

**MANIPAL FINANCE CORPORATION LTD**  
 Regd. Office: "Manipal House", Manipal 576 104, Karnataka  
**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2014**

**PART I**  
**Statement of Standalone unaudited Results for the Quarter ended 30th June 2014**

SL. NO.	PARTICULARS	Rs in Lakhs			
		3 MONTHS ENDED 30.06.2014	3 MONTHS ENDED 31.03.2014	CORRESPONDING 3 MONTHS ENDED 30.06.2013	YEAR TO DATE FIGURE FOR CURRENT YEAR ENDED 31.03.2014
		Unaudited	Unaudited	Unaudited	Unaudited
1	<b>Income from operations</b>				
	Net sales/Income from Operation(net of excise duty)	0.00	0.00	0.00	0.00
	Other Operating Income	0.00	0.00	0.00	0.03
	<b>Total Income from operation(net)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.03</b>
2	<b>Expences</b>				
	(a) Cost of material consumed	0.00	0.00	0.00	0.00
	(b) Purchase of Stock-in-trade	0.00	0.00	0.00	0.00
	(c) Change in inventories of finished goods, work-in-progress and stock-in-trade	0.00	0.00	0.00	0.00
	(d) Employee benefit expence	1.73	1.77	1.66	7.19
	(b) Depreciation/Lease Equalisation (net)	2.50	2.90	2.22	10.28
	(c) Other Expences (any item exceeding 10%of total expences relating to continuing operation to be shown seperately)	5.68	5.09	2.67	11.22
	<b>Total expences</b>	<b>9.91</b>	<b>9.76</b>	<b>6.55</b>	<b>28.69</b>
3	<b>Profit/(loss) from Operations before Other Income, finance cost &amp; Exceptional item(1-2)</b>	<b>(9.91)</b>	<b>(9.76)</b>	<b>(6.55)</b>	<b>(28.66)</b>
4	Other Income	3.61	3.89	1.91	12.82
5	Profit/(loss) from ordinary activities before finance cost and exceptional item (3+4)	<b>(6.30)</b>	<b>(5.87)</b>	<b>(4.64)</b>	<b>(15.84)</b>
6	Finance costs	0.00	0.02	0.03	0.12
7	Profit/(loss) from ordinary activities after finance costs but before exceptional items (5-6)	<b>(6.30)</b>	<b>(5.89)</b>	<b>(4.67)</b>	<b>(15.96)</b>
8	Exceptional item(net) income (expenses) *see note below	19.30	3.75	11.39	37.67
9	Profit/(loss)from ordinary activities before tax (7+8)	<b>13.00</b>	<b>(2.14)</b>	<b>6.72</b>	<b>21.71</b>
10	Tax expence	0.00	(3.30)	0.00	3.30
11	Net Profit/(loss)from ordinary activities after tax (9+10)	<b>13.00</b>	<b>(5.44)</b>	<b>6.72</b>	<b>18.41</b>
12	Extraordinary Items(income) (net of tax expence Rs. Nil) ( See note No. 4 notes)	0.99	0.41	1.72	3.67
13	Net Profit/(loss) for the year (11+12)	<b>13.99</b>	<b>(5.03)</b>	<b>8.44</b>	<b>22.08</b>
14	Share of profit/(loss)of associates	0.00	0.00	0.00	0.00
15	Minority Interest	0.00	0.00	0.00	0.00
16	<b>Net profit/(loss)after taxes, minority interest and share of profit/(loss) of associates</b>	<b>13.99</b>	<b>(5.03)</b>	<b>8.44</b>	<b>22.08</b>
17	Paid up Equity Share Capital (face value Rs.10/- each)	838.10	838.10	838.10	838.10
18	Reserves excluding revaluation reserves as per Balance Sheet of previous Accounting Year(*)	--	--	--	--
19.i	Earning per share (before extraordinary items) (of Rs. 10 each (not anualised):				
	(a) Basic	0.16	0.065	0.08	0.22
	(b) Diluted	0.16	0.065	0.08	0.22
19.ii	Earning per share(after extraordinary items) (of Rs 10 each (not anualised):				
	(a) Basic	0.17	(0.060)	0.10	0.26
	(b) Diluted	0.17	(0.060)	0.10	0.26

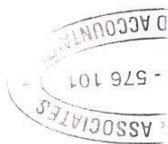
See accompanying note to the financial results

Detail regarding exceptional items given as below (item No 8 above) (refer note No. 8 of the notes)

1. Provision for doubtful debts written back	19.30	18.20	10.47	44.63
2. Bad Debts recovered	0.00	0.09	0.00	11.65
3. Profit on sale of Fixed Assets/Investments	0.00	0.00	0.92	0.92
4. Prior period adjustments	0.00	1.37	0.00	1.37
EXCEPTIONAL INCOME (A) (1+2+3)	19.30	19.66	11.39	58.57
1. Bad debts written off	0.00	15.91	0.00	20.90
2. Loss on sale of Fixed Assets/Investments	0.00	0.00	0.00	0.00
3. Prior Period Adjustment	0.00	0.00	0.00	0.00
EXCEPTIONAL EXPENSES (B) (1+2)	0.00	15.91	0.00	20.90
EXCEPTIONAL ITEM (NET ) VIZ. INCOME (EXPENSES) (A-B)	19.30	3.75	11.39	37.67

(\*) The accumulated loss of the Company is more than its reserves. Therefore the same is not reflected against item No. 18 of the above table.

SIGNED FOR IDENTIFICATION PURPOSE



**For PAI NAYAK & ASSOCIATES  
 CHARTERED ACCOUNTANTS**

**ANANTHANARAYANA PAI K.**  
 PARTNER  
 M. No: 024541


REGISTRATION NO : 009090S

SL. NO.	PARTICULARS	3 MONTHS ENDED 30.06.2014	3 MONTHS ENDED 31.03.2014	CORRESPONDING 3 MONTHS ENDED 30.06.2013	YEAR TO DATE FIGURE FOR CURRENT YEAR ENDED 31.03.2014
A	PARTICULARS OF SHAREHOLDING				
1	Public shareholding				
	- Number of shares	5507130	5507130	5507130	5507130
	- Percentage of shareholding	65.71%	65.71%	65.71%	65.71%
2	Promoters and promotor group Shareholding				
a.)	Pledged/encumbered				
	- Number of shares	0	0	0	0
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0%	0%	0%	0%
	- Percentage of shares (as a % of total share capital of the company)	0%	0%	0%	0%
3 b.)	Non - encumbered				
	- No of shares	2873831	2873831	2873831	2873831
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	100%	100%	100%	100%
	- Percentage of shares (as a % of total share capital of the company)	34.29%	34.29%	34.29%	34.29%
B	PARTICULARS INVESTORS COMPLAINTS				
	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 received		Not Applicable		

Manipal

Date: 14.08.2014

By Order of the Board

  
T. NARAYAN M PAI  
MANAGING DIRECTOR

SIGNED FOR IDENTIFICATION PURPOSE



For PAI NAYAK & ASSOCIATES  
CHARTERED ACCOUNTANTS

  
ANANTHANARAYANA PAI K.  
PARTNER  
M. No: 024541 

REGISTRATION NO : 009090S





**Notes to Un-audited Financial Results for the quarter ended 30th June 2014 (as submitted to Bombay Stock Exchange Under Clause 41 of the Listing Agreement).**

- 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 14.08.2014 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 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. Many of 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 Rs.10744.26 lakhs ( as on 31st March 2002) to Rs.2747.06 lakhs as on 30th June 2014.

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 which 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 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 2014 (for the three months ending 30th June 2013 is Rs. 1.72 lakhs and the year ending 31st March 2014 is Rs. 3.67 lakhs) is considered in the above statement as extraordinary item Rs.0.99 lakhs. The corresponding amount for the Quarter ended 30th June 2013 is Rs 1.72 lakhs. The principal portion written back on such settlement is being directly taken to Balance Sheet as Capital Reserve. This amount for the three months period ending 30th June 2014 is Rs.11.91lakhs, the amount for the year ending 31st March 2014 is Rs. 14.96 lakhs. the amount as aforesaid for the three month period ending 30th June 2013 is Rs. 7.71 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 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, reversal of provisions for NPA and Bad debts written off if any under the head "Exceptional Item".
- 9 The result of the Company for the Current Quarter is positive on account of reversal of provision for NPA..
- 10 The Un-Audited statement of Assets and Liabilities as of 30th June, 2014 given as Annexure.
- 11 The figures for the previous period are regrouped, rearranged and reclassified wherever necessary.

By Order of the Board

  
T. NARAYAN M PAI  
MANAGING DIRECTOR

Manipal  
Date: 14.08.2014







### LIMITED REVIEW REPORT

We have reviewed the accompanying statement of unaudited financial results read together with notes thereon of Manipal Finance Corporation Ltd ('the Company') for the quarter ended 30<sup>th</sup> June 2014 and the year to date results for the period 1<sup>st</sup> April 2014 to 30<sup>th</sup> June 2014, *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.* This 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. However we have initialed the aforesaid statement, only for identification purpose.


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) 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

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|---|---|
| 1 | Interest write back on settlement of deposits/debentures/Debts for the three months period ending 30 <sup>th</sup> June 2014 Rs. 0.99 Lakhs has been considered in the results as extraordinary item . ( for the quarter ending 30 <sup>th</sup> June 2013 is Rs.1.72 Lakhs and for the year ending 31 <sup>st</sup> March 2014 is Rs.3.67 lakhs). As per the explanation given to us, the principal portion of Debentures/deposits/debts write back (arising on settlement) Rs.11.91 Lakhs is considered as capital receipt and directly taken to Capital Reserve in the Balance Sheet (for the quarter ending 30 <sup>th</sup> June 2013 is Rs.7.71 lakhs and for the year ending 31 <sup>st</sup> March 2014 is Rs.14.96 Lakhs). |
| 2 | <i>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.</i>   |
| 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 doubtful debts written back", as disclosed under the head "Exceptional item(net) Income (expenses)" i.e item no. 8 of the Statement, read together with the details given below the Statement. The results of the Company for the quarter under review, shows profit on account of reversal of provisions as aforesaid.  |

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

PLACE: MANIPAL  
DATE : 14<sup>th</sup> day of August 2014

  
ANANTHANARAYANA PAI K  
PARTNER M No. 024541

