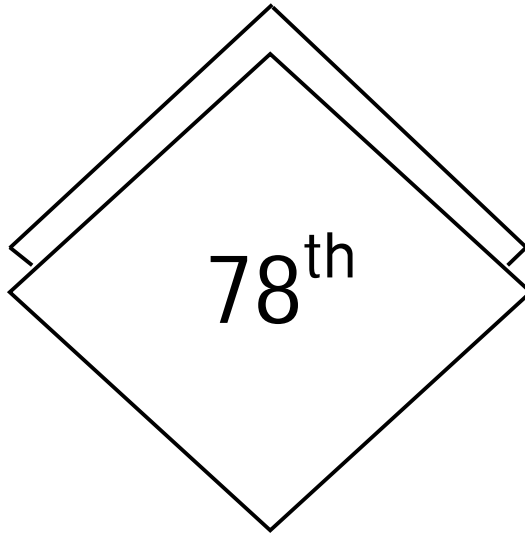




EL FORGE LIMITED



ANNUAL REPORT

2013 – 2014

EL FORGE LIMITED

FINANCIAL HIGHLIGHTS					
	31.03.2014	30.06.2013	30.06.2012	30.06.2011	31.03.2010
	9 Months	12 Months	12 Months	15 Months	12 Months
	<----- Rs. In Lacs ----->				
SALES & OTHER INCOME	6739.90	7637.27	9727.45	10773.15	7966.34
PROFIT/LOSS(-) BEFORE TAX	(1135.59)	(3382.03)	(841.98)	(977.64)	(269.22)
TAXATION	0.00	0.00	-76.14	0.00	-5.43
PROFIT/LOSS(-) AFTER TAX	(1135.59)	(3382.03)	(918.12)	(977.64)	(274.65)
<u>Balance Sheet</u>					
<u>ASSETS</u>					
<u>EMPLOYED:</u>	-	-	-	-	
FIXED ASSETS – NET	10304.39	10680.03	11461.83	11879.26	11907.31
INVESTMENTS	392.76	471.05	471.05	471.05	471.05
NET CURRENT ASSETS	-523.19	612.95	3701.56	4054.66	4681.02
Total	10173.96	11764.03	15634.44	16404.97	17059.38
-	-	-	-	-	
EQUITY SHARE CAPITAL	2032.43	2032.43	2032.43	862.95	862.95
PREFERENTIAL SHARE CAPITAL/ADV. FOR EQUITY	1211.12	1211.12	1211.12	500.00	150.00
RESERVES & SURPLUS	-3651.62	-2516.01	929.72	857.96	1844.41
MISC. EXPENDITURE	-332.75	-332.75	-332.75	-353.80	-332.75
LOAN FUNDS	10914.78	11369.24	11793.92	14537.86	14534.77
Total	10173.96	11764.03	15634.44	16404.97	17059.38

EL FORGE LIMITED

BOARD OF DIRECTORS

Sri.V.Srikanth, Chairman

Sri.V.Ramachandran, Director

Sri.K.V.Ramachandran, Vice Chairman & Managing Director

COMPANY SECRETARY

Smt.R.Sowmithri

AUDITORS

P.Rajagopalan & Co.

Chartered Accountants

BANKERS

STATE BANK OF INDIA, Stressed Assets Management Branch, Chennai 600 008

UNION BANK OF INDIA, Industrial Finance Branch, Chennai 600 108

AXIS BANK LTD. Anna Salai, Chennai 600 002

IDBI Bank Ltd. Greams Road, Chennai 600 006

EXPORT IMPORT BANK OF INDIA, Anna Salai, Chennai 600 002

Edelweiss Asset Reconstruction Company Limited Mumbai – 400 098

ROYAL BANK OF SCOTLAND, Harrington Road, Chennai 600 031

KOTAK MAHINDRA BANK LTD., Capitale, Anna Salai, Teynampet, Chennai 600 018

SHARE TRANSFER AGENTS

M/s,INTEGRATED ENTERPRISES (INDIA) LTD.

No.1, Ramakrishna Street, North Usman Road, T.Nagar, Chennai 17.

REGISTERED OFFICE

21C, A.R.K. Colony, Eldams Road, Alwarpet, Chennai 600 018

Phone: (044) 42207800

Fax: (044) 42014708

E-mail:elforgeho@elforge.com

FACTORIES

1A, Sriperumbudur High Road (via) Singaperumal Koil

Appur Village, Kattangulathur Onrium, Kancheepuram Dist., PIN 603 204

Ph (044) 47112500, Fax (044) 4711 2523

Denkanikotta Road, P.B.No.11, Hosur 635109

Ph: (04344) 222486,

Fax : 04344-222841

B-67, SIPCOT Industrial Complex, Gummidipoondi 601201. Ph:27922845

SUBSIDIARY

Shakespeare Forging Ltd.

Macarthur Road, Cradley Health, West Midlands B64 5NX, United Kingdom.

EL FORGE LIMITED

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that 78th Annual General Meeting of EL FORGE LIMITED will be held on Friday, the 26th day of September, 2014 at 2.30 PM at Narada Gana Sabha Trust, Mini Hall, 314, T.T.K.Road, Chennai 600 018 to transact the following business :

ORDINARY BUSINESS.

1. To receive, consider and adopt the audited accounts for the 9 months period ended 31st March, 2014, the Auditors Report and the Directors Report thereon.
2. To appoint Auditors of the Company and authorise the Board to fix their remuneration.

To consider the appointment of M/s.P.Rajagopalan & Co, Chartered Accountants, No.32, 2nd Cross Street, West CIT Nagar, Chennai 600035 as the Statutory Auditors of the Company to hold office from the conclusion of the 78th Annual General Meeting till the conclusion of the 81st Annual General Meeting subject to ratification as per the provisions of Companies Act, 2013 and the Board to fix their remuneration.

SPECIAL BUSINESS

3. To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution

“Resolved that pursuant to the provisions of Sections 196, 197 and other applicable provisions if any of the Companies Act, 2013 and subject to the approvals as may be necessary approval of members be and is hereby given to re-appoint Mr.K.V.Ramachandran as Vice Chairman & Managing Director of the Company for a period of five years from 1.4.2014 with retrospective effect on the following terms of remuneration in terms of schedule V to the Companies Act, 2013 and rules made their under relating to Managerial Remuneration.

“Resolved Further that above remuneration allowed to the Vice Chairman & Managing Director shall be subject to such limits for the remuneration as laid down by the Government in schedule V to the Companies Act, 2013 and / or such changes/variations/substitutions as may be made therein from time to time.

“Resolved Further that notwithstanding anything to the contrary contained herein, where in any financial year during the currency of the tenure of the Vice Chairman & Managing Director, the Company has no profits or its profits are inadequate, the Company will pay the remuneration by way of salary and perquisites not exceeding the limits specified in schedule V to the Companies Act, 2013.

EL FORGE LIMITED

“Resolved Further that the scope and quantum of remuneration specified hereinabove, may be enhanced, enlarged, widened, altered or varied by the Board of Directors in the light of and in conformity with any amendments to the relevant provisions of the Companies Act, 2013 and/or the Rules and Regulations made there under and/or such guidelines as may be announced by the Central Government from time to time”.

4. To consider and if thought fit, to pass with or without modification the following resolution as a Special Resolution

"Resolved that in supercession of the resolution passed under Section 293(1) (d) of the companies act, 1956, at the Annual General Meeting held on 27th September, 2007 and pursuant to Section 180 (1) (c) and other applicable provisions if any, of the Companies Act, 2013 and the Rules made there under the Company hereby accords its consent to the Board of Directors of the Company for borrowing on behalf of the Company monies from time to time by way of loans, debentures, advances, credits or otherwise with or without security as the Board of Directors may consider proper, including a charge or mortgage on the whole or part of the Company's undertaking or assets, notwithstanding that the monies so borrowed together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) from one or more financial institutions in India or abroad or from any bodies corporate or persons in India or abroad may exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specific purpose provided that the total amount which may be so borrowed by the Board of Directors and outstanding at any one time (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not at any time exceed Rs.200 Crores (Rupees Two Hundred Crores only).

5. To consider and if thought fit, to pass with or without modification the following resolution as a Special Resolution

“Resolved that the Report of Board of Directors of the Company to the shareholders on erosion of more than fifty percent of the Company's peak net worth during immediately preceding four financial years by its accumulated losses as on March 31, 2014 and the causes for such erosion as required under Section 23 of the Sick Industrial Companies (Special Provisions) Act, 1985, “SICA” be and is hereby considered and approved”.

“Resolved Further that in accordance with requirement of Section 23 of the SICA, the Company do report to the Board for Industrial and Financial Reconstruction (“BIFR”) of the fact that the accumulated losses of the Company as on March 31, 2014 have resulted in an erosion of more than fifty percent of its peak net worth during immediately preceding four financial years”.

EL FORGE LIMITED

“Resolved Further that Mr.V.Srikanth, Executive Chairman, Mr.K.V.Ramachandran, Vice Chairman & Managing Director, Mrs.R.Sowmithri, ED(Finance) & Secretary of the Company be and are hereby severally authorised to send the report to BIFR and do all such acts, deeds, matters and things as it may deem necessary, desirable and expedient in relation thereto”.

“Resolved Further that Mr.V.Srikanth, Executive Chairman, Mr.K.V.Ramachandran, Vice Chairman & Managing Director, Mrs.R.Sowmithri, ED(Finance) & Secretary of the company be and are hereby severally authorised to delegate all or any of the powers herein conferred by this resolution to any director or directors or to officers of the Company”.

By Order of the Board

Place : Chennai
Date : 11.08.2014

R.SOWMITHRI
COMPANY SECRETARY

EL FORGE LIMITED

Notes:

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and a proxy so appointed need not be a member of the Company. The proxy to be valid, shall be deposited with the Company not later than forty eight hours before the time for holding the meeting. Same person shall not be appointed as proxy on behalf for more than fifty members.
2. The instrument appointing Proxy should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. Members/Proxies should bring the attendance slips duly filled in for attending the meeting.
4. The explanatory statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Item 3 to 6 of the Notice set out above, is hereto annexed.
5. The Register of Members will be closed from 20.09.2014 to 26.09.2014 both days inclusive.
6. As a result of the amendments introduced in Sections 205A to 205C of the Companies Act, 1956, unclaimed dividend for a period of 7 years has been transferred by the company to "Investor Education and Protection Fund" of Central Government.
7. Members are requested to communicate the change of address, if any, quoting their respective folios to the Share Transfer Agents of the Company.
8. As per the provision for nomination in the Companies Act, 1956. Shareholders may nominate persons who shall become entitled to the Shares upon the death of such holders.
9. The nomination has to be made in the form prescribed without any cost to the shareholders. Shareholders interested, are requested to contact the "Shares Department" El Forge Limited, No.21C, A.R.K.Colony, Eldams Road, Alwarpet, Chennai 600 018.
10. Members, who are holding shares in identical order of names in more than one account, are requested to intimate to the Share Transfer Agents the ledger folio of such accounts together with the share certificates to enable the Company to consolidate all the holdings into one account. The share certificates will be returned to the members after making necessary endorsement in due course.
11. Demat Details– The Company's shares have been dematerialised with Central Depository Services Limited and National Securities Depository Ltd. The ISIN No. of the Company is INE 158F01017 and INE158F03013.
12. The dividend declared during 2007-08 unclaimed as of date is in the unpaid dividend account. The shareholders who have not encashed their warrants may lodge the claim along with the warrant to the share department of the Company.
13. Details under Clause 49 of the Listing Agreement with the Stock Exchanges in respect of the Directors seeking appointment / re-appointment at the Annual General Meeting, forms part of the notice. The Directors have furnished the requisite declarations for their appointment / re-appointment.

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14. Website – Quarterly information on results and other developments are posted on the Company's Website. Members also note that the notice of the 78th Annual General Meeting and the Annual Report for 2013-14 will also be available on the Company's website : <http://www.elforge.com>
15. Electronic copy of the Annual Report will be sent to members in future whose email IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member requests for a physical copy of the same. Positive consent letter is attached to the Notice being sent to the members for giving consent to receive documents in electronic mode.
16. In future electronic copy of the Notice of the General Meetings of the Company inter alia indicating the process and manner of e-voting along with attendance slip and proxy form will be sent to the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member requests for a physical copy of the same.
17. Members may also note that the Notice of the 78th Annual General Meeting and the Annual Report 2013-14 will also be available on the Company's website www.elforge.com for being downloaded. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days till the date of the meeting. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's Investor email id : accounts@elforge.com

1. Voting through Electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the AGM by electronic means and the business may be transacted through e-voting Services provided by National Securities Depository Limited (NSDL).

The instructions for e-voting are as under:

- A. In case a Member receives an email from NSDL (for members whose email IDs are registered with the Company / Depository Participant(s)):
 - (i) Open e-mail and open PDF file viz. "SPL e-Voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL:
<https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder – Login
 - (iv) Put user ID and password as initial password noted in step (i) above. Click Login.

EL FORGE LIMITED

(v) Password change menu appears, Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof, Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(vi) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.

(vii) Select “EVEN” of El Forge Limited

(viii) Now you are ready for e-Voting as Cast Vote page opens

(ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.

(x) Upon confirmation, the message “vote cast successfully” will be displayed.

(xi) Once you have voted on the resolution, you will not be allowed to modify your vote.

(xii) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail: bhave23@rediffmail.com with a copy marked to evoting@nsdl.co.in

B In case a Member receives physical copy of the Notice of AGM (for members whose email IDs are not registered with the Company/Depository Participant(s) or requesting physical copy)

(i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM.

EVEN (E Voting Event Number) **USER ID PASSWORD/PIN**

(ii) Please follow all steps from Sr. No.(ii) to Sr. No. (xII) above, to cast vote.

- II. In case of any queries, you may refer the Frequently Asked Questions(FAQs) for shareholders and e-voting user manual for Shareholders available at the “downloads” section of www.evoting.nsdl.com
- III. If you are already registered with NSDL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

EL FORGE LIMITED

- V. The e-voting period commences on 19th September, 2014 (9a.m) and ends on 21st September, 2014 (6 p.m). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 25th August, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 - VI. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 25th August, 2014.
 - VII. Mrs.B.Venkatalakshmi, Practicing Company Secretary (Membership No. CP1005) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 - VIII. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman/Managing Director of the Company.
 - IX. The Results shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizer's report shall be placed on the Company's website www.elforge.com and on the website of NSDL within two(2) days of passing of the resolutions of the AGM of the Company and communicated to BSE Ltd. and National Stock Exchange of India Ltd.
2. For the convenience of the members, Attendance Slip is annexed to this notice. Members /Proxy Holders / Authorised Representative are requested to fill in and affix their signatures at the space provided therein and surrender the same at the venue.