

MANIPAL FINANCE CORPORATION LTD
 Regd. Office: "Manipal House", Manipal 576 104, Karnataka
UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED DECEMBER 31, 2011

(Rs. in Lakhs)

Sl. No	Particulars	Quarter Ended (Unaudited)			Nine Months Ended (Unaudited)		Year-ended (Audited)
		31.12.2011	30.09.2011	31.12.2010	31.12.2011	31.12.2010	31.03.2011
1	TOTAL INCOME	4.73	45.97	8.47	54.00	16.22	20.67
	Income from Operation(net)	0.98	0.00	2.50	0.98	2.50	2.57
	Other Operating Income	3.75	45.97	5.97	53.02	12.72	18.10
2	TOTAL EXPENDITURE	7.42	11.11	7.91	25.16	23.91	33.76
	(a) Employee Cost	1.63	3.32	3.34	6.70	7.57	09.59
	(b) Depreciation/Lease Equalisation (net)	2.53	2.46	2.61	7.45	7.83	10.36
	(c) Administrative & Other Expenditure	3.26	5.33	1.96	11.01	8.51	13.80
3	Profit/(loss) from Operations before Other Income, Interest, Provision/Write off & Extraordinary Item (1-2)	(2.69)	34.86	0.56	28.84	(8.69)	(13.08)
4	Other Income	-	-	-	-	-	-
5	Profit/(loss) from operation before Interest, Provision/Write off & Extraordinary Item(3+4)	(2.69)	34.86	0.56	28.84	(8.69)	(13.08)
6	Interest	-	-	-	-	-	-
7	Provision for NPA & Bad debts written off(net of writeback)**	(38.40)	(40.86)	0.11	(82.87)	46.04	51.20
8	Profit/(loss) after Interest but before Exceptional Item(5-6-7)	35.71	75.72	0.45	111.71	(54.73)	(64.28)
9	Exceptional Item	-	-	-	-	-	-
10	Profit from ordinary activity before tax(8+9)	35.71	75.72	0.45	111.71	(54.73)	(64.28)
11	Tax Expenses	-	-	-	-	-	11.69
12	Net Profit/(loss) from Ordinary Activities after tax(10-11)	35.71	75.72	0.45	111.71	(54.73)	(76.97)
13	Extraordinary Income (net of tax expence Rs. Nil)	6.87	15.60	5.09	36.16	17.08	36.91
14	Net Profit/(loss) for the period (12+13)	42.58	91.32	5.54	147.87	(37.65)	(39.06)
15	Paid up Equity Share Capital(face value Rs.10/- each)	838.10	838.10	838.10	838.10	838.10	838.10
16	Reserves excluding revaluation reserves (As per Balance sheet of previous Accounting Year). (*)	-	-	-	-	-	-
17	(a)Basic and diluted EPS before extraordinary items for the period, for the year to date and for the previous year (not to be annualised)	0.43	0.90	0.01	1.33	(0.65)	(0.91)
	(b)Basic and diluted EPS after extraordinary items for the period, for the year to date and for the previous year (not to be annualised)	0.51	1.09	0.07	1.76	(0.45)	(0.47)
18	Public Shareholding						
	- Number of Shares	5507130	5507130	5507130	5507130	5507130	5507130
	-Percentage of Shareholding	65.71%	65.71%	65.71%	65.71%	65.71%	65.71%
19	Promoters and promotor group Shareholding						
	a. Pledged/encumbered	-	-	-	-	-	-
	b. Non - encumbered						
	- No of shares	2873831	2873831	2873831	2873831	2873831	2873831
	- Percentage of shares (as a %of the shareholding of the promoter And promotor group)	100%	100%	100%	100%	100%	100%
	- Percentage of shares (as a %of the total share of the company)	34.29%	34.29%	34.29%	34.29%	34.29%	34.29%
**	Break up of provision for NPA, bad debts written off (item No. 7)						
	Bad debts written off	31.00	195.61	0.11	226.61	46.04	170.44
	Less: Provision written back	69.40	236.47	Nil	309.48	Nil	119.24
	Net	(38.40)	(40.86)	0.11	(82.87)	46.04	51.20

(*) The consolidated loss of the Company is more than its reserves & surplus for 2011 & 2010. Refer Item No. 16.



Notes:

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 10.02.2012 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. No Provision has been made in respect of interest on Deposits/Debentures/Subordinated Debts after 1st July 2002 and on the Loans given against said securities for the reason that the Company had presented a scheme of restructure of Debts before the Honorable High Court of Karnataka. However the Company has withdrawn the aforesaid scheme on 28.10.2009, with a liberty to present as fresh scheme. Accordingly the Company is exploring the possibilities of presenting a new scheme. No provision made for interest on Deposits after 1st July 2002.
4. Interest write back on Deposits/Debentures/Debt on settlement with depositors/debenture/Debt holders for the nine months period ending 31st December 2011 (for the nine months period ending 31st December 2010 is Rs. 17.08 lakhs and for the year ending 31st March 2011 Rs. 36.91 lakhs) is considered in the above statement as extraordinary item Rs. 36.16 lakhs. The corresponding amount for the Quarter ended 31st December 2011 is Rs. 6.87 lakhs and 31st December 2010 is Rs. 5.09 lakhs. The principal portion written back on such settlement is being directly taken to Balance Sheet as Capital Reserve. This amount for the nine months period ending 31st December 2011 is Rs. 161.06 lakhs. The amount for the year ending 31st March 2011 is Rs. 146.31 lakhs. The amounts as aforesaid for the nine months period ending 31st December 2010 is Rs. 79.60 lakhs. The corresponding amount for the quarter ending 31st December 2011 is Rs.34.14 lakhs (quarter ending 31st December 2010 is Rs. 25.70 lakhs)
5. The Company has been incurring losses for the last few 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 Honorable High Court of Karnataka.
6. The Company does not foresee any diminution in the value of investments.
7. Provision for non-performing assets of Rs. Nil lakhs (as on 31.12.2010 Rs. 66 lakhs) has not been considered in the above result as it feels the provision already made in the books are sufficient.
8. The figures for the previous period are regrouped, rearranged and reclassified wherever necessary.
9. Since the Company does not have business in more than one segment, segment-wise reporting on Revenue, Results and Capital Employed is not applicable.
10. Number of Shareholder's complaints received: Nil
Complaints Pending as at beginning of the Quarter : Nil
Complaints Pending as at end of the Quarter : Nil
Number of Shareholder's complaints resolved: Not applicable
11. The result of the Company for the Current Quarter is positive on account of Bad debts recovered and reversal of NPA provision.

By Order of the Board.

T. NARAYAN M. PAI
Managing Director

Manipal

Date: 10.02.2012

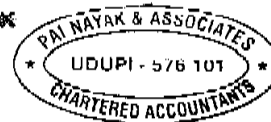
SUBJECT TO LIMITED REVIEW REPORT OF EVEN DATE

PLACE: MANIPAL

DATE: 10/02/2012

For PAI NAYAK & ASSOCIATES
CHARTERED ACCOUNTANTS

AMMUNJE VENKATESH NAYAK
PARTNER
M.No: 224685





PAI NAYAK & ASSOCIATES
CHARTERED ACCOUNTANTS

III Floor, Raaj Tower
 Near City Stand
 UDUPI - 576101

LIMITED REVIEW REPORT

We have reviewed the accompanying statement of unaudited financial results (including unaudited statement of Assets & Liabilities) read together with notes thereon of Manipal Finance Corporation Ltd ("the Company") for the quarter ended 31st December 2011 and the year to date results for the period 1st April 2011 to 31st December 2011 *except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited/reviewed by us.* We have initialed the aforesaid statement, only for identification purpose. However the aforesaid statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We have conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, Engagements to Review Financial Statements 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 misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly we do not express an audit opinion.

Subject to (1) (2) & (3) below and based on our review conducted as above, nothing has come to our notice that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules 2006 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement

- 1 The extraordinary income as per item no. 13 of the statement, represents "Interest write back" on settlement of deposits/debentures/Debts. As per the explanation given to us, the principal portion of Debentures/deposits/debts write back (arising on settlement) for the quarter ending 31st December 2011 is Rs.34.14 lakhs (for the quarter ending 30th Sept 2011 is Rs.72.58 Lakhs for the quarter ending 31st December 2010 is Rs..25.70 Lakhs) is considered as capital receipt and directly taken to Capital Reserve in the Balance Sheet (for the year ending 31st March 2011 is Rs.146.31 Lakhs). The corresponding amount for the nine months period ending 31st December 2011 is Rs.161.06 Lakhs (P Y Rs..79.60 Lakhs).
- 2 We draw the attention to Note No.3 of the Notes, wherein the Company has not quantified the effect of Non-Provision of Interest on Deposits/Debentures/Subordinated Debts and interest on loans availed on these instruments from 1st day of July 2002.
- 3 The Net Profit (Loss) for the period (as per per item no. 14 of the statement), is being arrived at after considering "Provision for Non Performing Assets written back". Such amount for the quarter ending 31st December 2011 is Rs.69.40 lakhs (for the quarter ending 30th Sept 2011 is Rs. 236.47 lakhs, for the quarter ending 31st December 2010 Rs.Nil), for the nine months period ending 31st December 2011 is Rs..309.48 Lakhs (P Y Rs.Nil) and for the year ending 31st March 2011 is Rs.119.24 Lakhs. The aforesaid amounts have been netted off under item no. 7 of the statement viz: "Provision for NPA & Bad debts written off (net of write back)". The results of the Company for the quarter under review, shows profit on account of reversal of provisions as aforesaid and also on account of "Bad debts recovered" amounting to Rs.43.24 Lakhs for the nine months period ending 31st December 2011 & Rs. Nil for the quarter ending 31st December 2011, being accounted as "Other Operating Income".

We hereby confirm that our firm is subjected to peer review process of Institute of Chartered Accountants of India (ICAI) and holds a valid certificate issued by the Peer Review Board of the ICAI.

PLACE: MANIPAL
 DATE : 10th February 2012

For PAI NAYAK & ASSOCIATES
 CHARTERED ACCOUNTANTS
 Registration Number: 009090S

Ammunje Venkatesh Nayak
 AMMUNJE VENKATESH NAYAK
 Partner (M No: 204685)

