

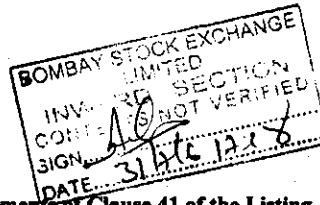


FORBES GOKAK LTD.

Date: 31st July, 2006

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

Dear Sirs,



Compliance with the requirements of Clause 41 of the Listing Agreement -
Financial Results for the Quarter ended 30th June, 2006

We set out the unaudited financial results for the quarter ended 30th June, 2006.

Particulars	(Rs. in Lakhs)		
	(1) Quarter ended 30.06.2006	(2) Quarter ended 30.06.2005	(3) Year ended 31.03.2006 (Audited)
1 Net Sales / Income from Operations	14183.80	13539.77	57917.95
2 Provision for Diminution in the value of Investments and Loans, no longer required written back (net of loss on sale)	-	-	46.72
3 Other Income	604.03	1187.80	3481.73
4 Total Income (1+2+3)	14787.83	14727.57	61446.40
5 Total Expenditure			
a) (Increase)/Decrease in Stock	(1088.57)	(12.50)	59.17
b) Consumption of Raw Materials	6427.84	5720.44	25394.87
c) Purchase of Trading Stocks	1065.71	766.90	3849.31
d) Power & Fuel	1325.17	1208.12	4110.09
e) Staff Cost	1795.40	1736.77	7156.45
f) Other Expenditure	4079.90	3614.76	14542.56
g) Sub Total	13605.45	13034.49	55112.45
6 Interest (Net) (See Note 7)	463.82	362.96	1263.66
7 Voluntary Retirement Compensation Charged / Amortised	42.88	10.84	105.97
8 Profit before Depreciation, Prior Period Items, Provision for Diminution and Taxation (4-5-6-7)	675.68	1319.28	4964.32
9 Depreciation	600.31	583.62	2350.92
10 Profit before Provision for Diminution/Taxation (8-9)	75.37	735.66	2613.40
11 Less: Provision for Diminution in the value of Investments, Doubtful Loans and Advances	1.28	1.02	9.29
12 Profit before Tax (10-11)	74.09	734.64	2604.11
13 Less: Provision for Taxation			
Wealth tax	4.00	2.00	15.00
Income-tax-Current	-	53.29	130.00
Income-tax-Deferred	20.00	(92.69)	130.00
Fringe Benefits tax	24.80	38.00	169.02
14 Net Profit (12-13)	25.29	734.04	2160.09
15 Paid up Equity Share Capital (Face Value of Rs.10 each)	1289.86	1245.34	★ 1245.34
16 Reserves excluding Revaluation Reserve			22176.60
17 Basic and diluted Earning per Share of face value of Rs.10 each	Rs.0.20 <small>(for 3 months period)</small>	Rs.5.89 <small>(for 3 months period)</small>	Rs.17.35 <small>(for the year)</small>
18 Aggregate of Non-promoter Shareholding			
No. of Shares	3436925	3272841	3297726
Percentage	26.65%	26.28%	26.48%

★ After issue of shares to the shareholders of erstwhile FAL Industries Ltd., on 15.6.2006, the paid up share capital has increased to Rs.1289.86 Lakhs and aggregate non-promoters shareholding is 3436924 shares i.e. 26.65 %.

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

(Rs. in Lakhs)

	(1) ● Quarter ended 30.06.2006	(2) ● Quarter ended 30.06.2005	(3) Year ended 31.03.2006 (Audited)
1 Segment Revenue :(net sales / income from each segment)			
(a) Textiles and Personal Wear	7864.66	7844.24	32673.15
(b) Engineering	1886.00	1672.00	6820.39
(c) Business Automation	970.84	835.23	4360.26
(d) Contract Manufacturing	2117.84	2313.14	10100.17
(e) Logistics Services	1720.56	981.60	5154.11
(f) Others	143.50	140.67	539.03
(g) Unallocated	107.20	966.06	2,070.87
Total	14810.60	14752.94	61717.98
Less: Inter Segment Revenue	22.77	25.37	271.58
	14787.83	14727.57	61446.40
2 Segment Results (Profit before Tax and interest from each Segment)			
(a) Textiles and Personal Wear	103.49	57.69	929.93
(b) Engineering	286.93	256.48	1011.83
(c) Business Automation	19.83	(8.32)	(51.40)
(d) Contract Manufacturing	(14.98)	57.33	(91.35)
(e) Logistics Services	113.82	(126.85)	513.69
(f) Others	48.51	(40.76)	(63.26)
Total	557.60	195.57	2249.44
Less: Interest (Net)	463.82	362.96	1263.65
Balance	93.78	(167.39)	985.79
Add/(Less): Unallocated Income (net of Unallocated Expenditure)	(19.69)	902.03	1,618.32
Profit before Tax	74.09	734.64	2604.11
3 Capital Employed (Segment assets Less Segment Liabilities)			
(a) Textiles and Personal Wear	25701.74	20602.87	21488.46
(b) Engineering	6124.45	5117.51	5852.45
(c) Business Automation	1911.96	1804.50	1924.68
(d) Contract Manufacturing	6858.85	4253.00	3619.30
(e) Logistics Services	4211.76	1935.74	3631.89
(f) Others	1846.33	(1136.83)	6164.78
	46655.09	32576.79	42681.56

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NOTES:

1. Previous period's / year's figures have been regrouped wherever necessary.
2. ● This being the first quarter of the accounting year, cumulative figures upto 30th June, 2006 (*Previous year upto 30th June, 2005*) are the same.
3. Other Income includes capital profit of Rs.Nil; (previous quarter capital profit on buy back of shares by a subsidiary company *Rs.799.27 lakhs*).
4. The results of the quarter ended 30th June, 2005 as published earlier did not include results of erstwhile FAL Industries Ltd. which has amalgamated with the company with effect from 1st April, 2005. Consequently figures for quarter ended 30.6.2005 have been recasted to include results of erstwhile FAL Industries Ltd.
5. Forbes Abans Cleaning Solutions (P) Ltd. in which Company's wholly owned subsidiary, Eureka Forbes Ltd. was holding 49% shares has now become wholly owned subsidiary, consequent upon further acquisition of shares by Eureka Forbes Ltd.
6. Auditors in their report for the year ended 31.03.2006 had commented upon balances to be reconciled and set off. This has been partly completed and work for the balance is in progress. As regards observation of the Auditors in the Report regarding revaluation of certain assets, the practice followed by the Company is based on the advice received by the Company.
7. Interest cost shown in item 5 above is net after deducting interest income Rs.117.81Lakhs for the quarter ended 30th June, 2006 (*corresponding previous quarter Rs.67.72 Lakhs*); Rs.471.24 Lakhs for the year ended 31st March, 2006.
8. The above results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meeting held on 31st July, 2006.
9. There were no pending Shareholders complaints as on 1st April, 2006. However there are 5 pending Court cases, which remain pending as at 30th June, 2006. The Company has received 2 complaints during the quarter ended 30th June, 2006 and the same have been resolved to the satisfaction of the Shareholders.

For Forbes Gokak Limited



(K.C. Mehra)

Deputy Chairman & Managing Director

Mumbai, 31st July, 2006