

**MAFATAL INDUSTRIES LIMITED**  
CIN L17110GJ1913PLC000035

Regd. Office: 301-302, Heritage Horizon, 3rd Floor, Off C. G. Road, Navrangpura, Ahmedabad - 380 009.

**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE  
QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2015**

(Rs. in Lakhs)

PARTICULARS	Three months ended	Preceding Three months ended	Corresponding Three months ended	Nine months ended	Nine months ended	Previous Year ended
	31/Dec/2015 (Unaudited) (1)	30/Sep/2015 (Unaudited) (2)	31/Dec/2014 (Unaudited) (3)	31/Dec/2015 (Unaudited) (4)	31/Dec/2014 (Unaudited) (5)	31/Mar/2015 (Audited) (6)
<b>1 Income from operations</b>						
(a) Net sales/ income from operations (Net of excise duty)	25,710.36	27,390.71	28,104.67	89,602.81	73,693.80	98,711.94
(b) Other Operating Income	681.85	735.97	551.33	2,122.13	1,958.50	2,639.60
<b>Total income from operations (net)</b>	<b>26,392.21</b>	<b>28,126.68</b>	<b>28,656.00</b>	<b>91,724.94</b>	<b>75,652.30</b>	<b>101,351.54</b>
<b>2 Expenses</b>						
(a) Cost of materials consumed	6,649.89	7,795.74	5,234.23	21,540.03	17,541.00	22,361.48
(b) Purchases of stock-in-trade	7,321.90	12,269.21	14,660.09	38,418.91	31,481.94	42,717.40
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,164.98	(3,104.76)	(276.51)	(2,165.50)	(53.08)	(313.97)
(d) Employee benefits expense	3,285.02	2,889.21	2,532.46	9,085.67	7,207.13	9,737.28
(e) Depreciation and amortisation expense (net)	560.33	507.86	417.95	1,543.08	1,194.54	1,671.14
(f) Other expenses	7,393.78	7,545.59	5,859.57	22,312.98	18,238.39	24,948.64
<b>Total expenses</b>	<b>26,375.90</b>	<b>27,902.85</b>	<b>28,427.79</b>	<b>90,735.17</b>	<b>75,609.92</b>	<b>101,121.97</b>
<b>3 Profit from Operations before other income, finance costs and exceptional items ( 1 - 2 )</b>	<b>16.31</b>	<b>223.83</b>	<b>228.21</b>	<b>989.77</b>	<b>42.38</b>	<b>229.57</b>
4 Other Income	800.92	575.46	543.82	1,752.43	2,243.02	3,117.46
5 Profit from ordinary activities before finance costs and exceptional items ( 3 + 4 )	817.23	799.29	772.03	2,742.20	2,285.40	3,347.03
6 Finance costs (net)	632.82	484.36	424.37	1,482.03	1,199.35	1,684.05
7 Profit from ordinary activities after finance costs but before exceptional items ( 5 - 6 )	184.41	314.93	347.66	1,260.17	1,086.05	1,662.98
8 Exceptional item ( Refer Note no. 5 )	-	-	-	-	-	898.63
9 Profit from ordinary activities before tax ( 7 + 8 )	184.41	314.93	347.66	1,260.17	1,086.05	2,561.61
10 Tax (expense) / benefit :						
(a) Current tax expense	(35.00)	(45.00)	(64.30)	(246.00)	(209.04)	(531.00)
(b) Less: MAT credit	35.00	45.00	64.30	246.00	209.04	515.00
(c) Net Current tax (expense) (a+b)	-	-	-	-	-	(16.00)
(d) Deferred tax (net)	(10.00)	(51.50)	(35.00)	(171.50)	(38.28)	(108.12)
Net tax (expense)/ benefit (c+d)	(10.00)	(51.50)	(35.00)	(171.50)	(38.28)	(124.12)
11 Net profit from ordinary activities after tax ( 9 + 10 )	174.41	263.43	312.66	1,088.67	1,047.77	2,437.49
12 Paid-up equity share capital (Face value of Rs. 10/- per share)	1,391.29	1,391.29	1,391.29	1,391.29	1,391.29	1,391.29
13 Reserves excluding revaluation reserve as per balance sheet of previous accounting year						
14 Earnings per share (EPS) (Face value of Rs.10/- each) (not annualized) Basic and diluted EPS for the period/ year	1.25	1.89	2.25	7.82	7.53	17.52
See accompanying notes to the unaudited financial results						



1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 28<sup>th</sup> January, 2016. The same have been subjected to Limited Review by the Statutory Auditors.
2. Details of Qualifications and the impact on the profit and loss on the published annual results of the Company:

Based on the legal advice, the Company has not recognized as income recovery of rent and other charges of Rs.83.61 lacs upto 31<sup>st</sup> December, 2015 (Rs.83.61 lacs upto 31st March, 2015) pending final resolution of legal dispute with certain ex-tenants of a property in South Mumbai. At present, the legal dispute is pending with the Hon'ble Bombay High Court. A sum of Rs.577.89 lacs (Net) was withdrawn by the Company in accordance with the Orders passed by the Hon'ble High Court of Bombay on the Civil Revision Applications filed by the ex-tenants and the said amount of Rs.577.89 lacs has been included in other current liabilities.

The auditors have qualified the non-accrual of rent and other charges in their report for all the periods presented.

3. The Company has received requisite approval from the Central Government under the then applicable Sections 198, 349 and 350 of the Companies Act, 1956 in respect of excess managerial remuneration paid during the year 2013-14.
4. Upon the enactment of The Payment of Bonus (Amendment) Act, 2015 ("the Act"), the Company has made additional provision for bonus amounting to Rs.202.01 Lacs (for the period 1<sup>st</sup> April, 2014 to 31<sup>st</sup> December, 2015). The same is booked under employee benefits expense.
5. Exceptional Item consists of:

Details	Quarter ended			Nine months ended		(Rs. in lacs)
	31.12.2015	30.09.2015	31.12.2014	31.12.2015	31.12.2014	Previous year ended
						31.03.2015
Profit on sale of Long Term Investment Properties (net)	-	-	-	-	-	898.63
Total	-	-	-	-	-	898.63

6. Other Income includes Rs.150.87 lacs; Rs.1,077.41 lacs and Rs.1,077.41 lacs for quarter and nine months ended 31<sup>st</sup> December, 2014 and year ended 31<sup>st</sup> March, 2015 respectively, being profit on sale of non-current investments.
7. The Company is primarily engaged in the business of "textiles" which, in the context of Accounting Standard (AS 17) on "Segment Reporting", constitutes a single reportable segment.
8. Figures pertaining to the previous periods have been rearranged/regrouped, reclassified and restated, wherever considered necessary, to make them comparable with those of the current period.

For MAFATLAL INDUSTRIES LIMITED

  
H. A. MAFATLAL  
CHAIRMAN

Place: Mumbai  
Dated: 28<sup>th</sup> January, 2016



## INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

### TO THE BOARD OF DIRECTORS OF MAFATLAL INDUSTRIES LIMITED

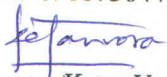
1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **MAFATLAL INDUSTRIES LIMITED** ("the Company") for the Quarter and Nine Months ended 31<sup>st</sup> December, 2015 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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 Accounting Standards for Interim Financial Reporting (AS 25), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report 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 is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Attention is invited to Note no.2, regarding non-accounting of income from rent and other charges aggregating to Rs.83.61 lacs upto 31<sup>st</sup> December, 2015 (Rs.83.61 lacs upto 31<sup>st</sup> December, 2014, Rs.83.61 lacs upto 30<sup>th</sup> September, 2015 and Rs.83.61 lacs upto 31<sup>st</sup> March 2015) for the reasons stated therein which constitutes a departure from the Accounting Standard (AS)-1 'Disclosure of Accounting Policies' and Accounting Standard (AS)-9 'Revenue Recognition' specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014; had the said income been accounted for, other operating income for the quarter ended 31<sup>st</sup> December, 2015 would have been Rs.765.46 lacs as against the reported figure of Rs.681.85 lacs and profit for the quarter ended 31<sup>st</sup> December, 2015 would have been Rs.234.99 lacs as against the reported figure of Rs.174.41 lacs and other operating income for the nine months ended 31<sup>st</sup> December, 2015 would have been Rs.2,205.74 lacs as against the reported figure of Rs.2,122.13 lacs and profit for the nine months ended 31<sup>st</sup> December, 2015 would have been Rs.1,149.25 lacs as against the reported figure of Rs.1,088.67 lacs. This matter was also qualified in our report on the limited review for the corresponding quarter and nine months ended 31<sup>st</sup> December, 2014, quarter ended 30<sup>th</sup> September, 2015 and year ended 31<sup>st</sup> March 2015.



# Deloitte Haskins & Sells

4. Based on our review conducted as stated above and the limited review reports received from the Branch Auditors for the Nadiad and Ahmedabad Branches, except for the effects of the matter described in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For DELOITTE HASKINS & SELLS LLP  
Chartered Accountants  
(Firm's Registration No. 117364W)

  
Ketan Vora  
Partner

(Membership No. 100459)

MUMBAI, 28<sup>th</sup> January, 2016

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