

MANIPAL FINANCE CORPORATION LIMITED  
MANIPAL HOUSE, MANIPAL 576104  
CIN: L65910KA1984PLC005988

(Rs in lacs)

Statement of Unaudited Financials Results for the Quarter ended 30th June, 2018

	Particulars	Standalone		
		Quarter ended		Year ended
		30-Jun-18 (Unaudited)	30-Jun-17 (Unaudited)	31-Mar-18 (Audited)
<b>1</b>	<b>Income from operations</b>			
	(a) Net sales/income from operations (net of excise duty)	-	-	4.68
	(b) Other operating Income	-	-	-
	<b>Total income from operations (net)</b>	-	-	4.68
<b>2</b>	<b>Expenses</b>			
	(a) Cost of materials consumed	-	-	-
	(b) Purchases of stock in trade	-	-	-
	(c) Changes in inventories	-	-	-
	(d) Employee benefits expense	1.84	1.69	7.89
	(e) Depreciation and amortisation expense	1.63	1.63	6.50
	(f) Legal and Professional charges	0.46	2.55	6.72
	(g) Registration & Licence fees	3.23	3.41	3.60
	(h) Other expenses	0.91	0.47	6.81
	<b>Total expenses</b>	8.07	9.75	31.52
<b>3</b>	<b>Profit/(Loss) from operations before other income, Finance Costs and exceptional items {1-2}</b>	(8.07)	(9.75)	(26.84)
<b>4</b>	<b>Other Income</b>	6.73	6.15	26.23
<b>5</b>	<b>Profit/(Loss) from ordinary activities before finance costs and exceptional items {3+(-)4}</b>	(1.34)	(3.60)	(0.61)
<b>6</b>	<b>Finance Costs</b>	0.47	0.06	30.29
<b>7</b>	<b>Provision/Write offs (net of excess provision written back) (refer Item A below) (Income (Net) given within brackets)</b>	(51.21)	-	(119.50)
<b>8</b>	<b>Profit/(Loss) from ordinary activities after finance costs but before exceptional items {5+(-)6+(-)7}</b>	49.40	(3.66)	88.60
<b>9</b>	<b>Exceptional items (Refer Item B below)Income</b>	-	-	20.32
<b>10</b>	<b>Profit/(Loss) from ordinary activities before tax {8+(-)9}</b>	49.40	(3.66)	108.92
<b>11</b>	<b>Tax expense</b>	-	-	-
<b>12</b>	<b>Net Profit/(Loss) from ordinary activities after tax {10+(-)11}</b>	49.40	(3.66)	108.92
<b>13</b>	<b>Extraordinary items (net of expense Rs.Nil )</b>	3.56	6.08	53.04
<b>14</b>	<b>Net Profit/(Loss) for the period {12+(-)13}</b>	52.96	2.42	161.96
<b>15</b>	<b>Share of profit /(loss) of associates</b>	-	-	-
<b>16</b>	<b>Minority interest</b>	-	-	-
<b>17</b>	<b>Net Profit/(Loss) after taxes, minority interest and share of profit/(loss) of associates {14+(-)15+(-)16}</b>	52.96	2.42	161.96
<b>18</b>	<b>Paid up equity share capital (Face value of Rs 10 per share)</b>	838.10	838.10	838.10
<b>19</b>	<b>Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year (Refer Item C Below)</b>	(3,465.74)	(3,804.44)	(3,539.41)
<b>20 i</b>	<b>Earnings per share (before extra ordinary items) (of Rs 10/ each) (not annualised):</b>			
	(a) Basic	0.59	(0.04)	1.30
	(b) Diluted	0.59	(0.04)	1.30
<b>20 ii</b>	<b>Earnings per share (after extra ordinary items) (of Rs 10/ each) (not annualised):</b>			
	(a) Basic	0.63	0.03	1.93
	(b) Diluted	0.63	0.03	1.93

Item A:- Details regarding items as per SI No.7 (as above) is given as below.

1. Provision for doubtful debts written back	(51.21)	-	(282.85)
2.. Bad debts written off	-	-	163.35
Provision/Write offs (net of excess provision written back)	(51.21)	-	(119.50)

Item B:- Details regarding exceptional itmes given as below ( SI No.9 above ) (refer Note No.8 of the notes)

1. Bad Debt Recovered	-	-	20.32
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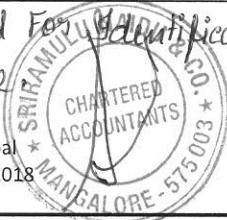
Item C-Amount transferred to Capital Reserve is as below: (as detailed in Note No.4 of the notes)

Amount transferred to Capital Reserve Viz. Principal Portion written back	20.70	15.31	120.80
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Notes forming part of this financial results: annexed herewith.

Signed For Identification Purpose

Place : Manipal  
Date: 14.08.2018



For & on behalf of the Board of Directors

T Narayan M Pai  
Managing Director  
(Din 00101633)

**Notes to Unaudited Financial Results for the quarter ended 30th June 2018 (as submitted to Bombay Stock Exchange Under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015)**

- 1 The above results were reviewed by the Audit Committee of Directors, thereafter taken on record by the Board of Directors in their meeting held on 14.08.2018 and a Limited Review of the same has been carried out by the Statutory Auditors of the Company.
- 2 The Company has not recognised Deferred Tax Assets in excess of Deferred Tax Liabilities, as a matter of prudence.
- 3 The Company has stopped (i) repayment of matured debentures & subordinated debts and (ii) payment of interest on debentures & subordinated debts from 1st July 2002 and proposed a scheme of arrangement before the Honorable High Court of Karnataka for restructure of its liabilities (which since 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 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 the 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 for the same. Due to such settlements, the total liabilities as aforesaid, of the company is reduced from Rs10744.26 lakhs ( as on 31st March 2002) to Rs.1820.77 lakhs as on 30th June 2018.  
 Considering the above facts , the company has provided for interest on deposits/ debentures/ debts upto 30.06.2002 and not thereafter.  
 Various consumer courts ( including Appellate authorities / courts acting under the Consumer Protection Act ) have passed the orders for the 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.
- 4 Interest write back on Deposits/Debentures/Debt on settlement with depositors/Debenture/Debt holders for the three month ending 30th June 2018 is considered in the above statement as extraordinary item and details are given against SL.No.13 of 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.C of the statement. (Given at the bottom of the statement).
- 5 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-peforming 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.
- 6 The Company does not foresee any diminution in the value of investments.
- 7 Since the Company does not have business in more than one segment, segment-wise reporting on Revenue, Results and Capital Employed is not applicable.
- 8 The present activity of the Company is being restricted to recovery of the dues and repayment of the 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 "Exceptional Item".
- 9 The Classification/Disclosure of items in the statement are in accordance with the Schedule III of the Companies Act, 2013.
- 10 During the quarter ending 30th June 2018, the Company has earned profit on account of "Interest write back" as detailed in Note 4 above and Provision Write Back as detailed in SL.No.7 read with item A of the Statement, the result of the Company for the Current Three months Period 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 Three months period under review, if the income as aforesaid were not earned.
- 11 The figures for the previous period are regrouped, rearranged and reclassified wherever necessary.

F or and on behalf of Board of Directors

Place: Manipal  
Date: 14/08/2018

Signed For Identification  
Purpose



*T Narayana M Pai*  
T Narayana M Pai  
Managing Director  
DIN- 00101633

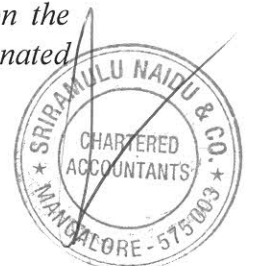




## INDEPENDENT AUDITOR'S REVIEW REPORT

To.  
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 June 30, 2018 ('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. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors in its meeting held on August 14, 2018, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25), 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 3 of the notes to the unaudited financial results.*
  - b. *We draw attention to Note No.5 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.)*





**SRIRAMULU NAIDU & CO.**  
CHARTERED ACCOUNTANTS

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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 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, 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 three months ending 30<sup>th</sup> June 2018 is considered in the above statement as extraordinary item and details are given against SI No 13 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 C of unaudited financial results read with Note no. 4 of Notes to Unaudited Financial Results. Our conclusion is not qualified in this matter.

The results of the Company for the quarter under review shows profits on account of extraordinary income as detailed in SI No 13 of the Statement read together with Note No 10 of the Notes to the unaudited financial results. The Company would have incurred loss for the quarter under review if income as aforesaid were not earned. Our conclusion is not qualified in this matter.

**Issued to Manipal Finance Corporation Limited, Manipal on this 14<sup>th</sup> August, 2018 at Manipal**

**For SRIRAMULU NAIDU & CO.**

*Chartered Accountants*

FRN 008975S

CA. Sriramulu Naidu  
Partner  
Membership No.018244

