

November 13, 2020

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

Dear Sir,

Security Code : 502865
Security ID : FORBESCO

Compliance of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015

Dear Sir,

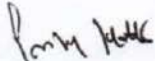
Pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company at their meeting held on November 13, 2020 has approved the Unaudited Standalone and Consolidated Financial Results for the quarter and half year ended September 30, 2020.

We enclose copy of the Unaudited Standalone and Consolidated Financial Results for the quarter and half year ended September 30, 2020 along with the Limited Review Report dated November 13, 2020 of Price Waterhouse Chartered Accountants LLP, statutory auditors of the Company in respect of the said Financial Results.

The Board Meeting commenced at 4.30 P.M and concluded at 5.35 P.M. The Limited Review Report was received from Statutory Auditors at 7.00 P.M. The Unaudited Standalone and Consolidated Financial Results for the quarter and half year ended September 30, 2020 alongwith Limited Review Report is being filed after receipt of the Limited Review Report.

Kindly acknowledge receipt.

Yours faithfully
For Forbes & Company Limited


Pankaj Khattar
Head Legal and Company Secretary

Encl: As above

Statement of Standalone Unaudited Financial Results for the quarter and half year ended 30th September, 2020
(Rs. in Lakhs)

Particulars	Quarter ended			Half year ended		Year ended
	30.09.2020 (Unaudited)	30.06.2020 (Unaudited)	30.09.2019 (Unaudited)	30.09.2020 (Unaudited)	30.09.2019 (Unaudited)	31.03.2020 (Audited)
1 Income						
Revenue from operations (Refer Note 6)	4,643	2,091	4,496	6,734	10,049	19,488
Other income	205	91	94	296	385	753
Total income	4,848	2,182	4,590	7,030	10,434	20,241
2 Expenses						
Real estate development costs	927	614	1,542	1,541	2,944	8,731
Cost of materials consumed	1,179	792	1,969	1,971	4,031	8,770
Purchases of stock-in-trade	167	24	97	191	143	240
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(569)	(501)	(1,958)	(1,070)	(3,560)	(8,718)
Employee benefits expense	883	882	1,387	1,765	2,756	4,708
Finance costs	359	354	285	713	621	1,184
Depreciation and amortisation expense	359	363	301	722	579	1,211
Other expenses	1,264	630	1,550	1,894	3,521	6,675
Total expenses	4,569	3,158	5,173	7,727	11,035	22,301
3 Profit/(Loss) before exceptional items and tax	279	(976)	(583)	(697)	(601)	(2,060)
4 Exceptional items (Net) (Refer Note 5)	(2,448)	-	-	(2,448)	-	(518)
5 Profit/(Loss) before tax	(2,169)	(976)	(583)	(3,145)	(601)	(2,578)
6 Tax expense						
Current tax	-	-	-	-	-	-
Deferred tax	-	-	-	-	-	(123)
	-	-	-	-	-	(123)
7 Profit/(Loss) after tax	(2,169)	(976)	(583)	(3,145)	(601)	(2,455)
8 Other Comprehensive Loss						
(i) Items that will not be reclassified to Statement of Profit or Loss						
Remeasurement of the defined benefit plans	51	(20)	19	31	(24)	(15)
(ii) Income tax relating to items that will not be reclassified to Statement of Profit or Loss						
Deferred tax	-	-	-	-	-	2
Other Comprehensive Profit/(Loss) (net of tax)	51	(20)	19	31	(24)	(13)
9 Total Comprehensive Profit/(Loss) for the period / year	(2,118)	(996)	(564)	(3,114)	(625)	(2,468)
10 Paid-up equity share capital (Face Value of Rs. 10 each)	1,290	1,290	1,290	1,290	1,290	1,290
11 Other equity (excluding Revaluation Reserve)						18,876
12 Basic and diluted earnings per equity share (after exceptional items) (Quarterly and half year figures not annualised)	Rs.(16.81)	Rs.(7.57)	Rs.(4.52)	Rs.(24.38)	Rs.(4.66)	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			Half year ended		Year ended
	30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1 Segment Revenue						
(a) Engineering	4,216	1,635	4,043	5,851	9,138	17,641
(b) Real Estate	427	457	454	884	913	1,849
Total	4,643	2,092	4,497	6,735	10,051	19,490
Less: Inter Segment Revenue	-	1	1	1	2	2
Total revenue from operations (net)	4,643	2,091	4,496	6,734	10,049	19,488
2 Segment Results [Profit / (Loss) before Tax and Interest from each Segment (including exceptional items related to segments)]						
(a) Engineering	564	(892)	(384)	(328)	(368)	(1,430)
(b) Real Estate	128	329	233	457	686	636
Total segment results	692	(563)	(151)	129	318	(794)
Less: Finance costs	(359)	(354)	(285)	(713)	(621)	(1,184)
Balance	333	(917)	(436)	(584)	(303)	(1,978)
Add: Unallocable income / (expense) (net) [including exceptional items]	(2,502)	(59)	(147)	(2,561)	(298)	(600)
Profit / (Loss) from ordinary activities before tax	(2,169)	(976)	(583)	(3,145)	(601)	(2,578)
3 Segment Assets						
(a) Engineering	15,175	15,152	16,464	15,175	16,464	15,947
(b) Real Estate	38,056	37,412	31,433	38,056	31,433	36,764
(c) Unallocated	31,354	33,797	33,099	31,354	33,099	33,680
Total Assets	84,585	86,361	80,996	84,585	80,996	86,400
4 Segment liabilities						
(a) Engineering	9,374	9,850	8,969	9,374	8,969	10,046
(b) Real Estate	48,982	47,844	38,130	48,982	38,130	46,806
(c) Unallocated	9,178	9,497	11,888	9,178	11,888	9,381
Total Liabilities	67,534	67,191	58,987	67,534	58,987	66,233

Notes on Segment Information:

- 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.
- Details of product categories included in each segment comprises:
 - 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.
 - Real Estate includes income from renting out investment properties and revenue from real estate development project.
 - Unallocable Corporate Assets mainly comprises of investments, tax receivables and other unallocable assets.
 - Unallocable Liabilities comprise borrowings, provisions and other unallocable liabilities.
- Other income allocable to respective segments has been considered as part of Segment Results.

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Notes to the statement of Standalone Unaudited Financial Results for the quarter and half year ended 30th September, 2020.

1. Standalone Statement of Assets and Liabilities as at 30th September, 2020

Particulars	(Rs. in Lakhs)	
	As at 30.09.2020 (Unaudited)	As at 31.03.2020 (Audited)
Assets		
1 Non-current assets		
a) Property, Plant and Equipment	9,572	10,140
b) Right-of-use assets	224	359
c) Capital work-in-progress	161	115
d) Investment Properties	2,450	2,483
e) Other Intangible assets	201	222
f) Intangible assets under development	-	13
g) Financial Assets:		
i) Investments	21,803	24,167
ii) Loans	192	191
iii) Other financial assets	1	2
	<u>21,996</u>	<u>24,360</u>
h) Tax assets		
i) Deferred tax assets (net)	5,117	5,117
ii) Income tax assets (net)	1,429	1,785
	<u>6,546</u>	<u>6,902</u>
i) Other non-current assets	321	400
Total Non-current assets	<u>41,471</u>	<u>44,994</u>
2 Current assets		
a) Inventories	37,037	36,154
b) Financial Assets:		
i) Trade receivables	2,769	2,507
ii) Cash and cash equivalents	778	191
iii) Bank balances other than (ii) above	188	187
iv) Loans	528	269
v) Other financial assets	1,067	1,104
	<u>5,330</u>	<u>4,258</u>
c) Other current assets	747	994
	<u>6,077</u>	<u>5,252</u>
Assets classified as held for sale	-	-
Total Current assets	<u>43,114</u>	<u>41,406</u>
Total Assets	<u>84,585</u>	<u>86,400</u>
Equity and Liabilities		
Equity		
a) Equity share capital	1,290	1,290
b) Other equity	15,762	18,876
Total Equity	<u>17,052</u>	<u>20,166</u>
Liabilities		
1 Non-current liabilities		
a) Financial liabilities:		
i) Borrowings	5,897	6,776
ii) Lease Liabilities	190	285
iii) Other financial liabilities	154	122
	<u>6,241</u>	<u>7,183</u>
b) Provisions	624	635
Total Non-current liabilities	<u>6,865</u>	<u>7,818</u>
2 Current liabilities		
a) Financial liabilities:		
i) Borrowings	6,278	7,277
ii) Trade payables		
a) total outstanding dues of micro enterprises and small enterprises; and	346	402
b) total outstanding dues of creditors other than micro enterprises and small enterprises	5,450	4,810
iii) Lease Liabilities	23	69
iv) Other financial liabilities	6,374	5,948
	<u>18,471</u>	<u>18,506</u>
b) Other current liabilities	41,613	39,311
c) Provisions	484	506
d) Current tax liabilities (net)	100	93
Total Current Liabilities	<u>60,668</u>	<u>58,416</u>
Total Liabilities	<u>67,533</u>	<u>66,234</u>
Total Equity and Liabilities	<u>84,585</u>	<u>86,400</u>

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2. Statement of Standalone Unaudited Cash flows for the half year ended 30th September, 2020

	Half year Ended 30.09.2020 (Unaudited)	(Rs. in Lakhs) Half year Ended 30.09.2019 (Unaudited)
Cash flows from operating activities		
Profit before tax	(3,145)	(601)
Adjustments for -		
Depreciation and amortisation expense	722	579
Interest income earned on financial assets that are not designated as at fair value through profit or loss :		
(i) Bank deposits	(6)	(18)
(ii) Inter-corporate deposits	(18)	(2)
Interest on Income Tax refund	(68)	-
Finance costs	713	621
(Gain)/loss on disposal of property, plant and equipment	-	(186)
Provision for doubtful trade receivables	(16)	31
Provision for doubtful loans and advances	14	-
Gain on fair value of long-term investments in a subsidiary company	(86)	(76)
Net (gain) arising on financial assets designated as at FVTPL	-	(52)
Credit balances / excess provision written back	(26)	(2)
Net unrealised exchange gain/ (loss)	3	(11)
	<u>1,232</u>	<u>884</u>
Exceptional items:		
- Provision for impairment in the value of the investments	2,448	-
	<u>2,448</u>	<u>-</u>
	<u>3,680</u>	<u>884</u>
Operating profit before working capital changes	535	283
Changes in working capital:		
(Increase)/ decrease in trade and other receivables	(187)	1,389
(Increase)/ decrease in inventories	(883)	(4,067)
(Increase)/ decrease in other assets	281	(840)
Increase/ (decrease) in trade and other payables	474	168
Increase/ (decrease) in provisions	(2)	(27)
Increase/ (decrease) in other liabilities	2,301	5,775
	<u>1,984</u>	<u>2,398</u>
Cash inflow / (outflow) from operations	2,519	2,681
Income taxes (paid)/ refunds received (net)	432	(142)
(a) Net cash flow inflow / (outflow) from operating activities	2,951	2,539
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)	(369)	(2,526)
Proceeds from disposal of property, plant and equipment	-	191
Loans and advances given to related parties	(365)	(317)
Loans and advances given to related parties realised	105	15
Bank balances not considered as cash and cash equivalents	(1)	(13)
Interest received	7	19
(b) Net cash (outflow) / inflow from investing activities	(623)	(2,631)

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	Half year Ended 30.09.2020 (Unaudited)	(Rs. in Lakhs) Half year Ended 30.09.2019 (Unaudited)
Cash flows from financing activities:		
Proceeds from long-term borrowings	282	3,246
Repayment of long-term borrowings	(330)	(4,152)
Net Increase in cash credit, overdraft balances, credit card facilities and commercial papers	(999)	2,189
Finance costs paid	(655)	(668)
Payment of Lease Liabilities	(39)	(47)
Dividend paid on equity shares	-	(632)
Tax on dividend	-	(133)
(c) Net cash inflow / (outflow) from financing activities	(1,741)	(197)
(d) Net increase/ (decrease) in cash and cash equivalents (a + b + c)	587	(289)
(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)	778	535
Reconciliation of cash and cash equivalents as per the cash flow statements		
Cash and cash equivalents as per above comprise of the following		
	30.09.2020 Rs. in Lakhs	30.09.2019 Rs. in Lakhs
Balances with bank		
- In current accounts	218	451
- In EEFC Accounts	34	81
- In deposit accounts (with original maturity upto 3 months)	525	1
Cash on hand	1	2
Balances as per statement of cash flows	778	535

Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard - 7 on Statement of Cash Flows.
- Previous year figures have been regrouped/ reclassified, wherever necessary to conform to current year classification.
- Other bank balances at the end of the period includes: (i) earmarked balances towards unpaid dividends Rs. 26 Lakhs (Previous period Rs.30 Lakhs) and (ii) margin money deposits Rs. 162 Lakhs (Previous year Rs. 147 Lakhs) includes security against license for import of goods under EPCG Scheme and hence are not available for immediate use by the Company.
- The interest paid during the period excludes interest expense on loans for real estate development activities amounting to Rs. 197 Lakhs (Previous period Rs. 200 Lakhs).

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3. The above results have been reviewed by the Audit Committee and approved by the Board of Directors of the Forbes & Company Limited (the 'Company') at their respective meetings held on Friday, 13th November, 2020 and have been subjected to a Limited Review by the statutory auditors of the Company in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
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 there under and the other accounting principles generally accepted in India.
5. Exceptional items:

Particulars		Quarter ended			Half year ended		(Rs. in Lakhs)
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	Year ended
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	31.03.2020
(i)	Expected inflow/ (outflow) for disputed matters	-	-	-	-	-	698
(ii)	Impairment of investment in subsidiary	(2,448)	-	-	(2,448)	-	(1,216)
	TOTAL	(2,448)	-	-	(2,448)	-	(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, which was appealed 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 year ended 31st March, 2020, 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) During the year ended 31st March, 2020, Forbes Technosys Limited (FTL) has incurred a total comprehensive loss of Rs. 6,015 Lakhs, has accumulated losses of Rs. 14,264 Lakhs, its current liabilities exceeded current assets by Rs. 13,306 Lakhs. The Company had infused additional capital of Rs. 1,000 Lakhs to support FTL's cash flow and aid it to meet its liabilities in the year ended 31st March, 2020.

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 margin 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 between March and July 2020. 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, 2020 as well as during the continued extended lockdown restrictions till date. The present situation coupled with the impact of Covid-19 had resulted in a decline in the recoverable value of investment in FTL, consequent to which an impairment provision of Rs. 1,216 Lakhs had been created during the quarter ended 31st March, 2020. Further, based on the evaluation of the present situation and ongoing impact on customer demand/ project execution due to prolonged effects of Covid-19 pandemic, business volumes expected were not achieved. Consequent to this, the management has reassessed the overall situation considering the current economic condition and trends and thereafter recognized additional impairment provision of Rs. 2,448 Lakhs during the quarter and half year ended 30th September, 2020.

The Management has carried out a detailed evaluation in respect of the future business prospects of FTL coupled with innovative software solutions, large value orders secured, gradual increase in sales orders executed including those in pipeline, cost rationalization, product portfolio diversification strategies implemented by FTL management etc. These initiatives make FTL well poised to reap in benefits in the long run, despite some challenges including Covid-19. Accordingly, the management has recognized the remaining carrying value of amounts recoverable from FTL.



However, the impact assessment of Covid-19 on FTL operations would be a continuing process given the uncertainties associated with the nature and duration of this pandemic and 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 impacting FTL business.

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 then existing revenue recognition standards. The application of Ind AS 115 had 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.

Had the company continued application of earlier standards for revenue recognition for its real estate projects instead of Ind AS 115, the following line items would have been higher by amounts as disclosed below:

Financial Statement Line Item	Quarter ended			Half year ended		(Rs. in Lakhs)
	30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	Year ended
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenue	987	806	3,196	1,793	5,641	13,546
Changes in inventories of finished goods, work-in-progress and stock-in-trade	588	474	1,772	1,062	3,137	8,172
Net profit before tax	399	332	1,424	731	2,504	5,374

Additionally, as at 30th September, 2020, real estate work-in-progress included in inventory is higher by Rs. 25,593 Lakhs and advances from customers included in other current liabilities is higher by Rs. 39,956 Lakhs and unbilled revenue included in other financial assets is lower by Rs. 3,218 Lakhs.

Further, certain indirect costs (e.g. selling expenses, commission & brokerage, advertisement and sales promotion, depreciation and other administrative expenses) pertaining to real estate development project for the period ended 30th September, 2020 aggregating Rs. 210 Lakhs (quarter ended 30th September, 2020 aggregating Rs. 160 Lakhs, quarter ended 30th June, 2020 aggregating Rs. 50 Lakhs, period ended 30th September, 2019 aggregating Rs. 313 Lakhs and year ended 31st March, 2020 aggregating Rs. 1,170 Lakhs) are being recognized as an expense in the Statement of Profit and Loss as and when incurred.

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 starting from 23rd April, 2020 in line with the directives from the authorities.

The Company has evaluated the impact of this pandemic on 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 and based on the management's review of the current indicators and economic conditions appropriate adjustments have been reflected in the financial results for the quarter and half year ended 30th September, 2020. 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 Aquagnis 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.

On 23rd September, 2020, the Company filed the Board approved Scheme with the Bombay Stock Exchange. 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 approvals as may be required.



9. Considering the impact of Covid-19, the results for the quarter and half year ended 30th September, 2020 are not comparable with those for the previous/ corresponding periods.
10. 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,
13th November, 2020



Price Waterhouse Chartered Accountants LLP

The Board of Directors
Forbes & Company Limited
Forbes' Building
Charanjit Rai Marg
Fort, Mumbai – 400 001.

1. We have reviewed the unaudited financial results of Forbes & Company Limited (the "Company") for the quarter and the half year ended September 30, 2020 which are included in the accompanying 'Statement of Standalone Unaudited Financial Results for the quarter and half year ended 30th September, 2020', the statement of assets and liabilities as on that date and the statement of cash flows for the half-year ended on that date (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes. The Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw your attention to Note 7 to the standalone financial results of the Company which describes the management's assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Company and the adjustments made to these financial results. In view of the uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our conclusion is not modified in respect of this matter.

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



Sarah George
Partner
Membership Number: 045255
UDIN: 20045255AAAAMV9738

Place: Mumbai
Date: November 13, 2020

*Price Waterhouse Chartered Accountants LLP, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West)
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Price Waterhouse (a Partnership Firm) Converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPINAAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Statement of Consolidated Unaudited Financial Results for the quarter and half year ended 30th September, 2020

(Rs. in Lakhs)

Particulars	Quarter ended			Half year ended		Year ended
	30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	(Audited)
1 Income						
Revenue from operations (Refer Note 14 below)	67,235	42,101	72,589	1,09,336	1,43,573	2,75,459
Other income	2,712	363	612	3,075	1,464	3,693
Total Income	69,947	42,464	73,201	1,12,411	1,45,037	2,79,151
2 Expenses						
Real estate development costs	927	614	1,542	1,541	2,944	8,731
Cost of materials consumed	16,396	7,896	22,929	24,292	42,326	77,148
Purchases of stock-in-trade	8,428	1,679	9,136	10,107	16,278	27,489
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,287)	1,988	(6,437)	701	(8,621)	(11,055)
Employee benefits expense	15,851	14,863	18,398	30,714	35,396	69,521
Finance costs	2,803	2,347	2,224	5,150	4,502	10,138
Depreciation and amortisation expense	2,474	2,701	2,394	5,175	4,718	9,916
Other expenses	22,444	14,480	24,507	36,924	48,888	1,00,503
Total expenses	68,036	46,568	74,693	1,14,604	1,46,431	2,92,391
3 Profit/ (Loss) before exceptional items, Share of net profit of investment accounted for using equity method and tax	1,911	(4,104)	(1,492)	(2,193)	(1,394)	(13,240)
4 Share of Profit of Associates / Joint ventures (net)	58	84	235	142	590	632
5 Profit / (Loss) before exceptional items and tax	1,969	(4,020)	(1,257)	(2,051)	(804)	(12,608)
6 Exceptional items (Net) (Refer Note 5 below)	(2,538)	-	(14,997)	(2,538)	(14,997)	(21,469)
7 Profit/ (Loss) before tax	(569)	(4,020)	(16,254)	(4,589)	(15,801)	(34,077)
8 Tax expense						
Current tax	1,059	67	472	1,126	910	894
Deferred tax	52	22	90	74	21	(1,143)
	1,111	89	562	1,200	981	(749)
9 Profit/ (Loss) after tax	(1,680)	(4,109)	(16,816)	(5,789)	(16,782)	(33,828)
10 Other Comprehensive Income/ (Loss)						
A (i) Items that will not be reclassified to statement of profit or loss						
(a) Remeasurement of the defined benefit plans	13	(20)	15	(7)	(44)	(188)
(b) Equity instruments through other comprehensive income	-	-	-	-	-	(206)
(c) Income Tax relating to the above items	-	-	3	-	8	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	936	(1,015)	(25)	(79)	(524)	(1,356)
Other Comprehensive Income / (Loss) (net of tax)	949	(1,035)	(7)	(86)	(560)	(1,639)
11 Total Comprehensive Income / (Loss) for the period / year	(731)	(5,144)	(16,823)	(5,875)	(17,342)	(35,467)
12 Profit/ (Loss) for the year attributable to:-						
(i) Owners of the Company	(487)	(4,597)	(16,499)	(5,084)	(16,155)	(32,461)
(ii) Non controlling interests	(1,193)	488	(317)	(705)	(627)	(1,367)
	(1,680)	(4,109)	(16,816)	(5,789)	(16,782)	(33,828)
13 Other comprehensive income/ (loss) for the year attributable to:-						
(i) Owners of the Company	948	(1,038)	(7)	(90)	(560)	(1,745)
(ii) Non controlling interests	1	3	-	4	-	105
	949	(1,035)	(7)	(86)	(560)	(1,639)
14 Total comprehensive income/ (loss) for the year attributable to:-						
(i) Owners of the Company	461	(5,635)	(16,506)	(5,174)	(16,715)	(34,206)
(ii) Non controlling interests	(1,192)	491	(317)	(701)	(627)	(1,261)
	(731)	(5,144)	(16,823)	(5,875)	(17,342)	(35,467)
15 Paid-up equity share capital (Face Value of Rs. 10 each)	1,290	1,290	1,290	1,290	1,290	1,290
16 Other equity (excluding Revaluation Reserve)						(10,105)
17 Basic and diluted earnings per equity share attributable to owners of the Company (after exceptional items)	Rs. (3.82)	Rs. (36.11)	Rs. (129.58)	Rs. (39.93)	Rs. (126.88)	Rs. (254.95)

(Quarter figures not annualised)

See accompanying notes to the consolidated financial results.

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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 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.
The Group has reclassified the segment disclosure as prescribed under Ind AS 108 and accordingly previous period disclosure has been restated.

(Rs. in Lakhs)

	Quarter ended			Half year ended		Year ended
	30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	(Audited)
1 Segment Revenue						
(a) Health, Hygiene, Safety Products and its services	57,519	35,227	64,136	92,746	1,23,896	2,36,996
(b) Engineering	4,216	1,635	4,043	5,851	9,138	17,641
(c) Real Estate	450	484	479	934	965	1,954
(d) IT Enabled Services and Products	1,780	850	1,261	2,630	4,035	7,538
(e) Shipping and Logistics Services	3,304	3,936	2,705	7,240	5,605	11,468
(f) Others	9	8	8	17	17	33
Total	67,278	42,140	72,632	1,09,418	1,43,657	2,75,630
Less: Inter Segment Revenue	(43)	(39)	(43)	(82)	(84)	(172)
Total income from operations (net)	67,235	42,101	72,589	1,09,336	1,43,573	2,75,458
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	* 2,413	(1,405)	* (12,735)	* 1,008	* (10,995)	* (20,111)
(b) Engineering	568	(891)	(384)	(323)	(368)	(1,422)
(c) Real Estate	134	329	227	463	676	634
(d) IT Enabled Services and Products	# (988)	(952)	(878)	# (1,940)	(928)	# (4,162)
(e) Shipping and Logistics Services	\$ 186	1,285	(325)	\$ 1,471	114	119
(f) Others	(7)	(6)	(8)	(13)	(15)	9
Total segment results	2,306	(1,640)	(14,103)	666	(11,516)	(24,933)
Add: Share of profit of joint ventures and associates accounted for using equity method	58	84	235	142	590	632
Add: Exceptional items - Income / (Expense)	-	-	-	-	-	698
Less: Finance costs	(2,803)	(2,347)	(2,224)	(5,150)	(4,502)	(10,138)
Balance	(439)	(3,903)	(16,092)	(4,342)	(15,428)	(33,741)
Add: Unallocable income / (expense) (net)	(130)	(117)	(162)	(247)	(373)	(336)
Profit / (Loss) from ordinary activities before tax	(569)	(4,020)	(16,254)	(4,589)	(15,801)	(34,077)
3 Segment Assets						
(a) Health, Hygiene, Safety Products and its services	1,50,259	1,41,432	1,66,414	1,50,259	1,66,414	1,45,124
(b) Engineering	15,175	15,152	16,464	15,175	16,464	15,945
(c) Real Estate	38,536	37,945	31,987	38,536	31,987	37,278
(d) IT Enabled Services and Products	17,441	18,279	22,422	17,441	22,422	19,471
(e) Shipping and Logistics Services	35,461	37,106	38,235	35,461	38,235	38,973
(f) Others	5	4	9	5	9	4
(g) Unallocated	16,274	17,255	17,144	16,274	17,144	17,986
Total Assets	2,73,151	2,67,173	2,92,675	2,73,151	2,92,675	2,74,781
4 Segment liabilities						
(a) Health, Hygiene, Safety Products and its services	1,63,870	1,57,232	1,67,463	1,63,870	1,67,463	1,58,235
(b) Engineering	9,374	9,850	8,969	9,374	8,969	10,045
(c) Real Estate	49,051	47,923	38,192	49,051	38,192	46,864
(d) IT Enabled Services and Products	20,917	20,631	21,134	20,917	21,134	20,452
(e) Shipping and Logistics Services	24,016	25,083	25,813	24,016	25,813	27,715
(f) Others	1,096	1,069	3	1,096	3	1,041
(g) Unallocated	9,179	9,493	11,937	9,179	11,937	9,394
Total Liabilities	2,77,503	2,71,281	2,73,511	2,77,503	2,73,511	2,73,746

Notes on Segment Information:

- 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.
- Details of product categories included in each segment comprises:
 - 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.
 - Engineering Segment includes manufacture/ trading in Precision Cutting Tools, Spring Lock Washers and Marking Systems.
 - Real Estate includes income from renting out investment properties and revenue from real estate development project.
 - 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.
 - Shipping and Logistics Services segment carries on business of ship owners, charterers etc.
 - Unallocable Corporate Assets mainly comprises of investments, tax receivables and other unallocable assets.
 - Unallocable Liabilities comprise borrowings, provisions and other unallocable liabilities.
- 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 quarter and half year ended 30th September, 2020 (for the quarter and half ended 30th September, 2019 Rs. 14,997 Lakhs and for year ended 31st March, 2020 Rs. 21,646 Lakhs).

Includes a non-cash charge of impairment of intangible assets under development of Rs. 208 Lakhs for the quarter and half year ended 30th September, 2020 (for year ended 31st March, 2020 Rs. 521 Lakhs).

\$ Includes a non-cash charge of impairment of shipping vessels of Rs. 1,351 Lakhs for the quarter and half year ended 30th September, 2020.



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1. Consolidated Statement of Assets and Liabilities as at 30th September, 2020.

Particulars	(Rs. in Lakhs)	
	As at 30.09.2020 (Unaudited)	As at 31.03.2020 (Audited)
Assets		
1 Non-current assets		
a) Property, Plant and Equipment	48,772	57,179
b) Right-of-use assets	3,395	4,354
c) Capital work-in-progress	161	115
d) Investment Properties	2,455	2,488
e) Goodwill	28,753	28,111
f) Other Intangible assets	9,498	10,587
g) Intangible assets under development	1,923	2,779
h) Financial Assets:		
i) Investments	7,234	8,647
ii) Trade receivables	1,780	2,362
iii) Loans	2,341	2,383
iv) Other financial assets	1,054	1,076
	12,409	14,468
i) Tax assets		
i) Deferred tax assets (net)	8,076	7,786
ii) Income tax assets (net)	5,351	7,449
	13,427	15,235
j) Other non-current assets	4,912	5,059
Total Non-current assets	1,25,705	1,40,375
2 Current assets		
a) Inventories	71,094	71,358
b) Financial Assets:		
i) Investments	11,103	3,703
ii) Trade receivables	35,630	40,702
iii) Cash and cash equivalents	9,185	3,453
iv) Bank balances other than (iii) above	453	3,002
v) Loans	1,137	1,157
vi) Other financial assets	1,223	1,365
	58,731	53,382
c) Tax assets		
i) Income tax assets (net)	14	-
d) Other current assets	13,068	9,665
	71,813	63,047
Assets classified as held for sale	4,539	1
Total Current assets	1,47,446	1,34,406
Total Assets	2,73,151	2,74,781
Equity and Liabilities		
Equity		
a) Equity share capital	1,290	1,290
b) Other equity	(15,279)	(10,105)
Equity attributable to owners of the Company	(13,989)	(8,815)
Non-controlling interests	9,637	9,850
Total Equity	(4,352)	1,035
Liabilities		
1 Non-current liabilities		
a) Financial liabilities:		
i) Borrowings	31,267	34,383
ii) Lease Liabilities	2,048	2,613
iii) Other financial liabilities	5,234	4,263
	38,549	41,259
b) Provisions	1,371	1,282
c) Deferred tax liabilities (net)	485	352
d) Other non-current liabilities	9,978	12,593
	50,383	55,486
Total Non-current liabilities	50,383	55,486
2 Current liabilities		
a) Financial liabilities:		
i) Borrowings	41,230	44,489
ii) Trade payables		
a) total outstanding dues of micro enterprises and small enterprises; and	5,505	2,832
b) total outstanding dues of creditors other than micro enterprises and small enterprises	31,601	37,803
iii) Lease Liabilities	1,514	1,855
iv) Other financial liabilities	57,743	48,144
	1,37,593	1,35,123
b) Provisions	3,959	4,285
c) Current tax liabilities (net)	1,501	498
d) Other current liabilities	84,067	78,354
	2,27,120	2,18,260
Total Current Liabilities	2,27,120	2,18,260
Total Liabilities	2,77,503	2,73,746
Total Equity and Liabilities	2,73,151	2,74,781

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2. Consolidated Statement of Cash flows for the half year ended 30th September, 2020

(Rs. in Lakhs)

	Half Year Ended 30.09.2020 (Unaudited)	Half Year Ended 30.09.2019 (Unaudited)
Cash flows from operating activities		
Loss before tax	(4,589)	(15,801)
Adjustments for -		
Depreciation and amortisation expense	5,175	4,718
Post acquisition share of (profit)/loss of Joint Venture (using Equity Method)	(142)	(590)
Interest income earned on financial assets that are not designated as at fair value through profit or loss		
i) Bank deposits	(44)	(90)
ii) Interest income from financial assets and others at amortised cost	(1)	(20)
Interest on Income Tax/ Wealth Tax refund	(106)	-
Finance costs	5,150	4,502
Dividend Income	-	-
Loss (Gain) on disposal of property, plant and equipment	584	(311)
(Gain) on disposal of Right of use assets	(130)	-
(Gain) on disposal/ fair value of current investments	(100)	(25)
(Gain) on disposal of subsidiary	(1,129)	-
Provision/ written off (net) for trade receivables and advances	1,777	379
Credit balances/ excess provision written back	(79)	(78)
Net foreign exchange (gain)/loss including effect of exchange difference on consolidation of foreign entities	(2,535)	829
	8,420	9,314
Exceptional items:		
- Impairment of Goodwill	979	14,997
- Provision for shortfall in expected recoverable value of assets held for sale	1,351	-
- Provision for impairment of certain intangible assets under development	208	-
	2,538	14,997
	10,958	24,311
Operating profit before working capital changes	6,369	8,510
Changes in working capital:		
(Increase)/ decrease in trade and other receivables	2,628	(4,311)
(Increase)/ decrease in inventories	267	(9,078)
(Increase)/ decrease in other loans and advances	1,152	(252)
(Increase)/ decrease in other financial assets	151	2,328
(Increase)/ decrease in other assets	(6,309)	(1,692)
Increase/ (decrease) in trade and other payables	(3,851)	522
Increase/ (decrease) in other financial liabilities	7,595	(1,251)
Increase/ (decrease) in provisions	314	1,591
Increase/ (decrease) in other liabilities	9,902	13,896
	11,849	1,753
Cash generated from operations	18,218	10,263
Income taxes (paid)/ refunds received (net)	2,066	(1,280)
(a) Net cash flow generated from operating activities	20,284	8,983
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)	(857)	(3,662)
Proceeds from disposal of property, plant and equipment (including investment properties and intangible assets)	163	338
Purchase of current investments	(12,028)	(7,000)
Proceeds from sale of current investments	4,727	5,504
Bank balances not considered as cash and cash equivalents	2,525	(1,799)
Interest received	57	109
Dividend received	-	-
(b) Net cash flow (used in) investing activities	(5,413)	(6,510)

* Amount is below rounding off norms of the Group.

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(Rs. in Lakhs)

	Half Year Ended 30.09.2020 (Unaudited)	Half Year Ended 30.09.2019 (Unaudited)
Cash flows from financing activities:		
Proceeds from long-term borrowings	912	3,246
Repayment of long-term borrowings	(899)	(11,557)
Proceeds from short-term borrowings	3,700	1,700
Repayment of short-term borrowings	(5,210)	-
Net increase/ (decrease) in Cash credit facilities, Buyers Credit, Overdraft facility, credit card facilities and Loans repayable on demand	(2,091)	9,579
Finance costs paid	(4,267)	(4,215)
Payment of Lease Liabilities	(788)	(922)
Dividend paid on equity shares	-	(624)
Tax on dividend	-	(133)
(c) Net cash flow (used) in financing activities	(8,643)	(2,926)
(d) Net (decrease) in cash and cash equivalents (a + b + c)	6,228	(453)
(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 subsidiary	(504)	-
(g) Effects of exchange rate changes on cash and cash equivalents	8	24
(h) Cash and cash equivalents as at the end of the period (d + e + f + g)	9,185	6,627

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

	As at 30.09.2020 (Unaudited)	As at 30.09.2019 (Unaudited)
Cash and cash equivalents as per above comprise of the following		
Balances with Banks		
- In current accounts	4,502	6,098
- In EEFC accounts	34	81
- In Deposits accounts (with original maturity upto 3 months)	2,893	156
Cheques, drafts on hand	144	223
Cash on hand	1,612	69
Balances as per statement of cash flows	9,185	6,627

Notes:

1. The above Cash Flow Statement has been prepared under the "Indirect Method" set out in Indian Accounting Standard - 7 on Statement of Cash Flows.
2. Previous period figures have been regrouped/ reclassified, wherever necessary to conform to current year classification.
3. Other bank balances at the end of the period includes: (i) earmarked balances towards unpaid dividends Rs. 26 Lakhs (Previous period Rs. 30 Lakhs) and (ii) margin money deposits Rs. 162 Lakhs (Previous period Rs. 147 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 period excludes interest expense on loans for real estate development activities amounting to Rs. 197 Lakhs (Previous period Rs. 200 Lakhs).

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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 quarter and half year ended 30th September, 2020 were reviewed by the Audit Committee and thereafter approved at the meeting of the Board of Directors held on Friday 13th November, 2020. The results for the quarter and half year ended 30th September, 2020 have been reviewed by the auditors in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
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)

Particulars	Quarter ended			Half year ended		Year ended
	30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
(i) Expected inflow/ (outflow) for disputed matter	-	-	-	-	-	698
(ii) Impairment of Goodwill	(979)	-	(14,997)	(979)	(14,997)	(21,646)
(iii) Provision for impairment of certain intangible assets under development	(208)	-	-	(208)	-	(521)
(iv) Provision for shortfall in expected recoverable value of assets held for sale	(1,351)	-	-	(1,351)	-	-
TOTAL	(2,538)	-	(14,997)	(2,538)	(14,997)	(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, which was appealed 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 year ended 31st March, 2020, 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 for the quarter and half year ended 30th September, 2020, Rs. 14,997 Lakhs for the quarter and half year ended 30th September, 2019 and Rs. 21,646 Lakhs for the 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 are impaired. Impairment loss on the above projects aggregating Rs. 208 Lakhs for the quarter and half year ended 30th September, 2020 and Rs. 521 Lakhs for the year ended 31st March, 2020 has been disclosed as an exceptional item in these financial results.
- (iv) Shapoorji Pallonji Forbes Shipping Limited ('SPFSL'), a subsidiary, resolved to sell one of its shipping vessel for an aggregate net consideration of USD 6.15 million for which a Memorandum of Understanding has been signed on 1st October, 2020. In accordance with Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations", this vessel has been reclassified from property, plant & equipment to "non-current assets held for sale". Accordingly, the shortfall between the written down value of the asset and the agreed sales consideration aggregating Rs. 1,351 Lakhs has been disclosed as an exceptional loss during the quarter and half year ended 30th September, 2020 in these financial results.



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6. Standalone Information:

(Rs. in Lakhs)

Particulars	Quarter ended			Half year ended		Year ended
	30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenue from operations	4,643	2,091	4,496	6,734	10,049	19,488
Profit before tax	(2,169)	(976)	(583)	(3,145)	(601)	(2,578)
Profit after tax	(2,169)	(976)	(583)	(3,145)	(601)	(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. The following matter has been included in the financial results of Eureka Forbes Limited (EFL) which is reproduced as follows:

"Financial difficulties:

Forbes Lux International AG (FLIAG):

Forbes Lux International AG and its direct and indirect subsidiaries (Lux Group) faced financial difficulties during the last years and the period ended June 30, 2020. In addition, Forbes Lux International AG is over indebted as at June 30, 2020. Forbes Lux International AG's ability to continue as a going concern depends on the continuing financial support of its parent company, Eureka Forbes Limited (EFL) located in India.

The Board of Directors of Forbes Lux International AG are taking necessary steps to revive and stabilize the business of Forbes Lux International AG and Lux Group. Further, EFL, issued a financial support letter dated 20 February 2020, that they undertake financial support to the extent needed to keep Forbes Lux International AG 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 2021.

If Forbes Lux International AG is not able to continue as a going concern, assets may have to be written down and provisions set up and fixed assets and non-current liabilities reclassified as current. The impact of these adjustments 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 during the last years and the period ended June 30, 2020. Lux International Ltd (Group)'s ability to continue as a going concern depends on the continuing financial support of its parent company, Eureka Forbes Limited (EFL) located in India.

The Board of Directors of Lux International AG (Group) are taking necessary steps to revive and stabilize the business of Lux Group. Further, EFL, issued a financial support letter dated 20 February 2020, that they undertake financial support to the extent needed to keep 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 2021.

If Lux International Ltd (Group) is not able to continue as a going concern, assets may have to be written down and provisions set up and fixed assets and non-current liabilities reclassified as current. The impact of these adjustments could be material and the necessary provisions would have to be followed by the Board of Directors."

8. The following matter has been included in the financial results of EFL which is reproduced as follows:

"Going Concern:

Eureka Forbes Limited (EFL) and Lux group comprises of substantial portion of EFL group.

The consolidated financial results 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 group has continued to incur loss during the period ended September 30, 2020 and has incurred a net loss of Rs. 2,374.70 lakhs. As of that date, the group's current liabilities exceeded its current assets by Rs. 39,905.98 lakhs which includes an amount of Rs. 31,164.53 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. 8,741.45 lakhs. Also the group has accumulated losses of Rs. 30,953.69 lakhs as on September 30, 2020 and a total equity of Rs. (-) 7,163.25 lakhs. Further, EFL has provided financial support to its subsidiaries, 'FLIAG' and 'Lux Group' to repay the instalments of loans for certain borrowings of Lux group for which the amount due till as of 31st March 2021 Rs. 3,258.03 lakhs and also to keep them adequately capitalized. The net worth of EFL has been fully eroded mainly due to provision for impairment of investments in and loans to subsidiaries over the periods including for Lux Group.

Nevertheless, the financial results for the period ended September 30, 2020 have been prepared on a "Going Concern" basis in view of the fact that the 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 Group expects increase in demand for its products as the health consciousness amongst people should increase consequent to the COVID 19 pandemic.

EFL's operating cash flow has improved during the quarter ended September 30, 2020 and also has undrawn fund based facilities to run its operations.

Further, Forbes & Company Limited ("Parent Company" of group) has issued a financial support letter to EFL for providing financial support for continuing its operations in the foreseeable future and to meet its financial obligations in case it needs, subject to approval of the Board of Directors of the Forbes & Company Limited."



Contd...

9. The following matter has been included in the financial results of EFL which is reproduced as follows:
"Operations during the period continued to be impacted by measures to contain the COVID19 pandemic. Business activities gathered momentum though recovery has been gradual and partial. Accordingly the consolidated result for the period are not comparable with those for the previous period and corresponding quarter of the previous year.

The Group has resumed operations in a phased manner as per directives from the Government of respective countries. The Group has evaluated impact of this pandemic on its business operations and financial position and based on its review of current and estimated future global, including Indian economic indicators, the related impact has been considered on its financial results and financial position as at September 30, 2020. The Group, based on current estimates, expects demand to pick up in medium to long term and attain pre-COVID levels of performance basis which the carrying amount of the receivables, inventories and goodwill will be recovered. 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 group will continue to monitor any material changes to future economic conditions."

10. The following matter has been included in the financial results of EFL which is reproduced as follows:

"The Board of Directors of Eureka Forbes Limited ("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.

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 the Company) with and into the Company and amalgamation and vesting of the Company with and into Forbes and Company Limited ("the Parent Company"). Further, upon the above part of the scheme becoming effective, Demerger and vesting of Demerged Undertaking (Health, Hygiene, Safety Products and Services Undertaking, as defined in the scheme) of the Parent Company into Forbes Enviro Solutions Limited ("FESL") (presently wholly owned subsidiary of the Company), on a going concern basis. Upon the entire scheme becoming effective, the name of FESL shall be changed to Eureka Forbes Limited.

The Parent Company has filed an application seeking sanction of the scheme, with the BSE, Mumbai, with the appointed date of April 01, 2020. The above scheme shall be effective post receipt of all the required approvals."

11. The following matter has been included in the financial results of Forbes Technosys Limited (FTL) which is reproduced as follows:

"The Company has incurred a net loss of Rs. 2,964.84 lakhs during the half year ended September 30, 2020 and the Company's current liabilities exceeded its current assets by Rs. 13,755.04 lakhs as at September 30, 2020. The Company has accumulated losses of Rs. 17,265.80 lakhs and its net worth has been fully eroded as at September 30, 2020. These conditions indicate the existence of material uncertainty that may cast a significant doubt about the Company's ability to continue as a going concern.

However, during the half year ended September 30, 2020, the Holding Company, namely Forbes and Company Limited and the Ultimate Holding Company, namely Shapoorji Pallonji and Company Private Limited, have provided Inter Corporate deposits ('ICD') aggregating Rs. 459.50 lakhs (net of repayments) in addition to existing loans to support the Company's cash flow and to meet its liabilities. The Company is confident of refinancing/ repayment of all borrowings obligations, as and when due, from business operations and/ or financial support from the Holding and Ultimate Holding Company.

The Company has suffered setback in recent past years which is temporary in nature due to muted demand and stress in some of the key sectors that the Company has been traditionally dependent on, such as banking and telecom. Heightened competition and entry of several local players in the e-payments space put pressures on margin as well for the Company. Additionally, the Covid-19 pandemic has severely disrupted business operations around the world due to global lockdown and other emergency measures imposed by various governments. The operations of the Company were also impacted due to Covid-19 as the Company's manufacturing units and offices had to be completely shut-down following nationwide lockdown. Also, supply chain for critical electronic components required for sales and services were affected since January 2020, which eventually affected dispatches during the last quarter of the year ended March 31, 2020 and during the first quarter of the half year ended September 30, 2020, significantly.

The Company has resumed operations in a phased manner as per directives from the Government of India. The Company has 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 statements for the half year ended September 30, 2020. Considering the Company's current estimates it is expected that demand will pick up in the near future and no additional adjustments are required in the carrying values of the Company's property, plant and equipment, intangible assets including intangibles under development, trade receivables and other current assets as at September 30, 2020.

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 statements. The Company will continue to monitor any material changes to future economic conditions.

The Management have carried out a detailed evaluation in respect of the future business prospects of the Company coupled with innovative, niche and high impact software solutions designed which leverage upon the cutting edge technology and strong domain knowledge across industry verticals that the Company possesses. The new initiatives, product rationalization buoyed by consistent increasing demand observed in sectors other than BFSI, make the Company well poised to reap in benefits in the long run, despite some challenges, when looked at from a short-term perspective.



The adversity in present market situation is prolonged due to impact of Covid-19 pandemic and overall slowdown in business environment globally. There are positive trends visible for the Company in the near future (considering orders secured including those in pipeline, cost rationalization, product portfolio diversification strategies etc.) which are expected to continue in the foreseeable future would aid business recoupment. Therefore, the Holding and Ultimate Holding Company are rendering the necessary support as required to enable the Company to revive itself.

Accordingly, considering the aforesaid and management's assessment on the overall situation at the Company, expected operational improvements planned and ongoing financial support, the financial statements of the Company have been prepared on a going concern basis."

12. The following matter has been included in the financial results of FTL which is reproduced as follows:

"During the month of October 2020, the Company has made an application to its bankers (for outstanding term loans and cash credit facilities aggregating to Rs. 5,739.96 lakhs as on September 30, 2020) and debenture holders (Face Value: Rs. 3,500 lakhs) 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 August 06, 2020. Consequently, the debentures of Rs. 3,500 lakhs, due for redemption on October 18, 2020, have not been redeemed by the Company and the same forms part of the OTR process mentioned above."

13. The following matter has been included in the financial results of Shapoorji Pallonji Forbes Shipping Limited (SPFSL) which is reproduced as follows:

"The Company's current liabilities exceed the current assets by Rs. 11,622 Lakhs as at September 30, 2020. The Company has made an application (ECB term loan obligations of USD 16 million) to the bank for invoking One Time Restructuring falling (OTR) under the "Resolution Framework for COVID-19 related Stress" as prescribed by the Reserve Bank of India (RBI) vide circular dated August 06, 2020. Consequently, ECB term loan obligations of USD 16 million, due for repayment in October 2020, have not been paid by the Company and the same forms part of the OTR process mentioned above.

The Company is confident of settling its borrowing liabilities through funds from ultimate holding company/ group companies or from operations, including asset sale, if required. In view of the above, the financial results have been prepared on a going concern basis."

14. 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 Group 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.

Had the Group continued application of earlier standards for revenue recognition for its real estate projects instead of Ind AS 115, the following line items would be higher by amounts as disclosed below:

Financial Statement Line Item	(Rs. in Lakhs)					
	Quarter ended			Half year ended		Year ended
	30.09.2020 (Unaudited)	30.06.2020 (Unaudited)	30.09.2019 (Unaudited)	30.09.2020 (Unaudited)	30.09.2019 (Unaudited)	31.03.2020 (Audited)
Revenue	987	806	3,196	1,793	5,641	13,546
Changes in inventories of finished goods, work-in-progress and stock-in-trade	588	474	1,772	1,062	3,137	8,172
Net profit before tax	399	332	1,424	731	2,504	5,374

Additionally, as at 30th September, 2020, real estate work-in-progress included in inventory is higher by Rs. 25,593 Lakhs and advances from customers included in other current liabilities is higher by Rs. 39,956 Lakhs and unbilled revenue included in other financial assets is lower by Rs. 3,218 Lakhs.

Further, certain indirect costs (e.g. Selling expenses, commission & brokerage, advertisement and sales promotion, depreciation and other administrative expenses) pertaining to real estate development project for the period ended 30th September, 2020 aggregating Rs. 210 Lakhs (quarter ended 30th September, 2020 aggregating Rs. 160 Lakhs, quarter ended 30th June, 2020 aggregating Rs. 50 Lakhs, period ended 30th September, 2019 aggregating Rs. 313 Lakhs and year ended 31st March, 2020 aggregating Rs. 1,170 Lakhs) are being recognized as an expense in the Statement of Profit and Loss as and when incurred.

15. One of the subsidiary in Lux group, 'Lux Deutschland GmbH Germany' had filed for winding up in April 2020. Liquidation of this entity is in progress and the entity is under control of insolvency administrator. Management has given effect of 'loss of control' for the said entity in this consolidated financial results for quarter and half year ended 30th September, 2020.

16. 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.

17. The Covid-19 pandemic has severely disrupted business operations due to global lockdown and other emergency measures imposed by various governments. The operations of the Group, its joint ventures and associates were impacted due to the shutdown of real estate development project and offices following the nationwide lockdown imposed by governments of respective countries where the Group operates. The Group resumed its operations in a phased manner in line with directives from the relevant authorities.



The Group has evaluated the impact of this pandemic on its business operations, liquidity and based on current estimates, expects demand to pick up in the long term and attain pre-Covid-19 levels of performance considering which the carrying values of the Group's assets including property, plant and equipment, intangible including goodwill, trade receivables, inventory and investments as at the Balance Sheet date will be recovered. Further, considering the management's review of the current indicators and economic conditions appropriate adjustments have been reflected in the financial results for the quarter and half year ended 30th September, 2020.

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 Group will continue to monitor any material changes to future economic conditions.

18. Considering the impact of Covid-19 pandemic, the results for the quarter and half year ended 30th September, 2020 are not comparable with those for the previous/ corresponding quarters.
19. One of the subsidiaries, Forbes Technosys Limited, is in the process of filling up the vacancy caused in the position of Chief Financial Officer ('CFO') due to untimely demise of its erstwhile CFO.
20. Figures for the previous periods are re-classified/ re-arranged/ regrouped, wherever necessary, to correspond with the current period's classification.

Mumbai,
13th November, 2020



For Forbes & Company Limited

(Mahesh Tahilyani)
Managing Director
DIN: 01423084



Price Waterhouse Chartered Accountants LLP

The Board of Directors
Forbes & Company Limited
Forbes' Building
Charanjit Rai Marg
Fort, Mumbai - 400 001

1. We have reviewed the unaudited consolidated financial results of Forbes & Company Limited (the "Parent"), its subsidiaries (the parent and its subsidiaries hereinafter referred to as the "Group"), joint ventures and associate companies for the quarter and the half year ended September 30, 2020 which are included in the accompanying 'Statement of Consolidated Unaudited Financial Results for the quarter and half year ended 30th September, 2020', the unaudited consolidated statement of assets and liabilities as on that date and the consolidated statement of cash flows for the half-year ended on that date (the "Statement"). The Statement is being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), which has been initialled by us for identification purposes.
2. This Statement, which is the responsibility of the Parent's Management and has been approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

Parent Company:

- Forbes & Company Limited

Subsidiaries (Direct and Indirect):

- Eureka Forbes Limited
- Aquaignis Technologies Private Limited
- Forbes Aquatech Limited*
- Forbes Lux International AG
- Lux International AG
- Lux del Paraguay S.A.
- Lux Italia srl

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Price Waterhouse (a Partnership Firm) Converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership Firm) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)



Price Waterhouse Chartered Accountants LLP

To the Board of Forbes & Company Limited
Review Report on the Unaudited Consolidated Financial Results for the quarter
and half year ended September 30, 2020
Page 2 of 5

- Lux Schweiz AG
- Lux (Deutschland) GmbH*
- Lux International Services & Logistics GmbH (formerly Lux Service GmbH)
- Lux Norge A/S
- Lux Österreich GmbH
- Lux Hungária Kereskedelmi Kft.
- LIAG Trading and Investments Limited
- Lux Aqua Paraguay SA
- Lux Welity Polska sp z oo
- EFL Mauritius Limited
- Euro Forbes Financial Services Limited
- Euro Forbes Limited
- Forbes Lux FZCO
- Forbes Facility Services Private Limited
- Forbes Enviro Solutions Limited
- Forbes Campbell Finance Limited
- Forbes Campbell Services Limited
- Forbes Technosys Limited
- Volkart Fleming Shipping and Services Limited
- Shapoorji Pallonji Forbes Shipping Limited
- Campbell Properties & Hospitality Services Limited

Associate Companies:

- Nuevo Consultancy Services Private Limited
- Dhan Gaming Solution (India) Private Limited
- Euro P2P Direct (Thailand) Company Limited

Joint Ventures:

- Forbes Bumi Armada Limited
- Forbes Aquatech Limited*
- Forbes Concept Hospitality Services Private Limited
- Infinite Water Solutions Private Limited
- AMC Cookware (Proprietary) Limited

* Subsidiary upto May 08, 2020, post which the company is under liquidation.

Forbes Aquatech Limited (erstwhile joint venture), has become subsidiary w.e.f. August 28, 2020.

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 10 below, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw your attention to Note 7 to the standalone financial results of the Parent which describes the management's assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Parent and the adjustments made to the financial results. In view of the uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our conclusion is not modified in respect of this matter.



Price Waterhouse Chartered Accountants LLP

To the Board of Forbes & Company Limited
Review Report on the Unaudited Consolidated Financial Results for the quarter
and half year ended September 30, 2020
Page 3 of 5

7. The following emphasis of matter paragraphs were included in the review report dated November 9, 2020, issued by an independent firm of Chartered Accountants on the consolidated financial results of Eureka Forbes Limited, a subsidiary of the Parent, and are reproduced as under:

“

- i. The review report on the standalone financial information of Forbes Lux International AG (“FLIAG”) and consolidated financial information of Lux International Limited (“Lux group”), subsidiary group of the Company, contains an emphasis of matter paragraph by the component auditor, stating as under, which relates to a material uncertainty related to Going Concern:

We draw attention to Note 2 in the Financial Results describing the liquidity difficulties of FLIAG and Lux group during the quarter ended June 30, 2020 and past periods. This fact together with the other matters described in note 2 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 conclusion on the Financial Results is not modified in respect of this matter.

- ii. We draw attention to note 1 in the Financial Results, which describes the uncertainties and the impact of COVID-19 pandemic on the Group’s operations and results and the internal and external information the Group’s Management has considered upto the date of this review report, in respect of the current and estimated future economic indicators, both global and Indian, to make an assessment of the recoverability of certain assets of the Group, consequent to the global health pandemic. The actual impact of the pandemic may be different from that considered in assessing the recoverability of these assets. Attention is also invited to note 3 which describes the basis of the assessment made by the Management of the Company that no material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern, despite accumulated losses, erosion of net worth and net current liability position at the reporting date and that the going concern assumption is appropriate in the preparation of these financial results.

Our conclusion on the Financial Results is not modified in respect of this matter.

- iii. We draw attention to note 8 in the Financial Results, 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.

The Scheme, inter alia, provides for amalgamation and vesting of the Company with and into the Parent Company on a going concern basis.

Further, the Parent Company has filed an application seeking sanction of the Scheme, with the BSE, Mumbai, with the appointed date of April 01, 2020.

As stated in the said note 8, the above scheme shall be effective post receipt of required approvals.

Our conclusion on the Financial Results is not modified in respect of this matter.”

Note 1, 2, 3 and 8 as described above correspond to Note 9, 7, 8 and 10 respectively, to the Consolidated Financial Results for the quarter and half year ended September 30, 2020.



Price Waterhouse Chartered Accountants LLP

To the Board of Forbes & Company Limited
Review Report on the Unaudited Consolidated Financial Results for the quarter
and half year ended September 30, 2020
Page 4 of 5

8. The following emphasis of matter paragraph was included in the review report dated November 11, 2020, issued by an independent firm of Chartered Accountants on the financial results of Forbes Technosys Limited, a subsidiary of the Parent which is reproduced as under:

“We draw attention to:

- a. Note 3 of the Statement which indicates that the Company has incurred losses during the half year ended September 30, 2020 and the Company’s current liabilities exceeded its current assets as at September 30, 2020. Further, the Company also has significant accumulated losses and its net worth has been fully eroded as at September 30, 2020. These conditions indicate the existence of 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 the said Note.
- b. Note 6 of the Statement in respect of Company’s application for One Time Restructuring of its term loans, cash credits and debentures under the ‘Resolution Framework for COVID-19 related Stress’ as per guidelines prescribed by the Reserve Bank of India in this regard and consequent non-redemption of debentures due on October 18, 2020.

Our conclusion is not modified in respect of the above matters.”

Note 3 and 6 as described above correspond to Note 11 and 12 to the Consolidated Financial Results for the quarter and half year ended September 30, 2020.

9. The following emphasis of matter paragraph was included in the review report dated October 30, 2020, issued by an independent firm of Chartered Accountants on the financial results of Shapoorji Pallonji Forbes Shipping Limited, a subsidiary of the Parent, which is reproduced as under:

“We draw attention to Note 6 in the Statement, which indicates that the Company’s current liabilities exceeded its current assets as at September 30, 2020; Company’s application for “One Time Restructuring” (OTR) of ECB term loans under the guidelines prescribed by the Reserve Bank of India and consequent non-payment of its ECB term loan obligations as it forms part of the OTR application and assessment of Company’s ability to continue as a going concern .

Our conclusion is not modified is respect of this matter.”

Note 6 as described above correspond to Note 13 to the Consolidated Financial Results for the quarter and half year ended September 30, 2020.

10. We did not review the interim financial results of 19 subsidiaries (18 subsidiaries as at September 30, 2020) included in the consolidated unaudited financial results, whose interim financial results (before eliminating intercompany transactions) reflect total assets of Rs. 222,878 Lacs and net assets of Rs. (24,486) Lacs as at September 30, 2020 and total revenues of Rs. 65,070 Lacs and Rs. 107,673 Lacs, total net loss after tax of Rs. 9,914 Lacs and Rs. 11,836 Lacs and total comprehensive loss of Rs. 8,517 Lacs and Rs. 11,874 Lacs, for the quarter ended September 30, 2020 and for the period from April 1, 2020 to September 30, 2020, respectively, and cash flows (net) of Rs. 5,063 Lacs for the period from April 1, 2020 to September 30, 2020, as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also include the Group’s share of net loss after tax of Rs. 99 Lacs and Rs. 52 Lacs and total comprehensive loss of Rs. 99 Lacs and Rs. 52 Lacs for the quarter ended September 30, 2020 and for the period from April 1, 2020 to September 30, 2020, respectively, as considered in the consolidated unaudited financial results, in respect of a joint venture, whose interim financial results have not been reviewed



Price Waterhouse Chartered Accountants LLP

To the Board of Forbes & Company Limited

Review Report on the Unaudited Consolidated Financial Results for the quarter and half year ended September 30, 2020

Page 5 of 5

by us. These interim financial results have been reviewed by other auditors and their reports, vide which they have issued an unmodified conclusion, have been furnished to us by such other auditors/ Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matters.

11. The consolidated unaudited financial results include the interim financial results of 9 subsidiaries which have not been reviewed by their auditors, whose interim financial results (before eliminating intercompany transactions) reflect total assets of Rs. 12,636 Lacs and net assets of Rs. 9,185 Lacs as at September 30, 2020 and total revenue of Rs. 698 Lacs and Rs. 892 Lacs, total net loss after tax of Rs. 722 Lacs and Rs. 797 Lacs and total comprehensive income of Rs. 4,074 Lacs and Rs. 588 Lacs for the quarter ended September 30, 2020 and for the period from April 1, 2020 to September 30, 2020, respectively, and cash flows (net) of Rs. 278 Lacs for the period from April 1, 2020 to September 30, 2020, as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also include the Group's share of net profit after tax of Rs. 156 Lacs and Rs. 193 Lacs and total comprehensive income of Rs. 156 Lacs and Rs. 193 Lacs for the quarter ended September 30, 2020 and for the period from April 1, 2020 to September 30, 2020, respectively, as considered in the consolidated unaudited financial results, in respect of 3 associates and 4 joint ventures (3 joint ventures as at September 30, 2020), based on their interim financial results which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Chartered Accountants



Sarah George

Partner

Membership Number: 045255

UDIN: 20045255AAAAMW5346

Place: Mumbai

Date: November 13, 2020