



MAFATLAL INDUSTRIES LIMITED

Corporate Office : Kaledonia, Office No. 3, 6th Floor,  
Sahar Road, Andheri ( East ), Mumbai - 400 069. India  
Tel: 91 22 6771 3800 Fax: 91 22 6771 3924 / 25  
website: www.mafatlals.com Email: marketing@mafatlals.com  
Regd. Office : 301-302, Heritage Horizon, Third Floor,  
off. C. G. Road, Ahmedabad. 380 009. India  
Tel: 91 79 2644 4404/06 F: 91 79 2644 4403  
Email: ahmedabad@mafatlals.com  
CIN: L17110GJ1913PLC000035

**November 13, 2019**

To,  
**Bombay Stock Exchange Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai- 400001

**BSE Code: 500264**

Dear Sirs,

**Sub: Post Board Meeting update -13<sup>th</sup> November 2019**

**Re: Disclosure under Regulation 30 & 33 of SEBI (LODR) Regulations, 2015**

We wish to inform you that -

The Board of Directors has at their meeting held today approved the un-audited standalone & consolidated financial results of the Company for the quarter and half year ended 30<sup>th</sup> September, 2019. Please find attached herewith the said Results together with the Limited Review Report thereon from the Statutory Auditors of the Company - M/s. Price Waterhouse Chartered Accountants LLP.

Further, in continuation of our earlier disclosure dated 16<sup>th</sup> May, 2019 made under Regulation 30 intimating about the decision of the management to substantially scale down its Navsari operations comprising of denim, the Board has at their meeting held today noted that most of the employees have, since then, opted for the Voluntary Retirement Scheme (VRS) offered by the Company. While the manufacturing operations has been gradually discontinued, activities related to stock liquidation, collection of receivables, routine maintenance etc. are being carried out at Navsari with fewer number of employees.

As authorized by special resolution passed by the shareholders of the Company u/s.180 of the Companies Act, 2013 through the postal ballot, sale of surplus assets including machinery is underway and the liabilities of the Company at its Navsari operations comprising of denim towards ex-gratia compensation under the VRS, repayment of loans and payment of dues of creditors, are being settled in a phased manner.

The Company operates in Textile segment which includes denim as a part of textiles businesses of the Company. Hence, separate results of denim business is not required to be



ARVIND MAFATLAL GROUP  
The ethics of excellence

*Mafatlal*

MAFATAL INDUSTRIES LIMITED

**Corporate Office :** Kaledonia, Office No. 3, 6th Floor,  
Sahar Road, Andheri ( East ), Mumbai - 400 069. India  
Tel.: 91 22 6771 3800 Fax: 91 22 6771 3924 / 25  
website: www.mafatlals.com Email: marketing@mafatlals.com  
**Regd. Office :** 301-302, Heritage Horizon, Third Floor,  
off. C. G. Road, Ahmedabad. 380 009. India  
Tel: 91 79 2644 4404/06 F: 91 79 2644 4403  
Email: ahmedabad@mafatlals.com  
CIN: L17110GJ1913PLC000035

reported. However, it is expected that the Revenue/Total Income of the Company as reported for the year ended on 31<sup>st</sup> March, 2019, considering the state of affairs of denim business of the Company prevailing at that juncture, is likely to get affected, due to the scaling down of business operations of denim. However, since the business operations of the denim were largely not profitable, the substantial scaling down of those operations is likely to improve the financial position of the Company.

The Board of Directors of the Company at their Meeting held today has approved the same. The Meeting of the Board of Directors commenced at 12.30 P.M. and concluded at 5.20 P.M.

Thanking you,

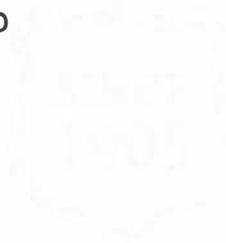
Yours faithfully,

**FOR MAFATAL INDUSTRIES LIMITED**



**ASHISH A KARANJI**  
**COMPANY SECRETARY**

End: A/A



ARVIND MAFATAL GROUP  
The ethics of excellence

# Price Waterhouse Chartered Accountants LLP

Board of Directors  
M/s. Mafatlal Industries Limited  
6<sup>th</sup> Floor, 'B' Wing, Kaledonia Building,  
Sahar Road, Opp. Vijay Nagar Society,  
Andheri (East), Mumbai-400 069

1. We have reviewed the unaudited Standalone financial results of Mafatlal Industries Limited (the "Company") for the quarter and six months ended September 30, 2019 which are included in the accompanying 'Statement of Standalone Unaudited Financial Results for the quarter and six months ended 30<sup>th</sup> September, 2019', the statement of assets and liabilities as on that date and the statement of cash flows for the six months ended on that date (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes. Attention is drawn to the fact that the statement of cash flows for the corresponding period of six months ended September 30, 2018, as reported in the Statement have been approved by the Company's Board of Directors, but have not been subjected to review. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: 012754N/N500016



Jeetendra Mirchandani  
Partner  
Membership Number: 48125  
UDIN: 19048125AAAA069308

Mumbai  
November 13, 2019

Price Waterhouse Chartered Accountants LLP, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West)  
Mumbai - 400 028  
T: +91 (22) 66691500, F: +91 (22) 66547804 / 07

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

**MAFATAL INDUSTRIES LIMITED**

Regd. Office: 301-302, Heritage Horizon, 3rd Floor, Off C. G. Road, Navrangpura, Ahmedabad - 380 009.  
Tel:079-26444404-06, Fax:079-26444403, Website:www.mafatls.com,  
Email:ahmedabad@mafatls.com, CIN L17110GJ1913PLC000035

**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30TH SEPTEMBER, 2019**

(Rs. in Lakhs )

Sr. No.	PARTICULARS	Quarter ended			Six Months ended		Financial Year ended
		30th September, 2019 Unaudited	30th June, 2019 Unaudited	30th September, 2018 Unaudited	30th September, 2019 Unaudited	30th September, 2018 Unaudited	31st March, 2019 Audited
1	Revenue						
a	Revenue from operations	28,005.63	27,204.19	23,371.58	55,209.82	54,637.48	1,02,368.06
b	Other Income	1,155.83	402.02	1,182.02	1,557.85	1,853.18	3,089.83
	<b>Total Revenue (a + b)</b>	<b>29,161.46</b>	<b>27,606.21</b>	<b>24,553.60</b>	<b>56,767.67</b>	<b>56,490.66</b>	<b>1,05,457.89</b>
2	Expenses						
a	Cost of materials consumed	7,252.56	6,966.84	8,087.44	14,219.40	17,881.56	32,626.10
b	Purchases of stock-in-trade	15,873.65	13,043.75	8,286.81	28,917.40	19,905.03	37,470.42
c	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(569.46)	696.11	79.95	126.65	497.56	3,823.14
d	Employee benefits expense	2,241.22	2,487.58	3,146.22	4,728.80	6,520.94	12,040.77
e	Finance costs (Net)	858.57	828.85	774.26	1,687.42	1,496.52	3,018.86
f	Depreciation and amortisation expense	418.87	414.84	900.48	833.71	1,795.81	3,595.66
g	Other expenses	3,304.97	3,757.29	5,994.06	7,062.26	12,299.67	22,528.18
	<b>Total expenses</b>	<b>29,380.38</b>	<b>28,195.26</b>	<b>27,269.22</b>	<b>57,575.64</b>	<b>60,397.09</b>	<b>1,15,103.13</b>
3	Loss before exceptional items and tax ( 1 - 2 )	(218.92)	(589.05)	(2,715.62)	(807.97)	(3,906.43)	(9,645.24)
4	Exceptional items [ (Loss)/Profit ] ( Refer note no. 5)	(756.35)	68.82	(805.23)	(687.53)	(805.23)	(8,361.80)
5	Loss before tax ( 3 - 4 )	(975.27)	(520.23)	(3,520.85)	(1,495.50)	(4,711.66)	(18,007.04)
6	Tax expense						
a	Current tax	-	-	-	-	-	-
b	Deferred tax (charge) / credit	-	-	-	-	-	-
	<b>Total tax expense (net)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
7	Net Loss for the period (5 - 6)	(975.27)	(520.23)	(3,520.85)	(1,495.50)	(4,711.66)	(18,007.04)
8	Other comprehensive income						
	Items that will not be reclassified to profit or loss						
	- Gain / (Loss) on Fair value of Investments	(1,362.76)	(7,471.61)	(2,600.59)	(8,834.37)	(10,139.87)	(11,015.13)
	- Actuarial Gain / (Loss) on Defined Benefit Plans (net of tax)	(19.73)	(23.89)	9.41	(43.62)	15.37	(150.25)
9	Total comprehensive income for the period (7 + 8)	(2,357.76)	(8,015.73)	(6,112.03)	(10,373.49)	(14,836.16)	(29,172.42)
10	Paid-up equity share capital (face value of Rs. 10/- per share)	1,391.28	1,391.28	1,391.28	1,391.28	1,391.28	1,391.28
11	Other Equity (excluding revaluation reserve)	-	-	-	-	-	49,307.76
12	Reserve for Dividend (face value of Rs. 10/- per share) (not annualized)	(7.01)	(3.74)	(25.31)	(10.75)	(33.87)	(129.43)

See accompanying notes to the Financial Results



## Notes :

Statement of Standalone Assets and Liabilities		(Rs. In Lakhs)	
Particulars	As at 30th September, 2019 Unaudited	As at 31st March, 2019 Audited	
<b>ASSETS</b>			
<b>Non Current Assets</b>			
(a) Property, Plant and Equipment	12,597.68	13,210.21	
(b) Right-of-use Assets	153.03	-	
(c) Investment Properties	285.28	287.22	
(d) Intangible assets	391.98	362.15	
(e) Intangible assets under development	-	61.98	
(f) Investments in a subsidiary	27.50	27.50	
(g) Financial Assets			
(i) Investments	28,546.74	37,381.15	
(ii) Loans	115.43	115.43	
(iii) Others financial assets	931.26	1,142.82	
(h) Deferred tax assets (net)	1,227.96	1,227.96	
(i) Other non-current assets	489.96	498.22	
(j) Income tax asset (net)	1,876.96	1,831.26	
<b>Total Non - Current Assets</b>	<b>46,643.78</b>	<b>56,145.90</b>	
<b>Current Assets</b>			
(a) Inventories	10,212.69	10,496.54	
(b) Financial Assets			
(i) Trade receivables	26,906.04	19,560.29	
(ii) Cash and cash equivalents	2,078.94	1,019.73	
(iii) Bank balances other than (ii) above	786.75	900.02	
(iv) Loans	3.54	4.16	
(v) Others financial assets	334.60	324.54	
(c) Other current assets	4,349.22	4,266.67	
(d) Assets held for sale	6,536.32	7,853.27	
<b>Total Current Assets</b>	<b>51,208.10</b>	<b>44,425.22</b>	
<b>Total Assets</b>	<b>97,851.88</b>	<b>1,00,571.12</b>	
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	1,391.22	1,391.22	
(b) Other Equity	38,939.93	49,307.76	
<b>Total equity</b>	<b>40,331.15</b>	<b>50,698.98</b>	
<b>Liabilities</b>			
<b>Non current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	7,913.28	5,633.74	
(ii) Lease liabilities	156.91	-	
(iii) Other financial liabilities	599.57	591.00	
(b) Other non-current liabilities	486.80	544.16	
<b>Total Non - Current Liabilities</b>	<b>9,156.56</b>	<b>6,768.90</b>	
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	9,832.10	12,387.67	
(ii) Trade payables			
- total outstanding dues of micro enterprises and small enterprises; and	580.08	8.79	
- total outstanding dues of creditors other than micro enterprises and small enterprises	27,991.27	21,476.12	
(iii) Other financial liabilities	3,387.20	3,427.57	
(b) Provisions	846.65	925.59	
(c) Other current liabilities	3,557.09	3,559.28	
(d) Current Tax Liabilities (Net)	290.16	290.16	
(e) Advances received against assets held for sale	1,879.62	1,028.06	
<b>Total Current Liabilities</b>	<b>48,364.17</b>	<b>43,103.24</b>	
<b>Total Liabilities</b>	<b>57,520.73</b>	<b>49,872.14</b>	
<b>Total Equity and Liabilities</b>	<b>97,851.88</b>	<b>1,00,571.12</b>	



## Notes :

## 2 Standalone Statement of Cash Flow for the six months ended September 30, 2019

Particulars	Six months ended 30th September, 2019 Unaudited	Six months ended 30th September, 2018 Unaudited
<b>A. Cash flow from operating activities</b>		
<b>Net (Loss) before exceptional items and before tax as per the Statement of Profit and Loss</b>	(807.97)	(3,906.43)
<b>Adjustments for:</b>		
Employee Stock Option Expense	5.66	23.27
Depreciation and amortisation	833.71	1,795.81
Finance costs	1,687.42	1,496.52
Gain on sale of Property Plant and Equipment	(38.29)	(10.37)
Interest Income	(77.11)	(92.04)
Apportionment of government grant	(66.70)	(250.36)
Dividend income	(636.71)	(650.61)
Rental Income on Investment Properties	(222.29)	(264.44)
Utility and other receipts in respect of investment properties	(430.32)	(442.50)
Bad trade and other receivables/ Loans and advances written off (net)	6.79	2.35
Provision for doubtful debts/ advances	5.21	47.63
Net unrealised exchange loss /(gain)	(42.93)	(139.40)
<b>Operating profit before working capital changes</b>	<b>216.47</b>	<b>(2,390.57)</b>
<i>Changes in working capital</i>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	283.85	271.54
Trade receivables	(7,329.33)	647.07
Current Loans and advances	0.62	0.68
Non current loans and advances	-	105.56
Other Current Financial Assets	(16.85)	(277.27)
Other Non Current Financial Assets	(50.92)	(53.23)
Other Bank Balances	113.27	510.55
Other Non Current Assets	0.00	(223.75)
Other Current Assets	(82.56)	(374.33)
<i>Adjustments for increase / ( decrease ) in operating liabilities:</i>		
Other Non Current Financial Liabilities	(74.14)	36.98
Other Non current Liabilities	9.08	259.01
Trade and other payables	7,107.75	1,788.80
Other Current Financial Liabilities (excluding current maturities of non current borrowings)	17.98	247.66
Current Provisions	(122.56)	3.80
Other Current Liabilities	848.14	219.77
<b>Changes in Working Capital</b>	<b>704.33</b>	<b>3,162.84</b>
<b>Cash generated from Operations</b>	<b>920.80</b>	<b>772.27</b>
Net income tax (paid) / refunds	(45.70)	(37.81)
<b>Net Cash inflow from operating activities before exceptional items</b>	<b>875.10</b>	<b>734.46</b>
<b>Exceptional Items</b>	<b>(687.53)</b>	<b>(805.23)</b>
<b>Net Cash inflow / (outflow) from operating activities</b>	<b>187.57</b>	<b>(70.77)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of Property, Plant and Equipment including capital advances	(178.01)	(614.72)
Proceeds from disposal of Property, Plant and Equipment / Assets held for sale	1,405.22	97.82
Purchase of Intangible Assets including intangible under development	(12.01)	(6.60)
Sales Proceeds of investments	-	580.83
Deposits Matured / (Placed) with banks	262.48	716.09
Interest received	77.11	83.76
Dividend income	636.71	650.61
Rental Income on Investment Properties	222.29	264.44
Utility and other receipts in respect of investment properties	430.32	442.50
<b>Net cash inflow from investing activities</b>	<b>2,844.11</b>	<b>2,214.73</b>
<b>C. Cash flow from financing activities</b>		
Non current Borrowings taken	3,813.00	120.00
Interest Paid	(1,693.36)	(1,467.13)
Non current borrowings repaid	(1,536.54)	(1,196.44)
Current borrowings taken / (repaid) (Net)	(2,555.57)	(68.38)
<b>Net cash outflow from financing activities</b>	<b>(1,972.47)</b>	<b>(2,611.95)</b>
<b>Net Increase / (Decrease) in cash and cash equivalents</b>	<b>1,059.21</b>	<b>(467.99)</b>
Cash and cash equivalents at the beginning of the period	1,019.73	1,913.47
<b>Cash and cash equivalents at the end of the period</b>	<b>2,078.94</b>	<b>1,445.48</b>



**NOTES:**

3. The results for the quarter and six months ended 30<sup>th</sup> September, 2019 were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 13<sup>th</sup> November, 2019. They have been subjected to Limited Review by Statutory Auditors.
4. During the quarter ended 30<sup>th</sup> September 2019, there is no change in the status of the litigation in respect of Company's entitlement for Transfer of Development Rights against surrender of part of leasehold land at Mazagaon to Municipal Corporation of Greater Mumbai as compared to 31<sup>st</sup> March, 2019.
5. Consequent to strategic initiatives undertaken by the Company to substantially scale down Navsari operations comprising of denim so as to improve its financial position, the Company had written-down / recognised provisions pertaining to carrying value of Property, Plant and Equipment (classified as held for sale), one-time employees liabilities and certain current / non-current assets of denim operations aggregating to Rs. 8,361.80 lakhs, and disclosed the same as an exceptional items for the year ended 31<sup>st</sup> March, 2019.

In continuation of the same, in the quarter ended 30<sup>th</sup> September, 2019, the Company has entered into an agreement with Union offering compensation to its concerned workmen as a full and final settlement which has been accepted by most of them. Also, the Company has sold certain assets held for sale and inventories at Navsari during the period ended 30<sup>th</sup> September, 2019. Manufacturing operations at Navsari comprising of denim has been gradually discontinued however, activities such as stock liquidation, collection of receivables and routine maintenance of plant are being carried on.

The impact of the above mentioned activities has been disclosed as exceptional items, as shown below:

	(Rs. In lakhs)		
	Quarter ended 30 <sup>th</sup> September, 2019	Quarter ended 30 <sup>th</sup> June, 2019	Six months ended 30 <sup>th</sup> September, 2019
One-time employee's settlement	736.24	-	736.24
Net Loss / (Gain) on Assets held for sale and Inventories	20.11	(68.82)	(48.71)
Total	756.35	(68.82)	687.53

Consequent to the abovementioned initiatives undertaken by the Management, results for the quarter and half year ended 30<sup>th</sup> September, 2019 are not comparable with the corresponding period of the previous year.

6. Effective 1<sup>st</sup> April, 2019, the Company has adopted Ind AS 116 'Leases', w.r.t. lease contracts outstanding as on 1<sup>st</sup> April, 2019 using the modified retrospective method. Accordingly, financial results for the quarter and six months ended 30<sup>th</sup> September, 2018 and year ended 31<sup>st</sup> March, 2019 have not been retrospectively adjusted. This has resulted in recognising a right-of-use asset of Rs. 239.63 lakhs and a corresponding lease liability of Rs. 239.63 lakhs as at 1<sup>st</sup> April, 2019. The effect of this adoption on the Loss for the period and the Loss per share is not significant and has been given effect in these results.

In the Statement of Profit and Loss for the current period, the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the right-to-use asset and finance cost for interest accrued on lease liability.



7. The Company has identified Textile Business as its only primary reportable segment in accordance with the requirements of Ind AS 108, 'Operating Segments'. Accordingly, no separate segment information has been provided.
8. Previous period's figures have been reclassified, wherever necessary, to correspond with those of the current period.

**For and on behalf of the Board,  
For MAFATLAL INDUSTRIES LIMITED**



**H. A. MAFATLAL  
CHAIRMAN  
DIN : 00009872**

Place: Mumbai  
Date: 13<sup>th</sup> November, 2019



# Price Waterhouse Chartered Accountants LLP

The Board of Directors  
M/s. Mafatlal Industries Limited  
6<sup>th</sup> Floor, 'B' Wing, Kaledonia Building,  
Sahar Road, Opp. Vijay Nagar Society,  
Andheri (East), Mumbai-400 069

1. We have reviewed the unaudited consolidated financial results of Mafatlal Industries Limited (the "Parent") and its subsidiary (the parent and its subsidiary hereinafter referred to as the "Group"), (refer Note 4 below) for the quarter and six months ended September 30, 2019, which are included in the accompanying 'Statement of Consolidated Unaudited Financial Results for the quarter and six months ended 30<sup>th</sup> September, 2019', the unaudited consolidated statement of assets and liabilities as on that date and the consolidated statement of cash flows for the six months ended on that date (the "Statement"). The Statement is being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), which has been initialled by us for identification purposes. Attention is drawn to the fact that the consolidated figures for the corresponding quarter and six months ended September 30, 2018, as reported in these financial results have been approved by the Parent's Board of Directors, but have not been subjected to review.
2. This Statement, which is the responsibility of the Parent's Management and has been approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of one subsidiary- Mafatlal Services Limited.
5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.



Price Waterhouse Chartered Accountants LLP, 252, Veer Savarkar Marg, Shivaji Park, Dadar (West)  
Mumbai - 400 028

T: +91 (22) 66691500, F: +91 (22) 66547804 / 07

Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/500016 (ICAI registration number before conversion was 012754N)

## Price Waterhouse Chartered Accountants LLP

6. The consolidated unaudited financial results includes the interim financial information of one subsidiary which have not been reviewed by their auditors, whose interim financial information reflect total revenue of Rs. 16.20 lakhs and Rs. 24.01 lakhs, total net profit after tax and total comprehensive income of Nil and Nil the quarter and six months ended September 30, 2019, respectively, and cash flows (net) of Rs. 0.27 lakhs for the period from April 01, 2019 to September 30, 2019, as considered in the consolidated unaudited financial results. According to the information and explanations given to us by the Management, these interim financial statements are not material to the Group. Our conclusion on the Statement is not modified in respect of the above matter.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number:012754N/N500016



Jeetendra Mirchandani  
Partner

Membership Number: 48125  
UDIN: 19048125AAAADH5264.

Mumbai  
November 13, 2019

**MAFATAL INDUSTRIES LIMITED**

Regd. Office: 301-302, Heritage Horizon, 3rd Floor, Off C. G. Road, Navrangpura, Ahmedabad - 380 009.  
Tel:079-26444404-06, Fax:079-26444403, Website:www.mafatals.com,  
Email:ahmedabad@mafatals.com, CIN L17110GJ1913PLC000035

**STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30TH SEPTEMBER, 2019**

(Rs. in Lakhs)

Sr. No.	PARTICULARS	Quarter ended			Six months ended		Financial year ended
		30th September, 2019 Unaudited	30th June, 2019 Unaudited	30th September, 2018 Unaudited (Refer Note 5)	30th September, 2019 Unaudited	30th September, 2018 Unaudited	31st March, 2019 Audited
1	<b>Revenue</b>						
a	Revenue from operations	28,010.01	27,209.93	23,375.32	55,219.94	54,646.13	1,02,385.36
b	Other Income	1,155.83	402.02	1,182.43	1,557.85	1,853.71	3,090.33
	<b>Total Revenue (a + b)</b>	<b>29,165.84</b>	<b>27,611.95</b>	<b>24,557.75</b>	<b>56,777.79</b>	<b>56,499.84</b>	<b>1,05,475.69</b>
2	<b>Expenses</b>						
a	Cost of materials consumed	7,252.56	6,966.84	8,087.44	14,219.40	17,881.56	32,626.10
b	Purchases of stock-in-trade	15,873.65	13,043.75	8,286.81	28,917.40	19,905.03	37,470.42
c	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(569.46)	696.11	79.95	126.65	497.56	3,823.14
d	Employee benefits expense	2,245.85	2,492.98	3,149.55	4,738.83	6,527.34	12,057.04
e	Finance costs (Net)	858.57	828.85	774.26	1,687.42	1,496.52	3,018.86
f	Depreciation and amortization expense	418.87	414.84	900.48	833.71	1,795.81	3,595.66
g	Other expenses	3,304.72	3,757.63	5,994.88	7,062.35	12,302.45	22,529.71
	<b>Total expenses</b>	<b>29,384.76</b>	<b>28,201.00</b>	<b>27,273.37</b>	<b>57,585.76</b>	<b>60,406.27</b>	<b>1,15,120.93</b>
3	<b>Loss before exceptional items ( 1 - 2 )</b>	<b>(218.92)</b>	<b>(589.05)</b>	<b>(2,715.62)</b>	<b>(807.97)</b>	<b>(3,906.43)</b>	<b>(9,645.24)</b>
4	<b>Exceptional items [(Loss) / Profit] ( Refer note no.7 )</b>	<b>(756.35)</b>	<b>68.82</b>	<b>(805.23)</b>	<b>(687.53)</b>	<b>(805.23)</b>	<b>(8,361.80)</b>
5	<b>Loss before tax ( 3 - 4 )</b>	<b>(975.27)</b>	<b>(520.23)</b>	<b>(3,520.85)</b>	<b>(1,495.50)</b>	<b>(4,711.66)</b>	<b>(18,007.04)</b>
6	<b>Tax expense: Credit / (Charge)</b>						
a	Current tax	-	-	-	-	-	-
b	Deferred tax (including Minimum Alternate Tax Credit / Entitlement)	-	-	-	-	-	-
	<b>Tax expense Credit / (Charge) (Net)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
7	<b>Net Loss for the period ( 5 - 6 )</b>	<b>(975.27)</b>	<b>(520.23)</b>	<b>(3,520.85)</b>	<b>(1,495.50)</b>	<b>(4,711.66)</b>	<b>(18,007.04)</b>
8	<b>Other comprehensive income</b>						
	Items that will not be reclassified to profit or loss						
	- Gain / (Loss) on Fair value of Investments	(1,362.76)	(7,471.61)	(2,600.59)	(8,834.37)	(10,139.87)	(11,015.13)
	- Actuarial Gain / (Loss) on Defined Benefit Obligations (net of tax)	(19.73)	(23.89)	9.41	(43.62)	15.37	(150.25)
9	<b>Total comprehensive income for the period ( 7 + 8 )</b>	<b>(2,357.76)</b>	<b>(8,015.73)</b>	<b>(6,112.03)</b>	<b>(10,373.49)</b>	<b>(14,836.16)</b>	<b>(29,172.42)</b>
10	<b>Loss is attributable to</b>						
	Owners of Mafatal Industries Limited	(975.27)	(520.23)	(3,520.85)	(1,495.50)	(4,711.66)	(18,007.04)
	Non Controlling Interest	-	-	-	-	-	-
		<b>(975.27)</b>	<b>(520.23)</b>	<b>(3,520.85)</b>	<b>(1,495.50)</b>	<b>(4,711.66)</b>	<b>(18,007.04)</b>
11	<b>Other Comprehensive Income is attributable to</b>						
	Owners of Mafatal Industries Limited	(1,382.49)	(7,495.50)	(2,591.18)	(8,877.99)	(10,124.50)	(11,165.38)
	Non Controlling Interest	-	-	-	-	-	-
		<b>(1,382.49)</b>	<b>(7,495.50)</b>	<b>(2,591.18)</b>	<b>(8,877.99)</b>	<b>(10,124.50)</b>	<b>(11,165.38)</b>
12	<b>Total Comprehensive Income is attributable to</b>						
	Owners of Mafatal Industries Limited	(2,357.76)	(8,015.73)	(6,112.03)	(10,373.49)	(14,836.16)	(29,172.42)
	Non Controlling Interest	-	-	-	-	-	-
		<b>(2,357.76)</b>	<b>(8,015.73)</b>	<b>(6,112.03)</b>	<b>(10,373.49)</b>	<b>(14,836.16)</b>	<b>(29,172.42)</b>
13	Equity share capital (face value of Rs. 10/- per share)	1,391.28	1,391.28	1,391.28	1,391.28	1,391.28	1,391.28
14	Other equity (excluding revaluation reserve)	-	-	-	-	-	49,314.69
15	Price per share [face value of Rs. 10/- per share] (not annualized) Basic and Diluted	(7.01)	(3.74)	(25.31)	(10.75)	(33.87)	(129.43)

Refer accompanying notes to the Financial Results



## Notes :

1

## Consolidated Statement of Assets and Liabilities

(Rs. In Lakhs)

Particulars	As at 30th September, 2019 Unaudited	As at 31st March, 2019 Audited
<b>ASSETS</b>		
<b>Non Current Assets</b>		
(a) Property, Plant and Equipment	12,597.68	13,210.21
(b) Right-of-use Assets	153.03	-
(c) Investment Property	285.28	287.22
(d) Intangible assets	391.98	362.15
(e) Intangible assets under development	-	61.98
(f) Financial Assets		
(i) Investments	28,546.74	37,381.15
(ii) Trade Receivables	33.20	33.20
(iii) Loans	115.43	115.43
(iv) Others financial assets	931.26	1,142.82
(g) Deferred tax assets (net)	1,227.96	1,227.96
(h) Other non-current assets	489.96	498.22
(i) Income tax asset (net)	1,876.96	1,831.26
<b>Total Non - Current Assets</b>	<b>46,649.48</b>	<b>56,151.60</b>
<b>Current Assets</b>		
(a) Inventories	10,212.69	10,496.54
(b) Financial Assets		
(i) Trade receivables	26,907.85	19,562.80
(ii) Cash and cash equivalents	2,079.32	1,020.02
(iii) Bank balances other than (ii) above	794.19	907.46
(iv) Loans	3.54	4.16
(v) Others financial assets	334.60	324.54
(c) Other current assets	4,351.79	4,269.54
(d) Assets held for sale	6,536.32	7,853.27
<b>Total Current Assets</b>	<b>51,220.30</b>	<b>44,438.33</b>
<b>Total Assets</b>	<b>97,869.78</b>	<b>1,00,589.93</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity Share capital	1,391.22	1,391.22
<b>Other Equity</b>		
(b) Other equity	38,946.86	49,314.69
(c) Non Controlling Interest	4.69	4.69
<b>Total equity</b>	<b>40,342.77</b>	<b>50,710.60</b>
<b>Liabilities</b>		
<b>Non current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	7,913.28	5,633.74
(ii) Lease Liabilities	156.91	-
(iii) Other financial liabilities	604.36	595.79
(b) Other non-current liabilities	487.69	544.16
<b>Total Non - Current Liabilities</b>	<b>9,162.24</b>	<b>6,773.69</b>
<b>Current Liabilities</b>		
(a) Financial Liabilities		
(i) Borrowings	9,832.10	12,387.67
(ii) Trade payables		
- total outstanding dues of micro enterprises and small enterprises; and	580.08	8.79
- total outstanding dues of creditors other than micro enterprises and small enterprises	27,990.08	21,474.89
(iii) Other financial liabilities	3,387.20	3,427.57
(b) Provisions	847.48	927.31
(c) Other current liabilities	3,558.05	3,561.19
(d) Current Tax Liabilities (Net)	290.16	290.16
(e) Advances received against assets held for sale	1,879.62	1,028.06
<b>Total Current Liabilities</b>	<b>48,364.77</b>	<b>43,105.64</b>
<b>Total Liabilities</b>	<b>57,527.01</b>	<b>49,879.33</b>
<b>Total Equity and Liabilities</b>	<b>97,869.78</b>	<b>1,00,589.93</b>



## Notes :

## 2 Consolidated Statement of Cash Flow for the six months ended September 30, 2019

Particulars	Six months ended 30th September, 2019 Unaudited	Six months ended 30th September, 2018 Unaudited
<b>A. Cash flow from operating activities</b>		
<b>Net (Loss) before exceptional items and before tax as per the Statement of Profit and Loss</b>	(807.97)	(3,906.43)
<b>Adjustments for:</b>		
Employee Stock Option Expense	5.66	23.27
Depreciation and amortisation expenses	833.71	1,795.81
Finance costs	1,687.42	1,496.52
Gain on sale of Property Plant and Equipment	(38.29)	(10.37)
Interest Income	(77.11)	(92.40)
Apportionment of government grant	(66.70)	(250.36)
Dividend income	(636.71)	(650.61)
Rental Income on Investment Properties	(222.29)	(264.44)
Utility and other receipts in respect of investment properties	(430.32)	(442.50)
Bad trade and other receivables/ Loans and advances written off (net)	6.79	2.35
Provision for doubtful debts/ advances	5.21	47.63
Net unrealised exchange loss /(gain)	(42.93)	(139.40)
<b>Operating profit before working capital changes</b>	<b>216.47</b>	<b>(2,390.93)</b>
<i>Changes in working capital</i>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	283.85	271.54
Trade receivables	(7,328.29)	646.93
Current Loans and advances	0.62	1.60
Non current loans and advances	-	105.56
Other Current Financial Assets	(16.85)	(277.27)
Other Non Current Financial Assets	(50.92)	(53.23)
Other Bank Balances	113.27	510.55
Other Non Current Assets	-	(223.75)
Other Current Assets	(82.25)	(375.16)
<i>Adjustments for increase / ( decrease ) in operating liabilities:</i>		
Other Non Current Financial Liabilities	(74.14)	36.06
Other Non current Liabilities	9.08	259.01
Trade and other payables	7,107.45	1,788.80
Other Current Financial Liabilities (excluding current maturities of non current borrowings)	17.98	247.66
Current Provisions	(122.65)	3.81
Other Current Liabilities	847.25	219.46
<b>Changes in Working Capital</b>	<b>704.40</b>	<b>3,161.57</b>
<b>Cash generated from Operations</b>	<b>920.87</b>	<b>770.64</b>
Net income tax (paid) / refunds	(45.70)	(37.81)
<b>Net Cash inflow from operating activities before exceptional items</b>	<b>875.17</b>	<b>732.83</b>
<b>Exceptional Items</b>	<b>(687.53)</b>	<b>(805.23)</b>
<b>Net Cash inflow / (outflow) from operating activities</b>	<b>187.64</b>	<b>(72.40)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of Property, Plant and Equipment including capital advances	(178.01)	(614.72)
Proceeds from disposal of Property, Plant and Equipment / Assets held for sale	1,405.22	97.82
Purchase of Intangible Assets including intangible under development	(12.01)	(6.60)
Sales Proceeds of investments	-	580.83
Deposits Matured / (Placed) with banks	262.48	716.09
Interest received	77.11	84.13
Dividend income	636.71	650.61
Rental Income on Investment Properties	222.29	264.44
Utility and other receipts in respect of investment properties	430.32	442.50
<b>Net cash inflow from investing activities</b>	<b>2,844.11</b>	<b>2,215.10</b>
<b>C. Cash flow from financing activities</b>		
Non current Borrowings taken	3,813.00	120.00
Interest Paid	(1,693.36)	(1,467.13)
Non current borrowings repaid	(1,536.54)	(1,196.44)
Current borrowings taken / (repaid) (Net)	(2,555.55)	(68.40)
Dividend Paid including Dividend distribution tax	-	-
<b>Net cash outflow from financing activities</b>	<b>(1,972.45)</b>	<b>(2,611.97)</b>
<b>Net Increase / (Decrease) in cash and cash equivalents</b>	<b>1,059.30</b>	<b>(469.27)</b>
Cash and cash equivalents at the beginning of the period	1,020.02	1,915.02
<b>Cash and cash equivalents at the end of the period</b>	<b>2,079.32</b>	<b>1,445.75</b>



**NOTES:**

3. The results for the quarter and six months ended 30<sup>th</sup> September, 2019 were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 13<sup>th</sup> November, 2019. They have been subjected to Limited Review by Statutory Auditors.
4. The consolidated results includes the financial results of one subsidiary - Mafatlal Services Limited (MSL).
5. Figures for the quarter and six months ended 30<sup>th</sup> September, 2018 are consolidated on the basis of published results of the Company and un-reviewed financial statements prepared by the Management of MSL.
6. During the quarter ended 30<sup>th</sup> September 2019, there is no change in the status of the litigation in respect of Company's entitlement for Transfer of Development Rights against surrender of part of leasehold land at Mazagaon to Municipal Corporation of Greater Mumbai as compared to 31<sup>st</sup> March, 2019.
7. Consequent to strategic initiatives undertaken by the Company to substantially scale down Navsari operations comprising of denim so as to improve its financial position, the Company had written-down / recognised provisions pertaining to carrying value of Property, Plant and Equipment (classified as held for sale), one-time employees liabilities and certain current / non-current assets of denim operations aggregating to Rs. 8,361.80 lakhs, and disclosed the same as an exceptional items for the year ended 31<sup>st</sup> March, 2019.

In continuation of the same, in the quarter ended 30<sup>th</sup> September, 2019, the Company has entered into an agreement with Union offering compensation to its concerned workmen as a full and final settlement which has been accepted by most of them. Also, the Company has sold certain assets held for sale and inventories at Navsari during the period ended 30<sup>th</sup> September, 2019. Manufacturing operations at Navsari comprising of denim has been gradually discontinued however, activities such as stock liquidation, collection receivables and routine maintenance of plant are being carried on.

The impact of the above mentioned activities has been disclosed as exceptional items, as shown below:

	(Rs. In lakhs)		
	Quarter ended 30 <sup>th</sup> September, 2019	Quarter ended 30 <sup>th</sup> June, 2019	Six months ended 30 <sup>th</sup> September, 2019
One-time employee's settlement	736.24	-	736.24
Net Loss / (Gain) on Assets held for sale and Inventories	20.11	(68.82)	(48.71)
Total	756.35	(68.82)	687.53

Consequent to the abovementioned initiatives undertaken by the Management, results for the quarter and half year ended 30<sup>th</sup> September, 2019 are not comparable with the corresponding period of the previous year.



8. Effective 1<sup>st</sup> April, 2019, the Company has adopted Ind AS 116 'Leases', w.r.t. lease contracts outstanding as on 1<sup>st</sup> April, 2019 using the modified retrospective method. Accordingly, financial results for the quarter and six months ended 30<sup>th</sup> September, 2018 and year ended 31<sup>st</sup> March, 2019 have not been retrospectively adjusted. This has resulted in recognising a right-of-use asset of Rs. 239.63 lakhs and a corresponding lease liability of Rs. 239.63 lakhs as at 1<sup>st</sup> April, 2019. The effect of this adoption on the Loss for the period and the Loss per share is not significant and has been given effect in these results.

In the Statement of Profit and Loss for the current period, the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the right-to-use asset and finance cost for interest accrued on lease liability.

9. The Company has identified Textile Business as its only primary reportable segment in accordance with the requirements of Ind AS 108, 'Operating Segments'. Accordingly, no separate segment information has been provided.
10. Previous period's figures have been reclassified, wherever necessary, to correspond with those of the current period.

**For and on behalf of the Board,  
For MAFATLAL INDUSTRIES LIMITED**



**H. A. MAFATLAL  
CHAIRMAN  
DIN : 00009872**

Place: Mumbai  
Date: 13<sup>th</sup> November, 2019

