



EL FORGE LIMITED

No.338, Ambujammal Street, Alwarpet, Chennai - 600018

Phone: (044) 42207800 Fax: (044) 42014708 E-Mail: accounts@elforge.com

Web Site : <http://www.elforge.com>

Ref: EFL/BSE/0316/11

16th March, 2011

Bombay Stock Exchange Ltd
Phiroze Jee Jec Bhoy Towers
Dalal Street
Mumbai 400 001

Dear Sir,

Sub : Rights Issue

Ref : Our Company Code No.531144

The Board of Directors of the Company at their meeting held today decided the quantum, pricing and Ratio of Rights shares to be offered to the equity shareholders of the Company. We will be refiling Letter of Offer with Securities and Exchange Board of India as the size of the issue is reduced to ₹ 12.94 Crores. A Certified copy of the Board Resolution passed at the meeting is enclosed for your reference and records.

Details of Issue of Rights Shares to the existing shareholders of the Company

Quantum	:	1,29,44,286 equity shares
Ratio	:	3 equity shares for every 2 equity shares (3 : 2)
Pricing	:	Rs.10/- each at par aggregating to ₹ 12,94,42,860/- (Rupees Twelve Crores ninety four lakhs forty two thousand eight hundred and sixty only)

The Record date and issue dates will be finalised on receipt of the approval from SEBI for the reduced size of Rs.12.94 Crores.

Thanking you,

Yours faithfully,
For EL FORGE LIMITED

COMPANY SECRETARY

Encl : Board Resolution



EL FORGE LIMITED

Regd. Office : No.338, Ambujammal Street, Alwarpet, Chennai - 600018

Phone: (044) 42207800 Fax: (044) 42014708 E-Mail: accounts@elforge.com

Website : www.elforge.com

EXTRACT FROM THE MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE COMPANY HELD AT REGISTERED OFFICE OF THE COMPANY AT NO.338, AMBUJAMMAL STREET, ALWARPET, CHENNAI 600 018 AT 10.30 AM

"Resolved that further to the resolutions passed at the Board Meeting held on July 15, 2010 and the Annual General Meeting held on August 19, 2010 in regards to the Rights Issue of the Company, the committee of the Board of Directors have decided to issue 1,29,44,286 shares of ₹ 10/- each at par aggregating to ₹ 12,94,42,860 in the ratio of 3 equity shares for every 2 equity shares (i.e. 3:2) held on such terms and conditions as may be mentioned in the Draft Letter of Offer to be refilled with the Securities & Exchange Board of India."

"Resolved further that Mrs. R. Sowmithri, Company Secretary and Compliance Officer of the Company, be and is hereby authorized to take all the necessary steps as may be required to give effect to the above resolution.

"CERTIFIED TRUE COPY"

For EL FORGE LIMITED

COMPANY SECRETARY