

May 26, 2023

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

Dear Sir,

Security Code : 502865
Security ID : FORBESCO

Subject : Outcome of Board Meeting

Compliance of Regulation 30 & 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

In compliance with the requirements of Regulation 30 & 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 May 26, 2023 has approved the Audited Standalone and Consolidated Financial Results for the quarter and financial year ended March 31, 2023.

We enclose for your information and record:

- a) the Audited Standalone and Consolidated Financial Results for the quarter and financial year ended March 31, 2023 along with the Auditors' Report dated May 26, 2023 of M/s. Sharp & Tannan Associates, Chartered Accountants, statutory auditors of the Company in respect of the said Financial Results.
- b) declaration with regard to Auditors' Reports with unmodified opinion on Standalone Financial Results (Refer Annexure "A").
- c) Statement of Impact of Audit Qualifications dated May 26, 2023 on financial results (consolidated) of the Company (Refer Annexure 'B').

The Board Meeting commenced at 4.30 p.m. and concluded at 7.30 p.m.

Kindly take the above information on your record.

Yours faithfully,
For Forbes & Company Limited

Nirmal Jagawat
Chief Financial Officer

Encl: As above

Annexure "A"

May 26, 2023

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

Security Code : 502865
Security ID : FORBESCO

Declaration with respect to Audit Report with unmodified opinion to the Audited Standalone Financial Results for the quarter and financial year ended March 31, 2023

Dear Sir/Madam,

We hereby declare that with respect to Audited Standalone Financial Results for the quarter and financial year ended March 31, 2023, approved by the Board of Directors of the Company at their meeting held on May 26, 2023, the Statutory Auditors, M/s. Sharp & Tannan Associates, Chartered Accountants, have not expressed any modified opinion(s) in their Standalone Audit Report.

The above declaration is made pursuant to the Regulation 33(3) (d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

Kindly take the above information on your record.

Yours faithfully,

For Forbes & Company Limited

Nirmal Jagawat
Chief Financial Officer

Independent Auditor's Report on Standalone Financial Results of FORBES & COMPANY LIMITED for the quarter and year ended March 31, 2023, pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors
FORBES & COMPANY LIMITED
(CIN – L17110MH1919PLC000628)
Forbes Building, Charanjit Rai Marg,
Fort, Mumbai – 400 001

Opinion

We have audited the accompanying Statement of Standalone Financial Results of **FORBES & COMPANY LIMITED** (the "Company") for the quarter and year ended March 31, 2023 (the "Statement") being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, these Standalone Financial Results:

- A. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- B. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and other comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Results* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 11 of the financial results in respect of Scheme of Arrangement approved by the Board of Directors of the Company in their meeting dated 26th September 2022, between Forbes & Company Limited (FCL) and Forbes Precision Tools and Machine Parts Limited (FPT) and their respective shareholders under Section 230 to 232 of the Companies Act, 2013 and other applicable provisions and the rules framed thereunder.

This Scheme is a 'Scheme of Arrangement' involving demerger of "Precision Tools Business" of the company into FPTL. The FPTL has been incorporated on 30th August 2022 as a wholly owned subsidiary of the Company. The Scheme is subject to necessary approvals by the applicable authorities. The appointed date of Scheme is 1st April 2023 or such other date as may be fixed or approved by NCLT, Mumbai Bench.

Our opinion is not modified in respect of this emphasis of matter.

Board of Directors Responsibilities for the Standalone Financial Results

The Statement has been prepared on the basis of the Financial Statements. The Company's Board of Directors are responsible for the preparation of the Statement that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34, prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern assumption. The Board of Directors do not intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- A. Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

The Statement also includes the results for the comparative quarter ended March 31, 2022, being the balancing figures between the audited figures in respect of full financial year 2021-22 and audited figures up to third quarter ended December 31, 2021 (unaudited), which are reviewed by predecessor auditor and they had issued unmodified audit opinion on the same.

The standalone financial statements of the Company for the year ended 31 March 2022 were audited by the predecessor auditor and had issued unmodified opinion vide report dated May 30, 2022.

Our opinion is not modified in respect of these other matters.

Sharp & Tannan Associates
Chartered Accountants
Firm's Reg. No.: 0100983W
and of

Mumbai, May 26, 2023

Memt
DIN: 2

Desai
Partner
42624
C4781

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.

1 Segment Revenue					
(a) Engineering	5,644	5,573	4,959	22,988	20,632
(b) Real Estate	398	455	312	1,795	2,875
Total	6,042	6,028	5,271	24,783	23,507
Less: Inter Segment Revenue	-	1	-	2	2
Total revenue from operations (net)	6,042	6,027	5,271	24,781	23,505
2 Segment Results [Profit / (Loss) before Tax and Interest from each Segment (including exceptional items related to segments)]					
(a) Engineering	746	601	425	2,460	2,975
(b) Real Estate	21,227	21	(586)	21,037	736
Total segment results	21,973	622	(161)	23,497	3,711
Less: Finance costs	(272)	(144)	(304)	(818)	(1,235)
Balance	21,701	478	(465)	22,679	2,476
Add: Unallocable income / (expense) (net) [including exceptional items]	(21,023)	154	4,19,024	2,043	4,09,759
Profit / (Loss) before tax	678	632	4,18,559	24,722	4,12,235
3 Segment Assets					
(a) Engineering	15,576	16,201	16,582	15,576	16,582
(b) Real Estate	18,824	17,813	15,775	18,824	15,775
(c) Unallocated	20	19,312	13,388	18,420	13,388
Total Assets	34,420	53,326	45,745	52,820	45,745
4 Segment Liabilities					
(a) Engineering	4,337	5,813	8,316	4,337	8,316
(b) Real Estate	26,438	24,301	18,737	26,438	18,737
(c) Unallocated	1,360	2,664	14,790	1,360	14,790
Total Liabilities	32,135	32,778	41,843	32,135	41,843

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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N he statement of Standalone Financial Results for the quarter and ye ended 31st March, 2023.
: Standalone Statement of Assets and Liabilities as at 31st March, 2023

	As at 31.03.2023 (Audited)	As at 31.03.2022 (Audited)
Non-current assets		
Property, Plant and Equipment	8,588	9,297
Right-of-use assets	531	41
Capital work-in-progress	183	82
Investment Properties	2,173	2,256
Other Intangible assets	115	149
Financial Assets:		
i) Investments	9,036	3,661
ii) Other financial assets	124	146
	<u>9,160</u>	<u>3,807</u>
Tax assets		
i) Deferred tax assets (net)	1,459	2,173
ii) Income tax assets (net)	645	952
	<u>2,104</u>	<u>3,125</u>
Other non-current assets	433	264
Total Non-current assets	<u>23,287</u>	<u>19,021</u>
Current assets		
Inventories	18,052	16,344
Financial Assets:		
i) Investments	1,419	-
ii) Trade receivables	2,924	3,144
iii) Cash and cash equivalents	3,626	611
iv) Bank balances other than (ii) above	1,812	288
v) Loans	11	1
vi) Other financial assets	244	97
	<u>10,036</u>	<u>4,141</u>
Other current assets	1,437	1,067
	<u>11,473</u>	<u>5,208</u>
Assets classified as held for sale	8	5,172
Total Current assets	<u>29,533</u>	<u>26,724</u>
Total Assets	<u>52,820</u>	<u>45,745</u>
Equity and Liabilities		
Equity		
Equity share capital	1,290	1,290
Other equity	19,395	2,912
Total Equity	<u>20,685</u>	<u>4,202</u>
Liabilities		
Non-current liabilities		
Financial liabilities:		
i) Borrowings	1,013	5,548
ii) Lease Liabilities	528	19
iii) Other financial liabilities	254	140
	<u>1,795</u>	<u>5,707</u>
Provisions	752	536
Total Non-current liabilities	<u>2,547</u>	<u>6,243</u>
2 Current liabilities		
Financial liabilities:		
i) Borrowings	243	4,621
ii) Lease Liabilities	12	7
iii) Trade payables		
a) total outstanding dues of micro enterprises and small enterprises; and	679	551
b) total outstanding dues of creditors other than micro enterprises and small enterprises	3,112	4,180
iv) Other financial liabilities	1,278	4,530
	<u>5,324</u>	<u>13,889</u>
Other current liabilities	24,135	21,274
Provisions	-	437
Current tax liabilities (net)	58	-
	<u>29,588</u>	<u>35,600</u>
	<u>32,135</u>	<u>41,843</u>
	<u>52,820</u>	<u>45,745</u>

Contd ...

Standalone Statement of Cash flows for the the year ended 31st March, 2023

	Year ended 31.03.2023	Year ended 31.03.2022 (Audited)	(Rs. in Lakhs)
flows from operating activities			
Profit before tax	24,722	4,12,235	
Adjustments for -			
Depreciation and amortisation expense	1,362	1,308	
Interest income earned on financial assets that are not designated as at fair value through profit or loss :			
(i) Bank deposits	(159)	(58)	
(ii) Inter-corporate deposits	(3)	(19)	
Interest on Income Tax/ Wealth Tax refund	(21)	-	
Finance costs	818	1,235	
Dividend income from long-term investments	-	-	
(Gain)/loss on disposal of property, plant and equipment	(20,984)	(346)	
(Recoveries) / Provision for doubtful trade receivables	-	(79)	
Provision for doubtful trade receivables	27	-	
Provision for doubtful loans and advances	56	2	
Advances written off	-	26	
Trade receivables written off	-	1	
Gain on fair value / Interest on long-term investments in a subsidiaries	-	(158)	
Credit balances / excess provision written back	(19)	(85)	
Gain on sale of current investment	(106)	-	
Net unrealised exchange loss	(45)	(14)	
	(19,074)	1,813	
Exceptional items:			
- Provision for disputed matters	-	230	
- Investment Written off	(145)	-	
- Profit on sale of Investment in FFSP	(3,200)	-	
-Provision for doubtful trade receivables	1	-	
-Provision for doubtful Contractually reimbursable expenses to related parties	20	-	
-Provision for doubtful loans and advances	419	-	
- Impairment of Investments, loans (including Interest accrued thereon) and other receivables in a subsidiary / provision for Guarantees given to a subsidiary (Forbes Technosys Ltd.)	-	7,517	
- Impairment of investments in a subsidiary (Shapoorji Pallonji Forbes Shipping Limited)	-	3,305	
- Notional income on early redemption of debentures	-	(1,203)	
- Impairment of loans, financial assets and receivables in a subsidiary (Lux Group)	-	32,936	
- Notional gain on distribution of demerged undertaking to owners	-	(4,52,876)	
	(2,905)	(4,10,091)	
	(21,979)	(4,08,278)	
Operating profit before working capital changes	2,743	3,957	
Changes in working capital:			
Decrease / (increase) in trade and other receivables	125	999	
(Increase) in Inventories	(1,708)	(3,016)	
(Increase)/ decrease in other assets	(889)	(257)	
Increase in trade and other payables	(865)	(978)	
(Decrease) in provisions	(394)	(85)	
Increase in other liabilities	6,928	5,161	
	3,198	1,824	
Cash inflow / (outflow) from operations	5,941	5,781	
Income taxes (paid)/ refunds received (net)	424	468	
(a) Net cash flow inflow / (outflow) from operating activities	6,365	6,249	
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)	(997)	(3,197)	
Advance received in relation to assets held for sale	-	4,000	
Proceeds from disposal of property, plant and equipment	19,044	477	
Purchase / subscription of long-term investments			
- In subsidiaries	(5)	-	
- Equity Investment in Joint Ventures	(1)	-	
- Share application money in Joint Ventures	(249)	-	
- others	(3,645)	-	
Proceeds from sale / capital reduction of long-term investments			
- Subsidiary	3,659	-	
- Joint Venture	2,900	-	
Purchase of current investments	(1,373)	-	
Proceeds from sale of current investments	51	-	
Inter Corporate Deposits given to related parties	(3,266)	(4,733)	
Amount received on capital reduction in a subsidiary	1	29	
Amount received on redemption of preference shares	-	1,728	
Bank balances not considered as cash and cash equivalents	(1,523)	(29)	
Interest received	141	78	
(b) Net cash (outflow) / inflow from investing activities	14,747	(1,647)	

Contd ...

3. The above results for the quarter and year ended 31st March, 2023 are prepared as per the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which have been reviewed by the Audit Committee and thereafter approved at the meeting of the Board of Directors held on 26th May, 2023. The annual results for the year ended 31st March 2023 have been audited by the statutory auditors of the Company.
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:

(Rs. in Lakhs)

Particulars	Quarter ended			Year ended	
	31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
	(Refer Note 14)	(Unaudited)	(Refer Note 14)	(Audited)	(Audited)
Provision for disputed matters	-	-	-	-	(230)
Impairment of investments, loans (Including interest accrued thereon) and other receivables in a subsidiary/ Provision for Guarantees given to a subsidiary (Forbes Technosys Limited/Forbes Concept Hospitality Services Private Limited)	(18)	-	97	(419)	(7,517)
Impairment of Investments in a subsidiary/ associate (Shapoorji Pallonji Forbes Shipping Limited)	-	-	(791)	-	(3,305)
Gain on sale of Associate (Shapoorji Pallonji Forbes Shipping Limited)	-	-	-	4	-
Notional Income on early redemption of debentures (Forbes Campbell Finance Limited)	-	-	-	-	1,203
Impairment of loans, financial assets and receivables in a subsidiary (Lux Group)	-	-	(32,936)	-	(32,936)
Notional gain on distribution of demerged undertaking to owners (Refer note 8 below)	-	-	4,52,876	-	4,52,876
i) Gain on Sale of shares of Forbes Facility Services Limited	-	-	-	3,204	-
(ix) Capital reduction of Forbes Technosys Limited pursuant to Composite scheme of Arrangement	-	-	-	(13,183)	-
(x) Reversal of provision for impairment of investment in Forbes Technosys Limited	-	-	-	13,183	-
(xi) Provision for doubtful trade receivables and contractual reimbursement of FTL	(3)	(19)	-	(22)	-
TOTAL	(21)	(19)	4,19,246	2,905	4,10,091

- (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.

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 amounting to Rs. 276 Lakhs (of which the Company had provided for Rs. 46 Lakhs and Rs. 230 Lakhs was disclosed as a contingent liability), which was appealed by the Company.

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).

Contd ...

The appeal filed by the Company with the High Court with respect to the interest payment of Rs. 276 Lakhs was dismissed on 9th June, 2021. Thereafter the Official Liquidator filed a report seeking permission from the Hon'ble High Court, Mumbai for payment of an amount of Rs. 468 Lakhs after adjusting interest amount of Rs. 276 Lakhs from the total adjudicated claim of Rs. 744 Lakhs. The Hon'ble High Court, vide order dated 4th August 2021, had permitted the Official liquidator to pay an amount of Rs. 468 Lakhs to the Company within two weeks from the date of the said Order. The Company has received the aforesaid amount of Rs 468 Lakhs in the year ended 31st March, 2022 and provided for Rs. 230 Lakhs in addition to Rs. 46 Lakhs provided earlier and recorded the expense as an exceptional item for year ended 31st March, 2022.

- (ii) Forbes Technosys Limited (FTL), a subsidiary, has incurred a net loss of Rs. 3,385 Lakhs for the year ended 31st March, 2023. The Company's current liabilities exceeded its current assets by Rs. 11,171 Lakhs as at 31st March, 2023. The Company has accumulated losses of Rs. 18,276 Lakhs and its net worth is negative as at 31st March, 2023.

FTL has suffered a setback in the last few years due to covid, entry of local players, and also the muted demand and stress in the key sectors that FTL has been traditionally dependent on, such as banking and telecom, has impacted business activities and overall performance of FTL, resulting in FTL realigning its market strategies, exited certain loss making business verticals and focusing on serving customer orders and providing logistics services to customers. Overall, the present situation coupled with the impact of covid-19 had resulted in a decline in the recoverable value of investment / other assets in FTL, consequent to which an impairment provision / loss allowance as follows have been created:

- The company has made a provision for doubtful trade & contractual receivable amounting to Rs. 3 Lakhs during the quarter ended 31st March, 2023 and Rs. 22 Lakhs for the year ended 31st March, 2023.
- The Company has not granted any additional inter corporate deposit during the quarter ended 31st March 2023. However, the company has granted Inter corporate deposits Rs. 3,185 Lakhs for the year 31st March 2023. Provision created for Guarantees given to FTL by the Company amounting to Rs. 2,784 Lakhs has been utilized for providing the inter-corporate deposits and balance amount of Rs. 401 Lakhs has been provided for the year ended 31st March 2023. Out of provision of Rs. 401 Lakhs.

Provision for inter-corporate deposits (including interest accrued thereon) of Rs.4,733 Lakhs for the year ended 31st March, 2022 and provision for guarantees given to FTL (against bank loans availed by FTL) of Rs. 2,784 Lakhs (net of utilization), aggregating to Rs. 7,517 lakhs has been created for the year ended 31st March 2022. Additionally, inter-corporate deposits given to FTL (including interest accrued thereon) aggregating Rs. 4,800 Lakhs (which were fully provided) has been converted into equity investments during the year ended 31st March, 2022.

The board of directors of FTL have pursuant to provisions of Section 230 to 232 applied to the National Company Law Tribunal (NCLT) for merger of Forbes Campbell Service Limited ("FCSL") and FTL for a consideration of Rs. 3 Lakhs effective 1st October, 2021 and also proposed for reduction in the share capital of FTL. The NCLT, in its order dated 16th September, 2022 ('the Order') approved the Composite Scheme of Arrangement for amalgamation of Forbes Campbell Service Limited ('FCSL') into FTL and reduction of share capital of FTL. The appointed date of the Scheme was 1st October, 2021 and the scheme has been effective from 29th September, 2022 i.e., the last date on which the certified copy of the order was filed with the Registrar of Companies. Pursuant to scheme, the Company has written off the investment of Rs. 13,183 Lakhs and provision created for the investment amounting to Rs. 13,183 Lakhs is reversed in the during the quarter ended 30th September 2022.

- (iii) The Company has made a provision for doubtful loans & advances granted to Forbes Concept Hospitality Services Private Limited (FCHSPL) amounting to Rs. 18 lakhs during the quarter and year ended 31st March 2023.
- (iv) Pursuant to NCLT and Bombay High Court approval vide order dated 21st January, 2022 for capital reduction in Shapoorji Pallonji Forbes Shipping Limited ('SPFSL'), 2,01,25,000 equity shares of Rs. 10 each and 87,50,000 preference shares of Rs. 10 each were cancelled.

Further, SPFSL has incurred a loss of Rs. 880 Lakhs during the year ended 31st March, 2022 and SPFSL has sold some of its shipping vessels on which an exceptional loss was incurred. As at the year ended 31st March, 2022, only one ship remains (which has been sold subsequent to the year ended 31st March, 2022). Consequently, the recoverable value from use/ sale of the remaining vessels in SPFSL is lower as compared to the carrying value of the investment value in SPFSL and hence, an impairment provision of Rs. 2514 Lakhs for the Nine month ended 31st December 2021 and Rs. 3,305 Lakhs year ended 31st March 2022 was recorded as an exceptional expense.

Further, pursuant to the termination of the joint venture agreement between the shareholders of SPFSL during the year, SPFSL ceased to be a subsidiary of the Company effective 1st March, 2022.

- (v) The Board of Directors of the Company, at their meeting held on 30th May, 2022, have approved the sale of the entire shareholding in SPFSL. The Company has sold 3,75,000 equity shares of Rs. 10 each and 2,21,50,000 Zero Percent Redeemable Preference Shares of Rs. 10 each of SPFSL to M/s G.S Enterprises, a related party for an aggregate purchase consideration of Rs. 2,900 Lakhs during the quarter ended 30th June, 2022. The net carrying value of the investments in SPFSL (reflected as asset held for sale on 31st March, 2022) as at the date of sale was Rs. 2,756 Lakhs and consequently, the Company has recognised an exceptional gain of Rs. 144 Lakhs for the quarter ended 30th June, 2022. The capital gains tax impact of the aforesaid transaction has been appropriately considered during the quarter ended 30th June, 2022.
- (vi) Forbes Campbell Finance Limited (FCFL), a subsidiary, has early redeemed 0.1% Optionally Convertible Redeemable Debentures at face value of Rs. 10 each during the year ended 31st March, 2022. The difference between the carrying amount of the debentures aggregating Rs. 575 Lakhs and the amount received from FCFL aggregating Rs. 1,728 Lakhs has been recognized as income received on early redemption of Rs. 1,203 Lakhs) during the year ended 31st March, 2022 and recorded as an exceptional item.

The Board of Directors of the respective companies vide resolution dated 31st January, 2022 approved 1st February, 2022 as the Appointed Date, for the purposes of the Scheme. Consequently, with effect from 1st February, 2022, ATPL and EFFSL merged with EFL, followed by merger of EFL into the Company and demerger of the Demerged Undertaking on a going concern basis into FESL on the same date.

In accordance with the provisions of the Scheme, each shareholder of the Company as on the Record date i.e., 11th February, 2022 was allotted 15 shares each of FESL (Now EFL) which got listed on BSE Limited. The allotment of the aforesaid new shares was completed on 14th February, 2022 and each shareholder of Forbes & Company Limited became entitled to 15 shares of FESL (Now EFL) in the ratio to their original holding as per details specified in the scheme.

Merger

Merger as per the requirements of Appendix C to Ind AS 103 - Business Combinations, should be accounted for as if it had occurred from the beginning of the preceding period in the standalone financial results of the Company. However, in accordance with MCA circular dated 21st August, 2019, the Company has considered the appointed date i.e., 1st February, 2022 as the date of merger.

On account of merger, a net liability of Rs. 13,270 Lakhs of merged entities as on 1st February, 2022 (after eliminations of intercompany transactions) which includes Lux Group loans, receivables and liabilities Rs. 32,906 Lakhs, was taken over and the investment of the Company in EFL amounting to Rs. 6,573 Lakhs were eliminated.

Demerger

Post the merger scheme becoming effective, Demerger and vesting of Demerged Undertaking (as defined in the Scheme) of the Company into Forbes Enviro Solutions Limited ("FESL"), on a going concern basis took place on the appointed date of 1st February, 2022 as approved by the NCLT.

The demerger was considered as a distribution of non-cash assets to the owners of the Company and the difference in the fair value and the carrying amount of net assets of the Demerged Undertaking was recognised as Notional gain on demerger in the financial results for the quarter and year ended 31st March, 2022 as an exceptional item amounting to Rs. 4,52,876 Lakhs. Neither the Company nor the shareholders have received any cash or were they entitled to receive any cash in respect of this Composite Scheme.

	(Rs. in Lakhs)
Distribution of demerged undertaking to Shareholders of the Company	4,06,600
Carrying value of net assets/ (liabilities) of demerged entities	(46,276)
Notional gain on distribution of demerged undertaking to owners	4,52,876

The aforementioned merger and demerger have a net impact of Rs. 26,433 Lakhs on reserves as at 31st March, 2022. The net assets pertaining to the Lux Group retained by the Company in lines with the Composite Scheme are Rs. 32,936 Lakhs (Refer Note 5 (vi) above).

- The Board of Directors of the Company, in their meeting held on 22nd December, 2020, approved entering into a Memorandum of Understanding ("MOU") for a plot of approximately 1.5 acres, the net carrying value aggregating to Rs. 2,316 Lakhs [including Rs. 2,277 Lakhs paid towards seeking permission under the Urban Land (Ceiling & Regulation) Act, 1976 for the transfer/ sale/ development/ redevelopment of the land during the quarter ended 31st March, 2022], has been reflected as asset held for sale as on 31st March, 2022.

Pursuant to the Board of Directors meeting dated 24th March, 2022, the Company entered into a new Agreement for Sale (AFS) for the aforesaid land, with Equinix India Private Limited (Equinix) for an aggregate consideration of Rs. 23,500 Lakhs, which was executed on 24th March, 2022 and completion of the said transaction was subject to fulfilment of conditions precedent.

The transaction for sale of Chandivali land with Equinix got concluded on 28th June, 2022 post completion of the conditions precedent and the Company received entire consideration of Rs. 23,500 Lakhs during the quarter ended 30th June, 2022. The difference between the net disposal proceeds and the carrying amount of the land amounting to Rs. 20,684 Lakhs has been recognized as gain on disposal during the quarter ended 30th June, 2022 and reflected in Other income in these financial results. The capital gains tax impact of the aforesaid transaction has been appropriately considered during the quarter ended 30th June, 2022 and year ended 31st March 2023.

- The Board of Directors of the Company at their meeting held on 23rd February, 2022 has approved entering into a binding term sheet for sale of its entire shareholding in Forbes Facility Services Private Limited (FFSPL), a wholly owned subsidiary of the Company to SIA Solutions Private Limited. This binding term sheet has been executed on 23rd February, 2022 and agreement for sale executed on 20th May, 2022. The transaction has been completed on 1st July 2022 at sales consideration of Rs. 4,200 Lakhs. The Company has received the consideration of Rs. 3,659 Lakhs after deduction of Rs. 240 Lakhs for the legal disputes with multiple customers and Rs. 301 lakhs for the fees paid to consultant. The difference between the net disposal proceeds and the carrying amount of investment and expenditure incurred on the transactions and provision made on account of the obligations undertaken by the company under the agreement for sale the net amount of Rs. 3,202 Lakhs has been recognized as gain on disposal during the quarter ended 30th September 2022 & year ended 31st March 2023 and reflected in Exceptional items in these financial results. The capital gains tax impact of the aforesaid transaction has been appropriately considered in the quarter ended September 2022 & year ended 31st March 2023.

Additionally, as per the terms of the agreement to sale, the Company has taken-over current receivables and payable balances of FFSPL to/from related parties aggregating Rs. 122 Lakhs and Rs. 237 Lakhs respectively and receivable from non-related party amounting to Rs. 54 Lakhs and the net amount of Rs. 60 Lakhs is received by the Company from FFSPL, and the same has been paid against payable

- The Board of Directors of the Company in their meeting dated 26th September, 2022 have approved the Scheme of Arrangement ("Scheme") between the Company ("FCL" or the "Demerged Company") and Forbes Precision Tools and Machine Parts Limited ("FPT" or the "Resulting Company") and their respective shareholders under Section 230 to 232 of the Companies Act, 2013 and other applicable provisions and the details thereunder. This Scheme is a Scheme of Arrangement involving demerger of "Precision Tools and Machine Parts Limited" into Forbes Precision Tools and Machine Parts Limited. The appointed date of the scheme is 1st April, 2023.

contd...

The Scheme is subject to necessary approvals by the Stock Exchanges, Securities and Exchange Board of India, Shareholders and Creditors of the Company, as may be applicable, Jurisdictional Bench of National Company Law Tribunal ("NCLT") and such other statutory and regulatory approvals as may be required.

The relevant documents for obtaining approval under Regulation 37 of the SEBI Listing Regulations are submitted to the Designated Stock Exchange.

FPTL has been incorporated on 30th August 2022 as a wholly owned subsidiary of the Company.

The Company and MACSA ID, S.A., have entered into a 50:50 Joint Venture Agreement on December 5, 2022 (JVA) for providing innovative laser marking and traceability solutions for the entire range of materials metal and non-metals. Pursuant to the terms of the JVA, a joint venture company viz., FORBES MACSA PRIVATE LIMITED has been incorporated on December 9, 2022. The JV partners have infused equity and preference shares capital to the tune 2.5 Crs each in the JVC. The JVC and shareholders have executed the technology and trademark license agreement and brand and technology licensing agreement with respect to their respective brands. The operations of JVC have started from 1st March 2023.

During the quarter ended 30th September 2022, the Company has paid Special Interim dividend of Rs. 65/- per fully paid equity share of Rs. 10 each for the financial year 2022-23 after completing all the necessary compliances.

The figures of the quarter ended 31st March, 2023 and 31st March, 2022 are balancing figures between the audited figures in respect of the full financial year ended on 31st March, 2023 and 31st March, 2022 as reported in these financial results and the unaudited published year to date figures up to third quarter ended on 31st December, 2022 and 31st December, 2021 respectively, which were subjected to Limited Review by the Statutory Auditors.

The Indian Parliament has approved the Code on Social Security, 2020 ("the code") which, inter alia, deals with employees benefits during 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 the rules for quantifying the financial impact are also yet to be issued. In view of this, the impact of change, if any, will be assessed and recognised post notification of the relevant provisions.

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

**Mumbai,
26th May, 20**

**Managing Director
DIN: 01423084**

We were unable to evaluate about the impact on the consolidated financial results of the Group. Accordingly, we are unable to determine the consequential implications arising therefrom in the consolidated financial results.

2. We draw your attention to Note 7 (b) to the consolidated financial results of the company regarding the status of the Forbes lux international AG (FLIAG) foreign subsidiary of the company. The auditor of the FLIAG (Component auditor) has issued an *adverse audit opinion* on the standalone financial statement of the FLIAG. The matters have been referred by FLIAG auditors in their audit report '*Basis for adverse opinion*', which has been reproduced as follows.

"Basis for adverse opinion:

Forbes Lux International AG has a direct investment in Lux International AG, a Swiss domiciled entity with operating subsidiaries in Europe and South America. The Board of Directors has performed an impairment assessment as at December 31, 2022, which revealed, that the carrying amount of Forbes Lux International AG's investment in Lux International AG as at December 31, 2022, was impaired by CHF 40'683'091. The impairment was recorded and resulted in the Company's liabilities exceeding its assets by CHF 51'253'013. The current subordinated amounts are not sufficient to cover the over-indebtedness and future expected losses. We did not obtain sufficient evidence that the Board of Directors is able to arrange for the required capital restructuring measures of the Company to support the ability of the Company to continue as a going concern and to ensure the Company's solvency is restored. The availability of sufficient capital to meet its financial obligations is a prerequisite for the Company's ability to continue as a going concern. Consequently, the financial statements should not have been prepared under the going concern assumption."

The statements include the FLIAG standalone total revenue of Rs. (744) lakhs & Rs. 1,655 lakhs, total loss after tax of Rs. (33,471) lakhs & Rs. (32,866) lakhs and total comprehensive income of Rs (33,471) & Rs. (32,866) Lakhs for the quarter & year ended December 31, 2022, cash inflow of Rs. 2 lakhs, total assets of Rs. 5,215 lakhs & negative net worth of Rs. (45,869) Lakhs as at December 31, 2022 and the standalone financial statements of FLIAG have been converted from accounting principles generally accepted in their respective countries into accounting principles generally accepted in India which has been certified by the management of the group.

In addition to the above, we have not received any response to our communication with the FLIAG auditor to obtain/understand the proper information/event as required under SA 600

As a result of the matters described in point no. 1 & 2 above under the 'Basis for disclaimer of opinion paragraph', we were not able to obtain sufficient appropriate audit evidence to provide a basis of our Opinion on the consolidated financial results.

Material Uncertainty Related to Going Concern

1. The following paragraph in respect of "*material uncertainty related to going concern*" was included in the audit report dated May 16, 2023, containing an unmodified audit opinion on the financial results of Forbes Technosys Limited, a subsidiary of the Holding Company issued by an independent firm of Chartered Accountants and the same is reproduced as under:

"We draw attention to Note 34 of the financial statements, which indicates that the Company has incurred a net loss during the current year and the Company's current liabilities exceeded its current assets as at March 31, 2023. The Company has accumulated losses and its net worth has been fully eroded as at March 31, 2023. The aforesaid conditions and financial stress indicate the existence of a 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 Note 34. Our opinion is not modified in respect of this matter".

The Note 34 as described above has been reproduced as Note 8(a) to the consolidated financial results for the year ended March 31, 2023.

2. The following paragraph in respect of “material uncertainty related to going concern” was included in the audit report dated May 25, 2023, containing an unmodified audit opinion on the financial results of EFL Mauritius Limited a subsidiary of the Holding Company issued by an independent firm of Chartered Accountants and the same is reproduced as under:

“We draw attention to note 12 of the financial statements concerning the Company's ability to continue as a going concern. The Company incurred a loss of EUR 19,789 during the year ended 31 March 2023 and, as at that date the Company's total liabilities exceeded its total assets by EUR 315,832. The shareholder of the Company has undertaken to provide financial support to the Company, so as to enable it to meet its obligations as they fall due for the foreseeable future. Accordingly, the financial statements have been prepared on the going concern basis. Our opinion is not modified in respect of this matter”

The Note 12 as described above has been reproduced as Note 8(b) to the consolidated financial results for the year ended March 31, 2023.

Emphasis of Matter

1. The following ‘Emphasis of Matter’ included in the audit report dated May 16, 2023 containing an unmodified audit conclusion on the Standalone Financial results of Forbes Technosys Limited, erstwhile subsidiary of the Holding Company is reproduced as under:

“Note 39 of the Statement which describes the Composite Scheme of Arrangement for amalgamation of Forbes Campbell Service Limited into the Company and reduction of share capital of the Company which has been approved by National Company Law Tribunal – Mumbai Bench with appointed date of October 01, 2021 and is effective from September 29, 2022 and consequent restatement of figure of preceding financial year. Our opinion is not modified in respect of this matter”.

The Note 39 as described above has been reproduced as Note 10 to the consolidated financial results for the year ended March 31, 2023.

2. We draw attention to Note 16 of the consolidated financial results in respect of Scheme of Arrangement approved by the Board of Directors of the Company in their meeting dated 26th September 2022, between Forbes & Company Limited (FCL) and Forbes Precision Tools and Machine Parts Limited (FPTL) and their respective shareholders under Section 230 to 232 of the Companies Act, 2013 and other applicable provisions and the rules framed thereunder.

This Scheme is a ‘Scheme of Arrangement’ involving demerger of “Precision Tools Business” of the company into FPTL. The FPTL has been incorporated on 30th August 2022 as a wholly owned subsidiary of the Company. The Scheme is subject to necessary approvals by the applicable authorities. The appointed date of Scheme is 1st April 2023 or such other date as may be fixed or approved by NCLT, Mumbai Bench.

Our opinion is not modified in respect of these emphasis of matters.

Board of Directors' Responsibilities for the Consolidated Financial Results

The consolidated financial results, which is the responsibility of the Holding Company's Management and approved by the Board of Directors of the Holding Company, has been prepared on the basis of the consolidated financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the Statements that give a true and fair view of the Consolidated Total Comprehensive Income (comprising of net profit and other comprehensive income) and Other Financial Information of the Group including associates and joint ventures including in accordance

with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

The respective Board of directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associates and joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Companies included in the group and of its associates and joint ventures or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our responsibility is to conduct an audit of the Group's consolidated financial results in accordance with Standards on Auditing and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

We are independent of the Group in accordance with the Code of Ethics and provisions of the Act that are relevant to our audit of the consolidated financial statements in India under the Act, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics and the requirements under the Act.

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

Other Matters

We did not audit the financial statements of 5 subsidiaries whose financial statements reflect total assets of Rs. 8,666 Lakhs as at March 31, 2023, total revenue of Rs. 70 Lakhs & Rs. 470 Lakhs, Net profit of Rs. 285 Lakhs & Net Loss of Rs. (4,302) Lakhs and total comprehensive income (comprising of loss and other comprehensive income) of Rs. (550) Lakhs & Rs. (3,720) Lakhs and net cash inflows of Rs. 124 Lakhs & Rs. 257 Lakhs for the quarter and year then ended on that date respectively, as considered in the Consolidated Financial Results. The Statements also include the Group's share of loss of Rs. (52) Lakhs & Profit of Rs. 257 Lakhs and total comprehensive income (comprising of profit and other comprehensive income) of Rs. (52) Lakhs & Rs. 257 Lakhs for the quarter and year ended March 31, 2023 as considered in the Consolidated Financial Statements of 2 joint venture & 2 Associates, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our

opinion on the Consolidated Financial Statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associate companies is based solely on the reports of the other auditors.

We did not audit the financial statements/financial information of 1 subsidiary whose financial statements/ financial information reflect total assets of Rs. 0 as at March 31, 2023, total revenue of Rs. 0 & Rs.0, Net loss of Rs. (0) & Rs. (372) Lakhs, total comprehensive income (comprising of loss and other comprehensive income) of Rs. (0) & Rs. (372) Lakhs and net cash inflows of Rs. 0 & Rs. 0 for the quarter and year then ended March 31, 2023 respectively, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements also include the Group's share of profit after tax as well as total comprehensive income (comprising of profit and other comprehensive income) of Rs. 0 & Rs. 45 Lakhs for the quarter and year ended March 31, 2023 respectively, as considered in the Consolidated Financial Statements, in respect of 1 associate company whose financial statements have not been audited by us. These financial statements/ financial information are unaudited and have been furnished to us by the Management, and our opinion on the Consolidated Financial Statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and associate company and our report is based solely on such unaudited financial statements certified by management. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

The Statement includes the figures of Financial Results for the quarter ended March 31, 2023 is the balancing figures between audited figures in respect of the full financial year 2022-23 and the published year-to-date figures up to December 31, 2022 (unaudited) of the same financial year, which have been subjected to limited review by us.

The Statement also includes the results for the comparative quarter ended March 31, 2022, being the balancing figures between the audited figures in respect of full financial year 2021-22 and audited figures up to third quarter ended December 31, 2021, which are reviewed by predecessor auditor and they have issued unmodified audit opinion on the same.

The consolidated financial results of the Company for the year ended 31 March 2022 were audited by the predecessor auditor and has issued unmodified opinion vide report dated May 30, 2022.

Our opinion is not modified in respect of all these other matters.

S&TA & Tax
Chartered Accountants
Firm's Reg. No. 0100083W
and of

Mumbai, May 26, 2023

Desai
Partner
2624
6060

Annexure 1: 'The Statement' includes the results of the entities mentioned below:

Parent Company:

Forbes & Company Limited (FCL)

Subsidiaries (Direct and Indirect):

Forbes Campbell Finance Limited (FCFL)

Forbes Technosys Limited (FTL)

Forbes Lux International AG (FLIAG)

Lux International AG (LIAG)

Lux International Services & Logistics GmbH

(Formerly Lux Services GmbH)

Lux Oesterreich GmbH

Lux Professional SA

Lux Schweiz AG

Lux Hungaria Kereskedelm Kft

Lux del Paraguay SA (up to November 30, 2022)

Lux Welity Polska sp zo o

Campbell properties & Hospitality Services Limited (CPHSL)

Forbes Precision Tools & Machine Parts Ltd. (FPTL) (w.e.f August 30, 2022)

EFL Mauritius Limited (EFLML)

Volkart Fleming Shipping & Services Limited (VFSSL)

Forbes Facility Services Private Limited (FFSPL) (up to July 1, 2022)

Associates Companies:

Dhan Gaming Solution (India) Private Limited

Nuevo Consultancy Services Private Limited

Shapoorji Pallonji Forbes Shipping Limited (upto June 22, 2022)

Joint Ventures:

Forbes Bumi Armada Limited (FBAL)

Forbes Concept Hospitality Services Private Ltd (FCHSPL)

Forbes Macsa Private Limited (FMPL)

Notes on Segment Information:

1. 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.
2. Details of product categories included in each segment comprises:
 - a) 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. Major part of this business has been demerged/held for sale/discontinued. The segment results, segment assets and segment liabilities from the discontinued operations have been disclosed separately.
 - b) Engineering Segment includes manufacture/ trading in Precision Cutting Tools, Spring Lock Washers and Marking Systems.
 - c) Real Estate includes income from renting out investment properties and revenue from real estate development project.
 - d) 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. During the previous year the Group has decided to discontinue operations relating to Forbes Express. The segment results, segment assets and segment liabilities from the discontinued operations have been disclosed separately.
 - e) Shipping and Logistics Services segment carries on business of ship owners, charterers etc. Pursuant to the termination of the joint venture agreement between the shareholders of SPFSL during the year, SPFSL ceases to be a subsidiary of the Company and now stands as an associate.
 - f) Unallocable Corporate Assets mainly comprises of investments, tax receivables and other unallocable assets.
 - g) Unallocable Liabilities comprise borrowings, provisions and other unallocable liabilities.
3. 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 these financial results.
 - * Includes a non-cash charge of impairment of goodwill/ investment in Joint Venture of Rs. NIL for the year ended 31st March, 2023 (for the year ended 31st March, 2022 Rs. 33,767 Lakhs).
 - # Includes a non-cash charge of impairment of intangible assets and intangible assets under development of Rs. 500 Lakhs for the year ended 31st March, 2023 (for the year ended 31st March, 2022 Rs. 161 Lakhs).
 - & Includes provision for slow-moving damaged or obsolete inventories of Rs. 97 Lakhs for the year ended 31st March, 2023 (Rs. 1158 Lakhs for the year ended 31st March, 2022).
 - § Includes a provision for shortfall in expected recoverable value for assets held for sale/ loss on sale of assets of Rs. NIL (Rs. 664 Lakhs for the year ended 31st March, 2022).
 - ^ Includes gain on capital reduction of Shapoorji Pallonji Forbes Shipping Limited (SPFSL) of Rs. NIL (Rs. 793 Lakhs for the year ended 31st March, 2022.)
 - % Includes gain on sale on FFSP of Rs. 3887 lakhs for nine months ended 31st December, 2022 and quarter ended 30th September, 2022.
 - ! Includes Provision for Sales Tax for Rs 372 Lakhs for the year ended 31st March, 2023.
 - > Includes gain on capital reduction of Forbes Technosys Limited Rs. 380 Lakhs for the year ended 31st March, 2022.
 - + Includes gain on loss of control of SPFSL Rs. 3887 Lakhs for the year ended 31st March, 2023 (Rs 166 Lakhs for the year ended 31st March, 2022).

Contd ...

2. Consolidated Statement of Cash flows for the year ended 31st March, 2023

	(Rs. in Lakhs)	
	Year Ended 31.03.2023 (Audited)	Year Ended 31.03.2022 (Audited)
Cash flows from operating activities		
Profit/ (Loss) before tax from continuing and discontinued operations	21,981	4,23,915
Adjustments for -		
Depreciation and amortisation expense (including depreciation pertaining to discontinued operations)	2,776	6,669
Post acquisition share of (profit) of Joint Venture and associate (using Equity Method)	(296)	(1,204)
Interest income earned on financial assets that are not designated as at fair value through profit or loss		
i) Bank deposits	(169)	(100)
ii) Interest income from financial assets and others at amortised cost	(3)	(7)
Interest on Income Tax/ Wealth Tax refund	(37)	-
Finance costs	1,763	6,592
(Gain) on disposal of property, plant and equipment	(21,001)	(593)
(Gain) on disposal of Right of use assets	-	(71)
(Gain) on disposal/ fair value of current investments	(106)	(203)
Provision/ write offs (net) for trade receivables and advances	1,667	2,446
Credit balances/ excess provision written back	(300)	(285)
Recovery of bad debts	-	(79)
Net foreign exchange (gain)/ loss including effect of exchange difference on consolidation of foreign entities	(4,880)	(1,897)
	(20,586)	11,268
Exceptional Items:		
-Loss on sale of investments	896	-
- Provision for disputed matter	-	230
- Provision for shortfall in expected recoverable value of assets sold/ Loss on sale of asset	-	664
- Impairment of Goodwill/ Investment in Joint Venture	-	33,767
- Gain on capital reduction of Forbes Technosys Limited (FTL)	-	(385)
- Gain on capital reduction of Shapoorji Pallonji Forbes Shipping Limited (SPFSL)	-	(793)
- Gain on sale of subsidiary	(2,987)	(167)
- Provision for slow-moving damaged or obsolete inventories	97	1,158
- Gain on sale of associate	(98)	-
-Provision for loan and interest thereon	18	-
- Provision for impairment of certain intangible assets and intangible assets under development	500	161
- Notional gain on distribution of demerged undertaking to owners	-	(4,52,929)
-Provison for settlement of disputed Value Added Tax (VAT)	372	-
	(1,202)	(4,18,294)
	(21,788)	(4,07,026)
Operating profit before working capital changes	193	16,889
Changes in working capital:		
(increase)/ decrease in trade and other receivables	1,037	2,130
(Increase)/ decrease in inventories	(1,091)	(5,580)
(Increase)/ decrease in other loans and advances	(28)	5
(Increase)/ decrease in other financial assets	(42)	627
(Increase)/ decrease in other assets	658	599
Increase/ (decrease) in trade and other payables	(1,072)	(3,742)
Increase/ (decrease) in other financial liabilities	81	4,872
Increase/ (decrease) in provisions	(375)	(297)
Increase/ (decrease) in other	-	7,143
	5,420	5,757
Cash generated from operations	5,613	22,646
Income taxes (paid)/ refunds received (net)	(155)	(2,575)
(a) Net cash flow generated from operating activities	5,458	20,071
Cash flows from Investing activities:		
Payments for property, plant and equipment including assets held for sale (net of capital creditors and including capital advances, capital work-in-progress, investment properties and intangible assets)	(1,520)	(5,920)
Advances received in relation to assets held for sale	-	4,000
Proceeds from disposal of property, plant and equipment (including investment properties and Intangible assets)	19,532	868
Purchase of non-current investments	(3,645)	-
Payments for acquisition of investment in Joint Venture	-	-
- Equity Investment in Joint Ventures	(1)	-
- Share application money in Joint Ventures	(249)	-
Purchase of current investments	(1,419)	(8,501)
Proceeds from sale of current investments	106	11,191
Payments for sale of investment in associate	2,900	777
Proceeds from sale of investments in subsidiary	3,659	-
Proceeds from sale of investments in others	3,630	-
Inter-corporate deposits given	-	(750)
Inter-corporate deposits received	-	500
Bank balances not considered as cash and cash equivalents	(1,551)	899
Interest received	152	7
(b) Net cash flow generated from investing activities	21,594	3,211

Contd ...

	<i>(Rs. in Lakhs)</i>	
	Year Ended 31.03.2023 (Audited)	Year ended 31.03.2022 (Audited)
Cash flows from financing activities:		
Proceeds from borrowings	-	2,020
Repayment of borrowings	(12,761)	(16,943)
Proceeds from Perpetual Loan	6,175	-
Net increase/ (decrease) in Cash credit facilities, Buyers Credit, Overdraft facility, credit ca facilities and Loans repayable on demand	(7,363)	(4,249)
Finance costs paid	(1,484)	(6,143)
Payment of Lease Liabilities	(612)	(1,587)
Expenses on Issue of Shares by subsidiary	-	(48)
Tax Paid on Buyback by subsidiary	-	(86)
Amount Paid on buyback of shares by subsidiary to non-controlling interest	-	(389)
Amount Paid on capital reduction by subsidiary to non-controlling interest	-	(87)
Dividend paid on equity shares	(8,235)	-
(c) Net cash flow (used) in financing activities	(24,280)	(27,512)
(d) Net increase/ (decrease) in cash and cash equivalents (a + b + c)	2,772	(4,230)
(e) Cash and cash equivalents as at the commencement of the period	1,821	8,359
(f) Cash and cash equivalents on disposal of subsidiaries and demerger of business (net)	(36)	(2,308)
(g) Effects of exchange rate changes on cash and cash equivalents	-	-
(h) Cash and cash equivalents as at the end of the period (d + e + f + g)	4,557	1,731
Reconciliation of cash and cash equivalents as per the cash flow statements		
Cash and cash equivalents as per above comprise of the following	As at 31.03.2023 (Audited)	As at 31.03.2022 (Audited)
Balances with Banks		
- In current accounts	1,828	1,669
- In EEFC accounts	25	62
- In Deposits accounts (with original maturity upto 3 months) *	2,704	-
Cheques, drafts on hand	-	-
Cash on hand *	-	-
Cash and cash equivalents	4,557	1,731
Cash and cash equivalents held under assets pertaining to discontinued business	-	90
Balances as per statement of cash flows	4,557	1,821

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 year includes: (i) earmarked balances towards u ds Rs. 65 Lakhs (Previous year Rs. 235 Lakhs) includes as security against license for import of goods under EEFC scheme and hence are not available for immediate use by the Group.
 - The interest paid during the year excludes interest expense on loans for real estate development activities amounting to Rs. 53 Lakhs (Previous year Rs. 53 Lakhs).
- * Amount is below rounding off norms of the Group.

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Notes:

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 year ended 31st March, 2023 are prepared as per the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which have been reviewed by the Audit Committee and thereafter approved at the meeting of the Board of Directors held on Friday 26th May, 2023. The results for the year ended 31st March, 2023 have been audited by the statutory auditors.
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:

		Quarter ended			Year ended	
		31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
		(Refer Note 22)	(Unaudited)	(Refer Note 22)	(Audited)	(Audited)
(i)	Provision for disputed matter	-	-	-	-	(230)
(ii)	Impairment of Goodwill/ Investment in Joint Venture	-	-	(25,738)	-	(33,767)
(iii)	Provision for impairment of certain intangible assets and intangible assets under development (FTL)	-	-	-	(500)	(161)
(iv)	Provision for slow-moving damaged or obsolete inventories (FTL)	-	-	(1,158)	(97)	(1,158)
(v)	Settlement of disputed Value Added Tax (VAT) & other VAT/GST provisions (FTL)	(112)	-	-	(372)	-
(vi)	Provision for shortfall in expected recoverable value of assets sold/ Loss on sale of asset	-	-	(664)	-	(664)
(vii)	Provision for loan to FCHSPL Incl. interest	(18)	-	-	(18)	-
(viii)	Gain on capital reduction of Shapoorji Pallonji Forbes Shipping Limited (SPFSL)	-	-	793	-	793
(ix)	Impact of loss of control in SPFSL / Gain on sale of shareholding	-	-	166	98	166
(x)	Gain/(Loss) on sale of investments	-	-	-	(896)	-
(xi)	Gain on sale of Subsidiary (FFSPL)	-	-	-	2,987	-
(xii)	Reduction on liability component of Preference Capital	-	-	-	-	380
TOTAL		(130)	-	(26,601)	1,017	(34,641)

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 Coroman (presently under liquidation).

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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.

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 amounting to Rs. 276 Lakhs (of which the Company had provided for Rs. 46 Lakhs and Rs. 230 Lakhs was disclosed as a contingent liability), which was appealed by the Company.

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).

The appeal filed by the Company with the High Court with respect to the interest of Rs. 276 Lakhs was dismissed on 9th June, 2021. Thereafter the Official Liquidator filed a report seeking permission from the Hon'ble High Court, Mumbai for payment of an amount of Rs. 468 Lakhs after adjusting interest amount of Rs. 276 Lakhs from the total adjudicated claim of Rs. 744 Lakhs. The Hon'ble High Court, vide order dated 4th August 2021, has permitted the Official liquidator to pay an amount of

Rs. 468 Lakhs to the Company within two weeks from the date of the said Order. The Company received the aforesaid amount of Rs 468 Lakhs during the year ended 31st March, 2022. Basis the above, the Company has provided for Rs. 230 Lakhs in addition to Rs. 46 Lakhs provided earlier and recorded the expense as an exceptional item for year ended 31st March, 2022.

(ii) **Before Appointed Date of the Composite Scheme (1st February, 2022)**

The Management of Lux group approved the disposal of investment in shares of AMC Cookware (PTY) Limited, South Africa for a consideration of Rs. 777 Lakhs during the year ended 31st March, 2022. The sale transaction was executed in the month of December 2021.

Exceptional item represents impairment aggregating Rs. 8,236 Lakhs during the year ended 31st March, 2022 comprising impairment of investment value in joint venture AMC Cookware (PTY) Limited of Rs. 4,419 Lakhs and corresponding impairment of goodwill on consolidation of Rs. 3,817 Lakhs and impairment of investment aggregating Rs. 207 Lakhs during the quarter ended 31st March, 2022.

After Appointed Date of the Composite Scheme (1st February, 2022)

Lux group is part of the Health and Hygiene business segment of the Group and was earlier part of the Eureka Forbes group of subsidiaries. Pursuant to the demerger of the major Health and Hygiene business in lines with the composite scheme (refer Note 14 below) from the Group, synergies which were expected to bring about business expansion and recovery for the Lux Group may not be attainable. Accordingly, based on assessment of the revised future projections carried out by the Company's management after considering the current economic conditions and trends and estimated future operating results, an impairment loss on goodwill of Rs. 25,531 Lakhs for the quarter and year ended 31st March, 2022 was recorded as an exceptional item.

(iii) In Forbes Technosys Limited ('FTL'), a subsidiary, based on FTL management's assessment about expected future revenues from intangible assets concluded that one of its intangible assets has impaired. The estimated impairment expense of Rs. 500 Lakhs in respect of the said intangible asset is presented as an exceptional item in the financial results for the year ended 31st March 2023. Further, for the year ended 31st March, 2022 based on FTL management's assessment about the stage of development, expected time and cost required to complete and expected revenues from projects concluded that certain projects were impaired and loss on the same aggregating Rs. 161 Lakhs were considered as an exceptional item.

(iv) FTL has re-assessed the net realisable value of the balance inventory for purpose of write down of slow-moving, damaged or obsolete inventories to their net realizable value, accordingly, provision of Rs. 97 Lakhs for the year ended 31st March 2023 and Rs. 1,158 Lakhs for the year ended 31st March, 2022 has been created and is presented in financial results as an exceptional item.

(v) FTL has finalised and submitted the application for settlement of disputed Value Added Tax (VAT) dues including penalty and interest under the amnesty scheme introduced by the State Government of Maharashtra and made a total payment of Rs. 260 Lakhs and other VAT charge of Rs. 112 lakhs have been presented in the financial statements as an exceptional item.

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- (vi) During the year ended 31st March, 2022, Shapoorji Pallonji Forbes Shipping Limited ('SPFSL') sold its Neelambari vessel for an aggregate consideration of USD 1.50 million. The vessel was delivered to the buyer on 17th March, 2022 and loss on sale aggregating Rs. 664 Lakhs were recorded as an exceptional loss being the difference between net book value and net sale value during the year ended 31st March, 2022.
- (vii) The Company has made a provision for doubtful loans & advances granted to Forbes Concept Hospitality Services Private Limited (FCHSPL) amounting to RS. 18 lakhs during the quarter and year ended 31st March 2023.
- (viii) Pursuant to NCLT and Bombay High Court approval vide order dated 21st January, 2022 for capital reduction in SPFSL, 8,05,00,000 equity shares of Rs. 10 each and 3,50,00,000 preference shares of Rs. 10 each were cancelled for a consideration of Rs. 0.10 per share. Accordingly, Rs. 793 Lakhs pertaining to interest accrued on the preference shares was also written back as exceptional income during the quarter and year ended 31st March, 2022.
- (ix) Pursuant to the termination of the joint venture agreement between the shareholders of SPFSL during the year ended 31st March, 2022, SPFSL ceased to be a subsidiary of the Company effective 1st March, 2022 and stood as an associate. Accordingly, the net assets of SPFSL as at 1st March, 2022 aggregating Rs. 8,608 Lakhs and the non-controlling interest of SPFSL aggregating Rs. 6,019 Lakhs were derecognized and investment in SPFSL as an associate was recognized at fair value amounting to Rs. 2,755 Lakhs. Gain on loss of control over SPFSL was recorded as an exceptional item in the financial results amounting to Rs. 166 Lakhs for the year ended 31st March, 2022.
- (x) The Board of Directors of the Company, at their meeting held on 30th May, 2022, have approved the sale of the entire shareholding in Shapoorji Pallonji Forbes Shipping Limited, an associate as at 31st March, 2022 of the Group. The Company has sold 3,75,000 equity shares of Rs. 10 each and 2,21,50,000 Zero Percent Redeemable Preference Shares of Rs. 10 each of Shapoorji Pallonji Forbes Shipping Limited to M/s G.S Enterprises, a related party for an aggregate purchase consideration of Rs. 2,900 Lakhs during the year ended 31st March, 2023. The net carrying value of the investments in associate (reflected as asset held for sale as on 31st March, 2022) as at the date of sale was Rs. 2,802 Lakhs and hence the Company has recognised an exceptional gain of Rs. 98 Lakhs during the year ended 31st March, 2023.
- (xi) During the financial year ended 31st March 2023, Forbes Campbell Finance Limited (FCFL), a subsidiary, sold 12,00,000 equity shares of Eureka Forbes Limited (EFL), of Rs. 10 each at the then prevailing market price of EFL on BSE Limited. The difference between the net disposal proceeds on sale of EFL shares in the open market and the carrying amount of EFL investments in FCFL books, amounting to Rs. 896 Lakhs has been recognized as an exceptional loss on sale of investments during the year ended 31st March 2023.
- (xii) The Board of Directors of the Company at their meeting held on 23rd February, 2022 has approved entering into a binding term sheet for sale of its entire shareholding in Forbes Facility Services Private Limited (FFSPL), a wholly owned subsidiary of the Company to SILA Solutions Private Limited. This binding term sheet has been executed on 23rd February, 2022 and agreement for sale executed on 20th May, 2022. The transaction has been completed on 1st July 2022 at sales consideration of Rs. 4,200 Lakhs. The Company has received the consideration of Rs.3,659 Lakhs after deduction of Rs. 240 Lakhs for the legal disputes with multiple customers and Rs. 301 lakhs for the fees paid to consultant. Pursuant to the sale of entire shareholding in Forbes Facility Services Private Limited (FFSPL) to SILA Solutions Private Limited, FFSPL ceased to be a subsidiary of the Company effective 1st July, 2022. Accordingly, the net assets of FFSPL as at 1st July, 2022 aggregating Rs.313 Lakhs were derecognized. The company has undertaken the certain obligations with respect to the transaction and accordingly provision of Rs. 359 Lakhs has been made. Gain on sale of entire shareholding of FFSPL is recorded as an exceptional item in the financial results amounting to Rs. 2,987 Lakhs (Net of expenses & provisions as explained above) for the year ended 31st March, 2023.
- (xiii) During the year ended 31st March 2023 capital reduction pursuant to the Composite Scheme of Arrangement between FTL and Forbes Campbell Services Limited resulted into extinguishment of liability portion of the composite financial instruments NCRPS as at Appointed Date. Accordingly, the gain on such extinguishment of Rs. 280 Lakhs have been presented as exceptional item in the Statement from the date of the appointed date.

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The Company is confident of repayment of all liabilities, as and when due, from business operations and/ or financial support from the Parent Company and other shareholders and accordingly, the financial results of the Company have been prepared on a going concern basis.

b. The following matter has been included in the financials statement of EFL Mauritius Limited (EFLM) which is reproduced as follows:

We draw attention to note 12 of the financial statements concerning the Company's ability to continue as a going concern. The Company incurred a loss of EUR 19,789 during the year ended 31 March 2023 and, as at that date the Company's total liabilities exceeded its total assets by EUR 315,832. The shareholder of the Company has undertaken to provide financial support to the Company, so as to enable it to meet its obligations as they fall due for the foreseeable future. Accordingly, the financial statements have been prepared on the going concern basis. Our opinion is not modified in respect of this matter.

9. During the month of October 2020, owing to the financial difficulties arising from operational losses, FTL had made an application to its bankers/debenture-holders 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 6th August, 2020 for outstanding term loans, cash credit, debentures and other non-fund-based facilities. The aforesaid restructuring process was implemented during the month of March 2021 and April 2021 with respective lenders and as a result, the repayment of term loans and debentures were deferred to begin from 30th June, 2021 and are payable in 6 equal quarterly instalments. Limits of certain cash credit facilities were reduced, and new working capital facilities were granted. Subsequently, 4 instalments upto 31st March, 2022 were paid within due dates as per OTR terms and the Company with financial support from its Parent Company in the form of ICDs has prepaid its remaining 2 instalment obligations under the aforesaid OTR including payment to debenture-holders and exited the OTR. Post OTR exit, borrowing limits have been revised and reduced. The Company is in the process of satisfaction/revision of charges created against these borrowings.
10. The Board of Directors of FTL, in its meeting held on 27th December, 2021, after considering the rationale and pursuant to the provisions of Sections 230 to 232 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification and re-enactment thereof for the time being in force) read with the Companies (Compromises, Arrangements and Amalgamations) Rules 2016, enabling provisions of the Memorandum and Articles of Association of the Company and subject to the requisite approval of the shareholders of the Company and the sanction of the jurisdictional National Company Law Tribunal and such other competent authority as may be applicable, approved the Composite Scheme of Arrangement between Forbes Campbell Service Limited ("FCSL") and FTL and their respective shareholders ('the Scheme'). The Scheme was, subsequently, approved by the shareholders of the Company.

The Scheme inter-alia proposes for amalgamation of FCSL into FTL and reduction of share capital of FTL before the said amalgamation. Subject to the requisite approvals, through the above-mentioned Scheme, FTL has proposed to proportionately reduce capital by cancelling –

- a) 9,39,48,228 equity shares of Rs. 10 each out of the existing 9,48,97,200 equity shares of Rs. 10 each fully paid up for a consideration of Rs. 0.001 for each equity share so cancelled.
- b) 6,13,80,000 "10% Optionally Convertible Redeemable Preference Shares" (OCRPS) of Rs. 10 each out of the existing 6,20,00,000 OCRPS of Rs. 10 each fully paid up for a consideration of Rs. 0.001 for each OCRPS so cancelled.
- c) 99,00,000 "0.10% Non-Convertible Redeemable Preference shares" (NCRPS) of Rs. 10 each out of the existing 1,00,00,000 NCRPS of Rs. 10 each fully paid up for a consideration of Rs. 0.001 for each NCRPS so cancelled.

The Scheme proposes that a consideration of Rs. 3 Lakhs "6% Non-cumulative Non-Convertible Redeemable Preference Shares" (NCRPS) of Rs. 10 each of FTL shall be issued and allotted to the Equity Shareholders of the FCSL in proportion to their holding in FCSL as on the Record Date for Amalgamation.

Subsequently, The NCLT, in its order dated 16th September, 2022 ('the order') approved the Composite Scheme of Arrangement for amalgamation of Forbes Campbell Services Limited ('FCSL') into and reduction of share capital of FTL ('the scheme'). Pursuant to the order, the Appointed Date of the Scheme is fixed at 1st October 2022 and the Scheme become effective from 29th September 2022 i.e., the last date on which the certified copy of the order was filed with the Registrar of Companies by both the companies.

The amalgamation has been accounted by applying the principle as set out in Appendix C of IND AS 103 "Business Combinations" and in accordance with the Ministry of Corporate Affairs (MCA) circular dated 21st August, 2019, FTL has considered the Appointed date i.e., 1st October 2021 as the date of amalgamation.

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Accordingly, FTL has prepared its financial results for the quarter and half year ended 30th September, 2022 after giving effect of the aforesaid scheme and corresponding figures for the quarter ended 30th June 2022 and for the year and for the year ended 31st March 2022 have been restated to give effect of the scheme with effect from 1st October 2021. On the Scheme becoming effective and with effect from the Appointed Date, the Company has-

1. Accounted an aggregate gain of Rs. 16,417 Lakhs directly in retained earnings to the extent pertaining to equity portion and a gain of Rs. 380 Lakhs on reduction of liability portion of preference share, on proportionate reduction of –
 - a. its equity share capital by cancelling 9,39,48,228 equity shares of Rs. 10 each for a consideration of Rs. 0.001 per share.
 - b. its preference share capital by cancelling 6,13,80,000 10% Optionally Convertible Redeemable Preference Shares (OCRPS) of Rs. 10 each for a consideration of Rs. 0.001 per share.
 - c. its preference share capital by cancelling 99,00,000 0.10% Non-Convertible Redeemable Preference shares (NCRPS) of Rs. 10 each for consideration of Rs. 0.001 per share.
 2. Accounted for amalgamation of FCSL as per pooling of interest method by combining the assets, liabilities and reserves of the FCSL at their carrying amounts with only such adjustments which are required to harmonise the accounting policies. The consideration for amalgamation is payable to the shareholders of FCSL in the form of 2,60,000 6% Non-cumulative Non-convertible Redeemable Preference Shares (NCRPS) of Rs. 10 each in proportion of their holdings in FCSL on Record Date. Until the date of allotment of such NCRPS, the Company has accounted a financial liability of Rs. 26 Lakhs for the consideration issuable under the Scheme. The difference between the consideration issuable and the capital of FCSL, after adjustments for changes in deferred taxes, have been transferred to capital reserve on amalgamation (debit balance).
11. 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.

Considering the terms of the contract, receipt of occupancy Certificate for Phase I of the real estate development project, issuance of possession letters and transfer of control of the real estate units to the customers, the Company has recognised revenue of Rs. 201 Lakhs for the year ended 31st March, 2023 and Rs. 1,491 Lakhs for the year ended 31st March, 2022.

12. 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 Group, its joint ventures and associates were impacted due to the shutdown of plants, real estate development project and offices following the nationwide lockdown. The Group commenced with its operations in a phased manner in line with the directives from the authorities.

The Group has evaluated the impact of this pandemic (considering the current situation and likely future developments along with the expected impact of new waves and strains of virus) on its business operations, liquidity and recoverability/ carrying values of its assets including property, plant and equipment, intangible including goodwill, trade receivables, inventory and investments as at the Balance Sheet date. Based on the management's review of the current indicators and economic conditions there are no additional adjustments on its financial results for the year ended 31st March 2023. The Group has adequate unutilized fund-based credit facilities available, to take care of any urgent requirement of funds.

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

13. The Board of Directors of the Company at their Board Meeting held on 8th September, 2020 had, 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 provided for amalgamation and vesting of Aquagnis Technologies Private Limited ("ATPL") and Euro Forbes Financial Services Limited ("EFFSL") [the wholly owned subsidiaries of Eureka Forbes Limited ("EFL")] with and into the Company and amalgamation and vesting of EFL with and into the Company.

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Further, upon the above part of the Scheme being effective, Demerger and vesting of Demerged Undertaking (as defined in the Scheme) of the Company into Forbes Enviro Solutions Limited ("FESL"), on a going concern took place in the previous year. Upon the entire scheme becoming effective, the name of FESL was changed to Eureka Forbes Limited.

On 19th September, 2021 a Share Purchase Agreement (SPA) was entered into between Lunolux Limited (Acquirer), an Advent International entity, Shapoorji Pallonji and Company Private Limited (Seller), the Company, EFL, FESL and Forbes Campbell Finance Limited ("FCFL") for sale of shares of FESL, post issuance and listing of the same pursuant to the Scheme becoming effective.

Pursuant to the aforesaid SPA, the Board of Directors of the Company vide resolution dated 10th October, 2021, approved the following amendments to the Scheme:

- certain identified investments of EFL shall not be demerged as part of the Demerged Undertaking (as defined in the Scheme) from the Company to FESL,

- "appointed date" as per the Scheme would be effective date or the first day of the calendar month immediately succeeding the month in which the effective date occurs, as may be decided by the Board.

Consequently, notices to equity shareholders, secured creditors and unsecured creditors went for the aforesaid modifications in the Scheme and necessary approvals from the stock exchange, regulators and other stakeholders were sought. On 6th October, 2021, the Company received an order from Hon'ble National Company Law Tribunal, Mumbai (NCLT) for convening meetings of equity shareholders, secured creditors and unsecured creditors and consequently the meetings were held on 22nd November, 2021, where the scheme was approved. EFL has deconsolidated FESL w.e.f. 1st December, 2021. Further, the Scheme was sanctioned by the NCLT vide order dated 25th January, 2022. Upon receipt of the certified copy of the said order, the Scheme was made effective by filing Form INC 28 with the Registrar of Companies, Mumbai, Maharashtra (ROC) on 1st February, 2022.

The Board of Directors of the respective companies vide resolution dated 31st January, 2022 approved 1st February, 2022 as the Appointed Date, for the purposes of the Scheme. Consequently, with effect from 1st February, 2022, ATPL and EFFSL merged with EFL, followed by merger of EFL into the Company and demerger of the Demerged Undertaking as defined in the Scheme on a going concern basis into FESL on the same date.

In accordance with the provisions of the Scheme, each shareholder of the Company as on the Record date i.e., 11th February, 2022 was allotted 15 shares each of FESL (Now EFL) which got listed on BSE Limited. The allotment of the aforesaid new shares was completed on 14th February, 2022 and each shareholder of Forbes & Company Limited became entitled to 15 shares of FESL (Now EFL) in the ratio to their original holding as per details specified in the scheme.

Post the merger scheme becoming effective, Demerger and vesting of Demerged Undertaking (as defined in the Scheme) of the Company into Forbes Enviro Solutions Limited ("FESL"), on a going concern basis took place on the appointed date of 1st February, 2022 as approved by the NCLT.

The demerger was considered as a distribution of non-cash assets to the owners of the Company and the fair value and the carrying amount of net assets of the Demerged Undertaking was recognized as a notional gain on demerger in the financial results for the quarter and year ended 31st March, 2022 as an exceptional item amounting to Rs. 4,52,929 Lakhs. Neither the Company nor the shareholders received any cash amount nor were they entitled to receive any cash in respect of this Composite Scheme.

	(Rs. in Lakhs)
Distribution of demerged undertaking to Shareholders of the Company	4,06,600
Carrying value of net assets/ (liability) of demerged entities	(329)
Notional gain on distribution of demerged undertaking to owners	4,52,929

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14. Discontinued Operations

Health and Hygiene Business

Pursuant to the composite scheme of arrangement as described above, EFL and related entities in the Health and Hygiene segment as described in the scheme will be demerged into FESL. The aforesaid scheme has been approved by the Honorable National Company Law Tribunal as at 25th January, 2022 and meets the criteria prescribed in Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations" to be considered as discontinued operations. Accordingly, the Demerged Undertaking as defined in the Scheme has been disclosed as discontinued operations in these financial results.

The Board of Directors of the Company at their meeting held on 23rd February, 2022 has approved entering into a binding term sheet for sale of its entire shareholding in Forbes Facility Services Private Limited (FFSPL), a wholly owned subsidiary of the Company to SILA Solutions Private Limited. This binding term sheet has been executed on 23rd February, 2022 and agreement for sale was executed on 20th May, 2022. The transaction has been completed on the fulfillment of all conditions at a sales consideration of Rs. 4,200 Lakhs effective 1st July, 2022. Accordingly, the carrying value of the assets and liabilities of Rs. 5,833 Lakhs and Rs. 5,305 Lakhs respectively has been classified as pertaining to discontinued operations as on 30th June, 2022.

Additionally, as per terms of the agreement to sale, the Company has taken-over current receivables and payable balances of FFSPL as on 31st December, 2021 to/ from related parties aggregating Rs. 122 Lakhs and Rs. 237 Lakhs respectively and receivable from ONGC aggregating Rs. 54 Lakhs and the net amount of Rs. 60 Lakhs is received by the Company from FFSPL and the same has been paid against payables.

Accordingly, the previous periods have been reclassified and the amount pertaining to discontinued operations has been disclosed as a single line in the financial results.

The summary of results of the aforesaid discontinued operations, as included under the results, is as follows:

Particulars	Quarter ended			Year ended	
	31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
Revenue (Including Other Income)	-	-	22,061	4,515	1,82,308
Expenses	-	-	(20,390)	(4,446)	(1,77,931)
Profit/ (Loss) before tax, Share of profit of joint ventures and associates accounted for using equity method and Exceptional Items from discontinued operations	-	-	1,671	69	4,377
Share of profit of joint ventures and associates accounted for using equity method	-	-	-	-	-
Profit/ (Loss) before tax and Exceptional items from discontinued operations	-	-	1,671	69	4,377
Exceptional Items (refer Note 13)	-	-	4,52,929	-	4,52,929
Profit/ (Loss) before tax from discontinued operations	-	-	4,54,600	69	4,57,306
Tax expense	-	-	(371)	(20)	(2,080)
Profit/ (Loss) after tax from discontinued operations	-	-	4,54,229	49	4,55,226

15. The Board of Directors of the Company, in their meeting held on 22nd December, 2020, approved entering into a Memorandum of Understanding ("MOU") for sale of approximately 3.804 acres of land at Chandivali. Accordingly, the net carrying value aggregating Rs. 2,316 Lakhs [including Rs. 2,277 Lakhs paid towards seeking permission under the Urban Land (Ceiling & Regulation) Act, 1976 for the transfer/ sale/ development/ redevelopment of the land during the quarter ended 31st March, 2022], has been reflected as asset held for sale as on 31st March, 2022.

Pursuant to the Board of Directors meeting dated 24th March, 2022, the Company entered into a new agreement for Sale (AFS) for the aforesaid land, with Equinix India Private Limited (Equinix) for an increased consideration of Rs. 23,500 Lakhs, which was executed on 24th March, 2022 and completion of the said transaction was subject to fulfillment of conditions precedent.

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The transaction for sale of Chandivali land with Equinix got concluded on 28th June, 2022 post completion of the conditions precedent and the Company received entire consideration of Rs. 23,500 Lakhs during the quarter ended 30th June, 2022. The difference between the net disposal proceeds and the carrying amount of the land amounting to Rs. 20,684 Lakhs has been recognized as gain on disposal during the quarter ended 30th June, 2022 and reflected in Other Income in these financial results. The capital gains tax impact of the aforesaid transaction has been appropriately considered during the quarter ended 30th June, 2022 and appropriately adjusted in the nine month ended 31st December 2022.

16. The Board of Directors of the Company in their meeting dated 26th September, 2022 have approved the Scheme of Arrangement ("Scheme") between the Company ("FCL" or the "Demerged Company") and Forbes Precision Tools and Machine Parts Limited ("FPTL" or the "Resulting Company") and their respective shareholders under Section 230 to 232 of the Companies Act, 2013 and other applicable provisions and the Rules framed thereunder. This Scheme is a Scheme of Arrangement involving demerger of Precision Tools business of the Company into Forbes Precision Tools and Machine Parts Limited. The appointed date of the scheme is 1st April, 2023.

The Scheme is subject to necessary approvals by the Stock Exchanges, Securities and Exchange Board of India, Shareholders and Creditors of the Company, as may be applicable, Jurisdictional Bench of National Company Law Tribunal ("NCLT") and such other statutory and regulatory approvals as may be required.

The relevant documents for obtaining approval under Regulation 37 of the SEBI Listing Regulations are submitted to the Designated Stock Exchange.

FPTL has been incorporated on 30th August, 2022 as a wholly owned subsidiary of the Company.

17. The Company and MACSA ID, S.A., have entered into a 50:50 Joint Venture Agreement on December 5, 2022 (JVA) for providing innovative laser marking and traceability solutions for the entire range of materials metal and non-metals. Pursuant to the terms of the JVA, a joint venture company viz., FORBES MACSA PRIVATE LIMITED has been incorporated on December 9, 2022. The JV partners have infused equity and preference shares capital to the tune 2.5 Crs each in the JVC. The JVC and shareholders have executed the technology and trademark license agreement and brand and technology licensing agreement with respect to their respective brands. The operations of JVC have started from 1st March 2023.

18. The Indian Parliament has approved the Code on Social Security, 2020 ("the code") which, inter alia, deals with employees benefits during 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 the rules for quantifying the financial impact are also yet to be issued. In view of this, the impact of change, if any, will be assessed and recognised post notification of the relevant provisions.

19. Pursuant to the Composite Scheme of Arrangement as described in Note 13 above, the following are not subsidiaries/ associates of the Company as at 31st March, 2022:

Eureka Forbes Limited

- Aquagnis Technologies Private Limited
- Euro Forbes Financial Services Limited
- Infinite Water Solutions Private Limited
- Forbes Aquatech Limited
- Forbes Lux FZCO
- Euro Forbes Limited
- Forbes Enviro Solutions Limited
- Euro P2P Direct (Thailand) Company Limited
- AMC Cookware PTY Ltd (joint venture) has been sold in December 2021

20. Other income includes net realized/ unrealized foreign exchange gains/ (losses) incurred by the Group.

21. During the quarter ended 30th September 2022, the Company has paid Special interim dividend of Rs. 65/- per fully paid equity share of Rs. 10 each for the financial year 2022-23 after completing all the necessary formalities.

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22. The figures of the quarter ended 31st March, 2023 and 31st March, 2022 are balancing figures between the audited figures in respect of the full financial year ended on 31st March, 2023 and 31st March, 2022 as reported in these financial results and the unaudited published year to date figures up to third quarter ended on 31st December, 2022 and 31st December, 2021 respectively, which were subjected to Limited Review by the Statutory Auditors.
23. Figures for the previous periods are re-classified / re-arranged / regrouped, wherever necessary, to correspond with the current period's classification / disclosure.

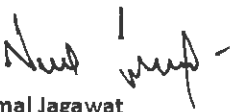

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Mumbai,
26th May 2023

DIN: 01423084

		As mentioned earlier, this business decision will be taken in the next few quarters after considering how its key subsidiaries are able to revive their own operation. Till then it would be fair and proper to treat it as going concern.
(iii)	Auditors' Comments on (i) or (ii) above:	Impact Not Determinable

III. Signatories:

Company	Statutory Auditor
For Ma Managing Director  Nirmal Jagawat CFO  Nikhil Bhatia Audit committee Chairman Place:	In terms of our Report issued under Regulation 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015. For Sharp & Tannan Associates Chartered Accountants Firm 109983W by t Par Par Me 1262
Place: Mumbai Date: May 26, 2023	Place: Mumbai Date: May 26, 2023