



# FORBES & COMPANY LIMITED

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Secretary,  
Bombay Stock Exchange Ltd.  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 400 001.

Date: 30th October, 2009

**BOMBAY STOCK EXCHANGE LTD.**  
**INWARD SECTION**

Dear Sirs,

30 OCT 2009

Compliance with the requirements of Clause 41 of the Listing Agreement -  
Unaudited Financial Results for the half year ended 30th September, 2009

We set out the unaudited financial results for the half year ended 30th September, 2009.

**CONTENTS NOT VERIFIED**  
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(Rs. in Lakhs)

Particulars	3 months ended 30.09.2009 (Unaudited)	Corresponding 3 months ended previous year 30.09.2008 (Unaudited)	Year to Date figures for current period ended 30.09.2009 (Unaudited)	Year to Date figures for previous period ended 30.09.2008 (Unaudited)	Previous accounting Year ended 31.03.2009 (Audited)
1 Net Sales / Income from Operations	3,543	5,079	6,587	9,919	18,715
2 Other Operating Income	183	465	390	865	1,320
3 Total (1+2)	3,726	5,544	6,977	10,784	20,035
4 Total Expenditure					
a) (Increase)/Decrease in Stock in trade and Work in Progress	69	(234)	179	(494)	990
b) Consumption of Raw Materials	591	1,133	1,157	1,724	3,095
c) Purchase of Traded Goods	172	1,043	445	2,197	3,709
d) Employees Cost	947	979	1,882	1,975	4,153
e) Depreciation	392	292	676	568	1,190
f) Other Expenditure	1,895	2,335	3,444	4,492	9,806
Sub Total	4,066	5,548	7,783	10,462	22,943
5 Profit/(Loss) from Operations before Other Income, Interest and Exceptional Items (3-4)	(340)	(4)	(806)	322	(2,908)
6 Other Income (See Note 2)	35	580	1,381	655	1,102
7 Profit/(Loss) before Interest and Exceptional Items (5+6)	(305)	576	575	977	(1,806)
8 Interest (Net) (See Note 4) excluding Exceptional items	331	342	778	580	1,412
9 Profit/(Loss) after Interest but before Exceptional Items (7-8)	(636)	234	(203)	397	(3,218)
10 Exceptional Items	(1,004)	(293)	(1,170)	(393)	(1,429)
11 Profit/(Loss) from Ordinary Activities before Tax (9+10)	(1,640)	(59)	(1,373)	4	(4,647)
12 Tax Expense					
Income-tax-Current	-	(5)	-	-	12
Income-tax adjustment in respect of earlier years (See Note 7)	191	-	191	-	-
Deferred Tax Adjustments	-	20	-	45	(6)
Fringe Benefit tax	(16)	22	-	42	81
Wealth tax	4	1	8	5	15
Sub Total	179	38	199	92	102
13 Net Profit/(Loss) from Ordinary Activities after tax (11-12)	(1,819)	(97)	(1,572)	(88)	(4,749)
14 Extraordinary Items (net of tax expense)	-	-	-	-	-
15 Net Profit/(Loss) for the period (13-14)	(1,819)	(97)	(1,572)	(88)	(4,749)
16 Paid up Equity Share Capital (Face Value of Rs.10 each)	1,290	1,290	1,290	1,290	1,290
17 Reserves excluding Revaluation Reserve					13,006
18 Basic and diluted Earning per Share (Quarter and Year to Date figures not annualised)	Rs.(14.10)	Rs.(0.75)	Rs.(12.19)	Rs.(0.69)	Rs.(36.82)
19 Aggregate of Public Shareholding					
No. of Shares	3436925	N.A	3436925	N.A	3436925
Percentage	26.64%	N.A	26.64%	N.A	26.64%
20 Promoters and Promoter Group shareholding					
a) Pledged / Encumbered					
- Number of shares	47400	N.A	47400	N.A	47400
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.50%	N.A	0.50%	N.A	0.50%
- Percentage of shares (as a % of the total share capital of the company)	0.37%	N.A	0.37%	N.A	0.37%
b) Non - encumbered					
- Number of shares	9414291	N.A	9414291	N.A	9414291
- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	99.50%	N.A	99.50%	N.A	99.50%
- Percentage of shares (as a % of the total share capital of the company)	72.99%	N.A	72.99%	N.A	72.99%

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**Quarterly Reporting of Segmentwise Revenue, Results and Capital Employed under clause 41 of the Listing Agreement**

(Rs. in Lakhs)

	3 months ended 30.09.2009 (Unaudited)	Corresponding 3 months ended previous year 30.09.2008 (Unaudited)	Year to Date figures for current period ended 30.09.2009 (Unaudited)	Year to Date figures for previous period ended 30.09.2008 (Unaudited)	Previous accounting Year ended 31.03.2009 (Audited)
<b>1 Segment Revenue: (net sales / income from each segment)</b>					
(a) Engineering	2,230	2,522	4,003	4,906	8,790
(b) Business Automation	557	1,249	958	2,381	4,684
(c) Motors	73	299	171	555	546
(d) Logistics Services	720	1,263	1,438	2,491	5,070
(e) Personal Wear	19	6	167	93	126
(f) Others	155	241	292	413	937
<b>Total</b>	<b>3,754</b>	<b>5,580</b>	<b>7,029</b>	<b>10,839</b>	<b>20,153</b>
Less: Inter Segment Revenue	28	36	52	55	118
	<b>3,726</b>	<b>5,544</b>	<b>6,977</b>	<b>10,784</b>	<b>20,035</b>
<b>2 Segment Results (Profit/(Loss) before Tax and Interest from each Segment (including exceptional items related to segments))</b>					
(a) Engineering	284	337	305	758	757
(b) Business Automation	88	(163)	52	(103)	(396)
(c) Motors	(907)	(140)	(985)	(76)	(666)
(d) Logistics Services	(674)	181	(704)	396	464
(e) Personal Wear	(109)	(298)	(157)	(435)	(2,321)
(f) Others	49	127	92	114	465
<b>Total</b>	<b>(1,269)</b>	<b>44</b>	<b>(1,397)</b>	<b>654</b>	<b>(1,697)</b>
Less: Exceptional Items other than related to segments	464	(116)	359	(216)	(1,193)
	<b>(805)</b>	<b>(72)</b>	<b>(1,038)</b>	<b>438</b>	<b>(2,890)</b>
Less: Interest (Net) excluding Exceptional Items	331	342	778	580	1,412
<b>Balance</b>	<b>(1,136)</b>	<b>(414)</b>	<b>(1,816)</b>	<b>(142)</b>	<b>(4,302)</b>
Add/(Less): Unallocated Income (net of Unallocated Expenditure)	(504)	355	443	146	(345)
<b>Profit/(Loss) before Tax</b>	<b>(1,640)</b>	<b>(59)</b>	<b>(1,373)</b>	<b>4</b>	<b>(4,647)</b>
<b>3 Capital Employed (Segment assets Less Segment Liabilities)</b>					
(a) Engineering	6,209	7,893	6,209	7,893	7,271
(b) Business Automation	615	1,275	615	1,275	193
(c) Motors	51	979	51	979	612
(d) Logistics Services	4,324	4,944	4,324	4,944	5,164
(e) Personal Wear	(31)	1,648	(31)	1,648	138
(f) Others	(2,297)	(2,630)	(2,297)	(2,630)	(2,506)
	<b>8,871</b>	<b>14,109</b>	<b>8,871</b>	<b>14,109</b>	<b>10,872</b>
Other Unallocables	3,853	5,250	3,853	5,250	3,301
<b>Total Capital Employed</b>	<b>12,724</b>	<b>19,359</b>	<b>12,724</b>	<b>19,359</b>	<b>14,173</b>

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**NOTES:**

1. Previous period's / year's figures have been regrouped / recast wherever necessary.
2. Other Income includes:

*(Rs. in Lakhs)*

	<b>Three months ended 30.09.09</b>	<b>Three months ended 30.09.08</b>	<b>Year to Date current period 30.09.09</b>	<b>Year to Date previous period 30.09.08</b>	<b>Previous accounting Year ended 31.03.09</b>
Profit on sale of Investments / Property / Other Assets	11	-	17	1	52
Dividend	-	516	1278	527	764

3. Exceptional items:

*(Rs. in Lakhs)*

	<b>Three months ended 30.09.09</b>	<b>Three months ended 30.09.08</b>	<b>Year to Date current period 30.09.09</b>	<b>Year to Date previous period 30.09.08</b>	<b>Previous accounting Year ended 31.03.09</b>
Operations Discontinued during the year ended 31.03.08	-	(85)	(7)	(185)	(700)
Provision for receivables and reduction in the inventory values in respect of operations to be discontinued.	(100)	-	(115)	-	-
Fixed Royalty charge in respect of operations to be discontinued.	(18)	-	(33)	-	-
Termination Benefit, one time settlement with employees and amortisation of cost of Voluntary Retirement Scheme.	(508)	(177)	(539)	(177)	(236)
Provision for Diminution in the value of Investments	(115)	-	(213)	-	(36)
Provision for Loans and Advances	-	-	-	-	(426)
Reversal of provision for Loans and Advances (See Note No.6)	469	-	469	-	-
Reversal of provision for Diminution in the value of Investments (See Note No.6)	110	-	110	-	-
Provision for disputed Charter Hire Charges	(480)	-	(480)	-	-
Provision for Impairment of Fixed Assets in respect of Operations to be discontinued.	(362)	-	(362)	-	-
Restructuring Cost	-	(31)	-	(31)	(31)
<b>TOTAL</b>	<b>(1004)</b>	<b>(293)</b>	<b>(1170)</b>	<b>(393)</b>	<b>(1429)</b>

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4. Interest cost shown in item 8 above is net after deducting interest income Rs.7 Lakhs for the quarter ended 30<sup>th</sup> September, 2009 (*corresponding previous quarter Rs.96 Lakhs*); Rs.12 Lakhs for the half year ended 30<sup>th</sup> September, 2009 (*corresponding previous period Rs.204 Lakhs*); and Rs.179 Lakhs for the year ended 31<sup>st</sup> March 2009.
5. Operations at the Motor Division at Hosur have been unviable for quite some time and is in the process of discontinuation. The separation costs of workers and provision for impairment of the plant and machinery have been charged to the current quarter results.
6. In view of mergers of Forbes Finance Ltd, Trident Shipping Agencies Ltd, Sea Falcon Ship Ltd and Sea Speed Shipping Agency Ltd with Latham India Ltd, the net worth of Latham India Ltd is now positive. This has resulted in the write back of provision for loans and advances and diminution in value of Investment worth Rs.579 Lakhs.
7. Pursuant to the amendment to Section 115JB of the Income tax Act, 1961 by the Finance Act, 2009 with retrospective effect from Assessment Years beginning 1<sup>st</sup> April, 2001, during the quarter ended 30<sup>th</sup> September, 2009, the Company has made an additional Provision for Taxation in respect of earlier years aggregating Rs.191 Lakhs.
8. The auditors in their audit report for the year ended 31<sup>st</sup> March, 2009 and limited review report for the quarter ended 30<sup>th</sup> June, 2009, have made an observation on the value of investment amounting to Rs.1,502 Lakhs. The Company has a long term interest in this investment and no provision for diminution in the value of said investment is considered to be necessary.
9. As on 1<sup>st</sup> July, 2009, no shareholder's complaint was pending. The Company has not received any complaint during the quarter ended 30<sup>th</sup> September, 2009. Further, as on 1<sup>st</sup> July, 2009, there were 12 (twelve) shareholders related court cases, which remained pending as at 30<sup>th</sup> September, 2009.
10. The above results were subjected to Limited Review by auditors and reviewed by the Audit Committee meeting held on 28<sup>th</sup> October, 2009 and approved by the Board of Directors of the Company at its meeting held on 30<sup>th</sup> October, 2009.

**For Forbes & Company Limited**



**(Ashok Barat )  
Managing Director**

**Mumbai, 30<sup>th</sup> October, 2009**

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