

**Asirvad Microfinance Limited**  
 (Subsidiary of Manappuram Finance Limited.)  
 CIN: U65923TN2007PLC064530  
 Regd Office: 1st Floor, Deshabandhu Plaza, 47, Whites Road, Chennai - 600014  
 Statement of Audited Financial Results for the Half Year and Year Ended 31 March 2020

S.No	Particulars	(Amount Rs.in Lakhs)			
		Six months ended 31 March 2020	Corresponding Six months in the previous ended 31 March 2019	Year to Date figures for the current year 31 March 2020	Year to Date figures for the previous year 31 March 2019
		Unaudited	Unaudited	Audited	Audited
(i)	<b>Revenue from Operations</b>				
	(a) Interest income	49,944.79	36,007.83	91,338.06	64,068.19
	(b) Dividend Income	449.16	211.97	947.06	507.64
	(c) Net Gain on derecognition of Financial Instruments under amortised cost category	12,590.98	2,957.19	12,590.98	2,957.16
	(d) Other operating income	287.73	609.33	629.84	1,157.47
	<b>Total Revenue from Operations</b>	<b>63,272.71</b>	<b>39,786.31</b>	<b>1,05,505.34</b>	<b>68,690.18</b>
(II)	Other income	2,327.89	3,578.46	4,638.46	5,351.18
	<b>Total Revenue (I+II)</b>	<b>65,600.59</b>	<b>43,364.77</b>	<b>1,10,143.80</b>	<b>74,041.36</b>
(III)	<b>Expenses</b>				
	(a) Finance cost	26,058.52	17,472.03	40,943.86	29,894.67
	(b) Employee benefit expenses	8,088.93	5,913.13	15,015.83	11,348.19
	(c) Depreciation, amortization and impairment	582.82	305.43	714.45	583.50
	(d) Impairment of financial instruments	6,104.15	2,001.09	9,234.97	2,841.96
	(e) Other expenses	3,822.89	3,426.50	7,702.60	6,301.11
	<b>Total Expenses</b>	<b>44,657.31</b>	<b>29,118.18</b>	<b>73,611.71</b>	<b>50,974.43</b>
(IV)	<b>Profit before tax and Exceptional item (I + II - III)</b>	<b>20,943.28</b>	<b>14,246.59</b>	<b>36,532.09</b>	<b>23,076.23</b>
(V)	<b>Exceptional item (Also Refer Note 3)</b>	5,502.64	-	5,502.64	-
(VI)	<b>Profit before tax (IV- V)</b>	<b>15,440.64</b>	<b>14,246.59</b>	<b>31,029.45</b>	<b>23,076.23</b>
(VII)	<b>Tax Expenses</b>	3,469.75	4,867.81	7,497.25	7,906.46
(VIII)	<b>Profit after tax (VI - VII)</b>	<b>11,970.89</b>	<b>9,378.78</b>	<b>23,532.20</b>	<b>15,169.77</b>
(IX)	<b>Other Comprehensive Income</b>				
	(i) Items that will not be reclassified to profit or loss Remeasurement gains and (losses) on defined benefit obligations (net)	(49.45)	(13.62)	(31.06)	32.71
	(ii) Income tax relating to items that will not be reclassified to profit or loss	12.45	4.73	7.82	(11.46)
	<b>Total Other Comprehensive Income (i+ii)</b>	<b>(37.00)</b>	<b>(8.89)</b>	<b>(23.24)</b>	<b>21.25</b>
(X)	<b>Total Comprehensive Income for the period/year (VIII + IX)</b>	<b>11,933.89</b>	<b>9,359.89</b>	<b>23,508.96</b>	<b>15,191.02</b>
(XI)	Paid-up equity share capital	5,331.19	5,331.19	5,331.19	5,331.19
(XII)	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	Not Applicable	Net Applicable	98,620.69	75,110.67
(XIII)	Analytical Ratios				
	- Capital Adequacy Ratio	25.37%	28.90%	25.37%	28.90%
(XIV)	Earnings per Share of Rs.10 each				
	- Basic	22.45	22.18	44.14	35.85
	- Diluted	22.45	22.18	44.14	35.85
(XV)	NPA Ratios	(not annualised)	(not annualised)		
	- Gross NPA	10,051.03	1,847.21	10,051.06	1,847.21
	- % of Gross NPA	1.83%	0.48%	1.03%	0.48%
	- Net NPA	0.00%	0.00%	0.00%	0.00%
	- % of Net NPA	4.64%	4.40%	4.64%	4.40%
	- Return on Assets	4.33	4.25	4.33	4.25
(XVI)	Debt Equity Ratio	4.33	4.25	4.33	4.25
(XVII)	Networth	1,03,951.88	80,441.66	1,03,951.89	80,441.86



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Statement of Audited Financial Results for the Half Year and Year Ended 31 March 2020

Notes:

1) STATEMENT OF ASSETS AND LIABILITIES AS AT 31 MARCH 2020

S.No	Particulars	As at 31 March 2020 (Amount in Lakhs)	As at 31 March 2019 (Amount in Lakhs)	As at 1 April 2018 (Amount in Lakhs) (Also Refer Note 4 below)
<b>I</b>	<b>ASSETS</b>			
<b>1</b>	<b>Financial assets</b>			
	(a) Cash and cash equivalents	1,19,951.77	52,590.02	19,026.25
	(b) Bank Balance other than (a) above	19,112.17	16,224.19	8,570.44
	(c) Loans	4,34,327.51	3,49,904.85	2,35,209.72
	(d) Loans given to staff - at amortised cost	102.30	80.41	53.46
	(e) Investments	5.00	5.00	5.00
	(f) Other Financial assets	10,862.11	3,916.64	1,721.18
<b>2</b>	<b>Non-financial Assets</b>			
	(a) Current tax assets (net)	1,544.24	1,466.66	817.43
	(b) Deferred tax assets (net)	3,424.70	1,081.58	4,238.50
	(c) Investment Property	8.64	8.64	8.64
	(d) Property, Plant and Equipment	791.75	205.14	628.88
	(e) Intangible assets	716.43	21.23	73.34
	(f) Other non financial assets	398.93	259.33	160.39
	<b>Total assets</b>	<b>5,91,245.55</b>	<b>4,25,765.79</b>	<b>2,70,563.23</b>
<b>II</b>	<b>LIABILITIES AND EQUITY</b>			
<b>1</b>	<b>Financial Liabilities</b>			
	(a) Trade Payables			
	(i) total outstanding dues of micro enterprises and small enterprises			
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	2,186.79	1,656.06	1,035.90
	(b) Debt Securities	59,652.34	76,537.01	61,998.17
	(c) Borrowings (other than debt security)	3,78,778.83	2,41,853.43	1,66,672.21
	(d) Subordinated Liabilities	11,633.90	11,414.15	11,407.06
	(e) Other Financial Liabilities	3,962.12	887.00	525.57
<b>2</b>	<b>Non-financial Liabilities</b>			
	(a) Provisions	374.31	236.48	184.29
	(b) Other non-financial liabilities	30,705.48	739.78	576.25
<b>3</b>	<b>Equity</b>			
	(a) Equity share Capital	5,331.19	5,331.19	3,207.49
	(b) Other equity	98,520.69	75,110.67	24,956.29
	<b>Total Liabilities and Equity</b>	<b>5,91,245.55</b>	<b>4,25,765.79</b>	<b>2,70,563.23</b>

2) The above Statement of Audited Financial Results for the six months and Year Ended 31 March 2020 were reviewed by the Audit Committee and upon their recommendation, approved by the Board of Directors in their respective meetings held on 11 May 2020 and 12 May 2020. The Statutory Auditors of the Company have issued an unmodified Audit opinion on the Audited Financial Results for the year ended 31 March 2020.

3) 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 27 March 2020 and 17 April 2020 and in accordance therewith, the Company has proposed a moratorium on the payment of all principal installments and/or interest, as applicable, falling due between 1 March 2020 and 31 May 2020 to all eligible borrowers classified as standard, even if overdue as on 29 February 2020, excluding the collections already made in the month of March 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 its current available information and based on the policy approved by the board, determined the provision for impairment of financial assets. Given the uncertainty over the potential macro-economic impact, the Company's management has considered internal and external information including credit reports and economic forecasts upto the date of approval of these financial results. Accordingly, the Company has made an additional prudential provision of Rs. 5,502.64 Lakhs, over and above provision made under ECL, towards potential impact on account of COVID-19 pandemic as at 31 March 2020, which is disclosed as an exceptional item. Based on the current indicators of future economic conditions and information available at this point of time, 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 results will depend on future developments, which are uncertain, 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. Given the uncertainty over the potential macro-economic condition, the impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.

4) Pursuant to the regulatory guidance on Ind AS issued by RBI dated 13 March 2020 to promote consistent Ind AS implementation among NBFCs, the Company has changed its policy on accounting for securitised assets and direct assignment transactions. The securitised assets which were hitherto, de-recognised in the books based on 'True Sale Criteria' prescribed by RBI, have now been re-recognised in the books along with interest income using effective interest rate as the company 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.

Accordingly, as per para 14 (b) of Ind AS 8, the Company has retrospectively changed the policy to reflect the above changes in the financial statements, thereby providing reliable and more relevant information about the Company's financial position, financial performance and cash flows. The impact of such change is as under:

Financial Item	(Amount in Lakhs)		
	As at and for the year ended 31 March 2020 (Increase / (decrease))	As at and for the year ended 31 March 2019 (Increase / (decrease))	As at 1 April 2018 (Increase / (decrease))
Interest Income	2,741.91	1,407.49	Not applicable
Net Gain on de-recognition of Financial Instruments	12,590.98	2,957.17	Not applicable
Other Income	(75.00)	(45.03)	Not applicable
Finance Cost	8,844.29	2,549.72	Not applicable
Provision and Other Losses	(602.76)	864.05	Not applicable
Other Expenses	(89.13)	(23.01)	Not applicable
Total Expense	1,788.45	1,023.47	Not applicable
Profit after tax for the year	5,317.04	1,905.42	Not applicable
Other Equity	7,513.17	2,196.13	290.71
Loans	60,873.44	1,17,669.55	31,748.50
Other Financial assets	6,738.61	589.58	(453.58)
Deferred tax assets (net)	(2,968.07)	(1,179.62)	(156.11)
Other non financial assets	(13.41)	(51.52)	-
Borrowings (other than debt security)	59,087.77	1,18,153.96	31,835.32
Other Financial liabilities	(1,970.35)	(3,322.10)	(987.25)
<b>Impact on Earnings per Share of Rs.10 each</b>			
- Basic	9.97	4.51	Not applicable
- Diluted	9.97	4.51	Not applicable



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- 5) The company elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by Taxation Laws (Amendment) Ordinance 2019. Accordingly the Company has recognized Provision for Income Tax for the Half year and Year ended 31 March 2020 and recognized its Deferred Tax Assets and Liabilities based on the rates prescribed in the aforesaid section. The impact of this change has been recognized in the Statement of Profit and Loss for the half year and year ended 31 March 2020.
- 6) During the year ended 31 March 2020, the Company introduced Employee's Stock Option Scheme to eligible employees of the Company w.e.f from 1 July 2019 ("Relevant Date"). Accordingly 830,000 options were issued with a graded vesting period and is outstanding as at 31 March 2020.
- 7) Effective 1 April 2019, the Company has adopted Ind AS 116, "Leases", and applied to its Lease Contracts existing as on 1 April 2019 using the modified retrospective approach and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, the comparatives for the year ended 31 March 2019 have not been retrospectively adjusted. On transition, the adoption of the new standard resulted in "Right of Use" of Rs. 24.38 Lakhs and Lease Liability of Rs. 26.34 Lakhs. The cumulative effect of applying the Standard resulted in Rs. 1.96 lakhs being debited to retained earnings, net of taxes. Further the carrying value of Right of Use ("ROU") and equivalent Lease Liability as at 31 March 2020 is Rs.715.43 Lakhs and Rs. 810.96 Lakhs respectively. The effect of this adoption is not "material" in relation to the Profits for the period and Earnings per Share.
- 8) 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 103 - Operating Segments.
- 9) During the previous year ended 31 March 2019, the Company had 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 and 1,07,48,250 equity shares of Rs. 10 each at a premium of Rs. 242 per share on 16 March 2019 respectively. The Share Holding of Manappuram Finance Limited is 93.33% as at 31 March 2020.
- 10) Details of Credit Ratings assigned by various Credit Rating Agencies :

Particulars	Credit Rating as at 31 March 2020
Non Convertible Debentures	AA-/Stable (CRISIL)
Market Linked Securities	AA-/Stable (CRISIL)
Long Term Bank Facilities	AA-/Stable (CRISIL)
Commercial Paper	A+ / Stable (CAPE)
Subordinated Debt	A1+ (CRISIL)
MSF Bonds	AA-/Stable (CRISIL)
	MPI I (CARE)

11) Details of Secured and Unsecured Non Convertible Debentures (NCD) are as follows:

(a) Details of Redemption and Interest due during the half year ended i.e. from 1 October 2019 to 31 March 2020:

Descriptions	Principal		Interest	
	Previous Repayment Date	Amount Rs. In Lakhs	Previous Repayment Date	Amount Rs. In Lakhs
BKLA SUN LIFE MF	31-Dec-19	416.67	31-Dec-19	72.47
BKLA SUN LIFE MF	31-Mar-20	416.67	31-Mar-20	59.57
BKLA SUN LIFE NCD II	31-Dec-19	1,000.00	31-Dec-19	123.92
BKLA SUN LIFE NCD II	31-Mar-20	1,000.00	31-Mar-20	143.36
BKLA SUN LIFE NCD II	31-Dec-19	1,350.00	31-Dec-19	273.63
BKLA SUN LIFE NCD II	31-Mar-20	1,350.00	31-Mar-20	215.05
Blue orchard NCD II	30-Mar-20	-	30-Mar-20	436.30
Blue orchard NCD II	19-Nov-19	-	19-Nov-19	206.82
Blue orchard NCD II	04-Nov-19	3.80	04-Nov-19	109.90
Blue orchard NCD II	27-Nov-19	252	27-Nov-19	25.56
Blue orchard NCD II	20-Dec-19	375	20-Dec-19	42.81
Blue orchard NCD II	20-Dec-19	500	20-Dec-19	56.85
Blue orchard NCD II	22-Nov-19	-	22-Nov-19	27.35
Blue orchard NCD II	21-Feb-20	-	21-Feb-20	27.35
Blue orchard NCD II	31-Dec-19	-	31-Dec-19	690.16
Blue orchard NCD II	31-Oct-19	-	31-Oct-19	49.39
Blue orchard NCD II	29-Nov-19	-	29-Nov-19	46.20
Blue orchard NCD II	31-Dec-19	-	31-Dec-19	50.50
Blue orchard NCD II	31-Jan-20	-	31-Jan-20	45.25
Blue orchard NCD II	28-Feb-20	-	28-Feb-20	41.45
Blue orchard NCD II	31-Mar-20	-	31-Mar-20	50.54
Blue orchard NCD II	27-Nov-19	833	27-Nov-19	629.23
Blue orchard NCD II	27-Feb-20	813	27-Feb-20	-
Blue orchard NCD II	15-Oct-19	-	15-Oct-19	37.40
Blue orchard NCD II	15-Nov-19	-	15-Nov-19	38.64
Blue orchard NCD II	15-Dec-19	-	15-Dec-19	37.40
Blue orchard NCD II	15-Jan-20	-	15-Jan-20	38.54
Blue orchard NCD II	15-Feb-20	-	15-Feb-20	38.54
Blue orchard NCD II	15-Mar-20	-	15-Mar-20	36.05
Blue orchard NCD II	15-Oct-19	-	15-Oct-19	16.03
Blue orchard NCD II	15-Nov-19	-	15-Nov-19	16.56
Blue orchard NCD II	15-Dec-19	-	15-Dec-19	16.03
Blue orchard NCD II	15-Jan-20	-	15-Jan-20	16.56
Blue orchard NCD II	15-Feb-20	-	15-Feb-20	16.56
Blue orchard NCD II	15-Mar-20	-	15-Mar-20	15.49
Blue orchard NCD II	28-Dec-19	-	28-Dec-19	46.43
Blue orchard NCD II	09-Feb-20	-	09-Feb-20	46.43
Blue orchard NCD II	31-Dec-19	-	31-Dec-19	6,970
Blue orchard NCD II	31-Mar-20	-	31-Mar-20	3.29
Blue orchard NCD II	31-Dec-19	-	31-Dec-19	73.33
Blue orchard NCD II	31-Mar-20	-	31-Mar-20	0.47
Blue orchard NCD II	31-Dec-19	-	31-Dec-19	46.20



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**Statement of Audited Financial Results for the Half Year and Year Ended 31 March 2020**

11) Details of Secured and Unsecured Non Convertible Debentures (NCD) are as follows (Contd) :

(b) Details of Redemption and Interest Due in the next half year ended i.e. from 1 April 2020 to 30 September 2020 :

Descriptions	Principal		Interest	
	Repayment Date	Amount Rs. in Lakhs	Repayment Date	Amount Rs. in Lakhs
Blue orchard NCD I	30-Sep-20	-	30-Sep-20	441.10
Blue orchard NCD II	19-May-20	-	19-May-20	206.37
Royal sundaram Tier II	28-Jun-20	-	28-Jun-20	46.94
Reliance Nippon sub debt I	15-Apr-20	-	15-Apr-20	38.54
Reliance Nippon sub debt I	15-May-20	-	15-May-20	37.30
Reliance Nippon sub debt I	15-Jun-20	-	15-Jun-20	38.54
Reliance Nippon sub debt I	15-Jul-20	-	15-Jul-20	37.30
Reliance Nippon sub debt I	15-Aug-20	-	15-Aug-20	38.54
Reliance Nippon sub debt II	15-Sep-20	-	15-Sep-20	38.54
Reliance Nippon sub debt II	15-Apr-20	-	15-Apr-20	16.52
Reliance Nippon sub debt II	15-May-20	-	15-May-20	15.68
Reliance Nippon sub debt II	15-Jun-20	-	15-Jun-20	16.52
Reliance Nippon sub debt II	15-Jul-20	-	15-Jul-20	15.93
Reliance Nippon sub debt II	15-Aug-20	-	15-Aug-20	16.52
Reliance Nippon sub debt II	15-Sep-20	-	15-Sep-20	16.52
UTI Tru	09-Aug-20	-	09-Aug-20	611.64
Reliance NCD	27-May-20	933.33	27-May-20	-
Reliance NCD	27-Aug-20	833.33	27-Aug-20	-
Reliance NCD	27-Jun-20	416.67	30-Jun-20	47.55
Reliance NCD	30-Sep-20	416.67	30-Sep-20	25.13
Credit Suisse Securities (India) Private Limited	22-May-20	250.00	22-May-20	14.21
CEAT SPSSE LMP NCD	22-Jun-20	375.00	22-Jun-20	21.67
SUN LIFE NCD II	22-Jun-20	500.00	22-Jun-20	23.69
SUN LIFE NCD II	30-Jun-20	1,000.00	30-Jun-20	114.56
SUN LIFE NCD II	30-Sep-20	1,300.00	30-Sep-20	86.96
SUN LIFE NCD II	30-Jun-20	1,250.00	30-Jun-20	175.20
Kany NCD Tranche I	30-Apr-20	1,725.00	30-Apr-20	144.93
Kany NCD Tranche I	29-May-20	-	29-May-20	47.66
Kany NCD Tranche I	30-Jun-20	-	30-Jun-20	46.38
Kany NCD Tranche I	31-Jul-20	-	31-Jul-20	50.84
Kany NCD Tranche I	31-Aug-20	-	31-Aug-20	49.25
Kany NCD Tranche I	30-Sep-20	-	30-Sep-20	79.24
Credit Suisse Securities (India) Private Limited	22-May-20	-	22-May-20	47.66
ICICI Securities Limited (India) Private Limited NCD	21-Aug-20	-	21-Aug-20	27.15
ICICI Securities Limited (India) Private Limited NCD	30-Jun-20	-	30-Jun-20	27.42
ICICI Securities Limited (India) Private Limited NCD	30-Sep-20	-	30-Sep-20	75.33
ICICI Securities Limited (India) Private Limited NCD	30-Sep-20	-	30-Sep-20	76.17
ICICI Securities Limited (India) Private Limited NCD	30-Sep-20	-	30-Sep-20	41.22
ICICI Securities Limited (India) Private Limited NCD	09-Sep-20	-	09-Sep-20	65.70
ICICI Securities Limited (India) Private Limited NCD	09-Sep-20	-	09-Sep-20	32.24

12) The Company has maintained adequate full asset cover by way of floating charge on book debts of the Company on its Secured Listed Non Convertible Debentures as at 31 March 2020 and March 2019.

13) Figures for the half year ended 31 March 2020 and 31 March 2019 are balancing figures between audited figures in respect of full financial year and the published year to date figures upto the half year ended 30 September 2019 and 30 September 2010, respectively.

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

For and on behalf of the Board of Directors

  
**S V Raja Vaidyanathan**  
 Managing Director  
 (DIN No. 0267058)

Place : Chennai  
 Date : 12 May 2020

