

October 24, 2018

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

Dear Sir,

Security Code : 502865  
Security ID : FORBESCO

**Compliance of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015**

Dear Sir,

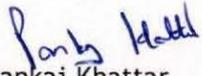
Pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company at their meeting held on October 24, 2018 has approved the Unaudited Financial Results for the quarter and half year ended September 30, 2018.

We enclose copy of the Unaudited Financial Results for the quarter and half year ended September 30, 2018 along with the Limited Review Report dated October 24, 2018 of Price Waterhouse Chartered Accountants LLP, statutory auditors of the Company in respect of the said Results.

The Board Meeting commenced at 3.00 P.M and concluded at 5.00 P.M.

Kindly acknowledge receipt.

Yours faithfully  
For Forbes & Company Limited

  
Pankaj Khattar  
Head Legal and Company Secretary

Encl: As above

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**Statement of Standalone Unaudited Financial Results for the quarter and half year ended 30th September, 2018**

*(Rs. in Lakhs)*

Particulars	Quarter ended			Half year ended		Year ended
	30.09.2018 (Unaudited)	30.06.2018 (Unaudited)	30.09.2017 (Unaudited)	30.09.2018 (Unaudited)	30.09.2017 (Unaudited)	31.03.2018 (Audited)
<b>1 Income</b>						
a) Revenue from operations (Refer Notes 5 and 6 below)	5,725	5,643	6,026	11,368	13,358	29,781
b) Other income	1,021	419	137	1,440	432	717
<b>Total Income (a + b)</b>	<b>6,746</b>	<b>6,062</b>	<b>6,163</b>	<b>12,808</b>	<b>13,790</b>	<b>30,498</b>
<b>2 Expenses</b>						
a) Real estate development costs	1,404	1,161	591	2,565	3,118	6,404
b) Cost of materials consumed	2,125	1,990	1,360	4,115	2,807	6,792
c) Excise duty	-	-	-	-	411	411
d) Purchases of stock-in-trade	-	-	1	-	14	16
e) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,519)	(1,280)	503	(2,799)	(335)	(779)
f) Employee benefits expense	1,126	1,170	1,161	2,296	2,171	4,260
g) Finance costs	322	274	308	596	590	1,173
h) Depreciation and amortisation expense	241	225	201	466	390	796
i) Other expenses	1,925	2,033	1,442	3,958	3,298	6,818
<b>Total expenses</b>	<b>5,624</b>	<b>5,573</b>	<b>5,567</b>	<b>11,197</b>	<b>12,464</b>	<b>25,891</b>
<b>3 Profit before exceptional items and tax (1-2)</b>	<b>1,122</b>	<b>489</b>	<b>596</b>	<b>1,611</b>	<b>1,326</b>	<b>4,607</b>
4 Exceptional items (Net) (Refer Note 3 below)	(1,044)	-	-	(1,044)	-	-
<b>5 Profit before tax (3+4)</b>	<b>78</b>	<b>489</b>	<b>596</b>	<b>567</b>	<b>1,326</b>	<b>4,607</b>
<b>6 Tax expense</b>						
a) Current tax	103	184	140	287	300	1,050
b) Deferred tax	(147)	(61)	(21)	(208)	(105)	(533)
	(44)	123	119	79	195	517
<b>7 Profit after tax (5-6)</b>	<b>122</b>	<b>366</b>	<b>477</b>	<b>488</b>	<b>1,131</b>	<b>4,090</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	(7)	40	4	33	3	4
(ii) Income tax relating to items that will not be reclassified to Statement of Profit or Loss						
Deferred tax	5	(10)	-	(5)	-	(1)
<b>Other Comprehensive Income / (Loss)</b>	<b>(2)</b>	<b>30</b>	<b>4</b>	<b>28</b>	<b>3</b>	<b>3</b>
<b>9 Total Comprehensive Income for the period / year (7+8)</b>	<b>120</b>	<b>396</b>	<b>481</b>	<b>516</b>	<b>1,134</b>	<b>4,093</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>1,290</b>	<b>1,290</b>
<b>11 Other equity (excluding Revaluation Reserve)</b>				<b>21,610</b>	<b>23,606</b>	<b>26,566</b>
<b>12 Debenture Redemption Reserve</b>				<b>2,500</b>	<b>2,500</b>	<b>2,500</b>
<b>13 Basic and diluted earnings per equity share</b> (Quarterly and half year figures not annualised)	<b>Rs.0.94</b>	<b>Rs.2.84</b>	<b>Rs.3.70</b>	<b>Rs.3.78</b>	<b>Rs.8.77</b>	<b>Rs.31.71</b>
<b>14 Net worth</b>				<b>22,900</b>	<b>24,896</b>	<b>27,856</b>
<b>15 Paid-up debt capital</b>				<b>3,995</b>	<b>9,973</b>	<b>9,979</b>
<b>16 Debt Equity Ratio</b>				<b>0.44</b>	<b>0.40</b>	<b>0.36</b>
<b>17 Debt Service Coverage Ratio</b>				<b>0.42</b>	<b>2.85</b>	<b>4.23</b>
<b>18 Interest Service Coverage Ratio</b>				<b>3.54</b>	<b>3.23</b>	<b>4.51</b>
<b>Paid-up debt capital = Listed Non Convertible Debentures (including current maturities)</b>						
<b>Debt Equity Ratio = Long Term Borrowings (including current maturities) / Total Equity</b>						
<b>Debt Service Coverage Ratio = Profit for the year before Interest and Tax + Depreciation and Amortisation expenses + Impairment in value of Investment (-) Profit on sale of investment +/- Exceptional Items / (Interest + Principle Repayment of Long Term Borrowings)</b>						
<b>Interest Service Coverage Ratio = Profit for the year before Interest and Tax + Depreciation and Amortisation Expenses + Impairment in value of Investment (-) Profit on sale of investment +/- Exceptional Items / (Interest Expense)</b>						
<b>Net worth = The aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.</b>						
<b>Total Equity = The aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.</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			Half year ended		(Rs. in Lakhs)
	30.09.2018	30.06.2018	30.09.2017	30.09.2018	30.09.2017	31.03.2018
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1 Segment Revenue</b>						
(a) Engineering	5,275	5,205	4,261	10,480	8,431	18,597
(b) Real Estate	450	439	1,765	889	4,929	11,186
<b>Total</b>	<b>5,725</b>	<b>5,644</b>	<b>6,026</b>	<b>11,369</b>	<b>13,360</b>	<b>29,783</b>
Less: Inter Segment Revenue	-	1	-	1	2	2
<b>Total revenue from operations (net)</b>	<b>5,725</b>	<b>5,643</b>	<b>6,026</b>	<b>11,368</b>	<b>13,358</b>	<b>29,781</b>
<b>2 Segment Results [Profit before Tax and Interest from each Segment (including exceptional items related to segments)]</b>						
(a) Engineering	762	545	353	1,307	608	2,342
(b) Real Estate	166	218	936	384	1,954	4,563
<b>Total segment results</b>	<b>928</b>	<b>763</b>	<b>1,289</b>	<b>1,691</b>	<b>2,562</b>	<b>6,905</b>
Less: Finance costs	(322)	(274)	(308)	(596)	(590)	(1,173)
<b>Balance</b>	<b>606</b>	<b>489</b>	<b>981</b>	<b>1,095</b>	<b>1,972</b>	<b>5,732</b>
Less: Unallocable expenses net of unallocable income	(528)	-	(385)	(528)	(646)	(1,125)
<b>Profit from ordinary activities before tax</b>	<b>78</b>	<b>489</b>	<b>596</b>	<b>567</b>	<b>1,326</b>	<b>4,607</b>
<b>3 Segment Assets</b>						
(a) Engineering	12,658	12,147	11,088	12,658	11,088	11,968
(b) Real Estate	23,437	23,124	15,695	23,437	15,695	13,789
(c) Unallocated	33,316	33,226	25,884	33,316	25,884	28,137
<b>Total Assets</b>	<b>69,411</b>	<b>68,497</b>	<b>52,667</b>	<b>69,411</b>	<b>52,667</b>	<b>53,894</b>
<b>4 Segment liabilities</b>						
(a) Engineering	3,546	3,921	4,218	3,546	4,218	4,395
(b) Real Estate	27,980	27,403	8,686	27,980	8,686	8,495
(c) Unallocated	14,985	14,006	14,867	14,985	14,867	13,148
<b>Total Liabilities</b>	<b>46,511</b>	<b>45,330</b>	<b>27,771</b>	<b>46,511</b>	<b>27,771</b>	<b>26,038</b>

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Standalone Statement of Assets and Liabilities

Particulars	(Rs. in Lakhs)	
	As at 30.09.2018 (Unaudited)	As at 31.03.2018 (Audited)
<b>Assets</b>		
<b>1 Non-current assets</b>		
a) Property, Plant and Equipment	4,891	4,982
b) Capital work-in-progress	168	106
c) Investment Property	2,511	2,543
d) Other Intangible assets	178	97
e) Intangible assets under development	32	86
f) <b>Financial Assets:</b>		
i) Investments	20,692	20,625
ii) Loans	130	125
iii) Other financial assets	1	1
	<b>20,823</b>	<b>20,751</b>
g) <b>Tax assets</b>		
i) Deferred tax assets (net)	4,755	2,126
ii) Income tax assets (net)	1,550	2,113
	<b>6,305</b>	<b>4,239</b>
h) Other non-current assets	858	804
<b>Total Non-current assets</b>	<b>35,766</b>	<b>33,608</b>
<b>2 Current assets</b>		
a) Inventories	22,905	8,790
b) <b>Financial Assets:</b>		
i) Investments	3,536	-
ii) Trade receivables	4,606	5,097
iii) Cash and cash equivalents	898	2,168
iv) Bank balances other than (iii) above	76	118
v) Loans	738	40
vi) Other financial assets	345	3,587
	10,199	11,010
c) Other current assets	541	484
	<b>10,740</b>	<b>11,494</b>
Assets classified as held for sale	-	2
<b>Total Current assets</b>	<b>33,645</b>	<b>20,286</b>
<b>Total Assets</b>	<b>69,411</b>	<b>53,894</b>
<b>Equity and Liabilities</b>		
<b>Equity</b>		
a) Equity share capital	1,290	1,290
b) Other equity	21,610	26,566
<b>Total Equity</b>	<b>22,900</b>	<b>27,856</b>
<b>Liabilities</b>		
<b>1 Non-current liabilities</b>		
a) <b>Financial liabilities:</b>		
i) Borrowings	5,991	8,208
ii) Other financial liabilities	247	515
	6,238	8,723
b) Provisions	1,657	1,317
<b>Total Non-current liabilities</b>	<b>7,895</b>	<b>10,040</b>
<b>2 Current liabilities</b>		
a) <b>Financial liabilities:</b>		
i) Borrowings	6,704	6,891
ii) Trade payables	3,466	3,787
iii) Other financial liabilities	5,040	2,545
	15,210	13,223
b) Other current liabilities	22,540	1,790
c) Provisions	480	468
d) Current tax liabilities (net)	386	517
<b>Total Current liabilities</b>	<b>38,616</b>	<b>15,998</b>
<b>Total Liabilities</b>	<b>46,511</b>	<b>26,038</b>
<b>Total Equity and Liabilities</b>	<b>69,411</b>	<b>53,894</b>

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**NOTES:**

1. These results have been reviewed by the Audit Committee and approved at the meeting of the Board of Directors held on Wednesday, 24<sup>th</sup> October, 2018. Limited review as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been carried out by the statutory auditors of the Company.
2. 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.
3. Exceptional items:

(Rs. in Lakhs)

		Quarter ended			Half year ended		Year ended
		30.09.2018	30.06.2018	30.09.2017	30.09.2018	30.09.2017	31.03.2018
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
(i)	Expected outflow for disputed matter	(1,044)	-	-	(1,044)	-	-
	<b>TOTAL</b>	<b>(1,044)</b>	<b>-</b>	<b>-</b>	<b>(1,044)</b>	<b>-</b>	<b>-</b>

The Company had received Rs. 1,017 Lakhs in the year ended 31<sup>st</sup> March, 2016 from the Hon'ble Debt Recovery Tribunal, Mumbai towards principal and interest as part satisfaction of loan aggregating Rs. 365 Lakhs due from Coromandel Garments Limited (presently under liquidation).

The Company had made a provision of Rs. 365 Lakhs in earlier years which was reversed on receipt of Rs. 1,017 Lakhs from Coromandel Garments and accounted the balance as interest income during the year ended 31<sup>st</sup> March, 2016. The Management, basis the belief that there was a remote future possibility that Rs. 1,017 Lakhs would become refundable upon the final outcome of this matter, accounted for this receipt as explained above.

In the current period, in a separate proceeding the Hon'ble High Court, Mumbai directed the Company to refund the aforesaid amount of Rs. 1,017 Lakhs with interest. The matter was appealed against by the Company and subsequently dismissed by the Division Bench. The Company is in process of exploring the best suitable option.

In view of the foregoing, the Company has recorded a liability of Rs. 1,044 Lakhs (comprising Rs. 1,017 Lakhs amount recovered now refundable and Rs. 27 Lakhs expected additional interest payable thereon) in the Statement of Profit and Loss account as an exceptional expense towards expected outflow for the aforesaid matter during the quarter ended 30<sup>th</sup> September, 2018.

4. Details of Redeemable Non-Convertible Debentures are as follows :-

S.No.	Particulars	Previous Due Date (1 <sup>st</sup> April, 2018 to 30 <sup>th</sup> September, 2018)		Next Due Date	
		Principal	Interest	Principal	Interest
1	980FCL20 (Face Value Rs. 6,000 Lakhs)	10 <sup>th</sup> September, 2018	10 <sup>th</sup> September, 2018	Refer Note (a) below	Refer Note (a) below
2	910FORBES19 (Face Value Rs. 4,000 Lakhs)	-	20 <sup>th</sup> July, 2018	22 <sup>nd</sup> July, 2019	21 <sup>st</sup> January, 2019

All the interests due and redemption of principal were paid on due dates.

The Company has a credit rating of "ICRA AA-/ (negative)".

**Notes:**

- (a) During the quarter ended 30<sup>th</sup> September, 2018, the holders of Redeemable Non-Convertible Debentures have exercised the put option for redemption of the entire principal amount of the Redeemable Non-Convertible Debentures of the Company aggregating Rs. 6,000 Lakhs and consequently paid the same on 10<sup>th</sup> September, 2018.
- (b) The Redeemable Non-Convertible Debentures of the Company aggregating Rs. 4,000 Lakhs as at 30<sup>th</sup> September, 2018 are secured by mortgage, pari passu basis, of premises being the land and factory situated at Waluj, Aurangabad together with plant and machinery and other support facilities and the asset cover thereof exceeds 1.25 times of the principal amount of the said debentures.



5. Post the applicability of GST with effect from 1<sup>st</sup> July, 2017, Revenue is required to be disclosed net of GST as per requirement of Ind AS 18 - 'Revenue'/ Ind AS 115 - 'Revenue from Contracts with Customers'. Accordingly, the Revenue figures for the half year ended 30<sup>th</sup> September, 2018 are not comparable with the previous period as those are gross of excise.
6. Ind AS 115 'Revenue from Contracts with Customers' is a new accounting standard notified by the Ministry of Corporate Affairs (MCA) on 28<sup>th</sup> March, 2018 and is effective from accounting period beginning on or after 1<sup>st</sup> April, 2018 and replaces the existing revenue recognition standards. The application of Ind AS 115 has bearing on the Company's accounting for recognition of revenue from real estate development projects. This revised standard has no significant impact on the engineering business of the Company.

The Company has applied the modified retrospective approach as on 1<sup>st</sup> April 2018. The Company has recorded an opening impact in retained earnings towards the reversal of profits aggregating Rs. 5,083 Lakhs (net of tax) on real estate projects under development (i.e. flats under construction) for contracts not completed as on 1<sup>st</sup> April, 2018. Accordingly, the comparatives have not been restated and hence, the current period figures are not comparable with the previous period figures.

Had the company continued application of earlier standards instead of Ind AS 115, the following line items would be higher by amounts as disclosed below:

Financial Statement Line Item	<i>(Rs. in Lakhs)</i>		
	Quarter ended		Half year ended
	30.09.2018	30.06.2018	30.09.2018
Revenue	840	2,093	2,933
Cost from real estate development activities	528	1,192	1,720
Net profit after tax	59	710	769

Additionally, as at 30<sup>th</sup> September, 2018, real estate work-in-progress included in inventory is higher by Rs. 12,883 Lakhs and advances from customers included in other current liabilities is higher by Rs. 19,769 Lakhs and unbilled revenue included in other financial assets is lower by Rs. 2,100 Lakhs.

Also, the basic and diluted earnings per share (EPS) for the current period would be impacted as follows:

Particulars	Quarter ended		Half year ended
	30.09.2018	30.06.2018	30.09.2018
EPS pre Ind AS 115 impact	1.40	8.34	9.74
EPS post Ind AS 115 impact	0.94	2.84	3.78

Further, certain indirect costs (eg. Selling expenses, commission & brokerage, advertisement and sales promotion, depreciation and other administrative expenses) pertaining to real estate development project for the period ended 30<sup>th</sup> September, 2018 aggregating Rs. 375 Lakhs (quarter ended 30<sup>th</sup> September, 2018 aggregating Rs. 245 Lakhs and quarter ended 30<sup>th</sup> June, 2018 aggregating Rs. 130 Lakhs) are being recognized as an expense in the Statement of Profit and Loss as and when incurred.

7. The shareholders of the Company have approved dividend of Rs. 2.50 per share for the year ended 31<sup>st</sup> March, 2018 in the Annual General Meeting held on 25<sup>th</sup> September, 2018. Accordingly, the Company has paid dividend of Rs. 389 Lakhs (including dividend distribution tax of Rs. 66 Lakhs) during the quarter ended 30<sup>th</sup> September, 2018.
8. Figures for the previous periods are re-classified / re-arranged / regrouped, wherever necessary, to correspond with the current period's classification / disclosure.

For Forbes & Company Limited

*Mahesh Tahilyani*

(Mahesh Tahilyani)

Managing Director

DIN : 01423084

Mumbai,  
24<sup>th</sup> October, 2018

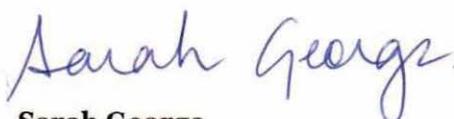


# Price Waterhouse Chartered Accountants LLP

The Board of Directors  
Forbes & Company Limited  
Forbes' Building, Charanjit Rai Marg, Fort,  
Mumbai 400 001.

1. We have reviewed the unaudited financial results of Forbes & Company Limited (the "Company") for the quarter and the half year ended September 30, 2018 which are included in the accompanying 'Statement of Standalone Unaudited Financial Results for the quarter and half year ended September 30, 2018' and the 'Standalone Statement of Assets and Liabilities' as on that date (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes. The Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (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.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For Price Waterhouse Chartered Accountants LLP**  
Firm Registration Number: 012754N/N500016  
Chartered Accountants



**Sarah George**  
Partner  
Membership Number: 045255

Mumbai  
October 24, 2018

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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)