



# FORBES & COMPANY LIMITED

Registered Office : Forbes Building, Charanjit Rai Marg, Fort, Mumbai - 400 001, India.  
Phone : +91 22 4074 9191 • Fax : +91 22 4074 9102

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

Date: 13th August, 2010

Dear Sirs,

Compliance with the requirements of Clause 41 of the Listing Agreement -  
Unaudited Financial Results for three months ended 30th June, 2010

We set out the unaudited financial results for three months ended 30th June, 2010.

Particulars	(Rs. in Lakhs)		
	3 months ended 30.06.2010 (Unaudited)	Corresponding 3 months ended 30.06.2009 (Unaudited)	Previous accounting year ended 31.03.2010 (Audited)
1 Net Sales / Income from Operations	4,652	3,337	15,929
2 Other Operating Income	275	225	1,235
3 Total (1+2)	4,927	3,562	17,164
4 Expenditure			
a) (Increase)/decrease in stock-in-trade and work-in-progress	(89)	125	377
b) Consumption of raw materials	786	566	3,043
c) Purchase of traded goods	182	273	883
d) Employees cost	985	962	3,584
e) Depreciation	311	288	1,292
f) Transportation, freight and hire charges for Logistics division	1,750	601	3,622
g) Other expenditure	1,408	1,626	5,907
h) Total expenditure (a to g)	5,333	4,441	18,708
5 Profit/(Loss) from Operations before Other Income, Interest and Exceptional Items (3-4)	(406)	(879)	(1,544)
6 Other income (See Note 2)	-	1,345	1,486
7 Profit/(Loss) before Interest and Exceptional Items (5+6)	(406)	466	(58)
8 Interest (Net) (See Note 4)	257	435	1,420
9 Profit/(Loss) after Interest but before Exceptional Items (7-8)	(663)	31	(1,478)
10 Exceptional Items (See Note 3)	-	110	456
11 Profit/(Loss) from Ordinary Activities before Tax (9+10)	(663)	141	(1,022)
12 Tax expense			
Income-tax adjustment in respect of earlier years	(10)	-	191
Fringe benefit tax	-	16	-
Wealth tax	-	4	13
Sub Total	(10)	20	204
13 Net Profit/(Loss) from Ordinary Activities after tax (11-12)	(653)	121	(1,226)
14 Extraordinary Items (net of tax expense)	-	-	-
15 Net Profit/(Loss) for the period (13-14)	(653)	121	(1,226)
16 Paid-up Equity Share Capital (Face Value of Rs. 10 each)	1,290	1,290	1,290
17 Reserves excluding Revaluation Reserve			12,019
18 Basic and diluted Earnings per share (Quarterly figures not annualised)	Rs.(5.06)	Re.0.94	Rs.(9.51)
19 Aggregate of Public Shareholding			
No. of Shares	3436925	3436925	3436925
Percentage of shareholding	26.64%	26.64%	26.64%
20 Promoters and Promoter Group shareholding			
a) Pledged / Encumbered			
- Number of shares	-	47400	47400
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	0.50%	0.50%
- Percentage of shares (as a % of the total share capital of the Company)	-	0.37%	0.37%
b) Non-encumbered			
- Number of shares	9461691	9414291	9414291
- Percentage of shares (as a % of the total shareholding of the promoter and promoter group)	100.00%	99.50%	99.50%
- Percentage of shares (as a % of the total share capital of the Company)	73.36%	72.99%	72.99%

Contd...

*MR RCB*

STOCK EXCHANGE LTD  
WARD SECTION

13 AUG 2010

CONTENTS NOT VERIFIED

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

(Rs. in Lakhs)

**1 Segment Revenue:**

(a) Engineering	2,949	2,174	10,920
(b) Motors	1	98	252
(c) Logistics Services	1,783	1,018	5,159
(d) Personal Wear	-	148	216
(e) Real Estate	194	124	617
<b>Total</b>	<b>4,927</b>	<b>3,562</b>	<b>17,164</b>
Less: Inter Segment Revenue	-	-	-
	<b>4,927</b>	<b>3,562</b>	<b>17,164</b>

**2 Segment Results [Profit/(Loss) before Tax and Interest from each Segment (including exceptional items related to segments)]**

(a) Engineering	512	(9)	1,324
(b) Motors	(11)	(79)	(1,080)
(c) Logistics Services	(597)	(151)	(1,244)
(d) Personal Wear	-	(47)	(887)
(e) Real Estate	138	68	1,267
<b>Total</b>	<b>42</b>	<b>(218)</b>	<b>(620)</b>
Add/(Less): Exceptional Items other than related to segments	-	148	1,559
	<b>42</b>	<b>(70)</b>	<b>939</b>

Less: Interest (Net)  
Balance

Add/(Less): Unallocated Income (net of Unallocated Expenditure)  
Profit/(Loss) before Tax

**3 Capital Employed (Segment assets Less Segment Liabilities)**

(a) Engineering	6,502	6,801	6,320
(b) Motors	56	457	100
(c) Logistics Services	4,468	5,749	4,766
(d) Personal Wear	(706)	88	(714)
(e) Real Estate	(2,825)	(2,865)	(2,712)
	<b>7,495</b>	<b>10,230</b>	<b>7,760</b>
Other Unallocables	15,228	20,020	15,018
<b>Total Capital Employed</b>	<b>22,723</b>	<b>30,250</b>	<b>22,778</b>

*Handwritten signature: RLK*

3 months ended 30.06.2010 (Unaudited)	Corresponding 3 months ended 30.06.2009 (Unaudited)	Previous accounting year ended 31.03.2010 (Audited)
2,949	2,174	10,920
1	98	252
1,783	1,018	5,159
-	148	216
194	124	617
<b>4,927</b>	<b>3,562</b>	<b>17,164</b>
-	-	-
<b>4,927</b>	<b>3,562</b>	<b>17,164</b>
512	(9)	1,324
(11)	(79)	(1,080)
(597)	(151)	(1,244)
-	(47)	(887)
138	68	1,267
<b>42</b>	<b>(218)</b>	<b>(620)</b>
-	148	1,559
<b>42</b>	<b>(70)</b>	<b>939</b>
(257)	(435)	(1,420)
(215)	(506)	(481)
(448)	646	(541)
<b>(663)</b>	<b>141</b>	<b>(1,022)</b>
6,502	6,801	6,320
56	457	100
4,468	5,749	4,766
(706)	88	(714)
(2,825)	(2,865)	(2,712)
<b>7,495</b>	<b>10,230</b>	<b>7,760</b>
15,228	20,020	15,018
<b>22,723</b>	<b>30,250</b>	<b>22,778</b>

Contd...

**NOTES:**

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

	<i>(Rs. in Lakhs)</i>		
	<b>3 months Ended 30.06.2010 (Unaudited)</b>	<b>3 months Ended 30.06.2009 (Unaudited)</b>	<b>Previous accounting year ended 31.03.2010 (Audited)</b>
Profit on sale of investments and fixed assets other than disclosed as exceptional items	-	6	120
Dividend	-	1,278	1,278

3. Exceptional items:

	<i>(Rs. in Lakhs)</i>		
	<b>3 months Ended 30.06.2010 (Unaudited)</b>	<b>3 months Ended 30.06.2009 (Unaudited)</b>	<b>Previous accounting year ended 31.03.2010 (Audited)</b>
Expenses related to operations discontinued:			
- write down in value of inventory	-	-	(138)
- provision for impairment of fixed assets	-	-	(362)
- provision for doubtful debts	-	-	(21)
- termination benefits to employees	-	(38)	(579)
- fixed royalty charge	-	-	(63)
- provision for one time payment for foreclosure of trademark license agreement	-	-	(692)
<b>Sub-total</b>	-	<b>(38)</b>	<b>(1,856)</b>
Termination benefits and one time settlement with employees of continuing operations	-	-	(80)
Write-off / provision for diminution in the value of investments	-	(98)	(589)
Reversal of provision for diminution in the value of investments and loans and advances	-	-	579
Settlement of disputed Charter Hire Charges	-	-	(239)
Profit for the year ended 31 <sup>st</sup> March, 2009 in respect of demerged shipping agency division of Volkart Fleming Shipping and Services Limited as stated in Note 6	-	246	246
Profit on sale of operations of Business Automation division	-	-	171
Profit on buy-back of shares by subsidiary companies (net)	-	-	1,405
Profit on sale of residential premises	-	-	901
Advance tax written off	-	-	(82)
<b>TOTAL</b>	-	<b>110</b>	<b>456</b>

*Handwritten signature/initials*

4. Interest cost shown in item 8 above is net after deducting interest income Rs. 7 Lakhs for three months ended 30<sup>th</sup> June, 2010 (*corresponding previous period Rs.17 Lakhs*); Rs.35 Lakhs for the year ended 31<sup>st</sup> March, 2010.

5. The audit report of the statutory auditors for the year ended 31<sup>st</sup> March, 2010 had included following as subject matter of qualification:

Non-provision for estimated loss arising from onerous standby charter agreements entered with SCI. Forbes Limited, a joint venture entity, not being in accordance with the requirements of Accounting Standard 29, Provisions, Contingent Liabilities and Contingent Assets (AS 29). This continues to be a subject matter of qualification in the limited review report for this quarter ended 30<sup>th</sup> June, 2010 results. The loss materialised subsequent to 30<sup>th</sup> June, 2010 is Rs. 264 Lakhs. The Management is of the view that the loss would be accounted in the period in which it is materialised and the said standby charter agreements are not to be treated as onerous contract as per AS 29.

6. In view of the Scheme of arrangement for the demerger and transfer of the Shipping Agency Division of Volkart Fleming Shipping and Services Limited, a Subsidiary Company, into the Company with effect from 1<sup>st</sup> April, 2008, approved by the High Court, Bombay on 6<sup>th</sup> November, 2009, in these results, figures for the quarter ended 30<sup>th</sup> June, 2009 have been restated as under:

- a) Operating income (item 3) has been increased by Rs.157 Lakhs
  - b) Total Expenditure (item 4(h)) has been increased by Rs.294 Lakhs
  - c) Interest income netted off from the interest expenses (item 8) Rs.12 Lakhs
  - d) Profit for the year ended 31<sup>st</sup> March 2009 of Rs.246 Lakhs has been considered as an exceptional item (item 10).
- along with consequential restatement of net loss and earnings per share.

7. As on 1<sup>st</sup> April, 2010, no shareholder's complaint was pending. The Company has not received any complaint during the quarter ended 30<sup>th</sup> June, 2010. Further, as on 1<sup>st</sup> April, 2010, there were 12 (twelve) shareholders related court cases, which remained pending as at 30<sup>th</sup> June, 2010.

8. The above results were subjected to Limited Review by auditors and reviewed by the Audit Committee meeting held on 13<sup>th</sup> August, 2010 and approved by the Board of Directors of the Company at its meeting held on 13<sup>th</sup> August, 2010.

For Forbes & Company Limited



(Ashok Barot)  
Managing Director

Mumbai, 13<sup>th</sup> August, 2010

