



EL FORGE LIMITED

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Proceedings of the 74th Annual General Meeting of the Company held at 10.30 AM on Thursday the 19th August, 2010 at Narada Gana Sabha Trust Mini Hall, 314, T.T.K.Road, Alwarpet, Chennai 600 018 to transact following business:

It was ascertained that the requisite quorum was present.

The Executive Chairman Sri.V.Srikanth took the Chair.

The Executive Chairman informed 5 members are present in person and 2 proxies representing 2770 shares have been received.

The Register of Directors shareholdings and the proxy register were kept at the table.

The Chairman addressed the Shareholders on the Working of the Company, the present Industrial Scenario etc. and the plans of the Company in the immediate future. He then took up the business of the meeting. With the permission of shareholders, the notice of the meeting and the Directors Report were taken as read.

Mrs.R.Sowmithri, Secretary then read the Auditors Report.

1. The first resolution on the Agenda to receive, consider and adopt the Audited Accounts for the Year ended 31st March, 2010 together with the Directors Report and the Auditors Report thereon was taken up.

Mr.Srikanth invited the members to seek clarifications on any points on the accounts.

Some of the Shareholders asked questions about accounts, which was clarified by the Executive Chairman. After this the Executive Chairman placed the first resolution for the members approval.

Proposed by Mr.T.S.Hariharan and Seconded by Mr.Nagarajan

“Resolved that the audited Balance Sheet as at 31st March, 2010 and the Profit & Loss account for the period ended 31st March, 2010 together with Directors Report and Auditors Report thereon as published and circulated to all the Shareholders and now submitted to this meeting, be and the same are hereby received and adopted”.

The resolution was put to the meeting and declared as Carried unanimously by the Chairman on a show of hands.

2. The resolution for re-election of Director Mr.V.Ramachandran, who retires by rotation was taken up.

At this stage Sri.V.Srikanth vacated the Chair as he was deemed to be interested in the resolution. Sri.K.V.Ramachandran was voted to the Chair.

Proposed by Mr.P.P.Sankaranarayanan and Seconded by Mr.N.K.Debnath .

“Resolved that Mr.V.Ramachandran, who retires by rotation and being eligible for re-election be and is hereby re-elected as a Director of the Company”.

The resolution was put to the meeting and declared as Carried unanimously by the Chairman on a show of hands.

Sri.K.V.Ramachandran thereafter vacated the chair and Sri.V.Srikanth was again voted to the Chair.

3. The resolution for re-election of Director Mr.K.J.Ramaswamy, who retires by rotation was taken up.

Proposed by Mr.Sundaram and Seconded by Mr.M.Srinivasan

“Resolved that Mr.K.J.Ramaswamy, who retires by rotation and being eligible for re-election be and is hereby re-elected as a Director of the Company.

The resolution was put to the meeting and declared as Carried unanimously by the Chairman on a show of hands.

4. The resolution for appointment of M/s.P.Rajagopalan & Co., as Auditors was taken up.

Proposed by Mr.P.Subaramanian and Seconded by Mr.V.Srinivasan

“Resolved that M/s.P.Rajagopalan & Co, Chartered Accountants, 32, 2nd Cross Street, West CIT Nagar, Chennai 600 035 be and are hereby appointed as the Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company.

“Resolved Further that the Power to determine the remuneration to the Auditors be and is hereby delegated to the Board of Directors”.

The resolution was put to the meeting and declared as Carried unanimously by the Chairman on a show of hands.

SPECIAL BUSINESS

5. The Resolution for Listing of one lakh shares allotted on conversion of equity share warrants was taken up.

Proposed by Mr.N.K.Debnath and Seconded by Mr.M.Srinivasan

“Resolved that the approval of the shareholders is hereby given to the Company to List the equity shares of the Company having distinctive numbers 8529525 to 8629524 – one lakh shares allotted on conversion of equity warrants @ Rs.132/- per warrant allotted on 17.06.2006 and converted in to equity shares of Rs.10/- each at premium of Rs.122/- per share and share allotment made on 02.01.2008”.

The resolution was put to the meeting and declared as Carried unanimously by the Chairman on a show of hands.

6. Resolution for Change in Clause of Memorandum of Association of the Company was taken up

Proposed by Mr.K.R.Srihari and Seconded by Mr.M.Srinivasan.

Resolved that the existing Clause 4 relating to Share Capital in the Memorandum of Association of the Company be altered by the following in place of the existing Clause :

The Share Capital of the Company is Rs.29,00,00,000/- (Rupees Twenty nine crores only) divided into

- (c) 2,60,00,000 equity shares of Rs.10/- each (Rupees ten only)
- (d) 3,00,000 Redeemable Preference Shares of Rs.100/- each (Rupees hundred only)

with power to increase or reduce the capital and to divide the share for the time being into several classes and attach thereto respectively such Preferential, qualified or special rights and privileges as may be determined in accordance with the provisions of the Companies Act, 1956, and any amendments made thereto to the Act.

The resolution was put to the meeting and declared as Carried unanimously by the Chairman on a show of hands.

7. Resolution for Substitution of Article 2A of the Articles of Association of the Company was taken up

Proposed by Mr.Govindarajan and Seconded by Mr.T.S.Hariharan

Resolved that the existing Article 2A of the Articles of Association of the Company be and is hereby deleted and the following be substituted therefor.

2A The Share Capital of the Company is Rs.29,00,00,000/- (Rupees Twenty nine Crores only) divided into

- c) 2,60,00,000 (Two Crore sixty lakhs) equity shares of Rs.10/- each (Rupees ten only)
- d) 3,00,000 (Three lakhs) Redeemable Preference Shares of Rs.100/- each (Rupees hundred only)

The resolution was put to the meeting and declared as Carried unanimously by the Chairman on a show of hands.

8. The Resolution for Issue of Equity Shares on Rights Basis was taken up

Proposed by Mrs.B.Venkatalakshmi and Seconded by Mr.V.Srinivasan.

“Resolved that in accordance with the provisions of Section 81(1) and other applicable provisions, if any, of the Companies Act, 1956 and any other law for the time being in force and the provisions in the Memorandum and Articles of Association of the Company, the guidelines issued by the Securities and Exchange Board of India (SEBI), the Listing Agreements entered into by the Company with the Stock Exchanges and subject to the approval, permissions and sanctions of the lenders of the Company, SEBI, Stock Exchanges, Reserve Bank of India (RBI), the Foreign Investment Promotion Board (FIPB), Government of India and other concerned authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of the aforementioned authorities while granting such approvals, permissions and sanctions,

which may be agreed to by the Board of Directors of the company (hereinafter referred to as the "Board" which term shall be deemed to include any committee thereof) as on the record date (to be fixed for the purpose) to create, offer and issue to the equity shareholders of the Company equity shares of Rs.10/- of the Company for a sum upto Rs.26 Crores (Rupees Twenty five crores) or such sum as may be determined by the Board of Directors in this regard, in the ratio to be determined by the Board (the "Rights Issue") and on such other terms and conditions as may be mentioned in the draft letter of offer to be issued by the Company in respect of the Rights Issue".

"Resolved Further that such of these equity shares to be issued, if are not subscribed by the existing shareholders may be disposed of by the Board thereof in its absolute discretion, in such manner and/or on such terms as it may deem fit, including by offering or placing them with Banks/Financial Institutions/Investment Institutions/Mutual Fund/ Corporates / High Networth Individuals or otherwise as the Board thereof may in its absolute discretion deem fit and proper.

"Resolved Further that for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to the offer/issue/allotment and utilisation of the proceeds of issue of the Securities towards the Company's projects/other corporate needs and finalise such documents for creating mortgages/charges as it may deem fit".

The resolution was put to the meeting and declared as Carried unanimously by the Chairman on a show of hands.

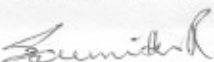
Thank you shareholders, now we have concluded the agenda for the meeting and I declare the meeting closed.

Sd/-

CHAIRMAN OF THE MEETING

CERTIFIED TRUE COPY

For EL FORGE LIMITED


Company Secretary