



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
Corp.Off : 21 E A.R.K.Colony, Eldams Road, Alwarpet, Chennai 600018 Phone (044) 24334010
Web Site : <http://www.elforge.com> CIN : L34103TN1934PLC000669

Ref : EFL/BSE/0913/17

13th September, 2017

BSE Ltd
Phiroze Jee Jee Bhoy Towers
Dalal Street, Fort
Mumbai 400 001

Dear Sir,

Sub : Outcome of Board Meeting
Ref : Our Company Code No.531144

We wish to inform you that the Board of Directors of the Company at their meeting held today (13/09/2017) has approved the Unaudited Statement of Financial Results of the Company for the Quarter ended 30th June, 2017.

This is to further inform that for the first time, the Financial Results are IND AS compliant.

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. Unaudited Standalone Financial Results of the Company for the Quarter ended 30th June, 2017.
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 : 12.00 Noon

Time of conclusion of the Board Meeting : 03.00 PM

Kindly acknowledge receipt.

Thanking you,

Yours Faithfully
For EL FORGE LIMITED

COMPANY SECRETARY

Encl : As above.

EL FORGE LIMITED

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Corporate Office: Door No.21E, A.R.K Colony, Eldams Road, Alwarpet, Chennai – 600018.

Phone: (044) 24334010 E Mail : edf@elforge.com

STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30-06-2017



Statement of Profit and Loss for the quarter ended June 30, 2017		Quarter ended June 30, 2017 Limited reviewed	Quarter ended June 30, 2016 Not subjected to review/audit
Particulars	Note No.	Rs. In Lacs	Rs. In Lacs
Income			
Revenue from operations (including excise duty on sale of goods)	2.1	890.44	890.98
Other income	2.2	-	-
Total Income		890.44	890.98
Expenses			
Cost of materials and services consumed	2.3	485.15	503.18
Purchases of Stock-in-Trade - Traded goods	2.4	-	-
Changes in inventories of finished goods, stock-in-trade and work-in-progress	2.5	53.77	(52.56)
		538.91	450.62
Excise Duty on sale of goods		65.12	73.45
Employee benefits expense	2.6	163.36	173.61
Finance costs	2.7	52.96	59.76
Depreciation and amortisation expense	2.8	171.03	234.45
Other expenses	2.9	238.40	242.68
Total Expenses		1,229.79	1,234.57
Profit/ (Loss) before exceptional items and tax		(339.35)	(343.59)
Exceptional Items	2.10	-	-
Profit/ (Loss) before tax		(339.35)	(343.59)
Tax expense:			
(a) Current tax expense		-	-
(e) Deferred Tax		-	-
Tax expense		-	-
Net profit/(Loss) for the period		(339.35)	(343.59)
Other Comprehensive Income			
A (i) Items that will not be reclassified to Profit or Loss			
Remeasurement of Defined Benefit Plans		-	-
Tax on the same		-	-
(ii) Income tax relating to items that will not be reclassified to Profit or Loss		-	-
Total Other Comprehensive Income		-	-
Total Comprehensive Income		(339.35)	(343.59)
Paid of equity share capital (Face Value of the share of Rs.10/- each)		2,032.43	2,032.43
- Basic and Diluted Earning per share (in Rs.)		1.67	1.69

Notes:

1. The above unaudited standalone financial results for the quarter ended June 30, 2017 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on September 13, 2017.
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 a transition date of April 1, 2016.
3. The format of un-audited quarterly results as prescribed in SEBI circular CIR/CFD/CMD/15/2015 dated November 30, 2015 had modified to comply with requirements of SEBI's circular dated July 5, 2016, Ind AS and Schedule III (Division II) to the Companies Act, 2013 applicable to Companies that are required to comply with Ind AS.
4. 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.

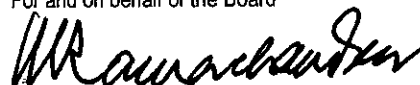
Particulars	Quarter ended June 30, 2017 not subject to review (Amount in Lacs)	Quarter ended June 30, 2016 not subject to review/audit (Amount in Lacs)
Net profit as per Indian GAAP	(308.45)	(318.66)
Add:		
ii. Decrease in fair value of finance assets and liabilities (Net)	(30.90)	(24.93)
Net profit as per Ind AS (A)	(339.35)	(343.59)

5. The Ind AS Compliant corresponding figures in the previous period have not been subjected to review/audit. However the Company's management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of its affairs.
6. The statement does not include Ind AS compliant results for the preceding quarter and previous year ended March 31, 2017 as the same is not mandatory as per SEBI's circular dated July 5, 2016.
7. Segment Wise Revenue, Results as per clause 41 of the listing agreement.
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 June 30, 2017	Quarter ended June 30, 2016
	Rs. In Lacs	Rs. In Lacs
Segment Revenue		
Forgings	890.44	890.98
Land Income	-	-
Total Revenue	890.44	890.98
Segment Results		
Loss on forgings	(339.35)	(343.59)
Land Income	-	-
Net Profit / Loss	(339.35)	(343.59)

8. Previous period figures have been regrouped / reclassified, wherever necessary, to conform to the current classification of this quarter.
9. Number of complaints from share holders received during the quarter Nil and disposed off during the quarter Nil.
10. 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 address the same and move to profitable operations. The Current Assets 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.
11. The Management is taking steps to remit all statutory dues at the earliest.
12. 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.
13. The Consolidated statements of El Forge Ltd & Shakespeare Forgings Ltd has not been included as, Shakespeare forgings 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.

For and on behalf of the Board



VICE CHAIRMAN AND MANAGING DIRECTOR

Date: 13th September 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. We have reviewed the accompanying statement of Unaudited Financial Results of EL Forge Ltd for the period ended 30th June, 2017 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. Attention is drawn to the fact that the figures of the corresponding quarter ended 30th June, 2016 including the reconciliation of profit/loss under Ind AS of the corresponding quarter with loss reported under previous GAAP, as reported in these financial results have been approved by Company's Board of Directors but have not been subjected to review.
02. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
03. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial information performed by the 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 inquiries of Company Personnel and analytical procedures applied to financial data and thus provide less assurance than an audit.
04. We draw the attention to the following matters.
 1. 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.
 2. Penalty and interest, due to non remittance of statutory dues, on account of delay/ short remittance of statutory dues is not ascertainable at present.
 3. The deferred revenue expenses and deferred interest have not been charged to the aforesaid financial results.
 4. Default of loan, both long terms and short term, obtained by the Company from the Bank.
 5. A few Creditors have filed cases against the Company, before the Honorable 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 Honorable Madras High Court.
 6. 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 lakhs as at June 30, 2017, since the amount is due for payment, the same has been included and/or shown under the grouping current liabilities.

7. 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.

8. Going Concern

- a) The Company's operating results (for the quarter ended June 30, 2017) have been materially affected due to various factors during earlier years and also during the current quarter ended June 30, 2017 under report, 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 depended 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 quarter ended June 30, 2017, net worth of the Company has been totally eroded and become negative. Further, the Company's current liabilities (as at June 30, 2017) have also exceeded its Current Assets. These factors also raise doubts about the ability of the company to continue as a going concern.
- c) In case the going concern concept is vitiated, necessary adjustments will be required on the carrying amount of Assets and Liabilities (As at June 30, 2017) which are not ascertainable, at this stage.

9 Change in method 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 of 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.397 lakh relating to current quarter under report, has not been provided in the books of account and the same has not been charged as an expense in the statement of Profit and Loss Account for the Financial Year 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 current quarter under report, would have been more by an amount of Rs.397 lakhs and net worth as at June 30, 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 provisions of section 128, 129 and 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014.



05. Subject to the observations made in the aforesaid paragraph and based on our review, nothing has come to our attention, that causes us to believe that the accompanying statement prepared, in accordance with the accounting standards referred in section 133 of the Companies Act, 2013 read with rules made there under and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of the requirements 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 P.Rajagopalan & Co
Chartered Accountants
Regn No.of the Firm 003408S

R. Venkatesh

R.Venkatesh
Partner
M.No.28368

Place: Chennai
Date: 13/09/2017





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EXTRACT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30-06-2017

Sl.No.	PARTICULARS	Standalone	
		Quarter Ended 30.06.2017 Unaudited	Quarter Ended 30.06.2016 Unaudited
1	Total Income from Operations (net)	890.44	890.97
2	Net Profit/(Loss) from ordinary activities after tax	339.34	343.59
3	Net Profit/(Loss) for the period after tax (after extraordinary Items)	339.34	343.59
4	Total Comprehensive income for the period (Comprising Profit/(Loss) for the period(after tax) and other comprehensive income (after tax)	339.34	343.59
5	Paid Up Equity Share Capital (Face Value of the share Rs.10/- each)	2032.43	2032.43
6	Reserves excluding Revaluation Reserves as per balance sheet	(10131.93)	(8643.91)
7	Earning per share in Rs. Before extraordinary items (Not Annualised)		
	Basic	(1.67)	(1.69)
	Diluted	(1.67)	(1.69)
8	Earning per share in Rs. after extraordinary items (Not Annualised)		
	Basic	(1.67)	(1.69)
	Diluted	(1.67)	(1.69)

Notes :

The above is an extract of the detailed format of Unaudited Financial Results for the Quarter Ended 30th June, 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

The above results duly reviewed by Audit Committee, have been approved by the Board of Directors in this meeting held on 13.09.2017.

For and on behalf of the Board

K.V.RAMACHANDRAN

VICE CHAIRMAN AND MANAGING DIRECTOR

Date :13th September,2017

Place : Chennai