



FORBES & COMPANY LIMITED

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



Dear Sirs,

Compliance with the requirements of Clause 41 of the Listing Agreement -
Unaudited Financial Results for three months ended 30th June, 2011

We set out the unaudited financial results for three months ended 30th June, 2011.

(Rs. in Lakhs)

Particulars	3 months ended 30.06.2011 (Unaudited)	Corresponding 3 months ended 30.06.2010 (Unaudited)	Previous accounting year ended 31.03.2011 (Audited)
1 Net Sales / Income from Operations	6,800	5,031	23,311
2 Other Operating Income	42	22	179
3 Total (1+2)	6,842	5,053	23,490
4 Expenditure			
a) (Increase)/decrease in stock-in-trade and work-in-progress	99	(111)	(228)
b) Consumption of raw materials	1,124	808	3,773
c) Purchase of traded goods	125	182	845
d) Employees cost	966	982	3,653
e) Depreciation	297	311	1,364
f) Charter Hire Charges	1,063	835	4,061
g) Transportation, freight and hire charges for Shipping and Logistics division	1,499	1,024	3,600
h) Other expenditure	1,723	1,428	7,708
i) Total expenditure (a to h)	6,896	5,459	24,776
5 Profit/(Loss) from Operations before Other Income, Interest and Exceptional Items (3-4) [See Footnote]	(54)	(406)	(1,286)
6 Other Income - Profit on buy-back of shares by subsidiary companies	-	-	1,624
7 Profit/(Loss) before Interest and Exceptional Items (5+6)	(54)	(406)	338
8 Interest (Net) (See Note 3)	282	257	1,193
9 Profit/(Loss) after Interest but before Exceptional Items (7-8)	(336)	(663)	(855)
10 Exceptional Items (See Note 2)	-	-	915
11 Profit/(Loss) from Ordinary Activities before Tax (9+10)	(336)	(663)	60
12 Tax expense			
Income-tax adjustment in respect of earlier years	-	(10)	(10)
Wealth tax	3	-	12
Sub Total	3	(10)	2
13 Net Profit/(Loss) from Ordinary Activities after tax (11-12)	(339)	(653)	58
14 Extraordinary Items (net of tax expense)	-	-	-
15 Net Profit/(Loss) for the period / year (13-14)	(339)	(653)	58
16 Paid-up Equity Share Capital (Face Value of Rs. 10 each)	1,290	1,290	1,290
17 Reserves excluding Revaluation Reserve			12,077
18 Basic and diluted Earnings per share (Quarter figures not annualised)	Rs.(2.62)	Rs.(5.06)	Rs.0.45
19 Aggregate of Public Shareholding			
No. of Shares	3436925	3436925	3436925
Percentage of shareholding	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 the 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
- Percentage of shares (as a % of the total shareholding of the promoter and promoter group)	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%
Note: The profit /(loss) includes Chartering loss arising from stand by charter agreement as stated in note 4	513	486	2,164

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Deloitte Haskins & Sells

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

(Rs. in Lakhs)

1 Segment Revenue:

- (a) Engineering
- (b) Motors
- (c) Shipping and Logistics Services
- (d) Personal Wear
- (e) Real Estate

Total
Less: Inter Segment Revenue

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

- (a) Engineering
- (b) Motors
- (c) Shipping and Logistics Services
- (d) Personal Wear
- (e) Real Estate

Total
Add/(Less): Exceptional Items other than related to segments

Less: Interest (Net)
Balance

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

3 Capital Employed (Segment assets Less Segment Liabilities)

- (a) Engineering
- (b) Motors
- (c) Shipping and Logistics Services
- (d) Personal Wear
- (e) Real Estate

Other Unallocables
Total Capital Employed

	3 months ended 30.06.2011 (Unaudited)	Corresponding 3 months ended 30.06.2010 (Unaudited)	Previous accounting year ended 31.03.2011 (Audited)
Total	6,842	5,053	23,490
Less: Inter Segment Revenue	-	-	-
	6,842	5,053	23,490
Total	379	41	2,263
Add/(Less): Exceptional Items other than related to segments	-	-	(1,076)
	379	41	1,187
Less: Interest (Net)	(282)	(257)	(1,193)
Balance	97	(216)	(6)
Add/(Less): Unallocated Income (net of Unallocated Expenses)	(433)	(447)	66
Profit/(Loss) before Tax	(336)	(663)	60
Total	5,904	6,350	5,700
(b) Motors	(82)	38	(83)
(c) Shipping and Logistics Services	3,597	3,964	3,821
(d) Personal Wear	32	(706)	32
(e) Real Estate	(2,119)	(2,808)	(2,742)
	7,332	6,838	6,728
Other Unallocables	16,191	15,885	17,144
Total Capital Employed	23,523	22,723	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 30.06.2011 (Unaudited)	<i>Corresponding 3 months ended 30.06.2010 (Unaudited)</i>	<i>Previous accounting year ended 31.03.2011 (Audited)</i>
Termination benefits and one time settlement with employees of continuing operations	-	-	(10)
Write-off / provision for diminution in the value of investments	-	-	(1,074)
Profit on sale of residential premises	-	-	1227
Profit on sale of land and building	-	-	622
Impairment of fixed assets no longer required written back	-	-	150
TOTAL	-	-	915

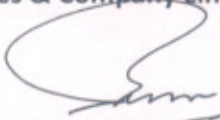
3. Interest cost shown in item 8 above is net after deducting interest income Rs.11 Lakhs for the quarter ended 30th June, 2011 (*corresponding previous quarter Rs.7 Lakhs*); Rs.29 Lakhs for the year ended 31st March, 2011.
4. To secure the lenders of SCI Forbes Limited (SFL), a joint venture entity, 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.
5. 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.1,959 Lakhs; sundry debtors aggregating Rs.1,043 Lakhs and loans and advances aggregating Rs.1,091 Lakhs. This was a subject matter of qualification in the audit report for the year ended 31st March, 2011 and continues to be a subject matter of qualification in the limited review report for this quarter ended 30th June, 2011. The Management expects that the net effect on the profit and loss account would not be material on completion of exercise.



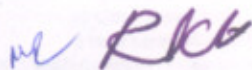

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5. b) Non-provision of estimated loss arising from onerous standby charter agreement entered with SCI Forbes Limited (SFL), a joint venture entity, not being in accordance with the requirements of Accounting Standard 29, 'Provisions, Contingent Liabilities 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.
6. As on 1st April, 2011, no shareholder's complaint was pending. The Company has not received any complaint during the quarter ended 30th June, 2011. Further, as on 1st April, 2011, there were 12 (twelve) shareholders related court cases, which remained pending as at 30th June, 2011.
7. The above results were subjected to Limited Review by auditors and reviewed by the Audit Committee meeting held on 28th July, 2011 and approved by the Board of Directors of the Company at its meeting held on 29th July, 2011.

For Forbes & Company Limited


(Ashok Barat)
Managing Director

Mumbai, 29th July, 2011



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