



Registered & Corporate Office : (CIN-L65910KL1992PLC006623) IV/470A (old) W638A(New), Manappuram House, Valapad, Thrissur, Kerala - 680 567, India
Tel : 0487- 3050100, 3050108 Fax : 0487- 2399298 E mail : mail@manappuram.com Website : www.manappuram.com

**INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM STANDALONE
FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF
MANAPPURAM FINANCE LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **MANAPPURAM FINANCE LIMITED** (the "Company"), for the quarter ended June 30, 2021 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

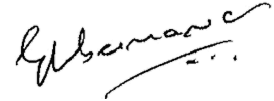
8

**Deloitte
Haskins & Sells LLP**

5. We draw attention to Note 7 to the Statement in which the Company describes the continuing uncertainties arising from the COVID 19 pandemic.

Our conclusion on the Statement is not modified in respect of this matter.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



G. K. Subramaniam
Partner
(Membership No. 109839)
UDIN: 21109839AAAANC2839

Place: Mumbai
Date: August 10, 2021

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2021

(Rs. in Crore, except per equity share data)

S.No	Particulars	Quarter Ended			Year Ended
		30-Jun-21	31-Mar-21	30-Jun-20	31-Mar-21
		Unaudited	Refer note 5	Unaudited	Audited
A	Revenue from operations				
	(i) Interest income	1,233.07	1,299.92	1,223.88	5,137.77
	(ii) Dividend income	-	-	-	5.02
	(iii) Net gain on fair value changes	-	0.25	-	0.01
	(iv) Fees and commission income	0.75	1.22	0.56	4.32
	(v) Others	3.69	14.07	0.06	25.13
	Total revenue from operations (A)	1,237.51	1,315.46	1,224.50	5,172.25
B	Other income	5.52	3.28	1.40	21.25
	Total income (A+B)	1,243.03	1,318.74	1,225.90	5,193.50
C	Expenses				
	(i) Finance costs	363.27	407.57	432.58	1,719.98
	(ii) Fees and commission expense	9.25	8.22	3.72	20.18
	(iii) Impairment on financial instruments	29.58	12.06	50.08	129.92
	(iv) Employee benefits expenses	168.00	172.07	133.57	624.66
	(v) Depreciation and amortization	38.27	38.90	41.66	155.67
	(vi) Other expenses	64.22	72.08	69.44	273.55
	Total expenses (C)	672.59	710.90	731.05	2,923.96
D	Profit before tax (A+B-C)	570.44	607.84	494.85	2,269.54
E	Tax expense:				
	(i) Current tax	142.61	181.26	122.62	605.33
	(ii) Deferred tax	2.62	(26.37)	3.12	(28.70)
	(iii) Earlier years adjustments	-	(5.00)	-	(5.00)
F	Profit for the period (D-E)	425.21	457.95	369.11	1,697.91
G	Other comprehensive income/(loss)				
	A) (i) Items that will not be reclassified to profit or loss				
	- Actuarial gain / (losses) on post retirement benefit plans	0.82	1.28	(2.60)	(4.91)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.21)	(0.32)	0.05	1.24
	Subtotal (A)	0.61	0.96	(2.55)	(3.67)
	B) (i) Items that will be reclassified to profit or loss				
	- Fair value changes on derivatives designated as cash flow hedges, net	(20.96)	28.83	(35.39)	(14.60)
	(ii) Income tax relating to items that will be reclassified to profit or loss	5.28	(7.25)	2.23	3.68
	Subtotal (B)	(15.68)	21.58	(33.16)	(10.92)
	Total other comprehensive income / (loss) (G)	(15.07)	22.54	(35.71)	(14.59)
H	Total comprehensive income for the period (F+G)	410.14	480.49	333.40	1,683.32
I	Paid-up equity share capital (Face value of Rs. 2/- per share)	169.27	169.27	169.04	169.27
J	Other Equity	-	-	-	6,732.45
K	Earnings per equity share (not annualised for the quarters)				
	Basic (Rs.)	5.02	5.41	4.37	20.08
	Diluted (Rs.)	5.02	5.41	4.36	20.08

2/19/21

NOTES :

- 1 These unaudited standalone financial results for the quarter ended June 30, 2021 have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standard ("Ind AS") prescribed under section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued thereunder, the other accounting principles generally accepted in India and in compliance with the Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 09 August, 2021 and 10 August, 2021 respectively. The Statutory Auditors of the Company have carried out a limited review of the aforesaid results for the quarter ended June 30, 2021 and have issued unmodified review conclusion thereon.
- 3 The Company is a Systematically Important -Non Deposit accepting NBFC, operates mainly in the business of lending, accordingly there are no separate reportable segments as per IND AS 108 – Operating Segments.
- 4 The Company has maintained requisite full asset cover by way of floating charge on book debts and other unencumbered assets of the Company on its Secured Listed Non-Convertible Debentures as at June 30, 2021.
- 5 The statement includes the results for the quarters ended March 31, 2021 being the balancing figure of the audited figures in respect of full financial year and the published year to date figures up to the third quarter of the respective financial years, the results which were subjected to "Limited Review".
- 6 The Code on Social Security, 2020 (the "Code") has been enacted. The date of coming into force of the various provisions of the Code is to be notified and the rules thereunder are yet to be announced. The potential impact of the change will be estimated and accounted in the period of notification.
- 7 The COVID-19 pandemic continues to spread across the globe and India, which has contributed to a significant volatility in global and Indian financial/economic activities. During the quarter ended June 30, 2021, India experienced a "second wave" of COVID-19, including a significant surge of COVID-19 cases and local lockdowns. The standalone financial results, includes the potential impact of the COVID-19 pandemic which are dependent on future developments, which cannot be predicted with certainty, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether Government mandated or elected by the company and its subsequent impact on the recoverability of the Company's assets.

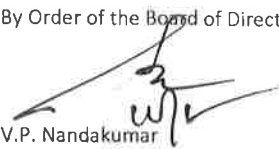
Further, the Company has, based on current available information and based on the policy approved by the board, determined the prudential estimate of provision for impairment of financial assets. Given the uncertainty over the potential macro-economic impact, the Company's management has considered all available internal and external information up to the date of approval of these financial results. Accordingly, the Company has made prudential estimate of provision for expected credit loss on financial assets as at June 30, 2021. Based on the current indicators of future economic conditions, the Company considers this provision to be adequate and expects to recover the carrying amount of these financial assets.

The extent to which the COVID-19 pandemic will further impact the Company's standalone financial results will depend on developments, which cannot be predicted with certainty, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Company. Accordingly, the impact of the global health pandemic may be different from that estimated as at the date of approval of these standalone financial results. The Company will continue to closely monitor any material changes to future economic conditions.
- 8 Disclosure on Resolution Framework - 2.0: Resolution of COVID- 19 related stress of Individuals and Small Businesses in terms of RBI circular RBI/2021 -22/31 DOR.STR.REC.11/21.04.04812021-12 dated May 05, 2021 ("RBI Circular");
During the quarter ended June 30, 2021, the Company has implemented resolution plans to relieve COVID-19 pandemic related stress of eligible borrowers with a total outstanding of Rs. 65.86 Crore as of June 30, 2021 for which appropriate provision has been made in the books. The resolution plans are based on the parameters laid down in the resolution policy approved by the Board of Directors of the Company in accordance with the above RBI circular.
- 9 The Board of Directors declared an interim dividend of Rs 0.75 per equity share having face value of Rs. 2/-each.
- 10 Previous period figures have been regrouped/reclassified, wherever necessary, to confirm with the current period presentation.

Place : Valapad

Date : August 10, 2021

By Order of the Board of Directors


V.P. Nandakumar
Managing Director & CEO
DIN: 00044512

**INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF
INTERIM CONSOLIDATED FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF
MANAPPURAM FINANCE LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **MANAPPURAM FINANCE LIMITED** (the "Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as the "Group"), for the quarter ended June 30, 2021 (the "Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:
 - I. Manappuram Finance Limited (Parent)
 - II. Manappuram Home Finance Limited (Wholly owned subsidiary)
 - III. Asirvad Microfinance Limited (Subsidiary)
 - IV. Manappuram Insurance Brokers Limited (Wholly owned subsidiary)
 - V. Manappuram Comptech and Consultants Limited (Subsidiary)
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review report of other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.



**Deloitte
Haskins & Sells LLP**

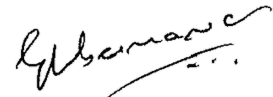
6. We draw attention to Note 10 to the Statement in which the Group describes the continuing uncertainties arising from the COVID 19 pandemic.

Our conclusion on the Statement is not modified in respect of this matter.

7. We did not review the interim financial results of one subsidiary included in the consolidated unaudited financial results, whose interim financial results reflect total revenues of Rs. 302.56 crore for the quarter ended June 30, 2021, total net profit after tax of Rs. 7.66 crore for the quarter ended June 30, 2021, and total comprehensive profit of Rs. 3.27 crore for the quarter ended June 30, 2021, as considered in the Statement. These interim financial results have been reviewed by other auditor whose report have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of the other auditor and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of this matter.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



G. K. Subramaniam
Partner
(Membership No.109839)
UDIN: 21109839AAAAND8625

Place: Mumbai
Date: August 10, 2021

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE, 2021

(Rs. in Crore, except per equity share data)

S.No	Particulars	Quarter Ended			Year Ended
		30-Jun-21	31-Mar-21	30-Jun-20	31-Mar-21
		Unaudited	Refer Note 8	Unaudited	Audited
A	Revenue from operations				
	(i) Interest income	1,521.61	1,574.59	1,479.91	6,189.55
	(ii) Dividend income	2.67	1.40	5.30	12.87
	(iii) Fees and commission income	5.17	3.64	3.26	17.89
	(iv) Net gain on fair value changes	20.49	19.40	23.46	71.49
	(v) Others	13.36	23.29	0.60	38.75
	Total revenue from operations (A)	1,563.30	1,622.32	1,512.53	6,330.55
B	Other income	10.44	7.93	3.94	44.08
	Total income (A+B)	1,573.74	1,630.25	1,516.47	6,374.63
C	Expenses				
	(i) Finance costs	493.10	523.92	566.83	2,218.95
	(ii) Fees and commission expense	9.25	8.22	3.72	20.18
	(iii) Impairment on financial instruments	122.25	106.59	145.27	440.08
	(iv) Employee benefits expenses	230.45	233.44	175.31	842.91
	(v) Depreciation and amortization	42.78	43.93	44.40	170.95
	(vi) Other expenses	89.54	92.07	88.65	365.53
	Total expenses (C)	987.37	1,008.17	1,024.18	4,058.60
D	Profit before tax (A+B-C)	586.37	622.08	492.29	2,316.03
E	Tax expense:				
	(i) Current tax	145.78	202.17	136.17	679.04
	(ii) Deferred tax	3.74	(39.30)	(11.85)	(78.82)
	(iii) Earlier years adjustments	-	(9.14)	-	(9.14)
F	Profit for the period (D-E)	436.85	468.35	367.97	1,724.95
G	Other comprehensive income/ (loss)				
	A) (i) Items that will not be reclassified to profit or loss				
	- Actuarial gains / (losses) on post retirement benefit plans	1.00	(0.69)	(2.63)	(7.00)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	1.23	0.15	0.09	1.76
	Subtotal (A)	2.23	(0.54)	(2.54)	(5.24)
	B) (i) Items that will be reclassified to profit or loss				
	- Fair value changes on derivatives designated as cash flow hedges, net	(26.83)	29.48	(35.39)	(13.95)
	(ii) Income tax relating to items that will be reclassified to profit or loss	5.28	(7.42)	2.23	3.51
	Subtotal (B)	(21.55)	22.06	(33.16)	(10.44)
	Total other comprehensive income/ (loss) (G)	(19.32)	21.52	(35.70)	(15.68)
H	Total comprehensive income for the period (F+G)	417.53	489.87	332.27	1,709.27
I	Net profit attributable to:				
	Owners of parent	436.53	468.33	368.11	1,724.25
	Non-controlling interests	0.32	0.02	(0.14)	0.70
J	Other comprehensive income / (loss) attributable to:				
	Owners of parent	(19.14)	21.56	(35.70)	(15.64)
	Non-controlling interests	(0.18)	(0.04)	-	(0.04)
K	Total comprehensive income/ (loss) attributable to:				
	Owners of parent	417.39	489.89	332.41	1,708.61
	Non-controlling interests	0.14	(0.02)	(0.14)	0.66
L	Paid-up equity share capital (Face value of Rs. 2/- per share)	169.27	169.27	169.04	169.27
M	Other equity				7,138.17
N	Earnings per equity share (not annualised for the quarters)				
	Basic (Rs.)	5.16	5.53	4.35	20.40
	Diluted (Rs.)	5.16	5.53	4.35	20.40

SEGMENT WISE DETAILS ON UNAUDITED CONSOLIDATED BASIS FOR THE QUARTER ENDED 30 JUNE, 2021

(Rs. in Crore)

S.No	Particulars	Quarter Ended			Year Ended
		30-Jun-21	31-Mar-21	30-Jun-20	31-Mar-21
		Unaudited	Refer Note 8	Unaudited	Audited
1	Segment Revenue				
	Gold loan and others	1,271.18	1,346.48	1,250.31	5,297.45
	Microfinance	302.56	283.77	266.16	1,077.18
	Total Segment Revenue	1,573.74	1,630.25	1,516.47	6,374.63
2	Segment Results (Profit before Tax)				
	Gold loan and others	575.29	616.48	496.47	2,285.35
	Microfinance	11.08	5.60	(4.18)	30.68
	Total Segment Results	586.37	622.08	492.29	2,316.03
3	Segment Assets				
	Gold loan and others	23,067.29	25,519.45	25,274.95	25,519.45
	Microfinance	5,755.30	5,818.33	6,145.06	5,818.33
	Total Segment Assets	28,822.59	31,337.78	31,420.01	31,337.78
4	Segment Liabilities				
	Gold loan and others	16,416.28	19,220.25	20,219.11	19,220.25
	Microfinance	4,696.60	4,762.90	5,104.78	4,762.90
	Total Segment Liabilities	21,112.88	23,983.15	25,323.89	23,983.15

19/6

Notes:

- 1 These unaudited consolidated financial results for the quarter ended June 30, 2021 have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standard ("Ind AS") prescribed under section 133 of the Companies Act 2013 (the "Act") read with relevant rules issued thereunder, the other accounting principles generally accepted in India and in compliance with the Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2 The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 09 August, 2021 and 10 August, 2021 respectively. The Statutory Auditors of the Company have carried out a limited review of the aforesaid results for the quarter ended June 30, 2021 and have issued unmodified review conclusion thereon.
- 3 The Group has reported segment information as per Indian Accounting Standard 108 (Ind AS 108) on 'Operating Segments'. As per Ind AS 108, segments are identified based on management's evaluation of financial information for locating resources and assessing performance. Accordingly, the Group has identified two reportable segments: 1. Gold loan and others 2. Microfinance.
- 4 The Board of Directors in their meeting held on August 10, 2021, declared a dividend of Rs.0.75 per equity share having face value of Rs. 2/-each.
- 5 The Group has maintained requisite full asset cover by way of floating charge on book debts and other unencumbered assets of the Group on its Secured Listed Non Convertible Debentures as at June 30, 2021.
- 6 The Code on Social Security, 2020 (the "Code") has been enacted. The date of coming into force of the various provisions of the Code is to be notified and the rules thereunder are yet to be announced. The potential impact of the change will be estimated and accounted in the period of notification.
- 7 Disclosure on Resolution Framework - 2.0: Resolution of COVID- 19 related stress of Individuals and Small Businesses in terms of RBI circular RBI/2021 -22/31 DOR.STR.REC.11/21.04.04812021-12 dated May 05, 2021 ("RBI Circular"): During the quarter ended June 30, 2021, the Parent and concerned subsidiary companies has implemented resolution plans to relieve COVID-19 pandemic related stress of eligible borrowers with a total outstanding of Rs. 1,174.47 crore as of June 30, 2021 for which appropriate provision has been made in the books. The resolution plans are based on the parameters laid down in the resolution policy approved by the Board of Directors of the Parent and concerned subsidiary companies in accordance with the above RBI circular.
- 8 The statement includes the results for the quarter ended March 31, 2021 being the balancing figure of the audited figures in respect of full financial year and the published year to date figures up to the third quarter of the previous financial year, which were subjected to "Limited Review".
- 9 Previous period/year figures have been regrouped/reclassified, wherever necessary, to conform with the current period presentation.
- 10 The COVID-19 pandemic continues to spread across the globe and India, which has contributed to a significant volatility in global and Indian financial/economic activities. During the quarter ended June 30, 2021, India experienced a "second wave" of COVID-19, including a significant surge of COVID-19 cases and local lockdowns. The Consolidated financial results, includes the potential impact of the COVID-19 pandemic which are dependent on future developments, which cannot be predicted with certainty, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether Government mandated or elected by the Group and its subsequent impact on the recoverability of the Group's assets.

Further, the Group has, based on current available information and based on the policy approved by the board, determined the prudential estimate of provision for impairment of financial assets. Given the uncertainty over the potential macro-economic impact, the Group's management has considered all available internal and external information up to the date of approval of these financial results. Accordingly, the Group has made prudential estimate of provision for expected credit loss on financial assets as at June 30, 2021. Based on the current indicators of future economic conditions, the Group considers this provision to be adequate and expects to recover the carrying amount of these financial assets.

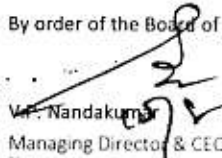
Further, the Group has, based on current available information and based on the policy approved by the board, determined the prudential estimate of provision for impairment of financial assets. Given the uncertainty over the potential macro-economic impact, the Group's management has considered all available internal and external information up to the date of approval of these financial results. Accordingly, the Group has made prudential estimate of provision for expected credit loss on financial assets as at June 30, 2021. Based on the current indicators of future economic conditions, the Group considers this provision to be adequate and expects to recover the carrying amount of these financial assets.

11 Key standalone financial information is given below:

(Rs. in Crore)

S.No	Particulars	Quarter Ended			Year Ended
		30-Jun-21	31-Mar-21	30-Jun-20	31-Mar-21
		Unaudited	Refer Note 8	Unaudited	Audited
1	Total income	1,243.03	1,318.74	1,225.90	5,193.50
2	Profit before tax	570.44	607.84	494.85	2,269.54
3	Profit after tax	425.21	457.95	369.11	1,697.91
4	Total comprehensive income	410.14	480.49	333.40	1,683.32

By order of the Board of Directors


V.P. Nandakumar
 Managing Director & CEO
 DIN: 00044512

Place : Valapad, Thrissur
 Date: August 10, 2021