

**AUDITED FINANCIAL RESULTS FOR THE
PERIOD ENDED 31ST MAY, 2010**

(Rs. in lacs)

PARTICULARS	Audited	Audited	Consolidated	
	Current year period ended 31-May-10 (14 months) (Audited) (1)	Previous year ended 31-Mar-09 (12 months) (Audited) (1)	Audited Current year period ended 31-May-10 (14 months) (3)	Audited Previous year ended 31-Mar-09 (12 months) (4)
1 a Net sales/ income from operations	13,238.20	12,707.10	13,305.17	12,799.99
b Other Operating Income	4,135.90	4,302.91	4,200.58	4,369.55
Total income (1 a + 1 b)	17,374.10	17,010.01	17,505.75	17,169.54
2 Expenditure				
(a) Decrease / (Increase) in stock-in-trade and work-in-progress	117.26	(17.20)	117.26	(17.20)
(b) Consumption of raw materials	3,210.84	3,690.49	3,210.84	3,690.48
(c) Purchase of traded goods	927.17	849.16	993.26	941.21
(d) Employees cost	4,846.46	3,573.18	4,861.11	3,585.23
(e) Power and fuel	5,739.86	4,998.88	5,739.86	4,998.88
(f) Depreciation	332.51	402.02	332.51	402.02
(g) Provision for Diminution in value of investments	4,001.88	-	1,921.86	2.50
(h) Bad Debts written off (net)	84.02	-	-	-
(i) Impairment of goodwill	-	-	1,878.35	-
(j) Other expenditure	4,821.02	6,720.31	4,907.16	6,734.03
(k) Total	24,081.02	20,216.84	23,962.21	20,337.15
3 (Loss)/ Profit from Operations before Other Income, Interest & Exceptional Items (1 - 2)	(6,706.92)	(3,206.83)	(6,456.46)	(3,167.61)
4 Other Income	7,132.46	37,756.09	7,132.46	37,796.52
5 Profit before Interest & Exceptional items (3 + 4)	425.54	34,549.26	676.00	34,628.91
6 Interest (net)	458.23	782.54	598.98	721.73
7 (Loss) / Profit after Interest but before Exceptional items (5 - 6)	(32.69)	33,766.72	77.02	33,907.18
8 Exceptional items	6,307.13	-	6,307.13	-
9 Profit from ordinary activities before tax (7 + 8)	6,274.44	33,766.72	6,384.15	33,907.18
10 Tax expense				
(a) Provision for Current tax	1,100.00	-	1,102.66	-
(b) Provision for Wealth tax	0.25	0.40	0.25	77.04
(c) Provision for Fringe Benefit tax	-	15.60	-	15.60
11 Net Profit after tax from ordinary activities for the period (9 - 10)	5,174.19	33,750.72	5,281.24	33,814.54
12 Excess/Short provision of Tax of earlier year	2.11	-	2.11	-
	5,176.30	33,750.72	5,283.35	33,814.54
13 Share of profit/(losses) in Associates (net)			7.60	(55.10)
14 Minority Interest			(0.17)	(0.17)
15 Profit after share of Losses in associates (net)			5,290.78	33,759.27
16 Paid-up equity share capital (face value of Rs. 10/- per share)	981.39	499.94	981.39	499.94
17 Reserves excluding revaluation reserve as per Balance sheet of the previous accounting year (after adjusting debit balance in Profit and Loss account, Rs.26,101.73 lakhs)	(3,324.03)	(11,018.97)	(1,563.82)	(9,373.22)
18 Earnings per share (EPS) - in Rupees Basic and diluted EPS for the period, for the year to date and for the previous period (not annualized)	71.16	675.01	72.76	675.19
19 Public shareholding				
- Number of shares	3,362,771	3,362,771	3,362,771	3,362,771
- Percentage of shareholding	34.27%	67.26%	34.27%	67.26%
20 Promoters and promoter group Shareholding				
a) Pledged/ Encumbered				
Number of shares	NIL	NIL	NIL	NIL
Percentage of shares (as a % of the total shareholding of promoter and promoter group)	NIL	NIL	NIL	NIL
Percentage of shares (as a % of the total share capital of the company)	NIL	NIL	NIL	NIL
b) Non-encumbered				
Number of shares	6,451,089	1,637,229	6,451,089	1,637,229
Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%
Percentage of shares (as a % of the total share capital of the company)	65.73%	32.74%	65.73%	32.74%

MAFATLAL INDUSTRIES LIMITED**Consolidated Segment - wise Revenue, Results and Capital Employed****(Rs. In Lacs)**

Sl. No.	PARTICULARS	Current Year	Previous Period
	Information about Primary Business Segments		
1	Segment Revenue (net)		
	Textile	24,984.10	16,068.66
	Financial services	8.94	7.98
		24,993.04	16,076.64
2	Segment Result - Profit / (Loss)		
	Textile	8,337.95	(4,242.35)
	Financial services	50.32	(17.94)
	Interest and Financial charges	(762.31)	(1,014.50)
	Unallocated income (net of other unallocated expenses)	(1,241.81)	39,181.97
	Profit before tax	6,384.15	33,907.18
3	Capital employed (segment assets - segment liabilities)		
	Textile	(11,303.63)	(17,736.25)
	Financial services	6,595.41	6,659.52

NOTES

1. As reported earlier, the Board for Industrial & Financial Reconstruction (BIFR) had prepared and circulated the Modified Draft Rehabilitation Scheme to all concerned agencies for their consent/comments, in terms of provisions of Section 19(1) and 19(2) of Sick Industrial Companies (Special Provisions) Act, 1985. BIFR, vide their Order dated 24th /25th June, 2009 approved the Modified Scheme (MS) in terms of provisions u/s. 18 (4) read with Section 19 (3) of Sick Industrial Companies (Special Provisions) Act, 1985. In view of the foregoing, the audited financial results of the Company are prepared on going concern basis, which is dependent upon the successful implementation of the MS.
2. The qualifications of the auditors on the financial statements for the period ended 31st May, 2010, and the management's comments thereon (in brackets) are as follows:
 - a. regarding, non-accounting of rent/ recovery of expenses from certain tenants/ ex-tenants, aggregating to date of Rs. 173.93 lacs. (This has been done on legal advice).

The impact of the quantifiable qualification, viz. 2.a, is that the profit before tax would have been Rs 6,448.39 lacs for the period ended 31st May,2010.
3. Based on the Audited Accounts as on 31st May 2010, the net worth of the Company has turned positive and accordingly the Company will approach the BIFR, for deregistration of its Reference, in due course of time.
4. The Ahmedabad Unit of the Company has discontinued operations with effect from 1st March, 2003. On 21st May, 2003, the Company entered into an 'Agreement to Sell' with Annapurna Polymers Private Limited (APPL) for this Unit at an aggregate consideration of Rs. 677.70 lacs. The sale, after getting all approvals, was to be completed on or before 31st December, 2003. Pending this, a separate 'Conducting Agreement' has been entered with APPL, effective 1st June, 2003, under which APPL will operate the Unit on the Company's behalf. On expiry of the aforementioned period, till 31st December, 2003, it has been mutually agreed to extend the period further, till 30th June, 2010.
5. There was no complaint pending at the beginning of the year. The Company has received six complaints during the year and has resolved all the six complaints.
6. The consolidated result include the financial result of four subsidiaries and six associates.
7. Though the Company operates solely in the textile segment, on consolidation with its subsidiaries, there are two reportable primary (business) segments.
8. Previous year's figures have been regrouped, wherever necessary, to correspond with those of the current period.
9. Figures for the current period are for fourteen months and figures for the previous year are for twelve months, hence not comparable.
10. The above results have been taken on record by the Board of Directors at its meeting held on 28th June, 2010.

For **MAFATLAL INDUSTRIES LIMITED**



H.A. MAFATLAL
VICE CHAIRMAN

Mumbai, dated, 28th June, 2010