

Secretary,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001.

Date: 27th May, 2014

Dear Sirs,

PART I - Statement of Standalone and Consolidated Financial Results for the quarter and year ended 31st March, 2014

(₹ in Lakhs)

Particulars	STANDALONE					CONSOLIDATED RESULTS	
	Quarter ended			Year ended		Year ended	
	31.03.2014 (Audited) (see Note 5)	31.12.2013 (Unaudited)	31.03.2013 (Audited) (see Note 5)	31.03.2014 (Audited)	31.03.2013 (Audited)	31.03.2014 (Audited)	31.03.2013 (Audited)
1 Income from operations							
a) Net sales / Income from operations (net of excise duty)	7,022	6,946	9,921	27,370	29,670	3,02,779	1,97,659
b) Other operating income	346	319	301	1,227	1,203	3,988	2,271
Total income from operations (net)	7,368	7,265	10,222	28,597	30,873	3,06,767	1,99,930
2 Expenses							
a) Cost of materials consumed	1,062	1,472	1,493	5,234	8,146	56,250	52,324
b) Purchases of stock-in-trade	6	10	577	365	1,500	51,288	40,065
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	458	(279)	2,741	(47)	(48)	(6,054)	(9,161)
d) Employee benefits expense	1,072	1,096	1,105	4,575	4,524	50,732	30,566
e) Depreciation and amortisation expense	316	330	342	1,327	1,318	5,413	4,466
f) Charter hire charges	-	-	-	-	-	39,015	41
g) Transportation, freight, hire charges and other operating costs relating to Shipping and Logistics division	2,463	2,459	2,101	9,031	7,288	21,914	14,819
h) Other expenses	2,007	2,028	1,623	8,584	7,832	78,265	61,665
Total expenses	7,384	7,116	9,982	29,069	30,560	2,96,823	1,94,785
3 Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	(16)	149	240	(472)	313	9,944	5,145
4 Other income	109	226	290	749	1,100	6,462	3,109
5 Profit / (Loss) from ordinary activities before finance costs and exceptional items (3+4)	93	375	530	277	1,413	16,406	8,254
6 Finance costs	453	427	429	1,847	1,530	7,901	3,197
7 Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(360)	(52)	101	(1,570)	(117)	8,505	5,057
8 Exceptional Items (see Note 2)	(657)	(310)	(830)	(1,401)	3,731	(1,304)	5,811
9 Profit / (Loss) from ordinary activities before tax (7+8)	(1,017)	(362)	(729)	(2,971)	3,614	7,201	10,868
10 Tax expense / (Benefit)							
- Current tax expense for current year	-	-	25	-	545	2,374	2,783
- Less: MAT credit entitlement	-	-	-	-	-	(29)	(20)
- Excess provision for tax relating to prior years	-	-	(12)	-	(66)	13	(66)
- Deferred tax	-	-	13	-	479	2,358	2,697
Sub total	-	-	13	-	479	(202)	(84)
11 Net Profit / (Loss) from ordinary activities after tax (9-10)	(1,017)	(362)	(742)	(2,971)	3,135	5,045	8,255
12 Extraordinary Items (net of tax expense)	-	-	-	-	-	-	-
13 Net Profit / (Loss) for the period / year (11+12)	(1,017)	(362)	(742)	(2,971)	3,135	5,045	8,255
14 Share of profit of Associates							162
15 Net Minority Interest						(1,039)	138
						4,006	8,555
16 Paid-up equity share capital (Face Value of ₹ 10 each)	1,290	1,290	1,290	1,290	1,290	1,273	1,273
17 Paid-up debt capital				10,000	10,000		
18 Reserves excluding Revaluation Reserve as per balance sheet of the previous accounting year				12,488	15,459	39,798	40,969
19 Debenture Redemption Reserve (included in item 18 above)				2,500	2,500		
20 Basic and diluted Earnings per share (Face Value of ₹ 10 each) (Quarter figures not annualised)	₹ (7.88)	₹ (2.81)	₹ (5.75)	₹ (23.03)	₹ 24.30	₹ 30.09	₹ 65.88
21 Debt Equity Ratio				1.00	0.84		
22 Debt Service Coverage Ratio				0.55	1.11		
23 Interest Service Coverage Ratio				0.68	6.65		
Paid-up debt capital = Non Convertible Debentures							
Debt Equity Ratio = Long Term Borrowings (including current maturities) / Equity Shareholders Fund							
Debt Service Coverage Ratio = Earnings Before Interest + Tax + Depreciation & amort. exps + prov. for Dim. in the value of Investment / (Interest + Repayment of Long Term Borrowings)							
Interest Service Coverage Ratio = Earnings Before Interest + Tax + Depreciation & Amort. Exps + Prov. for Dim. in the value of Investment / (Interest Exps)							

PART II - Select information for the quarter and year ended 31st March, 2014

Particulars	Quarter ended			Year ended	
	31.03.2014	31.12.2013	31.03.2013	31.03.2014	31.03.2013
	(Audited) (see Note 5)	(Unaudited)	(Audited) (see Note 5)	(Audited)	(Audited)
A PARTICULARS OF SHAREHOLDING					
1 Public Shareholding					
- Number of shares	3372925	3372925	3436925	3372925	3436925
- Percentage of shareholding	26.15%	26.15%	26.65%	26.15%	26.65%
2 Promoters and Promoter Group Shareholding					
a) Pledged / Encumbered					
- Number of shares	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-	-
b) Non-encumbered					
- Number of shares	9525691	9525691	9461691	9525691	9461691
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%
- Percentage of shares (as a % of the total share capital of the Company)	73.85%	73.85%	73.35%	73.85%	73.35%
B INVESTOR COMPLAINTS	3 months ended 31.03.2014				
Pending at the beginning of the quarter	12 *				
Received during the quarter	1				
Disposed of during the quarter	1				
Remaining unresolved at the end of the quarter	12 *				
* related to court cases					

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Reporting of Segment wise Revenue, Results and Capital Employed

(₹ in Lakhs)

1 Segment Revenue

- (a) Health, Hygiene, Safety Products and its services
- (b) Engineering
- (c) Shipping and Logistics Services
- (d) Real Estate
- (e) Energy Solution
- (f) IT Enabled Services and Products
- (g) Others

Total

Less: Inter Segment Revenue

Total income from operations (net)

2 Segment Results Profit / (Loss) before Tax and finance costs from each Segment

- (a) Health, Hygiene, Safety Products and its services
- (b) Engineering
- (c) Shipping and Logistics Services
- (d) Real Estate
- (e) Energy Solution
- (f) IT Enabled Services and Products
- (g) Others

Total

Less: Exceptional items (see Note 2b)

Less: Finance costs

Balance

Less: Unallocable expenses net of unallocable income

Profit / (Loss) from ordinary activities before Tax

3 Capital Employed (Segment assets less segment liabilities)

- (a) Health, Hygiene, Safety Products and its services
- (b) Engineering
- (c) Shipping and Logistics Services
- (d) Real Estate
- (e) Energy Solution
- (f) IT Enabled Services and Products
- (g) Others

Unallocated

Total Capital Employed

	STANDALONE				CONSOLIDATED RESULTS	
	Quarter ended		Year ended		Year ended	
	31.03.2014 (Audited) (see Note 5)	31.12.2013 (Unaudited)	31.03.2013 (Audited) (see Note 5)	31.03.2014 (Audited)	31.03.2013 (Audited)	31.03.2014 (Audited)
1 Segment Revenue						
(a) Health, Hygiene, Safety Products and its services	-	-	-	-	-	1,87,071
(b) Engineering	3,114	3,046	3,100	12,473	12,660	14,145
(c) Shipping and Logistics Services	3,742	3,694	3,114	14,013	10,930	78,502
(d) Real Estate	332	286	246	1,140	# 7,148	1,137
(e) Energy Solution	180	239	3,762	971	6,179	971
(f) IT Enabled Services and Products	-	-	-	-	-	24,941
(g) Others	-	-	-	-	-	-
Total	7,368	7,265	10,222	28,597	36,917	3,06,767
Less: Inter Segment Revenue	-	-	-	-	-	-
Total income from operations (net)	7,368	7,265	10,222	28,597	36,917	2,05,974
2 Segment Results Profit / (Loss) before Tax and finance costs from each Segment						
(a) Health, Hygiene, Safety Products and its services	-	-	-	-	-	10,128
(b) Engineering	276	227	403	1,081	1,376	684
(c) Shipping and Logistics Services	241	256	149	622	491	3,895
(d) Real Estate	166	274	400	950	7,143	854
(e) Energy Solution	(327)	(6)	1	(1,097)	(268)	(1,097)
(f) IT Enabled Services and Products	-	-	-	-	-	759
(g) Others	-	-	-	-	-	(76)
Total	356	751	953	1,556	8,742	15,147
Less: Exceptional items (see Note 2b)	(657)	(310)	(830)	(1,401)	(2,313)	(162)
	(301)	441	123	155	6,429	14,985
Less: Finance costs	(453)	(427)	(429)	(1,847)	(1,530)	(7,901)
Balance	(754)	14	(306)	(1,692)	4,899	7,084
Less: Unallocable expenses net of unallocable income	(263)	(376)	(423)	(1,279)	(1,285)	117
Profit / (Loss) from ordinary activities before Tax	(1,017)	(362)	(729)	(2,971)	3,614	7,201
3 Capital Employed (Segment assets less segment liabilities)						
(a) Health, Hygiene, Safety Products and its services	-	-	-	-	-	95,814
(b) Engineering	5,228	5,400	5,359	5,228	5,359	6,501
(c) Shipping and Logistics Services	3,330	3,411	3,650	3,330	3,650	14,930
(d) Real Estate	(1,033)	(1,212)	(1,216)	(1,033)	(1,216)	(769)
(e) Energy Solution	1,354	2,141	4,725	1,354	4,725	1,354
(f) IT Enabled Services and Products	-	-	-	-	-	11,532
(g) Others	-	-	-	-	-	(2)
	8,879	9,740	12,518	8,879	12,518	1,29,360
Unallocated	19,935	20,051	20,324	19,935	20,324	(13,531)
Total Capital Employed	28,814	29,791	32,842	28,814	32,842	1,15,829

Includes profit on sale of land aggregating ₹ 6,044 Lakhs classified as an exceptional item.

• Energy Solution segment was part of Engineering till recently, it has now being segregated and hence presented separately.

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Standalone and Consolidated Statement of assets and liabilities as at 31st March, 2014.

(₹ in Lakhs)

Particulars	STANDALONE		CONSOLIDATED	
	As at	As at	As at	As at
	31st March, 2014	31st March, 2013	31st March, 2014	31st March, 2013
	Audited	Audited	Audited	Audited
I EQUITY AND LIABILITIES				
1 Shareholders' funds				
a) Share capital	1,290	1,290	1,273	1,273
b) Reserves and surplus	12,488	15,459	39,798	40,969
sub-total - Shareholders' funds	13,778	16,749	41,071	42,242
2 Preference shares issued by subsidiary Companies outside the group				
	-	-	1,895	1,928
3 Minority Interest				
	-	-	1,731	178
4 Non-current liabilities				
a) Long-term borrowings	12,517	10,777	56,006	23,141
b) Other long-term liabilities	494	455	12,743	14,047
c) Long-term provisions	813	575	4,935	1,302
sub-total - Non-current liabilities	13,824	11,807	73,684	38,490
5 Current liabilities				
a) Short-term borrowings	1,258	2,000	15,126	7,596
b) Trade payables	3,371	4,413	52,268	34,632
c) Other current liabilities	6,799	8,427	59,619	34,595
d) Short-term provisions	1,326	1,640	4,539	3,254
sub-total - Current liabilities	12,754	16,480	1,31,552	80,077
TOTAL - EQUITY AND LIABILITIES	40,356	45,036	2,49,933	1,62,915
II ASSETS				
1 Non-current assets				
a) Fixed assets	10,589	11,743	39,934	36,764
b) Goodwill on Consolidation	-	-	50,770	1,334
c) Non-current investments	15,371	15,440	33	6,760
d) Deferred tax assets (net)	-	-	2,161	460
e) Long-term loans and advances	3,114	3,071	10,871	11,064
f) Other non-current assets	-	-	19,971	14,067
sub-total - Non-current assets	29,074	30,254	1,23,740	70,449
2 Current assets				
a) Current investments	-	46	968	5,146
b) Inventories	3,545	3,393	36,525	31,347
c) Trade receivables	3,959	7,366	56,312	35,746
d) Cash and cash equivalents	1,049	1,195	21,174	14,167
e) Short-term loans and advances	2,214	2,499	10,031	5,705
f) Other current assets	515	283	1,183	355
sub-total - Current assets	11,282	14,782	1,26,193	92,466
TOTAL - ASSETS	40,356	45,036	2,49,933	1,62,915

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NOTES:

1. The above financial results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on 27th May, 2014.

2. Exceptional items:

(₹ in Lakhs)

		STANDALONE				CONSOLIDATED		
		Quarter ended			Year ended		Year ended	
		31.03.2014	31.12.2013	31.03.2013	31.03.2014	31.03.2013	31.03.2014	31.03.2013
		(Audited) (see Note 5)	(Unaudited)	(Audited) (see Note 5)	(Audited)	(Audited)	(Audited)	(Audited)
a	Profit on sale of land and building (Including interest on delayed payment)	-	-	-	-	6,044	-	6,044
b (i)	Termination benefits and one time settlement with employees	(3)	-	-	(187)	(13)	(186)	(13)
(ii)	Provision for diminution in the value of investments	(654)	(310)	(830)	(1,214)	(2,230)	-	-
(iii)	Write off of investment in a subsidiary company	-	-	-	-	(70)	-	-
(iv)	Impairment of goodwill on Consolidation	-	-	-	-	-	-	(178)
(v)	Change in the method of accounting of depreciation	-	-	-	-	-	-	(38)
(vi)	Prior period adjustments	-	-	-	-	-	44	(4)
(vii)	Sharing of expenses	-	-	-	-	-	(1,162)	-
	Sub Total (i to vii)	(657)	(310)	(830)	(1,401)	(2,313)	(1,304)	(233)
	TOTAL (a + b)	(657)	(310)	(830)	(1,401)	3,731	(1,304)	5,811

3. The Audit Report of the statutory auditors on the Consolidated Financials for the year ended 31st March, 2014 had the following as subject matter of qualification:-

- (a) In respect of a subsidiary, namely, Forbes Edumetry Limited, the company has had no revenues over the last few financial years. Further, the accumulated losses of the company exceed the paid up capital of the company by more than two times. No new business appears to be in the pipeline. This situation indicates the existence of a material uncertainty that may cast a significant doubt on the Company's ability to discharge its liabilities in the normal course of business and therefore to continue as a going concern. Despite the above factors, the company's accounts have been prepared on a Going concern basis.
- (b) In respect of one subsidiary group, namely, Forbes Container Line Pte Limited Group, where the receivable control accounts aggregating ₹ 121.51 Lakhs and payables control accounts aggregating ₹ 224.61 Lakhs recorded by the subsidiary have not been matched and reconciled with the respective customers and suppliers. In addition, the holding company i.e. Forbes Container Line Pte. Limited has not recognized these amounts in its own financial statements. Also, the auditors were not provided with necessary information and explanation to carry out alternative audit procedures to satisfy accuracy and completeness of these amounts.

The company is under the process of detailed review and reconciliation. Management expects that the net effect on the Statement of Profit and Loss Account would not be material on completion of exercise.

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- (c) The Consolidated Financial Statements do not include the effect, if any, of equity accounting for the group's investment of ₹ 177.75 Lakhs in an associate, namely, The Svadeshi Mills Company Limited, in the absence of the financial statements.
4. During the year Eureka Forbes Limited, wholly owned subsidiary of the Company has acquired Lux International AG Group.
 5. The figures for the last quarter are the balancing figures between the audited figures in respect of the full financial year and year to date figures up to the third quarter of the financial year.
 6. Figures for the previous period are re-classified / re-arranged / regrouped, wherever necessary, to correspond with the current year's classification / disclosure.

For Forbes & Company Limited



(Ashok Barat)

Managing Director

Mumbai, 27th May, 2014