



EL FORGE LIMITED

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Corporate Office: Door No.21C, A.R.K Colony, Eldams Road, Alwarpet, Chennai – 600018.
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STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31-12-2016

Sl. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2016 (Unaudited)	30.09.2016 (Unaudited)	31.12.2015 (Unaudited)	31.12.2016 Unaudited	31.12.2015 Unaudited	31.03.2016 Audited
	PART I	Rs. In Lakhs					
1	Operating Income						
	Gross sales / Income from Operations	828.79	872.34	929.56	2592.11	3129.34	4113.60
	Less: Excise Duty /Sale Tax recovered	74.51	62.05	52.92	210.01	168.80	236.88
	a) Net Sales/Income from Operations	754.28	810.29	876.64	2382.10	2960.54	3876.72
	b) Other Operating Income	0.00	0.00	0.00	0.00	0.00	0.00
	Total Operating Income (1)	754.28	810.29	876.64	2382.10	2960.54	3876.72
2	Expenditure						
	(a) (Increase)/decrease in Stock in Trade	24.11	50.93	51.02	22.48	15.48	147.92
	(b) Consumption of Raw Materials	440.31	419.26	523.24	1362.75	1740.81	2247.71
	(c) Employees Cost	159.44	162.80	185.01	495.85	565.34	782.86
	(d) Depreciation	186.05	231.48	240.43	651.98	723.27	954.48
	(e) Other Expenditure	207.31	260.95	236.56	710.94	855.60	1092.26
	Total Expenditure (2)	1017.22	1125.42	1236.26	3244.00	3900.50	5225.23
3	Profit / (Loss) From Operations before other income Interest & Exceptional Items(1-2)	(262.94)	(315.13)	(359.62)	(861.90)	(939.96)	(1348.51)
4	Other Income						
	Profit/(Loss) before Interest and exceptional item(3+4)	0.00	0.02	0.00	0.02	3.47	410.31
		(262.94)	(315.11)	(359.62)	(861.88)	(936.49)	(938.20)
5	Exceptional items(Expenses)	0.00	0.00	0.00	0.00	0.00	540.26
6	Interest	45.87	44.41	23.24	125.11	80.81	128.88
7	Net Profit / (Loss) after interest before exceptional item(5-6)	(308.81)	(359.52)	(382.86)	(986.99)	(1017.30)	(1607.34)
8	Tax Expenses	0.00	0.00	0.00	0.00	0.00	0.00
9	Previous year tax paid/Provision	0.00	0.00	0.00	0.00	0.00	0.00
10	Net Profit/(Loss) after tax but before share of profit/Loss of associate	(308.81)	(359.52)	(382.86)	(986.99)	(1017.30)	(1607.34)
11	Share of Profit of Associates (*)	0.00	0.00	0.00	0.00	0.00	0.00
12	Minority Interest	0.00	0.00	0.00	0.00	0.00	0.00
13	Net Profit after tax, Minority interest share of profit of associates	(308.81)	(359.52)	(382.86)	(986.99)	(1017.30)	(1607.34)
14	Paid Up Equity Share Capital (Face Value of the share Rs.10/- each)	2032.43	2032.43	2032.43	2032.43	2032.43	2032.43
15	Reserves excluding Revaluation Reserves as per balance sheet	(9312.24)	(9003.44)	(7735.21)	(9312.24)	(7735.21)	(8325.25)
16	Earning per Share(EPS) -Basic (Rs.)	(1.52)	(1.77)	(1.88)	(4.86)	(5.01)	(7.91)
	-Diluted (Rs.)	(1.52)	(1.77)	(1.88)	(4.86)	(5.01)	(7.91)
	PART II						
A	Particulars of Share Holding						
1	Public Share Holding						
	Number of Shares	11938446	11938446	11938446	11938446	11938446	11938446
	Percentage of Shareholding	58.74	58.74	58.74	58.74	58.74	58.74
2	Promoters and Promoter group share holding	8385858	8385858	8385858	8385858	8385858	8385858
	a) Pledged/Encumbered						
	- Number of Shares	7704600	7704600	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	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	37.90	37.90
	b) Non-encumbered						
	- Number of Shares	681258	681258	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	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	3.35	3.35
B	Particulars						
	Investor complaints						
	Pending at the beginning of the Quarter	Nil	Nil				
	Received during the Quarter	Nil	Nil				
	Disposed of during the Quarter	Nil	Nil				
	Remaining unresolved at the end of the Quarter	Nil	Nil				

Notes:

- 1) The above results for the quarter ended 31st December 2016, which have been subjected to a "Limited Review" by the statutory auditors of the company, as per the listing agreements with the stock exchanges have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 13.02.2017.
- 2) The Company has two business segments (1) Manufacture and sale of steel forgings.(2)Land and Development described as "Other Operating Income".
- 3) 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.
- 4) Figures have been regrouped/rearranged wherever necessary.
- 5) 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.
- 6) The Management is taking steps to remit all statutory dues at the earliest.
- 7) 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 quarter/year.
- 8) 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.
- 9) Results for the quarter ended 31st December, 2016 are in compliance with the Indian Accounting Standards (Ind As) notified by Ministry of Corporate Affairs. Accordingly, results for the corresponding quarter ended 31st December 2015 and previous year ended 31st March 2016 have been restated to comply with Ind - AS to make those comparable.
- 10) The above results duly reviewed by Audit Committee, have been approved by the Board of Directors in its meeting held on 13.02.2017.
- 11) Segment wise Revenue, Results capital employed clause 41 of the listing agreement.

SL. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2016 (Unaudited)	30.09.2016 (Unaudited)	31.12.2015 (Unaudited)	31.12.2016 Unaudited	31.12.2015 Unaudited	31.03.2016 Audited
1	Segment Revenue						
	Forgings	754.28	810.29	876.64	2382.10	2960.54	3876.72
	Land Income	0.00	0.00	0.00	0.00	0.00	0.00
	Total Revenue	754.28	810.29	876.64	2382.10	2960.54	3876.72
2	Segment Results						
	Loss on forgings	(262.94)	(315.13)	(359.62)	(861.90)	(939.96)	(1348.51)
	Land Income	0.00	0.00	0.00	0.00	0.00	0.00
	Net Profit/ Loss before Interest	(262.94)	(315.13)	(359.62)	(861.90)	(939.96)	(1348.51)
	Add : Interest Cost	45.87	44.41	23.24	125.11	80.81	128.88
	Other Income	0.00	0.02	0.00	0.02	3.47	410.31
	Previous year tax paid/Provision	0.00	0.00	0.00	0.00	0.00	0.00
	Extraordinary /Exceptional Item (Expenses)	0.00	0.00	0.00	0.00	0.00	540.26
	Net Profit / Loss	(308.81)	(359.52)	(382.86)	(986.99)	(1017.30)	(1607.34)
	Capital Employed						
	Forgings	612.84	921.64	2189.86	612.84	2189.86	1599.83
	Land	1003.18	1003.18	1003.18	1003.18	1003.18	1003.18
	Total	1616.02	1924.82	3193.04	1616.02	3193.04	2603.01

For and on behalf of the Board



VICE CHAIRMAN AND MANAGING DIRECTOR

Date :13.02.2017

Place : Chennai

**EL FORGE LIMITED**

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STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31-12-2016

Sl. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31.12.2016 (Unaudited)	30.09.2016 (Unaudited)	31.12.2015 (Unaudited)	31.12.2016 Unaudited	31.12.2015 Unaudited	31.03.2016 Audited
1	Total Income from Operations (net)						
2	Net Profit/(Loss) from ordinary activities after tax	754.28	810.29	876.64	2382.10	2960.54	3876.72
3	Net Profit/(Loss) for the period after tax (after extraordinary items, other income)	(308.81)	(359.54)	(382.86)	(987.01)	(1017.30)	(1477.39)
4	Paid Up Equity Share Capital (Face Value of the share Rs.10/- each)	(308.81)	(359.52)	(382.86)	(986.99)	(1017.30)	(1607.34)
5	Reserves excluding Revaluation Reserves as per balance sheet	2032.43	2032.43	2032.43	2032.43	2032.43	2032.43
6	Earning per share in Rs. Before extraordinary items (Not Annualised)	(9312.24)	(9003.44)	(7735.21)	(9312.24)	(7735.21)	(8325.25)
	Basic						
	Diluted	(1.52)	(1.77)	(1.88)	(4.86)	(5.01)	(7.27)
7	Earning per share in Rs. after extraordinary items (Not Annualised)	(1.52)	(1.77)	(1.88)	(4.86)	(5.01)	(7.27)
	Basic						
	Diluted	(1.52)	(1.77)	(1.88)	(4.86)	(5.01)	(7.91)
		(1.52)	(1.77)	(1.88)	(4.86)	(5.01)	(7.91)

Notes :

The above is an extract of the detailed format of Unaudited Financial Results for the Quarter Ended 31st December, 2016 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

Results for the quarter ended 31st December, 2016 are in compliance with the Indian Accounting Standards (Ind As) notified by Ministry of Corporate Affairs. Accordingly, results for the corresponding quarter ended 31st December 2015 and previous year ended 31st March 2016 have been restated to comply with Ind - AS to make those comparable.

The above results duly reviewed by Audit Committee, have been approved by the Board of Directors in its meeting held on 13.02.2017.

For and on behalf of the Board

K.V. Ramachandran

K.V.RAMACHANDRAN

VICE CHAIRMAN AND MANAGING DIRECTOR

Date : 13.02.2017

Place : Chennai

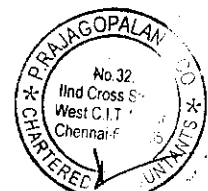
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Date :20

Independent Limited Review Report
[Pursuant to the Regulation 33 of
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
Board of Directors
El Forge Ltd

01. We have reviewed the accompanying statement of unaudited Standalone Financial Results of El Forge Limited ("the company") for the period of three months ended December 31, 2016. The statement is the responsibility of the Company's Management and has been approved by the Board of Directors of the Company.
02. Our responsibility is to issue a report on the statement based on our review.
03. We conducted our review of the statement in accordance with the standard on Review Engagements (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 statement is free of material misstatements. 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. We have not performed an audit and accordingly we do not express an opinion.
04. We draw the attention to the following matters:
 - (01) *Non-provision of loss or gains on account of Actuarial Valuation, as required by the Indian Accounting Standard, 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;*
 - (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.*
 - (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 with the authorities concerned; 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 December 31, 2016; 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 WOS of the company has ceased to be 100% foreign subsidiary (with effect from 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 does not, in the opinion of the management, have any significant control over the affairs & operation 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 the investment is also not provided in the books of accounts.*





P. RAJAGOPALAN & CO.,

CHARTERED ACCOUNTANTS

Continuation Sheet

Independent Limited Review Report of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Continued (Addressed to the Board of Directors of EL Forge Limited)

(08) Going Concern:

- (a) The Company's operating results (for the Quarter ended December 31, 2016) have been materially affected due to various factors during earlier years and also during the current Quarter ended December 31, 2016, 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 obligation.
- (b) At the end of the Quarter ended December 31, 2016, net worth of the company has been totally eroded and become negative. Further, the Company's Current Liabilities (as at December 31, 2016) 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 December 31, 2016) which are not ascertainable, at this stage.

(09) 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.498.30 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. 498.30 Lakh and the Net worth, as at December 31, 2016, 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.

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 to in section 133 of 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

K. Prabhakar Naidu
Partner
M.No.015109

Place: Chennai
Date: 13-02-2017

