

PRESS RELEASE dated 6 November 2020

MANAPPURAM'S Q2 NET PROFIT AT ₹405 CRORE

Valapad (Thrissur): Manappuram Finance Ltd. reported a consolidated net profit of ₹ 405.44 crore. Profit is higher by 10.2 per cent in comparison to ₹ 367.97 crore reported in the preceding quarter. Net profit for the standalone entity (which excludes subsidiaries) is reported at ₹ 405.56 crore, an increase of 20.6% in comparison to Rs.336.17 crore reported a year ago (9.9% compared to the first quarter).

Total consolidated operating income during the quarter stood at ₹1,565.58 crore, an increase of 16.6 per cent in comparison to ₹1,343.03 crore reported a year ago. Consolidated assets under management (AUM) grew by 18.6 per cent to ₹26,902.73 crore, from ₹22,676.93 crore in the second quarter of the previous fiscal year.

The Board of Directors met at Valapad today to consider the results, and approved payment of interim dividend of ₹0.60 per share with face value of ₹2.

Sharing the results with the media, Mr. V.P. Nandakumar, MD & CEO, said, "We are seeing robust demand for gold loans as economic activities recover ground in India with our rural economy leading the way. Accordingly, we could maintain strong growth in gold loans helped by our digital infrastructure and our robust online gold loan platform."

The company's gold loan portfolio posted a strong growth of 30.1 per cent to ₹19,736.02 crore, from ₹15,168.34 crore in the year ago quarter. The number of live gold loan customers stood at 25.6 lakhs as of September 30, 2020.

Manappuram's microfinance subsidiary, Asirvad Microfinance Ltd. ended the quarter with an AUM of ₹4,971.03 crore, a growth of 5.2 per cent compared to ₹4,724.25 crore in the year ago quarter. With 23.04 lakh customers and 1,036 branches across 23 states/UTs, Asirvad Microfinance is now India's fourth largest NBFC-MFI.

The company's home loans subsidiary, Manappuram Home Finance Ltd., reported an AUM of ₹620.62 crore (₹567.93 crore) while its Vehicles & Equipment Finance division ended the quarter with an AUM of ₹1,062.28 crore (₹1,317.76 crore). The company's non-gold loan businesses accounts for a 26.6 per cent share of its consolidated AUM.

Average borrowing costs for the standalone entity declined by 26 basis points during the quarter, to 9.13 per cent. The gross NPA stood at 1.11 per cent with net NPA reported at 0.68 per cent. The company's consolidated net worth stood at ₹6,450.83 crore as of September 30, 2020. The book value per share stands at ₹76.24 and the its capital adequacy ratio (standalone) was at 24.8 per cent. On a consolidated basis, the total borrowings of the company stood at ₹24,735 crore while the total number of live customers stood at 50.02 lakhs as on September 30, 2020.

Results at a glance

Consolidated (Rs. in Crore)

Particulars	Q2 FY 2021	Q2 FY 2020	YoY % Growth	Q1 FY 2021	QoQ % Growth
Income from operations	1,565.58	1,343.03	16.6%	1,512.53	3.5%
Profit before tax	544.41	548.30	-0.7%	492.29	10.6%
Profit after tax (Before OCI & minority interest)	405.44	432.98	-6.4%	367.97	10.2%
AUM	26,902.73	22,676.93	18.6%	25,345.83	6.1%
Net Worth	6,450.83	5,061.80	27.4%	6,036.77	6.9%
Return on Assets (%)	5.1%	5.9%		4.8%	
Return on Equity (%)	26.0%	28.0%		25.0%	
No. of branches	4,611	4,540		4,616	
Total no. of employees	27,769	26,392		26,633	
Book value per share	76.24	60.03	27.0%	71.43	6.7%
EPS	4.80	3.16	51.6%	4.35	10.2%

Standalone (Rs. in crore)

Particulars	Q2 FY 2021	Q2 FY 2020	YoY % Growth	Q1 FY 2021	QoQ % Growth
Profit After Tax (Before OCI)	405.56	336.17	20.6%	369.11	9.9%
AUM	21,311.07	17,509.76	21.7%	19,697.98	8.2%
Gold loan AUM	19,736.02	15,168.34	30.1%	17,736.79	11.3%
Gold Holding (Tonnes)	68.83	72.03	-4.4%	69.03	-0.3%
Total Live gold loan customers (in mn.)	2.56	2.59	-1.2%	2.49	2.5%
Gold loans disbursed	93,368.17	50,296.26	85.6%	68,389.77	36.5%
Capital Adequacy Ratio	24.80%	22.7%		22.9%	
Cost of Fund	9.13%	9.3%		9.39%	
Gross NPA (%)	1.11%	0.6%		1.3%	
Net NPA (%)	0.68%	0.3%		0.7%	
Number of Branches	3,524	3,463		3,524	
Comm. Vehicle Loans Division AUM	1,062.28	1,317.76	-19.4%	1,270.29	-16.4%
Subsidiaries					
Microfinance - AUM	4,971.03	4,724.25	5.2%	5,038.31	-1.3%
Home Loans - AUM	620.62	567.93	9.3%	627.33	-1.1%

About Manappuram Finance Ltd.

Manappuram Finance Ltd. is one of India's leading gold loans NBFCs engaged in providing finance against used household gold ornaments. Incorporated in 1992, the company has been promoted by Mr. V.P. Nandakumar (current MD & CEO) whose family has been involved in gold loans since 1949. It is headquartered at Valapad in the Thrissur District of Kerala. The company went public in August 1995 and its shares are listed on the stock exchanges of Mumbai, Chennai, and Kochi. As of September 30, 2020, Manappuram Finance Ltd. had 4,611 branches across 24 states and 4 UTs with Assets under management (AUM) of ₹269.03 billion. The company's net worth stood at ₹64.51 billion.

For more information, please contact:

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