

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE
QUARTER AND TWELVE MONTHS ENDED 31ST MARCH, 2010

(Rs. in lacs)

PARTICULARS	Quarter ended 31-Mar-10	Quarter ended 31-Mar-09	Year to date figures for current Twelve months ended 31-Mar-10	Previous accounting year ended 31-Mar-2009
	(Unaudited) (1)	(Unaudited) (2)	(Unaudited) (3)	(Audited) (4)
1 a Net sales/ income from operations	3,129.38	2,745.52	11,395.58	12,707.10
b Other Operating Income	801.85	827.37	3,426.49	4,302.91
Total income (1 a + 1 b)	3,931.23	3,572.89	14,822.07	17,010.01
2 Expenditure				
(a) (Increase) / Decrease in stock-in-trade and work-in-progress	29.04	2.96	456.09	(17.20)
(b) Consumption of raw materials	877.09	548.52	2,658.22	3,690.49
(c) Purchase of traded goods	408.70	558.25	904.06	849.16
(d) Employees cost	1,139.80	917.58	4,149.15	3,573.18
(e) Power and fuel	1,165.75	1,128.83	4,909.06	4,998.88
(f) Depreciation	70.63	87.71	290.58	402.02
(g) Other expenditure	853.54	1,196.94	3,656.04	6,720.31
(h) Total	4,544.55	4,440.79	17,023.20	20,216.84
3 (Loss) from Operations before Other Income, Interest & Exceptional items (1 - 2)	(613.32)	(867.90)	(2,201.13)	(3,206.83)
4 Other Income (Net)	40.12	-	287.84	37,756.09
5 (Loss)/ Profit before Interest & Exceptional items (3 + 4)	(573.20)	(867.90)	(1,913.29)	34,549.26
6 Interest (net)	174.28	199.73	724.42	782.54
7 (Loss)/ Profit after Interest but before Exceptional items (5 - 6)	(747.48)	(1,067.63)	(2,637.71)	33,766.72
8 Exceptional items	320.92	-	1,517.00	-
9 (Loss)/ Profit from ordinary activities before tax (7 + 8)	(426.56)	(1,067.63)	(1,120.71)	33,766.72
10 Tax expense	0.25	4.40	0.25	16.00
11 Net (loss)/ Profit from ordinary activities for the period (9 - 10)	(426.81)	(1,072.03)	(1,120.96)	33,750.72
12 Paid-up equity share capital (face value of Rs. 10/- per share)	981.39	499.94	981.39	499.94
13 Reserves excluding revaluation reserves as per Balance sheet of the previous accounting year (after adjusting debit balance in Profit and Loss account, Rs. 31,278.03 lakhs)				(11,018.97)
14 (Loss)/ Earnings per share (EPS) - in Rupees Basic and diluted EPS for the period, for the year to date and for the previous year (not annualized)	(4.35)	(21.44)	(16.37)	675.01
15 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%
16 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%

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. The Company has started implementation of MS, including sale of certain non-core surplus assets. In view of the foregoing, the unaudited financial results of the Company are prepared on going concern basis, which is dependent upon the successful implementation of the MS.
2. Pursuant to MS, during the year, the Company allotted 48,13,860 Equity Shares of Rs. 10/- each to the Promoters on conversion of 3,00,00,000 Optionally Convertible Non- Cumulative Preference Shares of Rs. 10/- each held by them.
3. The qualifications of the auditors on the financial statements for the previous accounting year ended 31st March, 2009 / limited review for the nine months ended 31st December 2009, twelve months ended 31st March, 2010 and the management's comments thereon (in brackets) are as follows:
 - a. regarding, non-provision for diminution in the value of unquoted investments. (These investments are strategic and long-term investments);
 - b. regarding, non-provision for overdue debts, loans and advances. (Includes Companies where Company's involvement is of strategic and long term nature. The Company has augmented efforts for collecting them and are expected to be recovered in due course. Irrecoverable amounts, if any, are presently not ascertainable);
 - c. regarding, non-accounting of rent/ recovery of expenses from certain tenants/ ex-tenants, of Rs. 180.30 lakhs upto 31st March, 2009, Rs.186.12 lakhs upto 31st December, 2009 and aggregate to date of Rs. 187.21 lakhs. (This has been done on legal advice).

The impact of the quantifiable qualifications, viz. 3.c, is that the loss before tax for the quarter ended 31st March, 2010 would have been Rs.239.35 lakhs and loss before tax for the twelve months ended 31st March, 2010 would have been Rs.933.50 lakhs.

4. As reported earlier, 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 lakhs. 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. In terms of the MS, certain identified flats were sold during the quarter through Asset Sale Committee appointed by BIFR, resulting in Profit of Rs.320.92 lakhs and aggregate to date of Rs:1517 lakhs which is shown as exceptional item.
6. There were no complaints from investors pending at the beginning of the quarter. The Company received 3 complaints during the quarter (five during the twelve months period) and resolved 2 complaints during the quarter (four during the twelve months period) and consequently there is 1 complaint pending at the end of 31st March, 2010.
7. As reported earlier, dues aggregating Rs.50,906.80 lakhs (being assigned dues) were assigned in the previous years by the banks, along with underlying security and all other rights, title and entitlements to the subsidiaries / a group company at the settlement amount of Rs.13,168.47 lakhs. The amount of Rs.37,738.33 lakhs representing the difference between assigned dues and settlement amount has been included in Other Income for the year ended 31st March 2009.

8. The Company has extended the current accounting period to 30th June, 2010 and consequently, this accounting period will be for fifteen months period ended 30th June, 2010.
9. The Company operates solely in the textile business segment.
10. Previous year's / period's figures have been regrouped, wherever necessary, to correspond with those of the current period.
11. The above results have been reviewed by the Audit Committee on 26th April, 2010 and approved by the Board of Directors at its meeting held on 26th April, 2010. The same have been subjected to Limited Review by the Statutory Auditors.

For **MAFATLAL INDUSTRIES LIMITED**



H. A. MAFATLAL
VICE CHAIRMAN

Mumbai dated, 26th April, 2010