



# Manipal Finance Corporation Ltd.

Regd. Office: "Manipal House"- Manipal – 576 104

Udupi Dist., Karnataka

Ph: 0820-2570741

CIN : U65910KA1984PLC005988

Ref:MFCL/HO/SEC/0499/2016

May 30, 2016

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

Dear Sir,

Sub: Audited financial results for the financial year 31.03.2016.  
and Form B

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With reference to the above, please find enclosed herewith the audited financial results for the financial year ended 31.03.2016 duly approved by the Board at its meeting held on 30.05.2016 in terms of Reg 33 (3) of SEBI (Listing obligation and Disclosure requirements) Regulations, 2015 and also Form B.

Kindly take the aforementioned documents on record and acknowledge the receipt.

Thanking you,

Yours faithfully,

For MANIPAL FINANCE CORPORATION LTD.

  
Managing Director  
Managing Director



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

(Rs in lacs)

## Statement of Audited Financials Results for the Quarter ended 31st March, 2016

Particulars	Stand Alone				
	Quarter ended			Year ended	
	31-Mar-16	31-Dec-15	31-Mar-15	31-Mar-16	31-Mar-15
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
<b>1 Income from operations</b>					
(a) Net sales/income from operations (net of excise duty)	0.00	0.00	0.00	0.00	0.00
(b) Other operating Income	11.94	0.00	0.00	11.95	0.01
<b>Total income from operations (net)</b>	<b>11.94</b>	<b>0.00</b>	<b>0.00</b>	<b>11.95</b>	<b>0.01</b>
<b>2 Expenses</b>					
(a) Cost of materials consumed	0.00	0.00	0.00	0.00	0.00
(b) Purchases of stock in trade	0.00	0.00	0.00	0.00	0.00
(c) Changes in inventories	0.00	0.00	0.00	0.00	0.00
(d) Employee benefits expense	1.69	1.62	1.72	6.39	7.56
(e) Depreciation and amortisation expense	7.28	2.65	8.12	15.24	17.49
(f) Legal and Professional charges	2.83	2.45	1.64	8.17	5.97
(g) Registration & Licence fees	0.32	0.38	0.03	3.48	1.89
(h) Other expenses	0.68	1.42	2.13	5.20	4.66
<b>Total expenses</b>	<b>12.80</b>	<b>8.52</b>	<b>13.64</b>	<b>38.48</b>	<b>37.57</b>
<b>3 Profit/(Loss) from operations before other income, Finance Costs and exceptional items (1-2)</b>	<b>(0.86)</b>	<b>(8.52)</b>	<b>(13.64)</b>	<b>(26.53)</b>	<b>(37.56)</b>
<b>4 Other Income</b>	<b>4.91</b>	<b>3.76</b>	<b>4.12</b>	<b>18.05</b>	<b>18.47</b>
<b>5 Profit/(Loss) from ordinary activities before finance costs and exceptional items {3 +(-)4}</b>	<b>4.05</b>	<b>(4.76)</b>	<b>(9.52)</b>	<b>(8.48)</b>	<b>(19.09)</b>
<b>6 Finance Costs</b>	<b>0.48</b>	<b>0.46</b>	<b>0.41</b>	<b>4.10</b>	<b>4.72</b>
Provision/Write offs (net of excess provision written back) (refer					
7 Item A below) (Income (Net) given within brackets)	12.09	25.85	(1.16)	(52.56)	(27.61)
<b>8 Profit/(Loss) from ordinary activities after finance costs but before exceptional items {5 +(-)6+(-)7}</b>	<b>(8.52)</b>	<b>(31.07)</b>	<b>(8.77)</b>	<b>39.98</b>	<b>3.80</b>
<b>9 Exceptional items (Refer Item B below)</b>	<b>0.00</b>	<b>25.85</b>	<b>3.38</b>	<b>25.85</b>	<b>4.73</b>
<b>10 Profit/(Loss) from ordinary activities before tax {8+(-)9}</b>	<b>(8.52)</b>	<b>(5.22)</b>	<b>(5.39)</b>	<b>65.83</b>	<b>8.53</b>
<b>11 Tax expense</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>12 Net Profit/(Loss) from ordinary activities after tax {10+(-)11}</b>	<b>(8.52)</b>	<b>(5.22)</b>	<b>(5.39)</b>	<b>65.83</b>	<b>8.53</b>
<b>13 Extraordinary items (net of expense Rs.Nil )</b>	<b>1.92</b>	<b>0.07</b>	<b>0.32</b>	<b>19.34</b>	<b>5.22</b>
<b>14 Net Profit/(Loss) for the period {12+(-)13}</b>	<b>(6.60)</b>	<b>(5.15)</b>	<b>(5.07)</b>	<b>85.17</b>	<b>13.75</b>
<b>15 Share of profit /(loss) of associates</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>16 Minority interest</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>



MANIPAL FINANCE CORPORATION LTD.

*[Signature]*  
**Managing Director**



17	Net Profit/(Loss) after taxes, minority interest and share of profit/(loss) of associates {14+(-)15+(-)16}	(6.60)	(5.15)	(5.07)	85.17	13.75
18	Paid up equity share capital (Face value of Rs 10 per share)	838.10	838.10	838.10	838.10	838.10
19	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year (Refer Item C Below)	(4030.71)	(4031.97)	(4189.83)	(4030.71)	(4189.83)
20 i	Earnings per share (before extra ordinary items) (of Rs 10/ each) (not annualised):					
	(a) Basic	(0.10)	(0.06)	(0.06)	0.79	0.10
	(b) Diluted	(0.10)	(0.06)	(0.06)	0.79	0.10
20 ii	Earnings per share (after extra ordinary items) (of Rs 10/ each) (not annualised):					
	(a) Basic	(0.08)	(0.06)	(0.06)	1.02	0.16
	(b) Diluted	(0.08)	(0.06)	(0.06)	1.02	0.16

Item A:- Details regarding exceptional items given as below ( SI No.7 above ) (refer Note No.8 of the notes)

1. Provision for doubtful debts written back	(3.91)	(0.15)	(13.36)	(164.56)	(43.63)
2.. Bad debts written off	16.00	26.00	12.20	112.00	16.02
Provision/Write offs (net of excess provision written back)	12.09	25.85	(1.16)	(52.56)	(27.61)

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

1. Bad Debt Recovered	0.00	25.85	3.38	25.85	4.73
2. Profit on sale of Fixed Assets/ Investments	0.00	0.00	0.00	0.00	0.00
3. Prior period Income	0.00	0.00	0.00	0.00	0.00
EXCEPTIONAL INCOME ( 1+2+3)	0.00	25.85	3.38	25.85	4.73
1. Loss on Sale of Asstes/ Investments	0.00	0.00	0.00	0.00	0.00
2. Prior Period Expenses	0.00	0.00	0.00	0.00	0.00
EXCEPTIONAL EXPENSES (1+2)	0.00	0.00	0	0.00	0
EXCEPTIONAL ITEM (NET) VIZ.INCOME(EXPENSES)	0.00	25.85	3.38	25.85	4.73

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	7.86	0.45	3.82	73.95	22.73
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Notes forming part of this financial results: annexed herewith.

For & on behalf of the Board of Directors

Place : Manipal

Date: 30.05.2016



*T Narayan M Pai*  
T Narayan M Pai

Managing Director

DIN - 00101633

*T Sanjay Pai*  
T Sanjay Pai

Chief Finance Officer



**MANIPAL FINANCE CORPORATION LTD**  
 Regd. Office: "Manipal House", Manipal 576 104, Karnataka  
 Annexure IX

**AUDITED STATEMENT OF ASSETS & LIABILITIES AS OF 31ST MARCH 2016**  
 (Rs. in lakhs)

Standalone statement of Assets and Liabilities	As at (current year end)	As at
Particulars	(31/03/2016)	(31/03/2015)
	Audited	Audited
<b>A. EQUITY AND LIABILITIES</b>		
<b>1. SHAREHOLDERS' FUNDS:</b>		
(a) Share capital	1133.10	1133.10
(b) Reserves and Surplus	(3699.07)	(3858.19)
© Money received agisnt share warrants	0.00	0.00
<b>Sub-Total-shareholders funds</b>	<b>(2565.97)</b>	<b>(2725.09)</b>
<b>2. Share application money pending allotment</b>		<b>0.00</b>
<b>3. Minority interest</b>	<b>0.00</b>	<b>0.00</b>
<b>4. Non-current liabilities</b>		
(a) Long-term borrowings	0.00	0.00
(b) Deferred tax liabilities (net)	0.00	0.00
© Other long-term liabilities	503.87	503.62
(d) Long-term provisions	4.41	4.41
<b>Sub-total- non-current liabilities</b>	<b>508.28</b>	<b>508.03</b>
<b>5. Current liabilities</b>		
(a) Short term borrowings	0.00	0.00
(b) Trade payables	0.00	0.00
© Other current liabilities	2654.64	2835.01
(d) Short-term provisions	0.00	0.00
<b>Sub-total-Current liabilities</b>	<b>2654.64</b>	<b>2835.01</b>
<b>TOTAL-EQUITY AND LIABILITIES</b>	<b>596.95</b>	<b>617.95</b>
<b>B. ASSETS</b>		
<b>1. Non-current assets</b>		
(a) Fixed assets	463.39	478.63
(b) Goodwill on consolidation	0.00	0.00
(c) Non-current investments	8.89	17.17
(d) Deferred tax assets (net)	0.00	0.00
(e) Long-term loans and advances	0.00	0.00
(f) Other non-current assets	0.00	0.00
<b>Sun-total – Non-current assets</b>	<b>472.28</b>	<b>495.80</b>
<b>2. Current assets</b>		
(a) Current investments	0.00	0.00
(b) Inventories	91.98	92.03
(c) Trade receivables	0.00	0.00
(d) Cash and cash equivalents	3.70	1.73
(e) Short-term loans and advances	27.41	24.41
(f) Other current assets	1.58	3.98
<b>Sub-total-Current assets</b>	<b>124.67</b>	<b>122.15</b>
<b>TOTAL ASSETS</b>	<b>596.95</b>	<b>617.95</b>

By the order of the Board

PLACE: MANIPAL  
 DATE : 30th May 2016



T Narayan M Pai  
 Managing Director

T Sanjay Pai  
 Chief Finance Officer





**Notes to Audited Financial Results for the quarter ended 31st March 2016 (as submitted to Bombay Stock Exchange Under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015)**

1 The figures of the last quarter ending March 31st, 2016 are the balancing figures between the audited figures in respect of the full financial year upto March 31st 2016 and the unaudited year to date figures upto December 31st, 2015 being the third quarter of the Financial Year which were subjected to limited review.

These figures are to be read together with the Notes to Financial statements and accounting policies as per the audited Financial Statements as at March 31st 2016 and audit report thereto.

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 30.05.2016 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. 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.2536.79 lakhs as on 31st March 2016.

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 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 31st March 2016 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 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, if any under the head "Exceptional Item".

9 During the Twelve Months period ending 31st March 2016, the Company has made good recoveries in doubtful dues, which has resulted in reversal of provisions, as detailed in SL.No.7 read with Item A of the statement. Accordingly and also on account of "Interest write back" as detailed in Note 4 above & Bad Debts recovered as detailed in SI No 9 read with Item B of the statement, the result of the Company for the Current Twelve 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 Twelve months period under review, if the income as aforesaid were not earned.

10 The Classification/Disclosure of items in the statement are in accordance with the Schedule III of the Companies Act, 2013.


11 The Audited Statement of assets and liabilities as of 31st March 2016 given as annexure.

12 The figures for the previous period are regrouped, rearranged and reclassified wherever necessary.

For and on behalf of Board of Directors

Place: Manipal  
Date: 30/05/2016



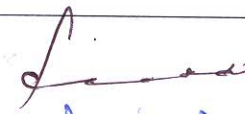
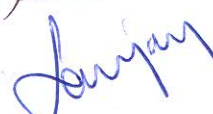



  
T Narayana M Pai  
Managing Director  
DIN- 00101633

  
T Sanjay Pai  
Chief Finance Officer



FORM B

(For Audit Report with modified opinion on Annual Financial Statements)

1.	Name of the Company	Manipal Finance Corporation Ltd CIN : L65910KA1984PLC005988
2.	Annual financial statements for the year ended	31 <sup>st</sup> March 2016
3.	Type of Audit qualification	Qualified Opinion
4.	Frequency of qualification	Same as qualified last year. (Sl.No.1 of the annexure is repetitive since 1999-2000 and Sl.No.2 of the annexure is repetitive since 2003-04 with some modifications on year to year basis).
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the Directors Report.	Reference to Notes to Accounts: Note 23.02 & 5.01 of Notes to Accounts of the Audited Financial Statement for the year ended 31 <sup>st</sup> March, 2016.
6.	Additional comments from the board/audit committee chair	-do-
7.	To be signed by <ul style="list-style-type: none"> <li>• CEO/ Managing Director</li> <li>• CFO</li> <li>• Auditor of the company</li> <li>• Audit Committee Chairman</li> </ul>	<ul style="list-style-type: none"> <li>✓ </li> <li>✓ </li> <li>✓ </li> <li>✓ </li> </ul> 

For Manipal Finance Corporation Limited

  
T Narayan M Pai (DIN 00101633)  
Managing Director

  
Chairman of Audit Committee / CFO



For Pai Nayak & Associates

Chartered Accountants  
Firm Registration No.009090S

  
CA Ammunje Venkatesh Nayak  
Partner  
Membership No.204685



Place : Manipal  
Date : 30/05/2016

Place: Manipal  
Date: 30/05/2016



Extract from Auditors Report to the Members of Manipal Finance Corporation Ltd.

**Basis for the qualified opinion:**

1. We draw attention to Note No.23.02 of the financial statements. The Company has incurred losses and its majority of funds are blocked in Non Performing Assets, raising a doubt about the Company to continue as a going concern. The Company has presented a scheme of arrangement for restructure of liabilities as detailed in Note No.5.01 of the financial statements and subsequently withdrawn the same, for reasons given therein. The Company is exploring the possibility of presenting the new scheme of arrangement, as detailed in the aforesaid Notes. The account, however have been prepared on a "going concern basis" in view of management perception as detailed in Note No.23.02 as aforesaid. However we are unable to comment on the ultimate reliability 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.)

2. We draw the attention to Note 5.01 of the Financial Statements. The Company has stopped (i) repayment of matured debentures & matured subordinated debts and (ii) payment of interest on debentures and subordinated debts from 1<sup>st</sup> day of July 2002 and proposed a scheme of arrangement before the Hon'ble High Court of Karnataka, as referred to in the aforesaid Note (which is since withdrawn and we are informed that 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 from the aforesaid date. All the debts of the Company i.e debentures, subordinated debts and deposits are matured for repayment. The Company has provided for interest on deposits/debentures/debts upto 30<sup>th</sup> June 2002 and not thereafter.

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. We are also informed that 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.

As per the information given to us various consumer courts (including the 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 detailed information on these orders have not been made available to us. However we are informed that 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 such persons have approached the Company for settlement,

We draw the attention to the Statement made by the Management of the Company in note no. 5.01 of the Financial Statement which is as follows: "Considering the facts that the Company has settled the dues of depositors/debenture holders/debt holders at the discounted rates as stated above, that the remaining customers have approached the Company for settlement of their dues, that the orders issued by the various consumer courts including the appellate authorities/courts therein, that the Company has settled the many of such consumer court cases, that the total debts of the Company have reduced considerably because of settlement as aforesaid and that the Company is exploring the possibility of framing the new scheme of arrangement, it is not feasible for the Company to ascertain accurately its liability on any given date".

Considering all the facts as given above, we qualify our opinion that it is not feasible for us to ascertain accurately the liability of the Company as on the date of the Balance Sheet.

**For MANIPAL FINANCE CORPORATION LTD.**

  
**Managing Director**





**Auditor's Report on Quarterly Financial Results and Year to Date Results of the Company  
Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure  
Requirements) Regulations, 2015**

To,  
Board of Directors of Manipal Finance Corporation Ltd

We have audited the quarterly financial results of Manipal Finance Corporation Ltd. ('the Company') for the quarter ended 31<sup>st</sup> March 2016 and the year to date financial results for the period 1st April 2015 to 31<sup>st</sup> March 2016 attached herewith being submitted by the company pursuant to requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have 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 principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

**Basis for qualified opinion:**

*We draw attention to Note No.5 of the 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.)*

*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 financial results.*

**Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us these *except for the effect of the matter described in the Basis of Qualified Opinion paragraph*, quarterly financial results as well as the year to date financial results:

*A. Nayak*  
20/05/2016

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- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (ii) give a true and fair view of the net profit and other financial information for the quarter ended 31<sup>st</sup> March 2016 and the year to date results for the period 1st April 2015 to 31<sup>st</sup> March 2016.

**Other Matters:**

- a. Interest write back on Deposits/Debentures/Debt on settlement with depositors/Debenture/Debt holders for the three/twelve months ending 31st March 2016 is considered in the above Statement as extraordinary item and details are given against SI no. 13 of the financial results. The principal portion written back on such settlement is being directly taken to Balance Sheet as Capital Reserve as detailed in Item C of the results. Our opinion is not qualified in this matter.
- b. The results of the Company for the Year ending 31st March 2016 shows profit on account of Provisions written back, Exceptional Income and extra ordinary income, as detailed in SI No. 7, 9 & 13 of the Financial Results read together with Note No. 4 and 9 of the aforesaid results. The Company would have incurred loss, for the Year under review, if the income as aforesaid were not earned. Our opinion is not qualified in this matter.
- c. This report is furnished solely for the purpose of filing with Stock Exchanges (s) in India as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. It is not to be used for any other purpose or referred to any other document, or distributed to anyone.

Issued to the Board of Directors of Manipal Finance Corporation Ltd

For Pai Nayak & Associates  
Chartered Accountants  
Firm Reg.No.009090S



*Ammunje Venkatesh Nayak*

CA Ammunje Venkatesh Nayak  
Partner  
Membership No.204685

Place: UDUPI  
Date: 30<sup>th</sup> May 2016