

PART I

**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE
QUARTER ENDED 30TH JUNE, 2013**

(RS. IN LACS)

PARTICULARS	Quarter ended 30-06-2013 (Unaudited) Refer Note no.3(a)	Quarter ended 31-03-2013 (Unaudited) Refer Note no.3(a) and 3(b)	Quarter ended 30-06-2012 (Unaudited) Refer Note no.3(a)	Previous Year 31-03-2013 (Audited)
1 Income from operations				
(a) Net sales/ income from operations (Net of excise duty)	21,820.90	41,231.34	13,570.63	77,408.31
(b) Other Operating Income	422.09	802.70	479.10	2,340.76
Total income from operations	22,242.99	42,034.04	14,049.73	79,749.07
2 Expenses				
(a) Cost of materials consumed	5,862.09	15,636.27	1,471.15	20,269.64
(b) Purchases of stock-in-trade	8,410.05	7,875.06	9,446.20	29,567.17
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(621.29)	(2,237.64)	(984.11)	(2,571.68)
(d) Employee benefits expense	1,917.82	3,480.83	991.26	7,274.48
(e) Depreciation and amortization expense	376.22	1,254.21	56.86	1,444.05
(f) Other expenditure	5,467.32	11,848.11	2,934.14	20,499.47
Total expenses	21,412.21	37,856.84	13,915.50	76,483.13
3 Profit from Operations before other Income, finance costs and exceptional items (1 - 2)	830.78	4,177.20	134.23	3,265.94
4 Other Income	341.22	2,413.89	482.11	4,289.06
5 Profit from ordinary activities before finance costs and exceptional items (3 + 4)	1,172.00	6,591.09	616.34	7,555.00
6 Finance costs	338.28	3,025.08	31.86	3,199.92
7 Profit from ordinary activities after finance costs but before exceptional items (5 - 6)	833.72	3,566.01	584.48	4,355.08
8 Exceptional items				
(a) Write off of Goodwill arising on amalgamation of Mishapar Investments Ltd.	-	3,931.71	-	3,931.71
Less: Adjusted from Securities Premium Account	-	(3,931.71)	-	(3,931.71)
(b) Other Exceptional items (Refer Note no. 7)	731.01	(292.65)	29.34	697.74
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9 Profit from ordinary activities before tax (7 + 8)	1,564.73	3,273.36	613.82	5,052.82
10 Tax (expense) / benefit :				
(a) Current tax expense	(330.00)	(465.00)	(200.00)	(825.00)
(b) Less: MAT credit	82.00	-	-	-
(c) (Short)/ Excess provision for tax relating to prior years	(0.23)	(86.89)	-	(86.89)
(d) Net Current tax (expense) (a+b+c)	(248.23)	(551.89)	(200.00)	(911.89)
(e) Deferred tax (net)	(11.00)	(425.00)	-	(425.00)
Net tax (expense)/ benefit (d+e)	(259.23)	(976.89)	(200.00)	(1,336.89)
11 Net Profit after tax for the period / year	1,305.50	2,296.47	413.82	3,715.93
12 Paid-up equity share capital [Including Equity Share Capital Suspense account] (Face value of Rs. 10/- per share)	1,391.29	1,391.29	981.39	1,391.29
13 Reserves excluding revaluation reserve as per Balance sheet of previous accounting year				31,425.23
14 Earnings per share (EPS) (Face value of Rs.10/- each) (not annualized) Basic and diluted EPS	9.38	16.51	4.22	26.71

PART II

SELECT INFORMATION FOR THE QUARTER ENDED 30TH JUNE, 2013

PARTICULARS				
	3 months ended 30/06/2013			
A PARTICULARS OF SHAREHOLDING				
1 Public shareholding				
- Number of shares	34,92,981	34,92,982	33,62,982	34,92,982
- Percentage of shareholding	25.11%	35.59%	34.27%	35.59%
2 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	1,04,19,905	63,20,878	64,50,878	63,20,878
- 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)	74.89%	64.41%	65.73%	64.41%
B INVESTOR COMPLAINTS				
Pending at the beginning of the quarter	NIL			
Received during the quarter	3			
Disposed of during the quarter	3			
Remaining unresolved at the end of the quarter	NIL			

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1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 31st July, 2013. The same have been subjected to Limited Review by the Statutory Auditors.
2. As per the Scheme of Amalgamation and Arrangement ("the Scheme"), Mishapar Investments Limited (Mishapar) a wholly owned subsidiary of the Company and Mafatlal Denim Limited (MDL) has been amalgamated with the Company from the appointed date of 1st April, 2012. The Scheme had been sanctioned by the Hon'ble High Court of Judicature at Bombay and the Hon'ble High Court of Gujarat at Ahmedabad vide their Orders dated 8th April, 2013 and 26th April, 2013 respectively. The said Scheme has become effective from 28th May, 2013 being the date on which all the requirements under the Companies Act, 1956 have been completed. The details are given in the Note no.30.3 of the Financial Statement for the year ended 31st March, 2013.
3. **(a). The quarterly financial numbers are neither comparable with the numbers for the quarter ended 31st March, 2013 nor with the numbers for the quarter ended 30th June, 2012. This is because prior to the Scheme becoming effective, the Board of Directors of the Company had duly adopted the quarterly financial results for the quarter ended 30th June, 2012 without giving effect to the amalgamation per Note 2 above. The entire effect to the amalgamation had been given in the quarter ended 31st March, 2013.**

(b). The figures in respect of the results for preceding quarter ended 31st March, 2013 are the balancing figures between audited figures in respect of the full financial year ended 31st March, 2013 and published year to date figures upto the third quarter ended 31st December, 2012, in the financial year ended 31st March, 2013.
4. 40,99,415 equity shares of Rs.10 each have been allotted on 30th May, 2013 to the equity shareholders of the amalgamating company MDL whose names were registered in the register of members on record date, without payment being received in cash. As at 31st March, 2013, pending allotment, the face value of these shares had been shown as "Equity Share Capital Suspense". 388 equity shares of Rs.10 each held by Mishapar in the Company stood cancelled pursuant to the Scheme.
5. During the current quarter, the Company has redeemed remaining Fully Redeemable Non-Cumulative Preference Shares of Rs.3,000.00 lacs.
6. **(a)** The appointment and remuneration of Rs.281.85 lacs by erstwhile Mafatlal Denim Limited (MDL) to its managerial personnel was subject to the approval of the Central Government. MDL had filed an application for reconsideration when the default to the secured lender no longer existed. The Company on 26th June, 2013 has received the approval from the Central Government for payment of remuneration to the above managerial personnel thus resolving the matter.

(b) As legally advised, the Company had not recognised rent/recovery of expenses of Rs.187.38 lacs upto 30th June, 2013 (Rs.186.29 lacs upto 31st March, 2013 and Rs.183.01 lacs upto 30th June, 2012) pending final resolution of the legal dispute with certain tenants/ex-tenants of a property in South Mumbai. During the financial year 2011, the Hon'ble Small Causes Court had passed Orders for payment of arrears of rent mesne profits and other charges. Being aggrieved by the said Orders, the Company and the ex-tenants had filed Appeals and Cross-Appeals respectively. During the last financial year, the Appeals and Cross-Appeals were heard by the Appeal Bench of the Hon'ble Small Causes Court and the Company's appeals were partially allowed. The owners of the property (including the Company) were awarded Rs.1,222.92 lacs. The Court also awarded interest @ 6% p.a. from the date of the filing of the suits till the date of the actual payment of the entire dues. Aggrieved by the above decisions, the ex-tenants filed Civil Revision Applications in the Hon'ble Bombay High Court against the orders of the Appeal Bench of the Hon'ble Small Causes Court. The Hon'ble Bombay High Court vide Order dated 2nd April, 2013 admitted the Civil Revision Applications and granted stay on the orders passed by the Appeal Bench of the Hon'ble Small Causes Court subject to ex-tenants depositing the amount decreed by the learned trial judge along with interest. Subsequent to the close of the quarter the Company has withdrawn the amount of Rs.1,233.47 lacs deposited by the ex-tenants in the Hon'ble High Court by providing undertakings as directed by the Hon'ble High Court to repay the amount, if the ex-tenants succeed in the civil revision applications which are pending for final disposals. Out of the said amount, Rs.655.58 lacs will be paid to Sulakshana Securities Limited, in whom one of the premises was vested under the Company's rehabilitation scheme which was approved by BIFR, during the pendency of the said litigation.

The auditors have qualified the non-accrual of rent/recovery of expenses/interest in their report for the quarters ended 30th June, 2013, 31st March, 2013 and 30th June, 2012.

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7. Other Exceptional Items consist of:

(Rs. in lacs)

Details	Quarter ended 30 th June, 2013	Quarter ended 31st March, 2013	Quarter ended 30 th June, 2012	Previous year ended 31 st March, 2013
Profit / (Loss) on sale of Fixed assets and Investment Properties including Long Term Investment.	731.01	(31.99)	89.15	1,064.29
Voluntary Retirement Scheme	-	(7.79)	(59.81)	(113.68)
Interest on deferred payment of electricity dues	-	(252.87)	-	(252.87)
Total	731.01	(292.65)	29.34	697.74

Figures in brackets represent expense

8. The Company operates in only one segment i.e. Textiles.
9. The figures for the corresponding periods have been restated, wherever necessary, to make them comparable.

For MAFATLAL INDUSTRIES LIMITED



H. A. MAFATLAL
CHAIRMAN



Ahmedabad, dated: 31st July, 2013