



## A NEW VALUE PARADIGM

# 95.93 bn

Consolidated Assets under Management (AUM) as on March 31, 2015

# 25.64%

Capital adequacy ratio as on March 31, 2015

# 13.55%

Growth in AUM in FY 2014-15

# 22%

Increase in gold loan disbursement in FY 2014-15

# 16.58%

Rise in gold holdings as on March 31, 2015

# 0.97%

Net NPA as on March 31, 2015

# 0.97mn+

New customers added during FY 2014-15

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#### 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.

# WE ARE PROUD OF OUR LEGACY AND WE LOOK TOWARDS THE FUTURE WITH CONFIDENCE.

**A powerful vision, guided by sustained meaningful action, has enabled Manappuram Finance to become one of India's most prominent value creators in the gold NBFC sector. We are now pursuing our second phase of growth by diversifying our products and services.**



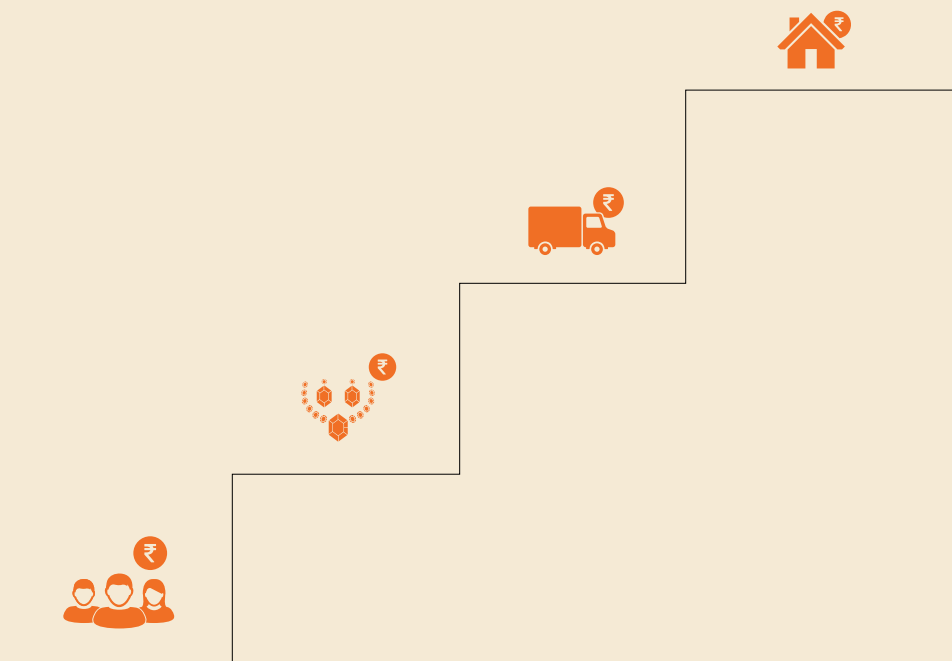
**Mr. V. C. Padmanabhan**  
(1916-1986)

The year was 1949 and Kerala was a small impoverished region in the newly independent India. Against this backdrop, one man showed courage and presence of mind to make a difference in the lives of farmers and fishermen of Valapad (a small village in Thrissur District of Kerala) by providing affordable and hassle-free loans. He was the Late V. C. Padmanabhan, who began the journey on a very modest scale.

What started as a small community financing option soon grew from strength to

strength. It was in 1992 that Manappuram General Finance and Leasing Limited was incorporated. It was renamed as Manappuram Finance Limited in 2011.

With a reputation for Trust, Commitment and Transparency going back for more than six decades, Manappuram Finance Ltd. has emerged as a force to reckon with, under the stewardship of Mr. V.P. Nandakumar, the Managing Director & CEO.



**WE HAVE ALWAYS PLAYED A PIVOTAL  
ROLE IN ENERGISING INDIA'S VAST  
RESERVES OF PRIVATE GOLD. WE  
HAVE CONTRIBUTED SIGNIFICANTLY  
BY HELPING THE COMMON PEOPLE  
OF INDIA FACE THE VICISSITUDES OF  
DAILY LIFE THROUGH THESE YEARS.  
THAT WAS THE FIRST PHASE OF THE  
MARATHON.**

**We are now entering the next phase, where we will be seeking new vistas of value creation for our existing and new customers, in the gold loans business and beyond. Seen from that perspective, the second phase will be a period of consolidation and steady growth of our gold loans portfolio, as well as of a transformation to leverage synergic opportunities.**

**During FY 2014-15, we made definite progress on our broad strategy to realise our objective.**

**We succeeded in making our business more resilient to gold price volatility by following judicious risk management practices.**

**We reached our upwardly mobile customer base with vehicle and housing loans, where the demand is steadily rising.**

**We catered to those at the bottom of the social pyramid through our microfinance venture, relying on the collateral-free, joint liability model.**

**Our entire portfolio of products is designed to serve those who are at the periphery of formal channels of finance; and we will continue to drive the agenda of social inclusion. Through greater scale, focus on technology, balance sheet strength and nationwide footprint.**

**We are strengthening a new value paradigm with our gold+ strategy.**

**To support those in need to rise and be a part of the nation on the move.**

## Undiminished Value

For over two decades, we have been unleashing the hidden potential of India's vast reserves of private gold. Over the years, we have transformed a tradition-bound business into a modern-day enterprise, introducing scale, technological depth, transparency and professionalism. We are India's first listed gold loan company and the first to be credit rated.

We are now enriching our portfolio of products by entering into housing loans, vehicle finance and microfinance. We are committed to deliver more value to a wider cross-section of customers, especially those unable to access formal channels of finance.

### OUR CORE VALUES



#### Customer-first strategy

Our products aim at delivering value to the customer, irrespective of 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 dealing. 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 services 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.

# 3,293

Pan-India branch network

# 4

Business verticals

# 30+

We source our funding from more than 30 banks and financial institutions.

# 1.75 mn

Satisfied customers as on March 31, 2015

# 15,863

Motivated team members

# 53.13 tn

Tonne of gold assets as on March 31, 2015

# 27

States/Union territories coverage

## OUR BUSINESSES

- Gold Loan
- Microfinance
- Housing Finance/ Loan against Property
- Commercial Vehicle Finance
- Money Transfer
- Foreign Exchange

## OUR CREDITWORTHINESS

- Credit rating history of 20 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)
- Long-term debt programme (NCDs) rated AA- by CARE.

## OUR FUND ASSURANCE

- Credit lines from several banks
- Strong pipeline of unutilised limits with banks and financial institutions
- Commercial papers from short term money markets
- Retail Non Convertible Debentures (NCD) and bonds

## OUR ACCREDITATIONS

We are the first NBFC from Kerala to be certified with the Authorised Dealer (AD) license by the Reserve Bank of India (RBI). It is permitted by Foreign Exchange Management Act (FEMA) and authorised by RBI for various money transfers.

## SHAREHOLDER VALUE

**NSE Ticker:** MANAPPURAM

**BSE Ticker:** 531213

**Dividend:** ₹ 1.80 per share  
(Face value: ₹ 2)

**Market capitalisation:**  
₹ 27,297.17 million as on  
March 31, 2015

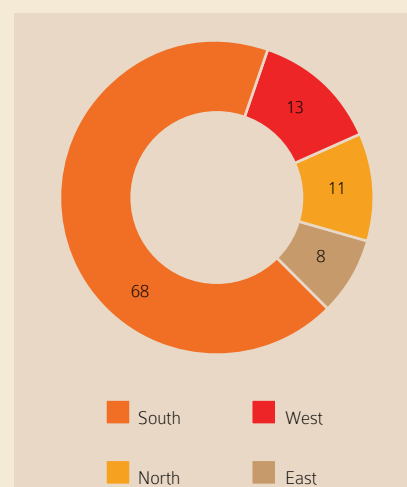
## PAN-INDIA FOOTPRINT



## Branch break-up

North	14%	457
East	5%	168
West	11%	363
South	70%	2305
Total	100%	3,293

## Region-wise Gold Loan Outstanding (%)



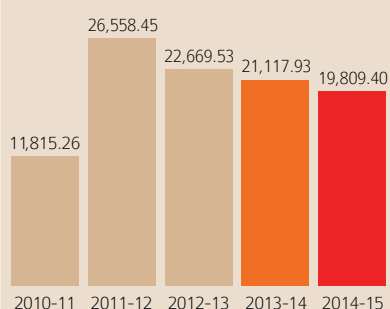
The share of the Southern region has come down from 82% in 2012 to 68% in 2015, indicating increasing acceptance of gold loans in the Western, Eastern and Northern regions.

## Encouraging Performance

### Total income (₹ in millions)

5-year CAGR

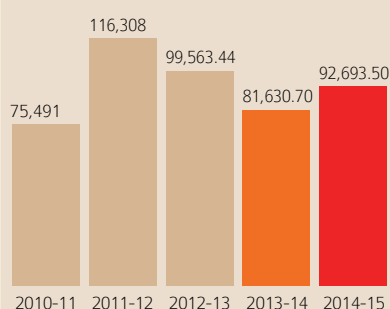
13.79%



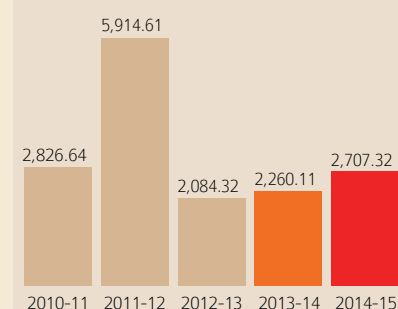
### Asset Under Management (AUM) (₹ in millions)

5-year CAGR

5.27%



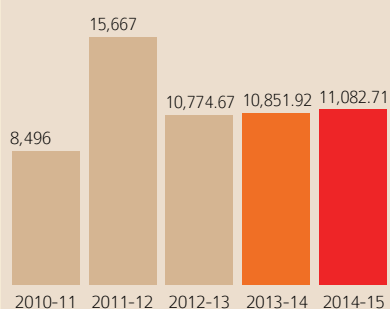
### Net Profit (₹ in millions)



### Net interest income (₹ in millions)

5-year CAGR

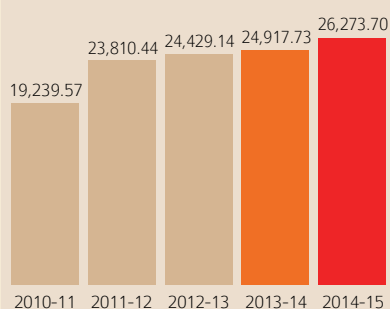
6.87%



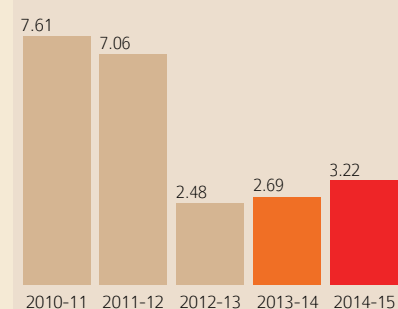
### Net Worth (₹ in millions)

5-year CAGR

8.10%



### Basic Earning per Share (EPS) (₹)

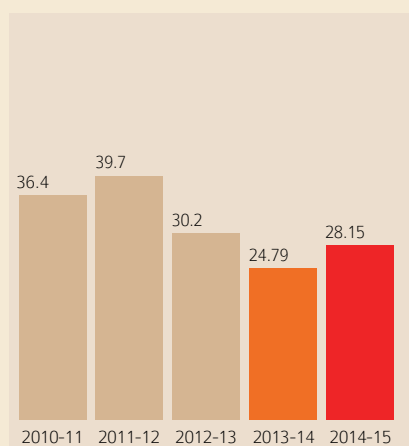




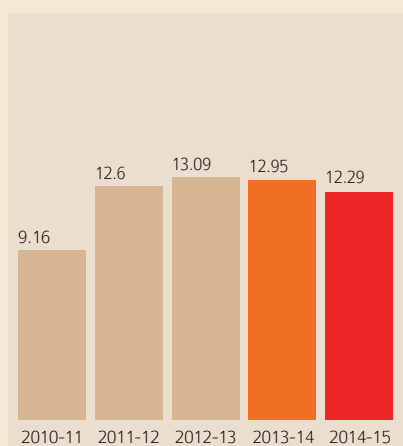
## Ratios

	2012-13	2013-14	2014-15
Net NPA	0.77	1.01	0.97
Return on Assets	1.58	1.9	2.44
Return on Equity	7.91	9.2	10.58
Capital Adequacy	22.49	27.68	25.64
Debt Equity	4.02	3.13	3.19

### AUM per Branch (₹ in millions)

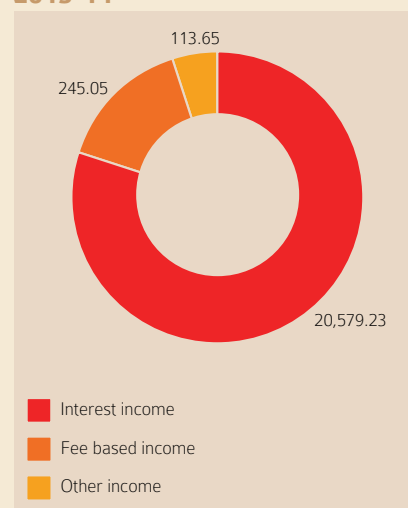


### Cost of Borrowing (%)

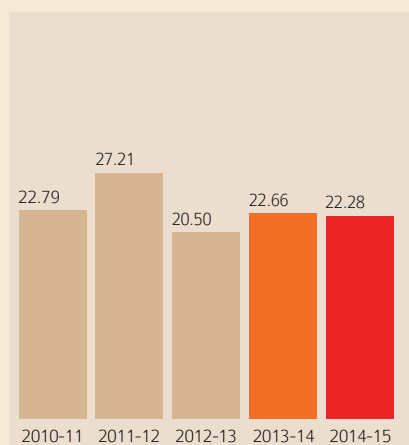


### Income Spread (₹ in millions)

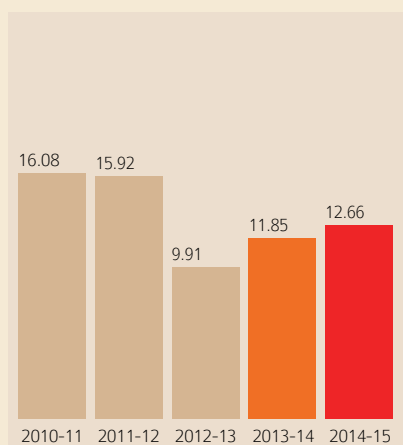
2013-14



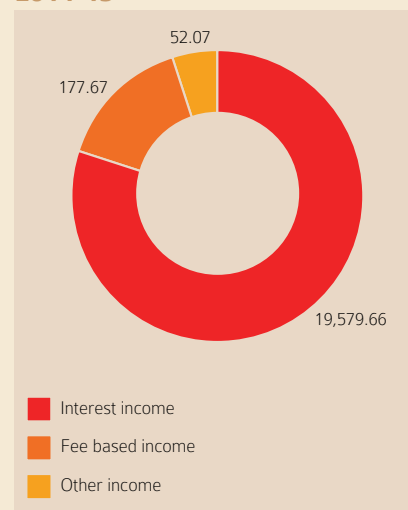
### Net Yield (%)



### Net Interest Spread (%)



2014-15



Pie charts not to scale

## MD & CEO's Message

It is my pleasure to present to you our 23rd Annual Report for the year ended March 31, 2015. After two years of decline in business volume, it feels very good to report all-round improvement in performance during the year. Profitability has improved substantially and once again there is brisk growth in the loan book. With the economy poised to take off, we are now well placed to deliver sustained growth.



⬆ 20%

₹271.31cr.

Net profit FY 2014-15

⬆ 17.5%

₹9,593cr.

AUM