



MANAPPURAM FINANCE LIMITED

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Ref: Sec/SGX/215/2020-21

July 29,2020

Singapore Exchange

Securities Market Control

Securities & Market Data, Operations

11 North Buona Vista Drive,

#06-07 The Metropolis Tower 2,

Singapore 138589

Dear Sir/Madam,

Sub: Unaudited Consolidated and Standalone Financial Results for the quarter ended June 30,2020

We enclose herewith the Unaudited Consolidated and Standalone Financial Results and Limited Review Report for the quarter ended June 30,2020.

We request you to take the same on record.

Thanking You.

For Manappuram Finance Limited

MANOJKUMAR

V R

Digitally signed by MANOJKUMAR V R
DN: c=IN, ou=Personal, postalCode=680501, st=Kerala,
serialNumber=ec0b07b2d06a85987aa84d48d23761b1c13f03
d66989437cb6348bc1a592cc87, cn=MANOJKUMAR V R
Date: 2020.07.29 16:43:28 +05'30'

Manoj Kumar V R

Company Secretary

India's First Listed and Highest Credit Rated Gold Loan Company

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 AUDITOR'S 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 Consolidated Unaudited 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, 2020 ("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.
4. The Statement includes the results of the following entities:
 - I. Manappuram Finance Limited (the 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, 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.

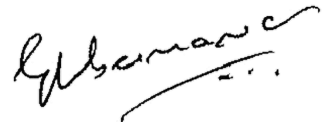


Deloitte Haskins & Sells LLP

6. We draw attention to Note 7 to the Statement in which the Group describes the 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: 20109839AAAANT7891

Place: Mumbai
Date: July 29, 2020

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020

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

S.No	Particulars	Quarter Ended			Year Ended
		30-Jun-20	31-Mar-20	30-Jun-19	31-Mar-20
		Unaudited	Refer note - 5	Unaudited	Audited
A	Revenue from operations				
	(i) Interest income	1,458.82	1,471.91	1,161.32	5,217.06
	(ii) Dividend income	5.30	2.29	2.95	9.47
	(iii) Fees and commission income	24.35	2.74	24.17	103.50
	(iv) Net gain on fair value changes	23.46	125.91	-	125.91
	(v) Others	0.60	2.47	2.25	9.38
	Total revenue from operations (A)	1,512.53	1,605.32	1,190.69	5,465.32
B	Other income	3.94	12.83	10.11	85.87
	Total income (A+B)	1,516.47	1,618.15	1,200.80	5,551.19
C	Expenses				
	(i) Finance costs	566.83	580.80	405.81	1,832.23
	(ii) Fees and commission expense	3.72	6.27	5.38	23.66
	(iii) Impairment on financial instruments	145.27	122.62	34.13	237.61
	(iv) Employee benefits expenses	175.31	217.33	197.10	830.13
	(v) Depreciation and amortization	44.40	43.75	39.57	164.18
	(vi) Other expenses	88.65	113.31	111.67	456.08
	Total expenses (C)	1,024.18	1,084.08	793.66	3,543.89
D	Profit before tax (A+B-C)	492.29	534.07	407.14	2,007.30
E	Tax expense:				
	(i) Current tax	136.17	145.25	152.08	534.47
	(ii) Deferred tax	(11.85)	(9.38)	(11.72)	(7.48)
F	Profit for the period (D-E)	367.97	398.20	266.78	1,480.31
G	Other comprehensive income				
	A) (i) Items that will not be reclassified to profit or loss				
	- Actuarial gains / (losses) on post retirement benefit plans	(2.63)	(3.52)	(1.03)	(8.49)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.09	0.85	0.35	2.09
	Subtotal (A)	(2.54)	(2.67)	(0.68)	(6.40)
	B) (i) Items that will be reclassified to profit or loss				
	- Fair value changes on derivatives designated as cash flow hedges, net	(35.39)	0.54	-	0.54
	(ii) Income tax relating to items that will be reclassified to profit or loss	2.23	(0.14)	-	(0.14)
	Subtotal (B)	(33.16)	0.40	-	0.40
	Total other comprehensive income (G)	(35.70)	(2.27)	(0.68)	(6.00)
H	Total comprehensive income for the period (F+G)	332.27	395.93	266.10	1,474.31
I	Net profit attributable to:				
	Owners of parent	368.11	394.97	264.43	1,467.75
	Non-controlling interests	(0.14)	3.23	2.35	12.56
J	Other comprehensive income attributable to:				
	Owners of parent	(35.70)	(2.25)	(0.69)	(5.99)
	Non-controlling interests	-	(0.02)	0.01	(0.01)
K	Total comprehensive income attributable to:				
	Owners of parent	332.41	392.72	263.74	1,461.76
	Non-controlling interests	(0.14)	3.21	2.36	12.55
L	Paid-up equity share capital (Face value of Rs. 2/- per share)	169.04	169.00	168.65	169.00
M	Earnings per equity share (not annualised)				
	Basic (Rs.)	4.35	4.72	3.16	17.54
	Diluted (Rs.)	4.35	4.70	3.15	17.49

SEGMENT WISE DETAILS ON UNAUDITED CONSOLIDATED BASIS FOR THE QUARTER ENDED JUNE 30, 2020

S.No	Particulars	Quarter Ended			Year Ended
		30-Jun-20	31-Mar-20	30-Jun-19	31-Mar-20
		Unaudited	Refer note - 5	Unaudited	Audited
1	Segment Revenue				
	Gold loan & others	1,250.31	1,215.67	972.20	4,449.75
	Microfinance	266.16	402.48	228.60	1,101.44
	Total Segment Revenue	1,516.47	1,618.15	1,200.80	5,551.19
2	Segment Results (Profit before Tax)				
	Gold loan & others	496.47	459.47	339.03	1,697.00
	Microfinance	(4.18)	74.60	68.11	310.30
	Total Segment Results	492.29	534.07	407.14	2,007.30
3	Segment Assets				
	Gold loan & others	25,274.95	23,629.57	18,261.92	23,629.57
	Microfinance	6,145.06	5,912.45	4,435.02	5,912.45
	Total Segment Assets	31,420.01	29,542.02	22,696.94	29,542.02
4	Segment Liabilities				
	Gold loan & others	20,219.11	18,864.70	14,332.89	18,864.70
	Microfinance	5,104.78	4,872.93	3,586.62	4,872.93
	Total Segment Liabilities	25,323.89	23,737.63	17,919.51	23,737.63

NOTES :

- In compliance with Regulation 33 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, a limited review of unaudited consolidated financial results for the quarter ended June 30, 2020 has been carried out by the statutory auditors and have issued unqualified review conclusion thereon.
- During the period ended June 30, 2020, the company allotted 1,83,273 shares, pursuant to exercise of stock option by eligible employees.
- 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.
- The Group 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, 2020.
- The statement includes the results for the quarter ended March 31, 2020 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".
- From the period ending September 30, 2019 the Group has changed the rounding off from Rupees in Lakh to Rupees in Crore and accordingly the Comparative figures for quarter ended June 30, 2019 have been presented in Rupees in Crore.
- The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. Reserve Bank of India (RBI) has issued guidelines relating to COVID-19 Regulatory Package dated March 27, 2020, April 17, 2020 and May 23, 2020 and in accordance therewith, the holding company and two of its subsidiaries has proposed a opt-in moratorium on the payment of principal instalments and/ or interest, as per respective Board's approved policy to certain eligible borrowers classified as standard, even if the said amounts were overdue as on February 29, 2020. For all such accounts where the moratorium is granted, the asset classification will remain at a standstill during the moratorium period (i.e. the number of days past due shall exclude the moratorium period for the purposes of asset classification as per the Group's policy).

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 Groups has made prudential estimate of provision for expected credit loss on financial assets as at June 30, 2020. 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.

The extent to which the COVID-19 pandemic will impact the Group's future 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 Group. The Group will continue to closely monitor any material changes to future economic conditions.



- 8 Pursuant to the regulatory guidance on Ind AS issued by RBI dated 13 March 2020 to promote consistent Ind AS implementation among NBFCs, in the financial year 2019-2020, one of our subsidiaries had changed its policy on accounting for securitised assets and direct assignment transactions. The securitised assets which were hitherto, de-recognized in the books based on 'True Sale Criteria' prescribed by RBI, was re-recognised in the books along with interest income using effective interest rate as the subsidiary has not transferred substantially all the risks and rewards in accordance with the provisions of Indian Accounting Standard No.109 (Ind AS 109), 'Financial Instruments'. Proceeds received from securitisation has been recognised as Borrowings (other than debt securities) and Interest thereon has been recognised as Finance cost. Similarly, the gain on sale of assets arising from a direct assignment transactions, has been recognised on de-recognition as interest only strip. Consequently the figures for the quarter ended 30 June 2019 have been restated.

Accordingly the figures for the quarter ended 30 June 2019 are as previously published, and do not reflect the impact of the aforesaid adjustment on account of change in accounting policy. The impact of such change on financial performance for the quarter ended 30 June 2019 is given below:

Financial line item	(Rs. in Crore)
	For the quarter ended 30 June increase / (decrease)
Interest Income	16.49
Other income	(0.40)
Finance Cost	25.83
Provision and Other Losses	(2.40)
Other Expenses	(0.04)
Tax Expense	(1.84)
Loss after Tax for the period	(5.46)
Impact on Basic Earnings per Share of Rs.2 each	(0.06)
Impact on Diluted Earnings per Share of Rs.2 each	(0.06)

- 9 Previous period figures have been regrouped/reclassified, wherever necessary, to confront with the current period presentation.

- 10 Key standalone financial information is given below:

S.No	Particulars	(Rs. in Crore)			
		Quarter Ended			Year Ended
		30-Jun-20	31-Mar-20	30-Jun-19	31-Mar-20
		Unaudited	Refer note - 5	Unaudited	Audited
1	Total income	1,225.90	1,191.08	950.51	4,352.18
2	Profit before tax	494.85	460.72	335.30	1,680.00
3	Profit after tax	369.11	339.76	220.30	1,230.30
4	Total comprehensive income	333.40	338.18	219.53	1,224.87

By order of the Board of Directors

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



Place : Valapad, Thrissur

Date: 29-07-2020

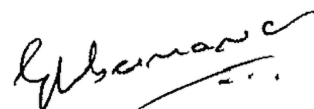
INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF MANAPPURAM FINANCE LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **MANAPPURAM FINANCE LIMITED** ("the Company"), for the quarter ended June 30, 2020 ("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.
5. We draw attention to Note 8 to the Statement in which the Company describes the 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: 20109839AAAANS6482

Place: Mumbai
Date: July 29, 2020

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2020

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

S.No	Particulars	Quarter Ended			Year Ended
		30-Jun-20	31-Mar-20	30-Jun-19	31-Mar-20
		Unaudited	Ref Note:6	Unaudited	Audited
A	Revenue from operations				
	(i) Interest income	1,202.79	1,163.08	935.62	4,225.23
	(ii) Dividend Income	-	5.02	-	5.02
	(iii) Fees and commission income	21.65	19.30	13.39	79.91
	(iv) Others	0.06	0.42	0.37	1.13
	Total revenue from operations (A)	1,224.50	1,187.82	949.38	4,311.29
B	Other income	1.40	3.26	1.13	40.89
	Total Income (A+B)	1,225.90	1,191.08	950.51	4,352.18
C	Expenses				
	(i) Finance costs	432.58	391.77	303.88	1,391.20
	(ii) Fees and commission expense	3.72	6.27	5.38	23.66
	(iii) Impairment on financial instruments	50.08	36.96	18.58	84.85
	(iv) Employee benefits expenses	133.57	164.46	156.41	649.13
	(v) Depreciation and amortization	41.66	39.68	38.70	154.07
	(vi) Other expenses	69.44	91.22	92.26	369.27
	Total expenses (C)	731.05	730.36	615.21	2,672.18
D	Profit before tax (A+B-C)	494.85	460.72	335.30	1,680.00
E	Tax expense:				
	(i) Current tax	122.62	113.93	120.55	429.60
	(ii) Deferred tax	3.12	7.03	(5.55)	20.10
F	Profit for the period (D-E)	369.11	339.76	220.30	1,230.30
G	Other comprehensive Income				
	A) (i) Items that will not be reclassified to profit or loss				
	- Actuarial gain / (losses) on post retirement benefit plans	(2.60)	(2.65)	(1.19)	(7.80)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0.05	0.67	0.42	1.97
	Subtotal (A)	(2.55)	(1.98)	(0.77)	(5.83)
	B) (i) Items that will be reclassified to profit or loss				
	- Fair value changes on derivatives designated as cash flow hedges, net	(35.39)	0.54	-	0.54
	(ii) Income tax relating to items that will be reclassified to profit or loss	2.23	(0.14)		(0.14)
	Subtotal (B)	(33.16)	0.40	-	0.40
	Total other comprehensive Income (A + B) (G)	(35.71)	(1.58)	(0.77)	(5.43)
H	Total comprehensive Income for the period (F+G)	333.40	338.18	219.53	1,224.87
I	Paid-up equity share capital (Face value of Rs. 2/- per share)	169.04	169.00	168.65	169.00
J	Earnings per equity share (not annualised for the quarters)				
	Basic (Rs.)	4.37	4.03	2.61	14.58
	Diluted (Rs.)	4.36	4.01	2.60	14.53



NOTES :

- 1 In compliance with the Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a limited review of unaudited financial results for the quarter ended June 30, 2020 has been carried out by the statutory auditors and have issued unqualified review conclusion thereon.
- 2 The said financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with relevant Rules issued thereunder and other accounting principles generally accepted in India.
- 3 The Company operates mainly in the business of lending finance, accordingly there are no separate reportable segments as per IND AS 108 – Operating Segments.
- 4 During the quarter ended June 30, 2020, the company allotted 1,83,273 shares, pursuant to exercise of stock option by eligible employees.
- 5 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, 2020.
- 6 The statement includes the results for the quarter ended March 31, 2020 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".
- 7 From the period ending September 30, 2019 the Company has changed the rounding off from Rupees in Lakh to Rupees in Crore and accordingly the Comparative figures for quarter ended June 30, 2019 have been presented in Rupees in Crore.
- 8 The outbreak of COVID-19 pandemic across the globe and in India has contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. Reserve Bank of India (RBI) has issued guidelines relating to COVID-19 Regulatory Package dated March 27, 2020, April 17, 2020 and May 23, 2020 and in accordance therewith, the Company has proposed a opt-in moratorium on the payment of principal instalments and/ or interest, as per the Board approved policy to certain eligible borrowers classified as standard, even if the said amounts were overdue as on February 29, 2020. For all such accounts where the moratorium is granted, the asset classification will remain at a standstill during the moratorium period (i.e. the number of days past due shall exclude the moratorium period for the purposes of asset classification as per the Company's policy).

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, 2020. 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 impact the Company's future 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. The Company will continue to closely monitor any material changes to future economic conditions.

- 9 Previous period figures have been regrouped/reclassified, wherever necessary, to conform with the current period presentation.

By Order of the Board of Directors

V.P. Nandakumar

Managing Director & CEO

DIN: 00044512

Place : Valapad

Date : July 29, 2020

