

Forbes & Company Limited

February 17, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	42.58	CARE BBB-; Stable	Reaffirmed
Short Term Bank Facilities	7.50	CARE A3	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The reaffirmation of ratings assigned to the bank facilities of Forbes & Company Limited (FCL) factors in its diversified business presence across leasing, coding and industrial automation business (CIAB), and real estate segments. The company continues to generate steady cash flows from lease rentals backed by a strong and diversified tenant profile in the real-estate segment. The rating factors in the completion of the real estate project, Vicinia-Phase II, with a significant portion of the inventory sold. The CIAB segment has also reached break-even and generated a PBIT of ₹0.75 crore in 9MFY26. These stable rental inflows, along with improving profitability in CIAB, are expected to support near-term earnings visibility.

The rating also factors in its favourable capital structure, and satisfactory financial performance during FY25 and 9MFY26. The ratings also reflect negligible debt at the consolidated level, which supports profitability and debt coverage metrics. FCL has a comfortable liquidity position, backed by liquid funds of ₹70 crore as on December 31, 2025, on a consolidated basis, along with investment in listed entities (Eureka Forbes Limited, rated CARE AA; Stable, and Forbes Precision Tools and Machine Parts Limited). This liquidity buffer provides adequate support for near-term financial flexibility. The company is expected to maintain strong liquidity in the near term supported by its debt-free position.

The rating strengths are moderated by the company's relatively modest scale of operations and profitability, which remain exposed to fluctuations in input prices. The CIAB division continues to face cyclicity linked to the automobiles sector. The company's ability to expand the CIAB and development of new real-estate projects will be critical for its medium-term growth prospects. Additionally, while FCL holds sizeable real-estate assets, any aggressive debt-funded development plans will remain a key monitorable, as such plans may weaken the capital structure over the medium term.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Scaling up of the business operation while maintaining profitability

Negative factors

- Any large debt addition/support to group entities impacting the liquidity/financial position
- Large debt funded capex resulting in weakening of debt/PBILDT to 2.5x and above

Analytical approach:

Consolidated as there exists business, financial and management linkage with the subsidiaries. The list of subsidiaries and joint ventures (JVs) that have been consolidated is given as Annexure-6.

Outlook: Stable

A stable outlook reflects the expectations of steady improvement in Coding and Industrial Automation (CIAB) segment and consistent revenue from lease rentals going forward, which would support the profitability.

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Detailed description of key rating drivers:**Key strengths****Satisfactory performance reported in FY25 and 9MFY26:**

Operating revenue increased by 59% year-on-year, rising from ₹125 crore in FY24 to ₹199 crore in FY25, driven by higher real-estate revenue from the handover of units. Healthy margins in the real-estate division supported an improvement in operating margin from 6.41% in FY24 to 13.90% in FY25.

The scale of operations moderated to ₹59 crore in 9MFY26 from ₹111 crore in the previous fiscal period, as revenue recognition from the Vicinia project tapered after most units were delivered in FY25. However, margins remained strong, with PBILDT of 14.27% and PAT of 26.09%. The Vicinia project has been completed and only five flats remain unsold. With major project revenue already recognized, real-estate contributions will be limited to lease rentals in the near term. Steady rental inflows are expected to help maintain profitability in this segment.

The CIAB segment contributed ₹31 crore in both FY24 and FY25 and ₹29 crore in 9MFY26. While it posted a minor loss of ₹1.16 crore in FY25, it reported PBIT of ₹0.75 crore in 9MFY26 due to gradual scaling.

Favorable capital structure:

FCL has monetised assets in the past, including land bank, shipping vessels and investments in subsidiaries, which has helped reduce debt levels. As of March 31, 2025, the company had no term debt, and its net worth increased from ₹140 crore as on March 31, 2024, to ₹219 crore as on March 31, 2025, resulting in a healthy overall gearing of 0.02 times. Its debt-free profile is expected to support near-term financial flexibility.

The company also has ₹70 crore of liquid funds as on December 31, 2025, along with 25 lakh shares of Eureka Forbes Limited and 6 lakh shares of Forbes Precision Tools and Machine Parts Limited. This liquidity buffer supports near-term liquidity and is expected to adequately meet operational requirements and moderate investments.

Experienced promoter group:

FCL is part of the Shapoorji Pallonji (SP) group and benefits from the group's 160-year legacy in diversified businesses. The flagship entity, Shapoorji Pallonji and Company Private Limited (SPCPL; rated CARE BBB-; Negative/CARE A3), is among India's leading construction companies. The group's established presence across multiple sectors and strong business network are expected to support FCL's long-term strategic positioning and financial flexibility.

Key weaknesses**Restricted size and scale:**

With the completion of the Vicinia project and only five flats remaining unsold, revenue from the real-estate segment will be restricted to lease rentals. The CIAB segment reported a minor loss of ₹1.16 crore in FY25 due to fixed-cost pressures but improved to a PBIT of ₹0.75 crore in 9MFY26 due to better utilisation levels. Scaling up CIAB and development of new real-estate projects will be essential for maintaining growth in the medium term.

Any debt-funded development could affect the company's capital structure and coverage metrics and will be a key monitorable. Maintaining a conservative funding strategy will be important for preserving financial strength.

Profitability susceptible to cyclicity in auto segment:

The CIAB business derives a significant portion of its revenue from automobile sector end users. As a result, the business remains exposed to cyclicity in the auto industry as well as fluctuations in input prices. A prolonged slowdown in the automobile sector may affect order inflows and margins in the medium term.

Liquidity: Adequate

The liquidity profile of FCL at a consolidated level is adequate with no debt repayment scheduled in the projected period. As on December 31, 2025, the cash and bank balance stood at Rs. 63.51 crore and Rs. 69.98 crore respectively at standalone and consolidated level respectively. FCL also has sanctioned working capital limits of Rs.1.40 crore which had minimal utilization during the 12 months period ended September 2025.

Assumptions/Covenants: Not Applicable

Environment, social, and governance (ESG) risks: Not Applicable

Applicable criteria

[Consolidation](#)
[Definition of Default](#)
[Liquidity Analysis of Non-financial sector entities](#)
[Rating Outlook and Rating Watch](#)
[Financial Ratios – Non financial Sector](#)
[Service Sector Companies](#)
[Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Diversified	Diversified	Diversified	Diversified

FCL is a public listed entity and a subsidiary of Shapoorji Pallonji's flagship company Shapoorji Pallonji and Company Private Limited (rated CARE BBB-; Negative / CARE A3), the holding-cum-operating company of the SP group. Forbes & Company Limited was established in India in 1767 by John Forbes. Over the years, the management of the company moved to various business houses like the Forbes, Campbells, the Tata Group. In FY02, the company's shareholding underwent a restructuring and Shapoorji Pallonji (SP) group acquired a majority stake of 72.56% of the share capital of the company and it became a subsidiary of SPCPL. 1.29% of shares of FCL are held by Forbes Campbell Finance Limited (subsidiary of FCL) and the remaining is held by Public. FCL on a consolidated basis operates under two divisions: CIAB and real estate.

Brief Consolidated Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	9MFY26 (UA)
Total operating income	125	199	59
PBILDT*	8	28	8
Profit after tax (PAT)	19	29	15
Overall gearing (x)	0.04	0.02	NA
Interest coverage (x)	7.38	54.90	17.89

A: Audited UA: Unaudited; NA: Not Available; Note: these are latest available financial results

*PBILDT: Profit before interest, lease rentals, depreciation and tax

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	42.58	CARE BBB-; Stable
Non-fund-based - ST-BG/LC		-	-	-	7.50	CARE A3

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Term Loan	LT	-	-	-	1)Withdrawn (18-Nov-24)	1)CARE BBB- (RWD) (02-Jan-24)	1)CARE BBB- (RWD) (27-Dec-22) 2)CARE BBB- (CW with Developing Implications) (07-Oct-22)
2	Fund-based - LT-Cash Credit	LT	42.58	CARE BBB-; Stable	-	1)CARE BBB-; Stable (18-Nov-24)	1)CARE BBB- (RWD) (02-Jan-24)	1)CARE BBB- (RWD) (27-Dec-22) 2)CARE BBB- (CW with Developing Implications) (07-Oct-22)
3	Non-fund-based - ST-BG/LC	ST	7.50	CARE A3	-	1)CARE A3 (18-Nov-24)	1)CARE A3 (RWD) (02-Jan-24)	1)CARE A3 (RWD) (27-Dec-22) 2)CARE A3 (CW with Developing Implications) (07-Oct-22)

LT: Long term; ST: Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not Applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Non-fund-based - ST-BG/LC	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please [click here](#)

Annexure-6: List of entities consolidated

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
	Subsidiaries:		
1.	Forbes Campbell Finance Limited	Full	Wholly owned subsidiary
2.	Volkart Fleming Shipping and Services Limited	Full	Wholly owned subsidiary
3.	Campbell Properties & Hospitality Services Limited	Full	Wholly owned subsidiary
4.	EFL Mauritius Limited	Full	Wholly owned subsidiary
5.	Forbes Bradma Optimark Private Limited		
	Joint Ventures:		
6.	Forbes Bumi Armada Limited (JV of Forbes Campbell Finance Limited)	Proportionate	51% owned subsidiary
	Associates:		
7.	Nuevo Consultancy Services Private Limited	Moderate	49% owned subsidiary

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

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