

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

TO THE BOARD OF DIRECTORS OF ASIRVAD MICROFINANCE LIMITED

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **ASIRVAD MICROFINANCE LIMITED** ("the Company"), for the Quarter and Nine months ended 31 December 2018 ("the Statement"), being submitted by the Company to the Holding Company, Manappuram Finance Limited, to enable them to prepare the consolidated Financial Results pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting standard 34 for "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 issue a report on the Statement based on our review.
2. 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. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared for the sole purpose of inclusion in the Consolidated Financial Results of Manappuram Finance Limited has not been prepared in accordance with the aforesaid Accounting Standards and other accounting principles generally accepted in India.
4. This limited review conclusion is solely for your information and use by the group auditors in the Limited Review of the group financial results of Manappuram Finance Limited and should not be used by or distributed to other parties.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)

S. Sundaresan

S. Sundaresan
Partner

(Membership No. 25776)

Chennai, 2 February 2019



Asirvad Microfinance Limited
(Subsidiary of Manappuram Finance Limited)
CIN: U65923TN2007PLC064550
Regd Office: 1st Floor, Deshabandhu Plaza, 47, Whites Road, Chennai - 600014
Statement of Unaudited Financial Results for the Nine Months ended 31 December 2018

(Amount Rs.in Lakhs)

S.No	Particulars	Quarter Ended			Nine months Ended	
		31 December 2018	30 September 2018	31 December 2017	31 December 2018	31 December 2017
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
(I)	Revenue from Operations	16,337.72	14,754.45	11,586.40	44,946.22	31,618.09
(II)	Other income	1,638.40	1,110.50	770.41	3,709.78	2,034.13
	Total Revenue (I+II)	17,976.12	15,864.95	12,356.81	48,656.00	33,652.22
(III)	Expenses					
	(a) Finance cost	7,445.83	6,415.54	5,733.44	19,868.47	15,752.64
	(b) Employee benefit expenses	3,023.87	2,811.98	2,412.37	8,458.93	7,073.32
	(c) Depreciation and Amortization Expenses	150.20	152.61	198.28	433.27	405.24
	(d) Provision and Other Losses	715.31	498.93	2,482.55	1,556.18	11,081.23
	(e) Other expenses	1,538.76	1,490.86	1,119.72	4,413.37	3,303.30
	Total Expenses	12,873.97	11,369.92	11,946.36	34,730.22	37,615.73
(IV)	Profit/(Loss) before tax (I + II - III)	5,102.15	4,495.03	410.45	13,925.78	(3,963.51)
(V)	Tax Expense	1,793.45	1,567.78	153.96	4,832.10	(1,379.87)
(VI)	Profit/(Loss) after tax (IV - V)	3,308.70	2,927.25	256.49	9,093.68	(2,583.64)
(VII)	Other Comprehensive Income					
	(i) Items that will not be classified to profit or loss - Actuarial Loss on defined benefit obligation	23.17	20.27	52.13	69.50	40.54
	(ii) Income tax relating to items that will not be reclassified to profit or loss	(8.09)	(7.08)	(18.17)	(24.28)	(14.16)
	Total Other Comprehensive Income (I+II)	15.08	13.19	33.96	45.22	26.38
(VIII)	Total Comprehensive Income for the period (VI + VII)	3,323.78	2,940.44	290.45	9,138.90	(2,557.26)
(IX)	Paid-up equity share capital (Refer Note 3 Below)	4,256.36	4,256.36	2,627.66	4,256.36	2,627.66
(X)	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
(XI)	Earnings per Share of Rs.10 each					
	- Basic	7.96	7.13	0.98	21.87	(9.83)
	- Diluted	7.96	7.13	0.98	21.87	(9.83)
		(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)

Notes :

- The above Unaudited Financial Results for the nine months ended 31 December 2018 were reviewed by the Audit Committee and upon their recommendation, approved by the Board of Directors in their meeting held on 2 February 2019.
- The Company is primarily engaged in the business of Micro Finance and hence, does not have any additional disclosures to be made under Ind AS 108 - Operating Segments.
- During the nine months ended 31 December 2018, the Company has issued 1,04,88,777 equity shares of Rs.10 each at a premium of Rs.85.34 per equity share through Rights Issue on 27 April 2018. The Share Holding of Manappuram Finance Limited is 92.30% as at 31 December 2018.
- The Company has adopted Indian Accounting Standards ("Ind AS") from 1 April 2018 and accordingly, these financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 - Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and the other accounting principles accepted in India. The reconciliation between the financial results for the nine months ended 31 December 2017, as previously reported (referred to as "Previous GAAP") and Ind AS are as under :

Particulars	(Amount Rs. In Lakhs)	
	Period Ended 31 December 2017	(Unaudited)
Net (Loss) after tax as reported under Indian GAAP		(4,534.93)
Ind AS adjustments Increasing/(decreasing) net profit as reported under Indian GAAP :		
(i) Impact on recognition of financial assets measured at amortised cost		63.07
(i) Impact on recognition of financial liabilities at amortised cost by application of Effective Interest Rate Method		(26.13)
(ii) Expected Credit loss method (ECL) as per Ind AS 109		3,055.52
(iv) Actuarial Loss on defined benefit obligation		(40.54)
(v) Fair Valuation of Security Deposits		(13.37)
(vii) Deferred Tax impact on above adjustments		(1,075.94)
(viii) ESOP Adjustments		(11.32)
Net (Loss) after tax as reported under Ind AS		(2,583.64)
Other Comprehensive Loss (net of tax)		26.38
Total Comprehensive Income (after tax) as reported under Ind AS		(2,557.26)

- The aforesaid Unaudited Ind AS Financial Results pertaining to the corresponding nine months ended 31 December 2017, including reconciliation of net profit between the previous GAAP and Ind AS, have not been subjected to a limited review or audit and have been presented based on the information compiled by the Management. The Management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of its affairs in accordance with the Ind AS.
- Previous period figures have been regrouped / reclassified wherever necessary to confirm with the current period presentation.

For and on behalf of the Board of Directors

S V Raja Vaidyanathan
S V Raja Vaidyanathan
Managing Director
(DIN No.01467098)

Place : Chennai
Date : 2 February 2019

