

November 4, 2020

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400001

BSE Code: 500264

Dear Sirs,

Re: Post Board Meeting update – 4th November, 2020

As required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Un-Audited Standalone & Consolidated Financial Results of the Company for the quarter & half year ended 30th September, 2020 together with the Limited Review Reports thereon from the Statutory Auditors, M/s. Price Waterhouse Chartered Accountants LLP.

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 11.30 A.M. and concluded at 3.35 P.M.

Thanking you,

Yours faithfully,
FOR MAFATLAL INDUSTRIES LIMITED


ASHISH A KARANJI
COMPANY SECRETARY
End: A/A

MAFATLAL 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.mafatlals.com,
 Email:ahmedabad@mafatlals.com, CIN L17110GJ1913PLC000035

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30TH SEPTEMBER, 2020

(Rs. in Lakhs)

Sr. No.	P A R T I C U L A R S	Quarter ended			Six Months ended		Financial Year ended
		30th September, 2020 Unaudited	30th June, 2020 Unaudited	30th September, 2019 Unaudited	30th September, 2020 Unaudited	30th September, 2019 Unaudited	31st March, 2020 Audited
1	Revenue						
a	Revenue from operations	17,012.27	4,078.07	28,005.63	21,090.34	55,209.82	100,535.45
b	Other Income (Refer note no.5)	275.08	835.20	1,155.83	1,110.28	1,557.85	5,676.86
	Total Revenue (a + b)	17,287.35	4,913.27	29,161.46	22,200.62	56,767.67	106,212.31
2	Expenses						
a	Cost of materials consumed	2,984.42	376.73	7,252.56	3,361.15	14,219.40	29,157.59
b	Purchases of stock-in-trade	9,022.17	2,348.10	15,873.65	11,370.27	28,917.40	50,731.71
c	Changes in inventories of finished goods, work-in-progress and stock-in-trade	3,233.57	796.75	(569.46)	4,030.32	126.65	(1,472.10)
d	Employee benefits expense	1,266.74	1,381.25	2,241.22	2,647.99	4,728.90	8,834.90
e	Finance costs (Net)	542.36	546.70	858.57	1,089.06	1,687.42	3,143.29
f	Depreciation and amortisation expense	438.96	452.04	418.87	891.00	833.71	1,717.98
g	Other expenses	1,702.63	951.49	3,304.97	2,654.12	7,062.26	13,975.69
	Total expenses	19,190.85	6,853.06	29,380.38	26,043.91	57,575.64	106,089.06
3	Profit / (Loss) before exceptional items and tax (1 - 2)	(1,903.50)	(1,939.79)	(218.92)	(3,843.29)	(807.97)	123.25
4	Exceptional items (Refer note no. 6 and 7)	-	(1,819.11)	(756.35)	(1,819.11)	(687.53)	(1,459.18)
5	Loss before tax (3 - 4)	(1,903.50)	(3,758.90)	(975.27)	(5,662.40)	(1,495.50)	(1,335.93)
6	Tax expense						
a	Current tax	-	-	-	-	-	-
b	(Short) / Excess provision of tax for earlier years	-	-	-	-	-	(34.87)
c	Deferred tax (charge) / credit	-	-	-	-	-	-
	Total tax expense (net)	-	-	-	-	-	(34.87)
7	Loss for the period (5 - 6)	(1,903.50)	(3,758.90)	(975.27)	(5,662.40)	(1,495.50)	(1,370.80)
8	Other comprehensive income						
	Items that will not be reclassified to profit or loss						
	- Gain / (Loss) on Fair value of Investments	15,038.78	4,315.60	(1,362.76)	19,354.38	(8,834.37)	(20,605.35)
	- Actuarial Gain / (Loss) on Defined Benefit Plans (net of tax)	(18.48)	(11.81)	(19.73)	(30.29)	(43.62)	(290.25)
9	Total comprehensive income for the period (7 + 8)	13,116.80	544.89	(2,357.76)	13,661.69	(10,373.49)	(22,266.40)
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	-	-	-	-	-	27,064.67
12	Loss per share [face value of Rs. 10/- per share] (not annualized)						
	- Basic and Diluted	(13.68)	(27.02)	(7.01)	(40.70)	(10.75)	(9.85)

See accompanying notes to the Financial Results

Notes :

Particulars	As at 30th September, 2020 Unaudited	As at 31st March, 2020 Audited
ASSETS		
Non Current Assets		
(a) Property, Plant and Equipment	12,494.79	13,154.75
(b) Capital work-in-progress	4.25	-
(c) Right-of-use Assets	-	66.83
(d) Investment Properties	248.73	250.68
(e) Intangible assets	290.20	346.34
(f) Investments in a subsidiary	47.50	27.50
(g) Financial Assets		
(i) Investments	36,130.15	16,775.80
(ii) Loans	469.19	481.18
(iii) Others financial assets	485.91	566.74
(h) Deferred tax assets (net)	1,227.96	1,227.96
(i) Other non-current assets	76.69	94.19
(j) Income tax asset (net)	1,499.58	1,701.46
Total Non - Current Assets	52,974.95	34,693.43
Current Assets		
(a) Inventories	6,144.15	10,605.69
(b) Financial Assets		
(i) Investments	65.00	65.00
(ii) Trade receivables	21,846.75	25,467.82
(iii) Cash and cash equivalents	1,709.76	2,695.21
(iv) Bank balances other than (iii) above	1,209.91	884.48
(v) Loans	654.76	696.60
(c) Other current assets	3,361.39	4,040.26
(d) Assets held for sale	490.09	2,476.65
Total Current Assets	35,481.81	46,931.71
Total Assets	88,456.76	81,625.14
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share capital	1,391.22	1,391.22
(b) Other Equity	40,748.61	27,064.67
Total equity	42,139.83	28,455.89
Liabilities		
Non current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	2,528.31	6,239.24
(ii) Other financial liabilities	582.70	601.38
(b) Other non-current liabilities	336.40	401.49
Total Non - Current Liabilities	3,447.41	7,242.11
Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	8,574.06	7,183.52
(ii) Trade payables		
- total outstanding dues of micro enterprises and small enterprises; and	164.66	470.41
- total outstanding dues of creditors other than micro enterprises and small enterprises	24,311.21	30,929.78
(iii) Lease liabilities	-	74.20
(iv) Other financial liabilities	6,047.65	2,204.34
(b) Provisions	1,407.09	1,300.87
(c) Other current liabilities	1,294.04	1,479.28
(d) Income Tax Liabilities (Net)	141.24	141.24
(e) Advances received against assets held for sale	929.57	2,143.50
Total Current Liabilities	42,869.52	45,927.14
Total Liabilities	46,316.93	53,169.25
Total Equity and Liabilities	88,456.76	81,625.14

Notes :**2 Standalone Statement of Cash Flow for the six months ended September 30, 2020****(Rs. In Lakhs)**

Particulars	Six months ended 30th September, 2020 Unaudited	Six months ended 30th September, 2019 Unaudited
A. Cash flow from operating activities		
Net (Loss) before exceptional items and tax as per the Statement of Profit and Loss	(3,843.29)	(807.97)
Adjustments for:		
Employee Stock Option Expense	22.25	5.66
Depreciation and amortisation	891.00	833.71
Finance costs	1,089.06	1,687.42
Gain on sale of Property Plant and Equipment	(461.74)	(38.29)
Interest Income	(56.76)	(77.11)
Apportionment of government grant	(65.09)	(66.70)
Dividend income	(4.44)	(636.71)
Rental Income on Investment Properties	(145.09)	(222.29)
Utility and other receipts in respect of investment properties	(325.26)	(430.32)
Bad trade and other receivables/ Loans and advances written off (net)	0.51	6.79
Provision for doubtful debts/ advances	20.07	5.21
Net unrealised exchange loss /(gain)	53.76	(42.93)
Operating (loss)/profit before working capital changes	(2,825.02)	216.47
<i>Changes in working capital</i>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	4,461.54	283.85
Trade receivables	3,546.79	(7,329.33)
Current Loans and advances	41.84	0.62
Non current loans and advances	11.99	-
Other Current Financial Assets	-	(16.85)
Other Non Current Financial Assets	-	(50.92)
Other Bank Balances	(325.43)	113.27
Other Current Assets	678.87	(82.56)
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Other Non Current Financial Liabilities	(18.68)	(74.14)
Other Non current Liabilities	-	9.08
Trade and other payables	(6,924.32)	7,107.75
Other Current Financial Liabilities (excluding current maturities of non current borrowings)	(9.01)	17.98
Current Provisions	75.93	(122.56)
Other Current Liabilities	(182.99)	848.14
Changes in Working Capital	1,356.53	704.33
Cash (utilised in) / generated from Operations	(1,468.49)	920.80
Net income tax (paid) / refunds	201.88	(45.70)
Net Cash (outflow) / inflow from operating activities before exceptional items	(1,266.61)	875.10
Exceptional Items	(1,819.11)	(687.53)
Net Cash (outflow) / inflow from operating activities	(3,085.72)	187.57
B. Cash flow from investing activities		
Purchase of Property, Plant and Equipment including capital advances	-	(178.01)
Investment in Subsidiary	(20.00)	-
Proceeds from disposal of Property, Plant and Equipment / Assets held for sale	1,131.87	1,405.22
Purchase of Intangible Assets including intangible under development	-	(12.01)
Deposits Matured / (Placed) with banks	80.83	262.48
Interest received	56.76	77.11
Dividend income	4.44	636.71
Rental Income on Investment Properties	145.09	222.29
Utility and other receipts in respect of investment properties	325.26	430.32
Net cash inflow from investing activities	1,724.25	2,844.11
C. Cash flow from financing activities		
Non current Borrowings taken	-	3,813.00
Interest Paid	(947.69)	(1,693.36)
Non current borrowings repaid	-	(1,536.54)
Current borrowings taken / (repaid) (Net)	1,390.54	(2,555.57)
Principal element of lease payments	(66.83)	-
Net Cash (outflow) / inflow from financing activities	376.02	(1,972.47)
Net Increase / (Decrease) in cash and cash equivalents	(985.45)	1,059.21
Cash and cash equivalents at the beginning of the period	2,695.21	1,019.73
Cash and cash equivalents at the end of the period	1,709.76	2,078.94

NOTES:

3. The above results for the quarter and six months ended 30th September, 2020 were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 4th November 2020. They have been subjected to Limited Review by Statutory Auditors.
4. During the quarter ended 30th September, 2020, 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 compared to what has been reported in the annual financial statements for the year ended 31st March, 2019.
5. Other income includes net profit on sale of surplus land parcels aggregating to NIL and Rs. 463.21 lakhs for the quarter and six months ended 30th September 2020 respectively (Corresponding quarter and six months Nil).
6. Exceptional item for the quarter and six months ended 30th September, 2019 includes the impact of strategic initiatives undertaken by the Company in the year 2018-19 to substantially scale down Navsari operations comprising of Denim so as to improve its financial position. Manufacturing operations at Navsari comprising of Denim have been closed. However, activities such as stock liquidation, sale of machinery, collection of receivables and routine maintenance of plant are being carried on. The Company now expects to complete all the aforesaid activities by 31st December, 2020.

(Rs. in lakhs)

	Quarter ended 30 th September, 2019	Six months ended 30 th September, 2019	Year ended 31 st March, 2020
One-time employee's settlement	736.24	736.24	736.24
Net Loss / (Gain) on Assets held for sale and Inventories	20.11	(48.71)	722.94
Total	756.35	687.53	1,459.18

Consequent to the above-mentioned initiatives undertaken by the Management, results for the quarter and six months ended 30th September, 2020 are not comparable with the corresponding period of the previous year.

7. On account of outbreak of Covid-19, the Central Government/ Concerned State Governments had imposed countrywide lockdown on 24th March 2020, consequent to which the Company had decided to temporarily suspend manufacturing operations at its facilities. Since then, the Government of India has progressively relaxed lockdown conditions and accordingly, the Company has recommenced its operations at plant location from 14th May, 2020 in a phased manner. The Company's operations have been impacted because of the lockdown having consequent impact on Revenue from operations and profitability for the quarter and six months ended 30th September 2020.

Further, the Company had estimated and recognized an impairment loss against carrying value of receivables, inventories and assets held for sale aggregating to Rs. 1,819.11 lakhs as at 30th June 2020, owing to Covid-19 related uncertainties and disclosed the same under exceptional item for during the quarter ended 30th June 2020 and no additional impairment provision is considered necessary as at 30th September 2020. The Company continues to carry out an assessment of the impact of Covid-19 on its liquidity position and on the recoverability and carrying values of its assets and it believes that in the preparation of the standalone financial results, it has taken into account all known events arising from Covid-19 pandemic. However, the impact assessment of Covid-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the eventual outcome of the impact may be different from that estimated as at the date of approval of these financial results.

8. 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.
9. Previous period's figures have been reclassified, wherever necessary, to correspond with those of the current period.

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

JEETENDRA
MIRCHANDANI

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JEETENDRA MIRCHANDANI
Date: 2020.11.04 15:22:36
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Jeetendra Mirchandani

Partner

Membership No. 048125

Pune, November 4, 2020

For and on behalf of the Board of Directors
For Mafatlal Industries Limited

HRISHIKESH
ARVIND MAFATLAL

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ARVIND MAFATLAL
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H. A. Mafatlal

Chairman

(DIN:00009872)

Mumbai, November 4, 2020

Price Waterhouse Chartered Accountants LLP

Review Report to
The Board of Directors
M/s. Mafatlal Industries Limited
4th Floor, Mafatlal House, H.T. Parekh Marg,
Backbay Reclamation, Churchgate,
Mumbai – 400 020

1. We have reviewed the unaudited standalone financial results of Mafatlal Industries Limited (the “Company”) for the quarter and the six months ended September 30, 2020 which are included in the accompanying ‘Statement of Unaudited Standalone Financial Results for the quarter and Six months ended September 30, 2020’, the standalone statement assets and liabilities as on that date and the standalone 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 digitally signed by us for identification purposes. 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 in accordance with the Standard on Review Engagement (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.
4. We draw attention to Note 7 to the Statement of Standalone Unaudited Financial Results for the quarter and Six months ended September 30, 2020, which describes the management’s assessment of the financial impact and liquidity assessment consequent to outbreak of Coronavirus (Covid-19) and uncertainties due to the lock-down and other restrictions related to Covid-19. In view of highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our conclusion is not modified in respect of this matter.

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

JEETENDRA

MIRCHANDANI

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MIRCHANDANI
Date: 2020.11.04 15:20:48 +05'30'

Jeetendra Mirchandani

Partner

Membership Number: 048125

UDIN: 20048125AAAAGW9113

Place: Pune
Date: November 4, 2020

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 – 110002

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.mafatals.com,
 Email:ahmedabad@mafatals.com, CIN L17110GJ1913PLC000035

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS THE QUARTER AND SIX MONTHS ENDED 30TH SEPTEMBER, 2020

(Rs. in Lakhs)

Sr. No.	PARTICULARS	Quarter ended			Six Months ended		Financial Year ended
		30th September, 2020 Unaudited	30th June, 2020 Unaudited	30th September, 2019 Unaudited	30th September, 2020 Unaudited	30th September, 2019 Unaudited	31st March, 2020 Audited
1	Revenue						
a	Revenue from operations	17,018.09	4,083.89	28,010.01	21,101.98	55,219.94	100,552.94
b	Other Income (Refer note no.6)	275.08	835.20	1,155.83	1,110.28	1,557.85	5,677.38
	Total Revenue (a + b)	17,293.17	4,919.09	29,165.84	22,212.26	56,777.79	106,230.32
2	Expenses						
a	Cost of materials consumed	2,984.42	376.73	7,252.56	3,361.15	14,219.40	29,157.59
b	Purchases of stock-in-trade	9,022.17	2,348.10	15,873.65	11,370.27	28,917.40	50,731.71
c	Changes in inventories of finished goods, work-in-progress and stock-in-trade	3,233.56	796.75	(569.46)	4,030.31	126.65	(1,472.10)
d	Employee benefits expense	1,276.47	1,385.78	2,245.85	2,662.25	4,738.83	8,856.36
e	Finance costs (Net)	542.37	546.70	858.57	1,089.97	1,687.42	3,143.29
f	Depreciation and amortization expense	438.96	452.04	418.87	891.00	833.71	1,717.98
g	Other expenses	1,704.22	952.78	3,304.72	2,657.00	7,062.35	13,972.24
	Total expenses	19,202.17	6,858.88	29,384.76	26,061.05	57,585.76	106,107.07
3	Profit / (Loss) before exceptional items (1 - 2)	(1,909.00)	(1,939.79)	(218.92)	(3,848.79)	(807.97)	123.25
4	Exceptional Items (Refer note no. 7 and 8)	-	(1,819.11)	(756.35)	(1,819.11)	(687.53)	(1,459.18)
5	Loss before tax (3 - 4)	(1,909.00)	(3,758.90)	(975.27)	(5,667.90)	(1,495.50)	(1,335.93)
6	Tax expense: Credit / (Charge)						
a	Current tax	-	-	-	-	-	-
b	(Short) / Excess provision of tax for earlier years	-	-	-	-	-	(34.87)
c	Deferred tax (charge) / credit	-	-	-	-	-	-
	Tax expense Credit / (Charge) (Net)	-	-	-	-	-	(34.87)
7	Loss for the period (5 - 6)	(1,909.00)	(3,758.90)	(975.27)	(5,667.90)	(1,495.50)	(1,370.80)
8	Other comprehensive income						
	Items that will not be reclassified to profit or loss						
	- Gain / (Loss) on Fair value of Investments	15,038.78	4,315.60	(1,362.76)	19,354.38	(8,834.37)	(20,605.35)
	- Actuarial Gain / (Loss) on Defined Benefit Obligations (net of tax)	(18.48)	(11.81)	(19.73)	(30.29)	(43.62)	(290.25)
9	Total comprehensive income for the period (7 + 8)	13,111.30	544.89	(2,357.76)	13,656.19	(10,373.49)	(22,266.40)
10	Profit / (Loss) is attributable to						
	Owners of Mafatal Industries Limited	(1,909.00)	(3,758.90)	(975.27)	(5,667.90)	(1,495.50)	(1,370.80)
	Non Controlling Interest	-	-	-	-	-	-
		(1,909.00)	(3,758.90)	(975.27)	(5,667.90)	(1,495.50)	(1,370.80)
11	Other Comprehensive Income is attributable to						
	Owners of Mafatal Industries Limited	15,020.30	4,303.79	(1,382.49)	19,324.09	(8,877.99)	(20,895.60)
	Non Controlling Interest	-	-	-	-	-	-
		15,020.30	4,303.79	(1,382.49)	19,324.09	(8,877.99)	(20,895.60)
12	Total Comprehensive Income is attributable to						
	Owners of Mafatal Industries Limited	13,111.30	544.89	(2,357.76)	13,656.19	(10,373.49)	(22,266.40)
	Non Controlling Interest	-	-	-	-	-	-
		13,111.30	544.89	(2,357.76)	13,656.19	(10,373.49)	(22,266.40)
13	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
14	Other Equity	-	-	-	-	-	27,071.60
15	Loss per share (face value of Rs. 10/- per share) (not annualized)						
	- Basic and Diluted	(13.72)	(27.02)	(7.01)	(40.74)	(10.75)	(9.85)

See accompanying notes to the Financial Results

Notes :

1

Consolidated Statement of Assets and Liabilities**(Rs. In Lakhs)**

Particulars	As at 30th September, 2020 Unaudited	As at 31st March, 2020 Audited
ASSETS		
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(a) Property, Plant and Equipment	12,494.79	13,154.75
(b) Capital work-in-progress	4.25	-
(c) Right-of-use Assets	-	66.83
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(e) Intangible assets	290.20	346.34
(f) Financial Assets		
(i) Investments	36,130.15	16,775.80
(ii) Trade Receivables	33.19	33.20
(iii) Loans	469.19	481.18
(iv) Others financial assets	485.91	566.74
(g) Deferred tax assets (net)	1,227.96	1,227.96
(h) Other non-current assets	76.69	94.19
(i) Income tax asset (net)	1,499.88	1,701.46
Total Non - Current Assets	52,960.94	34,699.13
Current Assets		
(a) Inventories	6,144.15	10,605.69
(b) Financial Assets		
(i) Investments	65.00	65.00
(ii) Trade receivables	21,849.71	25,470.16
(iii) Cash and cash equivalents	1,712.20	2,697.26
(iv) Bank balances other than (ii) above	1,229.13	891.48
(v) Loans	654.76	696.60
(c) Other current assets	3,364.16	4,042.43
(d) Assets held for sale	490.09	2,476.65
Total Current Assets	35,509.20	46,945.27
Total Assets	88,470.14	81,644.40
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share capital	1,391.22	1,391.22
Other Equity		
(b) Other equity	40,750.04	27,071.60
(c) Non Controlling Interest	4.69	4.69
Total equity	42,145.95	28,467.51
Liabilities		
Non current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	2,528.31	6,239.24
(ii) Other financial liabilities	587.49	606.17
(b) Other non-current liabilities	337.60	401.49
Total Non - Current Liabilities	3,453.40	7,246.90
Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	8,574.06	7,183.52
(ii) Trade payables		
- total outstanding dues of micro enterprises and small enterprises; and	164.66	470.41
- total outstanding dues of creditors other than micro enterprises and small enterprises	24,306.22	30,928.35
(iii) Lease liabilities	-	74.20
(iv) Other financial liabilities	6,050.83	2,204.34
(b) Provisions	1,408.48	1,303.47
(c) Other current liabilities	1,295.73	1,480.96
(d) Income Tax Liabilities (Net)	141.24	141.24
(e) Liabilities directly associated with assets held for sale	929.57	2,143.50
Total Current Liabilities	42,870.79	45,929.99
Total Liabilities	46,324.19	53,176.89
Total Equity and Liabilities	88,470.14	81,644.40

Notes :

2 Consolidated Statement of Cash Flow for the six months ended September 30, 2020

(Rs. In Lakhs)

Particulars	Six months ended 30th September, 2020 Unaudited	Six months ended 30th September, 2019 Unaudited
A. Cash flow from operating activities		
Net (Loss) before exceptional items and tax as per the Statement of Profit and Loss	(3,848.79)	(807.97)
Adjustments for:		
Employee Stock Option Expense	22.25	5.66
Depreciation and amortisation expenses	891.00	833.71
Finance costs	1,089.07	1,687.42
Gain on sale of Property Plant and Equipment	(461.74)	(38.29)
Interest Income	(56.76)	(77.11)
Apportionment of government grant	(65.09)	(66.70)
Dividend income	(4.44)	(636.71)
Rental Income on Investment Properties	(145.09)	(222.29)
Utility and other receipts in respect of investment properties	(325.26)	(430.32)
Bad trade and other receivables/ Loans and advances written off (net)	0.51	6.79
Provision for doubtful debts/ advances	20.07	5.21
Net unrealised exchange loss /(gain)	53.76	(42.93)
Operating (loss)/profit before working capital changes	(2,830.51)	216.47
<i>Changes in working capital</i>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	4,461.54	283.85
Trade receivables	3,542.64	(7,328.29)
Current Loans and advances	41.84	0.62
Non current loans and advances	11.99	-
Other Current Financial Assets	-	(16.85)
Other Non Current Financial Assets	-	(50.92)
Other Bank Balances	(337.65)	113.27
Other Non Current Assets	-	-
Other Current Assets	678.27	(82.25)
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Other Non Current Financial Liabilities	(18.68)	(74.14)
Other Non current Liabilities	-	9.08
Trade and other payables	(6,924.38)	7,107.45
Other Current Financial Liabilities (excluding current maturities of non current borrowings)	(5.83)	17.98
Current Provisions	75.93	(122.65)
Other Current Liabilities	(182.97)	847.25
Changes in Working Capital	1,342.70	704.40
Cash (utilised in) / generated from Operations	(1,487.81)	920.87
Net income tax (paid) / refunds	201.58	(45.70)
Net Cash (outflow) / inflow from operating activities before exceptional items	(1,286.23)	875.17
Exceptional Items	(1,819.11)	(687.53)
Net Cash (outflow) / inflow from operating activities	(3,105.34)	187.64
B. Cash flow from investing activities		
Purchase of Property, Plant and Equipment including capital advances	-	(178.01)
Proceeds from disposal of Property, Plant and Equipment / Assets held for sale	1,131.87	1,405.22
Purchase of Intangible Assets including intangible under development	-	(12.01)
Deposits Matured / (Placed) with banks	80.83	262.48
Interest received	56.76	77.11
Dividend income	4.44	636.71
Rental Income on Investment Properties	145.09	222.29
Utility and other receipts in respect of investment properties	325.26	430.32
Net cash inflow from investing activities	1,744.25	2,844.11
C. Cash flow from financing activities		
Non current Borrowings taken	-	3,813.00
Interest Paid	(947.68)	(1,693.36)
Non current borrowings repaid	-	(1,536.54)
Current borrowings taken / (repaid) (Net)	1,390.54	(2,555.55)
Principal element of lease payments	(66.83)	-
Net cash (outflow) / inflow from financing activities	376.03	(1,972.45)
Net Increase / (Decrease) in cash and cash equivalents	(985.06)	1,059.30
Cash and cash equivalents at the beginning of the period	2,697.26	1,020.02
Cash and cash equivalents at the end of the period	1,712.20	2,079.32

NOTES:

3. The above results for the quarter and six months ended 30th September, 2020 were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 4th November 2020. They have been subjected to Limited Review by Statutory Auditors.
4. The consolidated results include the financial results of two subsidiaries - Mafatlal Services Limited (MSL) and Vrata Tech Solutions Private Limited (VTS).
5. During the quarter ended 30th September, 2020, 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 compared to what has been reported in the annual financial statements for the year ended 31st March, 2019.
6. Other income includes net profit on sale of surplus land parcels aggregating to NIL and Rs. 463.21 lakhs for the quarter and six months ended 30th September 2020 respectively (Corresponding quarter and six months Nil).
7. Exceptional item for the quarter and six months ended 30th September, 2019 includes the impact of strategic initiatives undertaken by the Company in the year 2018-19 to substantially scale down Navsari operations comprising of Denim so as to improve its financial position. Manufacturing operations at Navsari comprising of Denim have been closed. However, activities such as stock liquidation, sale of machinery, collection of receivables and routine maintenance of plant are being carried on. The Company now expects to complete all the aforesaid activities by 31st December, 2020.

(Rs. in lakhs)

	Quarter ended 30 th September, 2019	Six months ended 30 th September, 2019	Year ended 31 st March, 2020
One-time employee's settlement	736.24	736.24	736.24
Net Loss / (Gain) on Assets held for sale and Inventories	20.11	(48.71)	722.94
Total	756.35	687.53	1,459.18

Consequent to the above-mentioned initiatives undertaken by the Management, results for the quarter and six months ended 30th September, 2020 are not comparable with the corresponding period of the previous year.

8. On account of outbreak of Covid-19, the Central Government/ Concerned State Governments had imposed countrywide lockdown on 24th March 2020, consequent to which the Company had decided to temporarily suspend manufacturing operations at its facilities. Since then, the Government of India has progressively relaxed lockdown conditions and accordingly, the Company has recommenced its operations at plant location from 14th May, 2020 in a phased manner. The Company's operations have been impacted because of the lockdown having consequent impact on Revenue from operations and profitability for the quarter and six months ended 30th September 2020.

Further, the Company had estimated and recognized an impairment loss against carrying value of receivables, inventories and assets held for sale aggregating to Rs. 1,819.11 lakhs as at 30th June 2020, owing to Covid-19 related uncertainties and disclosed the same under exceptional item for during the quarter ended 30th June 2020 and no additional impairment provision is considered necessary as at 30th September 2020. The Company continues to carry out an assessment of the impact of Covid-19 on its liquidity position and on the recoverability and carrying values of its assets and it believes that in the preparation of the standalone financial results, it has taken into account all known events arising from Covid-19 pandemic. However, the impact assessment of Covid-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the eventual outcome of the impact may be different from that estimated as at the date of approval of these financial results.

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.

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. 012754N/N500016

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Jeetendra Mirchandani

Partner

Membership No. 048125

Pune, November 4, 2020

For and on behalf of the Board of Directors
For Mafatlal Industries Limited

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H. A. Mafatlal

Chairman

(DIN:00009872)

Mumbai, November 4, 2020

Price Waterhouse Chartered Accountants LLP

Review Report to
The Board of Directors
M/s. Mafatlal Industries Limited
4th Floor, Mafatlal House, H.T. Parekh Marg,
Backbay Reclamation, Churchgate,
Mumbai – 400 020

1. We have reviewed the unaudited consolidated financial results of Mafatlal Industries Limited (the “Parent”), its subsidiaries (the parent and its subsidiaries hereinafter referred to as the “Group”), (refer Note 4 below) for the quarter and the six months ended September 30, 2020 which are included in the accompanying ‘Statement of Unaudited Consolidated Financial Results for the quarter and Six months ended September 30, 2020’, consolidated statement of assets and liabilities as on that date and 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 digitally signed by us for identification purposes.
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 the following entities:
 - a) Mafatlal Services Limited
 - b) Vrata Tech Solutions Private 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.
6. We draw attention to Note 8 to the Statement of Consolidated Unaudited Financial Results for the quarter and Six months ended September 30, 2020, which describes the management’s assessment of the financial impact and liquidity assessment consequent to outbreak of Coronavirus (Covid-19) and uncertainties due to the lock-down and other restrictions related to Covid-19. In view of highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our conclusion is not modified in respect of this matter.

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Price Waterhouse (a Partnership Firm) Converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLLPIN 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)

Price Waterhouse Chartered Accountants LLP

7. The consolidated unaudited financial results includes the interim financial information of two subsidiaries which have not been reviewed by their auditors, whose interim financial information reflect total assets of Rs. 66.10 lakhs and net assets of Rs. 53.66 lakhs as at September 30, 2020 and total revenue of Rs. 10.16 lakhs and Rs. 15.98 lakhs, total net loss after tax and total comprehensive income of Rs. (5.48) lakhs for the quarter and six months ended September 30, 2020, respectively, and cash flows (net) of Rs. 0.39 lakhs for the six months ended September 30, 2020, as considered in the consolidated unaudited financial results. According to the information and explanations given to us by the Management, these interim financial information 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

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Jeetendra Mirchandani
Partner

Membership Number: 048125
UDIN: 20048125AAAAGX5855

Place: Pune
Date: November 4, 2020