



Manipal Finance Corporation Ltd.

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Udupi Dist., Karnataka
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CIN : L65910KA1984PLC005988

Ref:MFCL/HO/SEC/1999/2019
14.11.2019

Dept. of Corporate Services
Bombay Stock Exchange Ltd.
Regd. Office: Floor 25
P J Towers, Dalal Street
Mumbai – 400 001

Security ID : MNPLFIN Security Code : 507938

Dear Sir,

The Board at its meeting held today i.e, 14th November, 2019 taken on record the Un-Audited Financial Results for the II quarter ended 30th September, 2019. Pursuant to Regulation 33 of SEBI (Listing obligation and Disclosure requirements) Regulations, 2015, we are enclosing herewith the Un-audited Financial Results for the quarter ended 30th September, 2019 together with limited review report furnished by the Statutory Auditors.

The meeting of the Board commenced at 4.00 p.m. and concluded at 4.30 p.m.

Kindly take the same on record.

Thanking you,

Yours faithfully,
For Manipal Finance Corporation Ltd.

(T Narayan M Pai)
Managing Director
[DIN 00101633]





INDEPENDENT AUDITOR'S REVIEW REPORT

The Board of Directors
Manipal Finance Corporation Limited

1. We have reviewed the accompanying statement of unaudited financial results of Manipal Finance Corporation Limited ('the Company') for the three months period ended September 30, 2019 and for the six months period ended September 30, 2019 (including unaudited statement of Assets & Liabilities as at September 30, 2019) ('the statement') being submitted by the Company pursuant to the requirements of the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors in its meeting held on November 14, 2019, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting policies 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 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 financial statements are free of material misstatements. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and this provides less assurance than audit. We have not performed an audit and accordingly we do not express an audit opinion.
3. Basis for Qualified Conclusion
 - a. *It is not feasible to ascertain accurately the liability of the Company as on any date, for the reasons as stated by the Management, vide Note 7 of the notes to the unaudited financial results.*
 - b. *We draw attention to Note No.9 of the unaudited financial results. The Company has incurred losses over the years and its majority of funds are blocked in Non-Performing Assets, raising a doubt about the Company to continue as a going concern. The account, however have been prepared on a "going concern basis" in view of management perception as detailed in aforesaid note. However we are unable to comment on the ultimate realisability of Company's assets including the Fixed Assets under lease. Accordingly we are also unable to comment on the Company's ability to settle its debts/liabilities (including Deposits, Subordinated debts and Secured Redeemable Debentures.)*



4. *Subject to the qualifications as given under "Basis for Qualified Conclusion" paragraph above and based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the aforesaid Indian Accounting Standards and other accounting policies generally accepted in India, has not disclosed the information required in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.*

5. **Other Matters:**

Interest write back on Deposits/Debentures/Debt on settlement with Depositors/Debentures/Debt holders for the six months ending 30th September 2019 is considered in the above statement as exceptional item and details are given against SI No VI of the unaudited financial results. The principal portion written back on such settlement is being directly taken to the Balance Sheet as Capital Reserve as detailed in Item B of unaudited financial results read with Note No. 8 of Notes to Unaudited Financial Results. Our conclusion is not qualified in this matter.

The results of the Company for the quarter/half year ending September 30, 2019 and comparative quarter/half year ending September 30, 2018 and year ending March 31, 2019 shows profits on account of exceptional income as detailed in SI No VI of the Statement read together with Note No 14 of the Notes to the unaudited financial results. The Company would have incurred loss for the quarter/half year ending September 30, 2019 and comparative quarter/half year ending September 30, 2018 and year ending March 31, 2019 if income as aforesaid were not earned. Our conclusion is not qualified in this matter.

Issued to Manipal Finance Corporation Limited, Manipal

For SRIRAMULU NAIDU & CO.

Chartered Accountants

FRN 0089755

CA. Sriramulu Naidu

Partner

Membership No.18244

UDIN: 19018244AAAASQ4412



Place: MANIPAL

Date: 14th November 2019

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2019

MANIPAL FINANCE CORPORATION LIMITED
 MANIPAL HOUSE, MANIPAL - 576 104
 CIN : L65910KA1984PLC005988

Sr. No.	Particulars	For the quarter ended			For the half year ended		For the year ended March 31, 2019 (Audited)
		September 30, 2019 (Unaudited)	June 30, 2019 (Unaudited)	September 30, 2018 (Unaudited)	September 30, 2019 (Unaudited)	September 30, 2018 (Unaudited)	
I	Revenue from Operations:						
(i)	Interest Income	0.17	0.16	0.23	0.33	0.39	0.79
(ii)	Dividend Income	2.65	-	2.12	2.65	2.12	2.37
(iii)	Rental Income	4.55	4.05	4.19	8.60	6.98	15.38
(iv)	Fees and Commission Income	-	-	-	-	-	-
(v)	Net Gain on Fair Value Changes	-	-	-	-	-	-
(vi)	Net Gain on Derecognition of Financial Instruments under Amortised Cost Category	-	-	-	-	-	-
(vii)	Sale of Products (including Excess Duty)	-	-	-	-	-	-
(viii)	Sale of Services	-	-	-	-	-	-
(ix)	Others	-	-	-	-	-	-
(x)	Total Revenue from Operations (I)	7.37	4.21	6.54	11.58	9.49	18.54
II	Other Income	0.43	0.53	0.44	0.96	4.55	5.25
III	Total Income (I+II)	7.80	4.74	6.98	12.54	14.04	23.79
IV	Expenses:						
(i)	Finance Costs	-	1.81	2.52	1.84	2.99	5.13
(ii)	Fees and Commission Expense	-	-	-	-	-	-
(iii)	Net Loss on Fair Value Changes	-	-	-	-	-	-
(iv)	Net Loss on Derecognition of Financial Instruments under Amortised Cost Category	-	-	-	-	-	-
(v)	Impairment of Financial Instruments	-	-	-	-	-	-
(vi)	Cost of Materials Consumed	-	-	-	-	-	-
(vii)	Purchases in Stock-in-Trade	-	-	-	-	-	-
(viii)	Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	-	-	-	-	-	-
(ix)	Employee Benefits Expenses	2.95	2.96	2.38	5.91	4.22	10.42
(x)	Depreciation, Amortisation and Impairment	1.62	1.63	1.61	3.25	3.24	6.50
(xi)	Other Expenses	5.25	10.86	6.26	16.11	11.12	18.77
(xii)	Total Expenses (IV)	9.82	17.29	12.77	27.11	21.57	40.82
V	Profit before Exceptional Items and Tax (III-IV)	(2.02)	(12.55)	(5.79)	(14.57)	(7.53)	(17.03)
VI	Exceptional Items	(20.13)	(3.46)	(33.77)	(23.59)	(88.54)	(101.31)
VII	Profit before Tax (V-VI)	18.11	(9.09)	27.98	9.02	81.01	84.28
VIII	Tax Expense:						
(1)	Current Tax	-	-	-	-	-	-
(2)	Deferred Tax	-	-	-	-	-	-
	Net Tax Expense	-	-	-	-	-	-
IX	Profit for the period from continuing operations (VII-VIII)	18.11	(9.09)	27.98	9.02	81.01	84.28
X	Profit from discontinued operations before tax	-	-	-	-	-	-
XI	Tax Expense of discontinued operations	-	-	-	-	-	-
XII	Profit from discontinued operations (after tax) (X-XI)	-	-	-	-	-	-
XIII	Profit for the period (IX+XII)	18.11	(9.09)	27.98	9.02	81.01	84.28
XIV	Other Comprehensive Income:						
A	(i) Items that will not be reclassified subsequently to Statement of Profit and Loss	-	-	-	-	-	-
	- Remeasurement of Defined Employee Benefit Plans	-	-	-	-	-	-
	(ii) Income Tax relating to items that will not be reclassified to Profit or Loss	-	-	-	-	-	-
	Subtotal (A)	-	-	-	-	-	-
B	(i) Items that will be reclassified subsequently to Statement of Profit and Loss	-	-	-	-	-	-
	(ii) Income Tax relating to items that will be reclassified to Profit or Loss	-	-	-	-	-	-
	Subtotal (B)	-	-	-	-	-	-
	Total Other Comprehensive Income/(Losses) (A+B) (XIV)	-	-	-	-	-	-
		0.10	-	-	-	-	-

FOR IDENTIFICATION PURPOSE

Managing Director

FOR MANIPAL FINANCE CORPORATION LTD.



STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2019

(Rs. in Lakhs)

Sr. No.	Particulars	For the quarter ended			For the half year ended		For the year ended March 31, 2019 (Audited)
		September 30, 2019 (Unaudited)	June 30, 2019 (Unaudited)	September 30, 2018 (Unaudited)	September 30, 2019 (Unaudited)	September 30, 2018 (Unaudited)	
XV	Total Comprehensive Income for the period (XIII-XIV)(Comprising Profit and Other Comprehensive Income for the period)	18.11	(9.09)	27.98	9.02	81.01	84.38
XVI	Paid-up equity share capital (face value Rs. 10/- per share)	838.10	838.10	838.10	838.10	838.10	838.10
XVII	Other equity				(3,346.53)	(3,419.17)	(3,401.87)
XVIII	Earnings per equity share (for continuing operations):						
	(1) Basic	0.22	(0.11)	0.33	0.11	0.97	1.01
	(2) Diluted	0.22	(0.11)	0.33	0.11	0.97	1.01
XIX	Earnings per equity share (for discontinuing operations):						
	(1) Basic	0.22	(0.11)	0.33	0.11	0.97	1.01
	(2) Diluted	0.22	(0.11)	0.33	0.11	0.97	1.01
XX	Earnings per equity share (for continuing & discontinued operations):						
	(1) Basic	0.22	(0.11)	0.33	0.11	0.97	1.01
	(2) Diluted	0.22	(0.11)	0.33	0.11	0.97	1.01
Item A - Exceptional Items							
	(a) Bad debts written off	-	-	-	-	-	74.22
	(b) Bad debts recovered	(15.10)	-	(30.96)	(15.10)	(82.17)	(26.71)
	(c) Provision for NPA written back	(5.03)	(3.46)	(2.81)	(8.49)	(6.37)	(134.77)
	(d) Settlement credit (Interest portion)	(20.13)	(3.46)	(33.77)	(23.59)	(88.54)	(14.05)
	Total						(101.31)
Item B - Transfer to Capital Reserve							
	Amount transferred to Capital Reserve viz. principal portion written back	35.98	10.34	18.45	46.32	39.15	53.08
	Total	35.98	10.34	18.45	46.32	39.15	53.08

Notes forming part of financial results are annexed herewith

Place: Manipal
 Date: November 14, 2019

FOR IDENTIFICATION PURPOSE



By order of the Board
 For Manipal Finance Corporation Limited
 T Narayan M Pai
 Managing Director
 DIN: 0010161633

UNAUDITED STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2019

Particulars	A.C.T		March 31, 2019 (Audited)
	September 30, 2019 (Unaudited)	September 30, 2018 (Unaudited)	
ASSETS			
(1) Financial Assets			
(a) Cash and Cash Equivalents	577	570	1933
(b) Bank Balances other than (a) above	1157	1098	1124
(c) Derivative Financial Instruments	-	-	-
(d) Receivables	-	-	0.35
(e) Trade Receivables	-	-	-
(f) Other Receivables	-	-	-
(g) Loans	-	-	-
(h) Investments	68.69	68.69	68.69
(i) Other Financial Assets	6.18	14.98	7.29
Total Financial Assets	92.31	100.35	106.88
(2) Non-Financial Assets			
(a) Inventories	-	-	-
(b) Current Tax Assets (Net)	2.30	2.69	3.22
(c) Deferred Tax Assets (Net)	-	-	-
(d) Investment Property	23.99	26.03	25.01
(e) Biological Assets other than Bearer Plants	-	-	-
(f) Property, Plant and Equipment	-	-	-
(g) Capital Work-in-Progress	87.65	92.12	89.88
(h) Intangible Assets under Development	-	-	-
(i) Goodwill	-	-	-
(j) Other Intangible Assets	-	-	-
(k) Other Non-Financial Assets	5.77	5.79	5.90
Total Non-Financial Assets	119.61	136.63	134.01
Total Assets	211.92	236.98	240.89
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial Liabilities			
(a) Derivative Financial Instruments	-	-	-
(b) Payables	-	-	-
(c) Trade Payables	-	-	-
(d) Total outstanding dues of micro enterprises and small enterprises	3.00	3.09	3.41
(e) Other Payables	-	-	-
(f) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-
(g) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-
(h) Debt Securities	-	-	-
(i) Borrowings (Other than Debt Securities)	-	-	-
(j) Deposits	-	-	-
(k) Subordinated Liabilities	295.00	295.00	295.00
(l) Other Financial Liabilities	2,014.91	2,102.15	2,088.96
Total Financial Liabilities	2,312.91	2,400.24	2,386.47
(2) Non-Financial Liabilities			
(a) Current Tax Liabilities (Net)	-	-	-
(b) Provision	0.94	1.04	0.94
(c) Deferred Tax Liabilities (Net)	-	-	-
(d) Other Non-Financial Liabilities	406.40	406.77	407.25
Total Non-Financial Liabilities	407.34	407.81	408.19
EQUITY			
(a) Equity Share Capital	838.10	838.10	838.10
(b) Other Equity	(3,346.53)	(3,419.17)	(3,401.87)
Total Equity	(2,508.43)	(2,581.07)	(2,563.77)
Total Liabilities and Equity	211.92	236.98	240.89

Notes forming part of financial results are annexed herewith

Place: Manipal
 Date: November 14, 2019

FOR IDENTIFICATION PURPOSE

By order of the Board
 For Manipal Finance Corporation Limited

T. Narayan M.Pa
 Managing Director
 DIN: 00101033



MANIPAL FINANCE CORPORATION LIMITED
MANIPAL HOUSE, MANIPAL - 576 104
CIN: L65910KA1984PLC005988

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2019

Notes:

- The Company has adopted Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 (amended from time to time) from April 01, 2019 and the effective date of such transition is April 01, 2018. Such transition has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules issued thereunder and guidelines issued by the Reserve Bank of India ('RBI') (collectively referred to as 'the Previous GAAP'). The figures have been presented in accordance with the format prescribed for financial statements for a Non-Banking Finance Company (NBFC) whose financial statements are drawn up in compliance of the Companies (Indian Accounting Standards) Rules, 2015, in Division III of Notification No. GSR 1022(E) dated October 11, 2018, issued by the Ministry of Corporate Affairs, Government of India.

Accordingly, the impact of transition has been recorded in the opening reserves as at April 01, 2018 and the corresponding figures presented in these results have been restated/reclassified.

- The above results have been reviewed by the Audit Committee and thereafter approved by the Board of Directors at the meeting held on November 14, 2019. The Statutory Auditors of the Company have carried out the Limited Review of the aforesaid results.
- The Company does not have business in more than one reportable segment as per the Ind AS 108 Segment Reporting and therefore segment-wise reporting is not applicable.
- As required by paragraph 32 of Ind AS 101, net profit reconciliation between the figures reported under Previous GAAP and under Ind AS is as follows:

Particulars	(Rs. in lakhs)	
	For the year ended March 31, 2019 (Audited)	
Net profit after tax as reported under the Previous GAAP	84.11	
<u>Adjustments increasing/(decreasing) net profit after tax as reported under the Previous GAAP:</u>		
Adoption of EIR* for amortisation of income and expenses- financial liabilities at amortised cost	0.27	
Actuarial gain on employee defined benefit plan recognised in 'Other comprehensive income' [#]	(0.10)	
Net profit after tax as per Ind AS	84.28	
Other comprehensive income, net of tax	0.10	
Total comprehensive income	84.38	

Particulars	(Rs. in lakhs)	
	For the quarter ended September 30, 2018 (Unaudited)	For the half year ended September 30, 2018 (Unaudited)
Net profit after tax as reported under the Previous GAAP	27.90	80.86
<u>Adjustments increasing/(decreasing) net profit after tax as reported under the Previous GAAP:</u>		
Adoption of EIR* for amortisation of income and expenses- financial liabilities at amortised cost	0.08	0.15
Actuarial gain on employee defined benefit plan recognised in 'Other comprehensive income' [#]	-	-
Net profit after tax as per Ind AS	27.98	81.01
Other comprehensive income, net of tax	-	-
Total comprehensive income	27.98	81.01

As required by paragraph 32 of Ind AS 101, reconciliation of equity as reported in accordance with the Previous GAAP and Ind AS is as under:

Particulars	(Rs. in lakhs)	
	For the year ended March 31, 2019 (Audited)	
Total equity as per Previous GAAP	(2,269.12)	
<u>Adjustments increasing/(decreasing) net profit after tax as reported under the Previous GAAP:</u>		
Adoption of EIR* for amortisation of income and expenses- financial liabilities at amortised cost	0.35	
Actuarial gain on employee defined benefit plan recognised in 'Other comprehensive income' [#]	(0.10)	
Other comprehensive income, net of tax	(2,268.87)	
Non-Cumulative Redeemable Preference Shares reclassified as 'Subordinated Liabilities'	0.10	
Non-Cumulative Redeemable Preference Shares reclassified as 'Subordinated Liabilities'	(295.00)	
Total equity as per Ind AS	(2,563.77)	

*EIR=Effective Interest Rate

#As per Ind AS 19 Employee Benefits

- The Company's secured non-convertible debentures are secured by mortgage on Land and Buildings (Free hold and Lease hold) situated at Udupi District of State of Karnataka, State of Goa, Nasik District and Mumbai in State of Maharashtra and floating charge on receivables and book debts. In the opinion of the Company's management, the market value of the security offered to the holders of the aforesaid debentures is sufficient to cover the liability.
- The Company has not recognised Deferred Tax Assets in excess of Deferred Tax Liabilities, as a matter of prudence.



FOR IDENTIFICATION PURPOSE



For MANIPAL FINANCE CORPORATION LTD.

Managing Director

7. The Company has stopped (i) repayment of matured debentures and subordinated debts and (ii) payment of interest on debentures and subordinated debts from July 1, 2002 and had proposed a scheme of arrangement before the Honorable High Court of Karnataka for restructure of its liabilities (which has since been withdrawn and the Company is exploring the possibility of presenting a new scheme of arrangement). Further, the Company has also stopped repayment of deposits matured for repayment and interest thereon from the aforesaid date. All debts of the Company i.e. debentures, subordinated debts and deposits are matured for repayment.

There are also many instances of settlement of debentures, debts and public deposits at discounted rates with partial/full waiver of interest, which has been done with mutual consent. The remaining depositors/debenture holders/debt holders have approached the Company for settlement of the dues and the Company is in the process of the same. Due to such settlements, the total liability of the Company has reduced from Rs. 10,774.26 lakhs (as on March 31, 2002) to Rs. 1568.99 lakhs as on September 30, 2019.

Considering the above facts, the Company has provided for interest on deposits/debentures/debts upto June 30, 2002 and not thereafter.

Various consumer courts (including Appellate Authorities/Courts acting under the Consumer Protection Act) have passed orders for repayment of certain deposits/debentures/debts with interest and other costs. The Company has settled the dues of such customers in many cases, which also includes settlement at discounted rates with partial/full waiver of interest and many of the remaining persons have approached the Company for repayment. Accordingly, it is not feasible for the Company to ascertain accurately its liability on any given date.

8. Interest write back on deposits/debentures/debt on settlement with depositors/debenture holders/debt holders for the period of six months ending September 30, 2019 is considered in the above statement as "VI. Exceptional Item" as detailed in item no. A of the statement (given below the statement). The principal portion written back on such settlement is being directly taken to Balance Sheet as "Capital Reserve" as detailed in item no B of the statement (given below the statement).
9. The Company has been incurring losses for the last many years mainly on account of provision against non-performing assets. The accounts have been prepared on a going concern basis as the Company's management is hopeful of recovery of dues from non-performing accounts as well as other debtors and also in view of the fact that the Company is exploring the possibility of presenting a new scheme of restructure of debts before the Honourable High Court of Karnataka.
10. The Company does not foresee any diminution in the value of investments.
11. The present activity of the Company is restricted to recovery of dues and repayment of debts. Accordingly, the income of the Company depends upon the recoveries made during the period, which varies substantially on year to year basis. Therefore, the Company has disclosed the amount of bad debts recovered, if any, under the head "VI. Exceptional Item" as detailed in item no. A of the statement (given below the statement).
12. The classification/disclosure of items in the statement is in accordance with the Schedule III of the Companies Act, 2013.
13. The unaudited Statement of Assets and Liabilities as of September 30, 2019 is given as annexure.
14. During the quarter/half year ending September 30, 2019 and comparative quarter/half year ending September 30, 2018 and year ending March 31, 2019, the Company has earned profit on account of 'Interest write back' and 'Provision write back' as detailed in item no. A of the statement (given below the statement). Thus, the result of the Company for the quarter/half year ending September 30, 2019 and quarter/half year ending September 30, 2018 and year ending March 31, 2019 is positive. Therefore, this should not be taken as indicator of Company's performance during forthcoming periods. The Company would have incurred loss for the aforesaid periods if the incomes as aforesaid were not earned.
15. The figures for the previous quarter and half year have been regrouped/rearranged wherever necessary to conform to the current period presentation.

Place: Manipal
Date: November 14, 2019

By order of the Board
For Manipal Finance Corporation Limited

T Narayan M Pai
Managing Director
DIN: 00101633



FOR IDENTIFICATION PURPOSE