



EL FORGE LIMITED

Reg. office: Door No.21C, A.R.K Colony, Eldams Road, Alwarpet, Chennai - 600018.

Phone: (044) 42207800 Telefax (044) 42014708 E Mail : elforgeho@elforge.com CIN: L34103TN1934PLC000669

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30.09.2014

(Figures in Rupees Lacs)

Sl. No.	Particulars	Quarter			Six Months		Previous
		Ended 30.09.2014 Unaudited	Ended 30.06.2014 Unaudited	Previous Year Quarter Ended 30.09.2013	Ended 30.09.2014 Unaudited	Ended 30.09.2013 Unaudited	Year Ended 31.03.2014 (9 Months) Audited
1	Income From Operations						
	Gross sales / Income from Operations	1423.57	1875.84	2151.49	3299.41	4267.43	6358.89
	Less: Excise Duty /Sale Tax recovered	120.59	141.86	166.16	262.45	347.59	466.62
	a) Net Sales/Income from Operations (Net of Excise Duty)	1302.98	1733.98	1985.33	3036.96	3919.84	5892.27
	b) Other Operating Income	0.00	0.00	789.38	0.00	789.38	757.34
	Total Income from Operations (net)	1302.98	1733.98	2774.71	3036.96	4709.22	6649.61
2	Expenses						
	(a) Cost of Material Consumed	686.77	977.63	1215.30	1664.40	2444.85	3270.91
	(b) Purchase of Stock in Trade	0.00	0.00		0.00		0.00
	(c) Changes in Inventories of Finished Goods, Work in Progress and stock in Trade	0.37	(39.97)	(49.22)	(39.60)	(63.87)	153.96
	(d) Employees Benefit Expenses	226.48	318.77	368.75	545.25	698.17	1017.51
	(e) Depreciation and amortisation expenses	241.72	241.72	235.37	483.44	436.52	705.38
	(f) Other Expenses	502.28	658.20	749.71	1160.48	1704.01	1924.96
	Total Expenses	1657.62	2156.35	2519.91	3813.97	5219.68	7072.72
	Profit / (Loss) From Operations before other income Finance Cost and Exception items(1-2)	(354.64)	(422.37)	254.80	(777.01)	(510.46)	(423.11)
3	Other Income	4.03	16.56	31.03	20.59	97.11	90.30
	Profit/(Loss) before from ordinary activities before finance cost and exceptional item(3+4)	(350.61)	(405.81)	285.83	(756.42)	(413.35)	(332.81)
5	Finance Costs	38.48	34.99	432.97	73.47	857.36	214.12
6	Profit / (Loss) from ordinary activities after finance cost before exceptional item(5-6)	(389.09)	(440.80)	(147.14)	(829.89)	(1270.71)	(546.93)
7	Exceptional items	0.00	111.49	0.00	111.49	0.00	588.66
8	Profit / (Loss) from ordinary activities before tax(7+8)	(389.09)	(552.29)	(147.14)	(941.38)	(1270.71)	(1135.59)
9	Tax Expenses	0.00	0.00	0.00	0.00	0.00	0.00
10	Net Profit/(Loss) from ordinary activities after tax(9-10)	(389.09)	(552.29)	(147.14)	(941.38)	(1270.71)	(1135.59)
11	Extraordinary Items (Net of tax expenses)	0.00	0.00	0.00	0.00	0.00	0.00
12	Net Profit/(Loss) for the period	(389.09)	(552.29)	(147.14)	(941.38)	(1270.71)	(1135.59)
13	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
14	Reserves excluding Revaluation Reserves as per balance sheet						(4654.80)
15	Earning per share in Rs. Before extraordinary items (Not Basic)	(1.91)	(2.72)	(0.72)	(4.63)	(6.25)	(5.59)
16	Diluted	(1.91)	(2.72)	(0.72)	(4.63)	(6.25)	(5.59)
PART II							
A	Particulars of Share Holding						
1	Public Share Holding	11938446	11938446	11938446	11938446	11938446	11938446
	Number of Shares	58.74	58.74	58.74	58.74	58.74	58.74
	Percentage of Shareholding	8385858	8385858	8385858	8385858	8385858	8385858
7	Promoters and Promoter group share holding						
	a) Pledged/Encumbered	7704600	7704600	7704600	7704600	7704600	7704600.00
	- Number of Shares	91.88	91.88	91.88	91.88	91.88	91.88
	% Percentage of share (as a % of the total shareholding of promoter and promoter group)	37.90	37.90	37.90	37.90	37.90	37.90
	% Percentage of shares(as a % of the total share capital of the company)						
	b) Non-encumbered	681258	681258	681258	681258	681258	681258.00
	- Number of Shares	8.12	8.12	8.12	8.12	8.12	8.12
	% Percentage of share (as a % of the total shareholding of promoter and promoter group)	3.35	3.35	3.35	3.35	3.35	3.35
	% Percentage of shares(as a % of the total share capital of the company)						
		Six Month		Year Ended 31.03.2014			
		Ended 30.09.2014	Ended 30.09.2013				
B	Particulars						
	Book value Per Share(before extra Ordinary Item) (of Face Value of Rs.10/- each)	(14.24)	(4.74)	(9.60)			
	Book value Per Share(After extra Ordinary Item) (of Face Value of Rs.10/- each)	(14.24)	(4.74)	(9.60)			
C	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					

Standalone Statement of Assets and Liabilities (Rs. In Lakhs)

Sl. No.	Particulars	As at 30.09.2014	As at 31.03.2014	Sl. No.	Particulars	As at 30.09.2014	As at 31.03.2014
		Unaudited	Audited			Unaudited	Audited
A	Equity and Liabilities			B	ASSETS		
1	Shareholders' Fund			1.	Non-current assets		
	(a) Share Capital	3243.55	3243.55		(a) Fixed assets	9835.66	10304.38
	(b) Reserves & Surplus	-4593.00	-3561.62		(b) Goodwill on Consolidation*	0.00	0.00
	(c) Money Received against Share Warrants				(c) Non-current investments	392.76	392.77
					(d) Deferred tax assets (net)		
	Sub-Total (Shareholders Fund)	-1349.45	-408.07		(e) Long-term loans and advances	20.86	193.46
					(f) Other non-current assets	1613.79	1606.32
2	Share Application Money Pending Allotment	0.00	0.00		Sub-Total : Current Assets	11863.07	12496.93
3	Minority Interest*	0.00	0.00				
4	Non-current liabilities			2.	Current assets		
	(a) Long-term borrowings	6237.69	6237.69		(a) Current investments	0.00	0.00
	(b) Deferred Tax liabilities (Net)	0.00	0.00		(b) Inventories	1377.38	1408.58
	(c) Other Long term liabilities	0.00	0.00		(c) Trade receivables	2328.54	2379.28
					(d) Cash and Bank Balances	84.59	52.59
	Sub-Total : Non-Current Liabilities	6237.69	6237.69		(e) Short-term loans and advances	275.96	298.13
					(f) Other current assets	1547.95	1448.34
5	Current Liabilities				Sub-Total : Current Assets	5614.42	5586.92
	(a) Short term borrowings	4690.60	4677.08				
	(b) Trade payables	2760.19	2838.55				
	(c) Other current liabilities	5115.89	4716.03				
	(d) Short term provisions	22.57	22.57				
	Sub-Total : Current Liabilities	12589.25	12254.23				
	Total : Equity and Liabilities	17477.49	18083.85		TOTAL	17477.49	18083.85

* not applicable, since not a consolidated statement of Assets and Liabilities

Notes:

- The above results for the quarter ended 30th September 2014, which have been subjected to a "Limited Review" by the statutory auditors of the company, as per the listing agreement with the stock exchanges have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 14th November 2014.
- The Company has two business segments (1) Manufacture and sale of steel forgings. (2) Land and Development described as "Other Operating Income".
- 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. The Interest on Borrowings, Other than Bank Borrowings, charged during the Quarter is Rs.38.48Lacs.
- Certain export expenses not relating to current period is charged under exceptional expenses.
- Figures have been regrouped/rearranged wherever necessary.
- Segment wise Revenue, Results capital employed clause 41 of the listing agreement.

Particulars	Quarter			Six Month		Previous Year Year Ended 31.03.2014 (9 Months) Audited
	Ended 30.09.2014 Unaudited	Ended 30.06.2014 Unaudited	Ended 30.09.2013 Unaudited	Ended 30.09.2014 Unaudited	Ended 30.09.2013 Unaudited	
Segment Revenue						
Forgings	1302.98	1733.98	1985.33	3036.96	3919.84	5892.27
Land Income	0.00	0.00	789.38	0.00	789.38	757.34
Total Revenue	1302.98	1733.98	2774.71	3036.96	4709.22	6649.61
Segment Results						
Loss on forgings	(354.64)	(533.86)	(504.58)	(888.50)	(1269.84)	(1769.11)
Land Income	0.00	0.00	759.38	0.00	759.38	757.34
Net Profit/ Loss before Interest	(354.64)	(533.86)	254.80	(888.50)	(510.46)	(1011.77)
Add : Interest Cost	38.48	34.99	432.97	73.47	857.36	214.12
Other Income	4.03	16.56	31.03	20.59	97.11	90.30
tax paid/Provision	0.00	0.00	0.00	0.00	0.00	0.00
Net Profit / Loss	(389.09)	(552.29)	(147.14)	(941.38)	(1270.71)	(1135.59)
Capital Employed						
Forgings	5315.82	5704.91	6792.65	5315.82	6909.80	6257.24
Land	1003.18	1003.18	1003.18	1003.18	1003.18	1003.18
Total	6319.00	6708.09	7795.83	6319.00	7912.98	7260.42

- The Accounting Year Ending 30th June was changed to end with 9 Months in March 2014. Consequently Six Months Figures are arrived by adding the two quarter i.e. the quarters ending June and September and for both the years 2013 & 2014.
- Depreciation has been charged on Fixed Assets based on earlier rates. Depreciation, as per schedule II to the Companies Act, 2013, shall be computed at the year end, since technical evaluation of the Fixed Assets and other related matter are under preparation.

11 Unaudited consolidated Financial results for the Quarter ended 30.09.2014. (Rs.in lakhs)

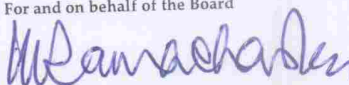
Particulars	Quarter Ended 30.09.2014 Unaudited	Previous Quarter Ended 30.06.2014 Unaudited	Previous Quarter Ended 30.09.2013 Unaudited	Six Month Ended 30.09.2014 Unaudited	Previous Six Month Ended 30.09.2013 Unaudited	Year Ended 31st March 2014 Audited (9Months)
Revenue	2303.95	2579.51	3554.10	4883.46	6568.13	9183.14
Net Loss	(343.05)	(521.61)	(123.23)	(864.66)	(1317.07)	(1060.97)
<u>Earning Per share</u>						
Basic(In Rs.)	(1.69)	(2.57)	(0.61)	(4.25)	(6.33)	(5.22)
Diluted(In Rs.)	(1.69)	(2.57)	(0.61)	(4.25)	(6.33)	(5.22)

The above consolidated results for the Quarter ended 30th Sep, 2014 have been approved by the board at its meeting held on 14th November 2014.

12 Consolidated Segment wise report

Particulars	Quarter Ended 30.09.2014 Unaudited	Quarter Ended 30.06.2014 Unaudited	Quarter Ended 30.09.2013 Unaudited	Six Month Ended 30.09.2014	Previous Six Month Ended 30.09.2013	Previous Year Ended 31.03.2014 Audited (9 Months)
Revenue - Forgings	2303.95	2579.51	2764.72	4883.46	5778.75	8425.80
Land Income	0.00	0.00	789.38	0.00	789.38	757.34
Net Profit / (Loss)	(343.05)	(521.61)	(123.23)	(864.66)	(1317.07)	(1060.97)

For and on behalf of the Board



VICE CHAIRMAN AND MANAGING DIRECTOR

Date : 14.11.2014
Place : Chennai



Independent Limited Review Report

To
Board of Directors
El Forge Ltd

01. We have reviewed the accompanying statement of unaudited financial results ("the statement of accompanied statement") of El Forge Limited ("the company") for the period ended 30th September, 2014. The 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 the statement based on our review.
02. 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.
03. The Company's operating results has been materially affected due to various factors during the quarter ended 30th September, 2014 and as per this report, the net worth has become minus Rs.4104.02 Lakhs as on the aforementioned date. 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. We also state that the Current Liability exceeds the Current Assets by an amount of Rs.6974.84Lakhs. In case the going concern concept is vitiated, necessary adjustments will be required on the carrying amount of Assets and Liabilities which are not ascertainable. We draw the attention to the Note No.3 of the accompanied statement (which has been prepared based on going concern basis, by the Management) relating to erosion of net worth and current quarter's operating loss.
04. We further draw attention to the Note No.4 of the accompanied statement relating to interest and penalty leviable, if any, for non remittance of statutory dues on account of delay / short remittances of statutory dues which are not ascertainable at present.
05. We further draw attention to the Note No.5 of the accompanied statement relating to change in the method of accounting of interest on the bank borrowings, from mercantile to cash basis with effect from the financial year 2013-14 (01.07.2013 to 31.03.2014), this has resulted in short provisions of Rs.1050.83 Lakhs, for the aforesaid period. Had the interest been provided for the financial year 2013-14 the operating loss would have been more by Rs.1050.83 lakhs and the Net Worth would be less by an equal amount. Further during the Period (namely Apr 2014 to September, 2014) interest amounting to Rs.776.03 Lakh (including Rs.395.20 lakh, relating to the current quarter, July 2014 to September, 2014) has not been provided which has resulted the operating loss more by Rs.776.03 lakh for the current Period and the net worth would be also less by an equal amount and cumulatively (from 01.07.2013 to 30.09.2014) the Net Worth would be minus Rs.1826.86 Lakhs, as at 30.09.2014. We further draw the attention to the Note 11, relating to Depreciation.
06. Based on our review, nothing has come to our attention, except these items referred in the aforesaid paragraphs 03 through 05, that causes us to believe that the accompanying statement prepared in accordance with the accounting standards referred to in section 211 (3C) of the Companies Act, 1956 (read with general circular 15/2013 dated 13.09.2013 of



07. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of aggregate amount of public shareholdings in terms of Clause 35 of the Listing Agreements and the particulars relating to undisputed investor complaints from the details furnished by the Management.

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

R.Venkatesh
Partner
M.No.28368

Place: Chennai
Date: 14/11/2014