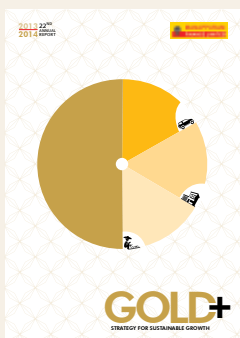


GOLD+
STRATEGY FOR SUSTAINABLE GROWTH

Forward-looking statements

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties, and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



For more information
log on to
www.manappuram.com

COMING UP NEXT

Manappuram - Symbol of trust

01-25

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V.C. Padmanabhan (1916 -1986)

**BEFORE GOING
FORWARD, IT IS
IMPORTANT TO
KNOW HOW THE
VISION EVOLVED...**

**The story does
not have a grand
beginning, except
the foresight
and fortitude of
one man, who
walked the road
less travelled.**

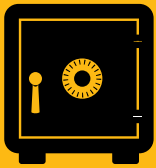
Late Mr. V.C Padmanabhan helped farmers and fishermen with affordable and hassle-free loans on a very modest scale at a small village called Valapad, along the coast of Kerala. This was 1949, a time when India itself was striving hard on a journey towards socio-economic growth after centuries of colonial rule.

It was in that era of grand social and economic experiments that Late Mr. V.C Padmanabhan set

into motion his own blueprint for empowerment of people at the grassroots.

Today, Manappuram Finance is one of India's largest gold loan financing companies and one of the largest NBFCs in the country based on our assets. We have transformed from a small community finance provider into an established brand, prominent across 26 states in India.

It was in 1992 that Manappuram General Finance and Leasing Limited was incorporated and then renamed as Manappuram Finance Limited in 2011. We are excited to contribute to India's inclusive development model and are inspired by the vision of the man who laid the foundation of our business with a social agenda.



**FOR MORE THAN TWO
DECADES, MANAPPURAM
FINANCE HAS HAD A
REMARKABLE TRYST WITH
GOLD. WE PLAYED A
SIGNIFICANT ROLE IN
ENERGISING INDIA'S VAST
RESERVES OF PRIVATE
GOLD, EVER SINCE OUR
INCEPTION.**

THIS IS HOW WE DID IT.

We empowered people who are unable to access formal channels of finance to translate their aspirations into reality through gold loans.

We created entrepreneurial and employment opportunities for a vast section of society.

We helped reduce economic vulnerabilities by bringing gold worth billions of dollars into mainstream channels of finance.

THE STORY, HOWEVER, DOES NOT END HERE.

Rather it takes an exciting turn.

Now we are leveraging other business opportunities, based on our experience, expertise, technological capability and pan-India reach.

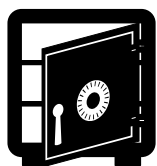
We are diversifying into home loan, loan against property, micro finance and SME finance to capitalise on the synergies between our gold loan business and the non-gold products and services.

Our gold-plus strategy has a threefold advantage.

It lends a renewed dynamism to our business model and is in line with the evolving regulatory landscape. It reduces our dependence on gold loan business and releases additional capital for fresh lending.

Finally, it helps create new revenue streams for business sustainability and growth.

GOOD THINGS INDEED START WITH GOLD.



WE ALL KNOW THAT INDIA HAS A TREASURE TROVE OF PRIVATE GOLD (AROUND 20,000 TONNES), BECAUSE OF THE YELLOW METAL'S TIMELESS ALLURE.

WHAT MOST OF US DON'T KNOW IS HOW GOLD CAN DRIVE EMPOWERMENT AND FINANCIAL INCLUSION.

MANAPPURAM DOES MORE WITH GOLD.

**99.9%**

Of assets under management (AUM) represent gold loans as on March 31, 2014

**98.88%**

Contribution of gold loan on total interest income in 2013-14

**₹ 2,02,922 MN**

Gold loan disbursement in 2013-14

**45.57 tonnes**

Gold assets as on March 31, 2014

**1.01%**

Net NPA as on March 31, 2014

**27.68%**

Capital adequacy ratio as on March 31, 2014

**1.51 MN+**

Happy customers

**26**

States/Union territories where we are present

**3,293**

Pan-India branches

**16,794+**

Manappuram team members

DOING MORE WITH GOLD

We are India's first listed and first to be credit rated gold loan company. Headquartered in Kerala, Manappuram has emerged as one of the fastest growing gold loan companies in India. We help realise the smallest of dreams through fast, easy and reliable gold loans. Our confidence and capital accumulated from the gold loan business will help strengthen our gold+ strategy.

Value drivers

- **Customer-first approach:** Our products aim at delivering value to the customer, irrespective of his/her social status. We believe time is precious and everyone is entitled to courtesy and prompt service with transparency.
- **Integrity:** We set great store by ethical values and practices in all our dealings. We believe in transparency and in following the laws of the land without ambiguity. We value the contributions of all our stakeholders and we take special pride in recognising those contributions.
- **Cutting-edge technology:** As a pioneer in the introduction of technology into the gold loan sector, we believe in constantly updating

our technology to keep our costs low and deliver better service for our customers. We have standardised our processes to allow us better and more cost-effective access to our customers. And we believe in fostering innovation to deliver ever greater value to our customers.

Credit record

- Credit rating history of 18 years (has investment grade rating since 1995)
- Short term debt raising programme rated A1+ by Crisil (subsidiary of S&P) and ICRA (associate of Moody's)

Diverse fund sources





- Credit lines from 30+ banks
- Healthy pipeline of un-utilised limits with banks and financial institutions

- Commercial papers from short term money markets
- Retail Non Convertible Debentures (NCD) and bonds
- NCD Public Issue

Awards and accolades

Our MD & CEO, Shri V.P. Nandakumar's achievements in business have earned recognition at the national level. Business Today magazine listed him among India's Top 100 CEOs in its issue dated January 5, 2014. Earlier, Business World had featured him in the list of India's Most Valuable CEOs in its issue dated December 2, 2013. He is ranked at 42 among CEOs of mid-sized companies with revenues of between ₹ 1,500 to ₹ 6,000 crores.

Expanding product offerings

			
Gold loan	Money transfer	Foreign exchange	Housing Finance
Our customers can pledge gold ornaments or jewellery and draw cash against it. Depending on the net weight and purity of the gold, cash will be disbursed. Avail various schemes that will enable you to make your favourable choice.	Fast, easy and safe money transfer worldwide instantly. The money transfer service is available in all our branches spread across the country; moreover no bank account is needed for amount up to ₹ 50,000.	First NBFC from Kerala to have been awarded the AD II (Authorised Dealer II) license by the Reserve Bank of India (RBI) and to have been permitted by RBI to act as a full-fledged money changer, undertaking currency exchanges and sale of travellers cheque for a variety of purposes permitted under FEMA.	Proposed to enter the housing finance segment with the acquisition of Milestone Home Finance. The move reflects a significant interest in the housing finance space, owing to low loan defaults, a large untapped market and attractive returns on equity.

NSE Ticker: MANAPPURAM | **BSE Ticker:** 531213 | **Dividend:** ₹ 1.80 per share (Face value: ₹ 2)

Market capitalisation: ₹ 18,128.01 million as on March 31, 2014

PAN-INDIA PROMINENCE



Branch mix

Nos.

South

2,309

North

453

West

363

East

168

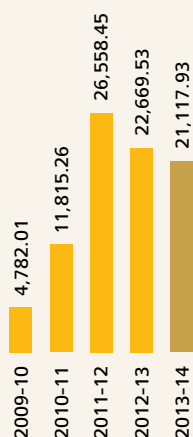
70%

Strong presence in South India
(73% of branches)

OUR PERFORMANCE

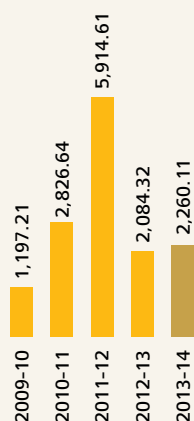
Total income

(₹ in million)



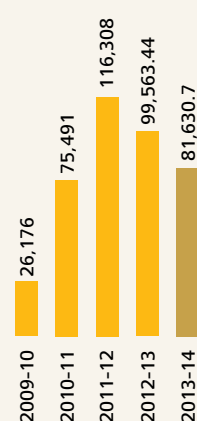
Profit after tax

(₹ in million)



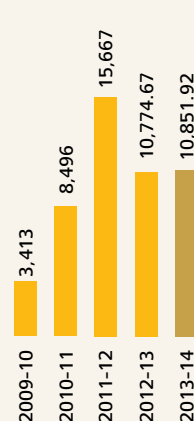
Assets Under Management

(₹ in million)



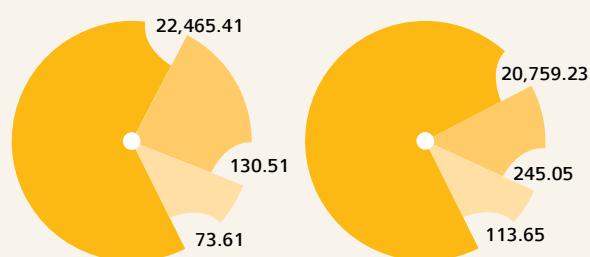
Net interest income

(₹ in million)



Income pie

(₹ in million)



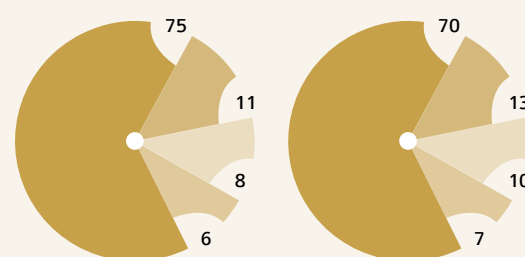
2012-13

2013-14

Interest income
Other operating income
Other income

Region-wise disbursement

(%)



2012-13

2013-14

South
West
North
East

Pie charts not to scale

44.96%

5-year CAGR in total income from 2009-10

17.22%

5-year CAGR in profit after tax from 2009-10

33.53%

5-year CAGR in net interest income from 2009-10