gratuity Plan agreed upon with Life Insurance Corporation of India.
- ii. Penalty and interest due to statutory authorities, as ascertained by the management, has been provided fully. Any difference between the amount provided and amount demanded by the statutory authorities shall be accounted in the year of request of demand
- iii. The deferred interest expenses have not been charged to the aforesaid financial results.
- iv. A few Creditors have filed cases against the Company, before the Honorable Madras High Court, under Section 433 of the Companies Act, 1956, (or filed before/ transferred to the National Company Law Tribunal, under the Companies Act, 2013) 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 Honorable Madras High Court.
- v. 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. 87.36 Lakh as at March 31, 2018, since the amount is due for payment, the same has been included and/or shown under the grouping current liabilities.
- vi. 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 (with effect from February 2015) and has become as Associate Company (in UK) concern with the meaning of the Companies Act, 2013. However, consolidation of the Financial Statements (Financial Results) has not been prepared, since the Company does not, in the opinion of the management, have any significant control over the affairs and operations of SFL. 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 investment is also not provided in the books of accounts.
- vii. Change in method of Accounting
  - a) The company has changed the method of accounting of interest on borrowings (both short term and long term borrowings) from mercantile to cash basis with effect from Financial Year 2013-14. However, such change does not have any impact during the current year, since the company has settled the agreed amount in full, with slight delay, which may result in paying an amount of Rs.200.00 Lakh (Approximately) and the same was not provided, due to negotiation is under progress.
  - b) Had the aforesaid interest been provided, as per the earlier method of accounting, consistently followed by the Company, the operating loss, for the current quarter under report, would have been more by an amount of Rs. 200/- Lakh and to that extent added up to the company's negative net worth.







**L. MUKUNDAN & ASSOCIATES**  
Chartered Accountants

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Thousandlights, Chennai - 600 006  
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e-mail: lmaishere@gmail.com

4. Subject to observations made in the aforesaid paragraph and based on our audit conducted as above, In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Statement of audited financial results for the quarter and year ended March 31, 2018
- (a) are presented in accordance with the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular dated July 5, 2016; and
- (b) give a true and fair view, in conformity with the accounting principles generally accepted in India, of the net profit and other financial information for the quarter and year ended March 31, 2018
5. We draw attention to the following matters:
- (a) Note 2 to the Statement which states that the Company has adopted Ind AS for the financial year commencing from April 1, 2017 and accordingly, the Statement has been prepared by the Company's Management in compliance with Ind AS.
- (b) The financial statements of the Company for the year ended March 31, 2017 prepared in accordance with Companies (Accounting Standards) Rules, 2006, were audited by another firm of chartered accountants under the Companies Act, 2013 who, vide their report dated 26<sup>th</sup> May, 2017 expressed a modified opinion on those financial statements.

Our opinion is not qualified in respect of these matters.

**For L. Mukundan and Associates**  
Chartered Accountants  
Firm Registration No.010283S

**(L. MUKUNDAN)**  
Partner  
Membership No. 204372

Place: Chennai  
Date : 30.05.2018

