

Asirvad Micro Finance Limited
(Subsidiary of Manappuram Finance Limited)
CIN: U65923TN2007PLC064550

Regd Office: 1st Floor, Desabandhu Plaza, 47, Whites Road, Chennai - 600014
Statement of Unaudited Financial Results for the quarter and half year ended 30 September 2021

Notes to the Financial Results

1. Statement of Assets and Liabilities

(All amounts in Rs. lakhs unless otherwise stated)

S.No	Particulars	As at	As at
		30 September 2021	31 March 2021
		Unaudited	Audited
I	ASSETS		
1	Financial assets		
	(a) Cash and cash equivalents	1,55,619.52	64,846.87
	(b) Bank balance other than (a) above	12,738.05	18,721.99
	(c) Loans	5,86,049.49	4,79,519.17
	(d) Loans given to staff	58.37	76.52
	(e) Investments	5.00	5.00
	(f) Other financial assets	8,055.37	6,566.94
2	Non-financial assets		
	(a) Current tax assets (net)	3,557.99	1,858.88
	(b) Deferred tax assets (net)	8,548.94	8,282.84
	(c) Investment property	8.64	8.64
	(d) Property, plant and equipment	2,023.61	687.63
	(e) Right of use asset	2,494.56	894.48
	(f) Other intangible assets	244.81	259.69
	(g) Intangible assets under development	81.75	54.50
	(h) Other non financial assets	1,028.63	776.23
	Total assets	7,80,514.73	5,82,559.38
II	LIABILITIES AND EQUITY		
1	Financial liabilities		
	(a) Derivative financial instruments	415.64	135.30
	(b) Other payables		
	(i) total outstanding dues of micro enterprises and small enterprises	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	2,984.14	2,447.22
	(c) Debt securities	1,77,911.38	1,21,905.45
	(d) Borrowings (other than debt security)	4,54,387.50	3,19,334.54
	(e) Subordinated liabilities	21,853.15	21,476.92
	(f) Other financial liabilities	8,598.66	6,043.41
2	Non-financial liabilities		
	(a) Current tax liabilities (net)	688.84	725.91
	(b) Provisions	1,550.45	1,506.75
	(c) Other non-financial liabilities	4,882.10	3,440.39
3	Equity		
	(a) Equity share capital	5,331.19	5,331.19
	(b) Other equity	1,01,911.68	1,00,212.30
	Total liabilities and equity	7,80,514.73	5,82,559.38

Asirvad Micro Finance 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 Quarter and Half year ended 30 September 2021

2. Cash Flow Statement for the half year ended 30 September 2021

(All amounts in Rs. lakhs unless otherwise stated)

Particulars	Half Year Ended 30 September 2021	Half Year Ended 30 September 2020
	Unaudited	Unaudited
Cash flow from operating activities		
Profit before income tax	2,776.08	(709.63)
Adjustments for:		
Depreciation and amortisation expense	963.01	421.39
Impairment of financial instruments	18,667.65	15,653.20
Provision for insurance claim receivable	129.02	-
Loss on sale of fixed assets (net)	-	0.06
Dividend income	(450.30)	(866.46)
Finance cost	26,132.56	24,188.94
Interest on deposits	(810.11)	(1,849.14)
Share based payments to employees	-	(7.70)
Operating profit before working capital changes	47,407.91	36,830.66
Changes in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Loans	(1,25,197.97)	27,663.95
Loans given to staff	18.15	20.52
Other financial assets	(1,617.45)	(1,546.11)
Other non financial assets	(252.40)	(620.98)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	536.92	502.72
Other financial liabilities	675.33	4,810.51
Other non financial liabilities	1,441.71	(27,459.60)
Other provisions	43.70	158.14
Cash flow generated / (used in) operations	(76,944.10)	40,359.81
Net Income tax paid	(2,685.65)	(1,386.69)
Net cash generated / (used in) in operating activities (A)	(79,629.75)	38,973.12
Cash flow from investing activities		
Proceeds from sale of property, plant and equipment	-	8.50
Purchase of property, plant and equipment	(1,968.34)	(342.29)
Purchase of other intangible assets	(176.19)	-
Net movement in bank deposits	6,048.06	(2,763.20)
Dividend received	450.30	866.46
Interest income on deposits	745.99	1,849.14
Net cash flow generated / (used in) from investing activities (B)	5,099.82	(381.39)
Cash flow from financing activities		
Proceeds from long term borrowings - term loans	1,98,082.00	86,543.98
Repayment of long term borrowings - term loans	(55,373.32)	(1,20,065.59)
Interest paid on term loans	(18,003.60)	(16,240.23)
Proceeds from long term borrowings - debentures	71,300.00	40,500.00
Repayment of long term borrowings - debentures	(14,033.33)	(20,291.67)
Interest paid on debentures	(9,191.19)	(3,514.40)
Repayment of securitisation borrowings	(6,845.87)	(23,378.23)
Interest paid on securitisation	(84.88)	(2,359.41)
Repayment of short term borrowings - CP	-	(12.87)
Other interest and charges paid	(547.23)	(248.90)
Net cash flow generated / (used in) from financing activities (C)	1,65,302.58	(59,067.32)
Net increase/decrease in cash and cash equivalents (A+B+C)	90,772.65	(20,475.59)
Cash and cash equivalents at the beginning of the period	64,846.87	1,20,074.44
Cash and cash equivalents at the end of the period	1,55,619.52	99,598.85

Asirvad Micro Finance 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 quarter and half year ended 30 September 2021

Notes to the Financial Results:

3. The Financial Results have been prepared in accordance with IND AS, notified under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India and in compliance with Regulation 52 of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015, as amended. Any application guidance/ clarifications/ directions issued by the Reserve Bank of India, or other regulators are implemented as and when they are issued / become applicable. The financial results are prepared following the same accounting policies and practices as those followed in the audited annual financial statements for the year ended 31 March 2021.

4. 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.

5. The impact of COVID-19 first and second wave, including changes in customer behaviour and pandemic fears, as well as restrictions on business and individual activities, had led to decrease in loan originations and reduction in collection efficiency efforts. This has resulted in higher expected credit loss provisioning. The loss estimates made are based on the possible impact of known events till date. As the pandemic situation is dynamic and still evolving, the extent to which it will continue to impact the Company's results is dependent on ongoing as well as future developments, which are uncertain owing to recurrence of COVID-19 and related events. The company holds a management overlay of Rs. 500 Lakhs in addition to existing expected credit losses (ECL) as at 30 September 2021

6. Details of resolution plan implemented under the Resolution Framework for COVID-19-related Stress as per RBI circular dated August 6, 2020 (Resolution Framework 1.0) are given below:

Type of Borrower	Number of accounts where resolution plan has been implemented under this window (A) (in numbers)	Exposure to accounts mentioned at (A) before implementation of the plan (B) (Amount in Rs. Lakhs)	Of (B), aggregate amount of debt that was converted into other securities (Amount in Rs. Lakhs)	Additional funding sanctioned, if any, including between invocation of the plan and implementation (Amount in Rs. Lakhs)	Increase in provisions on account of the implementation of the resolution (E) (Amount in Rs. Lakhs)#
MSME Loans	-	-	-	-	-
Others	1,49,720	21,123.87	-	-	14,678.34
Total	1,49,720	21,123.87	-	-	14,678.34

The increase in provisions mentioned was as on 31 December 2021

Type of Borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year (A) (Amount in Rs. Lakhs)	Of (A), aggregate debt that slipped into NPA during the half-year (Amount in Rs. Lakhs)	Of (A) amount written off during the half-year (Amount in Rs. Lakhs)	Of (A) amount paid by the borrowers during the half-year (Amount in Rs. Lakhs)	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year (Amount in Rs. Lakhs)
MSME Loans	-	-	-	-	-
Others	21,123.87	3,209.56	14,091.49	1,322.64	2,500.19
Total	21,123.87	3,209.56	14,091.49	1,322.64	2,500.19

Details of resolution plan implemented under the Resolution Framework for COVID-19-related Stress as per RBI circular dated May 5, 2021 (Resolution Framework 2.0) are given below:

Sl no.	Description	Individual Borrowers		Small Businesses
		Personal Loans	Business Loans	
A	Number of requests received for invoking resolution process under Part A (in numbers)	-	6,75,972	54
B	Number of accounts where resolution plan has been implemented under this window (in numbers)	-	6,75,972	54
C	Exposure to accounts mentioned at (B) before implementation of the plan (Amount in Rs. Lakhs)	-	86,380	221.48
D	Of (C), aggregate amount of debt that was converted into other securities (Amount in Rs. Lakhs)	-	-	-
E	Additional funding sanctioned, if any, including between invocation of the plan and implementation (Amount in Rs. Lakhs)	-	-	-
F	Increase in provisions on account of the implementation of the resolution plan (Amount in Rs. Lakhs)	-	7,774	21.26

Out of the loan accounts of the individual borrowers restructured under Resolution Framework 2.0 during the half year ended 30 September 2021, the Company has rolled back restructured loans worth Rs. 29,311.02 Lakhs (out of total Rs.1,15,691 Lakhs) relating to 1,82,333 loan accounts (out of total 8,58,305 loan accounts).

None of the borrower's accounts where the resolution plans have been implemented as per RBI circular dated 06 August 2020 (Resolution Framework 1.0) have been modified under Resolution Framework 2.0 announced by RBI on 05 May 2021.

Asirvad Micro Finance 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 quarter and half year ended 30 September 2021

7. The following are the details of nature and extent of security provided towards secured listed non convertible debentures.

Serial Number	ISIN Number	Nature of security	Outstanding balance as on 30 Sep 2021 (Amount in Rs. Lakhs)	Rate of Interest	Security Cover
1	INE516Q07226	Accounts receivable	500.00	12.30%	110%
2	INE516Q07275	Accounts receivable	7,000.00	12.48%	108%
3	INE516Q07283	Accounts receivable	5,000.00	10.50%	105%
4	INE516Q07291	Accounts receivable	2,000.00	11.00%	110%
5	INE516Q07291	Accounts receivable	2,500.00	11.00%	110%
6	INE516Q07309	Accounts receivable	3,333.33	11.25%	110%
7	INE516Q07317	Accounts receivable	8,500.00	11.00%	110%
8	INE516Q07283	Accounts receivable	2,500.00	10.50%	105%
9	INE516Q07325	Accounts receivable	10,000.00	9.50%	125%
10	INE516Q07333	Accounts receivable	5,000.00	9.00%	105%
11	INE516Q07341	Accounts receivable	7,500.00	8.60%	110%
12	INE516Q07341	Accounts receivable	3,750.00	8.60%	110%
13	INE516Q07358	Accounts receivable	10,000.00	9.00%	110%
14	INE516Q07390	Accounts receivable	10,000.00	9.65%	105%
15	INE516Q07366	Accounts receivable	7,500.00	8.40%	110%
16	INE516Q07408	Accounts receivable	25,000.00	9.71%	105%
17	INE516Q07416	Accounts receivable	7,300.00	11.05%	105%
18	INE516Q07424	Accounts receivable	14,500.00	10.45%	110%

8. Additional information as required under Regulation 52 (4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 (amended) as presented in below table.

Serial Number	Particulars	Half year ended 30 September 2021
1	Debt equity ratio (no. of times)	6.10
2	Debt service coverage ratio	Not applicable
3	Interest service coverage ratio	Not applicable
4	Outstanding redeemable preference shares	Nil
5	Capital redemption reserve (Amount in Rs. Lakhs)	500
6	Debenture redemption reserve	Not applicable
7	Net worth (Amount in Rs. Lakhs)	1,07,242.87
8	Net profit after tax (Amount in Rs. Lakhs)	1,993.71
9	Earnings per share (In Rs.) (Face value of Rs. 10 per equity share)	
	Basic	3.74
	Diluted	3.74
10	Current ratio (no. of times)	1.58
11	Long term debt to working capital (no. of times)	1.84
12	Bad debts to accounts receivable ratio	Not applicable
13	Current liability ratio (no. of times)	0.41
14	Total debts to total assets (no. of times)	0.84
15	Debtors turnover	Not applicable
16	Inventory turnover	Not applicable
17	Operating margin (%)	4.22%
18	Net profit margin (%)	3.03%
19	Sector specific equivalent ratios	
	GNPA%	1.08%
	NNPA%	0.01%

The following are the formulae used for the computation of ratios presented above

S no	Ratio	Formula
1	Debt Equity Ratio	[Debt securities + Borrowings (Other than debt securities)+ Subordinate Liabilities]/[Equity share capital + Other equity]
2	Total debt to total assets	[Debt securities + Borrowings (Other than debt securities)+ Subordinate Liabilities]/[Total assets]
3	Operating Margin	[Profit before tax (PBT)]/[Total Income]
4	Net Profit Margin	[Profit after tax(PAT)]/[Total Income]
5	% of Gross NPA	[Stage III loans (Greater than 90 DPD)]/[Gross loan outstanding]
6	% of Net NPA	[Stage III loans (Greater than 90 DPD) - Expected Credit Losses (ECL) on stage III loans]/[Gross loan outstanding - ECL]
7	Current Ratio	[Current assets]/[Current liabilities]
8	Current Liability Ratio	[Current Liabilities]/ [Total Liabilities]
9	Long term debt to working capital	[Long term debt] / [current assets-current liabilities]

9. The transactions with related parties for the half year ended and closing payable or receivable as at 30 September 2021 are provided in Annexure I.

**Asirvad Micro Finance 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 quarter and half year ended 30 September 2021**

10. In compliance with Regulation 52 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, the above results for the half year ended 30 September 2021 have been reviewed and recommended by the audit committee and subsequently approved by the board of directors at their respective meetings held on 8 November 2021 and 12 November 2021. The above results have been subjected to limited review by the Statutory Auditors of the Company.

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

For and on behalf of the Board of Directors

**RAVEENDRA BABU
BLANGAT NARAYANAN**

Digitally signed by RAVEENDRA BABU BLANGAT NARAYANAN
DN: c=IN, o=Personal, title=2817,
pseudoym=2497E53d3b653880c6d086566a2e1c907bd1f2b1
794c4f5abb11466fa1e37, postalCode=680681, st=Kerala,
serialNumber=ae158e4982bc56ae195efa16f4b498a2e943493
4887014550a2817f59f13bd, cn=RAVEENDRA BABU BLANGAT
NARAYANAN
Date: 2021.11.12 16:20:26 +05'30'

**B N Raveendra Babu
Managing Director
(DIN No.00043622)**

Place : Chennai
Date : 12 November 2021

Asirvad Micro Finance Limited
(Subsidiary of Manappuram Finance Limited)
CIN: U65923TN2007PLC064550

Regd Office: 1st Floor, Desabandhu Plaza, 47, Whites Road, Chennai - 600014
Statement of Unaudited Financial Results for the quarter and half year ended 30 September 2021

Annexure I

Related party transactions for the half year ended 30 September 2021

Names of the related parties and nature of relationship.

Nature of relationship	Name of the party
Key Management Personnel (KMP) of the company	Mr. BN Raveendra Babu - Managing Director
	Mr. Yogesh Ratnakar Udhoji - Chief Financial Officer
	Mr. V P Nandakumar - Chairman
	Mr. A Ramanathan - Independent Director
	Mr. Abhijit Sen - Independent Director
	Mr. Desh Raj Dogra - Independent Director
	Mr. Gautam Rathindranath Saigal - Non Independent Director
	Ms. Pushya Sitaraman - Independent Director
	Mr. Subrata Kumar Atindra Mitra - Independent Director
	Mr. T. Balakrishnan - Independent Director
	Mr. T.M. Manoharan - Independent Director
	Mr. Harshan Kollara - Independent Director
	Mr. S V Raja Vaidyanathan - Non Independent Director
Mrs. Aparna Menon - Company Secretary	
Holding company	Manappuram Finance Limited
Entity over which KMP has significant Influence	Adlux Medcity And Convention Centre Private Limited
	Proficient investment and financial consultancy Private Limited
Group companies	Manappuram Comptech and Consultants Limited
	Manappuram Health Care Limited
	Manappuram Foundation

Note: Related party relationships are as identified by the Management.

Transactions with the related parties

(All amounts in Rs. Lakhs unless otherwise stated)

Nature	Name of the party	Transactions during the Half Year Ended 30 September 2021	(Payable)/ Receivable as at 30 September 2021
Remuneration to KMP	Mr. S V Raja Vaidyanathan	195.14	-
	Mr. BN Raveendra Babu	58.20	-
	Mr. Yogesh Ratnakar Udhoji	46.64	-
	Ms. Aparna Menon	7.59	-
Donation	Manappuram Foundation	100.00	-
Business Associate service	Manappuram Finance Limited	1.79	1.79
Rent & other amenities	Manappuram Finance Limited	0.44	-
	Proficient Investment And Financial Consultancy Pvt Ltd	2.48	(1.24)
Training expenses	Manappuram Finance Limited	21.55	-
Purchase of software	Manappuram Comptech and Consultants Limited	269.28	-
Software expense	Manappuram Comptech and Consultants Limited	543.12	(39.74)
Staff welfare expenses	Adlux Medcity And Convention Centre Private Limited	1.59	-
Staff welfare expenses	Manappuram Health Care Limited	0.34	(0.22)
Sitting fees	Mr. A Ramanathan	2.91	
	Mr. Abhijit Sen	2.07	
	Mr. D.R. Dogra	1.94	
	Mr. Gautam Saigal	2.19	
	Ms. Pushya Sitaraman	1.92	
	Mr. Subrata Kumar Atindra Mitra	1.08	
	Mr. T. Balakrishnan	2.07	
	Mr. T.M. Manoharan	0.95	
	Mr. Harshan Kollara	0.30	
	Mr. S V Raja Vaidyanathan	1.67	

Note:

- (a) The Company accounts for costs incurred by / on behalf of the Related Parties based on the actual invoices / debit notes raised and accruals as confirmed by such related parties.
- (b) The Related Parties have confirmed to the Management that as at 30 September 2021 there are no further amounts payable to / receivable from them, other than as disclosed above.
- (c) The above compensation to key management personnel excludes gratuity and compensated absences which cannot be separately identified from the composite amount advised by the actuary.
- (d) The transactions during the period are Inclusive of GST wherever applicable.

**M.P. Chitale & Co.,
Chartered Accountants**

759/70, Vatsala Bhavan, Prabhat Road, Lane No. 1, Pune - 411 004

Limited Review Report on quarterly and year to date unaudited Standalone Ind AS Financial Results pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To

The Board of Directors of Asirvad Micro Finance Limited

1. We have reviewed the accompanying statement of Unaudited Quarterly Standalone Ind AS Financial Results of Asirvad Micro Finance Limited (“the Company”) for the quarter ended September 30, 2021 and for the period from April 1, 2021 to September 30, 2021 attached herewith (“the Statement”) being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended from time to time (“the Listing Regulations”).
2. This Statement, which is the responsibility of the Company’s Management and approved by the Company’s Board of Directors in its meeting held on November 12, 2021 has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards 34 (“Ind AS 34”), Interim Financial Reporting, prescribed under Section 133 of the Companies Act, 2013 (“the Act”) as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 52 of the Listing Regulations, including circulars issued by the SEBI from time to time. 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 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 Financial Statement are free from material misstatement. A review is limited to primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing 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. We have not performed an audit and accordingly, we do not express an audit opinion.
4. 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 of unaudited financial results, prepared in accordance with the recognition and measurement

principles laid down in the aforesaid Indian Accounting Standards specified under section 133 of the Act as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Emphasis of matter

5. We draw attention to note 5 to the accompanying Statement, which explains the uncertainties and the management's assessment of the financial impact of the lockdown and other restrictions imposed by the Government related to the COVID-19 pandemic situation, for which definitive assessment of the impact would depend upon circumstances as they evolve in the subsequent periods.

Our conclusion is not modified in respect of this matter.

Other matter

6. The review of unaudited financial results for the quarter ended June 30, 2021 and audit of the financial results for the year ended March 31, 2021 included in the statement was carried out and reported by Walker Chandiook & Co LLP who have expressed an unmodified conclusion vide their review report dated August 07, 2021 and an unmodified opinion vide their audit report dated May 24, 2021 respectively, whose reports have been furnished to us and which have been relied upon by us for the purpose of our review of the Statement.

Our conclusion is not modified in respect of this matter.

For M. P. Chitale & Co.

Chartered Accountants

Firm Registration No. 101851W

**SANAT
ULHAS
CHITALE**

Digitally signed by
SANAT ULHAS
CHITALE
Date: 2021.11.12
16:59:06 +05'30'

Sanat Ulhas Chitale

Partner

Membership No. 143700

UDIN: 21143700AAAABW6571

Place: Pune

Date: November 12, 2021