

Corporate Governance Report

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company believes that good governance practices, internal control systems, transparent operational activities and proper risk management system are essential for sustainable business. Your Company focuses on enhancement of long-term shareholder value without compromising on ethical standards, corporate social and business responsibilities. Your Company believes that its business plans should be consistent with the above objective leading to sustained corporate growth and long-term benefit to all. Your Company follows this principle meticulously in all its business dealings and decisions.

Your Company is in compliance with the requirements of corporate governance, as applicable, specified in regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR) Regulations, 2015") and the Companies Act, 2013 (amended as on date). The Company is also in compliance with the Corporate Governance and Disclosure norms for NBFCs issued by Reserve Bank of India vide Chapter XI of Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ("RBI Master Direction, 2016").

Your Company has adopted Manappuram Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Conduct to regulate, monitor and report Trading by Insiders and also adopted Internal Guidelines on Corporate Governance in compliance with RBI Master Direction, 2016. These codes are available in the Company website - <https://www.manappuram.com/policies-codes.html>

BOARD OF DIRECTORS

A. Composition of the Board

Your Company has formulated Board Diversity policy to have a competent and highly professional team of Board members. There are ten Directors on the Board of the Company having diverse experience and expertise in their respective areas. The composition of the Board meets the criteria as prescribed in SEBI (LODR) Regulations, 2015, and Companies Act, 2013. This composition also fulfils the norms prescribed by Reserve Bank of India in this regard. As on 31st March, 2021 out of the (10)ten Directors, (1) One is an Executive Director (2) Two are non-executive non-independent Directors and (7) Seven are Independent

Directors. Out of (7) Seven Independent Directors, (1) one Independent Director is a woman director.

Policy on Board Composition and Compensation is in place for ascertaining the fit and proper criteria of the Directors at the time of appointment and on a continuing basis. The policy on the fit and proper criteria is in line with RBI Master Direction, 2016 and all existing Directors are fit and proper to continue to hold the appointment as a Director in the Board.

All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 read with Section 149(6) of the Companies Act, 2013. None of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he/she is a Director as per disclosures regarding Committee positions in other public companies made by the Directors during the year under review. None of the Directors are related to each other.

None of the Independent Directors of the Company hold independent directorship in more than seven listed companies and none of them serving as a whole time Director in any listed company.

During the year, a separate meeting of Independent Directors was held on 06th March, 2021 and all Independent Directors Except Mr. Manomohan Pandat (DIN: 00042836) were present for that meeting. The Independent Directors, inter- alia, reviewed the performance of non-independent Directors, Chairman of the Company and the Board as a whole.

B. Meetings & attendance

During FY 2020-21 the Board met on Nine occasions viz. 03.04.2020, 14.05.2020, 18.05.2020, 29.05.2020, 29.07.2020, 01.10.2020, 06.11.2020 29.01.2021, and 19.03.2021.

The details of participation in the meetings and other relevant information are given in the below statement.

Corporate Governance Report

Name & Category of Director	Category of Directors	No. of Board Meetings attended	Whether attended the last AGM	Details of membership in Committees of the Board*		Shareholding of Non-Executive Directors	Number of Directorships in Companies**	
				Member	Chairman		Chairman	Member
Mr. Jagdish Capoor, Chairman	Independent, Non-Executive	9	Yes	4	2	2,000	1	3
Mr. V.P.Nandakumar, Managing Director & CEO	Promoter and Non-Independent, Executive	9	Yes	3		NA	0	1
Mr. B.N.Raveendra Babu***	Non-Independent, Non Executive	9	Yes	3	0	14,17,236	0	1
Adv. V. R. Ramachandran	Independent, Non-Executive	9	Yes	2	1	11,45,000	0	1
Mr. P. Manomohan	Independent, Non-Executive	8	Yes	2	0	7,93,582	0	1
Mr. Gautam Ravi Narayan	Non-Independent, Non-Executive	9	Yes	1	0	0	0	1
Ms. Sutapa Banerjee	Independent, Non-Executive	9	Yes	9	2	0	0	6
Mr. Abhijit Sen	Independent, Non-Executive	9	Yes	9	4	0	0	5
Mr. Harshan Kollara****	Independent Non Executive	9	Yes	1	0	0	0	1
Mr. Shailesh J Mehta*****	Independent Non Executive	9	Yes	3	1	5,00,000	0	2

*As required by Clause 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the disclosures includes Membership/Chairpersonship of Audit Committee and Stakeholder's Relationship Committee of Companies including Manappuram Finance Limited only are shown.

** Only Listed Companies including Manappuram Finance Limited are shown.

*** Mr B.N Raveendra Babu (DIN: 00043622) has been redesignated as Non-Executive Director with effect from 01.06.2020

****Mr. Harshan Kollara (DIN: 01519810) has been re-designated as Independent Director of the Board with effect from 28.08.2020.

*****Mr. Shailesh Mehta (DIN: 01633893) has been re-designated as Independent Director of the Board with effect from 28.08.2020

The names of the listed entities where the person is a director and the category of directorship other than Manappuram Finance Limited

Mr. Jagdish Capoor		Ms. Sutapa Banerjee		Mr. Abhijit Sen		Mr. Shailesh J Mehta	
Company	Category	Company	Category	Company	Category	Company	Category
LIC HOUSING FINANCE LTD	Independent, Non-Executive	JSW HOLDINGS LIMITED	Independent, Non-Executive	KALYANI FORGE LIMITED	Independent, Non-Executive	SAFARI INDUSTRIES (INDIA) LIMITED	Independent, Non-Executive

Corporate Governance Report

Mr. Jagdish Capoor		Ms. Sutapa Banerjee		Mr. Abhijit Sen		Mr. Shailesh J Mehta	
Company	Category	Company	Category	Company	Category	Company	Category
SPANDANA SPHOORTY FINANCIAL LIMITED	Independent, Non-Executive	NIYOGIN FINTECH LIMITED	Independent, Non-Executive	UJJIVAN FINANCIAL SERVICES LIMITED	Independent, Non-Executive		
		JSW ISPAT SPECIAL PRODUCTS LIMITED	Independent, Non-Executive	UGRO CAPITAL LIMITED	Independent, Non-Executive		
		CAMLIN FINE SCIENCES LIMITED	Independent, Non-Executive	TATA INVESTMENT CORPORATION LIMITED	Independent, Non-Executive		
		GODREJ PROPERTIES LIMITED	Independent, Non-Executive				

C. Change in the Board of directors during FY 2020-21

Mr. Harshan Kollara (DIN: 01519810) was appointed as Additional Director on 28.01.2020 and was further appointed as Independent Director of the Board at the 28th Annual Genral Meeting of the company with effect from 28.08.2020.

Mr. Shailesh Mehta (DIN: 01633893) was appointed as Additional Director on 27.02.2020 and was further appointed as Independent Director of the Board at the 28th Annual General Meeting of the company with effect from 28.08.2020.

Mr. B. N. Raveendra Babu (DIN: 00043622) has been re-designated as Non-Executive Director with effect from 01.06.2020

There were no other changes in Directors or Key Managerial Personnel during the FY 2020-21.

D. Information provided to the board members

The Board agenda with proper explanatory notes is prepared and circulated well in advance to all the Board members. All statutory and other matters of significant importance including information as mentioned in Section 179 of the Companies Act, 2013 and Regulation 17 read with Part A of Schedule II of the SEBI (LODR) Regulations, 2015 are tabled before the Board to enable it to discharge its responsibility of strategic supervision of the Company.

The Board periodically reviews the statement submitted by the unlisted subsidiaries on all significant transactions and arrangements entered into by it during that period. The

Board also reviews periodical compliances of all applicable laws, rules and regulations. At the Board Meeting, members have full freedom to express their opinion and decisions are taken after detailed deliberations.

COMMITTEES OF THE BOARD

The Board has constituted sub-committees of the Board. Each Committee of the Board functions according to the terms of reference as approved by the Board. Meeting of each sub-committee is convened by the respective Committee Chairman. The composition and terms of reference of these sub-committees including the number of meetings held during the financial year and the related attendance are given below:

A. Audit Committee

The Company has constituted a qualified and independent Audit Committee as required under Section 177 of the Companies Act, 2013, and Regulation 18 of the SEBI (LODR) Regulations, 2015. The Committee also fulfils the provisions of RBI Master Direction, 2016. The Committee has six members eminently qualified to handle accounts, finance, audit and legal matters. The Company Secretary acts as the Secretary of the Audit Committee.

The Audit Committee met Seven times during FY 2020-21 viz. 14.05.2020, 29.05.2020, 28.07.2020, 01.10.2020, 04.11.2020, 28.01.2021 and 19.03.2021. The constitution, record of attendance of meetings and other details of the Audit Committee of the Company are below:

Corporate Governance Report

Composition, Meetings and Attendance as on 31st March, 2021

Sl.No	Name of the Member	Position	Category of Directors	Number of Meetings during the financial year 2020 -21	
				Held	Attended
1	Abhijit Sen*	Chairman	Independent, Non-Executive	7	7
2	P. Manomohanan**	Member	Independent, Non-Executive	7	6
3	Sutapa Banerjee	Member	Independent, Non-Executive	7	7
4	Gautam Narayan	Member	Non-Independent, Non-Executive	7	7
5	Jagdish Capoor****	Member	Independent, Non-Executive	7	4
6	Dr Shailesh J Mehta***	Member	Independent, Non-Executive	7	3
7	Mr. Harshan Kollara *****	Member	Independent, Non-Executive	7	3

* Abhijith Sen was re-designated as Chairman of Audit Committee with effect from 01.10.2020;

** P Manomohanan was re-designated as member of Audit Committee with effect from 01.10.2020;

*** Dr Shailesh Mehta was inducted into Audit Committee with effect from 01.10.2020;

**** Jagdish Capoor ceased to be member of Audit committee with effect from 01.10.2020

***** Harshan Kollara was inducted into Audit Committee with effect from 01.10.2020.

Terms of Reference of Audit Committee

- Oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board the appointment, reappointment, and if required, the replacement or removal of the statutory auditor and the fixation of audit fee.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing with management the annual financial statements before submission to the Board for approval with particular reference to:
 - Matters required to be included in the Directors Responsibility Statement to be included in the Board's report in terms of clause(c) of Sub-section 3 of section 134 of the Companies Act 2013.
 - Changes if any in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustment made in the financial statement arising out of audit findings.
 - Compliance with listing and other legal requirements relating to the financial statements.
 - Disclosure of any related party transactions.
- Qualifications in the draft audit report.
- Reviewing with the management the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Reviewing with the management performance of the statutory and internal auditors and adequacy of the internal control system.
- Reviewing the adequacy of internal audit function if any including the structure of internal audit department, staffing and seniority of the official heading the department,

Corporate Governance Report

- reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors regarding any significant findings and follow-up thereon.
 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 16. Discussion with statutory auditors before audit commences about the nature and scope of audit as well as post-audit discussions to ascertain any area of concern.
 17. To look into the reasons for substantial defaults in the payments to the depositors, debenture-holders, shareholders (in case of non-payment of declared dividends) and creditors.
 18. To review the function of whistle blower mechanism in case the same exists.
 19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
 20. Monitoring the end use of funds raised through public offers and related matters.
 21. Carrying out any other function as mentioned in the terms of reference of audit committee.

22. Audit Committee also reviews and recommends to the Board of Directors, Quarterly and annual report on frauds in terms of RBI Master Circular on Frauds – Future approach towards monitoring of frauds in NBFCs and complaints received under the Prevention of Sexual Harassment against Women in Work Place Act, 2012.
23. Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision

B. Nomination, Compensation & Corporate Governance Committee

The Nomination, Compensation and Corporate Governance Committee of the Company was constituted to oversee the compliance with the Reserve Bank of India's Circular No. DNBS/PD/CC/94/03.10.042/2006-07 dated 8 May, 2007 to ensure that eminent and experienced persons are appointed as directors. The Committee was reconstituted on 01.10.2020. The Committee also meets the requirements of Section 178 of the Companies Act, 2013, Regulation 19 of the SEBI (LODR) Regulations, 2015 and RBI Master Direction, 2016.

The Committee met 3 times during FY 2020-21 viz. 14.05.2020, 29.07.2020, 06.11.2020.

Composition, Meetings, and Attendance during the FY ended 31st March, 2021

Sl.No	Name of the Member	Position	Category of Directors	Number of Meetings during the financial year 2020 -21	
				Held	Attended
1	Dr Shailesh J Mehta*	Chairman	Independent, Non-Executive	3	1
2	Jagdish Capoor	Member	Independent, Non-Executive	3	3
3	Gautam Ravi Narayan	Member	Non-Independent, Non-Executive	3	3
4	Sutapa Banerjee**	Member	Independent, Non-Executive	3	3

*Dr Shailesh J Mehta was re-designated as chairman of Nomination, Compensation and Corporate Governance Committee with effect from 01.10.2020;

**Sutapa Banerjee was re-designated as member of Nomination, Compensation and Corporate Governance Committee with effect from 01.10.2020.

Terms of Reference of Nomination, Compensation and Corporate Governance Committee

Considering the statutory provisions under Section 178 of the Companies Act, 2013, provisions of SEBI LODR (Listing

Obligation and Disclosure Requirement) Regulations, 2015 and the guidelines issued by the Reserve Bank of India on Corporate Governance of NBFCs, the role and responsibilities of the committee can be classified into three broader categories such as;

Corporate Governance Report

- i. of nomination
- ii. of fixation of remuneration and performance evaluation
- iii. of Governance

The committee shall effectively discharge its roles and responsibilities in the following manner.

I. Role of Nomination

- a) The Committee shall put in place a broader policy describing the qualification, experience and other positive attributes for selection of Executive/whole time directors including their age of retirement.
- b) The Committee shall formulate and put in place guiding principles to determine the qualities, qualifications, and the parameters to determine the 'fit and proper' criteria for appointment of independent Directors keeping in mind the diversity quotient the Company's Board shall maintain from time to time and subject to the applicable regulatory requirements.
- c) Filling in a timely manner vacancy on the Board of the Company including the position of executive/whole time directors.
- d) Selection of directors, key management personnel and persons to be appointed in senior management positions as defined by the Board and recommend to the Board for their appointment and removal thereof.

II. Role of Fixing Remuneration and Evaluation of performance

- a. The Committee shall formulate and recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel, Senior Management and other employees from time to time.
- b. The policy as aforesaid shall ensure that-
 - 1. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
 - 2. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - 3. Remuneration to directors, key managerial personnel and senior management involves

a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals;

- c. The Committee shall review the performance of individual directors of the Company on a yearly basis at the end of each financial year or at such periodicity as the committee deem fit and recommend to the Board on the basis of such review, whether a director to be recommended for re-appointment or not.
- d. The Committee shall review the performance of the Executive/Whole time Directors of the Company and fix suitable compensation packages in consideration of their performance, contributions, the general business environment in which the Company operates and financial position of the Company. The remuneration package may be a combination of fixed and performance-based bonus/ incentives for the period under review.
- e. The Committee shall along with the management review the performance of Key managerial personnel and senior management persons on a periodical basis and fix their remuneration packages in accordance with the policies approved by the Board.

The period of gap between two such reviews shall not elapse fifteen months.

- 1. As per SEBI (LODR) Regulations 2018 (Amendment Regulations) dated 9 May, 2018, the additional responsibilities entrusted with Nomination Compensation and Corporate Governance Committee with effect from 1 April, 2019 are as follows:-

- i. NRC shall revisit the list of Senior Management to assess the additions to the list.
- ii. NRC shall recommend remuneration of Senior Management to the Board.
- ii. Formulating Succession Planning for Senior Management.
- iv. Review and affirm the Senior Management shall abide by the code of conduct on an annual basis.
- 2. Senior Management shall make disclosure to the Board relating to all material, financial and commercial transactions, where they have a personal interest that may have a potential conflict with the interest of the Company at a large.

Corporate Governance Report

For the purpose of this code the term "Senior Management" shall mean to include one level below Chief Executive Officer/Managing Director/Whole Time Director/Manager (Including CEO/Manager, in case they are not part of the Board), and shall specifically include Company Secretary and Chief Financial Officer.

III. Role on ensuring Compliance on governance standards

- The Committee shall ensure that at all times, the Board of the Company has a fair combination of independent, non-executive and executive directors meeting the governance standards set by the Board and in compliance with regulatory requirements, SEBI (LODR) Regulations 2015, etc. prevailing from time to time.
- Ensure that the organization structure and flow of command meets the governance standard set for the internal management of the Company.
- The Committee may evaluate and put in place proper mechanism for refreshment trainings for directors on relevant subject.
- The Committee shall evaluate and put in place a proper mechanism to ensure that the independence of independent directors is always maintained and to ensure that there are no situations which suggest the existence of circumstances resulting in the loss of independence of any directors of the Company.
- The Committee shall put in place subject to the provisions of applicable laws, policies and procedure for determining the retirement and re-appointment of independent and other directors on the Board of the Company.
- The Committee shall at all times ensure that the sub-committees of the Board is functioning and are constituted according to the regulatory requirements and governance policies of the Company.
- The Committee shall oversee the overall governance standards and policies of the Company and delegation of authorities to match with the best practices in relation to the size of the Company and the level of its operations to protect the interest of all stakeholders.

IV. Other Powers

In addition to what is stated above, the Committee shall discharge such other functions as may be delegated to it by the Board or prescribed under any law, rules, regulations or orders or directions of any statutory or regulatory body including stock exchanges where the securities of the Company are listed.

Remuneration of Directors

- There is no pecuniary relationship or transactions of the non-executive directors vis-à-vis the Company.
- Criteria of making payments to non-executive directors: While considering the level of commission payable to the independent, non-executive directors, the Nomination, Compensation and Corporate Governance Committee take into account various factors such as attendance, level of participation, contribution to the meetings and its decision making, continuity on the Board, fit and proper status and feedback of performance appraisal questionnaire, etc. There is no relationship between Directors inter-se.

Disclosures with respect to Remuneration Independent, Non-Executive Directors

(₹ In million)				
Sl.No.	Name	Commission	Sitting Fee	ESOS
1	Jagdish Capoor	4.0	0.70	NIL
2	V.R. Ramachandran	2.8	1.13	NIL
3	P.Manomohanan	2.8	1.24	NIL
4	Sutapa Banerjee	2.8	0.81	NIL
5	Abhijit Sen	3.8	0.81	NIL
6	Harshan Kollara*	2.8	0.53	NIL
7	Shailesh J. Mehta**	5.0	0.55	NIL

* Harshan Kollara was redesignated as Independent Non-Executive director with effect from 28.08.2020.

** Shailesh J Mehta was redesignated as Independent Non-Executive director with effect from 28.08.2020.

Corporate Governance Report

Non-Independent, Executive Directors

In million

Sl No.	Name	Salary	Commission	Benefits/Provident Fund	Perquisites	Bonus	Sitting Fee	ESOS (no. of options)
1	Mr. V.P Nandakumar	75	75	9.01	-	-	-	-

Non-Independent, Non-Executive Directors

Sl No.	Name	Salary	Commission	Benefits/Provident Fund	Perquisites	Bonus	Sitting Fee	ESOS (no. of options)
1.	B.N.Raveendra Babu*	1.41	-	0.16	6.46	-	-	1,00,000

*BN Raveendra Babu was re designated as Non-Executive Director with effect from 01.06.2020

Performance Evaluation Parameter for MD & CEO

I	Business
	Achieving growth and profitability targets as per Board Approved Annual Business Plan of MAFIL
	Achieving growth and profitability targets as per Board Approved Business Plan of Subsidiary Co's
	Gold Loan AUM adjusted for price
II	Technology / IT
	Making IT a key differentiator and a competitive advantage for all business - focussing on data based customer centric approach for better service with lower costs and less time (TAT)
III	Audit, Legal and Compliance
	Ensuring all businesses - in MAFIL and its Subsidiaries are compliant to all Regulatory Rules, Regulations, Guidelines and Statutes - like RBI / Co's Act / SEBI / Listing Guidelines etc.
	Ensuring compliance with Co's Audit , Risk Control and Other Policies and Processes
IV	Strategic Growth Initiatives
	Developing and executing the strategy for future growth and competitiveness in businesses - including M&A for in-organic growth
V	Succession Plan
	Building CEO succession plan
	Strengthening the 2nd line of management and building leaders in respective businesses and functions that could carry the Group's businesses to the next level

Performance evaluation criteria for independent directors is detailed in Boards Report.

Service Contracts, Notice Period, Severance Fees: Nil

C. Stakeholders Relationship and Securities Transfer Committee

The Company has constituted Stakeholders Relationship and Securities Transfer Committee in line with the provisions of Regulation 20 of SEBI (LODR) Regulations, 2015 and Section 178(5) of the Companies Act, 2013 to monitor the securities holders and investor complaints / grievances and also to ensure quick redressal of investor complaints associated with transfer/ transmission / dematerialisation of shares, non-receipt of Balance Sheet, Dividend warrants etc.

Corporate Governance Report

Board earlier constituted Securities Transfer Committee to comply with provisions of section 46 of Companies Act, 2013 read with Rule 5 of the Companies (Share Capital and Debentures) Rules, 2014.

In order to ease the both committees functioning, Board at its meeting held on 25.05.2017 merged the Securities Transfer Committee into Stakeholders Relationship Committee and accordingly to comply with the provisions of SEBI (LODR) Regulations, 2015 and the Companies Act, 2013 and rules made thereunder as both Stakeholders Relationship Committee and Securities Transfer Committee have functions primarily aimed at serving security holders of the Company.

Composition, Meetings & Attendance as on 31st March, 2021

Sl.No	Name of the Member	Position	Category of Directors	Number of Meetings during the financial year 2020 -21	
				Held	Attended
1	V.R. Ramachandran	Chairman	Independent, Non-Executive	4	4
2	P. Manomohanan	Member	Independent, Non-Executive	4	3
3	V.P. Nandakumar	Member	Non-Independent, Executive	4	4
4	B.N. Raveendra Babu *	Member	Non-Independent, Non-Executive	4	4

*BN Raveendra Babu was re designated as Non-Executive Director with effect from 01.06.2020

Scope

Stakeholders Relationship Committee was constituted to specifically look into the redressal of shareholder and investors complaints / grievances like transfer and transmission of securities, non-receipt of annual report / notice / declared dividends / interest / redemption amount, etc. and all other securities-holders related matters.

Securities Transfer Committee normally approves transfers, transmission, etc. of securities and issues split, duplicate certificates of securities issued by the Company.

Name, designation and address of Compliance Officer:

Mr. Manoj Kumar V.R., Company Secretary

Manappuram Finance Limited, IV/470A(old) W638A(New) Manappuram House,

P.O - Valapad, Thrissur District, Kerala, India - 680 567 Phone -0487-3050408 E-Mail - cs@manappuram.com

Details of investor complaints received and redressed during the financial year 2020- 21 are as follows:

Nature of Security	Complaints pending at the beginning of the year ended 31.03.2020	Complaints received during the year ended 31.03.2021	Complaints disposed and resolved at the end of the year 31.03.2021	Complaints unresolved at the end of the year 31.03.2021
Equity	0	0	0	0
Private placement-Retail NCD	0	0	0	0
Private Placement- Institutional NCD	0	0	0	0
Public Issue of Bonds	2	36	38	0
Complaints registered in SCORES	0	3	3	0
Subordinated Bonds	0	4	4	0

Corporate Governance Report

D. Corporate Social Responsibility Committee (CSR Committee)

The Company has constituted Corporate Social Responsibility Committee (CSR Committee) in line with the provisions of Section 135 of the Companies Act, 2013 which has substantial roles and responsibilities in respect of projects to be recommended to the Board and also for the monitoring of the CSR projects and reporting.

A brief outline of Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board is annexed with Board's Report.

Composition, Meetings & Attendance as on 31st March, 2021

Sl.No	Name of the Member	Position	Category of Directors	Number of Meetings during the financial year 2020 -21	
				Held	Attended
1	Sutapa Banerjee	Chairman	Independent, Non-Executive	2	2
2	V.P. Nandakumar	Member	Non-Independent, Executive	2	2
3	V.R. Ramachandran	Member	Independent, Non-Executive	2	2
4	Abhijit Sen*	Member	Independent, Non-Executive	2	2

* Abhijit Sen was inducted into Corporate Social Responsibility Committee with effect from 01.10.2020

Role of the CSR Committee include

- Review and recommend any new CSR initiatives to be taken up by the Company including the selection / appointment of implementation agencies.
- Review the progress of CSR projects already undertaken by the Company and the utilisation of budgets for each such projects.
- Review and recommend the CSR report to be included in the Board's report.
- Review and recommend any amendments to be made in the CSR policy of the Company.
- Formulation and recommend to the Board an Annual Action Plan.
- Formulate and Draft the CSR policy and recommend the same to the Board for approval;
- Monitor the Corporate Social Responsibility Policy of the company from time to time.
- To carry such other functions as may be delegated to it by the Board relating to CSR activities of the Company.

E. Risk Management Committee (RMC)

The Company has constituted Risk Management Committee (RMC) in line with the provisions of Regulation 21 of SEBI (LODR) Regulations, 2015 and RBI Master Direction, 2016.

The committee reviews the Risk Management Policy, document and improve risk management practices, ensure appropriate / adequate reporting to the Board, manage the integrated risk, review the functioning of the Risk Management Department and any other matter as the Committee may deem fit. The Committee is involved in the process of identification, measurement, monitoring and mitigation of the various risks faced by the Company. The RMC shall meet on a quarterly basis and reports to the Board.

Corporate Governance Report

Composition, Meetings & Attendance as on 31st March, 2021

Sl.No	Name of the Member	Position	Category of Directors	Number of Meetings during the financial year 2020 -21	
				Held	Attended
1.	Abhijit Sen	Chairman	Independent, Non-Executive	4	4
2.	P Manomohanan	Member	Independent Non-executive	4	3
3.	V.P.Nandakumar	Member	Non-Independent, Executive	4	4
4.	B.N.Raveendra Babu*	Member	Non-Independent, Non- Executive	4	2
5.	Ms.Sutapa Banerjee**	Member	Independent, Non-Executive	4	2
6.	Dr.Shailesh J Mehta***	Member	Independent, Non-Executive	4	2
7.	Harshan Kollara****	Member	Independent, Non-Executive	4	2
8.	Jagdish Capoor*****	Member	Independent, Non-Executive	4	2
9.	Gautam Narayan	Member	Non-Independent, Non-Executive	4	4

* B N Raveendra Babu ceased to be member of Risk Management Committee with effect from 01.10.2020;

** Sutapa Banerjee ceased to be member of Risk Management Committee with effect from 01.10.2020;

***Dr Shailesh Mehta was inducted into Risk Management Committee with effect from 01.10.2020;

****Harshan Kollara was inducted into Risk Management Committee with effect from 01.10.2020;

*****Jagdish Capoor ceased to be member of Risk Management Committee with effect from 01.10.2020.

Purpose and Scope of RMC & Powers:

A) The purpose of the RMC reviews the risk management framework and risk appetite of the Company, examine the adequacy and effectiveness of the risk management policy, and ensure appropriate / adequate reporting to the Board with recommendations where required. To this effect the RMC will:

- Oversee the development and implementation of the risk management strategy and practices by the Company and assess the effectiveness thereof.
- Ensure that the Company has an appropriate and effective mechanism to identify, measure, control and monitor all applicable risks on a timely basis and as accurately as feasible.
- Call for appropriate data / information to confirm the risk assessments of the past or projections for the future including development of any key performance or risk tolerance indicators.
- Ensure that the risk management policy in force is in tune with regulatory requirements, corporate governance standards, emerging new risks and industry best practices.
- Review major breaches in policy.

vi) Appraise uncovered / residual risks to the Board.

vii) Continuous monitoring of the existence of Cyber security in the Company.

viii) Assess the capacity of the Company to withstand major 'shocks', financial or otherwise, caused by market forces, regulatory directives, environment, any other external factors or internal upheavals.

B) The RMC shall be empowered to call for any studies, information, data or analyses in matters pertaining to management of risk from the officers of the Company, issue orders for investigation on any risk related subject including constitution of any sub-committee for such purpose and seek the opinions or reports of independent experts / professionals where considered desirable or essential.

F. Asset- Liability Management Committee (ALCO)

The Company has constituted Asset- Liability Management Committee (ALCO) in line with provisions of RBI Master Direction, 2016 and Asset Liability Management (ALM) System for NBFCs – Guidelines. Reserve Bank of India has stipulated templates for reporting Structural liquidity (DNBS-4B) Dynamic Liquidity (DNBS-4A) and Interest Rate Sensitivity (DNBS-4B) and provided indicative formats for compiling the figures. ALCO will use the indicative formats

Corporate Governance Report

for compiling the figures and the Reports on DNBS-4A and DNBS-4B for reviewing the liquidity and interest rate risk. The Member-Secretary will arrange for convening the meetings of ALCO as and when needed depending upon the necessity.

Composition, Meetings & Attendance as on 31st March, 2021

Sl. No	Name of the Member	Position	Category of Directors	Number of Meetings during the financial year 2020 -21	
				Held	Attended
1	V P. Nandakumar	Chairman	Non-Independent, Executive	4	4
2	B.N. Raveendra Babu*	Member	Non-Independent, Non-Executive	4	1
3	Bindu A.L	Member Secretary	Chief Financial Officer	4	4
4	Madhu Mohan A.M	Member	Chief Risk Officer	4	4

*B.N Raveendra Babu ceased to be member with effect from 01.06.2020

Terms of Reference of Asset - Liability Management Committee (ALCO):

- I. The committee shall transact the following business;
 - a. Management of liquidity position, long term and short term.
 - b. Review of ALM Returns to be submitted to RBI.
 - c. Decision on disposal of surplus funds of the Company for shorter durations (up to 6 months).
 - d. Pricing of the products of the Company depending upon the cost and benefit analysis both on the asset side and liability side of the balance sheet.
 - e. Notwithstanding anything stated herein above, the committee shall consider and discharge such other functions as may be necessary for the day to day management of the Company or such other functions as may be directed by RBI from time to time.
- II. CEO of the Company shall act as the chairman of the

committee

- III. The committee shall have power to invite such other officers or employees of the Company as and when required
 - IV. The committee shall function under the overall supervision of the risk management committee of the Board.
 - V. CFO shall act as the member secretary of the committee.
- Discussion paper covering the following areas will be deliberated by ALCO namely;
1. Liquidity risk management
 2. Management of market risk
 3. Funding and capital planning
 4. Profit planning and growth projection
 5. Forecasting and analyzing 'What if scenario' and preparation of contingency plans

G Financial Resource & Management Committee

The Financial Resources and Management Committee has been constituted by the Board of Directors to facilitate the day to day management of the Company.

Composition of Committee as on 31st March, 2021

Sl.No	Name of the Member	Position	Category of Directors	Number of Meetings during the financial year 2020 -21	
				Held	Attended
1	V P. Nandakumar	Chairman	Non-Independent, Executive	36	36
2	B.N. Raveendra Babu*	Member	Non-Independent, Non-Executive	36	36

Corporate Governance Report

Sl.No	Name of the Member	Position	Category of Directors	Number of Meetings during the financial year 2020 -21	
				Held	Attended
3	P. Manomohanan	Member	Independent, Non-Executive	36	35
4	V.R. Ramachandran	Member	Independent, Non-Executive	36	36

*BN Raveendra Babu was re designated as Non-Executive Director with effect from 01.06.2020

The committee's function is to oversee and deal with the following operational matters from time to time

- The committee shall meet as and when it becomes necessary to consider urgent matters coming up between two board meetings and requiring Board's sanction.
- The quorum for the meeting of the committee shall be 3 members.

Functions and duties

The committee shall be responsible for overseeing and dealing with operational matters from time to time. Such matters include:-

(i) Investments

- To deliberate and make recommendation to the Board on all transactions and matters relating to the business of the Company or its investments.
- Dispose the short term surplus of the Company in eligible short term investment instruments and securities with a maturity period of not more than one year as recommended by the ALM committee of the Company or to meet any statutory obligations or cash collaterals as part of lending arrangement or as caution deposits and also to authorise officers or directors for the purpose.

(ii) Financial Arrangements

- Approve financial arrangements whether as working capital demand loans or against assignment of receivables of the Company or buy out of portfolios or by such other means with banks and other financial institutions including the signing of such documents for facilities within the borrowing powers of the Board.
- Approve the creation of any mortgage/charge or other encumbrance over the Company's properties or assets for the above purposes.
- Approve the issuing or providing or permitting the

Company to issue or provide any form of guarantee or indemnity or other financial or non-financial support in the ordinary course of business.

- To consider the issue of commercial papers and other short term or long-term instruments for raising funds from the market.
- Authorise changes in signatories in respect of accounts maintained by the Company with banks and other financial institutions.
- Authorisation for opening, operation and Closing of Bank Accounts in different centres for different branches.
- Approve fully hedged foreign currency transactions with banks and other financial institutions
- Buyback or Re-purchase of NCDs and other Debt Securities

(iii) Allotment of Debentures and Bonds

Approve the allotment of debentures and bonds issued by the Company within in the overall limit set for the issue and the creation/modification/satisfaction of mortgage/ charge on such debentures/bonds as the case may be.

(iv) Others

- Authorising officers of the Company for making necessary application for registration under different enactments for employee welfare, fiscal and other municipal or local or subordinate legislations.

Authorising officers of the Company by grant of power of attorneys or by resolution so as to represent before Government, Judicial or quasi-judicial bodies or other authorities for sanction, approval or other permissions on such matters affecting the business of the Company.

- Authorising officers of the Company by grant of power of attorneys or by way of resolution for matters in connection with day to day business activities, opening of branches, execution of rent/tenancy agreements, represent the Company before any statutory or regulatory bodies.

Corporate Governance Report

H. Debenture Committee

The Debenture Committee has been constituted by the Board of Directors for public Issuance of debentures of the Company.

Composition of Committee as on 31st March, 2021

Sl.No	Name of the Member	Position	Category of Directors	Number of Meetings during the financial year 2020 -21	
				Held	Attended
1	V P. Nandakumar	Chairman	Non-Independent, Executive	NIL	
2	B.N. Raveendra Babu	Member	Non-Independent, Non-Executive		
3	Bindu AL	Member	Chief Financial Officer		
4	Manoj Kumar VR	Member	Company Secretary		

The functions of the Debenture Committee include:

- (i) authorisation of any director or directors of the Company or other officer or officers of the Company, including by the grant of power of attorneys, to do such acts, deeds and things as such authorised person in his/her/its absolute discretion may deem necessary or desirable in connection with the issue, offer and allotment of the Bonds;
- (ii) giving or authorising the giving by concerned persons of such declarations, affidavits, certificates, consents and authorities as may be required from time to time;
- (iii) appointing the lead managers to the issue in accordance with the provisions of the Debt Regulations;
- (iv) seeking, if required, any approval, consent or waiver from the Company's lenders, and/or parties with whom the Company has entered into various commercial and other agreements, and/or any/all concerned government and regulatory authorities in India, and/or any other approvals, consents or waivers that may be required in connection with the issue, offer and allotment of the Bonds;
- (v) deciding, approving, modifying or altering the pricing and terms of the Bonds, and all other related matters, including the determination of the size of the Bond issue up to the maximum limit prescribed by the Board and the minimum subscription for the Issue;
- (vi) approval of the draft and final prospectus or disclosure document as the case may be (including amending, varying or modifying the same, as may be considered desirable or expedient) as finalised in consultation with the lead managers, in accordance with all applicable laws, rules, regulations and guidelines;
- (vii) seeking the listing of the Bonds on any Indian stock exchange, submitting the listing application to such stock exchange and taking all actions that may be necessary in connection with obtaining such listing;
- (viii) appointing the registrar and other intermediaries to the Issue, in accordance with the provisions of the Debt Regulations;
- (ix) finalisation of arrangement for the submission of the draft prospectus to be submitted to the Stock Exchange(s) for receiving comments from the public and the prospectus to be filed with the Stock Exchange(s), and any corrigendum, amendments supplements thereto;
- (x) appointing the debenture trustee and execution of the trust deed in connection with the Issue, in accordance with the provisions of the Debt Regulations;
- (xi) authorisation of the maintenance of a register of holders of the Bonds;
- (xii) finalisation of the basis of allotment of the Bonds including in the event of oversubscription;
- (xiii) finalisation of the allotment of the Bonds on the basis of the applications received;
- (xiv) acceptance and appropriation of the proceeds of the Issue; and
- (xv) to generally do any other act and/or deed, to negotiate and execute any document/s, application/s, agreement/s, undertaking/s, deed/s, affidavits, declarations and certificates, and/or to give such direction as it deems fit or as may be necessary or desirable with regard to the Issue.

Corporate Governance Report

GENERAL BODY MEETINGS

Details of the last three Annual General Meetings of the Company are given below:

Year	Date	Time & Place	Special Resolutions Passed
2020	28 th August	Audio-visual means (at: 11.00 A.M.)	<p>Approval for amending the Incidental Objects in the Memorandum of Association</p> <p>Approval to borrow in excess of the paid-up share capital and free reserves and securities premium of the Company under Section 180(1)(c) of the Companies Act, 2013</p> <p>Approval to create charge/mortgage over the properties of the Company for the purpose of borrowing in the terms of Section 180(1)(a) of the Companies Act, 2013.</p> <p>Appointment of Mr. Harshan Kollara Sankarakutty (DIN: 01519810) as an Independent, Non-Executive Director.:</p> <p>Appointment of Mr. Shailesh Jayantilal Mehta (DIN: 01633893) as an Independent Non-Executive Director.</p>
2019	27 th August	11.00.a.m Latha Convention Centre Valapad Thrissur	<p>To appoint a director in place of Mr. E. A. Kshirsagar (DIN: 00121824), who retires by rotation, and being eligible, offered himself for reappointment.</p> <p>To raise funds through Private Placement of Secured Redeemable Non-Convertible Debentures (NCDs).</p> <p>Revision of remuneration by way of increment and variation in the terms of appointment of Mr. V. P. Nandakumar, Managing Director & CEO (DIN: 00044512)</p> <p>Approval to borrow in excess of the paid-up share capital and free reserves of the Company under Section 180(1)(c) of the Companies Act, 2013.</p> <p>Approval to create charge/mortgage over the properties of the Company for the purpose of borrowing in the terms of Section 180(1)(a) of the Companies Act, 2013.</p>
2018	21 st August	11.00.a.m Latha Convention Centre Valapad Thrissur	<p>To raise funds through Private Placement of Secured Redeemable Non-Convertible Debentures (NCDs).</p>

No Extraordinary General Meeting held during the financial year 2020-21.

No resolutions were passed vide Postal Ballot during the financial year 2020-21. No special resolution is proposed to be conducted through postal ballot.

MEANS OF COMMUNICATION

The Company publishes the un-audited / audited financial results on quarterly basis in accordance with the provisions of SEBI (LODR) Regulations, 2015.

The financial results in the prescribed format are published in leading newspapers including Business Line, Mathrubhumi etc. Other major announcements pertaining to Board Meetings, postal ballot, etc. are also published as above. The

Company has its website at www.manappuram.com where in relevant information about the Company and its performance including board approved policies / code are given. The financial results of the Company are also posted on its web site. Detailed presentations made to institutional investors / analysts on overall performance of the Company are also posted in its website on a quarterly basis for the benefit of investors and other stake holders.

All information/communication for shareholders are duly filed with National Stock Exchange and BSE Limited and the same are posted in the Company's website.

Corporate Governance Report

GENERAL SHAREHOLDER INFORMATION

Financial Year	2020-21
Dividend Payment Date	NA (No final dividend recommended by the Board)
Listing on Stock Exchanges	BSE Limited (BSE) 25th floor, P. J. Towers, Dalal Street, Mumbai - 400 001 National Stock Exchange of India Limited (NSE) Exchange Plaza, C-1, Block G Bandra Kurla Complex Bandra (East), Mumbai 400 051
Stock Code	BSE-531213 NSE- MANAPPURAM
Corporate Identity Number (CIN)	L65910KL1992PLC006623
Registrar and Share Transfer Agents	S.K.D.C. Consultants Limited, Category I Registrars and Share Transfer Agents "Surya" 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore - 641028, TN, India Phone: +91 422 4958995, 2539835/ 836
Compliance Officer	Mr. Manoj Kumar V R, Company Secretary Ph: 0487-3050408 Email: cs@manappuram.com
Company Address	Manappuram Finance Limited, IV/470A (OLD) W 638A (NEW) Manappuram House, Valapad PO, Thrissur-680 567 Kerala Phone: 0487- 3050108, 3050000. Fax 0487- 2399298 Email: mail@manappuram.com

PAYMENT OF LISTING FEES

Annual listing fee for FY 2020-21 has been paid by the Company to BSE and NSE.

PAYMENT OF DEPOSITORY FEES

Annual Custody/Issuer fee for FY 2020-21 has been paid by the Company to NSDL and CDSL.

MARKET PRICE DATA

Share Price Movements of the Company on NSE during each month of FY 2020-21

Month	Close	Open	High	Low	Volume
Apr-20	134.15	94.20	135.30	90.30	224.46M
May-20	125.20	127	131.90	111.25	228.62M
Jun-20	151.35	127.15	162.45	127	260.40M
Jul-20	158.50	152.55	187.25	151.95	246.42M
Aug-20	148	161	169	146	216.73M
Sep-20	157.15	149.60	165.40	139.70	183.22M
Oct-20	155.40	157	170	153	113.33M
Nov-20	179.85	170	173.8	153.4	168.25M
Dec-20	177.4	156.20	180.35	154	112.68M
Jan-21	156.10	165.95	177.75	152	104.43M
Feb-21	176.10	158	185	155.20	121.99M
Mar-21	149.20	180	180.10	146.75	101.23M

Corporate Governance Report

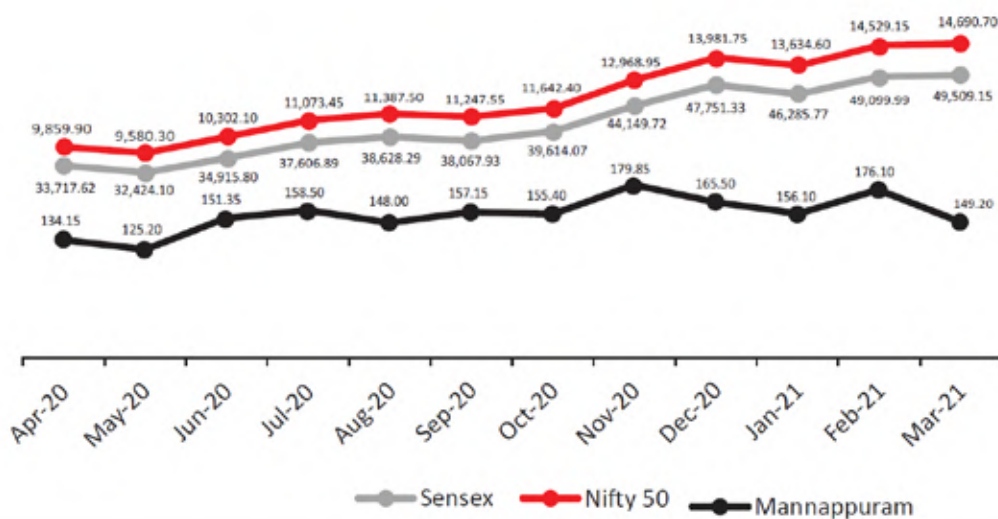
Share Price Movements of the Company on BSE during each month of FY 2020-21

Month	Close	Open	High	Low	Total Turnover
Apr-20	134.30	94.75	135.40	90.35	1176.81M
May-20	125.20	129.80	131.90	111.35	1259.52M
Jun-20	151.30	126.20	162.45	126.20	2018.50M
Jul-20	158.50	154.20	187.30	152.05	2134.25M
Aug-20	148.15	161.00	169.00	146.00	2049.16M
Sep-20	157.00	148.20	165.45	139.70	1420.75M
Oct-20	155.50	157.90	169.95	152.95	832.14M
Nov-20	179.80	156.50	180.35	154.05	1309.24M
Dec-20	165.75	180	180.95	154.10	995.40M
Jan-21	156.10	165.60	177.60	151.10	983.55M
Feb-21	176.20	160.85	184.90	155.35	1582.20M
Mar-21	149.15	179.90	179.90	146.80	1595.38M

Share Price Performance

Performance of the Share Price in comparison to BSE Sensex and Nifty 50

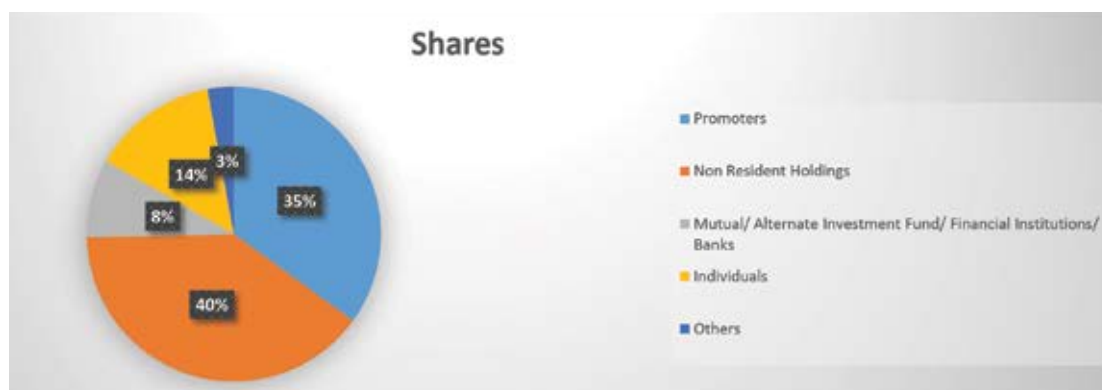
Manappuram Share Price Chart Comparison



Corporate Governance Report

List of Top 10 Shareholders as on 31st March, 2021:

SL NO	NAME	No. of Shares held	No. of Shares held in Demat Form	Total Shareholding as % of total no. of equity shares
1	V P NANDAKUMAR	24,36,72,171	24,36,72,171	28.79
2	QUINAG ACQUISITION (FPI) LTD	8,37,85,880	8,37,85,880	9.90
3	DSP SMALL CAP FUND	4,93,39,330	4,93,39,330	5.83
4	SUSHAMA NANDAKUMAR	4,80,01,078	4,80,01,078	5.67
5	FIDELITY INVESTMENT TRUST FIDELITY SERIES EMERGING MARKETS OPPORTUNITIES FUND	3,12,12,087	3,12,12,087	3.69
6	BARCLAYS MERCHANT BANK (SINGAPORE) LIMIT	1,93,93,717	1,93,93,717	2.29
7	BARING INDIA PRIVATE EQUITY FUND III LISTED INVESTMENTS LIMITED	1,65,21,482	1,65,21,482	1.95
8	DURO ONE INVESTMENTS LIMITED	1,45,20,525	1,45,20,525	1.72
9	BNP PARIBAS ARBITRAGE	1,26,58,480	1,26,58,480	1.50
10	BARING INDIA PRIVATE EQUITY FUND II LIMITED	1,20,77,965	1,20,77,965	1.42



SHARE TRANSFER SYSTEM

The Company's shares are compulsorily in the Demat form and are transferrable through Depository System. Both the dematerialization requests and physical share transfers are processed at the office of the Registrar and Transfer Agents of the Company, M/s. SKDC Consultants Limited.

Transfer of shares in physical form is normally processed within ten to twelve days from the date of receipt, if the documents are complete in all respects.

Distribution of shareholding as on 31st March, 2021:

(1)	(2)	(3)	(4)	(5)
VALUE (₹)				
UPTO 5,000	2,07,864	96.95	7,13,11,404	4.21
5,001 -- 10,000	2,995	1.40	2,20,09,406	1.30
10,001 -- 20,000	1,620	0.76	2,32,27,688	1.37
20,001 -- 30,000	499	0.23	1,23,23,870	0.73

Corporate Governance Report

(1)	(2)	(3)	(4)	(5)
VALUE (₹)				
30,001 -- 40,000	393	0.18	1,44,75,674	0.86
40,001 -- 50,000	166	0.08	74,87,964	0.44
50,001 -- 1,00,000	369	0.17	2,62,15,152	1.55
1,00,001 AND ABOVE	489	0.23	1,51,56,78,300	89.54
Total	2,14,395	100	1,69,27,29,458	100

DEMATERIALISATION AND LIQUIDITY

The Company is a member of the depository services of the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialisation of its shares. As on 31/03/2021, 99.5% of the equity shares of the Company are in electronic form with the depositories as detailed below:

Category	No. of Shares	%
NATIONAL SECURITIES DEPOSITORY LTD	49,72,47,459	58.751
CENTRAL DEPOSITORY SERVICES LTD	34,53,49,242	40.804
PHYSICAL HOLDINGS	37,68,028	0.445
Total	84,63,64,729	100

Shareholders can get their shares dematerialised with either NSDL or CDSL. Through SKDC Consultants Limited, Registrars and Share Transfer Agents, the Company has established connectivity with both the depositories, that is, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE522D01027.

Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity: The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence as on 31st March, 2021, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments. No equity shares are in the suspense account / demat suspense account / unclaimed suspense account.

INTERIM DIVIDEND

Dividend details are provided in point 17 of Board's Report.

Last date for claiming Unclaimed Dividend from the Company are detailed below:

Financial Year	Date of Declaration of Dividend	Last date for claiming unpaid dividend
2014	31-Jul-14	07-Sep-21
2015	25-Jul-14	01-Sep-21
2015	30-Oct-14	07-Dec-21
2015	03-Feb-15	10-Mar-22
2015	14-May-15	21-Jun-22
2016	14-Aug-15	21-Sep-22
2016	05-Nov-15	12-Dec-22
2016	12-Feb-16	19-Mar-23
2016	11-Mar-16	18-Apr-23
2017	09-Aug-16	16-Sep-23
2017	10-Nov-16	17-Dec-23
2017	08-Feb-17	15-Mar-24
2018	25-May-17	02-Jul-24
2018	10-Aug-17	17-Sep-24
2018	07-Nov-17	14-Dec-24
2018	08-Feb-18	15-Mar-25
2019	18-May-18	25-Jun-25
2019	09-Aug-18	16-Sep-25
2019	06-Nov-18	13-Dec-25
2019	06-Feb-19	13-Mar-26
2020	15-May-19	22-Jun-26
2020	13-Aug-19	20-Sep-26
2020	06-Nov-19	13-Dec-26
2020	28-Jan-20	07-Mar-27
2020	27-Feb-20	03-Apr-27
2021	06-Nov-20	11-Dec-27
2021	29-Jan-21	05-Mar-28

Corporate Governance Report

Claiming of unclaimed dividends before transfer to IEPF.

Shareholders are advised to make their claim for the unclaimed dividends in respect of the Shares held by them, by writing to Registrar and Share Transfer Agents, S.K.D.C. Consultants Limited, Category I Registrar and Share Transfer Agents, "Surya" 35 Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road Coimbatore – 641028, TN India Phone: +91 422 4958995, 2539835-836) Email: info@skdc-consultants.com

gov.in.

List of shareholders who have not claimed the dividends for the continuous seven years onwards and whose shares are to be transferred to IEPF will be posted on the Company's website.

The above details can be accessed through <https://www.manappuram.com/investors/transfer-of-shares-to-iefp.html>

Claiming of shares/dividends after transfer to IEPF

In case any shareholder wish to claim the shares / Dividend(s) after its transfer to IEPF, a separate application has to be made to the IEPF Authority in Form IEPF-5, as prescribed under the IEPF Rules and the same is available at IEPF website i.e., www.iefp.gov.in.

OTHER DISCLOSURES

There were no materially significant related party transactions having potential conflict with the interests of the Company at large. Transactions with related parties are disclosed in Note 42 of Standalone financial statements.

The Company has complied with all the directives issued by stock exchanges and other statutory authorities. No penalties and strictures were imposed on the Company by any of the regulatory authorities such as the Stock Exchange, SEBI, Reserve Bank of India, Registrar of Companies, for non-compliance on any matter related to capital markets during the last three years 2018-19, 2019-20 and 2020-21, except for the below:

BSE	Regulation 18(1) Non-Compliance with the constitution of Audit Committee	₹ 1,32,160 (₹ 2,000 per day computed till quarter ended December 31, 2018) plus GST	BSE notice dated 31.01.2019 Paid on 08.02.2019
		₹ 84,960 (₹ 2,000 per day computed till quarter ended March 31, 2019) plus GST	BSE notice dated 02.05.2019 Paid on 04.05.2019
NSE	Regulation 18(1) Non-Compliance with the constitution of Audit Committee	₹ 1,32,160 (₹ 2,000 per day computed till quarter ended December 31, 2018) plus GST	NSE notice dated 31.01.2019 Paid on 08.02.2019
		₹ 84,960 (₹ 2,000 per day computed till quarter ended March 31, 2019) plus GST	NSE notice dated 02.05.2019 Paid on 09.05.2019
BSE	Regulation 44(3) delayed submission of Voting Results	₹ 11,800 (Fine amount per instance ₹ 10,000) plus GST	BSE notice dated 06.11.2019 Paid on 21.11.2019
NSE	Regulation 44(3) delayed submission of Voting Results	₹ 11,800 (Fine amount per instance ₹ 10,000) plus GST	NSE notice dated 06.11.2019 Paid on 21.11.2019

Regulator	Regulation	Amount of penalty	Paid details
RBI	Para 26 (2) of the Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (updated from time to time)	₹ 5,00,000/-	Penalty paid on 23-11-2020 UTRNo: NEFT/AXISP00162251894/ MANAPPURAM231120203/Enforce
	Charge - Failure to keep a record of verification of ownership of jewellery pledged by the borrowers and absence of Board approved policy in this regard.		
	RBI Letter Ref No - EFD.CO.S0/106/02.14.006/2020-21 November 19, 2020		

Corporate Governance Report

The Company has adopted the following policies in line with provisions of SEBI (LODR) Regulations, 2015 and its web link:

Policy for determining Material Subsidiaries – <https://www.manappuram.com/public/uploads/editor-images/files/Policy%20-23-Policy%20for%20determining%20Material%20Subsidiary.pdf>

Policy for Determination of Materiality and Disclosure of Material Events / Information – <https://www.manappuram.com/public/uploads/editor-images/files/Policy%20%2019-Policy%20for%20Determination%20of%20Materiality%20and%20Disclosure%20of%20Material%20eventsinformation.pdf>

Policy on Preservation of Documents and Archival of Documents in the Company Website – <https://www.manappuram.com/public/uploads/editor-images/files/P%20OLICY%20ON%20PRESERVATION%20OF%20DOCUMENTS%20AND%20ARCHIVAL%20OF%20DOCUMENTS%20IN%20T%20HE%20COMPANY%20WEBSITE%281%29.pdf>

Policy on Related Party Transactions - <https://www.manappuram.com/public/uploads/editor-images/files/RPT Policy.pdf>

The Company is in compliance with all the corporate governance requirements mandated by Part A to D of Schedule II of the SEBI (LODR) Regulations, 2015. The Company has duly fulfilled the following discretionary requirements as prescribed in Schedule II Part E of the SEBI (LODR) Regulations, 2015:

- a. The auditors' report on statutory financial statements of the Company are unmodified.
- b. Mr. Jagadish Capoor is the Non-Executive Chairman of the Company and Mr. V. P. Nandakumar is the Managing Director and Chief Executive Officer of the Company. The Company has complied with the requirement of having separate persons to the post of Chairman and Managing Director / Chief Executive Officer.
- c. KPMG has been appointed to provide co-sourced Internal Audit services to assist the management of the Company in the appraisal of its internal control functions, recommend improvements in its process and procedures and surface significant observations and recommendations for process improvements.

WHISTLE BLOWER POLICY AND VIGIL MECHANISM

The Company has formulated Whistle Blower Policy and Vigil Mechanism ("the Policy") in line with the provisions of Regulation 4 and 22 of the SEBI (LODR) Regulations, 2015 and Section 177 of the Companies Act, 2013 with a view to enabling stakeholders, including directors, individual employees and their representative bodies to freely communicate their concerns

about illegal or unethical practices and to report genuine concerns to the Audit Committee of the Company.

The vigil mechanism of the Company provides adequate safeguards against the victimization of any directors or employees or any other person who avail the mechanism and also provides direct access to the Chairman of the Audit Committee. No person has been denied access to the Chairman of the audit committee. The said policy has been also put up on the website of the Company at the following link – <https://www.manappuram.com/public/uploads/editor-images/files/Policy-18-whistle%20blower%20policy.pdf>

Commodity Price Risks

The Company lends against the collateral of used gold jewellery. When the customer fails to repay the principal plus interest of the loan, the Company auctions the collateral and recovers the dues as per the RBI guidelines on gold loan auctioning. The amount recovered at the time of auction depends on the price of the gold content of the jewellery. As gold is a commodity, the Company does therefore bear an exposure to commodity price risk. If gold prices are high, the amount of recovery at the time of auction is more and when the price of gold is low the amount recovered at the time of auction is lower. At the time of auction, the Company at times may not collect full amount of interest due, especially if the price of gold is lower at the time of auction than at the time of disbursement.

Foreign Exchange Risks

The Company does not directly face any foreign exchange risks as all its loans are made in rupee terms. The Company does not have any un-hedged borrowing in foreign exchange as well. There have been on occasions, borrowings in foreign exchange which are fully hedged and received in rupees.

Hedging Activities

Hedging of Commodity(gold) risk

The Company has hedged the commodity price risk by shifting to primarily short-term loans. Earlier the Company used to make one year loans which had a higher risk of exposure to commodity price risk. With the shift to shorter term loans the Company has significantly reduced its risk of non-collection of full interest and principal at the time of auction. This has also resulted in higher net yield during the year which has contributed to higher profitability as well.

Hedging of Foreign exchange risk

As per Board approved foreign Exchange Risk Management Policy, all foreign exchange liabilities and foreign exchange assets exceeding ₹10 million shall be hedged. Asset Liability Management Committee periodically reviews all the foreign

Corporate Governance Report

currency exposures and monitors the foreign exchange risk.

SUBSIDIARY COMPANIES

The audit committee reviews the consolidated financial statements of the Company and the investments made by its unlisted subsidiary companies. The minutes of the board meetings along with a report on significant transactions and arrangements entered into by the unlisted subsidiary companies are quarterly reviewed by the Board of Directors of the Company.

The Company does not have any material non-listed Indian subsidiary companies.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

As a part of familiarization programme for Independent directors, Dr K.S Ravichandran Sr. Partner KSR & CO, Our Secretarial Auditor took a session through video conferencing covering areas such as Duties and Liabilities of Directors – under Company Law and Economic Laws as well as under Listing Regulations Overall Governance Framework – Components directors will have to attend periodically Special Governance Requirements of NBFCs and Role of IDs in their separate meeting. It can be accessed on the Company's website.

Details regarding familiarization programmes conducted for Directors can be viewed on the Company's website at <https://www.manappuram.com/familiarization-programme-for-independent-directors.html>

CODE OF CONDUCT

As per Regulation 26 of SEBI (LODR) Regulations, 2015, the Company has framed a Code of Conduct for the directors and senior management personnel and the same has been uploaded on to the website of the Company and is accessible to the shareholders of the Company at <https://www.manappuram.com/company/management-team.html>

It is hereby affirmed that all the Board members and senior management personnel have complied with Code of Conduct of the Company. In terms of the provisions of Part E of Schedule V of the SEBI (LODR) Regulations, 2015, a declaration signed by the Chief Executive Officer of the Company is published in this report as Annexure - A.

FAIR PRACTICES CODE

The Company has framed Fair Practices Code as per the latest

guidelines issued by Reserve Bank of India in this regard. The code is posted on the website of the Company at the <https://www.manappuram.com/public/uploads/editor-images/files/FPC.pdf>

CEO/CFO CERTIFICATION

The requisite certification made by CEO/CFO as per the Regulation 17(8) as specified in Part B of Schedule II of the SEBI (LODR) Regulations, 2015 for FY 2020-21 was taken note by the Board of Directors at its meeting held on 26th May, 2021 is published in this report as Annexure – B.

INDEPENDENT AUDITOR'S COMPLIANCE CERTIFICATE

Independent auditor's compliance certificate regarding the compliance of conditions of corporate governance is annexed with the Board's Report in terms of the provisions of Part E of Schedule V of the SEBI (LODR) Regulations, 2015.

CREDIT RATING

Details of Credit Rating is available as point 39 of Boards Report.

Resignation of Independent Director

No Independent Directors resigned during the Financial year 2020-21

A certificate from KSR & Co. Practicing Company Secretaries LLP, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is annexed as Annexure C.

In the opinion of the Board, the independent Directors fulfill the conditions specified in these regulations and are independent of the management.

There has been no instance where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year.

₹ 19.86 million fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part.

Corporate Governance Report

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- number of complaints filed during the financial year= 11
- number of complaints disposed of during the financial year= 11
- number of complaints pending as on end of the financial year= 0

Fund Raising Activities

During the year the Company has raised ₹ 35,830 million from qualified institutions through private placement and utilised it for onward lending and general business purpose.

Skills/expertise/competence identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board:

Leadership

Extended business leadership experience resulting in a practical understanding of organizational processes, strategic planning and risk management.

People Practices

Experience and strengths in developing talent, planning succession, driving change and long-term growth. Understands the drivers leading to behavior change.

Financial Control

Leadership of a financial firm or management of the finance function of an enterprise, resulting in proficiency in financial management, capital allocation, financial control and reporting processes.

Diversity including gender and occupation

Representation of diversity in terms of gender, geography, culture, occupations that bring varied independent perspectives expanding the Board's understanding of the needs and viewpoints of customers, partners, employees, government, and other stakeholders.

Technology

A significant background in technology, resulting in knowledge of how to anticipate technological trends, generate disruptive innovation, and extend or create new business models.

Governance

Service on a public company board to develop insights about maintaining board and management governance accountability, protecting shareholder interests, and observing appropriate governance practices.

Sales and Marketing

Experience in developing strategies to grow sales and market share, build brand awareness and equity, and enhance enterprise reputation

Regulatory

Extended experience and understanding of the regulatory environment operating in the context of the business

Law

Legal background and experience

Financial Services

Extended experience in a financial services firm enabling a rich understanding of the sector and the context.

Sustainability

Experience and exposure in understanding sustainability from the business perspective with regard to employees customers and the larger community including the environment.

Corporate Governance Report

Skills/expertise/competence identified by the Board of Directors actually available with the Board:

Name of Director	Jagdish Capoor	V.P. Nandakumar	B.N. Raveendra Babu	V.R. Ramachandran	P. Manomohan	Gautam Narayan	Sutapa Banerjee	Abhijit Sen	Harshan Kollara	Shailesh J Mehta
Leadership	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
People Practices	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes	Yes	Yes
Financial Control	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes
Diversity including gender and occupation	-	-	-	-	-	-	-	-	Yes	Yes
Technology	-	-	Yes	-	-	-	-	Yes	Yes	Yes
Governance	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Sales and Marketing	Yes	Yes	Yes	Yes	-	-	Yes	-	-	Yes
Regulatory	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Law	-	-	-	Yes	Yes	Yes	-	-	-	-
Financial Services	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Sustainability	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes	-	Yes

On Behalf of the Board

Place: Valapad
Date: 26th May, 2021

Sd/-
V.P. Nandakumar
Managing Director & CEO

Corporate Governance Report

Annexure - A

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for the Directors and senior management personnel. I confirm that the Company has in respect of the year ended 31st March, 2021, received from the Senior Management Personnel of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

On Behalf of the Board

Place: Valapad
Date: 26th May, 2021

Sd/-
V.P. Nandakumar
Managing Director & CEO

Annexure - B

CEO & CFO CERTIFICATION UNDER SEBI (LODR) REGULATIONS, 2015

We, V.P.Nandakumar, Managing Director & CEO and Bindu AL, Chief Financial Officer, of Manappuram Finance Limited, ("the Company") hereby certify that:-

- (a) We have reviewed financial statements and cash flow statement for the year ended 31st March, 2021 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company for the year ended 31st March, 2021 which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the audit committee
 1. significant changes in internal control over financial reporting during the year;
 2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Valapad
Date: 26th May, 2021

V.P.Nandakumar
Managing Director & CEO

Bindu AL
Chief Financial Officer

Corporate Governance Report

Annexure - C

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Manappuram Finance Limited,
 IV/470A(Old) W638A (new),
 Manappuram House, Valappad,
 Thrissur, Kerala – 680 567

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Manappuram Finance Limited having CIN L65910KL1992PLC006623 and having registered office at IV/470A(Old) W638A (new), Manappuram House, Valappad, Thrissur, Kerala – 680 567 (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me / us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Reserve Bank of India or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment/Re-appointment in Current Tenure
1.	Mr. Jagdish Capoor	00002516	31/07/2014 / 31/07/2019
2.	Mr. V.P. Nandakumar	00044512	#15/071992 / @18/08/2018
3.	Mr. B.N.Raveendra Babu	00043622	#15/07/1992 / *31/05/2020
4.	Mr. P. Manomohan	00042836	31/07/2014 / 31/07/2019
5.	Mr. V.R.Ramachandran	00046848	31/07/2014 / 31/07/2019
6.	Mr. Gautam Ravi Narayan	02971674	08/02/2018
7.	Ms Sutapa Banerjee	02844650	01/04/2019
8.	Mr. Harshan Kollara	01519810	28/08/2020
9.	Mr. Shailesh J Mehta	01633893	28/08/2020
10.	Mr. Abhijit Sen	00002593	27/08/2019

date of first appointment and continuation in office after re-appointment(s) further terms, without any break in term of office.

@ date of last re-appointment of Managing Director

* date of demitting the office of Executive Director and continuance as non-executive director

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For KSR & Co Company Secretaries LLP
Dr. C.V. Madhusudhanan
Partner
Membership No. (FCS: 5367; CP: 4408)
UDIN: F005367C000458160

Date: 26th May, 2021
 Place: Coimbatore