

**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 2019 ("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.
2. 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.
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 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, 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.
5. 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)



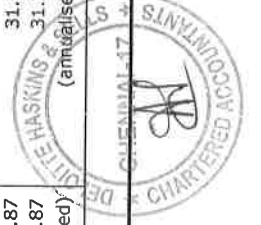
**Ananthi Amarnath**  
Partner  
(Membership No. 209252)



**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 2019

S.No	Particulars	Quarter Ended			Nine months Ended			(Amount Rs.in Lakhs)
		31 December 2019 (Unaudited)	30 September 2019 (Unaudited)	31 December 2018 (Unaudited)	31 December 2019 (Unaudited)	31 December 2018 (Unaudited)	31 March 2019 (Audited)	
(I)	Revenue from Operations	23,799.55	21,709.29	16,337.72	65,534.88	44,946.22	61,818.18	
(II)	Other income	1,553.47	1,583.56	1,638.39	4,361.95	3,709.78	5,906.82	
	<b>Total Revenue (I+II)</b>	<b>25,353.02</b>	<b>23,292.85</b>	<b>17,976.11</b>	<b>69,896.83</b>	<b>48,656.00</b>	<b>67,725.00</b>	
(III)	<b>Expenses</b>							
	(a) Finance cost	8,138.88	7,974.16	7,445.83	23,024.22	19,868.47	27,344.95	
	(b) Employee benefit expenses	3,637.54	3,581.10	3,023.87	10,564.44	8,458.93	11,348.19	
	(c) Depreciation and Amortization Expenses	263.46	85.37	150.20	395.09	433.27	588.50	
	(d) Provision and Other Losses	1,815.64	1,462.60	715.31	4,946.46	1,556.18	1,977.89	
	(e) Other expenses	1,930.02	2,141.06	1,538.76	5,809.73	4,413.37	6,324.11	
	<b>Total Expenses</b>	<b>15,785.54</b>	<b>15,244.29</b>	<b>12,873.97</b>	<b>44,739.94</b>	<b>34,730.22</b>	<b>47,583.64</b>	
(IV)	<b>Profit before tax and exceptional item (I + II - III)</b>	<b>9,567.48</b>	<b>8,048.56</b>	<b>5,102.14</b>	<b>25,156.89</b>	<b>13,925.78</b>	<b>20,141.36</b>	
(V)	Exceptional Item (Refer Note 4 below)	1,585.47	-	-	1,585.47	-	-	
(VI)	<b>Profit before tax (IV - V)</b>	<b>7,982.01</b>	<b>8,048.56</b>	<b>5,102.14</b>	<b>23,571.42</b>	<b>13,925.78</b>	<b>20,141.36</b>	
(VII)	Tax Expense (Refer Note 5 below)	2,063.99	1,419.24	1,793.45	6,091.49	4,832.10	6,882.99	
(VIII)	<b>Profit after tax (VI - VII)</b>	<b>5,918.02</b>	<b>6,629.32</b>	<b>3,308.69</b>	<b>17,479.93</b>	<b>9,093.68</b>	<b>13,258.37</b>	
(IX)	<b>Other Comprehensive Income</b>							
	(i) Items that will not be classified to profit or loss							
	- Actuarial Loss on defined benefit obligation	10.20	3.39	81.09	28.59	69.50	32.71	
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-2.57	0.61	-28.29	-7.20	-24.28	-11.46	
	<b>Total Other Comprehensive Income (i+ii)</b>	<b>7.63</b>	<b>4.00</b>	<b>52.80</b>	<b>21.39</b>	<b>45.22</b>	<b>21.25</b>	
(X)	<b>Total Comprehensive Income for the period (VIII + IX)</b>	<b>5,925.65</b>	<b>6,633.32</b>	<b>3,361.49</b>	<b>17,501.32</b>	<b>9,138.90</b>	<b>13,279.62</b>	
(XI)	Paid-up equity share capital (Refer Note 8 below)	5,331.19	5,331.19	2,627.66	5,331.19	2,627.66	5,331.19	
(XII)	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	72,914.52	
(XIII)	Earnings per Share of Rs.10 each							
	- Basic	14.73	24.80	7.96	43.52	21.87	31.35	
	- Diluted	14.73	24.80	7.96	43.52	21.87	31.35	
		(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	



**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 2019

Notes :

**1) STATEMENT OF ASSETS AND LIABILITIES**

S.No	Particulars	(Amount Rs. in Lakhs)	
		As at 31 December 2019 (Unaudited)	As at 31 March 2019 (Audited)
<b>I</b>	<b>ASSETS</b>		
<b>1</b>	<b>Financial assets</b>		
	(a) Cash and cash equivalents	36,234.10	52,590.02
	(b) Bank Balance other than (a) above	20,317.23	16,224.19
	(c) Loans	3,28,292.52	2,32,235.30
	(d) Loans given to staff - at amortised cost	99.70	80.41
	(e) Investments	5.00	5.00
	(f) Other Financial assets	4,556.11	3,328.95
<b>2</b>	<b>Non-financial Assets</b>		
	(a) Current tax assets (net)	2,284.85	1,466.86
	(b) Deferred tax assets (net)	3,095.72	2,261.20
	(c) Investment Property	8.64	8.64
	(d) Property, Plant and Equipment	1,533.25	205.14
	(e) Intangible assets	6.13	21.23
	(f) Other non financial assets	527.96	310.85
	<b>Total assets</b>	<b>3,96,961.21</b>	<b>3,08,737.79</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	1,538.68	1,656.06
	(b) Debt Securities	49,716.53	78,537.03
	(c) Borrowings (other than debt security)	2,25,985.00	1,33,699.47
	(d) Subordinated Liabilities	15,465.36	11,414.15
	(e) Other Financial Liabilities	6,684.39	4,209.10
<b>2</b>	<b>Non-financial Liabilities</b>		
	(a) Provisions	405.39	236.48
	(b) Other non-financial liabilities	1,419.30	739.78
<b>3</b>	<b>Equity</b>		
	(a) Equity share capital	5,331.19	5,331.19
	(b) Other equity	90,415.37	72,914.53
	<b>Total Liabilities and Equity</b>	<b>3,96,961.21</b>	<b>3,08,737.79</b>

2) The above Statement of Unaudited Financial Results for the Nine months ended 31 December 2019 were reviewed by the Audit Committee and upon their recommendation, approved by the Board of Directors in their respective meeting held on 23 January 2020. These results have been subjected to "Limited Review" by the Statutory Auditors of the Company and an unmodified review report has been issued.

3) The above unaudited financial results for the nine months ended 31 December 2019 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, considering the relevant guidance issued by the Reserve Bank of India ("RBI"), and has adopted the RBI Guidelines or more stringent norms while ensuring compliance with RBI Guidelines.

4) Exceptional Item represents provision made for expected loan losses which have arisen on account of extraneous circumstances.

5) From 1 April 2019 onwards, the company has opted to pay income taxes under the concessional tax regime as prescribed under Section 115BAA of the Income Tax Act, 1961. Accordingly, Current tax Liability for the nine months ended 31 December 2019 has been determined at the concessional rate, and recognized in the above results.

6) During the nine months ended 31 December 2019, the Company introduced Employee 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 December 2019.


7) The Company has adopted IND AS 116 "Leases" w.e.f 1 April 2019 which has resulted in recognition of Right Of Use ("ROU") and equivalent Lease Liability aggregating to Rs. 810.06 Lakhs and Rs. 719.34 Lakhs respectively as at 31 December 2019. Consequently the operating lease expense which was hitherto recorded under Other Expenses in the previous periods has now been recorded as depreciation and finance costs. Accordingly the Profit after Tax for the quarter and nine months ended 31 December 2019 is lower by Rs. 76.94 Lakhs and hence the results for the current period are not comparable with previous periods. The impact on retained earnings in respect of the above adjustment is not material.

8) 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 December 2019.

9) 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.

10) 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

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

Place : Chennai  
Date : 23 January 2020

