June 25, 2021

BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400 001

Security Code : 502865
Security ID : FORBESCO

Outcome of Board Meeting

Dear Sir,

In compliance with the requirements of Regulations 30 & 33 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, we would like to inform you that the Board of Directors at its meeting held on June 25, 2021 has approved the Audited Standalone & Consolidated Financial Results for the quarter and financial year ended March 31, 2021. A copy of the aforesaid Financial Results along with the Auditors' Reports by Statutory Auditors of the Company and declaration with regard to Auditors' Reports with unmodified opinion on Standalone and Consolidated Financial Results (Refer **Annexure "A")** is enclosed.

The Board Meeting commenced at 4.00 P.M. and concluded at 5.50 P.M. The Auditors' Reports were received from the Statutory Auditors at 6.30 P.M and the Audited Standalone and Consolidated Financial Results for the quarter and year ended March 31, 2021 are being filed within 30 minutes from the receipt of the Audit Reports.

Kindly take the above information on your record.

Yours faithfully,
For Forbes & Company Limited

Pankaj Khattar
Pankaj Khattar
Head Legal and Company Secretary

Encl: As above

Forbes & Company Limited. Forbes' Building, Charanjit Rai Marg,
Fort, Mumbai 400 001. Tel.: +91 22 61358900 Fax: +91 22 61358901
www.forbes.co.in
CIN No.: L17110MH1919PLC000628

Annexure "A"

June 25, 2021

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

Security Code : 502865
Security ID : FORBESCO

Declaration with respect to Audit Report with unmodified opinion to the Audited Standalone and Consolidated Financial Results for the quarter and year ended March 31, 2021.

Dear Sir,

We hereby declare that with respect to Audited Standalone and Consolidated Financial Results for the quarter and financial year ended March 31, 2021, approved by the Board of Directors of the Company at their meeting held on June 25, 2021, the Statutory Auditors, Price Waterhouse Chartered Accountants LLP have not expressed any modified opinion(s) in their Standalone and Consolidated Audit Reports.

The above declaration is made pursuant to the Regulation 33(3) (d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

Kindly take the above information on your record.

Yours faithfully

For Forbes & Company Limited

Pankaj Khattar
Head Legal and Company Secretary

June 25, 2021

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Statement of Standalone Financial Results for the quarter and year ended 31st March, 2021

(Rs. in Lakhs)

	Particulars	Quarter ended			Year ended	
		31.03.2021 (Refer Note 10)	31.12.2020 (Unaudited)	*31.03.2020 (Refer Note 10)*	31.03.2021 (Audited)	*31.03.2020 (Audited)*
1	**Income**					
	Revenue from operations	44,311	5,191	*4,383*	56,236	*19,488*
	Other income	175	866	*229*	1,337	*753*
	Total Income	44,486	6,057	*4,612*	57,573	*20,241*
2	**Expenses**					
	Real estate development costs	2,300	761	*3,966*	4,602	*8,731*
	Cost of materials consumed	2,144	1,646	*2,390*	5,761	*8,270*
	Purchases of stock-in-trade	(283)	176	*55*	84	*240*
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	24,922	(926)	*(3,936)*	22,926	*(8,718)*
	Employee benefits expense	1,440	1,033	*686*	4,238	*4,708*
	Finance costs	325	338	*267*	1,376	*1,184*
	Depreciation and amortisation expense	347	360	*327*	1,429	*1,211*
	Other expenses	1,500	1,414	*1,733*	4,808	*6,675*
	Total expenses	32,695	4,802	*5,488*	45,224	*22,301*
3	**Profit / (Loss) before exceptional items and tax**	11,791	1,255	*(876)*	12,349	*(2,060)*
4	Exceptional items (Net) (Refer Note 5 below)	(6,253)	(2,737)	*(1,216)*	(11,438)	*(518)*
5	**Profit / (Loss) before tax**	5,538	(1,482)	*(2,092)*	911	*(2,578)*
6	**Tax expense**					
	Current tax	-	-	*-*	-	*-*
	Deferred tax	4,013	-	*(247)*	4,013	*(123)*
		4,013	-	*(247)*	4,013	*(123)*
7	**Profit / (Loss) after tax**	1,525	(1,482)	*(1,845)*	(3,102)	*(2,455)*
8	**Other Comprehensive Income**					
	(i) Items that will not be reclassified to Statement of Profit or Loss					
	Remeasurement of the defined benefit plans	25	(101)	*(74)*	(45)	*(15)*
	(ii) Income tax relating to items that will not be reclassified to Statement of Profit or Loss					
	Deferred tax	11	-	*2*	11	*2*
	Other Comprehensive Income (net of tax)	36	(101)	*(72)*	(34)	*(13)*
9	**Total Comprehensive Income / (Loss) for the period / year**	1,561	(1,583)	*(1,917)*	(3,136)	*(2,468)*
10	**Paid-up equity share capital** (Face Value of Rs. 10 each)	1,290	1,290	*1,290*	1,290	*1,290*
11	**Other equity (excluding Revaluation Reserve)**				15,739	*18,876*
12	**Basic and diluted earnings per equity share (after exceptional items)** (Quarter and year to date figures not annualised)	Rs.11.82	Rs.(11.49)	*Rs.(14.30)*	Rs.(24.05)	*Rs.(19.03)*

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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.

(Rs. in Lakhs)

		Quarter ended			Year ended	
		31.03.2021	31.12.2020	*31.03.2020*	31.03.2021	*31.03.2020*
		(Refer Note 10)	(Unaudited)	*(Refer Note 10)*	(Audited)	*(Audited)*
1	**Segment Revenue**					
	(a) Engineering	5,285	4,799	*3,909*	15,935	*17,641*
	(b) Real Estate	39,026	393	*474*	40,303	*1,849*
	Total	44,311	5,192	*4,383*	56,238	*19,490*
	Less: Inter Segment Revenue	-	1	-	2	*2*
	Total revenue from operations (net)	44,311	5,191	*4,383*	56,236	*19,488*
2	**Segment Results [Profit / (Loss) before Tax and Interest from each Segment (including exceptional items related to segments)]**					
	(a) Engineering	1,034	858	*(700)*	1,564	*(1,430)*
	(b) Real Estate	11,318	894	*(221)*	12,669	*636*
	Total segment results	12,352	1,752	*(921)*	14,233	*(794)*
	Less: Finance costs	(325)	(338)	*(267)*	(1,376)	*(1,184)*
	Balance	12,027	1,414	*(1,188)*	12,857	*(1,978)*
	Add: Unallocable income / (expense) (net) [including exceptional items]	(6,489)	(2,896)	*(904)*	(11,946)	*(600)*
	Profit / (Loss) before tax	5,538	(1,482)	*(2,092)*	911	*(2,578)*
3	**Segment Assets**					
	(a) Engineering	15,299	15,261	*15,947*	15,299	*15,947*
	(b) Real Estate	14,562	38,715	*36,764*	14,562	*36,764*
	(c) Unallocated	22,969	31,335	*33,688*	22,969	*33,688*
	Total Assets	52,830	85,311	*86,399*	52,830	*86,399*
4	**Segment liabilities**					
	(a) Engineering	9,163	8,825	*10,046*	9,163	*10,046*
	(b) Real Estate	17,174	51,567	*46,806*	17,174	*46,806*
	(c) Unallocated	9,464	9,450	*9,381*	9,464	*9,381*
	Total Liabilities	35,801	69,842	*66,233*	35,801	*66,233*

Notes on Segment Information:

1. 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.

2. Details of product categories included in each segment comprises:
   a) 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.
   b) Real Estate includes income from renting out investment properties and revenue from real estate development project.
   c) Unallocable Corporate Assets mainly comprises of investments, tax receivables and other unallocable assets.
   d) Unallocable Liabilities comprise borrowings, provisions and other unallocable liabilities.

3. Other income allocable to respective segments has been considered as part of Segment Results.

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FORBES & COMPANY LIMITED MUMBAI

Notes to the Statement of Standalone Financial Results for the quarter and year ended 31st March, 2021.

1. **Standalone Statement of Assets and Liabilities as at 31st March, 2021**

(Rs. in Lakhs)

Particulars		As at 31.03.2021 (Audited)	*As at 31.03.2020 (Audited)*
Assets			
1 **Non-current assets**			
a) Property, Plant and Equipment		**9,094**	*10,140*
b) Right-of-use assets		**213**	*359*
c) Capital work-in-progress		**198**	*115*
d) Investment Properties		**2,345**	*2,483*
e) Other Intangible assets		**165**	*222*
f) Intangible assets under development		**-**	*13*
g) **Financial Assets:**			
i) Investments	16,690		*24,167*
ii) Loans	175		*191*
iii) Other financial assets	2		*2*
		16,867	*24,360*
h) **Tax assets**			
i) Deferred tax assets (net)	1,114		*5,116*
ii) Income tax assets (net)	1,496		*1,785*
		2,610	*6,901*
i) Other non-current assets		**346**	*400*
Total Non-current assets		**31,838**	*44,993*
2 **Current assets**			
a) Inventories		**13,328**	*36,154*
b) **Financial Assets:**			
i) Trade receivables	3,452		*2,507*
ii) Cash and cash equivalents	2,171		*191*
iii) Bank balances other than (ii) above	259		*187*
iv) Loans	3		*269*
v) Other financial assets	907		*1,104*
	6,792		*4,258*
c) Other current assets	833		*994*
		7,625	*5,252*
Assets classified as held for sale		**39**	*-*
Total Current assets		**20,992**	*41,406*
Total Assets		**52,830**	*86,399*
Equity and Liabilities			
Equity			
a) Equity share capital	1,290		*1,290*
b) Other equity	15,739		*18,876*
Total Equity		**17,029**	*20,166*
Liabilities			
1 **Non-current liabilities**			
a) **Financial liabilities:**			
i) Borrowings	5,824		*6,776*
ii) Lease Liabilities	195		*285*
iii) Other financial liabilities	154		*122*
	6,173		*7,183*
b) Provisions	628		*635*
Total Non-current liabilities		**6,801**	*7,818*
2 **Current liabilities**			
a) **Financial liabilities:**			
i) Borrowings	3,765		*7,277*
ii) Trade payables			
a) total outstanding dues of micro enterprises and small enterprises; and	518		*402*
b) total outstanding dues of creditors other than micro enterprises and small enterprises	5,408		*4,810*
iii) Lease Liabilities	18		*69*
iv) Other financial liabilities	6,679		*5,948*
	16,388		*18,506*
b) Other current liabilities	12,084		*39,311*
c) Provisions	452		*506*
d) Current tax liabilities (net)	76		*92*
Total Current Liabilities		**29,000**	*58,415*
Total Liabilities		**35,801**	*66,233*
Total Equity and Liabilities		**52,830**	*86,399*

FORBES & COMPANY LIMITED MUMBAI

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2. **Standalone Statement of Cash flows for the year ended 31st March, 2021**

(Rs. in Lakhs)

	Year ended 31st Mar., 2021 (Audited)		*Year ended 31st Mar., 2020 (Audited)*	
Cash flows from operating activities				
Profit before tax		**911**		(2,578)
Adjustments for -				
Depreciation and amortisation expense	1,429		1,211	
Interest income earned on financial assets that are not designated as fair value through profit or loss :				
(i) Bank deposits	(20)		(26)	
(ii) Inter corporate deposit	(111)		(32)	
Interest on Income Tax/ Wealth Tax refund	(93)		(193)	
Finance costs	1,376		1,184	
Dividend Income from long-term investments *	-		-	
Gain on disposal of property, plant and equipment	(755)		(145)	
Provision for doubtful trade receivables	12		155	
Provision for doubtful loans and advances	10		-	
Advances written off	4		-	
Gain on fair value of long-term investments in a subsidiary company	(175)		(157)	
Credit balances / excess provision written back	(46)		(26)	
Net unrealised exchange loss	3		(6)	
		1,634		1,365
Exceptional items:				
- Impairment of loans and interest accrued thereon	3,459		-	
- Provision for impairment in the value of the investments	7,650		1,216	
- Impairment of financial assets in subsidiary company	329		-	
- Expected out flow for disputed matters	-		(698)	
		11,438		518
		13,072		2,483
Operating profit before working capital changes		**13,983**		(95)
Changes in working capital:				
(Increase)/ decrease in trade and other receivables	(1,080)		1,361	
(Increase)/ decrease in inventories	22,826		(7,845)	
(Increase)/ decrease in other assets	307		(29)	
Increase/ (decrease) in trade and other payables	894		626	
Increase/ (decrease) in provisions	(105)		20	
Increase/ (decrease) in other liabilities	(27,228)		12,214	
		(4,386)		6,347
Cash inflow / (outflow) from operations		**9,597**		6,252
Income taxes (paid)/ refunds received (net)		**272**		(302)
(a) Net cash flow inflow / (outflow) from operating activities		**9,869**		5,950
Cash flows from investing activities:				
Payments for property, plant and equipment (net of capital creditors and including capital advances, capital work-in-progress, investment properties and intangible assets)	(777)		(5,021)	
Proceeds from disposal of property, plant and equipment	839		220	
Purchase / subscription of long-term investments				
- in subsidiaries	-		(1,000)	
Proceeds from sale / capital reduction of long-term investments				
Inter Corporate Deposits given to related parties	(3,198)		(2,262)	
Loans and advances given to related parties realised	125		2,002	
Bank balances not considered as cash and cash equivalents	(73)		(21)	
Interest received	28		44	
Dividend received *	-		-	
(b) Net cash (outflow) / inflow from investing activities		**(3,056)**		(6,038)

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FORBES & COMPANY LIMITED MUMBAI

	Year ended 31st Mar., 2021 (Audited)		*Year ended 31st Mar., 2020 (Audited)*	*(Rs. in Lakhs)*
Cash flows from financing activities:				
Proceeds from long-term borrowings	3,270		*5,024*	
Repayment of long-term borrowings	(3,178)		*(5,468)*	
Net Increase in cash credit, overdraft balances, credit card facilities and commercial papers	(3,511)		*1,964*	
Finance costs paid	(1,346)		*(1,200)*	
Payment of Lease Liabilities	(67)		*(96)*	
Dividend paid on equity shares	(1)		*(636)*	
Tax on dividend	-		*(133)*	
(c) Net cash inflow / (outflow) from financing activities		**(4,833)**		*(545)*
(d) Net increase/ (decrease) in cash and cash equivalents (a + b + c)		**1,980**		*(633)*
(e) Cash and cash equivalents as at the commencement of the year		**191**		*824*
(f) Cash and cash equivalents as at the end of the year (d + e)		**2,171**		*191*

Reconciliation of cash and cash equivalents as per the cash flow statements

Cash and cash equivalents as per above comprise of the following	**31st Mar., 2021 ₹ in Lakhs**	*31st Mar., 2020 ₹ in Lakhs*
Balances with bank		
- In current accounts	2,018	*151*
- In EEFC Accounts	142	*39*
Cheques, drafts on hand	11	-
Cash on hand *	-	*1*
Balances as per statement of cash flows	**2,171**	*191*

Notes:

1. The above Cash Flow Statement has been prepared under the "Indirect Method" setout in Indian Accounting Standard - 7 on Statement of Cash Flows.
2. Previous year figures have been regrouped/ reclassified, wherever necessary to confirm to current year classification.
3. Other bank balances at the end of the year includes: (i) earmarked balances towards unpaid dividends ₹ 24 Lakhs *(Previous year ₹26 Lakhs)* and (ii) margin money deposits ₹ 235 Lakhs *(Previous year ₹ 159 Lakhs)* includes security against license for import of goods under EPCG Scheme and hence are not available for immediate use by the Company.
4. The interest paid during the year excludes ₹ Nil *(Previous year ₹ 253 Lakhs)* in respect of interest costs capitalised for the property, plant and equipment in accordance with Ind AS 23 and interest expense on loans for real estate development activites amounting to ₹ 363 Lakhs *(Previous year 394 Lakhs)*.

* Amount is below rounding off norms of the Company.

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FORBES & COMPANY LIMITED MUMBAI

3. The above results for the quarter and year ended 31st March, 2021 are prepared as per the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which have been reviewed by the Audit Committee and thereafter approved at the meeting of the Board of Directors held on Friday 25th June, 2021. The results for the year ended 31st March, 2021 have been audited by the statutory auditors of the Company.

4. 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 thereunder and other accounting principles generally accepted in India.

5. Exceptional items:

(Rs. in Lakhs)

		Quarter ended			Year ended	
		31.03.2021	**31.12.2020**	*31.03.2020*	**31.03.2021**	*31.03.2020*
		(Refer Note 10)	**(Unaudited)**	*(Refer Note 10)*	**(Audited)**	*(Audited)*
(i)	Expected inflow/ (outflow) for disputed matters	-	-	-	-	*698*
(ii)	Impairment of investment, loans (including interest accrued thereon) and other receivables of a subsidiary	**(6,253)**	**(2,737)**	*(1,216)*	**(11,438)**	*(1,216)*
	TOTAL	**(6,253)**	**(2,737)**	*(1,216)*	**(11,438)**	*(518)*

(i) The Company had received Rs. 1,017 Lakhs in the year ended 31st March, 2016 from the Hon'ble Debt Recovery Tribunal, Mumbai, towards principal and interest for loan given to 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 Limited and accounted the balance as interest income during the year ended 31st March, 2016 on the belief that it was a remote future possibility that Rs. 1,017 Lakhs would become refundable upon the final outcome of this matter.

In July 2018, in a separate proceeding the Hon'ble High Court, Mumbai had directed the Company to refund the aforesaid amount of Rs. 1,017 Lakhs with interest. Consequently, the Company refunded Rs. 1,056 Lakhs [including interest calculated from the date of the order till the date of payment aggregating Rs. 39 Lakhs] and recorded this as an exceptional expense during the year ended 31st March, 2019. The Company was subsequently directed by the Hon'ble High Court to pay interest from the date the amount was received by the Company. The Company had separately filed its Affidavit of Claim for receipt Rs. 325 Lakhs along with interest at the bank rate with the Official Liquidator.

During the previous year, the Official Liquidator vide order dated 23rd December, 2019 adjudicated and admitted a claim of Rs. 744 Lakhs (comprising Rs. 325 Lakhs towards loan and Rs. 419 Lakhs as interest). Accordingly, the Company had recorded Rs. 698 Lakhs (i.e. Rs. 744 Lakhs recoverable based on adjudication order from the Official Liquidator, net of interest provided of Rs. 46 Lakhs) as exceptional income during the year ended 31st March, 2020.

(ii) Forbes Technosys Limited (FTL), a subsidiary, has incurred a total comprehensive loss of Rs. 13,199 Lakhs for the year ended 31st March, 2021. Its accumulated losses aggregates Rs. 27,463 Lakhs and its current liabilities exceeded current assets by Rs. 13,941 Lakhs as at 31st March, 2021.

FTL has suffered a setback in the last few years which is temporary in nature due to muted demand and stress in some of the key sectors that FTL has been traditionally dependent on, such as banking and telecom. The entry of several local players in the e-payments space and heightened competition has put additional pressure on the margins of FTL.

The Covid-19 pandemic has severely disrupted business operations around the world due to global lockdown and other emergency measures imposed by various governments. This has also impacted the operations of FTL as its manufacturing units and offices had to be completely shut-down multiple times during 2020 till date. Also, supply chain for critical electronic components required for sales and services were affected since January 2020, which eventually affected performance during the year ended 31st March, 2021. The present situation coupled with the impact of Covid-19 had resulted in a decline in the recoverable value of the investment/ other assets in FTL, consequent to which an impairment provision/ loss allowance as follows has been created:

- On Investments of Rs. 2,465 Lakhs and Rs 7,650 Lakhs respectively for the quarter and year ended 31st March 2021 (Rs. 1,216 Lakhs for the quarter and year ended 31st March, 2020 and Rs. 2,737 Lakhs for the quarter ended 31st December, 2020),

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FORBES & COMPANY LIMITED MUMBAI

- On Financial assets aggregating Rs. 329 Lakhs for the quarter and year ended 31st March, 2021 (Nil for the quarter and year ended 31st March, 2020 and quarter ended 31st December, 2020)
- On inter-corporate deposits (including interest accrued thereon) of Rs. 3,459 Lakhs for the quarter and year ended 31st March 2021 (Nil for the quarter and year ended 31st March, 2020 and the quarter ended 31st December, 2020).

Further, the Company also has an exposure in FTL of Rs. 8,489 Lakhs pertaining to guarantees given. However, no invocation of these guarantees is expected in view of the necessary direct or indirect support to FTL by the Ultimate Holding Company.

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

   The Company had applied the modified retrospective approach as on 1st April 2018 and recorded a transitional 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 1st April, 2018.

   Considering the terms of the contract, receipt of Occupancy Certificate for Phase I of the real estate development project, issuance of possession letters and transfer of control of the real estate units to the customers before the year end, the Company has recognised revenue of Rs. 38,653 Lakhs during the quarter and year ended 31st March, 2021.

7. 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 Company were impacted due to the shutdown of plants, real estate development project and offices following the nationwide lockdown. The Company commenced with its operations in a phased manner in line with the directives from the authorities.

   The Company has evaluated the impact of this pandemic (considering the current situation and likely future developments along with the expected impact of the second wave in the country) on the its business operations, liquidity and recoverability/ carrying values of its assets including property, plant and equipment, 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 the Company's financial results for the year ended 31st March, 2021. The Company has adequate unutilized fund-based credit facilities available, to take care of any urgent requirement of funds.

   The Company 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.

8. The Board of Directors of the Company at their Board Meeting held on 8th September, 2020 have, inter alia, approved the Composite Scheme of Arrangement ("Scheme") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder.

   The Scheme, inter alia, provides for amalgamation and vesting of Aquaignis Technologies Private Limited ("ATPL") and Euro Forbes Financial Services Limited ("EFFSL") [presently wholly owned subsidiaries of Eureka Forbes Limited ("EFL")] with and into EFL and amalgamation and vesting of EFL with and into the Company.

   Further, upon the above part of the Scheme becoming effective, Demerger and vesting of Demerged Undertaking (as defined in the Scheme) of the Company into Forbes Enviro Solutions Limited (presently wholly owned subsidiary of EFL) ("FESL"), on a going concern basis would take place. Upon, the entire scheme becoming effective, the name of FESL shall be changed to Eureka Forbes Limited.

   The Scheme as aforesaid is subject to necessary approvals by the Stock Exchanges, Securities and Exchange Board of India, shareholders and creditors of the companies, as may be applicable, Jurisdictional Bench of National Company Law Tribunal ("NCLT") and such other statutory and regulatory approvals as may be required. The Company has received the approval of BSE and the matter is now with NCLT.

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9. The Board of Directors of the Holding Company, in their meeting held on 22nd December, 2020, approved entering into a Memorandum of Understanding ("MOU") for sale of approximately 3.804 acres of land at Chandivali (net book value as on 31st March, 2021 aggregating Rs. 38 Lakhs reflected as 'Asset Held for Sale') for a consideration of Rs. 20,000 Lakhs ("Proposed Transaction").

   The parties were required to execute the agreement for sale on or before 15th May, 2021. The Company has entered into Agreement for Sale (AFS) subsequent to the year end. The completion of the transaction subject to fulfilment of various conditions precedent as stated in the AFS is expected to be completed during the year ending 31st March, 2022.

10. The figures of the quarter ended 31st March, 2021 and 31st March, 2020 are balancing figures between the audited figures in respect of the full financial year ended on 31st March, 2021 and 31st March, 2020 as reported in these financial results and the unaudited published year to date figures up to third quarter ended on 31st December, 2020 and 31st December, 2019 respectively, which were subjected to Limited Review by the Statutory Auditors.

11. Considering the impact of Covid-19, the results for the quarter and year ended 31st March, 2021 are not comparable with those for the previous periods.

12. 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
Managing Director
DIN: 01423084

Mumbai,
25th June, 2021

FORBES & COMPANY LIMITED MUMBAI

Independent Auditor's report

To the Members of Forbes & Company Limited

Report on the audit of the Standalone financial statements

Opinion

1. We have audited the accompanying standalone financial statements of Forbes & Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and total comprehensive loss (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw your attention to Note 51 to the standalone financial statements which describes the management's assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Company. The Company believes that no additional adjustments are required in the financial statements, however, in view of various preventive measures taken (such as lock-downs and travel restrictions) and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Price Waterhouse Chartered Accountants LLP Chartered Accountants LLPIN AAC-5001 FRN 012754N/N500016 Mumbai

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T: +91 (22) 66691500, F: +91 (22) 66547804 / 07

Registered office and Head Office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi – 110002

Price Waterhouse Chartered Accountants LLP

Key audit matter	How our audit addressed the key audit matter
(a) Revenue recognition for Real Estate Development Activities (Refer Notes 25 and 50 to the standalone financial statements) Consequent to the implementation of Ind-AS 115, effective April 1, 2018, there has been change in the Company's policy for revenue recognition in respect of its real estate development projects. The determination of the period over which revenue from real estate development activities should be recognized, the timing of transfer of control to the customer; and determination of whether the Company has an enforceable right to payment as per requirements of Ind-AS 115 involves significant judgement by the Management. Revenue recognition for real estate development activities is considered as a key audit matter considering significance of amounts involved along with related disclosures and involvement of management judgement in establishing the timing of transfer of control to the customer and enforceable right to payment for performance completed to date.	Our audit procedures included obtaining a listing of contracts with customers from the Management, and carrying out a combination of testing of internal financial controls with reference to financial statements for revenue recognition over real estate projects and test of details on a sample of transactions, which included: • Obtaining an understanding of the Company's accounting policy on revenue recognition for real estate development activities and assessing compliance of the policy with principles enunciated under Ind-AS 115; • Obtaining an understanding of the process and testing key controls followed by the management over revenue recognition for real estate development projects; • Evaluating existence and completeness of the list of contracts with customers, and examining the mathematical accuracy thereof; • Examining the terms of sales agreements, agreement value and other relevant details to validate revenue recognition during the year; • Examining possession letters issued to customers for certain sample transactions; • Obtaining evidence regarding the transfer of control considering criteria as per Ind-AS 115 and evaluating enforceability of payment for work completed to date for validating the timing of transfer of control to the customer; and • Testing the accuracy and completeness of disclosures in the standalone financial statements. Based on the above audit procedures performed, we did not come across any significant exceptions with regard to revenue recognition in respect of real estate development activities.

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Key audit matter	How our audit addressed the key audit matter
(b) Assessment of Provisions and Contingent Liabilities (Refer to Notes 19A and 39 to the standalone financial statements) As at March 31, 2021, in respect of certain direct and indirect tax matters and other litigations, the Company has recognised provisions aggregating Rs. 311.50 Lakhs and disclosed contingent liabilities aggregating Rs. 15,191.60 Lakhs. The Company undergoes assessment proceedings and related litigations with direct and indirect tax authorities and with certain other parties. There is a high level of management judgement required in estimating the probable outflow of economic resources and the level of provisioning and/or the disclosures required. The judgement of the management is supported by advice from independent tax and legal consultants, as considered necessary by the management. Any unexpected adverse outcomes could significantly impact the Company's reported profit and financial position. We considered the above area as the key audit matter due to associated uncertainty of the ultimate outcome and significant management judgement involved.	Our audit procedures included the following: • Understanding and evaluating the process and controls designed and implemented by the management including testing the operating effectiveness of the relevant controls; • Obtaining the details of the related matters, inspecting the supporting evidences and assessing management's evaluation through discussions with management on both the likelihood of outcome and the magnitude of potential outflow of economic resources; • Understanding the current status of the direct and indirect tax assessments/ litigations; • Reading recent orders and/ or communication received from the tax authorities and with certain other parties and management responses to such communication; • Where relevant, reading the most recent available independent tax / legal advice obtained by management and evaluating the grounds presented therein; • Evaluating independence, objectivity and competence of the management's tax / legal consultants; • Obtaining direct written confirmations from the Company's legal/ tax consultants (internal/ external) to confirm the status of the assessments as well as had direct discussion with them as and when required; • Together with the auditor's tax experts, assessed the likelihood of the potential financial exposures; • Assessing the adequacy of disclosure in the standalone financial statements. Based on the above procedures we did not identify any material exceptions relating to management's assessment of provisions and contingent liabilities.

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Other Information

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the board report and corporate governance report, but does not include the standalone financial statements and our auditors' report thereon.

   Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

7. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

9. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material

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misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

13. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

14. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

15. As required by Section 143(3) of the Act, we report that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 19A and 39 to the standalone financial statements;

ii. The Company has long-term contracts as at March 31, 2021 for which there were no material foreseeable losses and did not have any derivative contracts as at March 31, 2021;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2021.

16. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

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

Sarah George

Sarah George
Partner
Membership Number: 045255
UDIN: 21045255AAAAJJ2587

Place: Mumbai
Date: June 25, 2021

Shapoorji Pallonji

Statement of Consolidated Financial Results for the quarter and year ended 31st March, 2021

(Rs. in Lakhs)

	Particulars	Quarter ended			Year ended	
		31.03.2021 (Refer Note 24)	31.12.2020 (Unaudited)	*31.03.2020 (Refer Note 24)*	31.03.2021 (Audited)	*31.03.2020 (Audited)*
	Continuing Operations					
1	**Income**					
	Revenue from operations (Refer Note 11 below)	1,07,269	69,850	*61,115*	2,85,679	*2,73,079*
	Other income	3,210	1,739	*1,582*	8,024	*3,693*
	Total Income	1,10,479	71,589	*62,697*	2,93,703	*2,76,772*
2	**Expenses**					
	Real estate development costs	2,300	761	*3,966*	4,602	*8,731*
	Cost of materials consumed	17,933	22,704	*17,729*	64,929	*77,148*
	Purchases of stock-in-trade	8,878	5,864	*4,609*	24,248	*25,737*
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	26,146	(1,881)	*(2,485)*	24,966	*(11,055)*
	Employee benefits expense	15,938	15,260	*16,649*	61,873	*69,403*
	Finance costs	1,459	2,075	*2,846*	8,684	*10,138*
	Depreciation and amortisation expense	2,134	2,433	*2,698*	9,725	*9,811*
	Other expenses	25,058	24,329	*25,967*	86,150	*99,775*
	Total expenses	99,846	71,545	*71,979*	2,85,177	*2,89,688*
3	**Profit/ (Loss) before exceptional items, Share of net profits of investments accounted for using equity method and tax**	10,633	44	*(9,282)*	8,526	*(12,916)*
4	**Share of Profit / (Loss) of Associates / Joint ventures (net)**	307	385	*(152)*	834	*632*
5	**Profit /(Loss) before exceptional items and tax**	10,940	429	*(9,434)*	9,360	*(12,284)*
6	Exceptional items (Net) (Refer Note 5 below)	(8,175)	(1,433)	*(6,770)*	(12,146)	*(21,469)*
7	**Profit/ (Loss) before tax from continuing operations**	2,765	(1,004)	*(16,204)*	(2,786)	*(33,753)*
8	**Tax expense**					
	Current tax	992	854	*(254)*	2,972	*894*
	Deferred tax	5,159	(192)	*(1,531)*	5,041	*(1,143)*
		6,151	662	*(1,785)*	8,013	*(249)*
9	**(Loss) after tax from continuing operations**	(3,386)	(1,666)	*(14,419)*	(10,799)	*(33,504)*
10	**Discontinued operations**					
	(Loss) before tax from discontinued operations (Refer Note 20 below)	(2)	(817)	*(128)*	(861)	*(324)*
	Tax Expense/ (Benefit) of Discontinued Operations	-	-	-	-	-
	(Loss) from discontinued operations	(2)	(817)	*(128)*	(861)	*(324)*
	(Loss) for the period/ year	(3,388)	(2,483)	*(14,547)*	(11,660)	*(33,828)*
11	**Other Comprehensive Income**					
	A (i) Items that will not be reclassified to statement of profit or loss					
	(a) Remeasurement of the defined benefit plans	40	(102)	*(212)*	(69)	*(188)*
	(b) Equity instruments through other comprehensive income	-	-	*(206)*	-	*(206)*
	(c) Income Tax relating to the above items	12	-	*107*	12	*111*
	B (i) Items that may be reclassified to statement of profit or loss					
	(a) Exchange differences in translating the financial statements of foreign operations	2,174	210	*285*	2,305	*(1,357)*
	Other Comprehensive Income (net of tax)	2,226	108	*(26)*	2,248	*(1,640)*
12	**Total Comprehensive (Loss) for the period / year**	(1,162)	(2,375)	*(14,573)*	(9,412)	*(35,468)*
13	**Profit/ (Loss) for the period/ year attributable to:-**					
	(i) Owners of the Company	(1,461)	(1,222)	*(14,068)*	(7,767)	*(32,461)*
	(ii) Non controlling interests	(1,927)	(1,261)	*(479)*	(3,893)	*(1,367)*
		(3,388)	(2,483)	*(14,547)*	(11,660)	*(33,828)*
14	**Other comprehensive income for the period/ year attributable to:-**					
	(i) Owners of the Company	2,231	108	*(132)*	2,249	*(1,746)*
	(ii) Non controlling interests	(5)	-	*106*	(1)	*106*
		2,226	108	*(26)*	2,248	*(1,640)*
15	**Total comprehensive income/ (loss) for the period/ year attributable to:-**					
	(i) Owners of the Company	770	(1,114)	*(14,200)*	(5,518)	*(34,207)*
	(ii) Non controlling interests	(1,932)	(1,261)	*(373)*	(3,894)	*(1,261)*
		(1,162)	(2,375)	*(14,573)*	(9,412)	*(35,468)*
16	**Paid-up equity share capital** (Face Value of Rs. 10 each)	1,290	1,290	*1,290*	1,290	*1,290*
17	**Other equity (excluding Revaluation Reserve)**				(15,392)	*(10,105)*
18	**Basic and diluted earnings/ (loss) per equity share attributable to owners of the Company (after exceptional items) - continuing operations**	Rs. (11.46)	Rs. (3.18)	*Rs. (109.49)*	Rs. (54.24)	*Rs. (252.41)*
19	**Basic and diluted earnings/ (loss) per equity share attributable to owners of the Company (after exceptional items) - discontinued operations**	Rs. (0.02)	Rs. (6.42)	*Rs. (1.01)*	Rs. (6.76)	*Rs. (2.54)*
20	**Basic and diluted earnings/ (loss) per equity share attributable to owners of the Company (after exceptional items) - continuing and discontinued operations**	Rs. (11.48)	Rs. (9.60)	*Rs. (110.50)*	Rs. (61.00)	*Rs. (254.95)*

(Quarter and year to date figures not annualised)

See accompanying notes to the consolidated financial results.

Contd ...

FORBES & COMPANY LIMITED MUMBAI

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www.forbes.co.in
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FORBES

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.

(Rs. in Lakhs)

		Quarter ended			Year ended	
		31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
		(Refer Note 24)	(Unaudited)	(Refer Note 24)	(Audited)	(Audited)
1	**Segment Revenue**					
	(a) Health, Hygiene, Safety Products and its services	60,882	61,489	52,592	2,15,117	2,36,996
	(b) Engineering	5,285	4,799	3,911	15,935	17,641
	(c) Real Estate	39,034	417	500	40,385	1,954
	(d) IT Enabled Services and Products	464	511	1,203	2,829	5,159
	(e) Shipping and Logistics Services	1,634	2,667	2,947	11,541	11,468
	(f) Others	6	5	6	28	33
	Total	1,07,305	69,888	61,159	2,85,835	2,73,251
	Less: Inter Segment Revenue	(36)	(38)	(44)	(156)	(172)
	Total income from operations (net)	1,07,269	69,850	61,115	2,85,679	2,73,079
2	**Segment Results Profit/(Loss) before Tax and Interest from each Segment (including exceptional items related to segments)**					
	(a) Health, Hygiene, Safety Products and its services	1,408	937	* (10,185)	* 3,353	* (20,111)
	(b) Engineering	1,043	854	(744)	1,574	(1,422)
	(c) Real Estate	11,351	874	(211)	12,688	634
	(d) IT Enabled Services and Products	# (7,120)	(1,247)	# (2,216)	# (10,265)	# (3,838)
	(e) Shipping and Logistics Services	$ (2,098)	$ (502)	(88)	$ (1,129)	119
	(f) Others	(7)	(6)	32	(26)	9
	Total segment results	4,577	910	(13,412)	6,195	(24,609)
	Add: Share of profit of joint ventures and associates accounted for using equity method	307	385	(152)	834	632
	Add: Exceptional items - Income	-	-	-	-	698
	Less: Finance costs	(1,459)	(2,075)	(2,846)	(8,684)	(10,138)
	Balance	3,425	(780)	(16,410)	(1,655)	(33,417)
	Add: Unallocable income / (expense) (net)	(660)	(224)	206	(1,131)	(336)
	Profit / (Loss) from continuing activities before tax	2,765	(1,004)	(16,204)	(2,786)	(33,753)
	Loss from discontinued operations	(2)	(817)	(128)	(861)	(324)
	Profit / (Loss) before tax from continuing and discontinued operations	2,763	(1,821)	(16,332)	(3,647)	(34,077)
3	**Segment Assets**					
	(a) Health, Hygiene, Safety Products and its services	1,35,037	1,42,496	1,45,124	1,35,037	1,45,124
	(b) Engineering	15,299	15,261	15,945	15,299	15,945
	(c) Real Estate	15,083	39,193	37,278	15,083	37,278
	(d) IT Enabled Services and Products	8,300	15,540	16,802	8,300	16,802
	(e) Shipping and Logistics Services	18,200	27,755	38,973	18,200	38,973
	(f) Others	27	8	4	27	4
	(g) Unallocated	12,311	17,896	17,986	12,311	17,986
	Total Assets	2,04,257	2,58,149	2,72,112	2,04,257	2,72,112
	Assets pertaining to discontinued operations	31	162	2,669	31	2,669
	Total Assets	2,04,288	2,58,311	2,74,781	2,04,288	2,74,781
4	**Segment liabilities**					
	(a) Health, Hygiene, Safety Products and its services	1,46,257	1,56,493	1,58,235	1,46,257	1,58,235
	(b) Engineering	9,162	8,825	10,045	9,162	10,045
	(c) Real Estate	17,246	51,633	46,864	17,246	46,864
	(d) IT Enabled Services and Products	18,777	20,204	20,174	18,777	20,174
	(e) Shipping and Logistics Services	9,778	17,168	27,715	9,778	27,715
	(f) Others	1,092	1,123	1,041	1,092	1,041
	(g) Unallocated	9,492	9,456	9,394	9,492	9,394
	Total Liabilities	2,11,804	2,64,902	2,73,468	2,11,804	2,73,468
	Liabilities pertaining to discontinued operations	143	138	278	143	278
	Total Liabilities	2,11,947	2,65,040	2,73,746	2,11,947	2,73,746

Notes on Segment Information:

1. 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.

2. Details of product categories included in each segment comprises:

a) Health, Hygiene, Safety Products and its services includes manufacturing, selling, renting and servicing of vacuum cleaners, water filter cum purifiers, water and waste water treatment plant, trading in electronic air cleaning systems, small household appliances, digital security system and fire extinguisher etc.
b) Engineering Segment includes manufacture/ trading in Precision Cutting Tools, Spring Lock Washers and Marking Systems.
c) Real Estate includes income from renting out investment properties and revenue from real estate development project.
d) IT Enabled Services and Products includes trading of note counting machines, electronic cash register, point of sale machine, manufacturing of different types of kiosks, Forbes Xpress consisting of sale of mobile recharge, bill payments and money transfer, transaction network and services comprising of maintenance, servicing and support services for kiosks and other devices. During the year the Group has decided to discontinue operations relating to Forbes Express. The segment results, segment assets and segment liabilities from the discontinued operations have been disclosed separately.
e) Shipping and Logistics Services segment carries on business of ship owners, charterers etc.
f) Unallocable Corporate Assets mainly comprises of investments, tax receivables and other unallocable assets.
g) Unallocable Liabilities comprise borrowings, provisions and other unallocable liabilities.

3. 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 the financial statements.

* Includes a non-cash charge of impairment of goodwill of Rs. 979 Lakhs for the year ended 31st March, 2021(for the year ended 31st March, 2020 Rs. 21,646 Lakhs and for the quarter ended 31st March, 2020 Rs. 6,649).

\# Includes a non-cash charge of impairment of intangible assets and intangible assets under development of Rs. 6,557 Lakhs for the year ended 31st March, 2021 (for the year ended 31st March, 2020 Rs. 521 lacs, for the quarter ended 31st March, 2021 Rs. 6,349 Lakhs and for the quarter ended 31st March, 2020 Rs. 121 Lakhs).

$ Includes a provision for shortfall in expected recoverable value for assets held for sale/ loss on sale of assets of Rs. 4,610 Lakhs for the year ended 31st March, 2021 (for the quarter ended 31st March, 2021 Rs. 1,826 Lakhs and for the quarter ended 31st December, 2020 Rs. 1,433 Lakhs).

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Notes to the Statement of Consolidated Financial Results for the quarter and year ended 31st March, 2021.

1. Consolidated Statement of Assets and Liabilities as at 31st March, 2021.

Particulars		As at 31.03.2021 (Audited)	*(Rs. in Lakhs)* *As at 31.03.2020 (Audited)*
Assets			
1 Non-current assets			
a) Property, Plant and Equipment		35,695	*57,179*
b) Right-of-use assets		2,875	*4,354*
c) Capital work-in-progress		198	*115*
d) Investment Properties		2,349	*2,488*
e) Goodwill		30,460	*28,111*
f) Other Intangible assets		3,071	*10,587*
g) Intangible assets under development		161	*2,779*
h) **Financial Assets:**			
i) Investments	6,017		*8,647*
ii) Trade receivables	1,806		*2,362*
iii) Loans	2,227		*2,383*
iv) Other financial assets	1,077		*1,076*
		11,127	*14,468*
i) **Tax assets**			
i) Deferred tax assets (net)	3,391		*7,786*
ii) Income tax assets (net)	5,363		*7,449*
		8,754	*15,235*
j) Other non-current assets		3,841	*5,059*
Total Non-current assets		98,531	*1,40,375*
2 Current assets			
a) Inventories		47,131	*71,358*
b) **Financial Assets:**			
i) Investments	8,622		*3,703*
ii) Trade receivables	31,912		*40,702*
iii) Cash and cash equivalents	8,359		*3,453*
iv) Bank balances other than (iii) above	1,432		*3,002*
v) Loans	172		*1,157*
vi) Other financial assets	1,050		*1,365*
	51,547		*53,382*
c) Other current assets	7,041		*9,665*
		58,588	*63,047*
Assets classified as held for sale		38	*1*
Total Current assets		1,05,757	*1,34,406*
Total Assets		2,04,288	*2,74,781*
Equity and Liabilities			
Equity			
a) Equity share capital	1,290		*1,290*
b) Other equity	(15,392)		*(10,105)*
Equity attributable to owners of the Company		(14,102)	*(8,815)*
Non-controlling interests		6,443	*9,850*
Total Equity		(7,659)	*1,035*
Liabilities			
1 Non-current liabilities			
a) **Financial liabilities:**			
i) Borrowings	24,464		*34,383*
ii) Lease Liabilities	1,696		*2,613*
iii) Other financial liabilities	627		*4,263*
	26,787		*41,259*
b) Provisions	1,139		*1,282*
c) Deferred tax liabilities (net)	718		*352*
d) Other non-current liabilities	11,541		*12,593*
		40,185	*55,486*
Total Non-current liabilities		40,185	*55,486*
2 Current liabilities			
a) **Financial liabilities:**			
i) Borrowings	38,387		*44,489*
ii) Trade payables			
a) total outstanding dues of micro enterprises and small enterprises; and	5,782		*2,933*
b) total outstanding dues of creditors other than micro enterprises and small enterprises	28,949		*37,702*
iii) Lease Liabilities	1,362		*1,855*
iv) Other financial liabilities	34,824		*48,144*
	1,09,304		*1,35,123*
b) Provisions	3,780		*4,285*
c) Current tax liabilities (net)	1,162		*498*
d) Other current liabilities	57,516		*78,354*
		1,71,762	*2,18,260*
Total Current Liabilities		1,71,762	*2,18,260*
Total Liabilities		2,11,947	*2,73,746*
Total Equity and Liabilities		2,04,288	*2,74,781*

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2. Consolidated Statement of Cash flows for the year ended 31st March, 2021

(Rs. in Lakhs)

	Year Ended 31.03.2021 (Audited)		*Year Ended 31.03.2020 (Audited)*	
Cash flows from operating activities				
Loss before tax from continuing and discontinued operations		(3,647)		*(34,077)*
Adjustments for -				
Depreciation and amortisation expense	9,742		*9,916*	
Post acquisition share of (profit) of Joint Venture (using Equity Method)	(834)		*(632)*	
Interest income earned on financial assets that are not designated as at fair value through profit or loss				
i) Bank deposits	(120)		*(178)*	
ii) Interest income from financial assets and others at amortised cost	(27)		*(86)*	
Interest on Income Tax/ Wealth Tax refund	(328)		*(317)*	
Finance costs	8,684		*10,138*	
Dividend Income *	-		-	
(Gain) on disposal of property, plant and equipment	(1,657)		*(448)*	
(Gain) on disposal of Right of use assets	(18)		*(8)*	
(Gain) on disposal/ fair value of current investments	(220)		*(105)*	
(Gain) due to loss of control in subsidiaries	(3,113)		-	
Loss on write off of Property, plant and equipment due to deconsolidation of subsidiary	1,055		-	
Provision/ write offs (net) for trade receivables and advances	6,927		*3,279*	
Credit balances/ excess provision written back	(70)		*(156)*	
Net foreign exchange (gain)/ loss including effect of exchange difference on consolidation of foreign entities	1,852		*(1,411)*	
		21,873		*19,992*
Exceptional items:				
- Loss on impairment and disposal of shipping vessels	4,611		-	
- Expected out flow for disputed matters	-		*(698)*	
- Impairment of Goodwill	979		*21,646*	
- Provision for impairment of certain intangible assets and intangible assets under development - continuing operations	6,556		*521*	
- Provision for impairment of certain intangible assets and intangible assets under development - discontinued operations	789		-	
		12,935		*21,469*
		34,808		*41,461*
Operating profit before working capital changes		31,161		*7,384*
Changes in working capital:				
(Increase)/ decrease in trade and other receivables	3,434		*6,634*	
(Increase)/ decrease in inventories	25,043		*(11,705)*	
(Increase)/ decrease in other loans and advances	(1,526)		*383*	
(Increase)/ decrease in other financial assets	380		*3,150*	
(Increase)/ decrease in other assets	338		*2,772*	
Increase/ (decrease) in trade and other payables	(3,854)		*(253)*	
Increase/ (decrease) in other financial liabilities	396		*(1,047)*	
Increase/ (decrease) in provisions	(115)		*1,184*	
Increase/ (decrease) in other liabilities	(18,787)		*16,335*	
		5,309		*17,453*
Cash generated from operations		36,470		*24,837*
Income taxes (paid)/ refunds received (net)		122		*(1,896)*
(a) Net cash flow generated from operating activities		36,592		*22,941*
Cash flows from investing activities:				
Payments for property, plant and equipment (net of capital creditors and including capital advances, capital work-in-progress, investment properties and intangible assets)	(2,573)		*(9,370)*	
Proceeds from disposal of property, plant and equipment (including investment properties and intangible assets)	15,381		*971*	
Payments for acquisition of investment in subsidiaries	(2,124)		-	
Purchase of current investments	(20,927)		*(12,000)*	
Proceeds from sale of current investments	16,228		*8,404*	
Proceeds from sale of investments in others	11		-	
Inter-corporate deposits given	(2,000)		-	
Inter-corporate deposits received	2,000		-	
Bank balances not considered as cash and cash equivalents	1,570		*(2,568)*	
Interest received	140		*251*	
Dividend received *	-		-	
(b) Net cash flow generated from/(used in) investing activities		7,706		*(14,312)*

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(Rs. in Lakhs)

		Year Ended 31.03.2021 (Audited)		*Year Ended 31.03.2020 (Audited)*	
	Cash flows from financing activities:				
	Proceeds from long-term borrowings	5,913		*5,024*	
	Repayment of long-term borrowings	(28,032)		*(20,521)*	
	Proceeds from short-term borrowings	2,500		*16,600*	
	Repayment of short-term borrowings	(7,271)		*(6,540)*	
	Net increase/ (decrease) in Cash credit facilities, Buyers Credit, Overdraft facility, credit card facilities and Loans repayable on demand	(1,229)		*5,197*	
	Finance costs paid	(8,160)		*(9,184)*	
	Payment of Lease Liabilities	(1,892)		*(2,034)*	
	Expenses on Issue of Shares by subsidiary	-		*(15)*	
	Dividend paid on equity shares	(1)		*(628)*	
	Tax on dividend	-		*(133)*	
(c)	**Net cash flow (used) in financing activities**		(38,172)		*(12,234)*
(d)	**Net increase/ (decrease) in cash and cash equivalents (a + b + c)**		6,126		*(3,605)*
(e)	**Cash and cash equivalents as at the commencement of the period**		3,453		*7,056*
(f)	**Cash and cash equivalents on acquisition and disposal of subsidiaries (net)**		(1,196)		-
(g)	**Effects of exchange rate changes on cash and cash equivalents**		(24)		*2*
(h)	**Cash and cash equivalents as at the end of the period (d + e + f + g)**		8,359		*3,453*

Reconciliation of cash and cash equivalents as per the cash flow statements

Cash and cash equivalents as per above comprise of the following	As at 31.03.2021 (Audited)	*As at 31.03.2020 (Audited)*
Balances with Banks		
- In current accounts	5,701	*3,263*
- In EEFC accounts	142	*39*
- In Deposits accounts (with original maturity upto 3 months)	2,210	*41*
Cheques, drafts on hand	200	*56*
Cash on hand	106	*54*
Balances as per statement of cash flows	**8,359**	*3,453*

Notes:

1. The above Cash Flow Statement has been prepared under the "Indirect Method" setout in Indian Accounting Standard - 7 on Statement of Cash Flows.
2. Previous year figures have been regrouped/ reclassified, wherever necessary to conform to current year classification.
3. Other bank balances at the end of the year includes: (i) earmarked balances towards unpaid dividends Rs. 24 Lakhs *(Previous Year Rs. 26 Lakhs)* and (ii) margin money deposits Rs. 235 Lakhs *(Previous Year Rs. 159 Lakhs)* includes as security against license for import of goods under EPCG Scheme and hence are not available for immediate use by the Group.
4. The interest paid during the year excludes Rs. Nil *(Previous year Rs. 475 Lakhs)* in respect of interest costs capitalised for the property, plant and equipment and intangible assets in accordance with Ind AS 23 and interest expense on loans for real estate development activites amounting to Rs. 363 Lakhs *(Previous year Rs. 394 Lakhs)*.

* Amount is below rounding off norms of the Group.

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3. 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 year ended 31st March, 2021 are prepared as per the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which have been reviewed by the Audit Committee and thereafter approved at the meeting of the Board of Directors held on Friday 25th June, 2021. The results for the year ended 31st March, 2021 have been audited by the statutory auditors.

4. 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.

5. Exceptional items:

(Rs. in Lakhs)

		Quarter ended			Year ended	
		31.03.21	**31.12.20**	*31.03.20*	**31.03.21**	*31.03.20*
		(Refer Note 24)	**(Unaudited)**	*(Refer Note 24)*	**(Audited)**	*(Audited)*
(i)	Expected inflow/ (outflow) for disputed matter	-	-	-	-	*698*
(ii)	Impairment of Goodwill	-	-	*(6,649)*	**(979)**	*(21,646)*
(iii)	Provision for impairment of certain intangible assets and intangible assets under development	**(6,349)**	-	*(121)*	**(6,557)**	*(521)*
(iv)	Provision for shortfall in recoverable value of assets sold/ Loss on sale of assets	**(1,826)**	**(1,433)**	-	**(4,610)**	-
	TOTAL	**(8,175)**	**(1,433)**	*(6,770)*	**(12,146)**	*(21,469)*

(i) The Company had received Rs. 1,017 Lakhs in the year ended 31st March, 2016 from the Hon'ble Debt Recovery Tribunal, Mumbai, towards principal and interest for loan given to 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 Limited and accounted the balance as interest income during the year ended 31st March, 2016 on the belief that it was a remote future possibility that Rs. 1,017 Lakhs would become refundable upon the final outcome of this matter.

In July 2018, in a separate proceeding the Hon'ble High Court, Mumbai had directed the Company to refund the aforesaid amount of Rs. 1,017 Lakhs with interest. Consequently, the Company refunded Rs. 1,056 Lakhs [including interest calculated from the date of the order till the date of payment aggregating Rs. 39 Lakhs] and recorded this as an exceptional expense during the year ended 31st March, 2019. The Company was subsequently directed by the Hon'ble High Court to pay interest from the date the amount was received by the Company. The Company had separately filed its Affidavit of Claim for receipt Rs. 325 Lakhs along with interest at the bank rate with the Official Liquidator.

During the previous year, the Official Liquidator vide order dated 23rd December, 2019 adjudicated and admitted a claim of Rs. 744 Lakhs (comprising Rs. 325 Lakhs towards loan and Rs. 419 Lakhs as interest). Accordingly, the Company had recorded Rs. 698 Lakhs (i.e. Rs. 744 Lakhs recoverable based on adjudication order from the Official Liquidator, net of interest provided of Rs. 46 Lakhs) as exceptional income during the year ended 31st March, 2020.

(ii) In Eureka Forbes Limited ('EFL'), (a subsidiary), business projections could not be achieved due to various factors for one of the subsidiary group in Europe "Lux Group" as envisaged previously. Based on an assessment of the revised future projections (including impact of Covid-19 pandemic) carried out by EFL management after considering current economic conditions and trends, estimated future operating results and growth rates, an amount of Rs. 979 Lakhs for the year ended 31st March, 2021, Rs. 6,649 Lakhs and Rs. 21,646 Lakhs respectively for the quarter and year ended 31st March, 2020 has been impaired in the financial results as impairment loss on goodwill on consolidation and disclosed as an exceptional item.

(iii) In Forbes Technosys Limited ('FTL'), a subsidiary, based on FTL management's assessment about the current stage of development, expected time and cost required to complete and expected revenues from the projects, FTL has concluded that certain projects/ intangible assets were impaired. Impairment loss on the above projects aggregating Rs. 6,349 Lakhs and Rs. 6,557 Lakhs for the quarter and year ended 31st March, 2021 respectively, Rs. 121 Lakhs and Rs. 521 Lakhs for the quarter and year ended 31st March, 2020 respectively has been disclosed as an exceptional item in these financial results. Also Rs. 789 Lakhs of impairment loss for the quarter ended 31st December, 2020 pertaining to assets related to discontinued operations has been included as Loss from discontinued operations (refer Note 20 below).

(iv) During the year ended 31st March, 2021 Shapoorji Pallonji Forbes Shipping Limited ('SPFSL'), a subsidiary, sold three of its shipping vessels for an aggregate consideration of USD 18.13 million. The difference between the sales consideration (net of expenses) and net book value as on the date of sale of the respective vessels has been recorded as an exceptional loss (net of foreign exchange effects) aggregating Rs. 1,826 Lakhs and Rs. 4,610 Lakhs respectively for the quarter and year ended 31st March, 2021 and Rs. 1,433 Lakhs for the quarter ended 31st December, 2020.

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6. Standalone Information:

(Rs. in Lakhs)

Particulars	Quarter ended			Year ended	
	31.03.2021	31.12.2020	*31.03.2020*	31.03.2021	*31.03.2020*
Revenue from operations	**44,311**	**5,191**	*4,383*	**56,236**	*19,488*
Profit before tax	**5,538**	**(1,482)**	*(2,092)*	**911**	*(2,578)*
Profit after tax	**1,525**	**(1,482)**	*(1,845)*	**(3,102)**	*(2,455)*

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

7. Financial difficulties -

Forbes Lux International (FLIAG):

Forbes Lux International Ltd and its direct and indirect subsidiaries (Lux Group) faced financial difficulties as on 31 December 2020. Forbes Lux International Ltd and the Lux group's ability to continue as a going concern depends on the continuing financial support of its parent company, Eureka Forbes Limited located in India (EFL). The Board of Directors of Lux International AG are taking necessary steps to revive and stabilize the business of Lux Group. Further, their parent company, EFL, issued a financial support letter dated 27 January 2021, that they undertake financial support to the extend needed to keep Forbes Lux International Ltd and Lux Group adequately capitalized. In the event of continuing loss and financial needs, EFL will provide necessary liquid funds support or equity to continue its operations. This undertaking is valid until 31 March 2022.

Should EFL be unable to provide necessary liquid funds support or equity, this would constitute a material uncertainty that would cast significant doubt about Forbes Lux International AG's ability to continue as a going concern. If Forbes Lux International Ltd is not able to continue as a going concern, its financial statement must be prepared at liquidation values. The impact of such change in basis of accounting could be material and the necessary provisions would have to be followed by the Board of Directors.

Lux International Limited (Lux group):

Lux International Ltd. and its direct and indirect subsidiaries (Lux Group) faced financial difficulties as on December 31, 2020 that was even hit badly by the Covid-19 caused economical slow-down. The Board of Directors of Lux International AG are taking necessary steps to revive and further stabilize the business of Lux Group. Nevertheless, Lux group's ability to continue as a going concern still depends on the continuing financial support of its parent company, Eureka Forbes Limited.

Consequently, the parent company, EFL, issued a new Financial Support Letter with validity until 31 March 2022. EFL has proved in the past its unconditional support of Lux Group in terms of capital, financial and cash support and it will continue doing so. The letter explicitly covers the commitment of Eureka Forbes to honour the repayment liabilities both to Axis Bank (granted to Forbes Lux International AG, the 100% parent company of Lux International AG) and ICICI Bank.

Should EFL be unable to provide necessary liquid funds support or equity, this would constitute a material uncertainty that would cast significant doubt about Lux Group's ability to continue as a going concern. If Lux Group is not able to continue as a going concern, its financial statement must be prepared at liquidation values. The impact of such change in basis of accounting could be material and the necessary provisions would have to be followed by the Board of Directors.

8. Eureka Forbes Limited (EFL) and Lux group comprises of substantial portion of EFL group. The consolidated financial statements of Lux International AG ('Lux group') is prepared on a going concern assumption. The Board of Directors of Lux Group are taking necessary steps to revive and stabilize the business of Lux Group. Further, the EFL's Board of Directors have assessed and concluded that no material uncertainty exists that may cast significant doubt on EFL's ability to continue on a going concern basis.

The EFL group has continued to incur loss of Rs. 3,958 Lakhs during the year ended 31st March, 2021, as of that date, the EFL group's current liabilities exceeded its current assets by Rs. 49,036 Lakhs which include an amount of Rs. 36,207 Lakhs as advance of service contracts against which service obligation is outstanding but no material cash outflow is expected since amounts will be replenished by renewals of existing and new service contracts. After adjusting such advances for service contracts, the net current liabilities effectively would be Rs. 12,829 Lakhs. Also the EFL group has accumulated losses of Rs. 32,619 Lakhs as on March 31, 2021 and a total equity of Rs (6,133) Lakhs.

The financial statements for the year ended 31st March, 2021 have been prepared on a "Going Concern" basis in view of the fact that the EFL group has already initiated the process of taking such measures as cost reduction, revision in business strategy and reduction in cash outflow which will ultimately strengthen its financial position and also that the EFL Group expects continued increase in demand for its products as the health consciousness amongst people is increasing consequent to the Covid-19 pandemic.

EFL's operating cash flow has improved during the year ended 31st March, 2021 and also has undrawn fund based facilities to run its operations.

Further, Forbes & Company Limited ("Parent Company" of group) has, vide its letter dated 8th February, 2021, stated that they will periodically and in a timely manner subject to approval by its Board of Directors, make further investment or infuse funds in EFL as and when necessary to do so.

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9. FTL has incurred a net loss of Rs. 13,177 Lakhs during the current year and the its current liabilities exceeded its current assets by Rs. 13,941 Lakhs as at 31st March, 2021. FTL has accumulated losses of Rs. 27,463 Lakhs and its net worth has been fully eroded as at 31st March, 2021. These conditions indicate the existence of material uncertainty that may cast a significant doubt about FTL's ability to continue as a going concern. However, during the current year, Forbes Campbell Finance Limited, a subsidiary of the Company has infused additional capital of Rs. 1,000 Lakhs. Further the Company and Shapoorji Pallonji and Company Private Limited (the 'Ultimate Holding Company'), have provided loans aggregating Rs. 3,398 Lakhs in addition to existing loans to support FTL's cash flow and to meet its liabilities. FTL is confident of refinancing/ repayment of all liabilities, as and when due, from business operations and/ or financial support from the Company and Ultimate Holding Company.

   FTL suffered a major setback in current year and in also in the earlier years. Such a setback is temporary in nature and primarily arising out of lack of demand prevalent in all sectors of the economy. The traditional businesses on which FTL was dependent have reduced their consumption and this has directly affected the revenues. Due to Covid-19 pandemic prevalent for most of the part of the year there has been a large-scale contraction in demand resulting in significant downside of the operation. The operations of FTL were also impacted due to Covid-19 as its manufacturing units and offices had to be completely shut-down following nationwide lockdown and also several local lockdowns. FTL had assessed that the customers in Retail, banking, telecom, energy verticals were more prone to immediate impact due to disruption in supply chain and drop in demand. The Banking and financial service sector have reprioritized their discretionary spending in the immediate future and moved towards conservation of resources. FTL had resumed operations in a phased manner as per directives from the Government of India. FTL had evaluated impact of this pandemic on its business operations and financial position and based on its review of estimated global economic indicators and the present Indian economy's situation, the necessary impact has been considered on its financial results for the year ended 31st March, 2021. The impact of Covid-19 on the businesses will depend on future developments that cannot be reliably predicted since impact might be different from that estimated as at the date of approval of this financial result and FTL will closely monitor any material changes to future economic condition.

   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.

   FTL has made a detailed assessment of its liquidity position for the next one year and the recoverability and carrying values of its assets comprising property plant and equipment, intangible assets, trade receivable and inventory as at the balance sheet date, appropriate adjustment on the above have been duly made in the financial results for year ended 31st March, 2021.

   The Company and Ultimate Holding Company are rendering the necessary support as required to enable FTL to revive and reinvent itself. Accordingly, considering the aforesaid and management's assessment on the overall situation of FTL, expected operational improvements planned and ongoing financial support, the financial results of FTL have been prepared on a going concern basis.

10. During the year, owing to the financial difficulties arising from operational losses, FTL had made an application to its bankers/ debenture holders for invoking One Time Restructuring (OTR) under the 'Resolution Framework for COVID-19 related Stress' as prescribed by the Reserve Bank of India (RBI) vide its notification dated 6th August, 2020 for outstanding term loans, cash credit and other non-funds based facilities.

    Consequently, the debentures of Rs. 3,500 Lakhs, due for redemption on 18th October, 2020, were not redeemed by FTL and the same were part of the OTR process mentioned above.

    The aforesaid restructuring process was implemented during the month of March and May 2021 with respective lenders and as a result, the repayment of term loans and debentures were deferred to begin from 30th June, 2021 and are payable in 6 equal quarterly instalments. Limits of certain cash credit facilities were reduced, and new working capital facilities were granted.

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

    The Company had applied the modified retrospective approach as on 1st April 2018 and recorded a transitional 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 1st April, 2018.

    Considering the terms of the contract, receipt of Occupancy Certificate for Phase I of the real estate development project, issuance of possession letters and transfer of control of the real estate units to the customers, the Company has recognised revenue of Rs. 38,653 Lakhs for the quarter and year ended 31st March, 2021.

12. 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.

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The Group has evaluated the impact of this pandemic (considering the current situation and likely future developments along with the expected impact of the second wave in the country) on the 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 31st March, 2021. 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.

13. Certain subsidiaries in the Group have chosen to exercise the option of the lower tax rate of 25.17% (inclusive of surcharge and cess) under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation laws (Amendment) Ordinance 2019.

14. During the current year,
    i. Lux Italia srl, Italy, a subsidiary of EFL's subsidiary, ceased to be a subsidiary on 1st January, 2021
    ii. Lux Deutschland GmBH, Germany, a subsidiary of EFL's subsidiary, ceased to be a subsidiary from 8th May, 2020. Liquidation of this entity is in progress and the entity is under control of the insolvency administrator. Management has given effect of 'loss of control' for the entity in the consolidated financial results.
    iii. Lux Norge A/S a subsidiary of EFL's subsidiary, ceased to be a subsidiary from 1st January 2021.
    iv. Forbes Aquatech Limited (erstwhile joint venture of EFL), has become subsidiary of EFL w.e.f. 28th August, 2020.
    v. Infinite Water Solutions Private Limited (erstwhile joint venture of EFL), has become a subsidiary w.e.f. 31st March, 2021.

15. During the previous year,
    i. Lux Welity Polska SP z oo, a subsidiary of EFL's subsidiary, incorporated with effect from 29th July, 2019.

16. The Board of Directors of the Company at their Board Meeting held on 8th September, 2020 have, inter alia, approved the Composite Scheme of Arrangement ("Scheme") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder.

    The Scheme, inter alia, provides for amalgamation and vesting of Aquaignis Technologies Private Limited ("ATPL") and Euro Forbes Financial Services Limited ("EFFSL") [presently wholly owned subsidiaries of Eureka Forbes Limited ("EFL")] with and into EFL and amalgamation and vesting of EFL with and into the Company.

    Further, upon the above part of the Scheme becoming effective, Demerger and vesting of Demerged Undertaking (as defined in the Scheme) of the Company into Forbes Enviro Solutions Limited (presently wholly owned subsidiary of EFL) ("FESL"), on a going concern basis would take place. Upon, the entire scheme becoming effective, the name of FESL shall be changed to Eureka Forbes Limited.

    The Scheme as aforesaid is subject to necessary approvals by the Stock Exchanges, Securities and Exchange Board of India, shareholders and creditors of the companies, as may be applicable, Jurisdictional Bench of National Company Law Tribunal ("NCLT") and such other statutory and regulatory approvals as may be required. The Company has received the approval of BSE and the matter is now with NCLT.

17. The Board of Directors of the Holding Company, in their meeting held on 22nd December, 2020, approved entering into a Memorandum of Understanding ("MOU") for sale of approximately 3.804 acres of land at Chandivali (net book value as on 31st March, 2021 aggregating Rs. 38 Lakhs reflected as 'Asset held for Sale') for a consideration of Rs. 20,000 Lakhs ("Proposed Transaction").

    The parties were required to execute the agreement for sale on or before 15th May, 2021. The Company has entered into Agreement for Sale (AFS) subsequent to the year end. The completion of the transaction subject to fulfilment of various conditions precedent as stated in the AFS is expected to be completed in during the year ending 31st March, 2022.

18. The Indian Parliament has approved the Code on Social Security, 2020 ('the Social Security Code') which, inter alia, deals with employee benefits during the 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 rules for quantifying the financial impact are also yet to be issued. In view of this, impact of the change, if any, will be assessed and recognized in the period in which the Social Security Code becomes effective.

19. One of the subsidiaries, FTL, has appointed a new Chief Financial Officer ('CFO') from 15th January, 2021 to fill up the vacancy caused in the position of the CFO due to untimely demise of its erstwhile CFO in the month of July, 2020. Further FTL, has appointed Mr. Rohit Jaykar as the managing director of the Company with effect from 16th March, 2021. The appointment and remuneration of the new Managing Director is subject to approval from shareholders in the ensuing general meeting of FTL.

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FORBES & COMPANY LIMITED MUMBAI

20. During the year, FTL decided to discontinue certain operations relating to online utility recharges and money transfer service forming part of ForbesExpress. Accordingly, FTL has presented the profit/(loss) in respect of these discontinued operations separately in the statement of profit and loss as a single amount and also re-presented the disclosures for previous periods that relate to the discontinued operations.

The summary of results of the aforesaid discontinued operations, as included under the statement of profit and loss, is as follows:

Particular	Quarter ended			Year ended	
	31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
Revenue	-	97	775	873	2,379
Expenses	(2)	(125)	(903)	(945)	(2,703)
(Loss) before tax and Exceptional items from discontinued operations	**(2)**	**(28)**	**(128)**	**(72)**	**(324)**
Exceptional Items [Refer Note 5(iii)]	-	(789)	-	(789)	-
(Loss) before tax from discontinued operations	**(2)**	**(817)**	**(128)**	**(861)**	**(324)**
Tax expense	-	-	-	-	-
(Loss) after tax from discontinued operations	**(2)**	**(817)**	**(128)**	**(861)**	**(324)**
Net Cash flows from discontinued operations					
Operating Activities				**(11)**	**(171)**
Investing Activities				-	-
Financing Activities				-	-

21. During the financial year 2019-20, irregularities in certain business transactions were detected by the one of the subsidiaries, FTL, for which FTL appointed an independent agency to conduct review of it's business transactions. The said agency identified fraudulent transactions over the past few years, amounting to approx. Rs. 569 lakhs involving the erstwhile Chief Financial Officer, other employees and certain third party vendors. FTL has initiated proceedings against these employees including filing of FIR. Post filing of the FIR Covid-19 pandemic situation was prevalent and thus proceeding remain pending and the same will be taken up once the present pandemic situation stabilizes.

22. Due to inability of EFL to infuse funds in a foreign subsidiary under the Automatic route of FEMA, the subsidiaries could not repay their borrowings including interest thereon that were due during the current year on the due date. EFL had made an application to Reserve Bank of India (RBI) vide application dated 18th November, 2020 for remittance of additional funds to the subsidiary under approval route as per provisions of FEMA, to enable the subsidiary companies to prepay the entire outstanding loan and interest. The amount of principal and interest due thereon during the year were subsequently paid before 31st March, 2021 by way of encashment of corporate bank guarantee given by EFL.

The Application was approved by RBI vide its letter dated 10th March, 2021 granting permission for one-time remittance by EFL to a foreign subsidiary for repayment of outstanding amount of loan and interest. Consequent to such permission, EFL group has decided to prepay the remaining outstanding term loan and the same has been considered under Current maturities of Long term Borrowings.

23. One of the subsidiaries, SPFSL, during the current year, had made an application for invocation of One Time Restructuring ('OTR') of ECB I borrowings of USD 35,250,000 availed from Axis Bank Limited under the Resolution framework for COVID-19-related stress, pursuant to Notification(s) nos. RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 6th August, 2020 and RBI/2020-21/34 DOR.No.BP.BC/13/21.04.048/2020-21 dated 7th September, 2020 issued by RBI. The OTR application was approved by Axis Bank Limited with the extension period for repayment of ECB-I loan up to 30th September, 2022 in tranches (Original due date 2nd July, 2020). However, SPFSL sold its three vessels during the year ended 31st March, 2021 and the sale proceeds were utilised for full repayment of the ECB-I loan outstanding.

24. The figures of the quarter ended 31st March, 2021 and 31st March, 2020 are balancing figures between the audited figures in respect of the full financial year ended on 31st March, 2021 and 31st March, 2020 as reported in these financial results and the unaudited published year to date figures up to third quarter ended on 31st December, 2020 and 31st December, 2019 respectively, which were subjected to Limited Review by the Statutory Auditors.

25. Considering the impact of Covid-19, the results for the quarter and year ended 31st March, 2021 are not comparable with those for the previous periods.

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26. 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)
Managing Director
DIN: 01423084

Mumbai,
25th June, 2021

Price Waterhouse Chartered Accountants LLP

Independent Auditors' Report

To the Members of Forbes & Company Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements 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"), its associates and joint ventures (refer Note 2.2 to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2021, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Cash Flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at March 31, 2021, of consolidated total comprehensive loss (comprising of loss and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates and joint ventures in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 23 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

4. The following paragraph in respect of "material uncertainty related to going concern" was included in the audit report dated June 21, 2021, containing an unmodified audit opinion on the financial statements of Forbes Technosys Limited, a subsidiary of the Holding Company issued by an independent firm of Chartered Accountants reproduced as under:

   "We draw attention to Note 34 of the financial statements which indicates that the Company has incurred a net loss during the current year and the Company's current liabilities exceeded its current assets as at March 31, 2021. The Company has accumulated losses and its net worth has been fully eroded as at March 31, 2021.

We also draw attention to Note 12 of the financial statements which provides information on the One Time Restructuring (OTR) under the 'Resolution Framework for COVID-19 related Stress' as prescribed by the Reserve Bank of India (RBI) vide its notification dated August 06, 2020 for outstanding term loans, cash credit, debentures and other non-funded facilities, which resulted into modifications in the terms and limits of various working capital facilities and rescheduling of principal repayments of term loans and deferred redemption of debentures.

The aforesaid conditions and financial stress indicate the existence of a material uncertainty that may cast a 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 34.

Our opinion is not modified in respect of this matter."

Notes 34 and 12 as described above are reproduced as Notes 68 and 59 respectively to the Consolidated Financial Statements for the year ended March 31, 2021.

5. The following paragraph in respect of "material uncertainty related to going concern" was included in the audit report dated June 18, 2021, containing an unmodified audit opinion on the consolidated financial statements of Eureka Forbes Limited, a subsidiary of the Holding Company issued by an independent firm of Chartered Accountants reproduced as under:

"Material uncertainty related to Going Concern in respect of subsidiaries

The auditor's report on the standalone financial statements of Forbes Lux International AG ("FLIAG") and consolidated financial statements of Lux International Limited ('Lux International group'), subsidiary group of the Parent, contains an emphasis of matter paragraph by the component auditor, stating as under, which in the context of Generally Accepted Auditing Standards in India relates to a material uncertainty related to Going Concern:

We draw attention to Note 33-t in the financial statements describing the liquidity difficulties of FLIAG and Lux group during the financial year ended December 31, 2020. This fact together with the other matters described in note 33-t indicate the existence of a material uncertainty that may cast significant doubt about FLIAG and Lux group's ability to continues as a going concern.

Our opinion is not modified in respect of this matter."

Note 33-t as described above is reproduced as Note 70 to the Consolidated Financial Statements for the year ended March 31, 2021.

Emphasis of Matters

6. We draw your attention to Note 51 to the standalone financial statements which describes the management's assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Holding Company. The Holding Company believes that no additional adjustments are required in the financial statements, however, in view of various preventive measures taken (such as lock-downs and travel restrictions) and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

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7. The following emphasis of matter was included in the audit report dated June 21, 2021, containing an unmodified audit opinion on the financial statements of Forbes Bumi Armada Limited, a joint venture of the Holding Company reproduced as under:

   "We draw your attention to Note 33 to the financial statements, which describes the management's assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Company. The management believes that no adjustments are required in the financial statements as it does not impact the current financial year, however, in view of the various preventive measures taken (such as complete lock-down restrictions by the Government of India, travel restrictions etc.) and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve.

   Our opinion is not modified in respect of this matter. "

   Note 33 as described above is reproduced as Note 77 to the Consolidated Financial Statements for the year ended March 31, 2021.

8. The following emphasis of matters included in the audit report dated June 18, 2021, containing an unmodified audit opinion on the consolidated financial statements of Eureka Forbes Limited, a subsidiary of the Holding Company issued by an independent firm of Chartered Accountants reproduced as under:

   "

   i. We draw attention to note 33-s in the consolidated financial statements, which describes the continuing impact and resultant uncertainties of COVID-19 pandemic on the Group's financial statements and the assessment made by Management, of the recoverability of certain assets of the Group. Attention is also invited to note 33-u which describes the basis of the assessment made by the Management of the Parent Company that no material uncertainty exists and that the going concern assumption is appropriate in the preparation of these financial statements.

   ii. We draw attention to note 33-p in the Consolidated Financial Statements, which describes that, the Board of Directors of the Company at their Board Meeting held on September 08, 2020, have inter alia, approved the Composite Scheme of Arrangement ("the scheme") under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules and regulations made thereunder which inter alia, provides for amalgamation and vesting of the Company with and into the Parent Company on a going concern basis.

   As stated in the said note 33-p, the appointed date of the above scheme is April, 01, 2020 and the same shall be effective post receipt of required approvals.

   Our opinion is not modified in respect of these matters."

   Notes 33-s, 33-u and 33-p as described above is reproduced as Notes 78, 71 and 84 to the Consolidated Financial Statements for the year ended March 31, 2021.

Key Audit Matters

9. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

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Key audit matter	How our audit addressed the key audit matter
(a) Revenue recognition for Real Estate Development Activities (Refer Notes 28 and 63 to the consolidated financial statements) Consequent to the implementation of Ind-AS 115, effective April 1, 2018, there has been change in the Holding Company's policy for revenue recognition in respect of its real estate development projects. The determination of the period over which revenue from real estate development activities should be recognized, the timing of transfer of control to the customer; and determination of whether the Holding Company has an enforceable right to payment as per requirements of Ind-AS 115 involves significant judgement by the Management. Revenue recognition for real estate development activities is considered as a key audit matter considering significance of amounts involved along with related disclosures and involvement of management judgement in establishing the timing of transfer of control to the customer and enforceable right to payment for performance completed to date.	Our audit procedures included obtaining a listing of contracts with customers from the Management, and carrying out a combination of testing of internal financial controls with reference to financial statements for revenue recognition over real estate projects and test of details on a sample of transactions, which included: • Obtaining an understanding of the Holding Company's accounting policy on revenue recognition for real estate development activities and assessing compliance of the policy with principles enunciated under Ind-AS 115. • Obtaining an understanding of the process and testing key controls followed by the management over revenue recognition for real estate development projects; • Evaluating existence and completeness of the list of contracts with customers, and examining the mathematical accuracy thereof; • Examining the terms of sales agreements, agreement value and other relevant details to validate revenue recognition during the year. • Examining possession letters issued to customers for certain sample transactions. • Obtaining evidence regarding the transfer of control considering criteria as per Ind-AS 115 and evaluating enforceability of payment for work completed to date for validating the timing of transfer of control to the customer; and • Testing the accuracy and completeness of disclosures in the consolidated financial statements. Based on the above audit procedures performed, we did not come across any significant exceptions with regard to revenue recognition in respect of real estate development activities.

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Key audit matter	How our audit addressed the key audit matter
(b) Assessment of Provisions and Contingent Liabilities (Refer to Notes 22A and 41 to the consolidated financial statements) As at March 31, 2021, in respect of certain direct and indirect tax matters and other litigations, the Holding Company has recognised provisions aggregating Rs. 311.50 Lakhs and disclosed contingent liabilities aggregating Rs. 15,191.60 Lakhs. The Holding Company undergoes assessment proceedings and related litigations with direct and indirect tax authorities and with certain other parties. There is a high level of management judgement required in estimating the probable outflow of economic resources and the level of provisioning and/or the disclosures required. The judgement of the management is supported by advice from independent tax and legal consultants, as considered necessary by the management. Any unexpected adverse outcomes could significantly impact the Holding Company's reported profit and financial position. We considered the above area as the key audit matter due to associated uncertainty of the ultimate outcome and significant management judgement involved.	Our audit procedures included the following: • Understanding and evaluating the process and controls designed and implemented by the management including testing the operating effectiveness of the relevant controls; • Obtaining the details of the related matters, inspecting the supporting evidences and assessing management's evaluation through discussions with management on both the likelihood of outcome and the magnitude of potential outflow of economic resources; • Understanding the current status of the direct and indirect tax assessments/ litigations; • Reading recent orders and/ or communication received from the tax authorities and with certain other parties and management responses to such communication; • Where relevant, reading the most recent available independent tax / legal advice obtained by management and evaluating the grounds presented therein; • Evaluating independence, objectivity and competence of the management's tax / legal consultants; • Obtaining direct written confirmations from the Holding Company's legal/ tax consultants (internal/ external) to confirm the status of the assessments as well as had direct discussion with them as and when required. • Together with the auditor's tax experts, assessed the likelihood of the potential financial exposures. • Assessing the adequacy of disclosure in the consolidated financial statements. Based on the above procedures we did not identify any material exceptions relating to management's assessment of provisions and contingent liabilities.

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10. The following Key Audit Matters were included in the audit report dated June 21, 2021, containing an unmodified audit opinion on the financial statements of Forbes Technosys Limited, a subsidiary of the Holding Company issued by an independent firm of Chartered Accountants reproduced as under:

a) "Impairment assessment of internally developed intangible assets (including assets under development)

Description of Key Audit Matter:

As on March 31, 2021, the carrying amounts of internally developed intangible assets recognised and intangible assets under development were Rs. 1,463.00 lakhs and Rs. 161.69 lakhs respectively, which together represent 19.29% of the total assets of the Company. The Company has recognised impairment expenses of Rs. 7,345.84 lakhs for the year ended March 31, 2021.

Impairment assessment of intangible assets requires the Company to assess the probability of expected future economic benefits using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset.

The Company uses judgement to assess the degree of certainty attached to the flow of future economic benefits that are attributable to the use of the asset on the basis of the evidence available at the time of impairment assessment, giving greater weight to external evidence. In the assessment of the impairment loss, the Company has taken into account estimates of possible effect from the pandemic relating to COVID -19.

Refer Note 2.7, Note 2.8, Note 4 of the financial statements for accounting policies and carrying amounts of the said assets and impairment provision.

Our response:

- We held discussions with Company's technical team overseeing the development process to understand the feasibility of the assets under development and other resources currently available as well as resources required to complete the assets.
- We assessed the methodology used in assessment of impairment by the Company.
- We assessed the reliability of management's forecast of future cash flows through a review of actual performance against previous forecasts.
- We reviewed the impairment testing carried out by the Company while verifying the carrying amount of the intangible assets and intangible assets under development.

b) Allowance for expected credit loss on trade receivables

Description of Key Audit Matter:

As on March 31, 2021, the carrying amount of trade receivable was Rs. 4,022.95 lakhs (net of provision for expected credit loss of Rs. 1,749.36 lakhs) which represent 47.78 % of the total assets of the Company.

The Company exercises significant judgment in calculating the expected credit losses on trade receivables. The Company determines the allowance for credit losses as per provision matrix based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considers current and anticipated future economic conditions relating to industries the Company deals with. In calculating expected credit loss, the Company has also considered relevant credit

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information of its customers (to the extent the Company has access to such information) to estimate the probability of default in future and age-wise analysis of outstanding amounts.

In calculating expected credit loss, the Company has taken into account estimates of possible effect from the pandemic relating to COVID -19.

Refer Note 8 of the financial statements for information on trade receivables and provision for expected credit losses.

Our response:

- We tested the effectiveness of controls over the development of the provision matrix for the allowance for credit losses, including consideration of the current and estimated future economic conditions.

- We verified the completeness and accuracy of information used while calculating the provision for expected credit loss and ageing of the receivables.

- We analysed the profile of the customers and credit information, to the extent available in respect of certain customers on a sample basis.

- We analysed the reasonability of the provision matrix and tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company."

Notes 2.7, 2.8 and 4 as described above are included in Notes 2.10, 2.11, 2.12 and 9 to the Consolidated Financial Statements for the year ended March 31, 2021.

Note 8 as described above is included in Note 11 to the Consolidated Financial Statements for the year ended March 31, 2021.

11. An unmodified audit opinion dated June 18, 2021 on the consolidated financial statements of Eureka Forbes Limited, a subsidiary of the Holding Company was issued by an independent firm of Chartered Accountants and the following key audit matter and related audit procedures communicated to us on June 22, 2021 by the auditors of Eureka Forbes Limited, are reproduced as under:

"

Key audit matter	How the scope of our audit responded to the Key Audit Matter
Carrying value of Lux goodwill Refer to Note 4 'Goodwill on Consolidation' Included in the Group's Consolidated Balance Sheet as at 31 March 2021 is goodwill relating to the Lux business of INR 304.60 crores. Management has assessed the recoverable amount of the goodwill relating to the Lux business utilising discounted cash flow model which incorporate significant judgement in respect of assumptions such as discount rates and future projections, as well as economic	As principal auditors, we had issued written communication to the auditor of the overseas component ('Other Auditors') for audit procedures to be performed. In accordance with such communication, the procedures performed by the Other Auditors, as reported by them, have been provided below: • Tested the reasonableness of the key business projections and valuation assumptions employed in determining the fair value of the Lux group, including testing appropriateness of comparable companies, discount rate, revenue growth rate, EBITDA growth rate, terminal growth rate used in computing the fair value of the segment.

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Key audit matter	How the scope of our audit responded to the Key Audit Matter
assumptions such as growth rates. We focused on this area as a key audit matter due to the judgement involved in forecasting future cash flows and the selection of assumptions.	• Performed retrospective review of projections by comparison with historical performance, inquiries with management and forecast trends in the industry. • Considered sensitivity to reasonable possibility of changes in the key assumptions and inputs to ascertain whether these possible changes have a material effect on the fair value • Assessed the appropriateness of the disclosures in the financial information for inclusion in the consolidated financial statements of the Company, in accordance with the applicable financial reporting framework. Additionally, we performed audit oversight procedures over the work performed by the Other Auditors in particular : a) Reviewed a written summary of the audit procedures performed by the Other Auditors. b) Evaluated the design and tested operating effectiveness of internal controls relating to the oversight activities of the Parent Company's Management, over the impairment assessment performed by the component management. c) Discussed with the Other Auditors and the Management of the overseas component to understand the reasonableness of the business projections and other inputs used in computing the fair value of the Lux group. d) Involved our internal experts to evaluate reasonableness of the valuation assumptions. e) Considered the sensitivity analysis to reasonable possibility of changes in the key assumptions and inputs to ascertain whether these possible changes have a material effect on the fair value.

"

Note 4 as described above is included in Note 8 to the Consolidated Financial Statements for the year ended March 31, 2021.

Other Information

12. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the board report and corporate governance report, but does not include the consolidated financial statements and our auditor's report thereon.

13. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

14. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer paragraph 23 below), we conclude that there is a material misstatement of this other information, we are required to report that fact.

    We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

15. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

16. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

17. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

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Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

18. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

19. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

    - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and jointly controlled entities to cease to continue as a going concern.

    - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

    - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction

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supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

20. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

21. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

22. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

23. We did not audit the financial statements of 29 subsidiaries (26 subsidiaries as at March 31, 2021) whose financial statements (before eliminating intercompany transactions) reflect total assets of Rs. 199,820.43 Lacs and net assets of Rs. (-) 32,613.16 Lacs as at March 31, 2021, total revenue of Rs. 257,883.93 Lacs, total comprehensive loss (comprising of loss and other comprehensive income) of Rs (-) 34,238.86 Lacs and net cash flows amounting to Rs 2,237.58 Lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of total comprehensive income (comprising of profit and other comprehensive income) of Rs. 111.37 Lacs and Rs. 640.91 Lacs for the year ended March 31, 2021 as considered in the consolidated financial statements, in respect of 3 associate companies and 4 joint ventures (2 joint ventures as at March 31, 2021) respectively, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associate companies and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
Chartered Accountants
FRN 012754N/N500016
Mumbai

Report on Other Legal and Regulatory Requirements

24. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.

(e) The following matter was included in the audit report dated June 21, 2021 issued on the financial statements of Forbes Technosys Limited, a subsidiary of the Holding Company issued by an independent firm of Chartered Accountants reproduced as under:
"The matter described in the 'Material Uncertainty Related to Going Concern' section above, in our opinion, may have an adverse effect on the functioning of the Company."

(f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint ventures incorporated in India, none of the directors of the Group companies, its associate companies and joint ventures incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

(g) With respect to the adequacy of internal financial controls with reference to financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group, its associates and joint ventures – Refer Note 22 and 41 to the consolidated financial statements.

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as at March 31, 2021 – Refer Note 21B to the consolidated financial statements in respect of such items as it relates to the Group, its associates and joint ventures.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
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Mumbai

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and joint ventures incorporated in India.

iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Group for the year ended March 31, 2021.

25. The Group, its associates and joint ventures has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

The following matter was included in the audit report dated June 21, 2021 issued on the financial statements of Forbes Technosys Limited, a subsidiary of the Holding Company issued by an independent firm of Chartered Accountants reproduced as under:

"In our opinion and to the best of our knowledge and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act. The appointment and remuneration of the new managing director with effect from March 16, 2021, however, is subject to approval from shareholders in the ensuing general meeting of the Company."

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

Sarah George.

Sarah George
Partner
Membership Number: 045255
UDIN: 21045255AAAAJK4084

Place: Mumbai
Date: June 25, 2021