

56th

Annual Report

2018 – 2019



Manipal Industries Ltd.

Regd. Office: Manipal House, Manipal – 576 104, Karnataka



Manipal Industries Limited

Directors:

Sri T. ASHOK PAI
Sri T. RAJESH PAI
Sri NAGARAJ ACHAR
Sri KRISHNARAJ RAO

Technical Director

Sri T. HARISH PAI

Registered Office:

MANIPAL HOUSE
MANIPAL – 576 104
(KARNATAKA STATE)
CIN: U45201KA1961PLC001430
Phone: 0820-2575949 Fax: 2575910 Email: milmanipal@msn.com

Units:

GENERAL CONSTRUCTION COMPANY
WESTERN ROADWAYS
MARKETING DIVISION

Branches:

MANGALORE
UDUPI

Bankers:

SYNDICATE BANK
HDFC BANK LTD.
MANIPAL CO-OPERATIVE BANK LTD.
ICICI BANK LTD.
IDBI BANK LTD.
AXIS BANK LTD.
ABHYUDAYA CO-OP. BANK LTD.

Auditors:

M/s PAI NAYAK & ASSOCIATES
Chartered Accountants
Raaj Towers
Near City Bus Stand
UDUPI – 576 101



NOTICE

NOTICE is hereby given that the 56th ANNUAL GENERAL MEETING of the members of MANIPAL INDUSTRIES LTD., will be held on Monday, the 30th September, 2019 at 4.00 p.m. at the Company's Regd. Office: "Manipal House", Manipal – 576 104 Udupi District, Karnataka, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2019 and Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on the Equity Shares.
3. To appoint a Director in place of Sri T. Ashok Pai (DIN: 00104379) who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Sri Krishnaraj Rao (DIN: 02677442) who retires by rotation and being eligible, offers himself for reappointment.
5. To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and all other applicable provisions of the Companies Act, 2013 (the "Act") read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s Pai Nayak & Associates, Chartered Accountants (Firm Registration No. 009090S), be and are hereby re-appointed as the Statutory Auditors of the Company to hold office till the conclusion of the 61st AGM to be held in the calendar year 2024 and that the Board of Directors be and is hereby authorised to fix the remuneration payable to them for each year as may be agreed upon between the auditors and the Board of Directors."

By Order of the Board

Registered Office:

'Manipal House'

Manipal – 576 104

28th August, 2019

Sd/-

(T. Harish Pai)

Technical Director

DIN: 00332817

Notes:

1. The Register of Members and Share Transfer Books of the Company will remain closed from 24.09.2019 to 30.09.2019 (both the days inclusive).
2. The dividend for the financial year ended March 31, 2019, as recommended by the Board, if approved by the members, will be paid on or after 05.10.2019 to those members whose name appear in the Company's Register of Members as on Book Closure dates.
3. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received by the company not later than forty eight (48) hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.
A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
4. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of Folio No.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
6. Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.



7. Corporate Members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorising their representative(s) to attend and vote on their behalf at the Meeting.
8. The Ministry of Corporate Affairs ('MCA') has notified provisions relating to unpaid/unclaimed dividend under Sections 124 and 125 of Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these Rules, dividends which are not encashed/claimed by the shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund (IEPF) Authority. The new IEPF Rules mandate the companies to transfer the shares of shareholders whose dividends remain unpaid/unclaimed for a period of seven consecutive years to the demat account of IEPF Authority. Hence, the Company urges all the shareholders to encash/claim their respective dividend during the prescribed period. The details of the unpaid/unclaimed dividend amounts lying with the Company as on September 29, 2018 are available on Ministry of Corporate Affairs' website. The shareholders whose dividend/shares as transferred/ may transfer to the IEPF Authority can claim their shares from the Authority by following the Refund Procedure as detailed at the website of IEPF Authority <http://iepf.gov.in/IEPFA/refund.html>. Members who have not encashed their dividend pertaining to Financial Year 2012-13 onwards are requested to write to the Company immediately claiming dividends declared by the Company. Members are requested to contact the Company at its Registered Office Address to encash the unclaimed dividend.
9. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 27.09.2019 at 9.30 a.m. and ends on 29.09.2019 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date (record date) of 23.09.2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or Company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required

to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
 - (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 - (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
 - (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
 - (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
 - (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
 - (xx) Note for Non-Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Therefore, members are required to submit their PAN to the Company.
11. Members holding shares in single name and in physical form are advised to make a nomination in Form SH-13 in respect of their shareholding in the Company.

By Order of the Board

Registered Office:
'Manipal House'
Manipal – 576 104
28th August, 2019

Sd/-
(T. Harish Pai)
Technical Director
DIN: 00332817



BOARD'S REPORT

To,

The Members,

Your Directors have pleasure in presenting their 56th Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2019.

1. Financial summary or highlights/Performance of the Company (Standalone):

The following table brings out the financial performance of the Company during the F.Y. 2018-19:

(Rs. Lakhs)

Particulars	2018-2019	2017-2018
Total Revenue	5360.37	4711.17
Profit Before Finance Costs and Depreciation	116.61	145.01
Finance Costs	4.43	3.58
Depreciation	6.75	6.67
Net Profit Before Tax	105.43	134.76
Provision for Current Tax & Deferred Tax	28.73	37.08
Net Profit After Tax	76.70	100.68
Balance of Profit brought forward	624.16	554.44
Balance available for appropriation	700.86	655.13
Dividend paid on Equity Shares (2017-18)	17.42	17.42
Tax on Dividend paid	3.58	3.55
Transfer to General Reserve	10.00	10.00
Surplus carried to Balance Sheet	669.86	624.16

Proposed dividend for the current year : Refer Para 4 below.

2. Brief description of the Company's working during the year/State of Company's affair:

Your Directors are pleased to state that your Company has shown good performance during the year under report. The Profit before Exceptional and Extraordinary Items, Tax and provisions is Rs.105.22 Lakhs in comparison with Rs.133.16 Lakhs in the immediate previous year. All the divisions have registered satisfactory results.

3. Change in the nature of business, if any:

The Company's nature of business is not changed.

4. Dividend:

Your Directors are happy to recommend a dividend of 10% on the paid-up capital of the company. The gross outflow of account of dividend will be Rs.21.00 Lakhs.

5. Reserves:

During the year the Company has transferred an amount of Rs.10.00 Lakhs to General Reserve Account.

6. Change of Name:

The Company has not changed its name.

7. Directors and Key Managerial Personnel:

Sri T. Ashok Pai (DIN: 00104379) and Sri Krishnaraj Rao (DIN: 02677442) Directors retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment. Details of remuneration paid to the Directors and Key Managerial Personnel are given in Form MGT-9 Forming Part of the Directors' Report.

8. Particulars of Employees:

During the year under review, the Company had no employees whose remuneration exceeded the limit prescribed pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Particulars of top ten employees of the Company, in terms of remuneration drawn during the year 2018-19 presented as an Annexure to the Director's Report during the Board meeting is preserved separately and the same will be furnished to any shareholder on request made to the Company in writing.

9. Meetings:

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year four Board Meetings were convened and held on 30.06.2018, 28.08.2018, 15.12.2018 and 30.03.2019. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

10. Declaration by an Independent Director(s) and reappointment, if any:

The Provisions of Section 149 pertaining to appointment of Independent Directors do not apply to our Company.

11. Details of Subsidiary/Joint Ventures/Associate Companies:

The Consolidated Financial Statements of the Company and its subsidiaries and associates, prepared in accordance with Accounting Standard 21 and 23 of Companies (Accounting Standards) Rules 2006, form part of the Annual Report and are reflected in the Consolidated Financial Statements of the Company.

The Annual Accounts of the subsidiaries/associates and related detailed information will be kept at the Registered Office of the Company, as also at the registered offices of the respective subsidiary/associate companies and will be available to investors seeking information at any time.

Salient features of financial statements of subsidiary/associate companies pursuant to Section 129(3) of the Companies Act, 2013 have been covered in the Financial Statements in Form AOC- 1.

12. Auditors:

The Auditors, M/s Pai Nayak & Associates, Chartered Accountants, Udupi (Firm Regn. No. 009090S), retire at the ensuing Annual General Meeting and, being eligible; offer themselves for reappointment for a period of 5 years to hold office till the conclusion of the 61st Annual General Meeting to be held in the Calendar year 2024.

13. Auditors' Report:

The Independent Auditors' Report does not contain any qualification/observations. However, observations made by the Auditors under Emphasis of Matter/other matters of Report on Consolidated Financial Statement are self explanatory, read with Notes to Financial Statement mentioned therein.

14. Risk Management:

Your Company recognises that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner.

Your Company through its risk management process strives to contain impact and likelihood of the risks from time to time.

15. Extract of Annual Return:

As required pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 as a part of this Annual Report is attached to this Report.

16. Related Party Transactions:

All related party transactions that were entered into were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of Companies Act, 2013 ("the Act"). There were no materially significant Related Party Transactions made by the Company during the year that would have required.

Form AOC-2 pursuant to Clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 is annexed herewith.

17. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

The company did not have any activity in relation to conservation of energy or technology absorption. The company had no foreign exchange earnings or outgoings during the year under report.

18. Corporate Social Responsibility (CSR):

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

19. Directors' Responsibility Statement:

Your Directors hereby report in terms of Clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, that:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors have prepared the annual accounts on a going concern basis; and
- (e) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

20. Transfer of Amounts to Investor Education and Protection Fund:

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

Pursuant to the provisions of the Investor Education Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has already filed the necessary form and



Manipal Industries Limited

uploaded the details of unpaid and unclaimed amounts lying with the Company, as on the date of last AGM (i.e. 29.9.2018), with the Ministry of Corporate Affairs.

21. Particulars of Loans, Guarantees, Securities or Investments under Section 186:

Particulars of Investments and loan made by the Company are provided in the financial statements vide Note Nos. 9A and 13 read with sub-notes therein respectively.

The Company has not given guarantee or provided any securities as covered under the provisions of Section 186 of the Companies Act, 2013.

22. General:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
4. Loans, guarantees or investments under Section 186.
5. Whole-Time Director of the Company did not receive any remuneration or commission from its subsidiaries.
6. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and company's operations in future.
7. Your Directors further state that during the year under review there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

23. Conservation of Energy, Technology Absorption: Nil

24. Foreign Exchange Earnings and Outgo: Nil

25. Acknowledgements:

Your Directors wish to place on record their appreciation and deep sense of gratitude to the Shareholders, Bankers, Customers and Government Departments for the support and co-operation extended to the Company. The Directors also wish to place on record their deep sense of appreciation for the wholehearted and committed efforts put in by members of staff at all level for their valuable co-operation, dedication and loyalty during the year under review.

Place : Manipal
Date : 28th August, 2019

Sd/-
T. Harish Pai
Technical Director
DIN: 00332817

Sd/-
T. Ashok Pai
Director
DIN: 00104379

Form No. MGT – 9

EXTRACT OF ANNUAL RETURN

As on financial year ended 31.03.2019
of

Manipal Industries Ltd.

[Pursuant to Section 92(1) of the Companies Act, 2013 and Rule 11(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

CIN	U45201KA1961PLC001430
Foreign Company Registration Number/GLN	–
Registration Date	23.09.1961
Category/Sub-category of the Co.	–
Address of the Regd. Office & Contact Details	"Manipal House", Manipal – 576 104 Udupi Dist. Ph.0820-2570741
Whether listed Company	No

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sl. No.	Name and Description of main Products/Services	NIC Code of the Product/Service	% to total turnover of the Company
1.	Civil Constructions	–	32%
2.	Trading in Electrical Goods and Petroleum Products	–	68%



III. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
a) Individual/HUF	–	160365	160365	7.13	–	160365	160365	7.13	–
b) Central Govt.	–	–	–	–	–	–	–	–	–
c) State Govt.(s)	–	–	–	–	–	–	–	–	–
d) Bodies Corp.	–	17420	17420	0.77	–	17420	17420	0.77	–
e) Banks/FI	–	–	–	–	–	–	–	–	–
f) Any other: Educational Institutions/Trust	–	1602245	1602245	71.28	–	1602245	1602245	71.28	–
Total shareholding of Promoter (A)	–	1780030	1780030	79.18	–	1780030	1780030	79.18	–
B. Public Shareholding									
1. Institutions	–	–	–	–	–	–	–	–	–
a) Mutual Funds	–	–	–	–	–	–	–	–	–
b) Banks/FI	–	–	–	–	–	–	–	–	–
c) Central Govt.	–	–	–	–	–	–	–	–	–
d) State Govt.(s)	–	–	–	–	–	–	–	–	–
e) Venture Capital Funds	–	–	–	–	–	–	–	–	–
f) Insurance Companies	–	–	–	–	–	–	–	–	–
g) FIs	–	–	–	–	–	–	–	–	–
h) Foreign Venture Capital Funds	–	–	–	–	–	–	–	–	–
i) Others (specify)	–	–	–	–	–	–	–	–	–
Sub-total (B)(1):	–	–	–	–	–	–	–	–	–
2. Non-Institutions									
a) Bodies Corp.	–	–	–	–	–	–	–	–	–
i) Indian	–	60000	60000	2.67	–	60000	60000	2.67	–
ii) Overseas	–	–	–	–	–	–	–	–	–
b) Individuals	–	–	–	–	–	–	–	–	–
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	–	354952	354952	15.79	–	354952	354952	15.79	–
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	–	52848	52848	2.36	–	52848	52848	2.36	–
c) Others (specify)	–	–	–	–	–	–	–	–	–
Non Resident Indians	–	–	–	–	–	–	–	–	–
Overseas Corporate Bodies	–	–	–	–	–	–	–	–	–
Foreign Nationals	–	–	–	–	–	–	–	–	–
Clearing Members	–	–	–	–	–	–	–	–	–



Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Trusts									—
Foreign Bodies - D R									—
Sub-total (B)(2):-	—	468040	468040	20.82	—	468040	468040	20.82	—
Total Public Shareholding (B)= (B)(1)+ (B)(2)	—	468040	468040	20.82	—	468040	468040	20.82	—
C. Shares held by Custodian for GDRs & ADRs	—	—	—	—	—	—	—	—	—
Grand Total (A+B+C)	—	2247830	2247830	100	—	2247830	2247830	100	—

A. Shareholding of Promoters:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share-holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1.	Sharath Investments Ltd.	12800	0.57	—	12800	0.57	—	—
2.	Manipal Printers & Publishers Ltd.	4600	0.20	—	4600	0.20	—	—
3.	Savoy Agencies (P.) Ltd.	20	0.00	—	20	0.00	—	—
4.	Academy of General Education	1452005	64.60	—	1452005	64.60	—	—
5.	Kanakabhishek Trust Fund	11000	0.49	—	11000	0.49	—	—
6.	Academy school of Music and Fine Arts	11550	0.51	—	11550	0.51	—	—
7.	Teaching Fraternity	67230	2.99	—	67230	2.99	—	—
8.	TMA Pai Foundation	30000	1.33	—	30000	1.33	—	—
9.	The Manipal High School	460	0.02	—	460	0.02	—	—
10.	Usha	8933	0.39	—	8933	0.39	—	—
11.	Kusuma P. Pai	15480	0.68	—	15480	0.68	—	—
12.	Vasanti R. Shenoy	14275	0.63	—	14275	0.63	—	—
13.	Suniti P. Nayak	10235	0.45	—	10235	0.45	—	—
14.	Indumathi Bai	9150	0.40	—	9150	0.40	—	—
15.	Asha Pai T.	24250	1.07	—	24250	1.07	—	—
16.	Vijayalaxmi N. Pai	13175	0.58	—	13175	0.58	—	—
17.	T. Narayan M. Pai	20595	0.91	—	20595	0.91	—	—
18.	Mohandas Pai T.	1305	0.05	—	1305	0.05	—	—
19.	T. Rajesh Pai	6213	0.28	—	6213	0.28	—	—
20.	Shanthi R. Pai	3500	0.15	—	3500	0.15	—	—
21.	Asha S. Pai	1660	0.07	—	1660	0.07	—	—
22.	Ashok Pai T.	7475	0.33	—	7475	0.33	—	—
23.	T. Harish Pai	4173	0.18	—	4173	0.18	—	—
24.	Jayanthi R. Pai	5135	0.22	—	5135	0.22	—	—
25.	T. Ramdas Pai	3305	0.14	—	3305	0.14	—	—
26.	Alka Pai T.	80	0.00	—	80	0.00	—	—



Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	
27.	K. Mohan Kamath	500	0.02	—	500	0.02	—	—
28.	Ranjan R. Pai	3985	0.17	—	3985	0.17	—	—
29.	Sanjay N. Pai	233	0.01	—	233	0.01	—	—
30.	Neeta N. Pai	233	0.01	—	233	0.01	—	—
31.	Sunil N. Pai	232	0.01	—	232	0.01	—	—
32.	Sachin A. Pai	233	0.01	—	233	0.01	—	—
33.	Madhav A. Pai	233	0.01	—	233	0.01	—	—
34.	Vindhya Pai	232	0.01	—	232	0.01	—	—
35.	Ranjana Shenoy Nathan	555	0.02	—	555	0.02	—	—
36.	Indumathi B. Pai	555	0.02	—	555	0.02	—	—
37.	Asha K. Pai	555	0.02	—	555	0.02	—	—
38.	Radhika Pai T.	140	0.00	—	140	0.00	—	—
39.	T. Satish U. Pai	2740	0.12	—	2740	0.12	—	—
40.	Nagaraj Achar	500	0.02	—	500	0.02	—	—
41.	Krishnaraj Rao	500	0.02	—	500	0.02	—	—

B. Change in Promoters' Shareholding: There is no change in promoters shareholding.

C. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	V. M. Salgaokar & Bros. Pvt. Ltd., Goa	50000	2.24	50000	2.24
2.	V. S. Dempo & Co. Pvt. Ltd., Panaji, Goa	10000	0.45	10000	0.45
3.	Hindu Higher Primary School, Udipi	7340	0.32	7340	0.32
4.	Hemavathi V. Heggade, Dharmasthala	3500	0.16	3500	0.16
5.	Ratnakar S. Pai, Mumbai	2440	0.10	2440	0.10
6.	Geeta B. Prabhu, Bangalore	2310	0.10	2310	0.10
7.	Indra Kumar Bagri, Kolkatta	1980	0.09	1980	0.09
8.	Gopalakrishna Pai B., Bangalore	2060	0.09	2060	0.09
9.	A. Janardhan Shetty, Mangalore	2000	0.09	2000	0.09
10.	Raghuveer Shenoy Balkunje, Manipal	1778	0.07	1778	0.07
		83408	3.71	83408	3.71

D. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Shareholding of Each of Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	At the beginning of the year	19361	0.86	19361	0.86
2.	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.):	—	—	—	—
3.	At the end of the year	19361	0.86	19361	0.86



E. Indebtedness:

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans excluding deposits Rs.	Unsecured Loans	Deposits	Total Indebtedness Rs.
Indebtedness at the beginning of the financial year				
i) Principal Amount (<i>Bank OD A/c balance</i>)	39,73,045	—	—	39,73,045
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	39,73,045	—	—	39,73,045
Change in Indebtedness during the financial year				
• Addition	93,94,881	—	—	93,94,881
• Reduction	(39,17,189)	—	—	(39,17,189)
Net Change	54,77,692	—	—	54,77,692
Indebtedness at the end of the financial year				
i) Principal Amount	94,50,737	—	—	94,50,737
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	94,50,737	—	—	94,50,737

IV. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Technical Director/Whole-time Directors:

Sl. No.	Particulars of Remuneration	T. Harish Pai	Total Amount
		Rs.	Rs.
1.	Gross salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	12,40,000	12,40,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	28,800	28,800
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961		
2.	Stock Option	—	—
3.	Sweat Equity	—	—
4.	Commission	—	—
	— as % of profit	—	—
	— others, specify	—	—
5.	Others, please specify		
	PF contribution:	93,000	93,000
	Medicare:	17,660	17,660
	Accident Insurance:	4,488	4,488
	Total (A)	13,83,948	13,83,948
	Ceiling as per the Act	—	—

B. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount
1.	1. Independent Directors	Nagaraj Achar	Krishnaraj Rao	
	• Fee for attending board/committee meetings	Rs.3,000	Rs.3,000	Rs.6,000
	• Commission	—	—	—
	• Others, please specify	—	—	—
2.	Total (1)	Rs.3,000	Rs.3,000	Rs.6,000
3.	2. Other Non-Executive Directors	T. Ashok Pai	T. Rajesh Pai	
	• Fee for attending board/committee meetings	Rs.3,000	Rs.1,500	Rs.4,500
	• Commission	—	—	—
	• Others, please specify	—	—	—
4.	Total (2)	Rs.3,000	Rs.1,500	Rs.4,500
5.	Total (B)=(1+2)	Rs.10,500	—	Rs.10,500
6.	Total Managerial Remuneration (A+B)	—	—	Rs.13,94,448

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTd: Not Applicable

V. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding A	—	—	—	—	—
B. DIRECTORS					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding B	—	—	—	—	—
C. OTHER OFFICERS IN DEFAULT					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—

Salient features of Financial Statements of Subsidiary/ Associate Companies as per Companies Act, 2013

Sl. No.	Name of the Subsidiary/ Associates	Financial Year Ending on	Share Capital	Share Warrants	Share Application Money	Reserves & Surplus	Total Assets	Total Liabilities	Details of Investments (Except in case of investment in subsidiaries)			Turnover (incl. of other Income)	Profit before Tax	Provision for Current & Deferred Tax	Profit after Tax	Proposed Dividend
									Shares	Mutual Funds	Total of Investments					
1.	TVP Consultants Ltd. (Subsidiary)	31.03.2019	24,53,000	Nil	Nil	(1,15,06,326)	16,214	90,69,540	see note below*	Nil	—	26,000	10,301	1,982	8,319	0
2.	Sri Ramakrishna Theatre Ltd. (Associate)	31.03.2019	45,00,000	Nil	Nil	4,47,55,172	5,02,83,648	10,28,476	2,640	Nil	2,640	80,17,018	(8,29,794)	(2,12,900)	(6,16,894)	0

* Note: Investments made Rs.1,33,97,737/- is not disclosed since the company has made full provision for the diminution in the value.

FORM NO. AOC-2

(Pursuant to Clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis: Nil.
2. Details of contracts or arrangements or transactions at Arm's length basis: All related party transactions as covered u/s 188 of the Act were entered into during the period prior to 01.04.2015, except increase in remuneration paid to Smt. Kanchana H. Pai from Rs.1,60,000/- to Rs.2,40,000/- per annum which was made at arm's length basis as per provisions of the Act.



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF MANIPAL INDUSTRIES LIMITED

Report on the Standalone Financial Statements

Opinion

We have audited the Standalone Financial Statements MANIPAL INDUSTRIES LIMITED (CIN: U45201KA1961PLC001430) ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2019, and the Standalone Statement of Profit and Loss, the Standalone Statement of Cash Flows for the year ended on that date, Notes to the Financial Statements and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Companies Accounting Standards Rules prescribed under Section 133 of the Act read with the Companies (Accounting Standards) Rules, 2014, as amended, ("AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Standalone Financial Statements Section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

Other Information (other than the Standalone Financial Statements & Auditors' Report thereon)

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the Standalone Financial Statements and our auditors' report thereon. The Board's Report including Annexures to Board's Report is expected to be made available to us after the date of this auditors' report.

Our opinion on the Standalone Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Board's Report including Annexures to Board's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibility of the Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in

- the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding the independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss, and the Standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31st March, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'.
 - g) With respect to the other matters to be included in Auditors' Report in accordance with the requirements of Section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act and
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.

For **PAI NAYAK & ASSOCIATES**
Chartered Accountants
Firm's Registration No. 009090S

CA ANANTHANARAYANA PAI K.
Partner
Membership No. 024541
UDIN : 19024541AAAACF3567

Place : MANIPAL
Date : 28th August, 2019

**ANNEXURE "A" TO INDEPENDENT AUDITOR'S REPORT
ON STANDALONE FINANCIAL STATEMENT
(Issued to Manipal Industries Limited, Manipal for the year ending 31st March, 2019)
(Referred to in paragraph 1 of our report of even date under the Heading
"Report on other Legal and Regulatory Requirements")**

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) The fixed assets of the Company have been physically verified by the management. In our opinion, the frequency of such verification is reasonable having regard to the size of the Company and the nature of its assets. As explained to us, no material discrepancies were noticed on such verification.



- (c) According to the information and explanations given to us and on the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings, are held in the name of the Company as at the balance sheet date. The original title deeds in respect of immovable properties of land and buildings, whose title deeds have been pledged as security for borrowings, are lying with the Bankers, as evidenced by the records produced before us and accordingly we have given our report as above, based on the examination of copies of the above said documents.
- ii. According to the information and explanations given to us, the inventories have been physically verified by the management during the year. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
- iii. According to the information and explanations given to us and on the basis of our examination of the books of account, during the year under audit, the Company has not granted secured or unsecured loan to, Companies, Firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. However the Company during the earlier year/s has made interest free advance to its wholly owned subsidiary Company as detailed in note 13 of the standalone financial statement. The aforesaid amount was advanced without any stipulation as to the period of repayment. The Company has made full provision in the account towards the aforesaid advance during the earlier year/s, for the reasons as stated by the Company vide note 13.03 to standalone financial statement. For the reasons as stated above, the question of making further observations as required under para 3(iii) of the order does not arise.
- iv. According to the information and explanations given to us, the Company has not made any new loans or investments during the year. Therefore the question of making any observations thereon does not arise. However the outstanding balances in investments/loans already made during the earlier year/s are within the limits as provided under Section 186 of the Companies Act, 2013.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits in terms of the provisions of Section 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2014. The management has informed us that there are no orders by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other tribunal, in respect of Deposits. Therefore the paragraph 3(v) of the Order is not applicable to the Company.
- vi. The Central Government has not prescribed maintenance of cost records u/s 148(1) of the Companies Act, 2013 for the Company. Therefore the question of making any comments as required under paragraph 3(vi) of the Order does not arise.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the record of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess, and other material statutory dues (if payable by the Company) have been regularly deposited during the year by the Company with the appropriate authorities.
- (b) According to the records of the Company made available to us and as per the information and explanations given, there are no dues of income tax, sales tax, service tax, goods & service tax, duty of customs, duty of excise, value added tax which have not been deposited on account of any dispute.
- viii. Based on our audit procedure and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of borrowings to banks. Making any comments on repayment of loans to Financial Institutions, Government or repayment of dues to debenture holders does not arise, since no such amounts were outstanding at any time during the year under audit.
- ix. In our opinion and according to the information and explanation given to us, no term loans were availed by the Company during the year and no moneys were raised by the Company by way of initial public offer or further public offer (including debt instruments). Hence, the question of commenting on the purpose for which it was used does not arise.
- x. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year, nor have we been informed of such case by the management.
- xi. According to the information and explanation given to us, the managerial remuneration has been paid with the requisite approvals mandate by the provisions of Section 197 read with Schedule V to the Companies Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 188 of the Act wherever applicable and the details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards. Further, the provisions of Section 177 are not applicable to the Company.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Therefore, the question of compliance with Section 192 of the Companies Act, 2013 does not arise. Accordingly, the paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **PAI NAYAK & ASSOCIATES**
Chartered Accountants
Firm's Registration No. 009090S

Place : MANIPAL
Date : 28th August, 2019

CA ANANTHANARAYANA PAI K.
Partner
Membership No. 024541

ANNEXURE "B" TO INDEPENDENT AUDITOR'S REPORT ON STANDALONE FINANCIAL STATEMENT
(Issued to the Members of Manipal Industries Limited)
Referred to in Paragraph 2(f) under the Heading
"Report on other Legal and Regulatory Requirements" of even date

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **MANIPAL INDUSTRIES LIMITED** ("the Company") as of 31st March, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over financial reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention of timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

Inherent Limitation of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **PAI NAYAK & ASSOCIATES**
Chartered Accountants
 Firm's Registration No. 009090S

Place : MANIPAL
 Date : 28th August, 2019

CA ANANTHANARAYANA PAI K.
Partner
 Membership No. 024541



CIN: U45201KA1961PLC001430

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	Note No.	31.03.2019		31.03.2018	
		Rs.	Rs.	Rs.	Rs.
A. EQUITY AND LIABILITIES:					
1. Shareholders Funds					
a) Share Capital	1	1,74,21,960		1,74,21,960	
b) Reserves & Surplus	2	<u>11,03,99,020</u>	<u>12,78,20,980</u>	<u>10,48,28,868</u>	12,22,50,828
2. Non-Current Liabilities					
a) Long-term provisions	3		34,88,710		26,36,982
3. Current Liabilities					
a) Short-term borrowings	4	94,50,737		39,73,045	
b) Trade Payables					
i) Total outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 5.02)		—		—	
ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	5	63,71,050		44,78,690	
c) Other current liabilities	6	91,07,317		79,08,997	
d) Short-Term Provisions	7	<u>—</u>	<u>2,49,29,104</u>	<u>780</u>	<u>1,63,61,512</u>
TOTAL			<u>15,62,38,794</u>		<u>14,12,49,322</u>
B. ASSETS:					
1. Non-Current Assets					
a) Property, Plant & Equipment Tangible assets	8	69,20,855		61,66,693	
b) Non-current Investments	9A	2,23,27,783		2,23,27,783	
c) Deferred tax assets (Net)	9B	7,48,885		4,78,285	
d) Long-term loans & advances	9C	<u>53,99,681</u>	<u>3,53,97,204</u>	<u>46,40,160</u>	3,36,12,921
2. Current Assets					
a) Inventories	10	1,75,11,103		1,71,75,804	
b) Trade Receivables	11	5,26,15,076		4,40,76,221	
c) Cash and Cash equivalents	12	4,91,12,260		4,38,92,067	
d) Short-term Loans & Advances	13	9,06,456		22,83,244	
e) Other Current Assets	14	<u>6,96,695</u>	<u>12,08,41,590</u>	<u>2,09,065</u>	<u>10,76,36,401</u>
TOTAL			<u>15,62,38,794</u>		<u>14,12,49,322</u>
Corporate Information, Summary of Significant Accounting Policies and Other Disclosures					
26					

The notes 1 to 26 are an integral part of these financial statements.

As per our Report of Even Date
For **PAI NAYAK & ASSOCIATES**
Chartered Accountants
Registration Number: 009090S

Sd/-
T. Ashok Pai
Director
DIN: 00104379

Sd/-
T. Harish Pai
Technical Director
DIN: 00332817

Sd/-
CA ANANTHANARAYANA PAI K.
Partner
Membership No.: 024541

Place : MANIPAL
Date : 28th August, 2019



CIN: U45201KA1961PLC001430

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	Note No.	2018-19		2017-18	
		Rs.	Rs.	Rs.	Rs.
I. REVENUE					
Revenue from Operations	15	53,33,56,437		46,45,19,444	
Other Income	16	26,80,164		65,97,588	
TOTAL REVENUE		53,60,36,601		47,11,17,032	
II. EXPENSES					
Cost of materials consumed	17	7,19,00,486		4,83,52,967	
Purchases	18	34,09,49,084		30,48,58,822	
Changes in inventories of stock in trade	19	(3,35,299)		(30,26,977)	
Employee Benefit Expenses	20	2,67,33,828		2,47,71,976	
Finance Costs	21	4,43,562		3,57,869	
Depreciation	22	6,75,579		6,67,235	
Other Expenses	23	8,51,47,132		8,18,19,285	
TOTAL		52,55,14,372		45,78,01,177	
Profit before Exceptional and Extraordinary items and Tax		1,05,22,229		1,33,15,855	
Exceptional Items : Income (P.Y. Income) (Net)	24	20,950		1,59,926	
Profit before Extraordinary items and Tax		1,05,43,179		1,34,75,781	
Extraordinary items		—		—	
Profit before tax		1,05,43,179		1,34,75,781	
Tax Expense					
Current Income tax		31,41,796		36,43,092	
Income Tax - earlier year/s (reversed)		1,521		(1,69,564)	
		31,43,317		34,73,528	
Less: Deferred Tax Adjustment		(2,70,600)	28,72,717	(66,254)	34,07,274
Profit for the year			76,70,462		1,00,68,507
Earning per Equity Share (Equity Share of Rs. 10/- each)	25				
Basic Earning per share			4.39		5.76
Diluted Earning per Share			3.41		4.48
Corporate Information, Summary of Significant Accounting Policies and Other Disclosures					
	26				

The notes 1 to 26 are an integral part of these financial statements.

As per our Report of Even Date
For **PAI NAYAK & ASSOCIATES**
Chartered Accountants
Registration Number: 009090S

Sd/-
T. Ashok Pai
Director
DIN: 00104379

Sd/-
T. Harish Pai
Technical Director
DIN: 00332817

Sd/-
CA ANANTHANARAYANA PAI K.
Partner
Membership No.: 024541

Place : MANIPAL
Date : 28th August, 2019



CIN: U45201KA1961PLC001430

STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDING 31ST MARCH, 2019

Particulars	2018-19	2017-18
A. CASH FLOW FROM OPERATING ACTIVITIES	Rs.	Rs.
Profit for the year	76,70,462	1,00,68,507
Adjustments:		
Tax Expense	28,72,717	34,07,274
Depreciation	6,75,579	6,67,235
Depreciation prior period adjustment	—	(1,51,426)
Interest Paid	3,39,060	2,84,788
(Profit)/Loss on Sale of Assets (Net)	(8,950)	(8,500)
(Gain)/Loss on Compulsory acquisition of immovable property	—	(36,53,817)
Provision on advance given to TVP reversed	(12,000)	—
Interest Income	(19,77,702)	(22,41,313)
Dividend Income	(11,262)	(11,258)
Provision for gratuity	6,99,586	7,16,072
Operating Profit before working capital changes	1,02,47,490	90,77,562
(Increase)/Decrease in Trade Receivables	(85,38,855)	24,82,944
(Increase)/Decrease in Inventories	(3,35,299)	(19,72,589)
(Increase)/Decrease in Loans & advances & Other Current Assets	12,19,723	1,94,540
Increase/(Decrease) in Trade payables and Other Current Liabilities	30,79,097	12,88,458
Cash generated from operations	56,72,157	1,10,70,915
Less: Income tax paid (Net of Refund)	38,98,278	23,75,820
Cash flow from operating activities (A)	17,73,878	86,95,095
B. CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of Fixed Assets	(14,29,741)	(19,16,784)
Investment in NHA1 bonds	—	(25,00,000)
Compensation received on compulsory acquisition of immovable property	—	36,57,703
Proceeds from sale of Fixed Assets	8,950	8,500
Term Deposit (placed with Bank)/Encashed	15,00,000	(70,00,000)
Interest received	14,90,072	22,38,230
Dividends received	11,262	11,258
Net Cash flow from Investing Activities (B)	15,80,543	(55,01,094)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(Decrease) in Short-Term Borrowings	54,77,692	(4,04,352)
Interest paid	(3,39,060)	(2,84,788)
Dividend paid	(15,78,471)	(15,73,632)
Tax on dividend paid	(3,58,114)	(3,54,670)
Net Cash flow from Financing Activities (C)	32,02,047	(26,17,442)
Net Increase/(Decrease) in Cash & Cash equivalents (A+B+C)	65,56,468	5,76,559
Cash & Cash Equivalents at the beginning of the period	1,65,16,686	1,59,40,127
Cash & Cash Equivalents at the end of the period	2,30,73,154	1,65,16,686

Note: a) Cash Flow Statement is prepared under Indirect Method as prescribed under Accounting Standard 3.

b) Cash Balance of Cash & Cash Equivalents does not include deposit with Scheduled Banks with maturity period beyond 3 months.

c) Previous year's amounts have been arranged, regrouped and reclassified wherever necessary.

The notes 1 to 26 are an integral part of these financial statements.

As per our Report of Even Date
For **PAI NAYAK & ASSOCIATES**
Chartered Accountants
Registration Number: 009090S

Sd/-
T. Ashok Pai
Director
DIN: 00104379

Sd/-
T. Harish Pai
Technical Director
DIN: 00332817

Sd/-
CA ANANTHANARAYANA PAI K.
Partner
Membership No.: 024541

Place : MANIPAL
Date : 28th August, 2019


NOTES TO ACCOUNTS FORMING PART OF THE STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	As at 31.03.2019		As at 31.03.2018	
	Rs.	Rs.	Rs.	Rs.
Note 1: SHARE CAPITAL (also refer Note 1.01 to 1.03 below)				
Authorised:				
1,00,00,000 Equity Shares of Rs.10/- each		10,00,00,000		10,00,00,000
20,00,000 Cumulative Redeemable Preference Shares of Rs.10/- each		2,00,00,000		2,00,00,000
		<u>12,00,00,000</u>		<u>12,00,00,000</u>
Issued:				
50,00,000 (P.Y.: 50,00,000) Equity Shares of Rs.10/- each		5,00,00,000		5,00,00,000
Subscribed and Paid-up:				
10,00,000 (P.Y.: 10,00,000) Equity Shares of Rs.10/- each fully paid		1,00,00,000		1,00,00,000
12,47,830 (P.Y.: 12,47,830) Equity Shares of Rs.10/- each Rs.6/- paid		74,86,980		74,86,980
		<u>1,74,86,980</u>		<u>1,74,86,980</u>
Less: Allotment money and calls-in-arrears from persons other than Directors		65,020		65,020
		<u>1,74,21,960</u>		<u>1,74,21,960</u>

Note 1.01: Reconciliation of number of Equity shares of Rs.10 each

	Number of shares	Amount (Rs.)	Number of shares	Amount (Rs.)
Balance as at the beginning of the year (net of calls in arrears)				
Full paid-up	10,00,000	99,42,560	10,00,000	99,42,560
Rs.6 paid	12,47,830	74,79,400	12,47,830	74,79,400
	<u>22,47,830</u>	<u>1,74,21,960</u>	<u>22,47,830</u>	<u>1,74,21,960</u>
Adjustment during the year	-	-	-	-
Balance as at the end of the year (net of calls in arrears)				
Full paid-up	10,00,000	99,42,560	10,00,000	99,42,560
Rs.6 paid	12,47,830	74,79,400	12,47,830	74,79,400
	<u>22,47,830</u>	<u>1,74,21,960</u>	<u>22,47,830</u>	<u>1,74,21,960</u>

Note 1.02: Rights, preferences and restrictions attached to shares
Equity Shares:

Equity shares have a par value of Rs.10 per share. Each shareholder is eligible for one vote for each share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company (after distribution of all preferential amounts) in proportion to their shareholding and also after considering the paid up value of the shares. The partly paid equity shares are entitled for the dividend at the rate as calculated on the paid up value of the shares.

Preference Shares:

Preference shares have a par value of Rs.10 per share. Shares are cumulative and therefore the shareholders are entitled to carry forward the dividend of a year/s to the forth coming year/s, in case the same is not declared in a year. In the event of liquidation, such shareholders are eligible to receive the face value (after distribution of all preferential amounts) before the distribution of assets to the Equity Shareholders. However the Company has not issued the Preference shares and therefore the question of making any other disclosure does not arise.

Note 1.03: Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Equity shares	As at March 31, 2019		As at March 31, 2018	
	Number of shares	Percentage	Number of shares	Percentage
Academy of General Education, Manipal				
Equity shares of Rs.10 each, Rs.6 paid	11,65,540			
Equity shares of Rs.10 each, fully paid-up	<u>2,86,465</u>	<u>14,52,005</u>	<u>14,52,005</u>	<u>64.60%</u>



NOTES TO ACCOUNTS FORMING PART OF THE STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	As at 31.03.2019		As at 31.03.2018	
	Rs.	Rs.	Rs.	Rs.
Note 2:				
RESERVES AND SURPLUS				
(also refer Note 2.01 to 2.03)				
Capital Reserve		46,95,536		46,95,536
General Reserve				
Opening Balance	1,90,18,737		1,80,18,737	
Add: Transferred during the year	10,00,000	2,00,18,737	10,00,000	1,90,18,737
Securities Premium		1,86,98,500		1,86,98,500
Surplus in Statement of Profit and Loss				
Balance at the beginning of the year	6,24,16,095		5,54,44,454	
Add: Profit for the year	76,70,462		1,00,68,507	
	7,00,86,557		6,55,12,961	
Less: Appropriations (Refer Note 2.02 below)	31,00,310	6,69,86,247	30,96,866	6,24,16,095
		11,03,99,020		10,48,28,868
Note 2.01: Appropriations:				
Equity Dividend paid during the year (Refer Note 2.02)		17,42,196		17,42,196
Tax on Dividend (Refer Note 2.02)		3,58,114		3,54,670
Transfer to General Reserve		10,00,000		10,00,000
		31,00,310		30,96,866

Note 2.02: The Dividend as disclosed in note 2.01 above pertains to the year ending 31st March, 2018. The dividend was declared at the 55th annual general meeting of the Company held on 29th September 2018.

Note 2.03: The rate of dividend proposed on Equity Share for the year ending 31st March, 2019 is 10% (P.Y.:10% prorata) prorata i.e. Rs.1(P.Y. Rs.1) per fully paid up share & Rs.0.60 (P.Y. Rs.0.60) per partly paid up share. Also refer note 26.09.

Note 3:

LONG TERM PROVISIONS

(also refer Note 3.01 and 3.02)

Provision for Leave encashment	23,66,353	22,14,211
Provision for Gratuity	11,22,357	4,22,771
	34,88,710	26,36,982

Note 3.01: The liability in respect of leave encashment: Provision is made on an estimated basis, considering the fact that the amount involved therein is not material.

Note 3.02: Provision for Gratuity represents excess of closing value of obligation over closing fair value of plan assets of the Gratuity Fund maintained by the Life Insurance Corporation of India.

Note 4:

SHORT-TERM BORROWINGS

(also refer Note 4.01 and 4.02)

Working Capital Loans-Secured From Banks:

Against Hypothecation of Inventory	67,856	39,73,045
Against of Term Deposit of Bank	93,82,881	—
	94,50,737	39,73,045

Note 4.01: Working Capital loans against stock/work in progress represents Overdraft facility upto the limit of Rs.95,00,000 against the hypothecation of Term Deposits, Stock in trade and receivables and unregistered equitable mortgage of immovable properties situated at Attavara Village, Mangalore. Working Capital loans against Term Deposit of Bank represents Overdraft facility upto the limit of Rs.1,50,00,000 against the pledge of Term Deposits held with the Bank.

Note 4.02: Interest on working capital loan against hypothecation of inventory is at MCLR+1.25% i.e. 9.75% (P.Y. 9.75%) and interest on overdraft against term deposits is Deposit Rate+2.50%, i.e. varying from 9% to 9.30% (P.Y. Not applicable) as on 31st March, 2019.


NOTES TO ACCOUNTS FORMING PART OF THE STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	As at 31.03.2019		As at 31.03.2018	
	Rs.	Rs.	Rs.	Rs.
Note 5:				
TRADE PAYABLES				
(also refer Note 5.01 and 5.02)				
Micro Enterprises & Small Enterprises				
a) For Goods	-		-	
b) For Services	-	-	-	-
Other than Micro Enterprises & Small Enterprises				
a) For Goods	36,89,518		18,56,229	
b) For Services	26,81,532	63,71,050	26,22,461	44,78,690
		<u>63,71,050</u>		<u>44,78,690</u>

Note 5.01: Trade payables are subject to confirmation by vendors and reconciliation.

Note 5.02: There are no outstanding dues at any time during the year and also at any time during the comparative year, to Micro and Small Enterprises. Accordingly there are no other disclosures required to be made, as required under Para FA to "General Instructions for preparation of Balance Sheet" of Division I of Schedule III to Companies Act, 2013. The status of Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Note 6:
OTHER CURRENT LIABILITIES

Unclaimed dividends	10,39,106	8,75,381
Other payables		
Dealership Deposits	1,71,500	71,500
Statutory Dues payable	42,42,942	37,01,577
Employee Benefits payable	36,53,769	32,60,539
	<u>91,07,317</u>	<u>79,08,997</u>

Note 7:
SHORT-TERM PROVISIONS

Provision for Current Income tax (net of Tax Paid)	-	780
	<u>-</u>	<u>780</u>



NOTES TO ACCOUNTS FORMING PART OF THE STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2019

NOTE 8 : PROPERTY, PLANT & EQUIPMENT (also refer Note 8.01 to 8.05) (Previous Year figures have been given in brackets)

Asset Description	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	Cost as on 31.03.2018	Additions	Deductions	Cost as on 31.03.2019	Total up to 31.03.2018	Normal Depreciation	Deductions	Total up to 31.03.2019	As on 31.03.2019
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Land-Freehold	12,94,199 (12,98,085)	-	-	12,94,199 (12,94,199)	-	-	-	-	12,94,199 (12,94,199)
Buildings-Freehold	41,72,319 (25,03,547)	12,94,790 (16,68,772)	-	54,67,109 (41,72,319)	15,46,445 (16,54,476)	69,856 (43,395)	-	16,16,301 (15,46,445)	38,50,808 (26,25,874)
Plant & Machinery and Equipments	37,00,179 (37,00,179)	31,600	20,433	37,11,346 (37,00,179)	31,38,829 (29,44,356)	1,75,927 (1,94,473)	20,433	32,94,323 (31,38,829)	4,17,023 (5,61,350)
Furniture & Office Equipments	9,50,832 (9,29,832)	7,965 (21,000)	75,686	8,83,111 (9,50,832)	8,76,243 (8,66,508)	24,671 (9,735)	75,686	8,25,228 (8,76,243)	57,883 (74,589)
Computers	15,77,413 (17,42,373)	23,010 (2,27,012)	67,290	15,33,133 (15,77,413)	13,10,294 (15,52,004)	2,69,244 (1,50,262)	67,290	15,12,248 (13,10,294)	20,885 (2,67,119)
Vehicles	33,94,760 (34,34,708)	72,376	2,195	34,64,941 (33,94,760)	20,51,198 (18,21,776)	1,35,881 (2,69,370)	2,195	21,84,884 (20,51,198)	12,80,057 (13,43,562)
TOTAL	1,50,89,702	14,29,741	1,65,604	1,63,53,839	89,23,009	6,75,579	1,65,604	94,32,984	69,20,855
Previous year	(1,36,08,724)	(19,16,784)	(4,35,806)	(1,50,89,702)	(88,39,120)	(6,67,235)	(5,83,346)	(89,23,009)	(61,66,693)

Note 8.01: Note 26.04 relating to impairment of Assets also forms part of this note.

Note 8.02: Refer Note 4.01 regarding charge on "Property, plant and equipment". Further Building Free hold includes the part of the Building given on rent.

Note 8.03: Borrowing cost capitalised during the year to "Property Plant and Equipment" is Rs.Nil (P. Y.: Rs.Nil).

Note 8.04: Note No. 26.01.C, may also be referred to for the disclosure of accounting policy on Property, Plant and Equipment i.e. measurement, depreciation method, useful life etc.

Note 8.05: During the Comparative year ending 31st March, 2018, the Company had given effect to prior period adjustment with regard to depreciation. Accordingly a sum of Rs.1,51,426 reduced from the depreciation provided on Buildings Free Hold. The same has been disclosed under the sub head "Deduction" of the main head "Depreciation", with the corresponding disclosure in Note 24 of financial statement i.e. exceptional items for that year.


NOTES TO ACCOUNTS FORMING PART OF THE STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	As at 31.03.2019	As at 31.03.2018
	Rs.	Rs.
Note 9A:		
NON CURRENT INVESTMENTS (OTHER THAN TRADE)		
(also refer Note 9A.01 to 9A.06)		
INVESTMENT IN GOVERNMENT SECURITIES		
Bonds of National Highway Authority of India (kept for three years)		
250 (P.Y.: 250) bonds of Rs.10,000/- each (Rate of interest- 5.25% p.a.)	25,00,000	25,00,000
TOTAL	25,00,000	25,00,000
INVESTMENT IN EQUITY INSTRUMENTS AT COST		
(i) Quoted – Fully Paid (other than Trade Investment)		
MANIPAL FINANCE CORPORATION LIMITED		
12,650 (P.Y.: 12,650) Equity Shares of Rs.10/- each	2,63,880	2,63,880
ICDS LIMITED		
48,387 (P. Y. 48,387) Equity Shares of Rs.10/- each	28,41,307	28,41,307
TOTAL	31,05,187	31,05,187
(ii) Unquoted – Fully Paid		
a. In wholly owned Subsidiary Company:		
TVP CONSULTANTS LIMITED		
2,45,300 (P. Y. 2,45,300) Equity Shares of Rs.10/- each	24,53,000	24,53,000
b. In Associate Company:		
SRI RAMAKRISHNA THEATRE LIMITED		
1,39,418 (P. Y. 1,39,418) Equity Shares of Rs.10/- each	1,90,07,432	1,90,07,432
c. Others:		
MANIPAL CO-OPERATIVE BANK LIMITED		
1 (P. Y. 1) Equity Shares of Rs.25/- each	25	25
KARNATAKA RUBBERS LIMITED		
100 (P. Y. 100) Equity Shares of Rs.100/- each	10,000	10,000
MANIPAL HOUSING FINANCE SYNDICATE LIMITED		
10,000 (P. Y. 10,000) Equity Shares of Rs.10/- each	1,00,000	1,00,000
MPL ENTERPRISES LIMITED		
12,096 (P. Y. 12,096) Equity Shares of Rs.10/- each	7,10,326	7,10,326
TOTAL	2,22,80,783	2,22,80,783
(A) + (B) + (C)	2,78,85,970	2,78,85,970
Less: Provision for diminution in the value of Investments	55,58,187	55,58,187
TOTAL	2,23,27,783	2,23,27,783
Note 9A.01: The Company has made due provision for the diminution in the value of the Investments, as a prudential policy adopted by the management. The management is of the opinion that the provisions so made, are adequate which are as follows:		
Quoted:		
A) MANIPAL FINANCE CORPORATION LTD.	2,63,880	2,63,880
B) ICDS LTD.	28,41,307	28,41,307
Total Provisions (Quoted)	31,05,187	31,05,187
Unquoted:		
C) TVP CONSULTANTS LTD. (wholly owned subsidiary Company)	24,53,000	24,53,000
Total Provisions (Unquoted)	24,53,000	24,53,000
Note 9A.02: Also refer Note 13.03 for provision for investment in wholly owned subsidiary Company.		
Note 9A.03: Aggregate amount of quoted investments (before provisions)	31,05,187	31,05,187
Market Value of quoted investments	Refer Note 9A.04	Refer Note 9A.04
Aggregate amount of unquoted investments (before provisions)	2,22,80,783	2,22,80,783
Note 9A.04: Aggregate Market value of Quoted investment is Rs.Nil (P. Y. Rs.Nil) since they are not actively traded.		
Note 9A.05 Refer Note 26.01 D for accounting policy on valuation of investments.		
Note 9A.06 The above is to be considered as disclosure under sub-section 4 of Section 186 of Companies Act, 2013. Also refer note 13 read with Note 13.03 for further disclosure.		
Note 9B:		
DEFERRED TAX ASSET (also refer Note 9B.01 & 9B.02)		
Deferred Tax Assets:		
On Account of Disallowance u/s 43B of Income Tax Act, 1961	7,96,911	7,47,762
Provision for Gratuity	3,12,240	1,17,615
TOTAL	11,09,151	8,65,377
Deferred Tax Liability:		
On Account of Depreciation	3,60,266	3,87,092
Deferred Tax Asset (Liability)(net)	7,48,885	4,78,285
Note 9B.01: As per accounting standard (AS-22) on Accounting for taxes on Income, the major components of deferred tax arising on timing differences are given in the above Note 9B.		
Note 9B.02: Accordingly deferred tax Asset of Rs.2,70,600 (P.Y. Rs.66,254) recognised during the year in the Statement of Profit and Loss.		



NOTES TO ACCOUNTS FORMING PART OF THE STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	2018-19		2017-18	
	Rs.	Rs.	Rs.	Rs.
Note 9C: LONG-TERM LOANS AND ADVANCES (also refer Note 9C.01 and 9C.02)				
Unsecured (considered good)				
Income Tax Refundable		20,30,949		12,76,768
Security deposits		<u>33,68,732</u>		<u>33,63,392</u>
		<u>53,99,681</u>		<u>46,40,160</u>

Note 9C.01: Security deposit represents Rent deposit, Dealership deposit, Electricity deposit, Telephone deposit etc.

Note 9C.02: No Loans or advances are due from directors or other officers of the company either severally or jointly with any other person. Further, no loan or advances are due from firms or private companies in which any director is a partner, a director or member.

Note 10:

INVENTORIES

(also refer Note 10.01)

Stock in Trade	1,75,11,103	1,71,75,804
	<u>1,75,11,103</u>	<u>1,71,75,804</u>

Note 10.01: For method of valuation, refer Note No. 26.01.E under the head Accounting Policies.

Note 11:

TRADE RECEIVABLES (Unsecured & Considered good)

(also refer Note 11.01 and 11.02)

Outstanding more than six months from the due date	6,27,751	4,51,774
Others	<u>5,19,87,325</u>	<u>4,36,24,447</u>
	<u>5,26,15,076</u>	<u>4,40,76,221</u>

Note 11.01: Trade receivables are subject to confirmation by customers and reconciliation.

Note 11.02: No trade receivables are due from directors or other officers of the company either severally or jointly with any other person. Further, no trade receivables are due from firms or private companies in which any director is a partner, a director or a member.

Note 12:

CASH AND CASH EQUIVALENTS

(also refer Note 12.01 and 12.02)

Cash and Cash Equivalents: (As per AS-3 for Cash Flow Statements)

a) Cash in hand	7,57,486		94,838	
b) Cheque and DD's in hand	3,43,051		13,93,877	
c) Balance with Banks				
In Current Account	<u>2,19,72,617</u>	<u>2,30,73,154</u>	<u>1,50,27,971</u>	<u>1,65,16,686</u>
Other Bank Balances				
a) Bank balances earmarked as Unclaimed dividends	10,39,106		8,75,381	
b) Term deposits with banks pledged as Security for working capital loans	<u>2,10,00,000</u>			
c) In other Term Deposit with Scheduled Banks	<u>40,00,000</u>	<u>2,60,39,106</u>	<u>2,65,00,000</u>	<u>2,73,75,381</u>
		<u>4,91,12,260</u>		<u>4,38,92,067</u>

Note 12.01: Cash and Cash Equivalents (As per AS-3 for Cash Flow Statements) does not include term deposits kept, with the maturity period beyond 3 months, earmarked balances with banks and bank deposits held as a margin money or security against borrowings etc.

Note 12.02: The Term Deposits mentioned in "Other Bank Balances" above, represents Term Deposits maturing within 12 months amounting to Rs.2,25,00,000 (P. Y. Rs.25,00,000) and maturing beyond 12 months amounting to Rs.25,00,000 (P. Y. Rs.2,40,00,000) from the date of the Balance Sheet.

Note 13:

SHORT TERM LOANS AND ADVANCES

(also refer Note 13.01 to 13.03)

Unsecured:

Advance to wholly owned Subsidiary Company

Considered Doubtful	90,57,486	90,69,486
Less: Provisions made	<u>90,57,486</u>	<u>90,69,486</u>

Other Advances

Considered Good	9,06,456	22,83,244
	<u>9,06,456</u>	<u>22,83,244</u>

Note 13.01: Other Advances represent security deposits for work, building deposits, departmental deposits and advances made in the ordinary course of business which are not material in nature. These advances are subject to confirmation.

NOTES TO ACCOUNTS FORMING PART OF THE STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	2018-19		2017-18	
	Rs.	Rs.	Rs.	Rs.

Note 13.02: No Loans or advances are due from directors or other officers of the Company either severally or jointly with any other person. Further, no loan or advances are due from firms or private companies in which any director is a partner, a director or a member.

Note 13.03: The Company has also made the advance to the subsidiary Company, M/S TVP Consultants Limited, from time to time, whenever such Company was in need of funds for liquidity and total amount advanced till the date of Balance Sheet is stated in Note 13 above. These amounts were advanced without any stipulation as to period of repayment and also free from charging of interest. The networth of the aforesaid subsidiary Company is fully eroded. For this reason and also on prudential basis, the Company has made the due provision in its account for the advance so made as detailed in note 13 above and also for investment in shares of the subsidiary as detailed in Note 9A.01. The provision made during the year on the aforesaid accounts is Rs.Nil (P. Y. Rs.Nil) and the Provision reversed during the year on account of recovery is Rs.12,000 (P. Y. Rs.Nil) (Refer Note 24). For the reasons as given in this note, the question of taking any further steps to recover the amount does not arise. This is to be considered as disclosure u/s 186(4) of Companies Act, 2013 in addition to disclosure made under note 9A read with note 9A.06.

Note 14:
OTHER CURRENT ASSETS

Unsecured and considered good

Interest Receivable on Bank Deposit, etc.

6,96,695

6,96,695

2,09,065

2,09,065

NOTES TO ACCOUNTS FORMING PART OF STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDING 31ST MARCH, 2019
Note 15:
REVENUE FROM OPERATIONS

(also refer Note 15.01)

Sale of Goods & Services (net of Indirect Taxes)

Sale of Goods less returns

35,87,75,300

32,05,96,708

Construction contract revenue recognised

17,16,56,518

53,04,31,818

14,16,78,649

46,22,75,357

Other Operating Revenue

29,24,619

22,44,087

53,33,56,437

46,45,19,444

Note 15.01: Note No. 18.01 also forms of part of this note, which may be referred to.

Note 16:
OTHER INCOMES

(also refer Note 16.01 & 16.02)

Building Rent

6,91,200

6,91,200

Dividend from Long-term Investments (Non-Trade)

11,262

11,258

Interest Income

19,77,702

22,41,313

Gain on Compulsory acquisition of immovable property

-

36,53,817

26,80,164

65,97,588

Note 16.01: Interest Income represents Interest on Bank & Other deposits/advances and on Income tax refund.

Note 16.02: Income by way of Building Rent as disclosed in the above note, represents rent on immovable property on the cancellable operating lease.

Note 17:
COST OF MATERIAL CONSUMED

(also refer Note 17.01)

Raw Materials Consumed

7,19,00,486

4,83,52,967

7,19,00,486

4,83,52,967

Note: 17.01: Raw Material Consumed as above, represents Construction Materials consumed in execution of Contract work. There are no opening and closing inventory of such items. Accordingly the Purchase of the Construction Materials is Rs.7,19,00,486 (P. Y. Rs.4,83,52,967) considered as Raw Materials Consumed. There are no other materials involved in the above consumption.

Note 18:
PURCHASES

(also refer Note 18.01)

Purchase less returns

34,09,49,084

30,48,58,822

34,09,49,084

30,48,58,822



NOTES TO ACCOUNTS FORMING PART OF STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDING 31ST MARCH, 2019

Note 18.01: Information as to stock, purchase and sales

Amount in Rs.

Sl. No.	Particulars	Opening Stock	Purchases	Sales	Closing Stock
1.	RELATING TO GOODS:				
	Trading Stock:				
	Current Year	1,35,94,991	5,62,55,304	6,33,40,469	1,27,37,145
a. Electrical Items	Previous Year	1,29,65,345	5,75,34,969	6,44,61,587	1,35,94,991
b. Petrol, H S Diesel & Lubricants	Current Year	30,98,938	28,25,70,575	29,28,87,754	39,68,241
	Previous Year	16,18,200	24,53,55,710	25,36,33,054	30,98,938
c. Construction Materials	Current Year	4,81,875	21,23,205	25,47,078	8,05,716
	Previous Year	6,19,670	19,68,143	25,02,067	4,81,875
TOTAL	Current Year	1,71,75,804	34,09,49,084	35,87,75,300	1,75,11,103
	Previous Year	1,52,03,215	30,48,58,822	32,05,96,708	1,71,75,804
2.	RELATING TO SERVICES:				
	Construction contract revenue recognised	Current Year		17,16,56,518	
	Previous Year			14,16,78,649	

Particulars	2018-19	2017-18
	Rs.	Rs.

Note 19:

CHANGES IN INVENTORY OF STOCK IN TRADE

(also refer Note 19.01 and 19.02)

Opening Stock				
Stock in Trade	1,71,75,804		1,52,03,215	
Less: Transitional Input Credit in respect of Excise Duty paid	—	1,71,75,804	10,54,388	1,41,48,827
Closing Stock				
Stock in Trade		1,75,11,103		1,71,75,804
		<u>(3,35,299)</u>		<u>(30,26,977)</u>

Note 19.01: Note 18.01 also forms part of this note, which may be referred to.

Note 20:

EMPLOYEES' BENEFITS EXPENSE

(also refer Note 20.01 and 20.02)

Salaries and Wages, Incentive allowances	1,97,12,999	1,81,73,260
Leave encashment	2,27,659	3,42,743
Bonus	5,66,540	5,42,013
Contribution to Provident and other funds	39,18,023	34,32,275
Gratuity Paid	—	4,22,221
Contribution to ESI	9,07,970	7,55,574
Staff Welfare Expenses	7,01,052	3,87,818
Provision for Gratuity	6,99,586	7,16,072
	<u>2,67,33,828</u>	<u>2,47,71,976</u>

Note 20.01: Disclosure as required under Accounting Standard 15 i.e. Employee benefits is given under Note No. 26.07.

Note 20.02: Provision for Gratuity represents reduction in the value of funded status of the Gratuity Fund maintained by the Life Insurance Corporation of India.

Note 21:

FINANCE COSTS

Interest on Bank Overdraft	3,39,060	2,84,788
Bank Charges	1,04,502	73,081
	<u>4,43,562</u>	<u>3,57,869</u>



NOTES TO ACCOUNTS FORMING PART OF STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDING 31ST MARCH, 2019

Particulars	2018-19		2017-18	
	Rs.	Rs.	Rs.	Rs.
Note 22:				
DEPRECIATION & AMORTIZATION EXPENSES				
Depreciation on Tangible assets (refer Note 8)		6,75,579		6,67,235
		<u>6,75,579</u>		<u>6,67,235</u>

Note 23:

OTHER EXPENSES

(also refer Note 23.01)

Freight Inwards		2,28,207		2,27,909
Wages & Other Constructions Expenses		7,48,52,117		7,33,11,864
Commercial and other Taxes		68,901		1,02,965
Repairs & Maintenance:				
Building Repairs	45,096		1,81,001	
Other Repairs	30,11,428	30,56,524	25,20,237	27,01,238
Payment to Auditor				
Statutory Audit	3,25,000		2,75,000	
Taxation Matters	53,000		81,000	
GST	68,040	4,46,040	64,080	4,20,080
Insurance		1,84,725		1,76,708
Directors' Sitting fees		10,500		9,000
Printing & Stationery		4,13,403		4,19,254
Light & Water Charges		3,11,141		2,86,975
Rent		2,35,750		2,24,100
Rates, Taxes and Filing Fees		1,54,592		1,75,386
Travelling Expenses		50,222		38,314
Telephone Charges		2,72,343		2,61,031
Donation		5,000		5,000
Legal and Professional Charges		19,56,985		10,18,822
Other Expenses		29,00,682		24,40,639
TOTAL		<u>8,51,47,132</u>		<u>8,18,19,285</u>

Note 23.01: Rent as disclosed in the above note, represents rent on immovable property on the cancellable operating lease.

Note 24:

EXCEPTIONAL ITEMS

I. EXCEPTIONAL INCOME:

Profit on sale of Fixed Assets	8,950	8,500
Provision made reversed	12,000	—
Prior period item - Depreciation (Refer Note: 8.05)	—	1,51,426
	<u>20,950</u>	<u>1,59,926</u>

II. EXCEPTIONAL EXPENSES:

NET INCOME	<u>20,950</u>	<u>1,59,926</u>
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NOTES TO ACCOUNTS FORMING PART OF STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDING 31ST MARCH, 2019

Particulars	2018-19		2017-18	
	Rs.	Rs.	Rs.	Rs.
Note 25:				
EARNING PER EQUITY SHARE (Also refer Note 25.01)				
a) Net Profit available for equity shareholders (Used as numerator)	76,70,462		1,00,68,507	
b) Weighted average No. of equity Shares (Used as denominator)	17,48,698		17,48,698	
c) Basic Earnings per share (a/b)	4.39		5.76	
d) No. of equity Shares (diluted) (Used as denominator)	22,47,830		22,47,830	
e) Diluted Earnings per share (a/d)	3.41		4.48	

Note 25.01: There are no extraordinary items and therefore the question of calculating earning per share after adjusting such items does not arise.

NOTES TO STANDALONE BALANCE SHEET & STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDING 31ST MARCH, 2019

Note 26: Corporate Information, Summary of Significant Accounting Policies and Other Disclosures:

Corporate Information:

The Registered office of Manipal Industries Limited (the "Company") is at Manipal (State: Karnataka). The Company is registered as a Public limited Company. The main business of the Company is to undertake and execute civil construction contracts, to trade in electronic goods, Petrol/Diesel, Lubricants and related items etc. The Company is having one wholly owned subsidiary Company i.e. M/s TVP Consultants Limited, having its registered office at Chennai.

Note 26.01 : Accounting Policies:

A. Basis of Accounting and Revenue Recognition:

The Standalone financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 i.e. the Companies (Accounting Standard) Rules 2006 read with Companies (Accounting Standard) Amendment Rules 2016 and the relevant provisions of the Companies Act, 2013.

The accounts are prepared under historical cost convention and all significant items of income and expenditure are accounted on accrual system of accounting. The accounting policies adopted in the preparation of the standalone financial statements are consistent with those followed in the previous year.

Revenue from "Fixed Price" construction contracts recognised under "Percentage of Completion Method", is measured by reference to the percentage of work completed upto the date of the Balance Sheet, to the total value of work for each contract. Work-in-Progress if any, comprises of cost incurred for such contract/s, wherever such work are in the initial stages. Accordingly the amounts due to/from customers for contract work is being arrived at. Such dues are being disclosed as "Trade Receivables" under the head "Current Assets" or as "Advance from Customers", under the head "Current Liabilities" as the case may be.

Revenue from "Sale of Goods" is recognized when significant risks and rewards in respect of ownership are transferred to customers. Income of the nature "Interest" is recognised on the time proportionate method. "Dividend income" is recognised when the unconditional right to receive the income is established. Income by way of "Rent on Building" in respect of cancellable operating lease is recognized on accrual basis over the period of lease.

B. Use of Estimates:

The preparation of standalone financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets & liabilities and disclosure of contingent liabilities at the date of the standalone financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. The difference between the actual results and estimates are being recognised in the period in which the results are known/materialized.

C. Property, Plant and Equipment & Depreciation:

The Company is following "Cost Model" to disclose Property, Plant and Equipment.

Freehold land is carried at historical cost. All other items of 'Property, Plant and Equipment' are stated at historical cost less

accumulated depreciation and accumulated impairment losses if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items such as purchase price, freight, duties and levies. Such cost includes the cost of replacing parts of the 'Property, Plant and Equipment' and the borrowing cost till the date of installation of qualifying asset and any attributable cost of bringing the asset to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

An item of 'Property, Plant and Equipment' and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

Further, when each major inspection is performed, its cost is recognized in the carrying amount of the item of 'Property, Plant and Equipment' as a replacement if the recognition criteria are satisfied. Machinery spares if any, which are specific to a particular item of 'Property, Plant and Equipment' and whose use is expected to be irregular are capitalized as 'Property, Plant and Equipment'.

Spare parts if any, are capitalized when they meet the definition of 'Property, Plant and Equipment' i.e., when the Company intends to use these for more than a period of 12 months.

The Fixed Tangible Assets held by the Company does not involve decommissioning cost and the cost of removal of such assets is not material considering the size of the Company. Considering this aspect, the Company has not made any policies for capitalizing the decommissioning cost.

Depreciation on 'Property, Plant & Equipment' generally is provided on the straight line method over the useful lives of the assets in terms of Schedule II of the Companies Act, 2013. Depreciation for the assets purchased / sold during the period is proportionately charged. Improvements to buildings are amortized over the period of remaining useful life of the building. The residual values, useful lives and methods of depreciation of 'Property, Plant and Equipment' are reviewed at each financial year end and adjusted prospectively, if appropriate and under such circumstances the appropriate disclosure will be made in the notes to accounts.

D. Investments:

Long Term Investments are stated at cost. The Company has the policy of making provisions for diminution in the value of investments to recognize decline, other than temporary. The Company does not own any immovable property held as investments and accordingly has not made any policies for such investments.

E. Inventory:

Stock of Inventory i.e. Raw Materials, Work-in-Progress, Trading materials etc. are valued at lower of cost or net realisable value adopting First in First Out Method (i.e. FIFO). Cost of inventories shall comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost also includes expenses incurred towards wages and other related items. Spare parts which do not meet definition of Property Plant and Equipment, i.e. when the Company intends to use these during the period of 12 months or less, are being considered as Inventory. The FIFO formula assumes that the items of inventory that were purchased or produced first are sold or utilised first, and consequently the items remaining in inventory at the end of the period are those most recently purchased or produced. Cost of work-in-progress (if any) is determined on the basis of cost attributable to the contract.

F. Tax on Income:

The Company has charged off the Current Income Tax to the Statement of Profit and Loss. Deferred Tax Assets/Liabilities recognised/provided are in accordance with the Accounting Standard 22. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date, on the timing differences being the difference between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred Tax Asset is recognised, subject to the considerations of prudence. Deferred tax asset so recognised, is being netted off to deferred tax liability or vice versa. Advance Income Tax Paid (including Tax deducted at source, tax paid on self-assessment or otherwise) and provision for current Income Tax (if any) are presented in the Balance Sheet after setting off the same against each other.

G. Employee Benefits:

The Company's "Retirement Benefit Plan" & "Other Benefit Plans" comprises of Contribution to Provident Fund, Employee State Insurance, and Gratuity and leave encashment.

Contribution to provident fund and Employee State Insurance is being made at pre-determined rates and are charged to the Statement of Profit & Loss. The Company's Liability to Gratuity to employees is covered by Group Gratuity policy of Life Insurance Corporation of India and accordingly the premium paid, is charged to the Statement of Profit & Loss. Deficit/ Surplus of present value of obligations (under Gratuity policy) over the fair value of Gratuity plan asset duly charged/

recognized to the Statement of Profit & Loss, on year to year basis. Provision for leave encashment is being made on estimated basis.

There are no other retirement & employee benefits being provided by the Company.

H. Borrowing Costs:

Borrowing costs are recognized as an expense in the year in which they are incurred except those which are directly attributable to acquisition/construction of qualifying fixed assets (as defined under Accounting Standard 16), till the time such assets are ready for use, in which case the borrowing costs are capitalized as part of the cost of the asset.

I. Contingent Liabilities/Assets:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Provisions not made in the account (which otherwise should have been made) are disclosed by way of appropriate note. Contingent liabilities (if any) are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the standalone Financial Statements.

J. Impairment of Assets:

The Company has framed the policy of impairing the asset, when carrying value of the assets exceeds its recoverable amount, under the circumstances when the Company is having the sources of information (whether internal or external) that an impairment loss may have occurred. Accordingly, impairment losses will be charged to Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment losses recognised in prior accounting periods is reversed if there has been a change in the estimate of the recoverable amount.

K. Earning per Share:

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share, if any, is computed using the weighted average number of equity shares and dilutive potential equity share outstanding during the period except when the results would be anti-dilutive.

L. Lease Transactions:

Rent paid/payable on cancellable operating lease, is charged to the Statement of profit and loss on accrual basis over the term of the lease on straight line basis. Rent received/receivable on the cancellable operating lease, is recognised as income on accrual basis, over the term of the lease on straight line basis.

M. Operating Cycle:

Based on the nature of activities of the Company, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

N. Cash Flow Statement:

The Company has prepared the Cash Flow Statement in compliance with the Section 129 read along with the Section 2(40) of the Companies Act, 2013. Cash flows are reported using the indirect method, whereby profit / (loss) after tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information. Cash comprises cash in hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition) and highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

O. Events occurring after the Balance Sheet Date:

Dividends if any, pertaining to the financial year, but declared after the Balance Sheet, are not recognized as a liability and the same is being disclosed in the notes to accounts.

Note 26.02: Contingent and Other Liability:

The Company has availed the Guarantee from the Bank for the business purposes of Rs.4 Lakhs, against the security of Hypothecation of Term deposits, Stock in Trade and Receivables.

There are no other contingent liabilities as on 31st March, 2019.

Note 26.03: List of related parties with whom the transactions have taken place during the year:

- Subsidiary Company (wholly owned): TVP Consultants Limited, Chennai
- Key Management Personnel: Sri T. Harish Pai, Manipal (the Technical Director)
- Relative of Key Management Personnel: Smt. Kanchana Pai
- Sri Ramakrishna Theatre Limited, Udupi (Associate Company)
- Academy of General Education, Manipal (Major Shareholder)



The details of transactions are as follows:

Particulars	Current Year	Previous Year
	Rs.	Rs.
A. Advances, Deposits and loans to related parties by the Company, which is due as on the Balance Sheet Date Related to Subsidiary Company: TVP Consultants Limited Rs.90,57,486/- (P.Y. Rs.90,69,486) (advance recovered during year Rs.12,000 (P.Y. Rs.Nil)	90,57,486	90,69,486
B. Remuneration Paid during the year (including Management contribution to PF, perquisites etc.) Key Management Personnel : Sri T. Harish Pai Rs.13,83,948/- (P.Y. Rs.10,74,435)	13,83,948	10,74,435
C. Professional charges paid during the year Relative of Key Management Personnel: Smt. Kanchana Pai Rs.2,40,000/- (P.Y. Rs.1,60,000)	2,40,000	1,60,000
D. Construction revenue accrued during the year From Major Share Holder Academy of General Education - Rs.28,96,081/- (P.Y. Rs.17,09,808)	28,96,081	17,09,808
E. Investments held as on the Balance Sheet Date:	2,14,60,432	2,14,60,432
a) In equity shares of Subsidiary Company TVP Consultants Limited 2,45,300 (P.Y. 2,45,300) equity shares of Rs.10 each Rs.24,53,000/- (P.Y. Rs.24,53,000)		
b) In equity shares of Associate Company Sri Ramakrishna Theatre Limited 1,39,418 equity shares of Rs.10 each Rs.1,90,07,432/- (P.Y.: Rs.1,90,07,432)		
F. Total Provisions as on the date of Balance Sheet:	1,15,10,486	1,15,22,486
a) In respect of Investments in Subsidiary Company Rs.24,53,000/- (P.Y. Rs.24,53,000)		
b) Advance to Subsidiary Company: Rs.90,57,486/- (P.Y. Rs.90,69,486) (both the cases: TVP Consultants Limited)		

Note 26.04: The management is of the opinion that the carrying cost of the assets does not exceed its recoverable amount. Further the Company does not have any information whether internal or external, that indicates that "impairment loss may have occurred". Accordingly the question of impairment of assets does not arise.

Note 26.05: The Board is of the opinion that the assets other than Fixed Assets and Non-Current Investments (as included under Note No. 9C to 14) have in the ordinary course of business, value equal to the amount at which they are stated in the Balance Sheet.

Note 26.06: The Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as on 31st March, 2019.

Note 26.07: Employee Benefits

Brief description of the Plans:

- a) The Company has two schemes for long-term benefits namely provident fund and gratuity. In case of funded schemes, the funds are recognized by the Income tax authorities and administered through trustees/appropriate authorities. The Company's defined contribution plan is employees' provident fund (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952) wherein the Company has no further obligation beyond making the contributions.

The Company is also contributing towards Employee State Insurance Plan, as per statutory requirements, wherein the Company has no further obligation beyond making the contributions.

The Company is also providing employee benefit by way of encashment of earned leave. The provision for the same has been made on estimated basis. The amount involved thereon is not material, considering the size of the Company. The Company has not opted for actuarial valuation, considering the cost involved and also the concept of materiality.

The Company's defined benefit plan is gratuity.

- b) Charge to the Statement of Profit and Loss based on contributions:

The Company's contribution to Provident Fund charged to Statement of Profit and Loss during the year is Rs.31,89,059 (P.Y.: Rs.29,79,611) (which includes other charges such administration charges etc.)

The Company's Contribution to Employee State Insurance Plan charged to Statement of Profit and Loss during the year is Rs.9,07,970 (P.Y. Rs.7,55,574).

The details of provision for leave encashment are as under: Provision as on 1st day of April 2018 Rs.22,14,211 (P.Y. Rs.21,88,941). Amount charged to the Statement of profit & loss during the year Rs.2,27,659(P.Y. Rs.3,42,743). Actual payment during the year: Rs.75,517(P.Y. Rs.3,17,473) Provision as on 31st day of March 2019 Rs.23,66,353 (P.Y. Rs.22,14,211).



The amount of premium contributed to LIC of India towards Group Gratuity Premium is Rs.7,22,924 (P.Y. Rs.4,52,664).

- c) Disclosures for defined gratuity benefits plans based on actuarial reports obtained from Life Insurance Corporation of India as on 31.03.2019:

	2018-19	2017-18
1. Principal actuarial assumptions used:		
Discount rate (p.a.)	7.50%	7.50%
Salary Escalation	5.00%	5.00%
	Rs.	Rs.
2. Changes in present value of obligation:		
Opening value of obligations	68,22,411	53,72,867
Current service cost	3,21,010	2,62,713
Interest cost	5,11,681	4,29,829
Actuarial loss/(gain)	10,68,203	8,92,463
Benefits paid	(45,635)	(1,35,461)
Closing value of obligations	86,77,670	68,22,411
3. Changes in Fair Value of Assets:		
Opening fair value of plan assets	63,99,640	56,66,168
Expected/Actual return on plan assets	5,47,320	4,77,176
Contributions by employer	6,53,988	3,91,757
Benefits paid	(45,635)	(1,35,461)
Closing fair value of plan assets	75,55,313	63,99,640
4. Fair value of Assets:		
Fair value of plan assets as at Beginning of the Year	63,99,640	56,66,168
Actual return on plan assets	5,47,320	4,77,176
Contributions	6,53,988	3,91,757
Benefits Paid	(45,635)	(1,35,461)
Fair value of plan assets as at year end	75,55,313	63,99,640
Funded Status	(11,22,357)	(4,22,771)
5. Actuarial Gain/Loss recognized:		
Actuarial (Gain)/Loss on Obligations	(10,68,203)	(8,92,463)
Actuarial (Gain)/Loss for the year – plan assets	Nil	Nil
Actuarial (Gain)/Loss on Obligations	10,68,203	8,92,463
Actuarial (Gain)/Loss recognized in the year	10,68,203	8,92,463
6. Amount Recognized in the Balance Sheet:		
Present value of obligations as at year end	86,77,670	68,22,411
Fair value of plan assets as at year end	75,55,313	63,99,640
Funded Status	(11,22,357)	(4,22,771)
Net asset/(liability) recognized	(11,22,357)	(4,22,771)
7. Expenses Recognized in the Statement of Profit and Loss:		
Current service cost	3,21,010	2,62,713
Interest cost	5,11,681	4,29,829
Expected return on plan assets	(5,47,320)	(4,77,176)
Net actuarial loss/(gain) recognized in the current year	10,68,203	8,92,463
Effect of the limit in Para 59(b) of AS 15	*	*
Total Expense	13,53,574	11,07,829

(*) Information not furnished by Life Insurance Corporation of India.

The Company has written to Life Insurance Corporation of India to furnish information of the Defined Gratuity Benefit Plan, in the manner required under Accounting Standard 15. Accordingly the Life Insurance Corporation of India has given the information as given above, which has been relied by the Auditors.

The Company ceased to be the Small & Medium Sized Company during the financial year 2015-16 and accordingly has recognized the Gratuity Fund Asset (net) from that year. Accordingly the data for defined gratuity benefit obligation and fair value of planned assets are given for three years as below:

Particulars	2018-19 in Rs.	2017-18 in Rs.	2016-17 in Rs.	2015-16 in Rs.
Closing value of obligation	86,77,670	68,22,411	53,72,867	47,17,813
Closing fair value of plan assets	75,55,313	63,99,640	56,66,168	51,11,940
Net (asset)/liability recognized	(11,22,357)	(4,22,771)	2,93,301	3,94,127

Note 26.08: The Company during the year is operating under one geographical segment. Hence, segment reporting on geographical basis is not applicable. However, the Company is operating under two business segments namely Trading and Construction. The business-wise segment reporting is disclosed as below:

		Amount in Rs.		
PARTICULARS		TRADING	CONSTRUCTION	TOTAL
REVENUE				
External	CY	36,16,99,919	17,16,56,518	53,33,56,437
	PY	32,28,40,795	14,16,78,649	46,45,19,444
Internal	CY	–	–	–
	PY	–	–	–
TOTAL	CY	36,16,99,919	17,16,56,518	53,33,56,437
	PY	32,28,40,795	14,16,78,649	46,45,19,444
RESULT				
Segment Result	CY	1,97,34,855	2,19,83,743	4,17,18,598
	PY	1,97,05,102	1,74,34,309	3,71,39,411
Unallocable Expenditure	CY	–	–	3,07,31,857
	PY	–	–	2,33,05,761
Operating Profit (EBIT)	CY			1,09,86,741
	PY			1,38,33,650
Interest & Financial Charges	CY	–	–	4,43,562
	PY	–	–	3,57,869
Profit Before Tax (PBT)	CY			1,05,43,179
	PY			1,34,75,781
Provision for Current Tax	CY			31,41,796
	PY			36,43,092
(Excess)/Short Provision for Tax of earlier years	CY	–	–	1,521
	PY	–	–	(1,69,564)
Adjustment for Deferred Tax	CY			(2,70,600)
	PY			(66,254)
Profit after Tax	CY			76,70,462
	PY			1,00,68,507
OTHER INFORMATION				
Segment Assets	CY	2,92,68,639	4,63,52,538	7,56,21,177
	PY	2,87,62,658	3,65,91,734	6,53,54,392
Unallocated Assets	CY	–	–	8,06,17,617
	PY	–	–	7,58,94,930
Total Assets	CY			15,62,38,794
	PY			14,12,49,322



Amount in Rs.

PARTICULARS		TRADING	CONSTRUCTION	TOTAL
Segment Liabilities	CY	5,14,510	31,75,008	36,89,518
	PY	1,80,422	16,75,807	18,56,229
Unallocated Liabilities	CY	–	–	2,47,28,296
	PY	–	–	1,71,42,265
Total Liabilities	CY			2,84,17,814
	PY			1,89,98,494
Depreciation included in Segment Result	CY	2,09,156	4,66,423	6,75,579
	PY	1,78,284	4,88,951	6,67,235
NON CASH ITEMS:				
Provision for Gratuity	CY	–	–	6,99,586
	PY	–	–	7,16,072

Note 26.09: Disclosure with regard to events occurring after the Balance Sheet date is given as below:

Proposed Dividend on Equity Shares and the Tax thereon: The Board has proposed a dividend of 10% i.e. Re.1 per share on Fully Paid Equity Shares and Re 0.60 on Partly Paid Equity Share on which Rs.6 paid up (P.Y. 10% i.e. Rs.1 per equity share on Fully Paid Equity Share and Rs.0.60 on Partly Paid Equity Share on which Rs.6 paid up). This has not been considered as liability in accordance with the accounting standard, as stated in Note 26.01(O).

Estimated Financial Effect:

The aforesaid dividend if approved by the Company at its Annual General Meeting will result into the cash outflow of the following amounts:

On account of Dividend	Rs.17,42,196 (P.Y. Rs.17,42,196)
On account of Tax on Distribution of above Dividend	Rs.3,58,114 (P.Y. Rs.3,58,114)
Total	Rs.21,00,310 (P.Y. Rs.21,00,310)

Note 26.10: There are no pending litigations that would impact the financial position of the Company in the standalone Financial Statements.

Note 26.11: The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

Note 26.12: No amounts are required to be transferred to the credit of Investor education and protection fund.

Note 26.13: The previous year's amounts are regrouped/reclassified/rearranged wherever necessary.

As per our Report of Even Date
For **PAI NAYAK & ASSOCIATES**
Chartered Accountants
Registration Number: 009090S

Sd/-
T. Ashok Pai
Director
DIN: 00104379

Sd/-
T. Harish Pai
Technical Director
DIN: 00332817

Sd/-
CA ANANTHANARAYANA PAI K.
Partner
Membership No.: 024541

Place : MANIPAL
Date : 28th August, 2019

INDEPENDENT AUDITOR'S REPORT

To
The Members of **Manipal Industries Limited, Manipal**

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statement of **Manipal Industries Limited (CIN: U45201KA1961PLC001430)** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its Subsidiary together referred to as "the Group") and its associate (the "Group" and the "Associate" together referred to as "the Companies"), comprising of the consolidated Balance Sheet as at 31st March 2019, the consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "The Consolidated Financial Statement").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Companies Accounting Standards Rules prescribed under Section 133 of the Act read with the Companies (Accounting Standards) Rules, 2014, as amended, ("AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2019, the consolidated profit and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

Emphasis of Matter/Other Matters

- a) We have audited the financial statements of the Subsidiary Company and issued the qualifying report, since the net worth of the Subsidiary Company is fully eroded thereby raising a doubt about the Subsidiary Company to continue as a going concern. However, the Holding Company has considered the whole of the loss incurred by the Subsidiary Company, by making the full provision in its standalone financial statement on year to year basis. The net worth of the Holding Company after considering the provision as aforesaid is positive. Therefore, the question of making the similar qualification in this report does not arise. These aspects have been disclosed by the Company vide Note 26.08 of the consolidated financial statements. Our opinion is not qualified in this matter.
- b) The Consolidated Financial Statements also includes Group's share of Loss of Rs.1,91,114/- for the year ended March 31st, 2018 (Previous Year Loss Rs.58,055/-), in respect of one Associate Company, whose financial statements/ financial information have not been audited by us. As per the information given to us and as evident from the evidence produced before us, the financial statements as aforesaid have been audited by the firm of other Chartered Accountants and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the associate and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to aforesaid Associate Company, is based solely on such audited financial statements. In our opinion and according to the information and explanations given to us by the Management, the share of loss of the financial statements not material to the Group. Our opinion is not qualified in this matter.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirement below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the management.

Other Information (other than the Consolidated Financial Statements & Auditors' report thereon)

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report but does not include the Consolidated Financial Statements and our auditors' report thereon. The Board's Report including Annexures to Board's Report is expected to be made available to us after the date of this auditors' report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Board's Report including Annexures to Board's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibility of the Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 (Hereinafter referred to as "the Act") that give true and Fair view of the Consolidated Financial position, Consolidated Financial performance and Consolidated Cash Flows of the group including its Associates in accordance with the Accounting Principles generally accepted in India, including The Accounting Standards Specified under section 133 of the Act, read With rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the directors of the holding company, as aforesaid.

Auditor's Responsibility for the audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due



to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding the independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirement

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Companies so far as it appears from our examination of those books.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) The matters described in the "Emphasis of Matter/Other Matters" paragraph above, in our opinion, may not have anadverse effect on functioning of the group, for the reason that the loss of the subsidiary company has been fully provided for by the Holding Company, in its standalone financial statements and also for the reasons as given in Note 26.08 of consolidated financial statements.
- f) On the basis of written representations received from the directors as on 31st March, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019, from being appointed as a director in terms of Section 164(2) of the Act.
- g) Our observation on maintenance of books of the subsidiary company has been disclosed vide clause (a) under "Emphasis of Matter/Other Matters" paragraph above.
- h) With respect to the adequacy of the internal financial controls over financial reporting of the Companies and the operating effectiveness of such controls, refer to our separate report in 'Annexure';
- i) With respect to the other matters to be included in Auditors' Report in accordance with the requirements of Section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the year is in accordance with the provisions of Section 197 of the Act. As evident from the financial statements of the subsidiary & associate company, the companies have not paid any amount as remuneration to directors and therefore the question of making any reports therein does not arise.
- j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies(Audit and Auditors)Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - I. The Group and its Associate does not have any pending litigations which would impact its financial position.
 - II. The Group and its Associate did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - III. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Group and its Associate.

For PAI NAYAK & ASSOCIATES

Chartered Accountants

Firm's Registration No.: 009090S

CA ANANTHANARAYANA PAI K.

Partner

Membership No.: 024541

UDIN : 19024541AAAACG7414

Place : MANIPAL

Date : 28th August, 2019

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE
ON THE CONSOLIDATED FINANCIAL STATEMENTS OF
MANIPAL INDUSTRIES LIMITED, MANIPAL
REFERRED TO IN PARAGRAPH (h) UNDER THE HEADING
"REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF EVEN DATE
Report on the Internal Financial Controls under Clause (i) of Sub-section
3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over Financial reporting of **MANIPAL INDUSTRIES LIMITED**, Manipal (hereinafter referred to as "the Holding Company") and its subsidiary company and its associate company, which are companies incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary company and its associate company which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiary company, and its associate company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India"

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one associate company, which is a company incorporated in India, is based on the corresponding reports of the auditors of such company incorporated in India.

For PAI NAYAK & ASSOCIATES
Chartered Accountants
Firm's Registration No.: 009090S

CA ANANTHANARAYANA PAI K.
Partner
Membership No.: 024541

Place : MANIPAL
Date : 28th August, 2019



CIN: U45201KA1961PLC001430

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	Note No.	31.03.2019		31.03.2018	
		Rs.	Rs.	Rs.	Rs.
A. EQUITY AND LIABILITIES:					
1. Shareholders Funds					
a) Share Capital	1	1,74,21,960		1,74,21,960	
b) Reserves & Surplus	2	11,28,87,589	13,03,09,549	10,75,12,232	12,49,34,192
2. Non-current Liabilities					
a) Long-term provisions	3		34,88,710		26,36,982
3. Current Liabilities					
a) Short-term borrowings	4	94,50,737		39,73,045	
b) Trade Payables					
i) Total outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 5.02)					—
ii) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	5	63,81,122		44,88,762	
c) Other current liabilities	6	91,07,317		79,08,997	
d) Short-Term Provisions	7	—	2,49,39,176	1,688	1,63,72,492
TOTAL			15,87,37,435		14,39,43,666
B. ASSETS:					
1. Non-Current Assets					
a) Property, Plant & Equipment:					
Tangible assets	8	69,20,855		61,66,693	
b) Goodwill on consolidation		521		521	
c) Non-current Investments	9A	2,48,11,671		2,50,02,785	
d) Deferred tax assets (Net)	9B	7,48,885		4,78,285	
e) Long-term loans & advances	9C	53,97,699	3,78,79,631	46,40,160	3,62,88,444
2. Current Assets					
a) Inventories	10	1,75,11,103		1,71,75,804	
b) Trade Receivables	11	5,26,15,076		4,40,76,221	
c) Cash and Cash equivalents	12	4,91,28,474		4,39,10,888	
d) Short-term Loans & Advances	13	9,06,456		22,83,244	
e) Other Current Assets	14	6,96,695	12,08,57,804	2,09,065	10,76,55,222
TOTAL			15,87,37,435		14,39,43,666
Corporate Information, Summary of significant Accounting Policies and Other Disclosures	26				

The notes 1 to 26 are an integral part of these financial statements

As per our Report of Even Date
For **PAI NAYAK & ASSOCIATES**
Chartered Accountants
Registration Number: 009090S

Sd/-
T. Ashok Pai
Director
DIN: 00104379

Sd/-
T. Harish Pai
Technical Director
DIN: 00332817

Sd/-
CA ANANTHANARAYANA PAI K.
Partner
Membership No.: 024541

Place : MANIPAL
Date : 28th August, 2019

CIN: U45201KA1961PLC001430

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	Note No.	2018-19		2017-18	
		Rs.	Rs.	Rs.	Rs.
I. REVENUE					
Revenue from Operations	15	53,33,82,437		46,45,41,444	
Other Income	16	26,80,164		65,97,588	
TOTAL REVENUE		53,60,62,601		47,11,39,032	
II. EXPENSES					
Cost of materials consumed	17	7,19,00,486		4,83,52,967	
Purchases	18	34,09,49,085		30,48,58,822	
Changes in inventories of stock in trade	19	(3,35,299)		(30,26,977)	
Employee Benefit Expenses	20	2,67,33,828		2,47,71,976	
Finance Costs	21	4,43,562		3,57,869	
Depreciation	22	6,75,579		6,67,235	
Other Expenses	23	8,51,62,831		8,18,36,523	
TOTAL		52,55,30,072		45,78,18,415	
Profit before Exceptional and Extraordinary items and Tax		1,05,32,529		1,33,20,617	
Exceptional Items : Income (Expenses) (Net)	24	8,950		1,59,926	
Profit before Extraordinary Items and Tax		1,05,41,479		1,34,80,543	
Extraordinary items		—		—	
Profit before tax		1,05,41,479		1,34,80,543	
Tax Expense					
Current Income tax		31,43,778		36,44,000	
Income Tax - earlier year/s (reversed)		1,521		(1,69,564)	
		31,45,299		34,74,436	
Less: Deferred Tax Adjustment		(2,70,600)	28,74,699	(66,254)	34,08,182
Profit after tax			76,66,780		1,00,72,361
Profit (Loss) from Associate Company			(1,91,114)		(58,055)
Profit for the year (Consolidated)			74,75,666		1,00,14,306
Earning per Equity Share (Equity Share of Rs. 10/- each)	25				
Basic Earning per share			4.27		5.73
Diluted Earning per Share			3.33		4.46
Corporate Information, Summary of significant Accounting Policies and Other Disclosures	26				

The notes 1 to 26 are an integral part of these financial statements

As per our Report of Even Date
For **PAI NAYAK & ASSOCIATES**
Chartered Accountants
Registration Number: 009090S

Sd/-
T. Ashok Pai
Director
DIN: 00104379

Sd/-
T. Harish Pai
Technical Director
DIN: 00332817

Sd/-
CA ANANTHANARAYANA PAI K.
Partner
Membership No.: 024541

Place : MANIPAL
Date : 28th August, 2019



CIN: U45201KA1961PLC001430

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDING 31ST MARCH, 2019

Particulars	2018-19	2017-18
A. CASH FLOW FROM OPERATING ACTIVITIES	Rs.	Rs.
Profit for the year Consolidated	74,75,666	1,00,14,306
Adjustment: (Profit)/Loss from Associate Company	1,91,114	58,055
	76,66,780	1,00,72,361
<i>Adjustments:</i>		
Tax Expense	28,74,699	34,08,182
Depreciation	6,75,579	6,67,235
Depreciation prior period adjustment	—	(1,51,426)
Interest Paid	3,39,060	2,84,788
(Profit)/Loss on Sale of Assets (Net)	(8,950)	(8,500)
(Gain)/Loss on Compulsory acquisition of immovable property	—	(36,53,817)
Interest Income	(19,77,702)	(22,41,313)
Dividend Income	(11,262)	(11,258)
Provision for gratuity	6,99,586	7,16,072
<i>Operating Profit before working capital changes</i>	1,02,57,790	90,82,324
(Increase)/Decrease in Trade Receivables	(85,38,855)	24,82,944
(Increase)/Decrease in Inventories	(3,35,299)	(19,72,589)
(Increase)/Decrease in Loans & advances & Other Current Assets	12,07,723	1,94,540
Increase/(Decrease) in Trade payables and Other Liabilities	30,79,097	12,89,080
Cash generated from operations	56,70,457	1,10,76,299
Less: Income tax paid (Net of Refund)	38,99,188	23,76,730
Cash flow from Operating Activities (A)	17,71,269	86,99,569
B. CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of Fixed Assets	(14,29,741)	(19,16,784)
Investment in NHAI bonds	—	(25,00,000)
Compensation received on compulsory acquisition of immovable property	—	36,57,703
Proceeds from sale of Fixed Assets	8,950	8,500
Term Deposit (placed with Bank)/Encashed	15,00,000	(70,00,000)
Interest received	14,90,072	22,38,230
Dividend received	11,262	11,258
Net Cash flow from Investing Activities (B)	15,80,543	(55,01,093)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Increase/(Decrease) in Borrowings	54,77,692	(4,04,352)
Interest paid	(3,39,060)	(2,84,788)
Dividend paid	(15,78,471)	(15,73,632)
Tax on dividend paid	(3,58,114)	(3,54,670)
Net Cash flow from Financing Activities (C)	32,02,047	(26,17,442)
Net Increase/(Decrease) in Cash & Cash equivalents (A+B+C)	65,53,861	5,81,033
Cash & Cash Equivalents at the beginning of the period	1,65,35,507	1,59,54,474
Cash & Cash Equivalents at the end of the period	2,30,89,368	1,65,35,507

- Note:** 1) Cash Flow Statement is prepared under Indirect Method as prescribed under Accounting Standard 3.
2) Cash Balance of Cash & Cash Equivalents does not include deposit with Scheduled Banks with maturity period beyond 3 months.
3) Previous year's amounts have been arranged, regrouped and reclassified wherever necessary.

The notes 1 to 26 are an integral part of these financial statements

As per our Report of Even Date
For **PAI NAYAK & ASSOCIATES**
Chartered Accountants
Registration Number: 009090S

Sd/-
T. Ashok Pai
Director
DIN: 00104379

Sd/-
T. Harish Pai
Technical Director
DIN: 00332817

Sd/-
CA ANANTHANARAYANA PAI K.
Partner
Membership No.: 024541

Place : MANIPAL
Date : 28th August, 2019


NOTES TO ACCOUNTS FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	2018-19		2017-18	
	Rs.	Rs.	Rs.	Rs.
Note 1: SHARE CAPITAL (also refer Note 1.01 to 1.03 below)				
Authorised:				
1,00,00,000 Equity Shares of Rs.10/- each		10,00,00,000		10,00,00,000
20,00,000 Cumulative Redeemable Preference Shares of Rs.10/- each		2,00,00,000		2,00,00,000
		<u>12,00,00,000</u>		<u>12,00,00,000</u>
Issued:				
50,00,000 (P.Y. 50,00,000) Equity Shares of Rs.10/- each		5,00,00,000		5,00,00,000
Subscribed and Paid-up:				
10,00,000 (P.Y. 10,00,000) Equity Shares of Rs.10/- each fully paid		1,00,00,000		1,00,00,000
12,47,830 (P.Y. 12,47,830) Equity Shares of Rs.10/- each Rs. 6/- paid		74,86,980		74,86,980
		<u>1,74,86,980</u>		<u>1,74,86,980</u>
Less: Allotment money and calls-in-arrears from persons other than Directors		65,020		65,020
		<u>1,74,21,960</u>		<u>1,74,21,960</u>

Note 1.01: Reconciliation of number of Equity shares of Rs.10 each

	Number of shares	Amount (Rs.)	Number of shares	Amount (Rs.)
Balance as at the beginning of the year (net of calls in arrears)				
Full paid-up	10,00,000	99,42,560	10,00,000	99,42,560
Rs. 6 paid	12,47,830	74,79,400	12,47,830	74,79,400
	<u>22,47,830</u>	<u>1,74,21,960</u>	<u>22,47,830</u>	<u>1,74,21,960</u>
Adjustment during the year	-	-	-	-
Balance as at the end of the year (net of calls in arrears)				
Full paid-up	10,00,000	99,42,560	10,00,000	99,42,560
Rs. 6 paid	12,47,830	74,79,400	12,47,830	74,79,400
	<u>22,47,830</u>	<u>1,74,21,960</u>	<u>22,47,830</u>	<u>1,74,21,960</u>

Note 1.02: Rights, preferences and restrictions attached to shares
Equity Shares:

Equity shares have a par value of Rs. 10 per share. Each shareholder is eligible for one vote for each share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company (after distribution of all preferential amounts) in proportion to their shareholding and also after considering the paid-up value of the shares. The partly paid equity shares are entitled for the dividend at the rate as calculated on the paid-up value of the shares.

Preference Shares:

Preference shares have a par value of Rs. 10 per share. Shares are cumulative and therefore the shareholders are entitled to carry forward the dividend of a year/s to the forth coming year/s, in case the same is not declared in a year. In the event of liquidation, such shareholders are eligible to receive the face value (after distribution of all preferential amounts) before the distribution of assets to the Equity Shareholders. However the Company has not issued the Preference shares and therefore the question of making any other disclosure does not arise.

Note 1.03: Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Equity Shares	As at March 31, 2019		As at March 31, 2018	
	Number of shares	Percentage	Number of shares	Percentage
Academy of General Education, Manipal				
Equity shares of Rs. 10 each, Rs. 6 paid	11,65,540			
Equity shares of Rs. 10 each, fully paid-up	<u>2,86,465</u>	14,52,005	64.60%	14,52,005
				64.60%



NOTES TO ACCOUNTS FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	2018-19		2017-18	
	Rs.	Rs.	Rs.	Rs.
Note 2:				
RESERVES AND SURPLUS				
(also refer Note 2.01 to 2.03)				
Capital Reserve		46,95,536		46,95,536
Special Reserve		2,21,600		2,21,600
General Reserve				
Opening Balance	1,90,44,737		1,80,44,737	
Add: Transferred during the year	10,00,000	2,00,44,737	10,00,000	1,90,44,737
Securities Premium Account		1,86,98,500		1,86,98,500
Surplus in statement of Profit and Loss				
Balance at the beginning of the year	6,48,51,859		5,79,34,419	
Add: Profit for the year (below)	74,75,666		1,00,14,306	
	7,23,27,525		6,79,48,725	
Less: Appropriations (Refer note 2.01)	31,00,310	6,92,27,216	30,96,866	6,48,51,859
		11,28,87,589		10,75,12,232

Note 2.01: Appropriations: (made by Holding Company)

Equity Dividend Paid during the year (Refer Note 2.02)	17,42,196	17,42,196
Tax on Dividend (Refer Note 2.02)	3,58,114	3,54,670
Transfer to General Reserve	10,00,000	10,00,000
	31,00,310	30,96,866

Note 2.02: The Dividend Paid as referred to para 2.01 above pertains to the Dividend for the year ending 31st March, 2018, declared by the Holding Company at the 55th Annual General Meeting held on 29th September, 2018.

Note 2.03: The rate of dividend proposed on Equity Share for the year ending 31st March, 2019 is 10% (P. Y. 10% prorata) prorata i.e. Rs.1 (P.Y. Rs.1) per fully paid-up share & Rs.0.60 (P.Y. Rs.0.60) per partly paid-up share. Also refer Note 26.18.

Note 3:

LONG-TERM PROVISIONS

(also refer Note 3.01 and 3.02)

Provision for Leave encashment	23,66,353	22,14,211
Provision for Gratuity	11,22,357	4,22,771
	34,88,710	26,36,982

Note 3.01: The liability in respect of leave encashment: Provision is made on an estimated basis, considering the fact that the amount involved therein is not material.

3.02: Provision for Gratuity represents excess of closing value of obligation over closing fair value of plan assets of the Gratuity Fund maintained by the Life Insurance Corporation of India.

Note 4:

SHORT-TERM BORROWINGS

(also refer Note 4.01 and 4.02)

Working Capital Loans-Secured

From Banks:

Against Hypothecation of Inventory	55,856	39,73,045
	93,94,881	—
	94,50,737	39,73,045

Note 4.01: Working Capital loans against stock/work in progress represents Overdraft facility upto the limit of Rs.95,00,000 against the hypothecation of Term Deposits, Stock in trade and receivables and unregistered equitable mortgage of immovable properties situated at Attavara Village, Mangalore. Working Capital loans against Term Deposit of Bank represents Overdraft facility upto the limit of Rs.1,50,00,000 against the pledge of Term Deposits held with the Bank.

Note 4.02: Interest on working capital loan against hypothecation of inventory is at MCLR+1.25% i.e 9.75% (P.Y. 9.75%) and interest on overdraft against term deposits is Deposit Rate+2.50%, i.e varying from 9% to 9.30% (P.Y. Not applicable) as on 31st March, 2019.


NOTES TO ACCOUNTS FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	2018-19		2017-18	
	Rs.	Rs.	Rs.	Rs.
Note 5:				
TRADE PAYABLES				
(also refer Note 5.01 and 5.02)				
Micro Enterprises and Small Enterprises				
a) For Goods	-		-	
b) For Services	-	-	-	-
Other than Micro Enterprises and Small Enterprises				
a) For Goods	36,89,518		18,56,229	
b) For Services	26,91,604	63,81,122	26,32,533	44,88,762
		<u>63,81,122</u>		<u>44,88,762</u>
Note 5.01: Trade payables are subject to confirmation by vendors and reconciliation.				
Note 5.02: There are no outstanding dues at any time during the year and also at any time during the comparative year, to Micro and Small Enterprises. Accordingly there are no other disclosures required to be made, as required under Para FA to "General Instructions for preparation of Balance Sheet" of Division I of Schedule III to Companies Act, 2013. The status of Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.				
Note 6:				
OTHER CURRENT LIABILITIES				
Unclaimed dividends		10,39,106		8,75,381
Other payables				
Dealership Deposits		1,71,500		71,500
Statutory Dues payable		42,42,942		37,01,577
Employee Benefits payable		36,53,769		32,60,539
		<u>91,07,317</u>		<u>79,08,997</u>
Note 7:				
SHORT-TERM PROVISIONS				
Provision for Income Tax (net of tax paid)		-		1,688
		-		1,688



Manipal Industries Limited

NOTES TO ACCOUNTS FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019 NOTE 8 : PROPERTY PLANT AND EQUIPMENT (also refer Note 8.01 to 8.05) (Previous Year figures have been given in brackets)

Asset Description	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as on 31.03.2018	Additions	Deductions	Cost as on 31.03.2019	Total up to 31.03.2018	Normal Depreciation	Deductions	Total up to 31.03.2019	As on 31.03.2019	As on 31.03.2018
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Land-Freehold	12,94,199 (1,298,085)	-	-	12,94,199 (12,94,199)	-	-	-	-	12,94,199 (12,94,199)	12,94,199 (12,98,085)
Buildings-Freehold	41,72,319	12,94,790	-	54,67,109	15,46,445	69,856	-	16,16,301	38,50,808	26,25,874
	(2,503,547)	(16,68,772)	-	(41,72,319)	(16,54,476)	(43,395)	(1,51,426)	(15,46,445)	(26,25,874)	(8,49,071)
Plant & Machinery and Equipments	37,00,179	31,600.00	20,433	37,11,346	31,38,829	1,75,927	20,433.00	32,94,323	4,17,023	5,61,350
	(37,00,179)	(-)	(-)	(37,00,179)	(29,44,356)	(1,94,473)	(-)	(31,38,829)	(5,61,350)	(7,55,823)
Furniture & Office Equipments	9,50,832	7,965	75,686.00	8,83,111	8,76,243	24,671	75,686.00	8,25,228	57,883	74,589
	(9,29,832)	(21,000)	-	(9,50,832)	(8,66,508)	(9,735)	(-)	(8,76,243)	(74,589)	(63,324)
Computers	15,77,413	23,010	67,290	15,33,133	13,10,294	269,244	67,290	15,12,248	20,885	2,67,119
	(17,42,373)	(2,27,012)	(3,91,972)	(15,77,413)	(15,52,004)	(1,50,262)	(3,91,972.00)	(13,10,294)	(2,67,119)	(1,90,369)
Vehicles	33,94,760	72,376.00	2,195	34,64,941	20,51,198	1,35,881	2,195	21,84,884	12,80,057	13,43,562
	(34,34,708)	(-)	(39,948)	(33,94,760)	(18,21,776)	(2,69,370)	(39,948)	(20,51,198)	(13,43,562)	(16,12,932)
TOTAL	1,50,89,702	14,29,741	1,65,604	1,63,53,839	89,23,009	6,75,579	1,65,604	94,32,984	69,20,855	61,66,693
Previous year	(1,36,08,724)	(19,16,784)	(4,35,806)	(1,50,89,702)	(88,39,120)	(6,67,235)	(5,83,346)	(89,23,009)	(61,66,693)	(47,69,604)

Note 8.01: Note 26.11 relating to impairment of Assets also forms part of this note.

Note 8.02: Refer Note 4.01 regarding charge on "property, plant and equipment". Further Building Free hold includes the part of the Building given on rent.

Note 8.03: Borrowing cost capitalised during the year to "property plant and equipment" is Rs. Nil (P.Y.: Rs. Nil)

Note 8.04: Note No. 26.04.C, which may also be referred to for the disclosure of accounting policy on Property, Plant and Equipment i.e. measurement, depreciation method, useful life etc.

Note 8.05: During the Comparative year ending 31st March, 2018, the Holding Company had given effect to prior period adjustment with regard to depreciation. Accordingly a sum of Rs.1,51,426 reduced from the depreciation provided on Buildings Free Hold. The same has been disclosed under the sub head "Deduction" of the main head "Depreciation", with the corresponding disclosure in Note 24 of financial statement i.e. exceptional items for that year.


NOTES TO ACCOUNTS FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	2018-19		2017-18	
	Rs.	Rs.	Rs.	Rs.
Note 9A:				
NON-CURRENT INVESTMENTS (OTHER THAN TRADE)				
(also refer Note 9A.01 to 9A.05)				
INVESTMENT IN GOVERNMENT SECURITIES				
Bonds of National Highway Authority of India (kept for three years)		25,00,000		25,00,000
250 (P.Y.: 250) bonds of Rs.10,000/- each				
(Rate of interest- 5.25% p.a.)				
TOTAL	A	25,00,000		25,00,000
INVESTMENT IN EQUITY INSTRUMENTS AT COST				
(i) Quoted - Fully Paid (other than Trade Investment)				
MANIPAL FINANCE CORPORATION LIMITED				
6,84,875 (P.Y.: 6,84,875) Equity Shares of Rs.10/- each		1,36,61,617		1,36,61,617
ICDS LIMITED				
48,387 (P.Y. 48,387) Equity Shares of Rs.10/- each		28,41,307		28,41,307
TOTAL	B	1,65,02,924		1,65,02,924
(ii) Unquoted - Fully Paid				
a. In Associate Company:				
SRI RAMAKRISHNA THEATRE LIMITED				
1,39,418 (P.Y. 1,39,418) Equity Shares of Rs.10/- each				
Carrying Value	1,52,59,251		1,54,50,365	
Add: Goodwill on Consolidation	62,32,069	2,14,91,320	62,32,069	2,16,82,434
b. Others:				
MANIPAL CO-OPERATIVE BANK LIMITED				
1 (P.Y. 1) Equity Shares of Rs. 25/- each	25		25	
KARNATAKA RUBBERS LIMITED				
100 (P.Y. 100) Equity Shares of Rs. 100/- each	10,000		10,000	
MANIPAL HOUSING FINANCE SYNDICATE LIMITED				
10,000 (P.Y. 10,000) Equity Shares of Rs. 10/- each	1,00,000		1,00,000	
MPL ENTERPRISES LIMITED				
12,096 (P.Y. 12,096) Equity Shares of Rs. 10/- each	7,10,326	8,20,351	7,10,326	8,20,351
TOTAL	C	2,23,11,671		2,25,02,785
(A) + (B) + (C)		4,13,14,595		4,15,05,709
Less: Provision for diminution in the value of Investments		1,65,02,924		1,65,02,924
TOTAL		2,48,11,671		2,50,02,785
Note 9A.01: The Group has made due provision for the diminution in the value of the Investments, as a prudential policy adopted by the management.				
The management is of the opinion that the provisions so made, are adequate which are as follows:				
Quoted:				
A) MANIPAL FINANCE CORPORATION LTD.		1,36,61,617		1,36,61,617
B) ICDS LTD.		28,41,307		28,41,307
Total Provisions (Quoted)		1,65,02,924		1,65,02,924
Note 9A.02: Aggregate amount of quoted investments (before provisions)		1,65,02,924		1,65,02,924
Market Value of quoted investments		Refer Note 9A.03		Refer Note 9A.03
Aggregate amount of unquoted investments (before provisions)		2,23,11,671		2,25,02,785
Note 9A.03: Aggregate Market value of Quoted investment is Rs. Nil (P.Y. Rs. Nil) since they are not actively traded.				
Note 9A.04: Refer Note 26.04.D for accounting policy on valuation of investments.				
Note 9A.05: The above is to be considered as disclosure under sub-section 4 of Section 186 of Companies Act, 2013.				
Note 9B:				
DEFERRED TAX ASSET (also refer Note 9B.01 & 9B.02)				
Deferred Tax Assets:				
On Account of Disallowance u/s 43B of Income Tax Act, 1961		7,96,911		7,47,762
Provision for Gratuity		3,12,240		1,17,615
TOTAL	A	11,09,151		8,65,377
Deferred Tax Liability:				
On Account of Depreciation	B	3,60,266		3,87,092
Deferred Tax Asset (Liability)(net)	A-B	7,48,885		4,78,285
Note 9B.01: As per Accounting Standard (AS-22) on Accounting for taxes on Income, the major components of deferred tax arising on timing differences are given in the above Note No. 9B.				
Note 9B.02: Accordingly deferred tax asset of Rs.2,70,600 (P.Y. Rs.66,254) recognised during the year in the Statement of Profit and Loss.				



NOTES TO ACCOUNTS FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	2018-19		2017-18	
	Rs.	Rs.	Rs.	Rs.
Note 9C: LONG-TERM LOANS AND ADVANCES				
(also refer Note 9C. 01 and 9C. 02)				
Unsecured (considered good)				
Income Tax Refundable		20,28,967		12,76,768
Security deposits		33,68,732		33,63,392
		<u>53,97,699</u>		<u>46,40,160</u>
Note 9C.01: Security deposit represents rent deposit, dealership deposit, electricity deposit, telephone deposit etc.				
Note 9C.02: No Loans or advances are due from directors or other officers of the company either severally or jointly with any other person. Further, no loan or advances are due from firms or private companies in which any director is a partner, a director or member				
Note 10:				
INVENTORIES				
(also refer Note 10.01)				
Stock in Trade		1,75,11,103		1,71,75,804
		<u>1,75,11,103</u>		<u>1,71,75,804</u>
Note 10.01: For method of valuation, refer Note No. 26.04 E of the Consolidated Financial Statements.				
Note 11:				
TRADE RECEIVABLES (Unsecured & Considered good)				
(also refer Note 11.01 and 11.02)				
Outstanding more than six months from the due date		6,27,751		4,51,774
Others		5,19,87,325		4,36,24,447
		<u>5,26,15,076</u>		<u>4,40,76,221</u>
Note 11.01: Trade receivables are subject to confirmation and reconciliation.				
Note 11.02: No trade receivables are due from directors or other officers of the company either severally or jointly with any other person. Further, no trade receivables are due from firms or private companies in which any director is a partner, a director or a member.				
Note 12:				
CASH AND CASH EQUIVALENTS				
(also refer Note 12.01 and 12.02)				
Cash and Cash Equivalents: (As per AS-3 for Cash Flow Statements)				
a) Cash in hand		7,57,486		94,838
b) Cheque and DD's in hand		3,43,051		13,93,877
c) Balance with Banks				
In Current Account		2,19,88,831	2,30,89,368	1,50,46,792
Other Bank Balances				
a) Bank balances earmarked as Unclaimed dividends		10,39,106		8,75,381
b) Term Deposits with banks pledged as Security for working capital loans		2,10,00,000		
c) In other Term Deposit with Scheduled Banks		40,00,000	2,60,39,106	2,65,00,000
		<u>4,91,28,474</u>		<u>4,39,10,888</u>
Note 12.01: Cash and Cash equivalents does not include term deposits kept with the maturity period of beyond 3 months, earmarked balances with banks and bank deposits held as a margin money or security against borrowings etc.				
Note 12.02: The Term Deposits mentioned in "Other Bank Balances" above, represents Term Deposits maturing within 12 months amounting to Rs.25,00,000 (P.Y. Rs.1,95,00,000) and maturing beyond 12 months amounting to Rs.2,40,00,000 (P.Y. Rs.Nil) from the date of the Balance Sheet.				
Note 13:				
SHORT-TERM LOANS AND ADVANCES				
(also refer Note 13.01 and 13.02)				
Unsecured:				
Other Advances				
Considered Good		9,06,456		22,83,244
		<u>9,06,456</u>		<u>22,83,244</u>
Note 13.01: Other Advances represent security deposits for work, building deposits, departmental deposits and advances made in the ordinary course of business which are not material in nature. These advances are subject to confirmation.				
Note 13.02: No Loans or advances are due from directors or other officers of the company either severally or jointly with any other person. Further, no loan or advances are due from firms or private companies in which any director is a partner, a director or a member.				
Note 14:				
OTHER CURRENT ASSETS				
Unsecured and considered good				
Interest Receivable on Bank Deposit, etc.		6,96,695		2,09,065
		<u>6,96,695</u>		<u>2,09,065</u>



NOTES TO ACCOUNTS FORMING PART OF CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDING 31ST MARCH, 2019

Particulars	2018-19		2017-18	
	Rs.	Rs.	Rs.	Rs.
Note 15:				
REVENUE FROM OPERATIONS				
(also refer Note 15.01)				
Sale of Goods & Services (net of Indirect Taxes)				
Sale of Goods less returns	35,87,75,300		32,05,96,708	
Construction contract revenue recognised	17,16,56,518	53,04,31,818	14,16,78,649	46,22,75,357
Other Operating Revenue		29,50,619		22,66,087
		<u>53,33,82,437</u>		<u>46,45,41,444</u>

Note 15.01: Note No. 18.01 also forms of part of this note, which may be referred to.

Note 16:

OTHER INCOMES

(also refer Note 16.01 & 16.02)

Building Rent	6,91,200		6,91,200	
Dividend from Long-term Investments (Non-Trade)	11,262		11,258	
Interest Income	19,77,702		22,41,313	
Gain on compulsory acquisition of immovable property	—		36,53,817	
	<u>26,80,164</u>		<u>65,97,588</u>	

Note 16.01: Interest Income represents Interest on Bank & Other deposits/advances and on Income tax refund.

Note 16.02: Income by way of Building Rent as disclosed in the above note, represents rent on immovable property on the cancellable operating lease.

Note 17:

COST OF MATERIAL CONSUMED

(also refer Note 17.01)

Raw Materials Consumed	7,19,00,486		4,83,52,967	
	<u>7,19,00,486</u>		<u>4,83,52,967</u>	

Note 17.01: Raw Material Consumed as above, represents Construction Materials consumed in execution of Contract work. There are no opening and closing inventory of such items. Accordingly the Purchase of the Construction Materials is Rs.7,19,00,486 (P.Y. Rs.4,83,52,967) considered as Raw Materials Consumed. There are no other materials involved in the above consumption.

Note 18:

PURCHASES

(also refer Note 18.01)

Purchase less returns	34,09,49,085		30,48,58,822	
	<u>34,09,49,085</u>		<u>30,48,58,822</u>	

Note 18.01: Information as to stock, purchase and sales

Amount in Rs.					
Sl. No.	Particulars	Opening Stock	Purchases	Sales	Closing Stock
1.	RELATING TO GOODS:				
	Trading Stock:				
	a. Electrical Items				
	Current Year	1,35,94,991	5,62,55,304	6,33,40,469	1,27,37,145
	Previous Year	1,29,65,345	5,75,34,969	6,44,61,587	1,35,94,991
	b. Petrol, H S Diesel & Lubricants				
	Current Year	30,98,938	28,25,70,575	29,28,87,754	39,68,241
	Previous Year	16,18,200	24,53,55,710	25,36,33,054	30,98,938
	c. Construction Materials				
	Current Year	4,81,875	21,23,205	25,47,078	8,05,716
	Previous Year	6,19,670	19,68,143	25,02,067	4,81,875
	TOTAL				
	Current Year	1,71,75,804	34,09,49,084	35,87,75,300	1,75,11,103
	Previous Year	1,52,03,215	30,48,58,822	32,05,96,708	1,71,75,804
2.	RELATING TO SERVICES:				
	Construction contract revenue recognised				
	Current Year			17,16,56,518	
	Previous Year			14,16,78,649	



NOTES TO ACCOUNTS FORMING PART OF CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDING 31ST MARCH, 2019

Particulars	2018-19		2017-18	
	Rs.	Rs.	Rs.	Rs.
Note 19:				
CHANGES IN INVENTORY OF STOCK IN TRADE				
(also refer Note 19.01)				
Opening Stock				
Stock in Trade	1,71,75,804		1,52,03,215	
Less: Transitional input Credit in respect of Excise Duty Paid	—	1,71,75,804	10,54,388	1,41,48,827
Closing Stock				
Stock in Trade		1,75,11,103		1,71,75,804
		<u>(3,35,299)</u>		<u>(30,26,977)</u>

Note 19.01: Note 18.01 also forms part of this note, which may be referred to.

Note 20:

EMPLOYEES' BENEFITS EXPENSE

(also refer Note 20.01 and 20.02)				
Salaries and Wages, Incentive allowances	1,97,12,999		1,81,73,260	
Leave encashment	2,27,659		3,42,743	
Bonus	5,66,540		5,42,013	
Contribution to Provident and other funds	39,18,023		34,32,275	
Gratuity Paid	—		4,22,221	
Contribution to ESI	9,07,970		7,55,574	
Staff Welfare Expenses	7,01,052		3,87,818	
Provision for Gratuity	6,99,586		7,16,072	
	<u>2,67,33,828</u>		<u>2,47,71,976</u>	

Note 20.01: Disclosure as required under Accounting Standard 15 i.e. Employee benefits is given under Note No. 26.04.14.

Note 20.02: Provision for Gratuity represents reduction in the value of funded status of the Gratuity Fund maintained by the Life Insurance Corporation of India.

Note 21:

FINANCE COSTS

Interest on Bank Overdraft	3,39,060		2,84,788	
Bank Charges	1,04,502		73,081	
	<u>4,43,562</u>		<u>3,57,869</u>	

Note 22:

DEPRECIATION & AMORTIZATION EXPENSES

Depreciation on Tangible Assets (also refer Note 8)	6,75,579		6,67,235	
	<u>6,75,579</u>		<u>6,67,235</u>	

Note 23:

OTHER EXPENSES

(also refer Note 23.01)				
Freight Inwards	2,28,207		2,27,909	
Wages & Other Constructions Expenses	7,48,52,117		7,33,11,864	
Commercial and other Taxes	68,901		1,02,965	
Repairs & Maintenance:				
Building Repairs	45,096		1,81,001	
Other Repairs	30,11,428	30,56,524	25,20,237	27,01,238
Payment to Auditor				
Statutory Audit	3,28,450		2,78,450	
Taxation Matters	53,000		81,000	
GST	68,662	4,50,112	65,324	4,24,774
Insurance		1,84,725		1,76,708
Directors' Sitting fees	10,500		9,000	
Printing & Stationery	4,13,403		4,19,254	
Light & Water Charges	3,11,141		2,86,975	
Rent	2,35,750		2,24,100	



NOTES TO ACCOUNTS FORMING PART OF CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDING 31ST MARCH, 2019

Particulars	2018-19		2017-18	
	Rs.	Rs.	Rs.	Rs.
Rates, Taxes and Filing Fees		1,56,122		1,76,406
Travelling Expenses		50,222		38,314
Telephone Charges		2,72,343		2,61,031
Donation		5,000		5,000
Legal and Professional Charges		19,66,785		10,30,052
Other Expenses		29,00,979		24,40,933
TOTAL		8,51,62,831		8,18,36,523

Note 23.01: Rent as disclosed in the above note, represents rent on immovable property on the cancellable operating lease.

NOTE 24:

EXCEPTIONAL ITEMS

I. EXCEPTIONAL INCOME:

Profit on sale of Fixed Assets	8,950	8,500
Prior period item-Depreciation (Refer Note: 8.05)	—	1,51,426
	8,950	1,59,926

II. EXCEPTIONAL EXPENSES:

NET INCOME (EXPENSE)	8,950	1,59,926
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NOTE 25:

EARNING PER EQUITY SHARE (also refer Note 25.01)

a) Net Profit available for equity shareholders (Used as numerator)	74,75,666	1,00,14,306
b) Weighted average No. of equity Shares (Used as denominator)	17,48,698	17,48,698
c) Basic Earnings per share(a/b)	4.27	5.73
d) No. of equity Shares (diluted) (Used as denominator)	22,47,830	22,47,830
e) Diluted Earnings per share(a/d)	3.33	4.46

Note 25.01: There are no extraordinary items and therefore the question of calculating earning per share after adjusting such items does not arise.

Note 26: CORPORATE INFORMATION, SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND OTHER DISCLOSURES

COMPANY OVERVIEW

The Registered Office of Manipal Industries Limited (the "Company") is at Manipal (State: Karnataka). The main business of the Company is to undertake and execute civil construction contracts, to trade in electronic goods, Petrol/Diesel, Lubricants and related items etc. The details of Subsidiary and Associate Companies of the Company disclosed vide note 26.03.

Note 26.01: Principles of Consolidation:

The Consolidated Financial Statements related to Manipal Industries Limited and its Subsidiary (herein after collectively referred to as "the Group") and its Associate has been prepared on the following basis:

- The financial statements of the Company and its subsidiary have been combined on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses after fully eliminating inter-company balances and transactions and unrealized profits or losses in accordance with the Accounting Standard 21 "Consolidated Financial Statements".



- ii) Investment in subsidiary is eliminated and difference if any, between cost of investment over the net assets on the date of investment, or on the date of the financial statements immediately preceding the date of investment in subsidiary will be recognized as Goodwill or Capital Reserve as the case may be.
- iii) The difference if any, between the proceeds from disposal of investment in a subsidiary and the proportionate carrying amount of its assets less liabilities as on the date of disposal is recognized in the Consolidated Statement of Profit and Loss as the profit or loss on disposal of investment in subsidiaries.
- iv) In case of Associates (where the Company directly or indirectly through its subsidiaries holds 20% or more of equity investments), the equity investment is accounted by using "Equity Method" in accordance with Accounting Standard 23 "Accounting for Investments in Associates In Consolidated Financial Statements". The Company accounts for its share in the change in the net assets of the Associate, post-acquisition, after eliminating unrealized profits and losses resulting from transactions between the Company and its Associate to the extent of its share, through its Statement of Profit and Loss to the extent such change is attributable to the Associate's Statement of Profit and Loss, based on the available information. The difference if any, between the cost of investment in the Associate and the share of net assets at the time of acquisition of shares in the Associate is identified in the Financial Statements as Goodwill or Capital Reserve as the case may be.
- v) As per "Equity method", if the Company's share of losses of the Associate equals or exceeds the carrying amount of the Investment, the Company ordinarily discontinues recognizing its share of further losses and the Investment is reported at NIL Value. Additional losses are provided for to the extent the Company has incurred obligations or made payments on behalf of the Associate to satisfy obligations of the Associate that the Company has guaranteed or to which the Company is otherwise committed. If the Associate subsequently reports profits, the Company resumes including its share of those profits only after its share of the profits equals the share of net losses that have not been recognized.
- vi) As far as possible, the Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's Standalone Financial Statements.

Note 26.02: Investments other than in Subsidiary and Associate are accounted as per Accounting Standard-13 "Accounting for Investments".

Note 26.03: Basis of preparation of Consolidated Financial Statements:

a) The Subsidiary Company considered for Consolidation is:

Name of the Company	Country of Incorporation	Extent of Holding and Voting Power	
		As on 31 st March, 2019	As on 31 st March, 2018
TVP Consultants Limited	India	100%	100%

b) The Associate Company considered for Consolidation is:

Name of the Company	Country of Incorporation	Extent of Holding and Voting Power	
		As on 31 st March, 2019	As on 31 st March, 2018
Sri Ramakrishna Theatre Limited	India	30.98%	30.98%

c) The Financial Statements of the Company and its Subsidiary & Associate used in consolidation are drawn up to the same reporting date as that of the Parent company, i.e. year ended March 31, 2019.

26.04: Other Significant Accounting Policies:

These policies are set out under "Significant Accounting Policies" as below:

A. Basis of Accounting and Revenue Recognition:

The Consolidated financial statements of the Group and Associate have been prepared in accordance with the Generally Accepted Accounting Principles in India to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 i.e. the Companies (Accounting Standard) Rules, 2006 read with Companies (Accounting Standard) Amendment Rules, 2016 and the relevant provisions of the Companies Act, 2013. The accounts are prepared under historical cost convention and all significant items of income and expenditure are accounted on accrual system of accounting. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

Revenue from "Fixed Price" construction contracts recognised under "Percentage of Completion Method", is measured by reference to the percentage of work completed upto the date of the Balance Sheet, to the total value of work for each contract.



Work-in-Progress if any, comprises of cost incurred for such contract/s, wherever such work are in the initial stages. Accordingly the amounts due to/from customers for contract work is being arrived at. Such dues are being disclosed as "Trade Receivables" under the head "Current Assets" or as "Advance from Customers", under the head "Current Liabilities" as the case may be.

Revenue from "Sale of Goods" is recognized when significant risks and rewards in respect of ownership are transferred to customers. Income of the nature "Interest" is recognised on the time proportionate method. "Dividend income" is recognised when the unconditional right to receive the income is established. Income by way of "Rent on Building" in respect of cancellable operating lease is recognized on accrual basis over the period of lease.

B. Use of Estimates:

The preparation of standalone financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets & liabilities and disclosure of contingent liabilities at the date of the consolidated financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. The difference between the actual results and estimates are being recognised in the period in which the results are known/materialized.

C. Tangible Assets & Depreciation (i.e. Property, Plant and Equipment):

The Group is following "Cost Model" to disclose Property, Plant and Equipment.

Freehold land is carried at historical cost. All other items of 'Property, Plant and Equipment' are stated at historical cost less accumulated depreciation and accumulated impairment losses if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items such as purchase price, freight, duties and levies. Such cost includes the cost of replacing parts of the 'Property, Plant and Equipment' and the borrowing cost till the date of installation of qualifying asset and any attributable cost of bringing the asset to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit and loss during the reporting period in which they are incurred.

An item of 'Property, Plant and Equipment' and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

Further, when each major inspection is performed, its cost is recognized in the carrying amount of the item of 'Property, Plant and Equipment' as a replacement if the recognition criteria are satisfied. Machinery spares if any, which are specific to a particular item of 'Property, Plant and Equipment' and whose use is expected to be irregular are capitalized as 'Property, Plant and Equipment'.

Spare parts if any, are capitalized when they meet the definition of 'Property, Plant and Equipment' i.e., when the Group intends to use these for more than a period of 12 months.

The Fixed Tangible Assets held by the Group does not involve decommissioning cost and the cost of removal of such assets is not material considering the size of the Group. Considering this aspect, the Group has not made any policies for capitalizing the decommissioning cost.

Depreciation on 'Property, Plant & Equipment' generally is provided on the straight line method over the useful lives of the assets in terms of Schedule II of the Companies Act, 2013. Depreciation for the assets purchased/sold during the period is proportionately charged. Improvements to buildings are amortized over the period of remaining useful life of the building. The residual values, useful lives and methods of depreciation of 'Property, Plant and Equipment' are reviewed at each financial year end and adjusted prospectively, if appropriate and under such circumstances the appropriate disclosure will be made in the notes to accounts.

D. Investments:

Long Term Investments are stated at cost. The Group has the policy of making provisions for diminution in the value of investments to recognize decline, other than temporary. The Group does not own any immovable property held as investments and accordingly has not made any policies for such investments.

E. Inventory:

Stock of Inventory i.e. Raw Materials, Work-in-Progress, Trading materials etc. are valued at lower of cost or net realizable value adopting First in First Out Method (i.e. FIFO). Cost of inventories shall comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost also includes expenses incurred towards wages and other related items. Spare parts which do not meet definition of Property, Plant and Equipment, i.e. when the Group intends to use these during the period of 12 months or less, are being considered as Inventory. The FIFO formula assumes that the items of inventory that were purchased or produced first are sold or utilized first, and consequently the items remaining in inventory at the end of the period are those most recently purchased or produced. Cost of work-in-progress (if any) is determined on the basis of cost attributable to the contract.

F. Tax on Income:

The Group has charged off the Current Income Tax to the Statement of Profit and Loss. Deferred Tax Assets/Liabilities recognised/provided are in accordance with the Accounting Standard 22. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date, on the timing differences being the difference between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred tax Asset is recognised, subject to the considerations of prudence. Deferred tax asset so recognised, is being netted off to deferred tax liability or vice versa. Advance Income Tax Paid (including Tax deducted at source, tax paid on self-assessment or otherwise) and provision for current Income Tax (if any) are presented in the Balance Sheet after setting off the same against each other.

G. Employee Benefits:

The Group's "Retirement Benefit Plan" & "other Benefit plans" comprises of Contribution to Provident Fund, Employee State Insurance, and Gratuity and leave encashment. Contribution to provident fund and Employee State Insurance is being made at pre-determined rates and are charged to the Statement of Profit & Loss. The Group's Liability to Gratuity to employees is covered by Group Gratuity policy of Life Insurance Corporation of India and accordingly the premium paid, is charged to the Statement of Profit & Loss. Deficit/Surplus of present value of obligations (under Gratuity policy) over the fair value of Gratuity plan asset duly charged/recognized to the Statement of Profit & Loss, on year to year basis. Provision for leave encashment is being made on estimated basis. There are no other retirement & employee benefits being provided by the Group.

H. Borrowing Costs:

Borrowing costs are recognized as an expense in the year in which they are incurred except those which are directly attributable to acquisition/construction of qualifying fixed assets (as defined under Accounting Standard 16), till the time such assets are ready for use, in which case the borrowing costs are capitalized as part of the cost of the asset.

I. Contingent Liabilities/Assets:

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Provisions not made in the account (which otherwise should have been made) are disclosed by way of appropriate note. Contingent liabilities (if any) are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the consolidated Financial Statements.

J. Impairment of Assets:

The Group has framed the policy of impairing the asset, when carrying value of the assets exceeds its recoverable amount, under the circumstances when the Group is having the sources of information (whether internal or external) that an impairment loss may have occurred. Accordingly, impairment losses will be charged to Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment losses recognised in prior accounting periods is reversed if there has been a change in the estimate of the recoverable amount.

K. Earnings per Share:

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share, if any, is computed using the weighted average number of equity shares and dilutive potential equity share outstanding during the period except when the results would be anti-dilutive.

L. Lease Transactions:

Rent paid/payable on cancellable operating lease, charged to the Statement of profit and loss on accrual basis over the term of the lease on straight line basis. Rent received/receivable on the cancellable operating lease, recognised as income on accrual basis, over the term of the lease on straight line basis.

M. Operating Cycle:

Based on the nature of activities, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

N. Cash Flow Statement:

The Group has prepared the Cash Flow Statement in compliance with the Section 129 read along with the Section 2(40) of the Companies Act, 2013. Cash flows are reported using the indirect method, whereby profit/(loss) after tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information. Cash comprises cash in hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition) and highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

O. Events occurring after the Balance Sheet Date:

Dividends pertaining to the financial year, but declared after the Balance Sheet, not recognized as a liability and the same is being disclosed in the notes to accounts.



Note 26.05: Disclosure as required under Schedule III to Companies Act, 2013 is given as below:

Amount in Rs.

Type and Name of the Entity	Share in Net Assets (Total Assets – Total Liabilities)		Share in Profit or (Loss)	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount
PARENT				
Indian				
1. Manipal Industries Ltd.	98.09 [P.Y. 97.85]	12,78,20,980 [P.Y. 12,22,50,828]	102.45 [P.Y. 100.54]	76,58,461 [P.Y. 1,00,68,507]
SUBSIDIARY				
Indian				
1. TVP Consultants Ltd.	0.01 [P.Y. 0.01]	4,681 [P.Y. 8,362]	0.11 [P.Y. 0.04]	8,319 [P.Y. 3,854]
ASSOCIATE				
Indian				
1. Sri Ramakrishna Theatre Ltd.	1.90 [P.Y. 2.14]	24,83,888 [P.Y. 26,75,002]	(2.56) [P.Y. (0.58)]	(1,91,114) [P.Y. (58,055)]

Note 26.06: Details of valuation of Investments in Associate Companies as required by AS-23 "Accounting for Investments in Associates in Consolidated Financial Statements" are as follows:

Amount in Rs.

Particulars	2018-19	2017-18
Name of the Associate: Sri Ramakrishna Theatre Ltd.		
Ownership Interest	30.98%	30.98%
Original Cost of Investments	1,90,07,432	1,90,07,432
Amount of Goodwill on Consolidation	62,32,069	62,32,069
Share of Post-Acquisition Profits	24,83,888	26,75,002
Carrying value of investments (without considering Goodwill) in the Balance Sheet	1,52,59,251	1,54,50,365
Carrying value of Investments in the Balance Sheet	2,14,91,320	2,16,82,434

Note 26.07: Goodwill on Consolidation represents amount attributable to Subsidiary Company Rs.521/- Goodwill on Consolidation in respect of Associate Company amounting to Rs.62,32,069/-, disclosed separately as addition to carrying cost of investments in Note 9A.

Note 26.08: The net worth of the Subsidiary Company is fully eroded due to the losses, since the Subsidiary Company has made due provisions for reduction in the value of investment, during the earlier years. However, the Subsidiary Company has prepared the Financial Statement on a Going Concern Basis, considering the future plans of action of the investee Company. Accordingly the management of the subsidiary company is of the opinion that the losses as aforesaid will not adversely affect the financial position of the Subsidiary Company. However the Holding Company has made full provision for the investment made in the subsidiary company, which fully covers the loss incurred by the aforesaid Company. Considering the same, no further provision is required in the consolidated financial statements. The net worth of the Company after considering the aforesaid provision is positive. Therefore the loss incurred by the subsidiary company will not have further financial effect on the Group.

Note 26.09: Contingent Liability:

The Holding Company has availed the Guarantee from the Bank for the business purposes for Rs.4 Lakhs, against the security of Hypothecation of Term Deposits Stock in Trade and Receivables.

There are no other contingent liabilities as on 31st March, 2019.

Note 26.10: List of related parties with whom the transactions have taken place during the year:

- Key Management Personnel: Sri T. Harish Pai, Manipal (the Technical Director)
- Relative of Key Management Personnel: Smt. Kanchana Pai
- Sri Ramakrishna Theatre Limited, Udupi (Associate Company)
- Academy of General Education, Manipal (Major Shareholder)



Manipal Industries Limited

The details of transactions are as follows:

Particulars	Current Year Rs.	Previous Year Rs.
A. Remuneration Paid during the year (including management contribution to PF, perquisites etc.) Key Management Personnel Sri T. Harish Pai Rs.13,83,948 (P. Y. Rs.10,74,435)	13,83,948	10,74,435
B. Professional charges paid during the year: Relative of Key Management Personnel Smt. Kanchana Pai Rs.2,40,000/- (P. Y. Rs.1,60,000)	2,40,000	1,60,000
C. Construction revenue accrued during the year From Major Shareholder Academy of General Education Rs. 28,96,081(P. Y. Rs.17,09,808)	28,96,081	17,09,808
D. Investments held as on the Balance Sheet Date: (Actual Cost of Investment) In equity shares of Associate Company Sri Ramakrishna Theatre 1,39,418 equity shares of Rs.10 each Rs.1,90,07,432 (P. Y.: Rs.1,90,07,432)	1,90,07,432	1,90,07,432

Note 26.11: The management is of the opinion that the carrying cost of the assets does not exceed its recoverable amount. Further the Group does not have any information whether internal or external, that indicates that "impairment loss may have occurred". Accordingly the question of impairment of assets does not arise.

Note 26.12: The Board is of the opinion that the assets listed under "Current and Non-Current Assets" (as included under Note No. 9C to 14) have in the ordinary course of business, value equal to the amount at which they are stated in the Balance Sheet.

Note 26.13: The Group during the year is operating under one geographical segment. Hence, segment reporting on geographical basis is not applicable. However, the Group is operating under two business segments namely Trading and Construction. The business-wise segment reporting is disclosed as below:

Amount in Rs.

Particulars		Trading	Construction	Others	Total
REVENUE					
External	CY	36,16,99,919	17,16,56,518	26,000	53,33,82,437
	PY	32,28,40,795	14,16,78,649	22,000	46,45,41,444
Internal	CY	—	—	—	—
	PY	—	—	—	—
TOTAL	CY	36,16,99,919	17,16,56,518	26,000	53,33,82,437
	PY	32,28,40,795	14,16,78,649	22,000	46,45,41,444
RESULT					
Segment Result	CY	1,97,34,855	2,19,83,743	10,301	4,17,28,899
	PY	1,97,05,102	1,74,34,309	4,762	3,71,44,173
Unallocable Expenditure	CY	—	—	—	3,07,43,858
	PY	—	—	—	2,33,05,761
Operating Profit (EBIT)	CY				1,09,85,041
	PY				1,38,38,412
Interest & Financial Charges	CY	—	—	—	4,43,562
	PY	—	—	—	3,57,869
Profit Before Tax (PBT)	CY				1,05,41,479
	PY				1,34,80,543
Provision for Current Tax	CY				31,43,778
	PY				36,44,000
(Excess)/Short Provision for Tax of earlier years	CY	—	—	—	1,521
	PY				(1,69,564)
Adjustment for Deferred Tax	CY				(2,70,600)
	PY				(66,254)
Profit after Tax	CY				76,66,780
	PY				1,00,72,361
Share of Profit (Loss) of Associate	CY				(1,91,114)
	PY				(58,055)
Consolidated Profit	CY				74,75,666
	PY				1,00,14,306



Amount in Rs.

Particulars		Trading	Construction	Others	Total
OTHER INFORMATION:					
Segment Assets	CY	2,92,68,639	4,63,52,538		7,56,21,177
	PY	2,87,62,658	3,65,91,734		6,53,54,392
Unallocated Assets	CY	–	–		8,31,16,258
	PY	–	–		7,85,89,274
Total Assets	CY				15,87,37,435
	PY				14,39,43,666
Segment Liabilities	CY	5,14,510	31,75,008	10,072	36,99,590
	PY	1,80,422	16,75,807	10,072	18,66,301
Unallocated Liabilities	CY	–	–		2,47,28,296
	PY	–	–		1,71,43,173
Total Liabilities	CY				2,84,27,886
	PY				1,90,09,474
Depreciation included in Segment Result	CY	2,09,156	4,66,423	–	6,75,579
	PY	1,78,284	4,88,951	–	6,67,235
NON CASH ITEMS:					
Provision for Gratuity	CY	–	–	–	6,99,586
	PY	–	–	–	7,16,072

Note 26.14 Employee Benefit:

Brief description of the Plans:

- a) The Holding Company has two schemes for long-term benefits such as provident fund and gratuity. In case of funded schemes, the funds are recognized by the Income tax authorities and administered through trustees/appropriate authorities. The Holding Company's defined contribution plan is employees' provident fund (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952) wherein the Holding Company has no further obligation beyond making the contributions.

The Holding Company is also contributing towards Employee State Insurance Plan, as per statutory requirements, wherein the Holding Company has no further obligation beyond making the contributions.

The Holding Company is also providing employee benefit by way of encashment of earned leave. The provision for the same has been made on estimated basis. The amount involved thereon is not material, considering the size of the Holding Company. The Holding Company has not opted for actuarial valuation, considering the cost involved and also the concept of materiality.

The Holding Company's defined benefit plan is gratuity.

- b) Charge to the Statement of Profit and Loss based on contributions:

The Holding Company's contribution to Provident Fund charged to Statement of Profit and Loss during the year is Rs.31,89,059 (P.Y.: Rs.29,79,611) (which includes other charges such administration charges etc.)

The Holding Company's Contribution to Employee State Insurance Plan charged to Statement of Profit and Loss during the year is Rs.9,07,970 (P.Y. Rs.7,55,574).

The details of provision for leave encashment are as under: Provision as on 1st day of April, 2018 Rs.22,14,211 (P.Y. Rs.21,88,941). Amount charged to the Statement of profit & loss during the year Rs.2,27,659 (P.Y. Rs.3,42,743). Actual payment during the year: Rs.75,517 (P.Y. Rs.3,17,473) Provision as on 31st day of March 2019 Rs. 23,66,353 (P.Y. Rs.22,14,211).

The amount of premium contributed to LIC of India towards Group Gratuity Premium is Rs.7,22,924 (P.Y. Rs.4,52,664).

There are no employee cost in the Subsidiary Company.



- c) The disclosures for defined gratuity benefit plans based on actuarial reports obtained from Life Insurance Corporation of India. As on 31.03.2019 is given as under:

		2018-19	2017-18
1. Principal actuarial assumptions used:			
	Discount rate (p.a.)	7.50%	7.50%
	Salary Escalation	5.00%	5.00%
2. Changes in present value of obligation:		Rs.	Rs.
	Opening value of obligations	68,22,411	53,72,867
	Current service cost	3,21,010	2,62,713
	Interest cost	5,11,681	4,29,829
	Actuarial loss/(gain)	10,68,203	8,92,463
	Benefits paid	(45,635)	(1,35,461)
	Closing value of obligations	86,77,670	68,22,411
3. Changes in Fair Value of Assets:			
	Opening fair value of plan assets	63,99,640	56,66,168
	Expected/Actual return on plan assets	5,47,320	4,77,176
	Contributions by employer	6,53,988	3,91,757
	Benefits paid	(45,635)	(1,35,461)
	Closing fair value of plan assets	75,55,313	63,99,640
4. Fair value of Assets:			
	Fair value of plan assets as at Beginning of the Year	63,99,640	56,66,168
	Actual return on plan assets	5,47,320	4,77,176
	Contributions	6,53,988	3,91,757
	Benefits Paid	(45,635)	(1,35,461)
	Fair value of plan assets as at year end	75,55,313	63,99,640
	Funded Status	(11,22,357)	(4,22,771)
5. Actuarial Gain/Loss recognized:			
	Actuarial (Gain)/Loss on Obligations	(10,68,203)	(8,92,463)
	Actuarial (Gain)/Loss for the year- plan assets	Nil	Nil
	Actuarial (Gain)/Loss on Obligations	10,68,203	8,92,463
	Actuarial (Gain)/Loss recognized in the year	10,68,203	8,92,463
6. Amount Recognized in the Balance Sheet:			
	Present value of obligations as at year end	86,77,670	68,22,411
	Fair value of plan assets as at year end	75,55,313	63,99,640
	Funded Status	(11,22,357)	(4,22,771)
	Net asset/(liability) recognized	(11,22,357)	(4,22,771)
7. Expenses Recognized in the Statement of Profit and Loss:			
	Current Service Cost	3,21,010	2,62,713
	Interest Cost	5,11,681	4,29,829
	Expected return on plan assets	(5,47,320)	(4,77,176)
	Net actuarial loss/(gain) recognized in the current year	10,68,203	8,92,463
	Effect of the limit in Para 59(b) of AS 15	*	*
	Total Expense	13,53,574	11,07,829

(*)Information not furnished by Life Insurance Corporation of India.

The Holding Company has written to Life Insurance Corporation of India to furnish information of the Defined Gratuity Benefit Plan, in the manner required under Accounting Standard 15. Accordingly, the Life Insurance Corporation of India has given the information as given above, which has been relied by the Auditors.

The Holding Company ceased to be the Small & Medium Sized Company during the Financial year 15-16 and accordingly has recognized the Gratuity Fund Asset/(Liability) (net) from that year. Accordingly the data for defined gratuity benefit obligation and fair value of planned assets are given for three years as below:

Particulars	2018-19 in Rs.	2017-18 in Rs.	2016-17 in Rs.	2015-16 in Rs.
Closing value of obligation	86,77,670	68,22,411	53,72,867	47,17,813
Closing fair value of plan assets	75,55,313	63,99,640	56,66,168	51,11,940
Net asset/(liability) recognized	(11,22,357)	(4,22,771)	2,93,301	3,94,127



- Note 26.15:** The Group and its Associate has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as on 31st March, 2019.
- Note 26.16:** There are no pending litigations that would impact the financial position of the Group and the Associate in the financial statement.
- Note 26.17:** The Group and its Associate did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- Note 26.18:** Disclosure with regard to events occurring after the Balance Sheet date is given as below:
 Proposed Dividend on Equity Shares and the Tax thereon as proposed by the Holding Company: The Board of the Holding Company has proposed a dividend of 10% i.e. Re.1 per share on Fully Paid Equity Shares and Re.0.60 on Partly Paid Equity Share on which Rs.6 paid up. (P.Y. 10% i.e. 1 per equity share on Fully Paid Equity Share and 0.60 on Partly Paid Equity Share on which Rs.6 paid up). This has not been considered as liability in accordance with the accounting standard, as stated in Note 26.04.O.
- Estimated Financial Effect:**
 The aforesaid dividend if approved by the Holding Company at its Annual General Meeting, will result into the cash outflow of the following amounts:
- | | | |
|---|---------------------|----------------------------|
| On account of Dividend | Rs.17,42,196 | (P.Y. Rs.17,42,196) |
| On account of Tax on Distribution of above Dividend | Rs.3,58,114 | (P.Y. Rs.3,58,114) |
| Total | Rs.21,00,310 | (P.Y. Rs.21,00,310) |
- Note 26.19:** No amounts are required to be transferred to the credit of Investor education and protection fund.
- Note 26.20:** The salient features of the Subsidiary and Associate as required under Section 129(3) of Companies Act 2013 read with rule 5 of Companies (Accounts) Rules 2014 in form AOC-1 is given separately.
- Note 26.21:** Previous year's figures are regrouped, re-arranged or reclassified wherever necessary or relevant.

As per our report of even date
 For **PAI NAYAK & ASSOCIATES**
Chartered Accountants
 Registration Number: 009090S

Sd/-
T. Ashok Pai
Director
 DIN: 00104379

Sd/-
T. Harish Pai
Technical Director
 DIN: 00332817

Sd/-
CA ANANTHANARAYANA PAI K.
Partner
 Membership No.: 024541

Place : MANIPAL
 Date : 28th August, 2019



Manipal Industries Limited

FORM NO. AOC – 1

(Pursuant to sub-section (3) of Section 129 of the Act and Rule 5 of the Companies (Accounts) Rules, 2014.

Statement containing the salient features of financial statements of Subsidiary/Associate Companies

Part “A” : Subsidiaries

(Amount in Rs.)

Name of Subsidiary Company	T V P Consultants Ltd.
Issued & Subscribed Capital	24,53,000/-
Reserves & Surplus	(1,15,06,326/-)
Total Assets	16,214/-
Total Liabilities	90,69,540/-
Investments	See note below
Turnover	26,000/-
Profit/(Loss) before Tax	10,301/-
Provision for Tax	1982/-
Profit/(Loss) After Tax	8,319/-
Proposed Dividend	Nil
% of shareholding	100.00%

Note : Investments made Rs. 1,33,97,737/- is not disclosed since the Company has made full provision for the diminution in the value

Part “B” : Associates and Joint Ventures

(Amount in Rs.)

Name of Associate Company	Sri Ramakrishna Theatre Limited
1. Latest audited Balance Sheet Date	31.03.2019
2. Shares of Associate held by the Company on the year end:	
Number of shares	1,39,418
Amount of Investment in Associate	1,90,07,432/-
Extent of Holding %	30.98%
3. Description of how there is significant influence	Due to percentage of Share Capital
4. Reason why the associate is not consolidated	NA
5. Networth attributable to shareholding as per latest audited Balance Sheet	1,52,59,251/-
6. Profit/Loss for the year:	
i. Considered in Consolidation	(1,91,114)
ii. Not considered in Consolidation	NA



Manipl Industries Limited

Form No. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s)	
Registered Address	
E-mail Id	Folio No./Client ID:

I/We, being the member(s) of _____ shares of the above named Company. Hereby appoint

Name:	E-mail Id:
Address:	
Signature, or failing him	

Name:	E-mail Id:
Address:	
Signature, or failing him	

Name:	E-mail Id:
Address:	
Signature, or failing him	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 56th Annual General Meeting of the Company, to be held on Monday, 30th September, 2019 at 4.00 p.m. at Regd. Office, "Manipl House", Manipl – 576 104 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl. No.	Resolution(S)	Vote	
		For	Against
1.	Adoption of statement of Profit & Loss, Balance Sheet, report of Director's and Auditor's for the financial year 31 st March, 2019		
2.	Declaration of Dividend on Equity Shares of the Company		
3.	To appoint a Director in place of Sri T. Ashok Pai, who retires by rotation and being eligible, offers himself for re-appointment.		
4.	To appoint a Director in place of Sri Krishnaraj Rao, who retires by rotation and being eligible, offers himself for re-appointment		
5.	Re-appointment of M/s Pai Nayak & Associates, Chartered Accountants as Statutory Auditors & fixing their remuneration		

Signed this _____ day of _____ 2019

Signature of Shareholder

Signature of Proxy holder

Signature of the shareholder
across Revenue Stamp

Affix
Revenue
Stamp

Note:

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- 2) The proxy need not be a member of the Company.

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

56th Annual General Meeting on Monday, the 30th September, 2019 at 4.00 p.m. at Regd. Office, "Manipl House", Manipl – 576 104.

Full name of the members attending _____ (In block capitals)

Ledger Folio No./Client ID No. _____ No. of shares held: _____

Name of Proxy _____ (To be filled in, if the proxy attends instead of the member)

I hereby record my presence at the 56th Annual General Meeting of Manipl Industries Ltd., Manipl – 576 104.

(Member's/Proxy's Signature)

Note:

- 1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
- 2) The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.
- 3) A Proxy need not be a member of the Company.
- 4) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- 5) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

BOOK-POST

**56th
Annual Report
2018 – 2019**

If undelivered, please return to :

MANIPAL INDUSTRIES LIMITED
REGD. OFFICE: MANIPAL HOUSE
MANIPAL – 576 104

info@manpalgroup.info