

Minutes of the 31st Annual General Meeting of the Members of Manipal Finance Corporation Ltd, held on Tuesday, the 30th September, 2014 at 3.30 p.m. in the Company's Regd. Office: "Manipal House", Manipal 576 104.

Present: Sri T Narayan M Pai, Managing Director

AND

31 members in person

Sri Ananathanarayana Pai K, Chartered Accountant

Since the office of Chairman is vacant, the Members present, unanimously elected Sri T Narayan M Pai, Managing Director, as Chairman to preside over the meeting. Thereupon, Sri T Narayan M Pai, Managing Director took the chair and welcomed the Directors and other members present in their 31st Annual General Meeting.

The requisite quorum being present, Chairman called the meeting to order and initiated the Annual General Meeting proceedings.

1. The Notice convening the meeting was taken as read with the consent of the members present.
2. The Chairman announced that the Register of Directors' Shareholding was placed on the table at the meeting for the Members' inspection.
3. He introduced the Directors present to the members.
4. Sri Prabhakar Pai to read the Auditors' Report.
5. The Chairman addressed the shareholders as follows:

"Dear Shareholders,

The Report of the Board of Directors and the Audited Financial Statements have already been sent individually to all the Shareholders and with your permission I take them as read.

The audited financial results of the Company for the year ended 31.03.2014 is reported to you through the "Directors' Report".

During the year ending 31st March, 2005 the Scheme of Compromise and Arrangement under Section 391 of the Companies Act, 1956 to effect the restructure of Company's debts particularly Debentures and subordinated debts of the Company was framed and presented before the Honorable High Court of Karnataka. Accordingly, the meeting of the Shareholders, Debenture Holders and Subordinated Debt holders were held on 20th April, 2005. The scheme as proposed had provided for payment of principal in a phased manner over 60 months from effective date and payment of interest accrued till 30th June, 2002 within 72 months from the effective date. The Scheme as proposed do not provide for accrual of interest after 30th June, 2002. (For the above purpose the effective date means the date on which the Order of High Court of Karnataka sanctioning the Scheme of Arrangement is filed with the Registrar of Companies in Karnataka.)

On 10th July 2009, Honorable High Court of Karnataka has directed the Company to submit the details of payments made to Non-Convertible Debenture holders and subordinated debt holders from 1st April, 2005. Accordingly the details were furnished to Honorable Court. It was submitted before the Honorable Court that the Company has settled substantial portion of Non-Convertible Debentures and Subordinated Debts and it was therefore felt that the scheme requires to be changed having regard to the settlements already made and quantum of non-convertible debentures and subordinated debts remaining to be settled. Therefore the Company had proposed to withdraw the scheme of arrangement from the Honorable High Court of Karnataka, with an option to present a new scheme of arrangement. The Honorable High Court of Karnataka has permitted the Company to withdraw the petition, with liberty to file a fresh petition, vide its order dated 28th October, 2009. Accordingly, the Company is exploring the possibility of proposing a fresh petition to be filed before the Honorable High Court of Karnataka.

For MANIPAL FINANCE CORPORATION LTD.


Managing Director



Recovery :

The Company has been making serious efforts to recover from NPA Accounts. The trend of recovery from such accounts is encouraging. The Company has recovered a sum of Rs.2244 thousands from NPA Accounts during the financial year ended 31st March, 2014.

Corporate Governance:

The Company had followed sound Corporate Governance practices right from its inception and have taken efforts to implement the same wherever possible in the present circumstances. A separate section on Corporate Governance along with Certificate of Auditors confirming the compliance is annexed and forms part of the Directors' Report.

Acknowledgement:

I am grateful to all our depositors, customers, bankers, and shareholders for their continued help and support. I am also thankful to my colleagues on the Board and Statutory Auditors for their co-operation and valuable guidance on the day-to-day operations of the company."

After the Chairman's Speech, he moved the business items placed before the shareholders for approval.

6. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2014 and Profit and Loss Account for the period ended on that date and the Reports of the Board of Directors and Auditors thereon.

The Chairman initiated discussion on the subject of approval and adoption of audited Balance Sheet as at March 31, 2014 and the Profit and Loss Account for the period ending as on that date and the Directors' Report and Auditors' Report annexed thereto. In the absence of any queries from the members present, the Chairman proposed and Mr. Vishwanath Kamath seconded the following to be adopted as an ordinary resolution:

"RESOLVED THAT the Audited Balance sheet as at March 31, 2014 and the Profit & Loss Account for the period ended on that date and the Reports of the Directors and Auditors thereon be and are hereby received, approved and adopted."

On being put to vote, the resolution was passed unanimously.

7. Reappointment of Sri Raghavendra Nayak, Director who retires by rotation.

Sri Prabhakar Vedamurthy proposed and Sri Vishwanath Kamath seconded that the following resolution be adopted as an ordinary resolution:

"RESOLVED that Sri Raghavendra Nayak, a Director retiring by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company."

On being put to vote, the resolution was carried unanimously.

8. Appointment of Statutory Auditors.

Chairman informed the members that M/s. Pai Nayak & Associates, Chartered Accountants, Udupi, appointed as Statutory Auditors of the Company by the Members in the 30th Annual General Meeting held on 27.09.13, retire at the conclusion of this Annual General Meeting.

Certificate from M/s. Pai Nayak & Associates, as prescribed under Section 139 of the Companies Act, 2013 has been received indicating their availability for re-appointment as Statutory Auditors for the ensuing year.

For MANIPAL FINANCE CORPORATION LTD.

Managing Director



Thereafter, Mr. T Sunil Pai, proposed and Sri Ganapathi Bhat seconded that the following resolution be adopted as an ordinary resolution:

“RESOLVED THAT pursuant to provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, as amended from time to time, M/s Pai Nayak & Associates, Chartered Accountants, Udupi, registered with the Institute of Chartered Accountants of India vide Firm Registration No.009090S be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of 34th AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM), at such remuneration plus service tax, and out-of-pocket and travelling expenses, etc, as may be mutually agreed between the Board of Directors of the Company and Auditors.”

On being put to vote, the resolution was passed unanimously.

9. To appoint Sri Chandappa R Sherigar as independent director of the Company

Sri Ganapathi Bhat proposed and Sri Prabhakar Pai seconded that the following resolution be adopted as an ordinary resolution:

“RESOLVED THAT pursuant to Section 149,150,152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr. Chandappa R Sherigar (DIN 01838963), Director of the Company who retires by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years for a term up to Annual General Meeting for the year 2019.”

On being put to vote, the resolution was passed unanimously.

10. Obtaining Member's approval for borrowing pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 in excess of the aggregate of the paid up share capital of the Company and its free reserve to the extent of Rs.40 Crores

Sri Prabhakar Vedamurthy proposed and Sri Vishwanath Kamath seconded that the following resolution be adopted as an ordinary resolution:

“RESOLVED that in supersession of the Ordinary Resolution passed earlier and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the members be and is hereby accorded to the Board of Directors to borrow moneys in excess of the aggregate of the paid-up capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/to be obtained from the Company's Bankers in the ordinary course of business, shall not be in excess of Rs.40 Crores (Rupees Forty Crores only) over and above the aggregate of the paid up capital and free reserves of the Company.”


RESOLVED FURTHER that the Board be and is hereby authorised to do all such acts, deeds and things as it may in its absolute discretion deem fit, necessary, proper or desirable and to settle an question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.”

11. Vote of thanks.

There being no other business to transact, the meeting was concluded with a vote of thanks by the Chairman.

Date: 01.10.2014

For MANIPAL FINANCE CORPORATION LTD.


Chairman of the Meeting
Managing Director

