



MANAPPURAM[®] FINANCE LIMITED

Make Life Easy

Ref: Sec/SE/225/2021-22

Date: September 10,2021

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001 Scrip Code: 531213	National Stock Exchange of India Limited 5th Floor, Exchange Plaza Bandra (East) Mumbai – 400 051 Scrip Code: MANAPPURAM
---	---

Dear Sir / Madam,

Please find attached, the proceedings of the 29th Annual General Meeting of the Company held on September 10,2021.

Request you to kindly take the same on your record.

Thanking you.

Yours Faithfully,

For Manappuram Finance Limited

Manojkumar V.R
Company Secretary
Ph:+91 9946239999

India's First Listed and Highest Credit Rated Gold Loan Company

Registered & Corporate Office : (CIN-L65910KL1992PLC006623) IV/470A (old) W638A(New), Manappuram House, Valapad, Thrissur, Kerala - 680 567, India
Tel : 0487 - 3050100, 3050108 Fax : 0487 - 2399298 E mail : mail@manappuram.com Website : www.manappuram.com

PROCEEDINGS AT THE 29th ANNUAL GENERAL MEETING HELD ON SEPTEMBER 10, 2021 AT 10.00 AM THROUGH VIDEO CONFERENCING / OTHER AUDIO VISUAL MEANS (“VC”)

The 29th Annual General Meeting of the Company commenced with the introductory address by Company Secretary, Mr. Manoj Kumar V.R. informed that the Meeting was held through VC / OAVM in compliance with the circulars issued by the Ministry of Corporate Affairs, Government of India and Securities and Exchange Board of India. Later, he went on to explain the various aspects regarding the conduct of the meeting through Video Conference/Other Audio Visual Means (“VC/OAVM”). He had also informed about the facilities made available to investors who have registered as Speaker Shareholders.

Chairman’s address

- Mr. Jagdish Capoor, Chairman of the Company chaired the Meeting. He welcomed the members and other participants to the Meeting.
- Since the requisite quorum was being present, He declared that the proper quorum was present for the meeting and called the meeting to order.
- Chairman invited the Directors and CFO of the Company to introduce themselves in front of the Audience.
- In his address to the shareholders, he outlined about the Company’s excellent performance during the Financial Year 2020-21 despite being a year hit by pandemic and lockdowns.
- He went on to mention about the performance of the Company in various fields the Company is doing its business.
- In his speech, he stressed on the importance of Gold loan in the society. During risk averse period like pandemics, the only loan available in the market to common people is the gold loan. He also underlined the importance of gold loan in the unorganized sector too.

The Chairman’s speech was followed by a short video on the Company’s growth over the years was aired.

MD & CEO's Message

Mr. V.P Nandakumar, MD & CEO of the Company, greeted the members and other dignitaries who were attending the meeting.

He stated that the trust of the customers and the dedication of the employees helped the Company to achieve profitable growth in an especially turbulent year. The Company's consolidated AUM grew by 8 % to ₹ 27,224 crore and net profit improved by over 16 % to ₹ 1,725 crore, the highest ever posted by the Company.

The MD&CEO informed that remote e-voting commenced at 9:00 a.m. (IST) on Monday, September 06, 2021 and concluded at 5:00 p.m. (IST) on Thursday, September 09, 2021.

The speech delivered by the MD &CEO forms the **Annexure-1** of this document.

Notice convening the meeting.

The following items of business, as per the Notice dated August 10, 2021 were transacted at the meeting.

ORDINARY BUSINESS:

Item No 1. To receive, consider and adopt the Audited Financial Statements including Consolidated Financial Statements of the Company for the financial year ended March 31, 2021 and the report of the Board of Directors and the Auditors thereon.

Item No 2. To appoint a Director in place of Mr. B N Raveendra Babu (DIN. 00043622), who retires by rotation, and being eligible, offers himself for re-appointment.

Item No.3 Appointment of MSKA & Associates as Joint Statutory Auditor of the Company and to fix their remuneration.

Item No.4. Appointment of S K Patodia & Associates, as Joint Statutory Auditor of the Company and to fix their remuneration.

SPECIAL BUSINESS

Item No 5. Appointment of Mr. S.R Balasubramanian (DIN:03200547) as Director of the Company

Item No. 6. Revision of remuneration by way of increment and variation in the terms of appointment of Mr. V.P. Nandakumar, Managing Director & CEO

QUESTION ANSWER SESSION

An opportunity was provided to Members to ask their queries MD & CEO, Mr. V.P. Nandakumar facilitated the question answer session wherein queries raised by 5 shareholders were addressed.

Further, MD&CEO also answered two queries received from a shareholder through email during the session.

Voting by Members

Mr. Suresh M.V., Practicing Company Secretary, Senior Partner SMS & Co Company Secretaries LLP, was appointed by the Board of Directors as the Scrutinizer for conducting the electronic voting process in a fair and transparent manner.

MD&CEO, informed that facility for electronic voting is arranged through NSDL for those members who were present in the meeting but had not cast their votes electronically during the remote e-voting period.

Vote of Thanks

Mr. Manoj Kumar V.R., Company Secretary, conveyed the vote of thanks on behalf of the Company and Management to the Shareholders, Board of Directors, Statutory Auditors- Deloitte Haskins & Sells LLP, Secretarial auditors- KSR& Co. Company Secretaries LLP, Registrar & Transfer Agents- S.K.D.C. Consultants Limited and Scrutinizer- Mr. Suresh M.V., Practicing Company Secretary.

He stressed on the performance of the Company during the difficult times and emphasized about the support the above parties have rendered to the Company.

The Company Secretary informed that the voting results (remote e-voting and voting at the General Meeting through e-voting system) shall be disseminated to the stock exchanges and will also be uploaded on the website of the Company and NSDL, the e-voting facility provider.

The AGM commenced at 10.00 a.m. and concluded at 12.00 p.m. (including the time allowed for e-voting at the AGM).

This Summary of the proceeding is issued pending the approval of the Minutes by the Chairman.

Annexure-1

MD & CEO's speech to shareholders at the AGM on September 10, 2021

Good morning Shareholders!

I am delighted to welcome you all virtually to our 29th Annual General Meeting for the financial year ending March 31, 2021.

The trust of our customers and the dedication of our employees helped us achieve profitable growth in an especially turbulent year. Our consolidated AUM grew by 8 % to ₹ 27,224 crore and our net profit improved by over 16 % to ₹ 1,725 crore, the highest ever.

As you all know, fiscal year 2021 witnessed a once-in-a-century crisis in form of the COVID-19 pandemic. The lockdowns that followed disrupted almost every economic activity. The global economy went into a tailspin and economic activity contracted sharply. Authorities around the world responded to the crisis with large monetary and fiscal stimulus plans to safeguard lives and livelihoods. As a result, economic activity levels are reviving everywhere.

However, in India, the lockdowns imposed to combat the spread of the virus had a devastating impact on the economy with GDP growth slipping into negative. Since then, there have been signs of a sharp recovery as well, driven by the manufacturing and construction sectors. Government spending also went up significantly, with a focus on capital expenditure to hasten long-term growth.

Many high-frequency indicators show improvement, and the recent news about India's GDP registering a 20% growth in the first quarter of FY 2022 reinforces the view that the economy will bounce back.

Your Company was able to withstand the strong headwinds and reported profitability even in its non-gold verticals like microfinance, affordable housing, and commercial vehicles segments. We were helped by our investments in technology which allowed us to offer customers the best-in-class products and services, even as our branches were closed due to lockdowns.

Through our online gold loan product, our customers could transact with us and borrow additional amounts even during the lockdown. Many were in acute need of funds and we succeeded in providing timely service to them.

Our gold loan portfolio showed significant growth during the initial lockdown phase. For a while, this was the only credit product readily available to customers, as risk aversion spread

through the financial sector. The environment was also supportive as gold prices had increased sharply during this time, creating the headroom for borrowers to borrow more.

While the momentum in the gold loan business continued, our new business verticals showed resilience. Non-gold verticals accounted for 30% of our consolidated year-end AUM of ₹ 27,224 Crore. Our AUM grew 8% over the preceding year. Along with the growth in AUM and the highest ever net profit of ₹ 1,725 Crore, we have delivered attractive returns to our investors with ROA of 5.61% and ROE of 26.17%. Our net worth stands at over ₹ 7,300 Crore, and our standalone capital adequacy ratio is at a healthy 29%. The overall picture is of growth and profitability, and we are confident that we can further improve our performance in the times to come.

During the year, international gold prices reached the peak of US\$ 2,000 per troy ounce in August 2020, and then corrected sharply to levels of US\$ 1,700 by March end.

Our gold loan business has evolved to become resilient to such price fluctuations. In 2014, your company had put in place a strategy to reduce its exposure to gold price volatility. We opted for a short-term gold loan product as the best way to manage the gold price risk. Accordingly, we shifted almost the entire gold loan portfolio to a tenure of 3 months, a departure from the industry practice of granting gold loans for a tenure of 12 months.

The short-term product offers benefits both to the customer and to the company. The company can manage the price risk and asset quality prudently, without taking away flexibility from the customer in terms of his credit requirements. The periodic renewal of the loan and the regular servicing of interest by the customer enforces credit discipline and it lowers the interest burden on the customer. The customer can also renew the loan indefinitely by periodically settling the interest and resetting the principal to the prevailing gold price.

Ever since the outbreak of COVID-19, we have been engaged in a race against time to become ready for the 'new normal'. Within a few days of the lockdown announcement, we succeeded in extending work from home facilities to almost all our employees. This became possible only because of the technology initiatives we have been implementing over the last four or five years.

We started our green office project by implementing the paperless system of moving files to make the operations of the head office completely paperless. We conduct all our review meetings online through digital platforms with considerable savings in time and travel cost.

Your company was the first gold loan NBFC to launch the online gold loan (OGL) application back in October 2015, which is today the most successful application of its kind in the industry. The initial adoption was relatively slow but after the pandemic struck, there was a marked pick-up. Along with OGL, we now offer 'Doorstep gold loans' where the customer need not visit our branch at all. Our executives call on them at their homes and complete all the

formalities and disburse the loan on-the-spot. Things are changing because of the pandemic, and we are determined to stay ahead of the curve.

And now I would like to make some acknowledgements.

I am grateful to regulators and policymakers for having fostered a conducive environment, which has allowed us to perform to the best of our potential. I want to thank our senior management team for demonstrating the ability to execute the vision of the management under the difficult circumstances of the recent period. I want to thank all our employees for their efforts, and our customers for continuing their long-standing relationships. Also, I want to thank our Board members for their unwavering support and guidance during the past year. While we are constantly focused on our customers, employees, and shareholders, we have continued to support our communities all around. The Manappuram Foundation has made a tangible difference to communities across India.

Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-voting, shall be eligible to vote through the e-voting system of NSDL till 30 minutes after conclusion of this meeting.

Since the Notice of 29th Annual General Meeting of the Company, has already been circulated as per directions of MCA and SEBI, I take the Notice as read.

There are 6 items proposed in the notice to be passed as Ordinary Resolutions. Since the AGM is being held through Video Conference/Other Audio Visual means and the resolutions mentioned in the notice have already been put to voting through remote e-voting, there will be no proposing and seconding the resolutions.

The remote e-voting was open from September 06, 2021 to September 09, 2021.

I am grateful to our stakeholders and partners for their resolute faith in the Company over the past three decades. I seek your continued support so that we consistently improve our performance and fulfil our vision to become a preferred multi-product NBFC for our customers.

Stay Safe everyone. Thank you.