

August 10, 2023

General Manager,  
Department of Corporate Services,  
BSE Ltd.  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai 400 001

Security Code : 502865  
Security ID : FORBESCO

Dear Sir,

**Subject: Outcome of Board Meeting held on August 10, 2023**

Pursuant to Regulation 30 & 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company at their meeting held on August 10, 2023 has approved the Unaudited standalone and consolidated financial results of the Company for the quarter ended June 30, 2023.

We enclose copy of the Unaudited standalone and consolidated financial results of the Company for the quarter ended June 30, 2023, along with Limited Review Report dated August 10, 2023 of M/s. Sharp & Tannan Associates, Chartered Accounts, statutory auditors of the Company in respect of the said Financial Results.

The Board Meeting commenced at 4.30 p.m. and concluded at 6.05 p.m

Kindly take the above on your record.

Thanking you.

Yours faithfully,  
For **Forbes & Company Limited**

**Rupa Khanna**  
**Company Secretary & Compliance Officer**

Encl: As above

**Independent Auditor's Limited Review Report on Standalone Unaudited Financial results of FORBES & COMPANY LIMITED for the quarter ended June 30, 2023, Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,  
**The Board of Directors**  
**FORBES & COMPANY LIMITED**  
(CIN – L17110MH1919PLC000628)  
Forbes Building, Charanjit Rai Marg,  
Fort, Mumbai – 400 001

**Introduction**

1. We have reviewed the accompanying statement of Unaudited Standalone Financial results of **FORBES & COMPANY LIMITED** ("the Company") for the quarter ended on June 30, 2023, together with notes thereon ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations, 2015").
2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors on August 10, 2023, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, as amended ("the Act"), read with relevant rules issued there under and other recognised accounting practices and policies generally accepted in India and Regulation 33 of the Listing Regulations in this regard. Our responsibility is to express a conclusion on the Statement based on our review.

**Scope of Review**

3. 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 ("ICAI"). This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

4. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 as prescribed under section 133 of the Act and other recognised accounting practices and policies generally accepted in India has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations 2015, in this regard, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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**Other matters**

5. The Statement includes the results for the corresponding quarter ended June 30, 2022, which have been reviewed by predecessor auditors who issued their unmodified conclusion vide their reports dated August 13, 2022.

Our conclusion is not modified in respect of this other matter.

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**Sharp & Tannan Associates**  
Chartered Accountants  
Firm's Reg. No.: 0109983W  
by the hand of



**Parthiv S Desai**  
Partner

Membership No.: (F) 042624  
UDIN: 23042624BGYOXN3108

Mumbai, August 10, 2023

Statement of Standalone Financial Results for the quarter ended 30th June, 2023

(Rs. in Lakhs)

Particulars	Quarter ended			Year ended
	30.06.2023 (Unaudited)	31.03.2023 (Unaudited)	30.06.2022 (Unaudited)	31.03.2023 (Audited)
<b>1 Income</b>				
Revenue from operations	5,854	6,042	6,393	24,781
Other income	1,756	120	20,722	21,393
<b>Total Income</b>	<b>7,610</b>	<b>6,162</b>	<b>27,115</b>	<b>46,174</b>
<b>2 Expenses</b>				
Real estate development costs	987	374	1,444	2,763
Cost of materials consumed	2,066	2,099	2,397	9,227
Purchases of stock-in-trade	40	31	142	355
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(974)	(184)	(1,388)	(2,875)
Employee benefits expense	1,308	1,239	1,294	5,129
Finance costs	54	272	230	818
Depreciation and amortisation expense	332	366	329	1,362
Other expenses	1,474	1,266	2,392	7,578
<b>Total expenses</b>	<b>5,287</b>	<b>5,463</b>	<b>6,840</b>	<b>24,357</b>
<b>3 Profit / (Loss) before exceptional items and tax</b>	<b>2,323</b>	<b>699</b>	<b>20,275</b>	<b>21,817</b>
<b>4 Exceptional items (Net) (Refer Note 3 below)</b>	<b>-</b>	<b>(21)</b>	<b>(42)</b>	<b>2,905</b>
<b>5 Profit / (Loss) before tax</b>	<b>2,323</b>	<b>678</b>	<b>20,233</b>	<b>24,722</b>
<b>6 Tax expense</b>				
Current tax	18	(211)	2,170	270
(Excess) / short provision for tax of earlier years	-	-	-	52
Deferred tax	576	157	1,390	541
	594	(54)	3,560	863
<b>7 Profit / (Loss) after tax</b>	<b>1,729</b>	<b>732</b>	<b>16,673</b>	<b>23,859</b>
<b>8 Other Comprehensive Income</b>				
(i) Items that will not be reclassified to Statement of Profit or Loss				
Remeasurement of the defined benefit plans	13	(50)	52	6
Fair value changes on Equity instruments through other comprehensive income	1,564	(653)	130	1,475
(ii) Income tax relating to Items that will not be reclassified to Statement of Profit or Loss				
Deferred Tax Expenses	(3)	109	-	(173)
<b>Other Comprehensive Income (net of tax)</b>	<b>1,574</b>	<b>(594)</b>	<b>182</b>	<b>1,308</b>
<b>9 Total Comprehensive Income / (Loss) for the period / year</b>	<b>3,303</b>	<b>138</b>	<b>16,855</b>	<b>25,167</b>
<b>10 Paid-up equity share capital</b> (Face Value of Rs. 10 each)	<b>1,290</b>	<b>1,290</b>	<b>1,290</b>	<b>1,290</b>
<b>11 Other equity (excluding Revaluation Reserve)</b>				<b>19,395</b>
<b>12 Basic and diluted earnings per equity share (after exceptional items)</b>	<b>Rs.13.40</b>	<b>Rs.5.68</b>	<b>Rs.129.26</b>	<b>Rs.184.95</b>
<b>13 Basic and diluted earnings per equity share (before exceptional items)</b> (Quarter figures not annualised)	<b>Rs.13.40</b>	<b>Rs.5.84</b>	<b>Rs.129.59</b>	<b>Rs.162.43</b>

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**Reporting of Segment wise Revenue, Results, Assets and Liabilities**

Based on the evaluation of Ind AS 108 - Operating Segments, the management has identified two operating segments viz., Engineering and Real Estate.

	Quarter ended			Year ended
	30.06.2023	31.03.2023	30.06.2022	31.03.2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1 Segment Revenue</b>				
(a) Engineering	5,427	5,644	5,823	22,988
(b) Real Estate	427	398	571	1,795
<b>Total</b>	<b>5,854</b>	<b>6,042</b>	<b>6,394</b>	<b>24,783</b>
Less: Inter Segment Revenue	-	-	1	2
<b>Total revenue from operations (net)</b>	<b>5,854</b>	<b>6,042</b>	<b>6,393</b>	<b>24,781</b>
<b>2 Segment Results [Profit / (Loss) before Tax and Interest from each Segment (including exceptional items related to segments)]</b>				
(a) Engineering	545	746	493	2,460
(b) Real Estate	1,911	554	20,264	21,037
<b>Total segment results</b>	<b>2,456</b>	<b>1,300</b>	<b>20,757</b>	<b>23,497</b>
Less: Finance costs	(54)	(272)	(230)	(818)
<b>Balance</b>	<b>2,402</b>	<b>1,028</b>	<b>20,527</b>	<b>22,679</b>
Add: Unallocable income / (expense) (net) (including exceptional items)	(79)	(350)	(294)	2,043
<b>Profit / (Loss) before tax</b>	<b>2,323</b>	<b>678</b>	<b>20,233</b>	<b>24,722</b>
<b>3 Segment Assets</b>				
(a) Engineering	15,980	15,576	16,992	15,576
(b) Real Estate	19,848	18,824	17,253	18,824
(c) Unallocated	20,388	18,420	22,469	18,420
<b>Total Assets</b>	<b>56,216</b>	<b>52,820</b>	<b>56,714</b>	<b>52,820</b>
<b>4 Segment liabilities</b>				
(a) Engineering	4,953	4,337	6,996	4,337
(b) Real Estate	25,978	26,438	21,233	26,438
(c) Unallocated	1,298	1,360	7,727	1,360
<b>Total Liabilities</b>	<b>32,229</b>	<b>32,135</b>	<b>35,956</b>	<b>32,135</b>

**Notes on Segment Information:**

- Segment revenue, segment results, segment assets and segment liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.
- Details of product categories included in each segment comprises:
  - Engineering Segment includes manufacture/ trading in Precision Cutting Tools, Spring Lock Washers and Marking Systems. The Company caters to the needs of domestic and export markets.
  - Real Estate includes income from renting out investment properties and revenue from real estate development project.
  - Unallocable Corporate Assets mainly comprises of investments, tax receivables and other unallocable assets.
  - Unallocable Liabilities comprise borrowings, provisions and other unallocable liabilities.
- Other income allocable to respective segments has been considered as part of Segment Results.

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**Notes:**

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on 10<sup>th</sup> August, 2023 and have been subjected to a Limited Review by the statutory auditors of the Company in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The above financial results of the Company have been prepared in accordance with Indian Accounting Standard ("Ind AS") as prescribed and Section 133 of Companies Act, 2013 read with the relevant rules issued there under and the other accounting principles generally accepted in India.
- Exceptional items:

Particulars		Quarter ended			(Rs. in Lakhs)
		30.06.2023	31.03.2023	30.06.2022	Year ended 31.03.2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
(i)	Impairment of investments, loans (including interest accrued thereon) and other receivables in a subsidiary/ Provision for Guarantees given to a subsidiary (Forbes Technosys Limited/Forbes Concept Hospitality Services Private Limited)	-	(18)	(186)	(419)
(ii)	Gain on sale of Associate (Shapoorji Pallonji Forbes Shipping Limited)	-	-	144	144
(iii)	Gain on Sale of shares of Forbes Facility Services Limited	-	-	-	3,202
(iv)	Capital reduction of Forbes Technosys Limited pursuant to Composite scheme of Arrangement	-	-	-	(13,183)
(v)	Reversal of provision for impairment of investment in Forbes Technosys Limited	-	-	-	13,183
(vi)	Provision for doubtful trade receivables and contractual reimbursement of FTL	-	(3)	-	(22)
	<b>TOTAL</b>	-	(21)	(42)	2,905

- The Company has made a provision for doubtful loans & advances granted to Forbes Concept Hospitality Services Private Limited (FCHSPL) amounting to Rs. 18 Lakhs for the quarter and year ended 31<sup>st</sup> March 2023.
  - In view of continuing losses in Forbes Technosys Limited, the company has made a provision for doubtful loans & advances provided loans & advances of Rs. 401 lakhs for the year ended 31<sup>st</sup> March 2023 which includes Rs.186 Lakhs provision made in the quarter ended 30<sup>th</sup> June 2022. Additionally the company has made provision for doubtful trade & contractual receivable amounting to Rs. 3 Lakhs during the quarter ended 31<sup>st</sup> March, 2023 and Rs. 22 Lakhs for the year ended 31<sup>st</sup> March, 2023.
  - The board of directors of Forbes Technosys Limited (FTL) have pursuant to provisions of Section 230 to 232 applied to the National Company Law Tribunal (NCLT) for merger of Forbes Campbell Service Limited ("FCSL") and FTL for a consideration of Rs. 3 Lakhs effective 1<sup>st</sup> October, 2021 and also proposed for reduction in the share capital of FTL. The NCLT, in its order dated 16<sup>th</sup> September, 2022 ('the Order') approved the Composite Scheme of Arrangement for amalgamation of Forbes Campbell Service Limited ('FCSL') into FTL and reduction of share capital of FTL. The appointed date of the Scheme was 1<sup>st</sup> October, 2021 and the scheme has been effective from 29<sup>th</sup> September, 2022 i.e., the last date on which the certified copy of the order was filed with the Registrar of Companies. Pursuant to scheme, the Company has written off the investment of Rs. 13,183 Lakhs and provision created for the investment amounting to Rs. 13,183 Lakhs is reversed in the quarter ended 30<sup>th</sup> September 2022.
  - The Board of Directors of the Company, at their meeting held on 30<sup>th</sup> May, 2022, have approved the sale of the entire shareholding in SPFSL. The Company has sold 3,75,000 equity shares of Rs. 10 each and 2,21,50,000 Zero Percent Redeemable Preference Shares of Rs. 10 each of SPFSL to M/s G.S Enterprises, a related party for an aggregate purchase consideration of Rs. 2,900 Lakhs during the quarter ended 30<sup>th</sup> June, 2022. The net carrying value of the investments in SPFSL (reflected as asset held for sale on 31<sup>st</sup> March, 2022) as at the date of sale was Rs. 2,756 Lakhs and consequently, the Company has recognised an exceptional gain of Rs. 144 Lakhs for the quarter ended 30<sup>th</sup> June, 2022. The capital gains tax impact of the aforesaid transaction has been appropriately considered during the quarter ended 30<sup>th</sup> June, 2022 and year ended 31<sup>st</sup> March, 2023.
4. Ind AS 115 'Revenue from Contracts with Customers', a new accounting standard notified by the Ministry of Corporate Affairs (MCA) on 28<sup>th</sup> March, 2018 was effective from accounting period beginning on or after 1<sup>st</sup> April, 2018 and replaced the then existing revenue recognition standards. The application of Ind AS 115 had significant bearing on the Company's accounting for recognition of revenue from real estate development projects.  
The Company has recognised revenue of Rs. Nil for the quarter ended 30<sup>th</sup> June, 2023 and Rs. 201 Lakhs for the quarter ended 30<sup>th</sup> June 2022 and year ended 31<sup>st</sup> March, 2023.



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5. The Board of Directors of the Company, in their meeting held on 26<sup>th</sup> May, 2023, approved for sale of approximately 0.53 acres of land at Chennai for an aggregate consideration of Rs. 15 Crores. The transaction got concluded on 1<sup>st</sup> June, 2023 by executing sale deed in favour of the buyer. Accordingly, the difference between the net disposal proceeds and the carrying amount of the land amounting to Rs. 1,447 Lakhs has been recognized as gain on disposal during the quarter ended 30<sup>th</sup> June, 2023 and reflected in Other income in these financial results. The capital gains tax impact of the aforesaid transaction has been appropriately considered during the quarter ended 30<sup>th</sup> June, 2023.
6. The Board of Directors of the Company, in their meeting held on 22<sup>nd</sup> December, 2020, approved entering into a Memorandum of Understanding ("MOU") for sale of approximately 3.804 acres of land at Chandivali. Accordingly, the net carrying value aggregating Rs. 2,316 Lakhs [including Rs. 2,277 Lakhs paid towards seeking permission under the Urban Land (Ceiling & Regulation) Act, 1976 for the transfer/ sale/ development/ redevelopment of the land during the quarter ended 31<sup>st</sup> March, 2022], has been reflected as asset held for sale as on 31<sup>st</sup> March, 2022.

Pursuant to the Board of Directors meeting dated 24<sup>th</sup> March, 2022, the Company entered into a new Agreement for Sale (AFS) for the aforesaid land, with Equinix India Private Limited (Equinix) for an aggregate consideration of Rs. 23,500 Lakhs, which was executed on 24<sup>th</sup> March, 2022 and completion of the said transaction was subject to fulfilment of conditions precedent.

The transaction for sale of Chandivali land with Equinix got concluded on 28<sup>th</sup> June, 2022 post completion of the conditions precedent and the Company received entire consideration of Rs. 23,500 Lakhs during the quarter ended 30<sup>th</sup> June, 2022. The difference between the net disposal proceeds and the carrying amount of the land amounting to Rs. 20,684 Lakhs has been recognized as gain on disposal during the quarter ended 30<sup>th</sup> June, 2022 and reflected in Other income in these financial results. The capital gains tax impact of the aforesaid transaction has been appropriately considered during the quarter ended 30<sup>th</sup> June, 2022 and year ended 31<sup>st</sup> March 2023.

7. The Board of Directors of the Company at their meeting held on 23<sup>rd</sup> February, 2022 has approved entering into a binding term sheet for sale of its entire shareholding in Forbes Facility Services Private Limited (FFSPL), a wholly owned subsidiary of the Company to SILA Solutions Private Limited. This binding term sheet has been executed on 23<sup>rd</sup> February, 2022 and agreement for sale executed on 20<sup>th</sup> May, 2022. The transaction has been completed on 1<sup>st</sup> July 2022 a sales consideration of Rs. 4,200 Lakhs. The Company has received the consideration of Rs. 3,960 Lakhs after deduction of Rs. 240 Lakhs for the legal disputes with multiple customers. The difference between the net disposal proceeds and the carrying amount of investment and expenditure incurred on the transactions and provision made on account of the obligations undertaken by the company under the agreement for sale the net amount of Rs. 3,202 Lakhs has been recognized as gain on disposal during the quarter ended 30<sup>th</sup> September 2022 & year ended 31<sup>st</sup> March 2023 and reflected in Exceptional items in these financial results. The capital gains tax impact of the aforesaid transaction has been appropriately considered in the quarter ended September 2022 & year ended 31<sup>st</sup> March 2023.

Additionally, as per the terms of the agreement to sale, the Company has taken-over current receivables and payable balances of FFSPL to/ from related parties aggregating Rs. 122 Lakhs and Rs. 237 Lakhs respectively and receivable from non-related party amounting to Rs. 54 Lakhs and the net amount of Rs. 60 Lakhs is received by the Company from FFSPL. and the same has been paid against payables.

8. The Board of Directors of the Company in their meeting dated 26<sup>th</sup> September, 2022 have approved the Scheme of Arrangement ("Scheme") between the Company ("FCL" or the "Demerged Company") and Forbes Precision Tools and Machine Parts Limited ("FPTL" or the "Resulting Company") and their respective shareholders under Section 230 to 232 of the Companies Act, 2013 and other applicable provisions and the Rules framed thereunder. This Scheme is a Scheme of Arrangement involving demerger of "Precision Tools business" of the Company into Forbes Precision Tools and Machine Parts Limited. The appointed date of the scheme is 1<sup>st</sup> April, 2023.

The Scheme is subject to necessary approvals by the Stock Exchanges, Securities and Exchange Board of India, Shareholders and Creditors of the Company, as may be applicable, Jurisdictional Bench of National Company Law Tribunal ("NCLT") and such other statutory and regulatory approvals as may be required.

Accordingly, the Company have received the "no objection" from BSE Limited. Subsequently, the Company has filed application alongwith all the relevant documents with National Company Law Tribunal (NCLT) for their approval.

FPTL has been incorporated on 30<sup>th</sup> August 2022 as a wholly owned subsidiary of the Company.

9. The Company and MACSA ID, S.A., have entered into a 50:50 Joint Venture Agreement on December 5, 2022 (JVA) for providing innovative laser marking and traceability solutions for the entire range of materials metal and non-metals. Pursuant to the terms of the JVA, a joint venture company viz., FORBES MACSA PRIVATE LIMITED has been incorporated on December 9, 2022. The JV partners have infused equity and preference shares capital to the tune 2.5 Crs each in the JVC. The JVC and shareholders have executed the technology and trademark license agreement and brand and technology licensing agreement with respect to their respective brands. The operations of JVC have started from 1<sup>st</sup> March 2023.
10. The Board of Directors of the Company at their meeting held on 3<sup>rd</sup> August, 2023 has approved sale of its 60% shareholding in Forbes Concept Hospitality Services Private Limited (FCHSPL), a wholly owned subsidiary of the Company to Metamix Technologies Private Limited and balance 40% shareholding to Floral Finance Private limited for a consideration of Rs. 0.03 Lakh and Rs. 0.02 Lakh respectively. Pursuant to the sale of entire shareholding in FCHSPL to Metamix Technologies Private Limited & Floral Finance Private Limited, FCHSPL will be ceased to be a subsidiary of the Company on completion of the transaction.
11. The figures of the quarter ended 31<sup>st</sup> March, 2023 are balancing figures between the audited figures in respect of the full financial year ended on 31<sup>st</sup> March, 2023 as reported in these financial results and the unaudited published year to date figures up to third quarter ended on 31<sup>st</sup> December, 2022 and figures for the quarter ended 30<sup>th</sup> June, 2023, which were subjected to Limited Review by the Statutory Auditors.

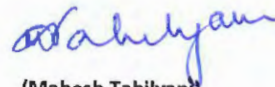


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12. The Company has paid Special interim dividend of Rs. 65/- per fully paid equity share of Rs. 10 each in the quarter ended 30<sup>th</sup> September 2022 and the year ended 31<sup>st</sup> March 2023.
13. Figures for the previous periods are re-classified/ re-arranged/ regrouped, wherever necessary, to correspond with the current period's classification/ disclosure.

Mumbai,  
10<sup>th</sup> August, 2023

For Forbes & Company Limited



(Mahesh Tahilyani)  
Managing Director  
DIN: 01423084





**Independent Auditor's Limited Review Report on Consolidated Unaudited Financial results of FORBES & COMPANY LIMITED for the quarter ended June 30, 2023, pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,  
The Board of Directors  
FORBES & COMPANY LIMITED  
(CIN – L17110MH1919PLC000628)  
Forbes Building, Charanjit Rai Marg,  
Fort, Mumbai – 400 001

**Introduction**

1. We were engaged to review the accompanying consolidated financial results of **FORBES & COMPANY LIMITED** (hereinafter referred to as 'the Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which includes Group's share of profit/(loss) and total comprehensive income of its associates and joint ventures for the quarter ended June 30, 2023, ("consolidated financial results", "the Statement") attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').
2. The Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors on August 10, 2023, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, ("the Act") as amended, read with rules issued there under and other recognised accounting practices and policies generally accepted in India and Regulation 33 of the Listing Regulations in this regard.
3. Our responsibility is to express a conclusion on the Statement based on our review, *However, because of the matters described in paragraphs 6 below, we were not able to obtain sufficient appropriate evidence to provide a basis for our conclusion on this Statement, accordingly we do not express a conclusion on the Statement.*

**Scope of Review**

4. 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 misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations in this regard, to the extent applicable.



5. 'The Statement' includes the results of the entities mentioned below:

**Name of the related party**

**Parent Company:**

Forbes & Company Limited (FCL)

**Subsidiaries (Direct and Indirect):**

Forbes Campbell Finance Limited (FCFL)

Forbes Technosys Limited (FTL)

Forbes Lux International AG (FLIAG)

Lux International AG (LIAG)

Volkart Fleming Shipping & Services Limited (VFSSL)

Campbell Properties & Hospitality Services Limited (CPHSL)

Forbes Precision Tools & Machine Parts Ltd. (FPTL)

EFL Mauritius Limited (EFLML)

Lux International Services & Logistics Gmbh

(Formerly Lux Services GmbH)

Lux Oesterreich Gmbh

Lux Professional SA

Lux Schweiz AG

Lux Hungaria Kereskedelm Kft

Lux Welity Polska sp zo o

**Associates Companies:**

Dhan Gaming Solution (India) Private Limited

Nuevo Consultancy Services Private Limited

**Joint Ventures:**

Forbes Bumi Armada Limited (FBAL)

Forbes Concept Hospitality Services Private Ltd (FCHSPL)

Forbes Macsa Private Limited

**Basis for Disclaimer of Conclusion**

6. We draw your attention to Note 5 to the consolidated financial results pertaining to various elements of the Statement that may require necessary adjustments/disclosures and/or any restatement of the previous year including any consequential effect thereof, in the Statement w.r.t. the unaudited consolidated financial statements/information of the material Foreign Direct Subsidiary viz. Forbes Lux International AG (FLIAG) & material step-down foreign subsidiary viz. 'Lux International AG' (LIAG) - (LIAG is the foreign direct subsidiary of FLIAG). These adjustments if any, may have material and pervasive impact on the Statement for the quarter ended June 30, 2023. The said results w.r.t. the FLIAG & LIAG has been certified by the management of the respective subsidiaries.

The standalone financial statements of FLIAG & Consolidated financial statements of LIAG have been converted from accounting principles generally accepted in their respective countries into accounting principles generally accepted in India which have been certified by the management of the group.

In addition, the FLIAG & LIAG management has applied for the "Debt memorandum restructuring process"



The statements include the FLIAG standalone total revenue of Rs. 7 lakhs, total loss after tax of Rs. (5,575) lakhs and total comprehensive income of Rs. (5,575) Lakhs for the quarter ended March 2023; and

The LIAG whose consolidated revenue of Rs. 4,775 lakhs, total consolidated loss after tax of Rs. (125) lakhs and total consolidated comprehensive income of Rs. (125) lakhs for the quarter ended March 2023.

The financial statements of the above material step-down subsidiary LIAG (Subsidiary of FLIAG), remained unaudited for the year ended December 2022 and we have not received any response to our communication with the LIAG auditors to obtain/understand the proper information/event as required under SA 600. The FLIAG, a material subsidiary of the company, has been audited for year ended December 2022 & their auditor has given an 'Adverse Opinion' by stating that the financial statements of FLIAG should not have been prepared under the going concern assumption, accordingly the financials statements of the holding company for the year ended March 2023 includes the financial statements of the above material step-down subsidiary LIAG (Subsidiary of FLIAG) whose consolidated revenue of Rs. 18,986 lakhs, total consolidated loss after tax of Rs. (4,754) lakhs and total consolidated comprehensive income of Rs. (4,754) lakhs for the year ended December 2022, consolidated cash outflow of Rs.416 lakhs, consolidated total assets of Rs. 9,891 lakhs & consolidated negative net worth of Rs. (1,190) Lakhs as at December 31, 2022, which are based on the management certification & for FLIAG, a material subsidiary of the company, whose standalone total revenue of Rs. 1,655 lakhs, total loss after tax of Rs. (32,866) lakhs and total comprehensive income of Rs. (32,866) Lakhs for the year ended December 31, 2022, cash inflow of Rs. 2 lakhs, total assets of Rs. 5,215 lakhs & negative net worth of Rs. (45,869) Lakhs as at December 31, 2022, and the standalone financial statements of FLIAG & LIAG have been converted from accounting principles generally accepted in their respective countries into accounting principles generally accepted in India which have been certified by the management of the group.

We were unable to evaluate the impact on the consolidated financial results of the Group. Accordingly, we are unable to determine the consequential implications arising therefrom in the consolidated financial results of the Group.

As a result of the matters described in point no. 6 above under the 'Basis for disclaimer of conclusion paragraph', we were not able to obtain sufficient appropriate audit evidence to provide a basis of our Conclusion on the consolidated financial results.

#### **Disclaimer of Conclusion**

7. Because of the substantive nature and significance of the matter described in paragraph 6 above, the 'Basis for disclaimer of conclusion' and procedures performed as stated in paragraph 4 above, we have not been able to obtain sufficient & appropriate evidence to provide our conclusion as to whether the accompanying Statement of unaudited financial results prepared in accordance with applicable Accounting Standards i.e. Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India, has disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

#### **Material Uncertainty Related to Going Concern**

8. The following paragraph in respect of "material uncertainty related to going concern" was included in the review report dated July 31, 2023, containing an unmodified review conclusion on the financial results of Forbes Technosys Limited, a subsidiary of the Holding Company issued by an independent firm of Chartered Accountants and the same is reproduced as under:



“Note 3 of the Statement which indicates that the Company has incurred a net loss during the quarter ended June 30, 2023, and the Company’s current liabilities exceeded its current assets as at June 30, 2023. The Company has accumulated losses and its net worth is negative as at June 30, 2023. The aforesaid conditions and financial stress indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in Note 3. Our conclusion is not modified in respect of this matter.”

Note 3 as described above has been reproduced as Note 6 to the consolidated financial results for the quarter ended June 30, 2023.

#### Other Matters

9. We did not review the interim financial results of 2 domestic subsidiaries included in the consolidated unaudited financial results, whose interim financial results reflect total revenues of Rs. 20 Lacs, total net (loss) after tax of Rs. (119) Lacs, a total comprehensive loss of Rs. 1,585 Lacs, for the quarter ended June 30, 2023, as considered in the consolidated unaudited financial results. These interim financial results have been reviewed by other auditors and their reports, vide which they have issued an unmodified conclusion, have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.
10. The consolidated unaudited financial results include the interim financial information of 4 subsidiaries which have not been reviewed by their auditors, whose interim financial information reflects total revenue of Rs. 29 Lacs, total net Profit after tax of Rs. 14 Lacs and total comprehensive income of Rs. 14 Lacs for the quarter ended June 30, 2023, as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also include the Group's share of net profit after tax of Rs. 25 Lacs and total comprehensive income of Rs. 25 Lacs for the quarter ended June 30, 2023, as considered in the consolidated unaudited financial results, in respect of 2 associates and 3 joint ventures, based on their interim financial results which have not been reviewed by their auditors and given by the management. According to the information and explanations given to us by the Management, this interim financial information is not material to the Group.
11. The Statement includes the results for the Comparative quarter ended June 2022 which have been reviewed by predecessor auditors who issued their unmodified conclusion vide their reports dated August 13, 2022.

Our conclusion on the Statement is not modified in respect of the above matters.

Mumbai, August 10, 2023



Sharp & Tannan Associates  
Chartered Accountants  
Firm's Reg. No.: 0109983W  
by the hand of

Parthiv S Desai  
Partner  
Membership No.: (F) 042624  
UDIN: 23042624BGYOXO1037

Statement of Consolidated Financial Results for the quarter ended 30th June, 2023

(Rs. in Lakhs)



Particulars	Quarter ended			Year ended
	30.06.2023 (Unaudited)	31.03.2023 (Refer Note 18)	30.06.2022 (Unaudited)	31.03.2023 (Audited)
<b>Continuing Operations</b>				
<b>1 Income</b>				
Revenue from operations (Refer Note 7 below)	10,676	10,197	12,185	44,198
Other income	2,002	4,516	20,857	26,813
<b>Total Income</b>	<b>12,678</b>	<b>14,713</b>	<b>33,042</b>	<b>71,011</b>
<b>2 Expenses</b>				
Real estate development costs	987	374	1,444	2,763
Cost of materials consumed	2,066	2,135	2,402	9,312
Purchases of stock-in-trade	861	1,119	2,133	6,501
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(260)	302	(1,459)	(2,146)
Employee benefits expense	3,558	3,233	3,888	14,297
Finance costs	194	118	651	1,760
Depreciation and amortisation expense	561	677	682	2,720
Other expenses	2,482	4,382	3,768	15,390
<b>Total expenses</b>	<b>10,449</b>	<b>12,340</b>	<b>13,509</b>	<b>50,597</b>
<b>3 Profit/ (Loss) before exceptional items, Share of net profits of investments accounted for using equity method and tax</b>	<b>2,229</b>	<b>2,373</b>	<b>19,533</b>	<b>20,414</b>
<b>4 Share of Profit of Associates / Joint ventures (net)</b>	<b>25</b>	<b>(58)</b>	<b>181</b>	<b>296</b>
<b>5 Profit before exceptional items and tax</b>	<b>2,254</b>	<b>2,315</b>	<b>19,714</b>	<b>20,710</b>
<b>6 Exceptional items (Net) (Refer Note 3 below)</b>	<b>-</b>	<b>(130)</b>	<b>(1,586)</b>	<b>1,202</b>
<b>7 Profit/ (Loss) before tax from continuing operations</b>	<b>2,254</b>	<b>2,185</b>	<b>18,128</b>	<b>21,912</b>
<b>8 Tax expense</b>				
Current tax	85	(107)	2,233	554
Excess/Short provision for tax of earlier years	-	-	-	52
Deferred tax	582	1,269	1,379	2,173
	667	1,162	3,612	2,779
<b>9 Profit/ (Loss) after tax from continuing operations</b>	<b>1,587</b>	<b>1,023</b>	<b>14,516</b>	<b>19,133</b>
<b>10 Discontinued operations</b>				
Profit/ (Loss) before tax from discontinued operations (Refer Note 9 below)	-	-	69	69
Tax Expense/ (Benefit) of Discontinued Operations	-	-	(20)	(20)
Profit/ (Loss) from discontinued operations	-	-	49	49
<b>Profit/ (Loss) for the period/ year</b>	<b>1,587</b>	<b>1,023</b>	<b>14,565</b>	<b>19,182</b>
<b>11 Other Comprehensive Income</b>				
<b>A (i) Items that will not be reclassified to statement of profit or loss</b>				
(a) Remeasurement of the defined benefit plans	13	(49)	52	7
(b) Equity instruments through other comprehensive income	3,252	(1,357)	(1,129)	1,766
(c) Income Tax relating to the above items	(3)	109	-	(173)
<b>B (i) Items that may be reclassified to statement of profit or loss</b>				
(a) Exchange differences in translating the financial statements of foreign operations	(44)	(3,375)	(224)	(4,822)
<b>Other Comprehensive Income (net of tax)</b>	<b>3,218</b>	<b>(4,672)</b>	<b>(1,301)</b>	<b>(3,221)</b>
<b>12 Total Comprehensive Income/ (Loss) for the period / year</b>	<b>4,805</b>	<b>(3,649)</b>	<b>13,264</b>	<b>15,960</b>
<b>13 Profit/ (Loss) for the period/ year attributable to:-</b>				
(i) Owners of the Company	1,587	1,023	14,578	19,195
(ii) Non controlling interests	-	-	(13)	(13)
	1,587	1,023	14,565	19,182
<b>14 Other comprehensive Income for the period/ year attributable to:-</b>				
(i) Owners of the Company	3,218	(4,670)	(1,301)	(3,221)
(ii) Non controlling interests	-	(2)	-	(1)
	3,218	(4,672)	(1,301)	(3,222)
<b>15 Total comprehensive Income/ (loss) for the period/ year attributable to:-</b>				
(i) Owners of the Company	4,805	(3,647)	13,277	15,974
(ii) Non controlling interests	-	(2)	(13)	(14)
	4,805	(3,649)	13,264	15,960
<b>16 Paid-up equity share capital</b> (Face Value of Rs. 10 each)	<b>1,290</b>	<b>1,290</b>	<b>1,290</b>	<b>1,290</b>
<b>17 Other equity (excluding Revaluation Reserve)</b>				<b>15,017</b>
<b>18 Basic and diluted earnings/ (loss) per equity share attributable to owners of the Company (after exceptional items) - continuing operations</b>	<b>Rs. 12.46</b>	<b>Rs. 8.03</b>	<b>Rs. 114.01</b>	<b>Rs. 150.38</b>
<b>19 Basic and diluted earnings/ (loss) per equity share attributable to owners of the Company (after exceptional items) - discontinued operations</b>	<b>-</b>	<b>-</b>	<b>Rs. 0.38</b>	<b>Rs. 0.39</b>
<b>20 Basic and diluted earnings/ (loss) per equity share attributable to owners of the Company (after exceptional items) - continuing and discontinued operations</b>	<b>Rs. 12.46</b>	<b>Rs. 8.03</b>	<b>Rs. 114.39</b>	<b>Rs. 150.77</b>

(Quarter and year to date figures not annualised)

See accompanying notes to the consolidated financial results.

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**Reporting of Segment wise Revenue, Results, Assets and Liabilities**

Based on the evaluation of Ind AS 108 - Operating Segments, the management has identified the following operating segments viz., Health, Hygiene, Safety Products and its services, Engineering, Real Estate, IT Enabled Services and Products and Shipping and Logistics Services.

	Quarter ended			Year ended
	30.06.2023 (Unaudited)	31.03.2023 (Refer Note 18)	30.06.2022 (Unaudited)	31.03.2023 (Audited)
<b>1 Segment Revenue</b>				
(a) Health, Hygiene, Safety Products and its services	4,775	4,090	5,596	18,986
(b) Engineering	5,427	5,643	5,823	22,987
(c) Real Estate	458	421	612	1,943
(d) IT Enabled Services and Products	18	48	160	312
(e) Others	-	-	8	8
<b>Total</b>	<b>10,678</b>	<b>10,202</b>	<b>12,199</b>	<b>44,236</b>
Less: Inter Segment Revenue	(2)	(5)	(14)	(38)
<b>Total Income from operations (net)</b>	<b>10,676</b>	<b>10,197</b>	<b>12,185</b>	<b>44,198</b>
<b>2 Segment Results Profit/(Loss) before Tax and Interest from each Segment (Including exceptional Items related to segments)</b>				
(a) Health, Hygiene, Safety Products and its services	134	1,889	221	% 4,486
(b) Engineering	546	741	506	2,477
(c) Real Estate	1,929	245	20,271	20,808
(d) IT Enabled Services and Products	(109)	! (509)	! # (1,005)	& ! # (3,011)
(e) Others	-	12	(12)	-
<b>Total segment results</b>	<b>2,500</b>	<b>2,378</b>	<b>19,981</b>	<b>24,760</b>
Add: Share of profit of joint ventures and associates accounted for using equity method	25	(58)	181	296
Less: Unallocated Exceptional items	-	(18)	(886)	(816)
Less: Finance costs	(194)	(118)	(651)	(1,760)
<b>Balance</b>	<b>2,331</b>	<b>2,184</b>	<b>18,625</b>	<b>22,480</b>
Add: Unallocable Income / (expense) (net)	(77)	1	(497)	(568)
<b>Profit / (Loss) from continuing activities before tax</b>	<b>2,254</b>	<b>2,185</b>	<b>18,128</b>	<b>21,912</b>
<b>Profit/ (Loss) from discontinued operations</b>	<b>-</b>	<b>-</b>	<b>69</b>	<b>69</b>
<b>Profit / (Loss) before tax from continuing and discontinued operations</b>	<b>2,254</b>	<b>2,185</b>	<b>18,197</b>	<b>21,981</b>
<b>3 Segment Assets</b>				
(a) Health, Hygiene, Safety Products and its services	10,902	11,725	15,409	11,725
(b) Engineering	15,968	15,574	16,992	15,574
(c) Real Estate	20,278	19,312	17,781	19,312
(d) IT Enabled Services and Products	1,007	1,054	3,268	1,054
(e) Others	-	18	37	18
(f) Unallocated	26,436	22,426	24,734	22,426
<b>Total Assets</b>	<b>74,591</b>	<b>70,109</b>	<b>78,221</b>	<b>70,109</b>
Assets pertaining to discontinued operations	-	-	5,833	-
<b>Total Assets</b>	<b>74,591</b>	<b>70,109</b>	<b>84,054</b>	<b>70,109</b>
<b>4 Segment Liabilities</b>				
(a) Health, Hygiene, Safety Products and its services	10,364	11,565	10,050	11,565
(b) Engineering	4,942	4,329	6,996	4,329
(c) Real Estate	26,073	26,526	20,846	26,526
(d) IT Enabled Services and Products	4,616	4,228	11,129	4,228
(e) Others	-	-	3	-
(f) Unallocated	1,310	979	8,223	979
<b>Total Liabilities</b>	<b>47,305</b>	<b>47,627</b>	<b>57,247</b>	<b>47,627</b>
Liabilities pertaining to discontinued operations	-	-	5,305	-
<b>Total Liabilities</b>	<b>47,305</b>	<b>47,627</b>	<b>62,552</b>	<b>47,627</b>

**Notes on Segment Information:**

- The Chief Operating Decision maker of the Group examines the Group's performance from a product portfolio and the industries in which they operate and has identified five reportable segments at the group level.
- Details of product categories included in each segment comprises:
  - Health, Hygiene, Safety Products and its services includes manufacturing, selling, renting and servicing of vacuum cleaners, water filter, trading in electronic air cleaning systems, small household appliances, digital security system and fire extinguisher etc.
  - Engineering Segment Includes manufacture/ trading in Precision Cutting Tools, Spring Lock Washers and Marking Systems.
  - Real Estate Includes income from renting out investment properties and revenue from real estate development project.
  - IT Enabled Services and Products includes trading of point of sale machine, manufacturing of different types of kiosks. The segment results, segment assets and segment liabilities from the discontinued operations have been disclosed separately.
  - Unallocable Corporate Assets mainly comprises of Investments, tax receivables and other unallocable assets.
  - Unallocable Liabilities comprise borrowings, provisions and other unallocable liabilities.
- Segment revenue, segment results, segment assets and segment liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis considering the product portfolio and reportable segments when evaluated from the group perspective. Accordingly, certain amounts considered as unallocated by individual subsidiaries of the group have been classified for the purposes of the consolidated segment disclosure based on the product portfolio and industry of the respective subsidiary as this would be more relevant to the users of these financial results.
  - Includes a non-cash charge of impairment of intangible assets and intangible assets under development of Rs. 500 Lakhs for the year ended 31st March, 2023 and for the quarter ended 30th June, 2022.
  - Includes provision for slow-moving damaged or obsolete inventories of Rs. 97 Lakhs for the year ended 31st March, 2023.
  - Includes gain on sale on FFSP of Rs. 2,987 lakhs for year ended 31st March, 2023.
  - Includes Provision for Sales Tax for Rs 112 Lakhs for the quarter ended 31st March 2023, Rs 200 Lakhs for the quarter ended 30th June 2022 and Rs. 372 Lakhs for the year ended 31st March, 2023.

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**Notes:**

- The above results of Forbes & Company Limited ('the parent' or 'the Company') and its subsidiaries (together referred to as "Group") and its joint ventures and associates for the quarter ended 30<sup>th</sup> June, 2023 were reviewed by the Audit Committee and thereafter approved at the meeting of the Board of Directors held on 10<sup>th</sup> August, 2023. The results for the quarter ended 30<sup>th</sup> June, 2023 have been reviewed by the auditors in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The above financial results of the Group, its joint ventures and associates have been prepared in accordance with Indian Accounting Standard ("Ind AS") as prescribed under Section 133 of Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
- Exceptional items:

		<i>(Rs. in Lakhs)</i>			
		Quarter ended			Year ended
		30.06.2023	31.03.2023	30.06.2022	31.03.2023
		<b>(Unaudited)</b>	<i>(Refer Note 18)</i>	<i>(Unaudited)</i>	<i>(Audited)</i>
(i)	Provision for impairment of certain intangible assets and intangible assets under development (FTL)	-	-	(500)	(500)
(ii)	Provision for slow-moving damaged or obsolete inventories (FTL)	-	-	-	(97)
(iii)	Settlement of disputed Value Added Tax (VAT) & other VAT/GST provisions (FTL)	-	(112)	(200)	(372)
(iv)	Provision for loan to FCHSPL Incl. interest	-	(18)	-	(18)
(v)	Impact of loss of control in SPFSL / Gain on sale of shareholding	-	-	98	98
(vi)	Loss on sale of investments	-	-	(984)	(896)
(vii)	Gain on sale of Subsidiary (FFSPL)	-	-	-	2,987
<b>TOTAL</b>		-	(130)	(1,586)	1,202

- In respect of Forbes Technosys Limited ('FTL'), a subsidiary:-
  - Based on FTL management's assessment about expected future revenues from intangible assets concluded that one of its intangible assets has impaired. The estimated impairment expense of Rs. 500 Lakhs in respect of the said intangible asset is presented as an exceptional item in the financial results for the year ended 31<sup>st</sup> March 2023.
  - FTL has re-assessed the net realisable value of the balance inventory for purpose of write down of slow-moving, damaged or obsolete inventories to their net realizable value, accordingly, provision of Rs. 97 Lakhs for the year ended 31<sup>st</sup> March 2023 has been created and is presented in financial results as an exceptional item.
  - FTL has finalised and submitted the application for settlement of disputed Value Added Tax (VAT) dues including penalty and interest under the amnesty scheme introduced by the State Government of Maharashtra and made a total payment of Rs.200 Lakhs for the quarter ended 30<sup>th</sup> June 2022 and Rs.112 Lakhs for the quarter ended 31<sup>st</sup> March, 2023 & Rs. 372 Lakhs for the year ended 31<sup>st</sup> March 2023 have been presented in the financial statements as an exceptional item for the year ended 31<sup>st</sup> March 2023.
- The Company has made a provision for doubtful loans & advances granted to Forbes Concept Hospitality Services Private Limited (FCHSPL) amounting to Rs. 18 Lakhs for the quarter and year ended 31<sup>st</sup> March 2023.
- The Board of Directors of the Company, at their meeting held on 30<sup>th</sup> May, 2022 have approved the sale of the entire shareholding in Shapoorji Pallonji Forbes Shipping Limited. The Company has sold 3,75,000 equity shares of Rs. 10 each and 2,21,50,000 Zero Percent Redeemable Preference Shares of Rs. 10 each of Shapoorji Pallonji Forbes Shipping Limited to M/s G.S Enterprises, a related party for an aggregate purchase consideration of Rs. 2,900 Lakhs during the year ended 31<sup>st</sup> March, 2023. The net carrying value of the investments in associate as at the date of sale was Rs. 2,802 Lakhs and hence the Company has recognised an exceptional gain of Rs. 98 Lakhs for the year ended 31<sup>st</sup> March, 2023.
- During the quarter ended 30<sup>th</sup> June 2022, Forbes Campbell Finance Limited (FCFL), a subsidiary, sold 10,00,000 equity shares of Eureka Forbes Limited (EFL), of Rs. 10 each at the then prevailing market price of EFL on BSE Limited. The difference between the net disposal proceeds on sale of EFL shares in the open market and the carrying amount of EFL investments in FCFL books, amounting to Rs. 984 Lakhs has been recognized as an exceptional loss on sale of investments during the quarter ended 30<sup>th</sup> June 2022, further, FCFL has sold 2,00,000 Equity Shares of EFL Limited at the then prevailing market price on BSE Limited during the quarter ended 30<sup>th</sup> September 2022, the difference between sale proceed and carrying value of investment has been recognized as an exception gain of Rs. 88 Lakhs for the quarter ended 30<sup>th</sup> September 2022, accordingly the net loss of Rs. 896 Lakhs been recognized as an exceptional loss for the year ended 31<sup>st</sup> March, 2023.
- The Board of Directors of the Company at their meeting held on 23rd February, 2022 has approved entering into a binding term sheet for sale of its entire shareholding in Forbes Facility Services Private Limited (FFSPL), a wholly owned subsidiary of the Company to SILA Solutions Private Limited. This binding term sheet has been executed on 23rd February, 2022 and agreement for sale executed on 20th May, 2022. The transaction has been completed on 1st July 2022 at sales consideration

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of Rs. 4,200 Lakhs. The Company has received the consideration of Rs.3,659 Lakhs after deduction of Rs. 240 Lakhs for the legal disputes with multiple customers and Rs. 301 Lakhs for the fees paid to consultant. Pursuant to the sale of entire shareholding in Forbes Facility Services Private Limited (FFSPL) to SLA Solutions Private Limited, FFSPL ceased to be a subsidiary of the Company effective 1st July,2022. Accordingly, the net assets of FFSPL as at 1st July, 2022 aggregating Rs.313 Lakhs were derecognized. The company has undertaken the certain obligations with respect to the transaction and accordingly provision of Rs. 359 Lakhs has been made. Gain on sale of entire shareholding of FFSPL is recorded as an exceptional item in the financial results amounting to Rs. 2,987 Lakhs (Net of expenses & provisions as explained above) for the year ended 31st March, 2023.

- (vi) During the year ended 31<sup>st</sup> March 2023 capital reduction pursuant to the Composite Scheme of Arrangement between FTL and Forbes Campbell Services Limited resulted into extinguishment of liability portion of the composite financial instruments NCRPS as at Appointed Date. Accordingly, the gain on such extinguishment of Rs. 380 Lakhs have been presented as exceptional item in the Statement from the date of the appointed date.

4. Standalone Information:

Particulars	Quarter ended			(Rs. in Lakhs)
	30.06.2023	31.03.2023	30.06.2022	Year ended
	(Unaudited)	(Refer Note 18)	(Unaudited)	31.03.2023
Revenue from operations	5,854	6042	6,393	24,781
Profit before tax	2,323	678	20,233	24,722
Profit after tax	1,729	732	16,673	23,859

Investors can view the standalone results of the Company on the Company's website ([www.forbes.co.in](http://www.forbes.co.in)) or BSE website ([www.bseindia.com](http://www.bseindia.com)).

5. Financial difficulties in certain downstream subsidiaries: -

The Subsidiary Forbes Lux International AG (FLIAG), step-down subsidiary LUX International AG (LIAG) & Its subsidiaries are facing severe liquidity crisis since last many years. In view of the continuing losses and financial difficulties, the Management of FLIAG & LIAG & Lux Schweiz AG have submitted a Combined application on 11<sup>th</sup> April, 2023 for provisional debt restructuring moratorium with the Insolvency court in summary proceedings at Wallisellen, Switzerland. The said court has granted a provisional moratorium for 4 months which may be extended by another 4 months in exceptional situations as per the rules defined for this purpose, The companies must provide a revival plan within this defined moratorium period. Accordingly, an Administrator has been nominated, to whom the Chief Executive Officer of the company has to report, and this procedure leads to a strict and limited release of payments by the Administrator, to protect the legitimate interests of the creditors.

FLIAG has impaired its investment in the LIAG amounting to Rs.5,169 Lakhs (CHF 58.24 Lakhs) during the quarter ended 30<sup>th</sup> June, 2023.

The Board of Directors of these companies are taking necessary steps to revive, to stabilize and to sustainably finance the ongoing business activities of these companies and accordingly the management certified financials of these companies have been included in the Consolidated financial statement of the Group.

6. The Subsidiary Forbes Technosys Limited (FTL) is facing financial difficulties since last many years, FTL has incurred a net loss of Rs. 122 Lakhs for the quarter ended 30<sup>th</sup> June, 2023. The Company's current liabilities exceeded its current assets by Rs. 11,193 Lakhs as at 30<sup>th</sup> June, 2023. The Company has accumulated losses of Rs. 18,399 Lakhs and its net-worth is negative by Rs. 11,052 Lakhs as at 30<sup>th</sup> June, 2023. These conditions indicate the existence of a material uncertainty that may cast a significant doubt about the Company's ability to continue as a going concern. In view of the continuing losses, FTL has exited loss-making business verticals in recent past. FTL has assessed recoverability of its assets such as trade receivables, inventory, other current assets and loans and advances and believes that it will recover the carrying cost of all its assets. FTL is confident of repayment of its liabilities from business operations and/ or financial support from the Company, the financial results of the FTL have been prepared on a going concern basis.

The management of FTL will continue to closely monitor any material changes arising out of future economic conditions and impact on its operations.

7. Ind AS 115 'Revenue from Contracts with Customers', a new accounting standard notified by the Ministry of Corporate Affairs (MCA) on 28<sup>th</sup> March, 2018 was effective from accounting period beginning on or after 1<sup>st</sup> April, 2018 and replaced the then existing revenue recognition standards. The application of Ind AS 115 had significant bearing on the Company's accounting for recognition of revenue from real estate development projects.

The Company has recognised revenue of Rs. Nil for the quarter ended 30<sup>th</sup> June, 2023 and Rs. 201 Lakhs for the quarter ended 30<sup>th</sup> June 2022.



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8. The COVID-19 pandemic has severely disrupted the world's business operations due to global lockdown and other emergency measures imposed by the various governments. The operations of the Group, its joint ventures and associates were impacted due to the shutdown of plants, real estate development project and offices following the nationwide lockdown. The Group commenced with its operations in a phased manner in line with the directives from the authorities.

The Group has evaluated the impact of this pandemic (considering the current situation and likely future developments along with the expected impact of new waves and strains of virus) on its business operations, liquidity and recoverability/ carrying values of its assets including property, plant and equipment, intangible including goodwill, trade receivables, inventory and investments as at the Balance Sheet date. Based on the management's review of the current indicators and economic conditions there are no additional adjustments on its financial results for the year ended 31<sup>st</sup> March 2023. The Group has adequate unutilized fund-based credit facilities available, to take care of any urgent requirement of funds.

The Group throughout the lockdown period and even subsequently has been able to maintain adequate control of its assets and there are no significant changes to its control environment during the period.

However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly, the impact may be different from that estimated as at the date of approval of these financial results. The Company will continue to monitor any material changes to future economic conditions.

#### 9. Discontinued Operations

The Board of Directors of the Company at their meeting held on 23<sup>rd</sup> February, 2022 has approved entering into a binding term sheet for sale of its entire shareholding in Forbes Facility Services Private Limited (FFSPL), a wholly owned subsidiary of the Company to SILA Solutions Private Limited. This binding term sheet has been executed on 23<sup>rd</sup> February, 2022 and agreement for sale was executed on 20<sup>th</sup> May, 2022. The transaction has been completed on the fulfillment of all conditions at a sales consideration of Rs. 4,200 Lakhs effective 1<sup>st</sup> July, 2022. Accordingly, the carrying value of the assets and liabilities of Rs. 5,833 Lakhs and Rs. 5,305 Lakhs respectively has been classified as pertaining to discontinued operations as on 30<sup>th</sup> June, 2022.

Additionally, as per terms of the agreement to sale, the Company has taken-over current receivables and payable balances of FFSPL as on 31<sup>st</sup> December, 2021 to/ from related parties aggregating Rs. 122 Lakhs and Rs. 237 Lakhs respectively and receivable from ONGC aggregating Rs. 54 Lakhs and the net amount of Rs. 60 Lakhs is received by the Company from FFSPL and the same has been paid against payables.

Accordingly, the previous periods have been reclassified and the amount pertaining to discontinued operations has been disclosed as a single line in the financial results.

The summary of results of the aforesaid discontinued operations, as included under the results, is as follows:

Particulars	Quarter ended			Year ended
	30.06.2023	31.03.2023	30.06.2022	31.03.2023
Revenue (Including Other Income)	-	-	4,515	4,515
Expenses	-	-	(4,446)	(4,446)
Profit/ (Loss) before tax, Share of profit of joint ventures and associates accounted for using equity method and Exceptional items from discontinued operations	-	-	69	69
Share of profit of joint ventures and associates accounted for using equity method	-	-	-	-
Profit/ (Loss) before tax and Exceptional items from discontinued operations	-	-	69	69
Profit/ (Loss) before tax from discontinued operations	-	-	69	69
Tax expense	-	-	(20)	(20)
Profit/ (Loss) after tax from discontinued operations	-	-	49	49

10. The Board of Directors of the Company, in their meeting held on 22<sup>nd</sup> December, 2020, approved entering into a Memorandum of Understanding ("MOU") for sale of approximately 3.804 acres of land at Chandivali. Accordingly, the net carrying value aggregating Rs. 2,316 Lakhs [including Rs. 2,277 Lakhs paid towards seeking permission under the Urban Land (Ceiling & Regulation) Act, 1976 for the transfer/ sale/ development/ redevelopment of the land during the quarter ended 31<sup>st</sup> March, 2022], has been reflected as asset held for sale as on 31<sup>st</sup> March, 2022.

Pursuant to the Board of Directors meeting dated 24<sup>th</sup> March, 2022, the Company entered into a new Agreement for Sale (AFS) for the aforesaid land, with Equinix India Private Limited (Equinix) for an increased consideration of Rs. 23,500 Lakhs, which was executed on 24<sup>th</sup> March, 2022 and completion of the said transaction was subject to fulfilment of conditions precedent.

The transaction for sale of Chandivali land with Equinix got concluded on 28<sup>th</sup> June, 2022 post completion of the conditions precedent and the Company received entire consideration of Rs. 23,500 Lakhs during the quarter ended 30<sup>th</sup> June, 2022. The difference between the net disposal proceeds and the carrying amount of the land amounting to Rs. 20,684 Lakhs has been recognized as gain on disposal during the quarter ended 30<sup>th</sup> June, 2022 and reflected in Other income in these financial results. The capital gains tax impact of the aforesaid transaction has been appropriately considered during the quarter ended 30<sup>th</sup> June, 2022 and appropriately adjusted in the year ended 31<sup>st</sup> March, 2023.

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11. The Board of Directors of the Company in their meeting dated 26<sup>th</sup> September, 2022 have approved the Scheme of Arrangement ("Scheme") between the Company ("FCL" or the "Demerged Company") and Forbes Precision Tools and Machine Parts Limited ("FPTL" or the "Resulting Company") and their respective shareholders under Section 230 to 232 of the Companies Act, 2013 and other applicable provisions and the Rules framed thereunder. This Scheme is a Scheme of Arrangement involving demerger of "Precision Tools business" of the Company into Forbes Precision Tools and Machine Parts Limited. The appointed date of the scheme is 1<sup>st</sup> April, 2023.

The Scheme is subject to necessary approvals by the Stock Exchanges, Securities and Exchange Board of India, Shareholders and Creditors of the Company, as may be applicable, Jurisdictional Bench of National Company Law Tribunal ("NCLT") and such other statutory and regulatory approvals as may be required.

Accordingly, the Company have received the "no objection" from BSE Limited. Subsequently, the Company has filed application alongwith all the relevant documents with National Company Law Tribunal (NCLT) for their approval.

FPTL has been incorporated on 30<sup>th</sup> August 2022 as a wholly owned subsidiary of the Company.

12. The Board of Directors of the Company, in their meeting held on 26<sup>th</sup> May, 2023, approved for sale of approximately 0.53 acres of land at Chennai for an aggregate consideration of Rs. 15 Crores. The transaction got concluded on 1<sup>st</sup> June, 2023 by executing sale deed in favour of the buyer. Accordingly, the difference between the net disposal proceeds and the carrying amount of the land amounting to Rs. 1,447 Lakhs has been recognized as gain on disposal during the quarter ended 30<sup>th</sup> June, 2023 and reflected in Other income in these financial results. The capital gains tax impact of the aforesaid transaction has been appropriately considered during the quarter ended 30<sup>th</sup> June, 2023.
13. The Board of Directors of the Company at their meeting held on 3<sup>rd</sup> August, 2023 has approved sale of its 60% shareholding in Forbes Concept Hospitality Services Private Limited (FCHSPL), a Joint Venture of the Company to Metamix Technologies Private Limited and balance 40% shareholding to Floral Finance Private limited for a consideration of Rs. 0.03 Lakh and Rs. 0.02 Lakh respectively. Pursuant to the sale of entire shareholding in FCHSPL to Metamix Technologies Private Limited & Floral Finance Private Limited, FCHSPL will be ceased to be a Joint Venture of the Company on completion of the transaction.
14. The Company and MACSA ID, S.A., have entered into a 50:50 Joint Venture Agreement on December 5, 2022 (JVA) for providing innovative laser marking and traceability solutions for the entire range of materials metal and non-metals. Pursuant to the terms of the JVA, a joint venture company viz., FORBES MACSA PRIVATE LIMITED has been incorporated on December 9, 2022. The JV partners have infused equity and preference shares capital to the tune 2.5 Crs each in the JVC. The JVC and shareholders have executed the technology and trademark license agreement and brand and technology licensing agreement with respect to their respective brands. The operations of JVC have started from 1<sup>st</sup> March 2023.
15. The Indian Parliament has approved the Code on Social Security, 2020 ("the code") which, inter alia, deals with employees benefits during employment and post-employment. The code has been published in the Gazette of India. The effective date of the code is yet to be notified and the rules for quantifying the financial impact are also yet to be issued. In view of this, the impact of change, if any, will be assessed and recognised post notification of the relevant provisions.
16. Other income includes net realized/ unrealized foreign exchange gains/ (losses) incurred by the Group.
17. The Company has paid Special Interim dividend of Rs. 65/- per fully paid equity share of Rs. 10 each in the quarter ended 30<sup>th</sup> September 2022 and the year ended 31<sup>st</sup> March 2023.
18. The figures of the quarter ended 31<sup>st</sup> March, 2023 are balancing figures between the audited figures in respect of the full financial year ended on 31<sup>st</sup> March, 2023 as reported in these financial results and the unaudited published year to date figures up to third quarter ended on 31<sup>st</sup> December, 2022 and figures for the quarter ended 30<sup>th</sup> June, 2023, which were subjected to Limited Review by the Statutory Auditors.
19. Figures for the previous periods are re-classified / re-arranged / regrouped, wherever necessary, to correspond with the current period's classification / disclosure.

Mumbai,  
10<sup>th</sup> August, 2023

For Forbes & Company Limited



(Mahesh Tahilyani)  
Managing Director  
DIN: 01423084

