



FORBES & COMPANY LIMITED

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

Dear Sirs,

BSE LTD.
INWARD SECTION

Date: 25th October, 2011

25 OCT 2011

CONTENTS NOT VERIFIED

Compliance with the requirements of Clause 41 of the Listing Agreement.
Unaudited Financial Results for the quarter / half year ended 30th September, 2011

We set out the unaudited financial results for the quarter / half year ended 30th September, 2011.

(Rs. in Lakhs)

Particulars	3 months ended 30.09.2011 (Unaudited)	Corresponding 3 months ended in the previous year 30.09.2010 (Unaudited)	Year to date figures for current period ended 30.09.2011 (Unaudited)	Year to date figures for previous period ended 30.09.2010 (Unaudited)	Previous accounting year ended 31.03.2011 (Audited)
1 Net Sales / Income from Operations	6,545	5,450	13,345	10,481	23,311
2 Other Operating Income	92	17	134	39	179
3 Total (1+2)	6,637	5,467	13,479	10,520	23,490
4 Expenditure					
a) (Increase)/decrease in stock-in-trade and work-in-progress	102	(109)	201	(220)	(228)
b) Consumption of raw materials	1,100	956	2,224	1,764	3,773
c) Purchase of traded goods	172	202	297	384	845
d) Employees cost	1,093	705	2,059	1,687	3,653
e) Depreciation	306	451	603	762	1,364
f) Charter Hire Charges	-	1,096	1,063	1,931	4,061
g) Transportation, freight and hire charges for Shipping and Logistics division	1,754	650	3,253	1,674	3,600
h) Other expenditure	1,812	2,039	3,535	3,463	7,708
i) Total expenditure (a to h)	6,339	5,990	13,235	11,445	24,776
5 Profit/(Loss) from Operations before Other Income, Interest and Exceptional Items (3-4) [See Footnote]	298	(523)	244	(925)	(1,286)
6 Other Income (See Note 3)	1	6	1	6	1,624
7 Profit/(Loss) before Interest and Exceptional Items (5+6)	299	(517)	245	(919)	338
8 Interest (Net) (See Note 4)	304	305	586	562	1,193
9 Profit/(Loss) after Interest but before Exceptional Items (7-8)	(5)	(822)	(341)	(1,481)	(855)
10 Exceptional Items (See Note 2)	10	335	10	335	915
11 Profit/(Loss) from Ordinary Activities before Tax (9+10)	5	(487)	(331)	(1,146)	60
12 Tax expense					
Income-tax adjustment in respect of earlier years	-	-	-	(10)	(10)
Wealth tax	3	2	6	6	12
Sub Total	3	2	6	(4)	2
13 Net Profit/(Loss) from Ordinary Activities after tax (11-12)	2	(489)	(337)	(1,142)	58
14 Extraordinary Items (net of tax expense)	-	-	-	-	-
15 Net Profit/(Loss) for the period / year (13-14)	2	(489)	(337)	(1,142)	58
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					12,077
18 Basic and diluted Earnings per share (Quarter and year to date figures not annualised)	Rs.0.02	Rs.(3.79)	Rs.(2.62)	Rs.(8.85)	Rs.0.45
19 Aggregate of Public Shareholding					
No. of Shares	3436925	3436925	3436925	3436925	3436925
Percentage of shareholding	26.65%	26.65%	26.65%	26.65%	26.65%
20 Promoters and Promoter Group shareholding					
a) Pledged / Encumbered					
- Number of shares	-	-	-	-	-
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
- Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-	-
b) Non-encumbered					
- Number of shares	9461691	9461691	9461691	9461691	9461691
- Percentage of shares (as a % of the total shareholding of the promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%
- Percentage of shares (as a % of the total share capital of the Company)	73.35%	73.35%	73.35%	73.35%	73.35%
Note: The profit /(loss) includes Chartering loss arising from stand by charter agreement as stated in note 5	-	494	513	980	2,164

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Deloitte Haskins & Sells

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(Rs. in Lakhs)

	3 months ended 30.09.2011 (Unaudited)	Corresponding 3 months ended in the previous year 30.09.2010 (Unaudited)	Year to date figures for current period ended 30.09.2011 (Unaudited)	Year to date figures for previous period ended 30.09.2010 (Unaudited)	Previous accounting year ended 31.03.2011 (Audited)
1 Segment Revenue:					
(a) Engineering	3,556	2,983	7,181	5,926	12,715
(b) Shipping and Logistics Services	2,693	2,272	5,472	4,180	9,022
(c) Real Estate	388	212	826	413	1,719
(d) Motors	-	-	-	1	52
(e) Personal Wear	-	-	-	-	(18)
Total	6,637	5,467	13,479	10,520	23,490
Less: Inter Segment Revenue	-	-	-	-	-
	6,637	5,467	13,479	10,520	23,490
2 Segment Results [Profit/(Loss) before Tax and Interest from each Segment (including exceptional items related to segments)]					
(a) Engineering	471	231	1,090	744	1,214
(b) Shipping and Logistics Services	(49)	(586)	(676)	(1,185)	(2,287)
(c) Real Estate	254	448	643	586	3,037
(d) Motors	24	(6)	22	(17)	318
(e) Personal Wear	-	(30)	-	(30)	(19)
Total	700	57	1,079	98	2,263
Add/(Less): Exceptional Items other than related to segments	-	-	-	-	(1,076)
	700	57	1,079	98	1,187
Less: Interest (Net)	(304)	(305)	(586)	(562)	(1,193)
Balance	396	(248)	493	(464)	(6)
Add/(Less): (Unallocated Expenses) net of Unallocated Income	(391)	(239)	(824)	(682)	66
Profit/(Loss) before Tax	5	(487)	(331)	(1,146)	60
3 Capital Employed (Segment assets Less Segment Liabilities)					
(a) Engineering	5,813	5,918	5,813	5,918	5,700
(b) Shipping and Logistics Services	3,294	3,895	3,294	3,895	3,821
(c) Real Estate	(2,182)	(2,848)	(2,182)	(2,848)	(2,742)
(d) Motors	(97)	66	(97)	66	(83)
(e) Personal Wear	32	17	32	17	32
	6,860	7,048	6,860	7,048	6,728
Other Unallocables	16,826	16,636	16,826	16,636	17,144
Total Capital Employed	23,686	23,684	23,686	23,684	23,872

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NOTES:

1. Previous period's / year's figures have been regrouped / recast wherever necessary.
2. Exceptional items:

(Rs. in Lakhs)

	3 months ended 30.09.2011 (Unaudited)	<i>Corresponding 3 months ended in the previous year 30.09.2010 (Unaudited)</i>	Year to date figures for current period ended 30.09.2011 (Unaudited)	<i>Year to date figures for previous period ended 30.09.2010 (Unaudited)</i>	<i>Previous accounting year ended 31.03.2011 (Audited)</i>
Termination benefits and one time settlement with employees	(58)	(8)	(58)	(8)	(10)
Write-off / provision for diminution in the value of investments	-	-	-	-	(1,074)
Profit on sale of residential premises	-	343	-	343	1,227
Profit on sale of land and building	68	-	68	-	622
Impairment of fixed assets no longer required written back	-	-	-	-	150
TOTAL	10	335	10	335	915

3. Other Income includes:

(Rs. in Lakhs)

	3 months ended 30.09.2011 (Unaudited)	<i>Corresponding 3 months ended in the previous year 30.09.2010 (Unaudited)</i>	Year to date figures for current period ended 30.09.2011 (Unaudited)	<i>Year to date figures for previous period ended 30.09.2010 (Unaudited)</i>	<i>Previous accounting year ended 31.03.2011 (Audited)</i>
Profit on sale of fixed assets other than disclosed as exceptional items	1	6	1	6	-
Profit on buy-back of shares by subsidiary companies	-	-	-	-	1,624

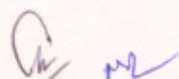
4. Interest cost shown in item 8 above is net after deducting interest income Rs.3 Lakhs for the quarter ended 30th September, 2011 (*corresponding previous quarter Rs.14 Lakhs*); Rs.14 Lakhs for the half year ended 30th September, 2011 (*corresponding previous period Rs.21 Lakhs*); and Rs.29 Lakhs for the year ended 31st March 2011.
5. To secure the lenders of SCI Forbes Limited (SFL), a joint venture entity, amongst other undertakings, two of the joint venture partners, including the Company, had to, sign a standby charter agreement, under which, in the event the vessels were not on charter with a lender approved third party at anytime during the pendency of the loan, two vessels each would come on automatic charter to the joint venture partners at rates specified in the standby charter agreement. Immediately thereafter the global financial crisis occurred with shipping being badly hit with charter rates crashing. The lenders sought a change in some commercial terms for agreeing to approve charterers and other forms of vessel deployment. Whilst this negotiation was going on, the loan covenant had got activated and the Company (as also its other JV partner) had to take the vessels on charter at standby charter rates and deploy them on

market rates resulting in the loss figures indicated in the footnote. With effect from 1st July, 2011, the aforesaid standby charter agreement has been suspended and consequently the ships have been re-delivered by the Company as also by the joint venture partner to SFL.

6. a) There have been teething problems in the New ERP system implemented with effect from 1st April, 2010 in the Shipping and Logistics Division. The Management is in the process of detailed review and reconciliation of account balances of sundry creditors / customers' credit balances / advances aggregating Rs.2,000 Lakhs; sundry debtors aggregating Rs.1,065 Lakhs and loans and advances aggregating Rs.722 Lakhs. This was a subject matter of qualification in the audit report for the year ended 31st March, 2011 and limited review report for the quarter ended 30th June, 2011, and continues to be a subject matter of qualification in the limited review report for this quarter ended 30th September, 2011. The Management expects that the net effect on the financial results would not be material on completion of exercise.
- b) Non-provision of estimated loss arising from onerous standby charter agreements entered with SCI Forbes Limited (SFL), a joint venture entity, not being in accordance with the requirements of Accounting Standard 29, 'Provisions, Contingent Liabilities and Contingent Assets' (AS-29) was a subject matter of a qualification in the audit report for the year ended 31st March, 2011. With effect from 1st July, 2011, standby charter agreement has been suspended and consequently the subject matter of qualification is resolved.

7. **Statement of assets and liabilities as on 30th September, 2011**

Particulars	As at 30.09.2011 (Unaudited) (Rs. In Lakhs)	As at 30.09.2010 (Unaudited) (Rs. In Lakhs)
SHAREHOLDERS' FUNDS:		
(a) Capital	1,290	1,290
(b) Reserves and Surplus	11,740	10,877
	13,030	12,167
LOAN FUNDS	10,656	11,517
TOTAL	23,686	23,684
FIXED ASSETS	11,814	12,338
INVESTMENTS	14,640	14,393
CURRENT ASSETS, LOANS AND ADVANCES		
(a) Inventories	1,693	2,467
(b) Sundry Debtors	3,543	3,154
(c) Cash and Bank balances	364	533
(d) Other Current Assets	1	3
(e) Loans and Advances	3,503	2,848
	9,104	9,005
Less: Current Liabilities and Provisions		
(a) Liabilities	10,939	11,112
(b) Provisions	933	940
	11,872	12,052
NET CURRENT ASSETS	(2,768)	(3,047)
TOTAL	23,686	23,684



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8. As on 1st July, 2011, no shareholder's complaint was pending. The Company has not received any complaint during the quarter ended 30th September, 2011. Further, as on 1st July, 2011, there were 12 (twelve) shareholders related court cases, which remained pending as at 30th September, 2011.
9. The above results were reviewed by the Audit Committee meeting and approved by the Board of Directors of the Company at their respective meetings held on 25th October, 2011 and subjected to Limited Review by statutory auditors.

For Forbes & Company Limited



(Ashok Barat)
Managing Director

Mumbai, 25th October, 2011



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