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INVESTOR PRESENTATION

For the Quarter ended March 31, 2014

RESULT HIGHLIGHTS FOR FY14

- Total operating income at Rs 21.0 bn – down 7% y-y
- Closing AUM at Rs 81.63 bn down 18% y-y
- Net interest income(NII) marginally up 1% y-y to Rs 10,851.9 mn
- Net profit of Rs 2,260 mn – up 8.4% y-y
- EPS of Rs 2.69 per share for FY 14
- NAV per share Rs 29.62
- High capital adequacy of 28.1%



RESULT HIGHLIGHTS FOR Q4 FY14

- Average AUM of Rs 83.1 bn – down 6.2% q-q
- Total operating income Rs 4.53 bn – up 42% y-y and down 14% q-q
- Net profit of Rs 323.7 mn – down 54.5% q-q
- NII declined by 18% q-q due to lower interest income



FINANCIAL HIGHLIGHTS-KEY NUMBERS

<i>Rs in Million</i>	FY14	FY13	Y-Y
Interest income	20,759.6	22,465.4	-7.6%
Other Operating Income	358.7	204.2	75.7%
Total Income	21,118.3	22,669.6	-6.8%
Finance expenses	10,266.0	11,894.8	-13.7%
Net interest income	10,852.3	10,774.8	0.7%
Employee expenses	3,235.5	3,421.7	-5.4%
Other operating expenses	3,717.9	3,459.9	7.5%
Pre provision profit	3,898.9	3,893.2	0.1%
Provisions/Bad debts	468.7	828.2	-43.4%
Profit before Tax	3,430.3	3,065.0	11.9%
Tax	1,170.4	980.7	19.3%
Profit after Tax	2,259.8	2,084.3	8.4%

FINANCIAL HIGHLIGHTS-KEY NUMBERS

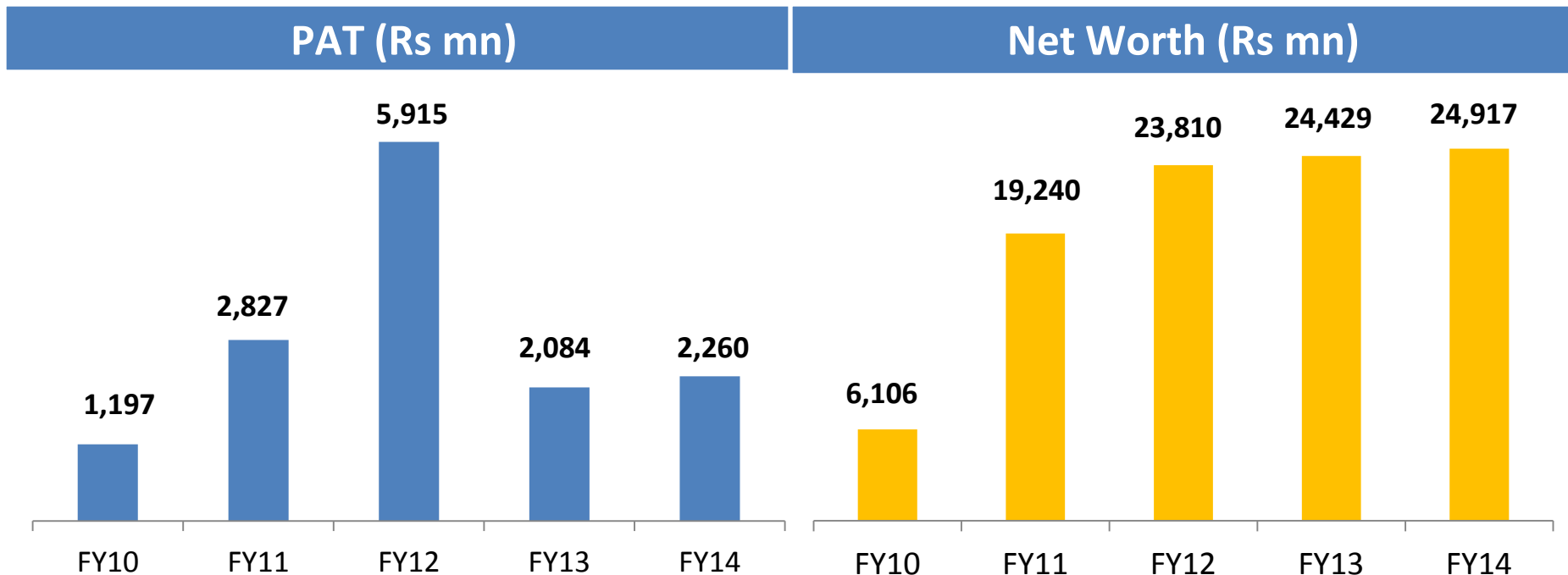
<i>Rs in Million</i>	Q4FY14	Q3FY14	Q4FY13	Q-Q	Y-Y
Interest income	4,526.3	5,260.0	3,188.1	-13.9%	42.0%
Other Operating Income	70.9	61.1	45.7	16.0%	55.1%
Total Income	4,597.2	5,321.2	3,233.8	-13.6%	42.2%
Finance expenses	2,266.1	2,474.3	2,989.9	-8.4%	-24.2%
Net interest income	2,331.1	2,846.8	244.0	-18.1%	855.5%
Employee expenses	814.9	817.1	904.9	-0.3%	-10.0%
Other operating expenses	960.1	945.5	830.6	1.5%	15.6%
Pre provision profit	556.2	1,084.3	(1,491.6)	-48.7%	137.3%
Provisions/Bad debts	60.5	2.3	622.4	2563.9%	-90.3%
Profit before Tax	495.7	1,082.0	(2,113.9)	-54.2%	-
Tax	172.0	371.4	(699.6)	-53.7%	-
Profit after Tax	323.7	710.6	(1,414.3)	-54.5%	-

STATEMENT OF ASSETS & LIABILITIES

Rs in Million	Mar 2014	Dec 2013	Mar 2013	Q-Q	Y-Y
Cash and Bank Balances	8,444.7	8,263.4	8,836.1	2.2%	-4.4%
Investments	7,956.1	474.4	6,975.7	1576.9%	14.1%
Loans and Advances	82,419.7	86,015.3	100,414.1	-4.2%	-17.9%
Fixed Assets	2,018.6	2,101.2	2,412.1	-3.9%	-16.3%
Other Assets	7,545.6	8,359.0	8,640.5	-9.7%	-12.7%
Total	108,384.6	105,213.2	127,278.5	3.0%	-14.8%
Capital	1,682.4	1,682.4	1,682.4	0.0%	0.0%
Reserves & Surplus	23,235.0	23,797.4	22,746.7	-2.4%	2.1%
Borrowings	77,954.2	76,513.0	98,149.0	1.9%	-20.6%
Other Liabilities & Provisions	5,513.0	3,220.5	4,700.4	71.2%	17.3%
Total	108,384.6	105,213.2	127,278.5	3.0%	-14.8%

PAT & NET WORTH

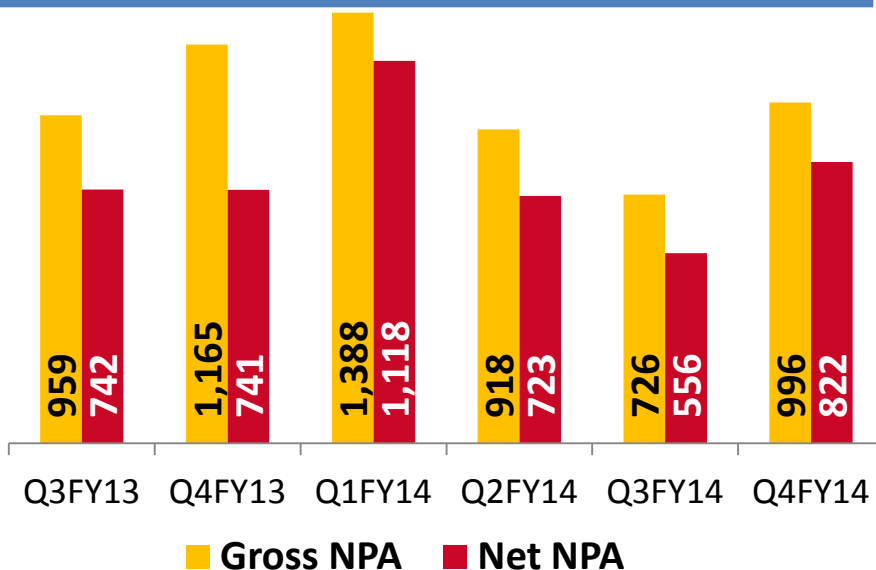
- Net Profit for FY14 at Rs 2260 mn - up 8.4% y-y
- Net Profit for Q4 FY14 at Rs 323.7 mn - down 54.5% q-q



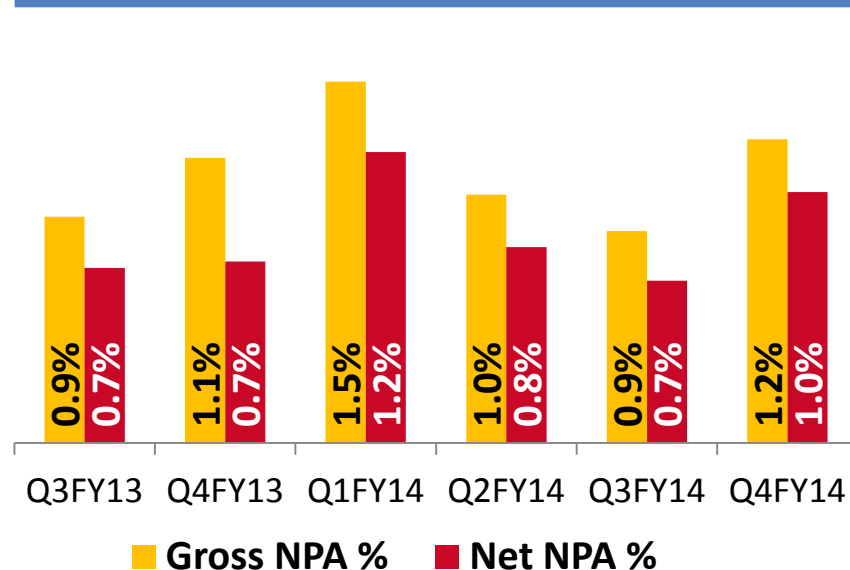
NPA

- Gross NPAs up to 1.2% of AUM in Q4
- Over 80% of Gross NPA is from regular customers who have serviced over half of interest due
- NPAs on account of theft, spurious collateral etc. are only 0.10% of AUM

Gross NPA & Net NPA- GOLD (mn)



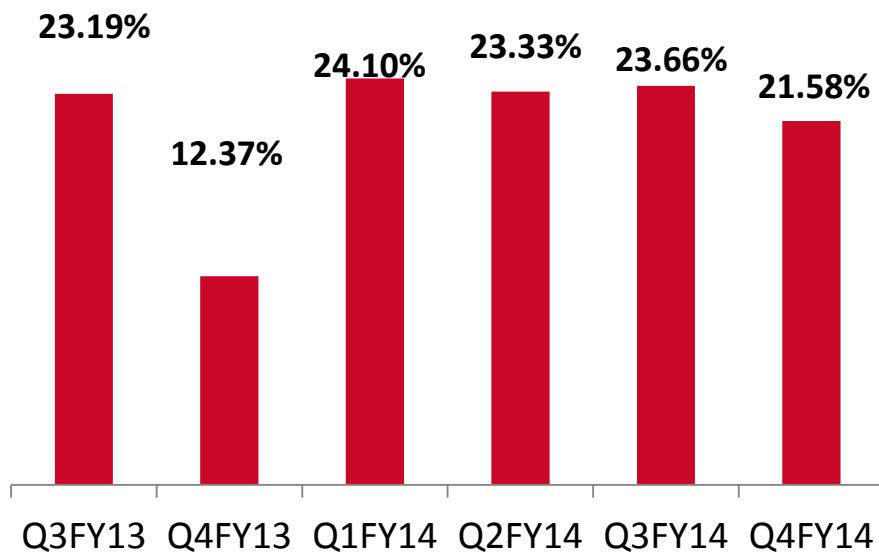
Gross & Net NPA %



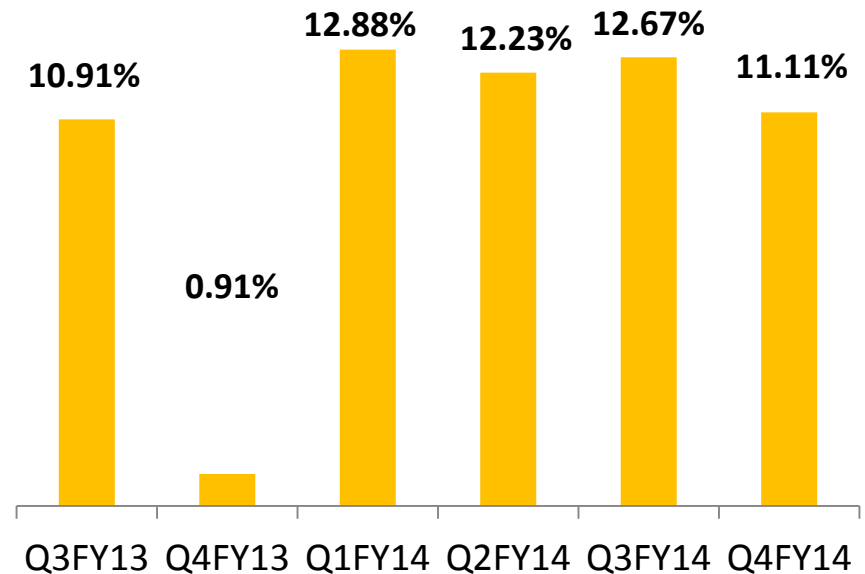
YIELD AND SPREAD

- Net Yield declined to 21.6% in Q4
- Spreads are amongst the highest in the industry

Yield (%)



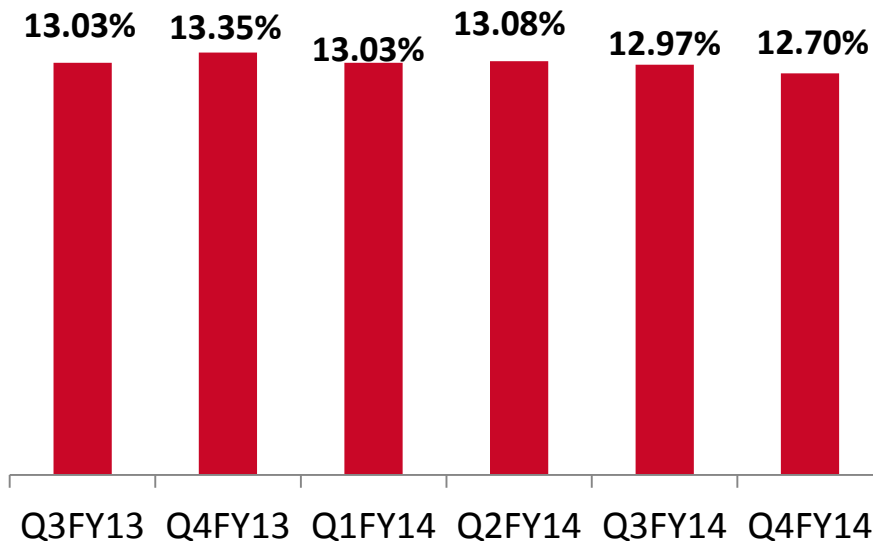
Spread (%)



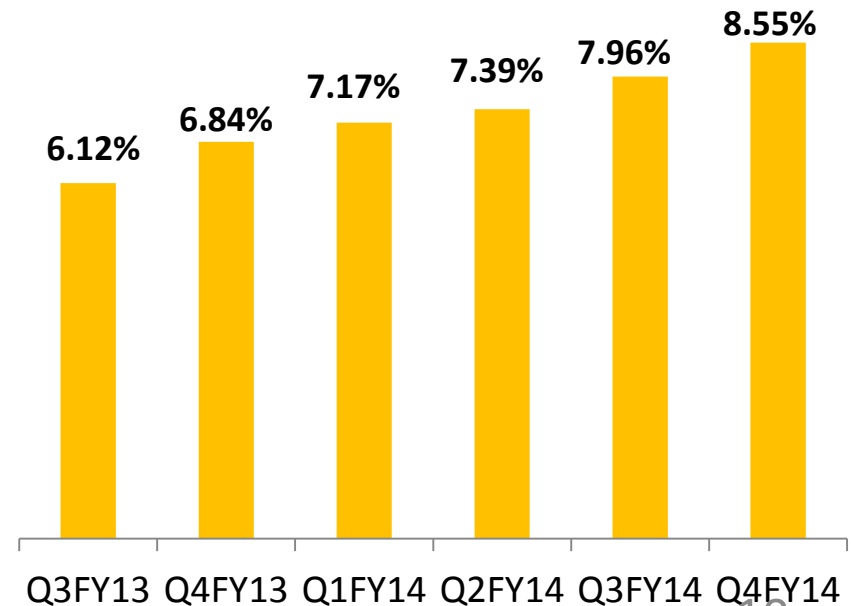
COST OF FUNDS AND OPEX

- Cost of funds declined 27 bps in the quarter due to lower borrowings and raising of lower cost funds from the money markets
- Opex as a percentage of AUM rose to 8.55%

Cost of Funds (%)



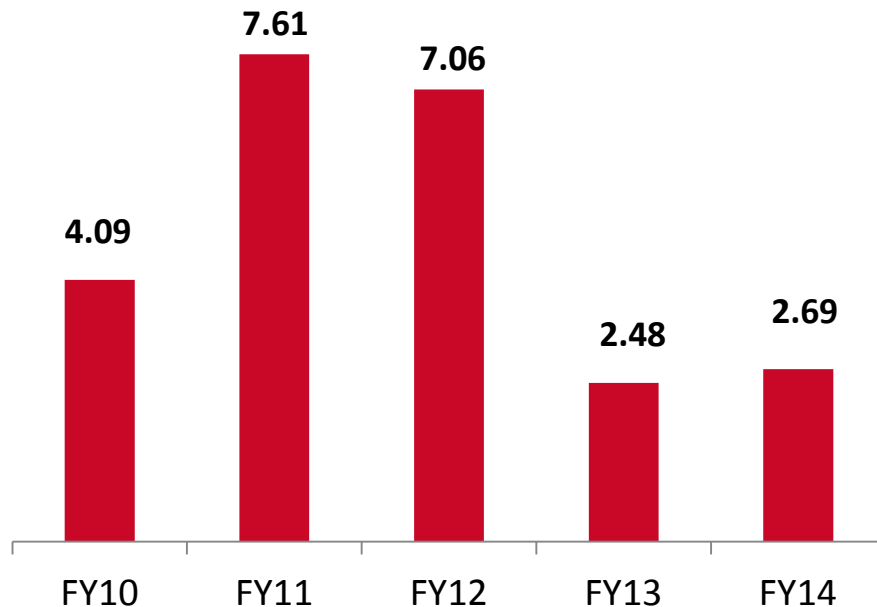
OPEX to AUM (%)



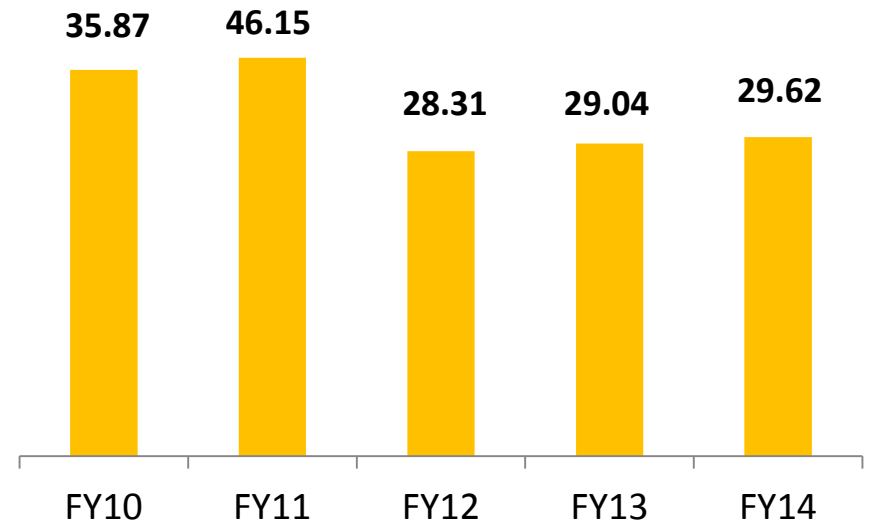
EPS & BOOK VALUE PER SHARE

- EPS for the FY 14 is Rs 2.69 per share up 8.7% y-y
- The Company's book value per share is up marginally to Rs 29.62

EPS (Rs)



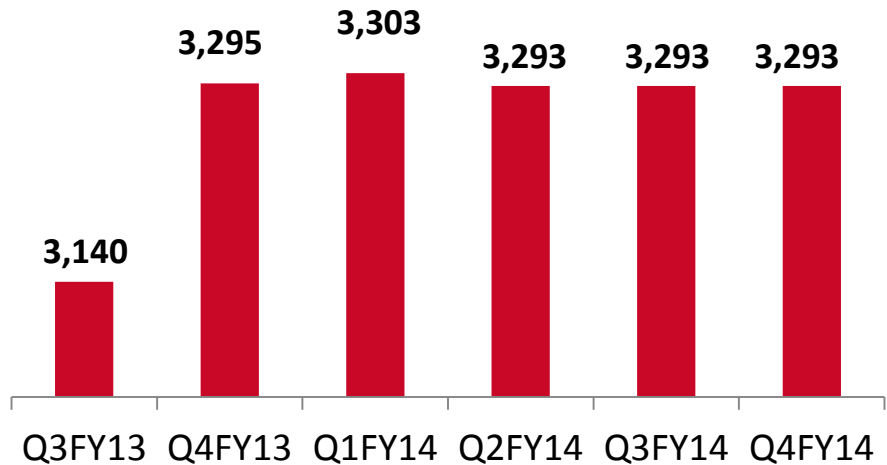
Book Value per Share (Rs)



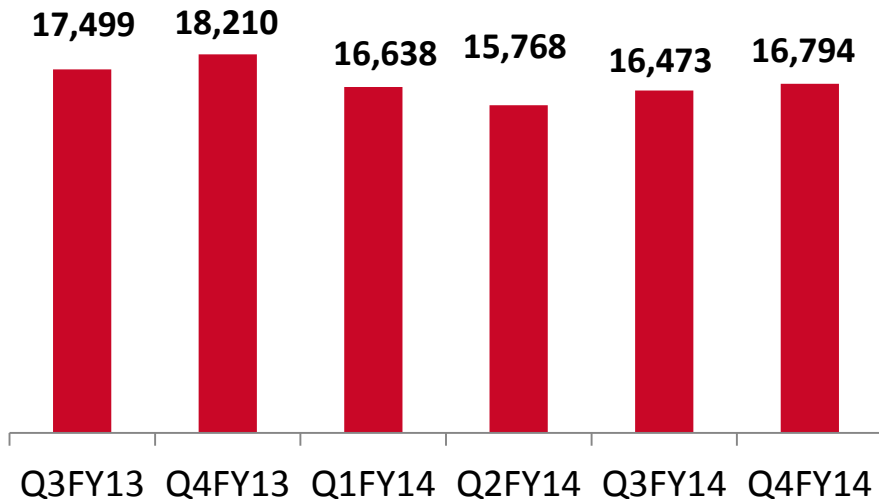
BRANCHES AND CUSTOMERS

- Number of Employees increased to 16,794
- Number of live customers is 1.51 million.

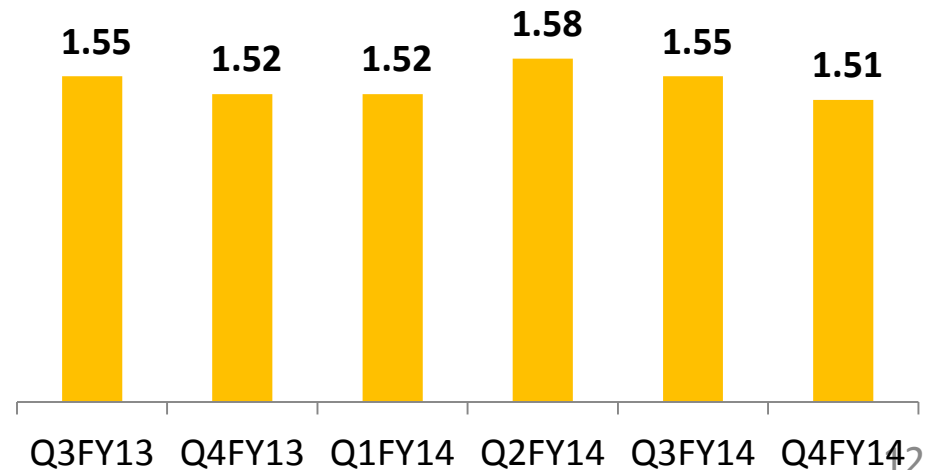
Branches (Nos)



Employees (Nos)



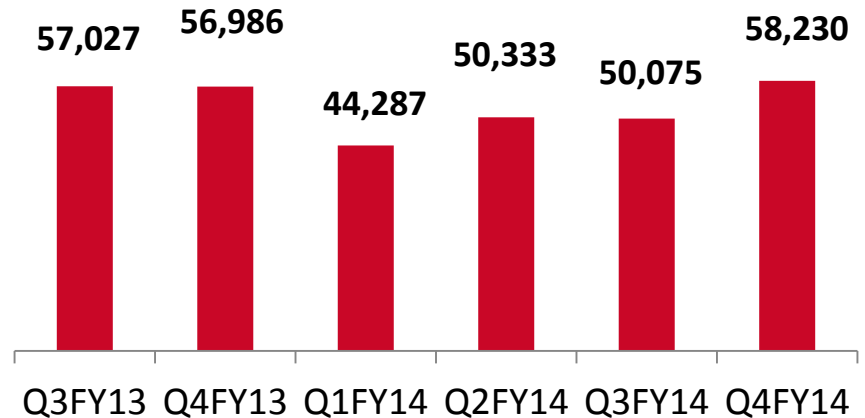
No of Customers (mn)



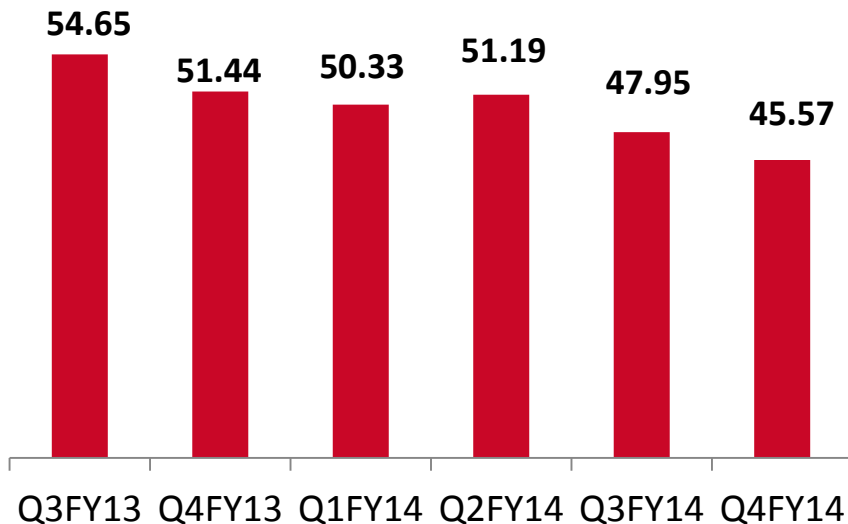
GOLD HOLDING & AUM

- Disbursements in Q4 FY14 increased to Rs 58.23 bn
- Closing Gold AUM of Rs 81,552 mn – down 4.3% q-q
- The gold holdings declined in line with AUM

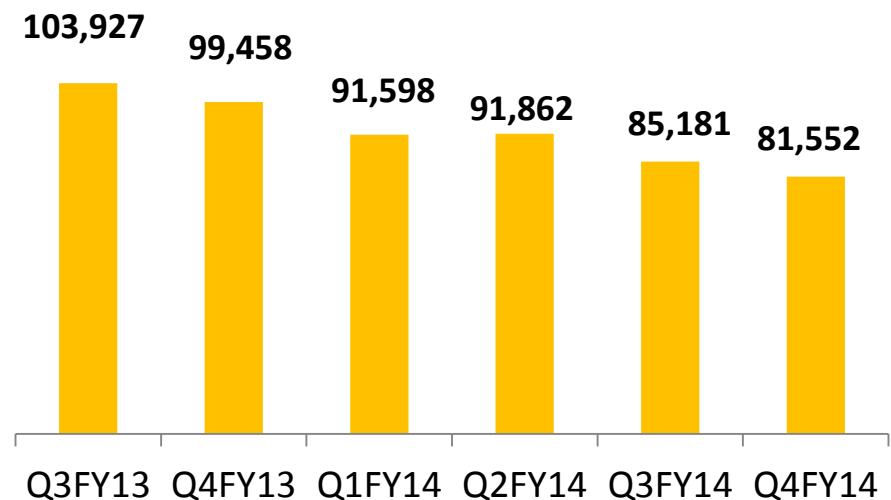
Disbursement (mn)



Gold Holding (Tonnes)



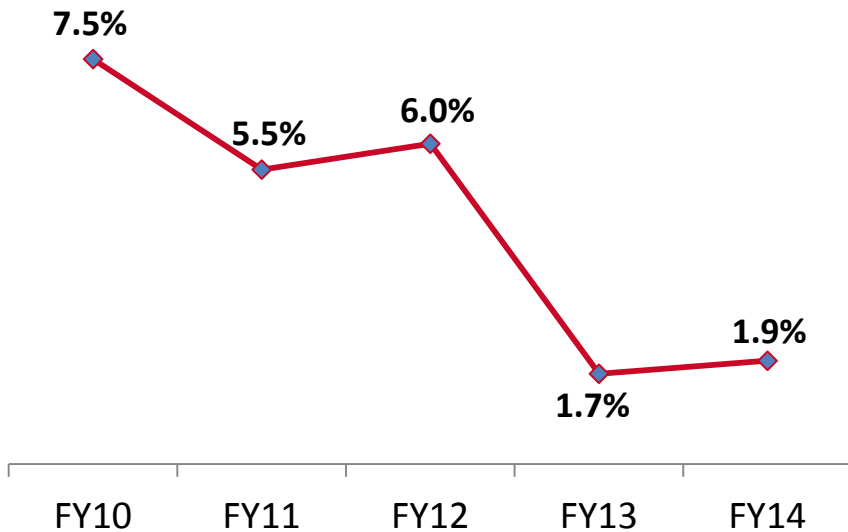
Gold AUM (mn)



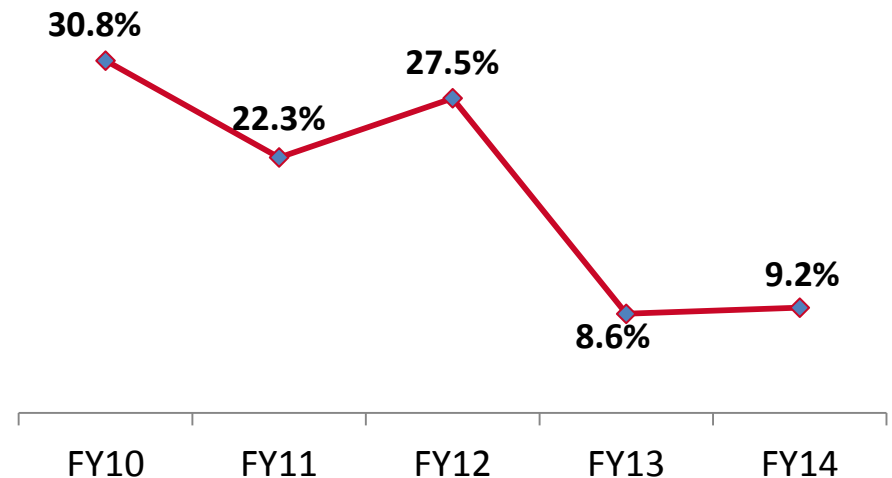
ROA & ROE

- ROA for the FY14 improved to 1.9% from 1.7% in previous year
- ROE for the FY 14 improved to 9.2% from 8.6% in previous year

ROA (%)



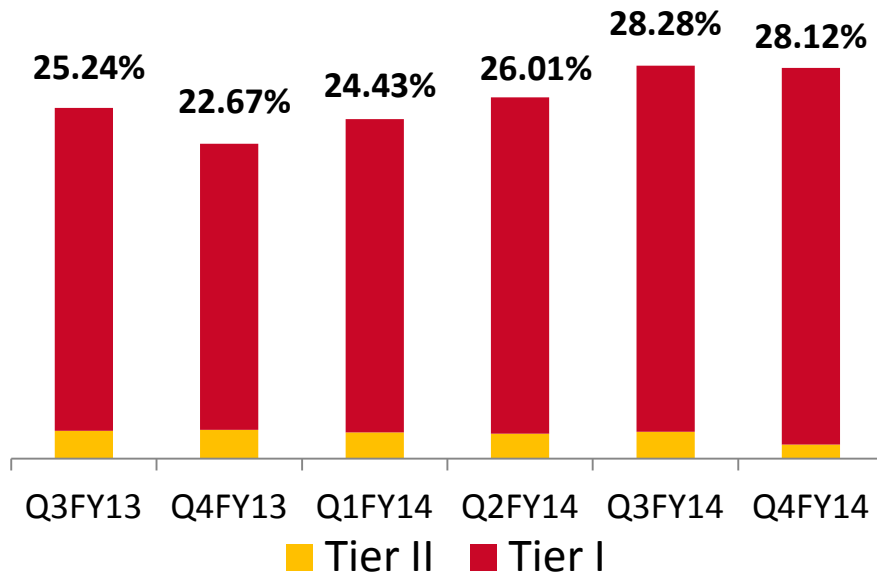
ROE (%)



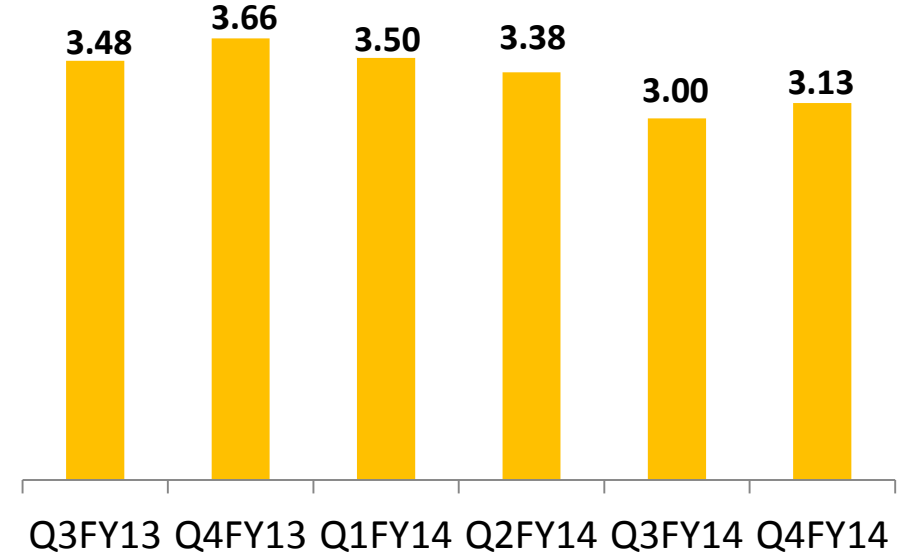
CAPITAL ADEQUACY

- The total capital adequacy is healthy at 28.12% compared to the minimum 15% stipulated by RBI for gold loan companies
- The gearing levels are also comfortable at 3.13x leaving ample scope for increase in leverage.

Capital Adequacy Tier I & Tier II

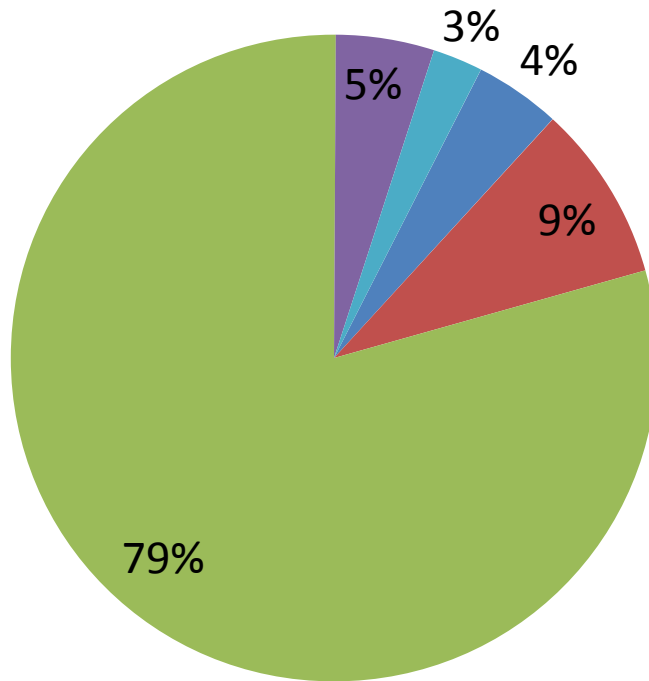


Debt Equity Ratio (x)



LIABILITY MIX

Borrowings as on March 31, 2014 was Rs. 77,954 million.

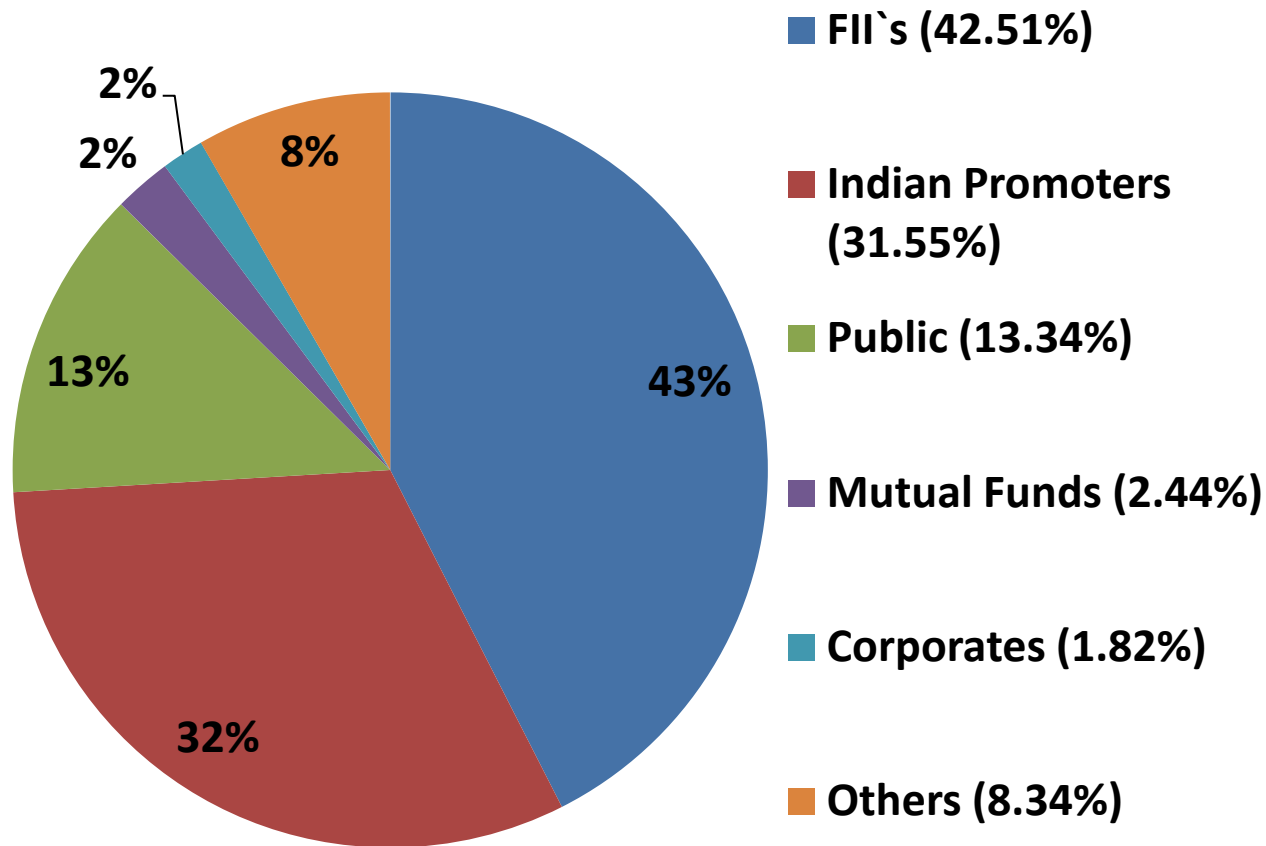


- NCD's Listed
- Bank Finance
- Others
- NCD's Unlisted
- Subordinated Bond

Particulars	Amount (Mn)
NCD's Listed	3,351
NCD's Unlisted	6,886
Bank Finance	61,940
Subordinated Bond	3,832
Others	1,945
TOTAL	77,954

SHARE HOLDING PATTERN

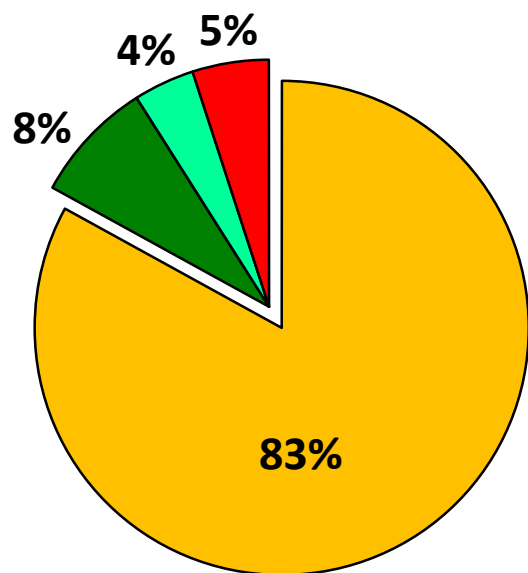
Total Outstanding Share Capital as on 31st March 2014 is Rs 1,682.4 Million (841.2 Million shares of Rs 2 each)



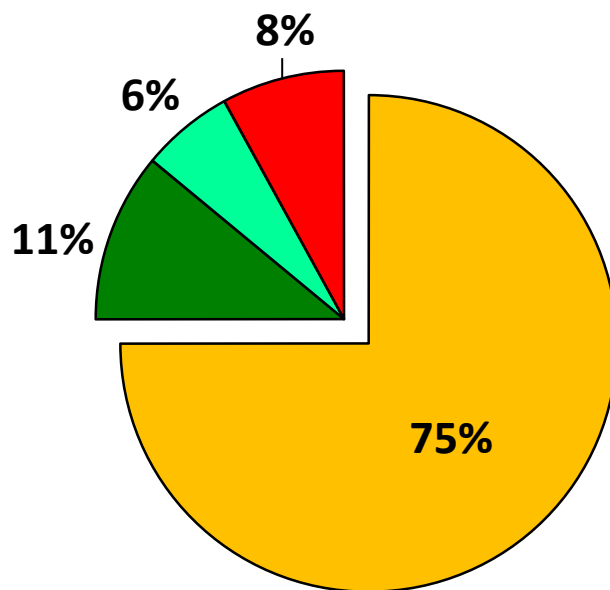
Loan Portfolio Zone wise

Gold loan outstanding as of March 31, 2014 was Rs. 81,552 million. South India loans to total loans has decreased to 70% in Mar 2014 from 75% in Mar 2013.

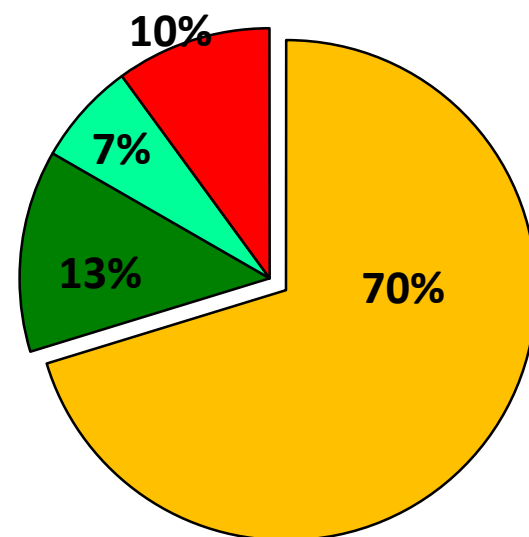
As on 31.03.12
GL OS – Rs. 115,330 million



As on 31.03.13
GL OS – Rs. 99,300 million



As on 31.03.14
GL OS – Rs. 81,552 million



South West East North

SENIOR MANAGEMENT TEAM



Mr. V. P. Nandakumar
Managing Director & CEO

- Chief Promoter of the Manappuram Group of Companies
- Holds a masters degree in science from Calicut University and is also a Certified Associate of Indian Institute of Bankers
- Has been associated with the banking industry in various capacities. He is the Chairman of the Equipment Leasing Association (India) and the Kerala Non-Banking Finance Companies Welfare Association



Mr. I. Unnikrishnan
Executive Director & Dy CEO

- Holds a bachelors degree in commerce from Calicut University and is a fellow member of the Institute of Chartered Accountants of India
- He has experience in rendering advisory services relating to NBFCs. He has in the past worked with HAWA-MK Electrical Limited
- He has been the Director of Manappuram since October 11, 2001



Mr. B.N. Raveendra Babu
Executive Director

- Holds masters degree in commerce from Calicut University and completed Inter from Institute of Certified Management Accountants
- Has worked in a senior position in the Finance and Accounts Department of Blue Marine International at the U.A.E
- He has been the Director of Manappuram since July 15, 1992



Mr. Kapil Krishan
Chief Financial Officer

- Experience of over 23 years in finance.
- Worked with leading Indian and multinational organizations such as CRISIL, HSBC, Standard Chartered Bank, Hewitt Associates and India Infoline.
- Experienced in all CFO functions including debt and equity markets, treasury management, investor relations, ERP implementation etc.

STRONG INTERNAL PROCESS

In-house IT Infrastructure

- Availability of accurate and real-time information aids in faster decision making and reduced turnaround time resulting in improved loan disbursement facility
- Significant automation at front end reducing human intervention
- Centralized technology for offsite surveillance of all branches (efficient monitoring and controlling)
- Scalability enables rapid branch roll-out
- State of art Disaster Recovery Centre

Strong Internal Controls / Audit

- Stringent collateral approval process
- Routine inspections and vigilance teams
- Pledges frequently checked by an internal audit team on a well defined periodical basis

Prevention of Fraud

- Strict KYC compliance
- Employee profiling, Employee tracking and regular rotation of staff across departments and branches



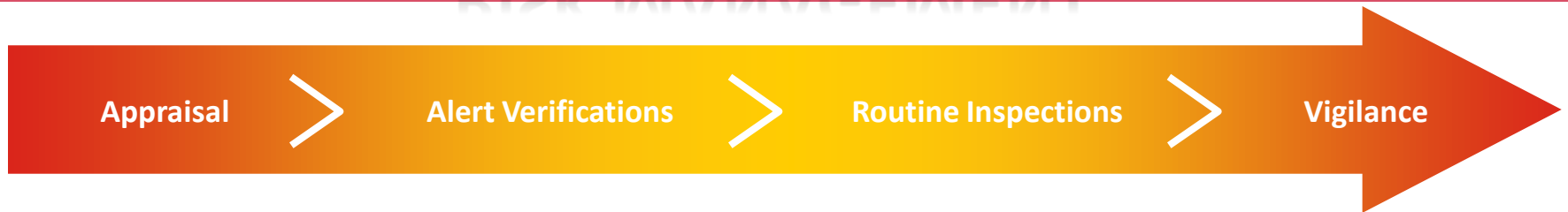
Asset Evaluation & Appraisal Risk

- Decades of experience provide a competitive advantage in terms of ability to evaluate the gold
- Only household used jewellery encouraged as security (emotional factor is key)
- Employees are regularly trained in gold appraisal methods
- Several tests for checking spurious gold including touchstone test, nitric acid test, sound test and checking for hallmark
- Three level appraisal of gold

Gold Security & Custodial Risk

- Post verification gold transferred to highly secured Vaults which have RCC structures or Burglary proof safes of reputed brands
- Gold stored under joint custody (Dual Custody)
- Premises located above ground floor, with 24x7 CCTV camera and burglar alarm system
- Insurance of gold against burglary

RISK MANAGEMENT

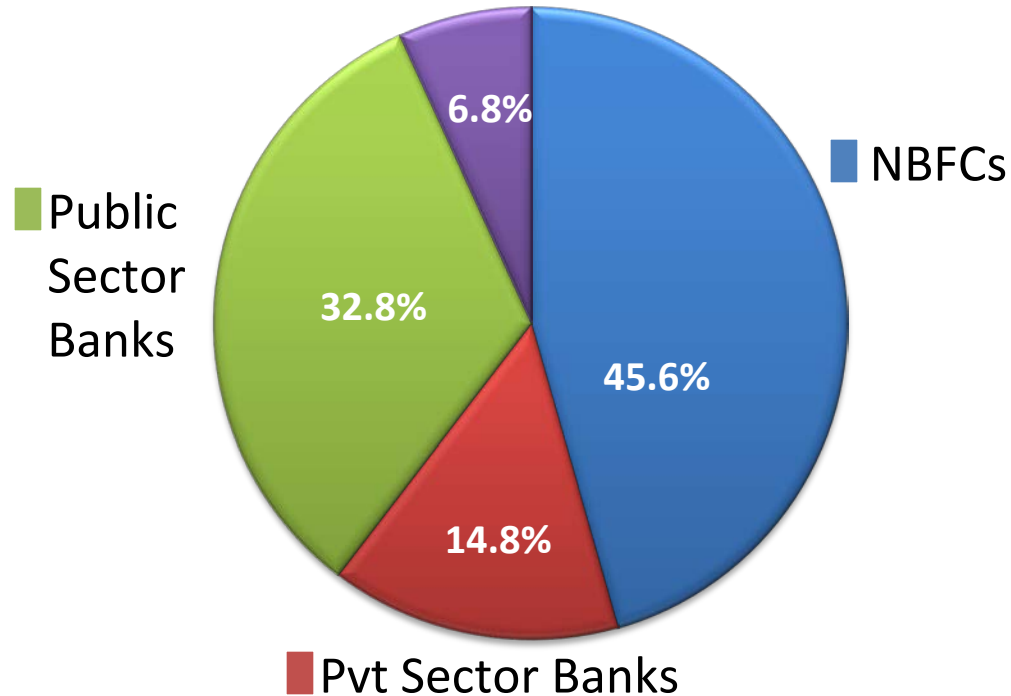


- **System of Online Alerts** - based on potential / perceived risk factors on the daily disbursements and outstanding loans
- **Risk based classification** - disbursements classified into 4 risk categories and monitored
- **Trend analysis** of pledges of spurious and low quality pledges and initiating appropriate remedial measures
- **Confirmation of mobile number** – generation of Unique Identification Number through SMS at time of pledge to confirm mobile number and facilitate future tracking
- **Confirmation of photos** – photo of each customer is recorded in the system for future follow up
- **Large Value Borrowers** - Field verification / address verification of large borrowers as well as profiling of such customers
- **Periodic Internal audits / inspections**
 - Inspection for entire gold inventory at 60 day interval to confirm quality and quantity of gold
 - Audit every calendar months to confirm packet count, tareweight of each pledge, KYC and other documents
- **Tracking KYC compliance** - to improve adherence to laid down policies

GOLD LOANS: NBFCS RETAIN NICHE POSITIONING

Share of Organized Market(%)

■ Co operative Banks



FY 2012

Source: IMaCS

Targeting Non-bankable customers

Easy Access due to Greater Penetration

High Comfort Level: Transparency & Trust

Better Operating Cost Structures vis-à-vis Banks

Quick approvals and disbursals

Flexibility in Terms of Loans

Presence of expert valuers

Robust control systems



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