

**INDEPENDENT AUDITOR'S REPORT  
TO THE BOARD OF DIRECTORS OF  
FORBES TECHNOSYS LIMITED**

1. We have audited the accompanying Statement of Financial Results of **Forbes Technosys Limited** ("the Company"), for the year ended March 31, 2018 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/IMD/DF1/69/2016 dated August 10, 2016.
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related Ind AS financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such financial statements.
3. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

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

4. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - (i) is presented in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/IMD/DF1/69/2016 dated August 10, 2016; and



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# Deloitte Haskins & Sells

- (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net loss and Total comprehensive loss and other financial information of the Company for the year ended March 31, 2018.

## 5. Material uncertainty related to Going Concern

We draw attention to Note 5 to the Statement which indicates that, the Company has incurred a net loss of Rs.1,240.46 lakhs during the current year and, the Company's current liabilities exceeded its current assets by Rs.1,860 lakhs as at March 31, 2018. The Company has accumulated losses of Rs.8,222.23 lakhs and its net worth has been substantially eroded as at March 31, 2018. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note.

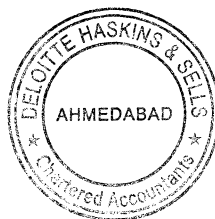
Our opinion is not modified in respect of this matter.

6. The Statement includes the results for the six months ended March 31, 2018 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the first six months ended of the current financial year which were subject to limited review by us.

For DELOITTE HASKINS & SELLS  
Chartered Accountants  
(Firm's Registration No. 117365W)



Nilesh Shah  
Partner  
(Membership No. 49660)

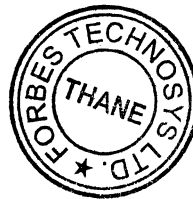
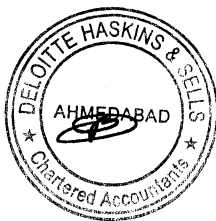


 MUMBAI, May 3, 2018

**FORBES TECHNOSYS LIMITED**  
Audited Balance Sheet as at March 31, 2018

(Rs. in lakhs)

Particulars	As on March 31, 2018	As on March 31, 2017
<b>ASSETS</b>		
<b>1 Non-Current Assets</b>		
a) Property, plant and equipment	408.41	612.43
b) Capital work-in-progress	-	-
c) Other intangible assets	1,899.95	2,430.90
d) Intangible assets under development	9,278.35	7,168.61
e) Financial assets:		
i) Other financial assets	33.59	25.05
f) Other non-current assets	394.84	375.91
<b>Total Non-Current Assets</b>	<b>12,015.14</b>	<b>10,612.90</b>
<b>2 Current assets</b>		
a) Inventories	3,158.68	3,925.68
b) Financial assets:		
i) Trade receivables	5,563.83	7,516.51
ii) Cash and cash equivalents	209.60	744.21
iii) Bank balances other than (ii) above	51.47	48.88
iv) Others financial assets	247.84	393.61
c) Other current assets	344.80	603.25
<b>Total Current Assets</b>	<b>9,576.22</b>	<b>13,232.14</b>
<b>Total Assets</b>	<b>21,591.36</b>	<b>23,845.04</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
a) Equity share capital	2,689.72	2,689.72
b) Other equity	(1,098.28)	(4,163.93)
<b>Total Equity</b>	<b>1,591.44</b>	<b>(1,474.21)</b>
<b>LIABILITIES</b>		
<b>1 Non-Current Liabilities</b>		
a) Financial liabilities:		
i) Borrowings	8,290.87	9,863.77
b) Provisions	272.83	259.90
<b>Total Non-Current Liabilities</b>	<b>8,563.70</b>	<b>10,123.67</b>
<b>2 Current Liabilities</b>		
a) Financial liabilities:		
i) Borrowings	4,997.51	4,933.69
ii) Trade payables	3,160.01	4,961.49
iii) Other financial liabilities	2,070.45	4,468.24
b) Provisions	138.46	95.20
c) Other current liabilities	1,069.79	736.96
<b>Total Current Liabilities</b>	<b>11,436.22</b>	<b>15,195.58</b>
<b>Total Liabilities</b>	<b>19,999.92</b>	<b>25,319.25</b>
<b>Total Equity and Liabilities</b>	<b>21,591.36</b>	<b>23,845.04</b>



**FORBES TECHNOSYS LIMITED**

CIN : U29290MH1991PLC062425

Registered office: Forbes Building, Charanjit Rai Marg, Fort, Mumbai 400 001  
Tel No. 022 - 40639595 Fax : 022 - 40639516 Website : www.forbestechnosys.com  
Email : ajay.singh@forbestechnosys.com

**Audited Financial Results for six month / year ended March 31, 2018**

(Rs. in lakhs except per share data)

Sr. No.	Particulars	Six months ended March 31, 2018	Corresponding Six months ended March 31, 2017	Year ended March 31, 2018	Year ended March 31, 2017
		Audited (Refer Note 2 below)	Audited (Refer Note 2 below)	Audited	Audited
1.	Revenue				
	(a) Revenue from operations	5,914.67	10,058.93	13,161.35	25,493.99
	(b) Other income	18.07	55.71	71.26	76.70
	(c) Total income	5,932.74	10,114.64	13,232.61	25,570.69
2.	Expenses				
	(a) Cost of materials consumed	1,236.20	2,061.77	2,310.67	4,859.58
	(b) Purchases of stock-in-trade (traded goods)	1,651.94	5,195.83	4,875.04	14,421.80
	(c) Changes in inventories of finished goods and stock-in-trade (traded goods)	64.92	131.70	418.20	(266.44)
	(d) Excise duty on sale of goods	-	224.93	105.57	732.95
	(e) Employee benefits expense	515.53	611.18	1,143.08	1,365.18
	(f) Finance costs	551.99	563.39	1,095.63	1,109.62
	(g) Depreciation and amortisation expense	375.71	254.54	786.78	510.79
	(h) Other expenses	2,047.91	1,968.34	3,898.04	4,444.36
	Total expenses	6,444.20	11,011.68	14,433.01	27,177.84
3.	Loss before tax (1-2)	(511.46)	(897.04)	(1,200.40)	(1,607.15)
4.	Tax expense				
	Current tax	-	-	-	-
	Tax Adjustment In respect of prior years	32.62	-	32.62	-
	Deferred tax	-	-	-	-
5.	Loss for the period (3-4)	(544.08)	(897.04)	(1,233.02)	(1,607.15)
6.	Other comprehensive income				
	(a) Remeasurement gain/(loss) of the defined benefit plans	(7.44)	2.27	(7.44)	(0.21)
	(b) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-
	Total other comprehensive income for the period	(7.44)	2.27	(7.44)	(0.21)
7.	Total comprehensive loss for the period (5+6)	(551.52)	(894.77)	(1,240.46)	(1,607.36)
8.	Paid-up equity share capital (Face Value of the Rs. 10 per Share)	2,689.72	2,689.72	2,689.72	2,689.72
9.	Other equity	(1,098.28)	(4,163.93)	(1,098.28)	(4,163.93)
10.	Paid-up debt capital / Outstanding debt	10,062.87	14,129.78	10,062.87	14,129.78
11.	Debenture redemption reserve (Refer Note 3)	-	-	-	-
12.	Basic and Diluted earnings per share (EPS) (Face Value of the Rs. 10 per Share) (Six months figures not annualised)	(2.02)	(3.34)	(4.58)	(5.98)
13.	Debt Equity Ratio	6.32	(9.58)	6.32	(9.58)
14.	Debt Service Coverage Ratio (DSCR)	0.01	(0.27)	(0.02)	(0.10)
15.	Interest Service Coverage Ratio (ISCR)	0.08	(0.60)	(0.10)	(0.44)

Paid up Debt Capital = Non-Current borrowings (including current maturities)

EPS = Earnings attributable to Equity Shareholders / Weighted Average No. of Equity Shares

Debt Equity Ratio = Non-Current borrowings (including current maturities) / (Equity Share Capital + Other Equity)

DSCR = Earnings before Interest and Tax / (Interest including interest capitalised + Principal Repayment of Non - Current borrowings)

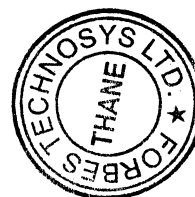
ISCR = Earnings before Interest and Tax / Interest expense including interest capitalised

**Notes:**

- The above Financial Results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at their meeting held on May 3, 2018.
- Financial results for all the period presented have been prepared in accordance with the recognition and measurement principles of Ind AS. The figures for the six months ended March 31, 2018 and corresponding six months ended March 31, 2017 are the balancing figures between the audited figures in respect of the full financial year and year to date figures up to the first six months ended of the respective financial year.
- The Company has not created Debenture Redemption Reserve due to absence of profits.
- Post the applicability of GST with effect from 1st July, 2017 Revenue is required to be disclosed net of GST as per requirement of Ind AS 18, 'Revenue'. Accordingly, the Revenue figures for the half year and year ended 31st March, 2018 are not comparable with the previous periods as those are gross of excise duty.
- The Company has incurred a net loss of Rs. 1,240.46 lakhs during the current year and, the Company's current liabilities exceeded its current assets by Rs.1,860 lakhs as at the March 31, 2018. The Company has accumulated losses of Rs. 8,222.23 lakhs and the net worth has been substantially eroded as at March 31, 2018. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The continuity of the operations of the Company is dependent upon the continued operational and financial support of the Holding Company namely Forbes and Company Limited. Based on such operational and financial support, the above Financial Results have been prepared on a going concern basis.
- Figures of the previous year/period have been reclassified / re-arranged / regrouped, where necessary to confirm to the presentation adopted in this statement.

For Forbes Technosys Limited

Mumbai, May 3, 2018



(Ajay Singh)  
Executive Director  
DIN: 06617966