



# MANAPPURAM<sup>®</sup> FINANCE LIMITED

Make Life Easy

Ref: Sec/SE/ 502/2020-21  
January 29,2021

<b>BSE Limited</b> <b>Phiroze Jeejeebhoy Towers</b> <b>Dalal Street</b> <b>Mumbai- 400001</b> <b>Scrip Code: 531213</b>	<b>National Stock Exchange of India Limited</b> <b>5th Floor, Exchange Plaza</b> <b>Bandra (East)</b> <b>Mumbai – 400 051</b> <b>Scrip Code: MANAPPURAM</b>
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Dear Madam/Sir

**Sub: Unaudited Consolidated and Standalone Financial Results for the quarter ended December 31,2020**

Pursuant to Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (“SEBI(LODR)”), we enclose herewith the Unaudited Consolidated and Standalone Financial Results and Limited Review Report for the quarter ended December 31,2020. The figures were reviewed by Audit Committee on January 28, 2021 and approved by the Board of Directors on January 29,2021.

We wish to inform you that the investor presentation and press release w.r.t Q3 FY20-21 results will be uploaded on the website of the Company and the same is available under the tab:

<https://www.manappuram.com/investors/quarterly-results.html>

We request you to please take the same on your record.

Thanking You.

**For Manappuram Finance Limited**

**Manoj Kumar V R**  
**Company Secretary**  
**Ph-+91 9946239999**

**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

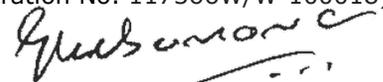
**INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM STANDALONE  
FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF  
MANAPPURAM FINANCE LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **MANAPPURAM FINANCE LIMITED** (the "Company"), for the quarter and nine months ended December 31, 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 continuing 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: 21109839AAAAAP4718

Place: Mumbai

Date: January 29, 2021

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2020

(Rs. Crore, except per equity share data)

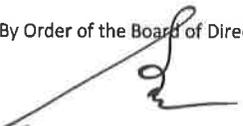
S. No	Particulars	Quarter Ended			Nine Month Ended		Year Ended
		31-Dec-20	30-Sep-20	31-Dec-19	31-Dec-20	31-Dec-19	31-Mar-20
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>A</b>	<b>Revenue from operations</b>						
	(i) Interest income	1,340.85	1,274.78	1,114.31	3,837.85	3,096.14	4,288.66
	(ii) Dividend Income	5.02	-	-	5.02	-	5.02
	(iii) Net gain on fair value changes	(0.24)	-	-	(0.24)	-	-
	(iii) Fees and commission income	1.33	1.21	1.87	3.10	5.43	7.18
	(iv) Others	5.97	3.37	14.86	11.06	21.90	10.43
	<b>Total revenue from operations (A)</b>	<b>1,352.93</b>	<b>1,279.36</b>	<b>1,131.04</b>	<b>3,856.79</b>	<b>3,123.47</b>	<b>4,311.29</b>
<b>B</b>	<b>Other income</b>	1.93	14.64	2.26	17.97	37.63	40.89
	<b>Total income (A+B)</b>	<b>1,354.86</b>	<b>1,294.00</b>	<b>1,133.30</b>	<b>3,874.76</b>	<b>3,161.10</b>	<b>4,352.18</b>
<b>C</b>	<b>Expenses</b>						
	(i) Finance costs	437.49	442.34	356.65	1,312.41	999.43	1,391.20
	(ii) Fees and commission expense	3.70	4.54	6.15	11.96	17.39	23.66
	(iii) Impairment on financial instruments	29.53	38.25	15.40	117.86	47.89	84.85
	(iv) Employee benefits expenses	157.42	161.60	168.24	452.59	484.67	649.13
	(v) Depreciation and amortization	36.72	38.39	37.21	116.77	114.39	154.07
	(vi) Other expenses	67.01	65.02	93.23	201.47	278.05	369.27
	<b>Total expenses (C)</b>	<b>731.87</b>	<b>750.14</b>	<b>676.88</b>	<b>2,213.06</b>	<b>1,941.82</b>	<b>2,672.18</b>
<b>D</b>	<b>Profit before tax (A+B-C)</b>	<b>622.99</b>	<b>543.86</b>	<b>456.42</b>	<b>1,661.70</b>	<b>1,219.28</b>	<b>1,680.00</b>
<b>E</b>	<b>Tax expense:</b>						
	(i) Current tax	162.52	138.93	118.86	424.07	315.67	429.60
	(ii) Deferred tax	(4.82)	(0.63)	3.50	(2.33)	13.07	20.10
<b>F</b>	<b>Profit for the period (D-E)</b>	<b>465.29</b>	<b>405.56</b>	<b>334.06</b>	<b>1,239.96</b>	<b>890.54</b>	<b>1,230.30</b>
<b>G</b>	<b>Other comprehensive income</b>						
	<b>A) (i) Items that will not be reclassified to profit or loss</b>						
	- Actuarial gain / (losses) on post retirement benefit plans	(5.53)	1.94	(2.17)	(6.19)	(5.15)	(7.80)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	1.39	0.12	0.55	1.56	1.30	1.97
	<b>Subtotal (A)</b>	<b>(4.14)</b>	<b>2.06</b>	<b>(1.62)</b>	<b>(4.63)</b>	<b>(3.85)</b>	<b>(5.83)</b>
	<b>B) (i) Items that will be reclassified to profit or loss</b>						
	- Fair value changes on derivatives designated as cash flow hedges, net	(13.84)	5.80	-	(43.43)	-	0.54
	(ii) Income tax relating to items that will be reclassified to profit or loss	3.48	5.22	-	10.93	-	(0.14)
	<b>Subtotal (B)</b>	<b>(10.36)</b>	<b>11.02</b>	<b>-</b>	<b>(32.50)</b>	<b>-</b>	<b>0.40</b>
	<b>Total other comprehensive Income (A + B) (G)</b>	<b>(14.50)</b>	<b>13.08</b>	<b>(1.62)</b>	<b>(37.13)</b>	<b>(3.85)</b>	<b>(5.43)</b>
<b>H</b>	<b>Total comprehensive income for the period (F+G)</b>	<b>450.79</b>	<b>418.64</b>	<b>332.44</b>	<b>1,202.83</b>	<b>886.69</b>	<b>1,224.87</b>
<b>I</b>	<b>Paid-up equity share capital (Face value of Rs. 2/- per share)</b>	<b>169.24</b>	<b>169.23</b>	<b>169.00</b>	<b>169.24</b>	<b>169.00</b>	<b>169.00</b>
<b>J</b>	<b>Earnings per equity share (not annualised)</b>						
	Basic (Rs.)	5.50	4.80	3.96	14.66	10.55	14.58
	Diluted (Rs.)	5.50	4.80	3.95	14.66	10.52	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 and nine months ended December 31, 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 The Board of Directors in their meeting held on January 29, 2021, declared an interim dividend of Rs.0.65 per equity share having face value of Rs. 2/-each.
  - 5 During the nine months ended December 31, 2020, the Company allotted 11,86,604 shares, pursuant to exercise of stock option by eligible employees.
  - 6 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 December 31, 2020.
  - 7 The Code on Social Security, 2020 (the "Code") has been enacted. The date of coming into force of the various provisions of the Code is to be notified and the rules thereunder are yet to be announced. The potential impact of the change will be estimated and accounted in the period of notification.
  - 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 had 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 was granted, the asset classification remained 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 December 31, 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, including the final decision of the Honourable Supreme Court of India in relation to moratorium and other related matters, 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 : January 29, 2021

**INDEPENDENT AUDITORS' 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 Unaudited Consolidated 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 and nine months ended December 31, 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

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 and based on the consideration of the review report of other auditors referred to in paragraph 7 below, 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.
6. We draw attention to Note 7 to the Statement in which the Group describes the continuing uncertainties arising from the COVID 19 pandemic.

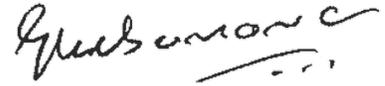
Our conclusion on the Statement is not modified in respect of this matter.

h

7. We did not review the interim financial results of one subsidiary included in the consolidated unaudited financial results, whose interim financial results reflect total revenues of Rs. 270.44 crore and Rs. 793.41 for the quarter and nine months ended December 31, 2020 respectively, total net profit after tax of Rs. 17.78 crore and Rs. 12.76 crore for the quarter and nine months ended December 31, 2020 respectively and total comprehensive income of Rs. 17.78 crore and Rs. 12.70 crore for the quarter and nine months ended December 31, 2020 respectively, as considered in the Statement. These interim financial results have been reviewed by other auditor whose report have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of the other auditor and the procedures performed by us as stated in paragraph 3 above.

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: 21109839AAAAAQ8509

Place: Mumbai  
Date: January 29, 2021

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER, 2020

(Rs. Crore, except per equity share data)

S.No	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31-Dec-20	30-Sep-20	31-Dec-19	31-Dec-20	31-Dec-19	31-Mar-20
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
A	Revenue from operations						
	(i) Interest income	1,591.94	1,547.25	1,358.92	4,614.96	3,808.80	5,280.48
	(ii) Dividend income	2.80	3.37	2.20	11.47	7.18	9.47
	(iii) Fees and commission income	15.90	8.78	16.77	27.94	45.58	30.77
	(iv) Net gain on fair value changes	24.47	4.16	41.54	52.09	80.25	125.91
	(v) Others	8.70	2.02	16.76	15.46	28.10	18.69
	<b>Total revenue from operations (A)</b>	<b>1,643.81</b>	<b>1,565.58</b>	<b>1,436.19</b>	<b>4,721.92</b>	<b>3,969.91</b>	<b>5,465.32</b>
B	Other income	6.19	12.33	15.08	22.46	72.29	85.87
	<b>Total income (A+B)</b>	<b>1,650.00</b>	<b>1,577.91</b>	<b>1,451.27</b>	<b>4,744.38</b>	<b>4,042.20</b>	<b>5,551.19</b>
C	Expenses						
	(i) Finance costs	557.25	570.95	468.72	1,695.03	1,322.49	1,832.23
	(ii) Fees and commission expense	3.70	4.54	6.15	11.96	17.39	23.66
	(iii) Impairment on financial instruments	80.20	108.02	48.02	333.49	111.34	237.62
	(iv) Employee benefits expenses	217.25	216.91	212.28	609.47	612.80	830.13
	(v) Depreciation and amortization	41.07	41.55	40.98	127.02	120.43	164.18
	(vi) Other expenses	93.28	91.53	114.69	273.46	341.88	456.08
	<b>Total expenses (C)</b>	<b>992.75</b>	<b>1,033.50</b>	<b>890.84</b>	<b>3,050.43</b>	<b>2,526.33</b>	<b>3,543.90</b>
D	Profit before tax (A+B-C)	657.25	544.41	560.43	1,693.95	1,515.87	2,007.29
E	Tax expense:						
	(i) Current tax	172.77	167.93	146.99	476.87	389.22	534.47
	(ii) Deferred tax	1.29	(28.96)	-0.82	(39.52)	12.63	(7.48)
F	Profit for the period (D-E)	483.19	405.44	414.26	1,256.60	1,114.02	1,480.30
G	Other comprehensive income						
	A) (i) Items that will not be reclassified to profit or loss						
	- Actuarial gains / (losses) on post retirement benefit plans	(5.56)	1.88	(1.76)	(6.31)	(4.97)	(8.49)
	(ii) Income tax relating to items that will not be reclassified to profit or loss	1.41	0.11	0.53	1.61	1.24	2.09
	<b>Subtotal (A)</b>	<b>(4.15)</b>	<b>1.99</b>	<b>(1.23)</b>	<b>(4.70)</b>	<b>(3.73)</b>	<b>(6.40)</b>
	B) (i) Items that will be reclassified to profit or loss						
	- Fair value changes on derivatives designated as cash flow hedges, net	(13.84)	5.80	-	(43.43)	-	0.54
	(ii) Income tax relating to items that will be reclassified to profit or loss	3.48	5.22	-	10.93	-	(0.14)
	<b>Subtotal (B)</b>	<b>(10.36)</b>	<b>11.02</b>	<b>-</b>	<b>(32.50)</b>	<b>-</b>	<b>0.40</b>
	<b>Total other comprehensive income (G)</b>	<b>(14.51)</b>	<b>13.01</b>	<b>(1.23)</b>	<b>(37.20)</b>	<b>(3.73)</b>	<b>(6.00)</b>
H	Total comprehensive income for the period (F+G)	468.68	418.45	413.03	1,219.40	1,110.29	1,474.30
I	Net profit attributable to:						
	Owners of parent	482.24	405.57	410.46	1,255.92	1,102.99	1,467.74
	Non-controlling interests	0.95	(0.13)	3.80	0.68	11.03	12.56
J	Other comprehensive income attributable to:						
	Owners of parent	(14.51)	13.01	(1.23)	(37.20)	(3.74)	(5.99)
	Non-controlling interests	-	-	-	-	0.01	(0.01)
K	Total comprehensive income attributable to:						
	Owners of parent	467.73	418.58	409.23	1,218.72	1,099.25	1,461.75
	Non-controlling interests	0.95	(0.13)	3.80	0.68	11.04	12.55
L	Paid-up equity share capital (Face value of Rs. 2/- per share)	169.24	169.23	169.00	169.24	169.00	169.00
M	Earnings per equity share (not annualised)						
	Basic (Rs.)	5.71	4.80	4.91	14.86	13.20	17.54
	Diluted (Rs.)	5.71	4.79	4.90	14.86	13.17	17.40



SEGMENT WISE DETAILS ON UNAUDITED CONSOLIDATED BASIS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER, 2020

(Rs. Crore)

S.No	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31-Dec-20	30-Sep-20	31-Dec-19	31-Dec-20	31-Dec-19	31-Mar-20
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	<b>Segment Revenue</b>						
	Gold loan and others	1,379.56	1,321.10	1,160.71	3,950.97	3,234.07	4,449.75
	Microfinance	270.44	256.81	290.56	793.41	808.13	1,101.44
	<b>Total Segment Revenue</b>	<b>1,650.00</b>	<b>1,577.91</b>	<b>1,451.27</b>	<b>4,744.38</b>	<b>4,042.20</b>	<b>5,551.19</b>
2	<b>Segment Results (Profit before Tax)</b>						
	Gold loan and others	625.07	547.33	464.54	1,668.87	1,237.52	1,696.99
	Microfinance	32.18	(2.92)	95.89	25.08	278.35	310.30
	<b>Total Segment Results</b>	<b>657.25</b>	<b>544.41</b>	<b>560.43</b>	<b>1,693.95</b>	<b>1,515.87</b>	<b>2,007.29</b>
3	<b>Segment Assets</b>						
	Gold loan and others	26,305.19	26,912.25	22,163.72	26,305.19	22,163.72	23,629.59
	Microfinance	5,130.61	5,349.02	4,820.78	5,130.61	4,820.78	5,912.45
	<b>Total Segment Assets</b>	<b>31,435.80</b>	<b>32,261.27</b>	<b>26,984.50</b>	<b>31,435.80</b>	<b>26,984.50</b>	<b>29,542.04</b>
4	<b>Segment Liabilities</b>						
	Gold loan and others	20,440.65	21,449.47	17,652.85	20,440.65	17,652.85	18,864.72
	Microfinance	4,078.47	4,314.65	3,809.45	4,078.47	3,809.45	4,872.93
	<b>Total Segment Liabilities</b>	<b>24,519.12</b>	<b>25,764.12</b>	<b>21,462.30</b>	<b>24,519.12</b>	<b>21,462.30</b>	<b>23,737.65</b>



Notes:

- 1 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 and nine months ended 31 December, 2020 has been carried out by the statutory auditors and have issued unqualified review conclusion thereon.
- 2 During the nine months ended 31 December, 2020, the parent company allotted 11,86,604 shares, pursuant to exercise of stock option by eligible employees.
- 3 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.
- 4 The Board of Directors in their meeting held on January 29, 2021, declared an interim dividend of Rs.0.65 per equity share having face value of Rs. 2/-each.
- 5 The Group has maintained requisite full asset cover by way of floating charge on book debts and other unencumbered assets of the Group on its Secured Listed Non Convertible Debentures as at 31 December, 2020.
- 6 The Code on Social Security, 2020 (the "Code") has been enacted. The date of coming into force of the various provisions of the Code is to be notified and the rules thereunder are yet to be announced. The potential impact of the change will be estimated and accounted in the period of notification.
- 7 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, 17 April 2020 and 23 May 2020 and in accordance therewith, the holding company and two of its subsidiaries had proposed an 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 29 February 2020. For all such accounts where the moratorium was granted, the asset classification remained 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 Group has made prudential estimate of provision for expected credit loss on financial assets as at 31 December 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, including the final decision of the Honourable Supreme Court of India in relation to moratorium and other related matters, 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 was required to change its policy on accounting for securitised assets and direct assignment transactions. In order to give effect to the same, 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.

Accordingly, as per para 14 (b) of IND AS 8, the subsidiary 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 or cash flows. The impact of such change is as under :

Financial line item	(Rs. in Crore)	
	For the Nine months ended 31 December 2019	For the quarter ended 31 December 2019
	increase / (decrease)	increase / (decrease)
Interest Income	29.66	(4.37)
Net Gain on derecognition of Financial Instruments	80.25	41.54
Other income	(0.75)	(0.15)
Finance Cost	71.07	22.18
Provision and Other Losses	(3.65)	(1.11)
Other Expenses	(0.89)	(0.13)
Tax Expense	10.73	4.05
<b>Profit after Tax for the period</b>	<b>31.91</b>	<b>12.03</b>
<b>Impact on Basic Earnings per Share of Rs.2 each</b>	<b>0.38</b>	<b>0.14</b>
<b>Impact on Diluted Earnings per Share of Rs.2 each</b>	<b>0.38</b>	<b>0.14</b>



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

10 Key standalone financial information is given below:

S.No	Particulars	Quarter Ended			Nine Months Ended		(Rs. in Crore)
		31-Dec-20	30-Sep-20	31-Dec-19	31-Dec-20	31-Dec-19	Year Ended
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Total income	1,354.86	1,294.00	1,133.30	3,874.76	3,161.10	4,352.18
2	Profit before tax	622.99	543.86	456.42	1,661.70	1,219.28	1,680.00
3	Profit after tax	465.29	405.56	334.06	1,239.96	890.54	1,230.30
4	Total comprehensive income	450.79	418.64	332.44	1,202.83	886.69	1,224.87

By order of the Board of Directors

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

Place : Valapad, Thrissur

Date: 29-01-2021

