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MANAPPURAM'S NET PROFIT DOUBLES

Thrissur (Kerala): Manappuram Finance Ltd. has declared its third quarter results. Consolidated Net Profit for the quarter ended December 31, 2016 stood at Rs.202.54 crore, an increase of 101.9 percent compared to Rs.100.34 crore reported in Q3 of previous fiscal year. Net profit was up by 5.3 percent over the preceding September quarter's figure of Rs. 192.39 crore.

Total consolidated operating income during the quarter registered an increase of 46.1 percent to Rs. 900.51 crore against Rs. 616.2 crore reported in the year ago quarter. It represents a 6.9 percent increase over Rs 842.25 crore registered in the preceding September quarter.

The Board of Directors, which met at Valapad (Thrissur) today to consider the results, approved payment of interim dividend of Rs.0.50 per share of face value of Rs. 2/-.

The company's consolidated Assets under Management (AUM) stood at Rs.14,555 crore, a growth of 37.6 percent compared to Rs.10,579 crore reported a year ago. Consolidated AUM was reported at Rs.14,490 crore for the preceding September quarter.

The company also registered a healthy 27.3 percent growth in its gold loan AUM to Rs.12,267 crore against Rs.9,639 crore reported for the comparable quarter last year. Aggregate gold loans disbursed during the quarter amounted to Rs.12,060 crore. The company's gold loans business added 3.64 lakh new customers during the quarter taking the number of live gold loan customers to 22.48 lakhs, as on December 31, 2016.

Besides gold loans, the company's new businesses continued to gather momentum. The microfinance subsidiary, Asirvad Microfinance, ended the quarter with an AUM of Rs 1,650 crore, an increase of 136 percent over the year ago quarter and 5 percent increase over the preceding September quarter's figure of 1,570.48 crore.

The Home Loans subsidiary, operating from 34 branches, reported an AUM of Rs.263 crore as against Rs. 213.35 crore recorded in the preceding September quarter. Commercial Vehicle loans, with a presence in 46 locations, reported an AUM of Rs. 250.55 crore as compared to Rs.212.60 crore reported in the previous quarter. The contribution of new businesses to the consolidated AUM of the company has increased to 15.7 percent compared to 14.5 percent in the previous quarter.

Sharing the results with the media, Mr. V.P. Nandakumar, MD & CEO, said, "Our performance during the quarter was affected by the dislocation caused by demonetisation. However, the situation is now almost back to normal and we expect to revert to business as usual at the earliest."

The company's average borrowing cost declined by a further 24 bps to 9.86 percent during the quarter. Borrowing cost has fallen by 78 bps over the last one year and 234 bps over the last 2 years.

Provisions and write offs during the quarter for the standalone entity amounted to Rs.27.95 crore. The company has moved to recognition of NPAs at 90 days from 120 days even though the RBI requirement will apply only from FY2017-18. Further, provision on standard assets has been made at 0.40 percent instead of 0.35 percent, in advance of the RBI requirement making it mandatory from FY2017-18.

The company's consolidated net worth stood at Rs 3,210 crore as of December 31, 2016. The book value per share stood at Rs 38.15. The capital adequacy ratio as at end of December 31, 2016 was 22.77 percent. The total consolidated borrowings of the company stood at Rs 12,211 crore on this date.

Results at a glance

Consolidated	Rs. in Crore		% growth	Q2-	
	Q3- FY 2016-17	Q3- FY 2015-16		FY 2016-17	% growth
Income from operations	900.51	616.20	46.14	842.25	6.92
Profit before tax	314.10	157.42	99.53	295.09	6.44
Profit after tax	202.54	100.34	101.85	192.39	5.28
AUM	14,555	10,579	37.58	14,490	0.45
Aggregate Loans Disbursed	12,648	9,410	34.41	15,676	-19.32
Net Worth	3,210.56	2,719	18.08	3,060.21	4.91
Return on Assets(%)	5.06	3.36		5.07	
Return on Equity (%)	23.66	14.76		23.49	
Share Capital and Reserves	3,210.56	2,719		3,060.21	
No. of branches	4,024	3,293		3,880	

Stand alone	Rs. in Crore				
	Q3- FY 2016- 17	Q3- FY 2015- 16	% growth	Q2- FY 2016- 17	% growth
AUM	12,641	9,862	28.18	12706.4	-0.51
Loans Disbursed	12141	9,086	33.62	14,901	-18.52
Capital Adequacy Ratio (%)	22.77	25.38		21.79	
Net NPA (%)	1.96	0.9		0.91	
Number of Branches (Gold Loans)	3293	3293		3293	

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 BSE and NSE stock exchanges.

As of December 31, 2016, Manappuram Finance Ltd. had 4024 branches across 23 states and 4 UTs with Assets under management (AUM) of Rs.145.5 billion. The company's net worth stood at Rs. 32.10 billion.