



“Manappuram Finance Limited Q1 FY2019 Earnings Conference Call”

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Moderator: Ladies and gentlemen good day and welcome to Manappuram Finance Q1 FY2019 Earnings Conference Call, hosted by Antique Stock Broking. We have with us today from the management Mr. V.P. Nandakumar – Managing Director and CEO, Mrs. Bindu A.L, EVP, Finance, Mr. Raja Vaidyanathan, MD of the MFI, Mr. Jeevan Das Narayan, MD of Housing Finance and Mr. Senthil Kumar – Head of Commercial Vehicle. As a reminder all participant lines will be in the listen-only mode. There will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing “*” then “0” on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Digant Haria from Antique Stock Broking. Thank you and over to you Sir!

Digant Haria: A very good evening to all of you, the investors, analysts who have joined and management for taking out time. At this outset, I think, the gold growth is coming back after a long period of six quarters, so I think Manappuram also could cross the gold loan book, which was lasting just before demonetisation. I will hand the call to Mr. Nandakumar Sir and maybe we can have some opening remarks and then question and answer session. Over to you Nandakumar, Sir!

V.P. Nandakumar: Thank you Mr. Digant, Ladies and gentlemen, welcome to Manappuram’s Q1 FY2019 conference call. Thank you all for joining us today to discuss our results. We are pleased to announce that our Q1FY19 performance was quite good. The details of the performance will be covered shortly by Executive Vice President Finance, Mrs. Bindu. I will stick to a few highlights of our performance. In our last concall in May to discuss the FY2018 results, I had mentioned how the after effects of demonetisation on the rural economy and the disruption to the working capital cycle of the unorganized sector began to wane in the second half of FY2018, easing to pickup in business since then growth has continued to gather pace either by a relatively normal monsoon and with our rural economy back on track.

We were therefore able to register a consolidated year-on-year AUM growth of 24% with quarter-on-quarter growth of over 5%. Our consolidated AUM stands at about 16,600 Crores. We have also reported good growth in the gold loan book, which at nearly 12,500 Crores has grown at 6% quarter-on-quarter and 16% year-on-year. Significantly, growth in gold loan portfolio was backed by 3% quarter-on-quarter and 11% year-on-year growth in gold holdings, which now stands up to 66 tonnes. Online gold loan or OGL, our digital gold loan important focus area has increased to 37% out of total gold loans compared to 32% in the preceding quarter.

Our consolidated profit after tax stands at about 200 Crores up 21% year-on-year. The profit was supported by the remarkable turnaround in our microfinance subsidiary. Asirvad Microfinance closed the quarter with an AUM of 2,400 Crores, a growth of 33% year-on-year. Asirvad also made a profit of around 28.6 Crores compared to a loss of 16.5 Crores Q1 of the previous fiscal.

The demonetisation woes are now a thing of the past and I think the business has emerged stronger with a better tech focus. Asirvad is the sixth largest in NBFC MFI in the country and this year we expect a significant contribution to our profits from Asirvad Microfinance. Our standalone profits at 171.6 Crores has declined 6.4% year-on-year mostly because we have booked as other income of about 19 Crores in Q1 of last fiscal plus the impact on Ind-AS. Good growth was also seen in our vehicle loan division, and Home Fin sun which closed the quarter with a compiled AUM of 1124 Crores up by 12.4% year-on-year from 1000 Crores earlier. Together, all our non-gold business accounts, for 25% of a consolidated in a year. In keeping with the recent trends of hardening interest rates our cost of funds has increased marginally during the quarter going up by 11 BPS to 8.77%.

The interest rates were going to increase is something we expected. Accordingly, we have been looking at plans for a public issue of NCDs to raise in medium term funds has current rates. Our last public issue of NCDs incidentally took place in 2014. In this context, I may also rephrase that gold loans are essentially very short-term loans where we have the leeway to raise our yields as necessary to counter the higher borrowing cost. In other developments as you are aware, we have recently announced the acquisition of India School Finance Company, a niche player in loans for the educational segment where we see good traction.

To conclude I think this Q1 performance have give us a good base on which to aim at a more ambitious target for growth and profitability for the year. Thank you and now for more detailed report about the numbers is over to our Executive Vice President Finance, Mrs Bindu.

Bindu A.L:

Thank you Sir. The company has made transition from I-GAAP to Ind-AS. Since this is the first quarter under Ind-AS the comparable numbers are available for Q1 FY2018 also under Ind-AS. For the quarter ended June 2018, our consolidated AUM stood at 16,618 Crores, an increase of 24.2% year-on-year and consolidated income from operations was Rs.936 Crores, an increase of 12.6% year-on-year. The consolidated profit after tax and after minority interest was 198.8 Crores compared with Rs. 167.4 Crores for Q1 FY2018, an increase of 18.7% year-on-year and consolidated quarterly annualized ROE is 20.3%. The standalone profit stood at Rs.171.61 Crores compared to Rs.183.38 Crores in Q1 FY2018, which was down by 6.4% on year-on-year due to service tax, input credit of Rs.19 Crores carry forwarded to GST and credited to other income in Q1 FY2018.

Our quarterly profit as per I-GAAP was 174.6 Crores. Our gold holdings were 66 tonnes as at the quarter end. The holding is up by 3.1% quarter-on-quarter and up by 11.1% year-on-year. Our gold holding is the highest since FY2012. Our total number of gold loan customers stood at 23.17 lakhs.

The gold loan booked at Rs.12,464 Crores, which is up 6.2% quarter-on-quarter and up by 16.2% year-on-year. As you are aware we follow the policy of making regular auctions on overdue accounts. Auctions during the quarter were Rs.62 Crores. Our weighted average LTV stands at Rs.1,890 or 67%

of the current gold price. Our interest accrued was Rs.307.1 Crores that is 2.4% of the gold loan AUM compared to 2.6% a year ago. Gold loan disbursements during the quarter at Rs.23,119 Crores compared to Rs.20,488 Crores in Q4 FY2018. The online gold loan book accounted for 37% of the total gold loan book compared to 32.1% in Q4 FY2018.

Provision on gold loan has been made as an expected credit loss model or RBI prudential loan whichever is higher. Manappuram's diversification journey is progressing very well. Asirvad Microfinance had a closing AUM of Rs.2,438 Crores, an increase of 33% year-on-year. For Q1 FY2019, the company made a profit of Rs.28.75 Crores compared to Rs.16.51 Crores loss reported in Q1 FY2018.

The company made a provision of Rs.3.42 Crores in Q1 FY2019 for doubtful loans. In the Ind-AS transition we have provided 100% provision for loan due over 90 days. We have provided Rs.24 Crores excess provision as compared to RBI prudential norms. 100% of disbursements were made in a non cash manner. Asirvad has 15.1 lakhs customers, 840 branches, 4,364 employees. We are now present in 22 states and union territory. It is now the sixth largest NBFC MFI in the country.

The company as a capital adequacy ratio of 20.2%. The home loan business had a total loan book of Rs.406.5 Crores, which is up by 8.5% quarter-on-quarter. It now operates from 35 branches. The vehicles loan book stood at Rs.717.7 Crores, which up by 14.8% quarter-on-quarter and operates from 141 locations.

The new businesses now account for 25% of the consolidated AUM. The consolidated financing cost was Rs.294.32 Crores, our average cost of borrowing during the quarter increased by 11BPS to 8.77%. The average cost has declined by 63BPS year-on-year and 158BPS in the last two years.

Our employee cost increased by 17.4% year-on-year to Rs.169.8 Crores. Our total consolidated headcount, which now stood at 24,717, a decrease of 0.5% quarter-on-quarter. There is a 9.3% year-on-year increase of administrative cost to Rs.139.7 Crores. Depreciation cost increased to Rs.18.5 Crores, an increase of 16.6% year-on-year. The overall number of gold loan branches was at 3,331.

Provisions and write offs for the standalone entity during the quarter were 11.3 Crores, our gross NPA was 0.7% as same as quarter ended Q4 FY2018.

Loss of assets due to thefts, spurious gold etc., only amounts to 0.2% of AUM. The company's consolidated networth stood at Rs.3,986 Crores as of June 30, 2018. The book value per share stood at Rs.47.3. In the light of good profit, growth of gold loan, as well as Asirvad coupled with continued improved performance of diversified businesses the board has declared an interim dividend of 55 paise

per share, an increase of 10%. The capital adequacy at the end of June 2018 was 25.54%. The total consolidated borrowing stood at Rs.13,439 Crores as of June 30, 2018.

Thank you. The floor is now open for questions.

Moderator: Thank you Madam. Ladies and gentlemen, we will now begin with the question and answer session. First question is from the line of Sameer Dalal from Natverlal & Sons Stock Brokers. Please go ahead.

Sameer Dalal: The first question relates to the microfinance business, if you see Q-o-Q there has been almost no growth. Can you tell us what the strategy is for this business going forward now?

Raja Vaidyanathan: Traditionally the Q1 growth in microfinance is subdued because we had shown a very huge growth in the last quarter of the previous year. In fact, our disbursements in the last quarter was close to 900 Crores and this quarter it was 670 Crores. The reason for the flat growth is our collections equaled the disbursement in the first quarter, which has traditionally what happens and subsequently in July as we speak we have increased AUM by another 100 Crores. In July, we disbursed 330 Crores and we had collections of 230 Crores, so the AUM will increase in our prediction about 75 Crores to 100 Crores per month and we should reach our target as envisaged about 3,400 Crores to 3,500 Crores.

Sameer Dalal: That is fine. Now the second question is the interest costs are still raising you have early said that because of the short tenure of loans that you all give you would be able to increase the rate and pass on any cost increases that come, so can you guide us now given the rates have actually gone up by about 200 basis points over the last two quarters, have you all done any rate revision, are your capex confident, what is the plan on that?

Raja Vaidyanathan: The rate revisions of microfinance is the RBI regulation is done based on the previous quarter rates so we take whatever new loans in the previous quarter then we add a margin of 10% and we revise the rates, so all the loans which we have taken earlier we have already lent given a margin of 10% earlier, in fact we have reduced our rates from 22.5 to 21.9 from July 1, 2018. So, this quarter again based on the rates, which we take our floating and incidentally you should know that in our total mix of the loans or the floating rate loans are more or less insignificant. We go always fixed rate loans and so this change in interest does not pass the loans it does not affect them, so as we go forward any new loans we take on the newer rate we will add on the 10% margin and we will pass it on.

V.P. Nandakumar: I think the question is about gold loan right.

Sameer Dalal: Also, microfinance it is across board?

V.P. Nandakumar: The gold loan, yes, there is an increase of around 20-basis points in the cost of borrowing, we are passing on that. In the first quarter there were some decline, now that decline will be addressed during

this quarter we have slightly increased in some of the gold loan scheme we have increased by 20 to 30 basis points, so the cost increase in the cost of borrowing will be passed on, it is being passed on now.

Sameer Dalal: Sure, now the third question is on the cost front, employee cost had gone up by 17% year-on-year and they have been constantly raising, so as the other expenses they have been rising, so can you give us an indication on what would be growth in the cost in the current year and how do you expect them to pan out?

V.P. Nandakumar: It is because we have increased the salary especially of lower level of employees, our minimum salary has been increased and also up to the field level, we have increased to ensure retention. This increase may not be repeated every time so that will not go to the extent of 17% that may not be, a sustained increase every year could be around 10% as far as employee cost is concerned that is sustainable.

Sameer Dalal: So, can we assume that the employee expense for Q1 would be at the suitable level for the rest of year or would there be additional increase?

V.P. Nandakumar: Yes, it will be sustainable. There was only one-time increase.

Sameer Dalal: Fair enough, so we can expect the profit margins to increase because of the cost remaining at the same level?

V.P. Nandakumar: Yes and also the opex will come down because the portfolio per branch is increasing.

Sameer Dalal: Sure, and the last question if you allow me is the other loans category again that has seen a relatively flat growth on a quarterly basis even though on a year-on-year now again where would like this book to end up at the end of the financial year, this is I guessing some of the MSME loans the things that you are doing?

V.P. Nandakumar: The share of other loans, non-gold loans will go up beyond 25%, so as highlighted by MD of Asirvad first quarter they were flat, but the next three quarters will really grow.

Sameer Dalal: No, this has to do with the others category not the microfinance, as a category?

V.P. Nandakumar: Other, category also will grow. Commercial vehicle is growing. The current run rate of commercial vehicle division is around 80 Crores, it will go to 100 Crores, the home finance also will grow in the coming months, so it will go up from 25% to around 28% that is our expectation.

Moderator: Thank you. Next question is from the line of Nischint Chawathe from Kotak Securities. Please go ahead.

Nischint Chawathe: What is the extent of provisions that you have in the balance sheet?

- Bindu A.L.:** 85 Crores cumulative.
- Nischint Chawathe:** Sure, and if you could give a breakup if in terms of how much of this is stage 1, 2, 3?
- Bindu A.L.:** In the case of gold loan, we follow RBI prudential norms and we are not as the provision and in the case of vehicle finance up to 30 days considered as stage 1 and 30-90 will be stage 2 and above 90 will be stage 3 and we followed the PD is around 1% and LGD at the rate of 60% as we do not have enough historical data and currently is 60%.
- Nischint Chawathe:** And out of this amount, how much of it is for the gold business on an outstanding business?
- Bindu A.L.:** As I mentioned we continued RBI prudential norms for gold loan, so 0.4% standard asset provision, so mostly it is gold loan only.
- Nischint Chawathe:** There you have not done stage 1 and stage 2 because it is anyways-absolute loan?
- Bindu A.L.:** ECL will be less than RBI prudential loans.
- Nischint Chawathe:** For such reason you just continue the RBI norms as such?
- V.P. Nandakumar:** Right.
- Moderator:** Thank you. Next question is from the line of Sagar Shah from KSA Securities. Please go ahead.
- Sagar Shah:** My first question is regarding to your vehicle finance portfolio actually I wanted to ask in that are we something like catering to only to the commercial vehicles are we cater into the other segment also such as two-wheeler financing and some other four-wheeler financing as such?
- K. Senthil Kumar:** We do have two-wheeler financing portfolio, which we started almost a year back. The size of the portfolio will be around 100 Crores. Apart from commercial vehicles and two-wheeler, we have recently entered into used car financing. The portfolio is very small. It should be around 25 Crores.
- Sagar Shah:** So, majorly out of the 717 Crores portfolio the major is of CV portfolio, right?
- Senthil:** Exactly, right.
- Sagar Shah:** So, another question for the same segment is that in spite of your ticket size is low at almost like just 690000 your average ticket size, your gross NPA segment for the vehicle finance is quite high actually 2.9% any reasons of the same and any outlook for the same?

- K. Senthil Kumar:** We have an average ticket size of around 7 lakhs and we cater to the retail portfolio and we maintain our weighted average of around 18.5% and compared to industry I think this is one of the, we have managed to maintain our NPA levels our forecast is that we will continue to be at this level around 2.5% is what aiming by the year end.
- Sagar Shah:** So, this is the unsecured portfolio totally the vehicles or it is secured?
- K. Senthil Kumar:** Vehicle is secured. We have the collaterals backed loans.
- Sagar Shah:** The collateral of vehicles?
- K. Senthil Kumar:** Exactly.
- Sagar Shah:** My second question is regarding to the housing finance portfolio, now in housing finance portfolio as compared to your peers actually so something like the housing finance companies are such your average ticket size is very low actually and that is good actually just 1.10 million so you are catering to the affordable housing segment basically, so if you are catering to the affordable housing segment your gross NPA again may vary at 4.6 any reasons for the same that why we are having such a high gross NPA levels as compared to your peers even if your ticket size is so low here basically catering to the mid to low income group?
- Jeevan Das Narayan:** This NPA percentage over a period of time has come down in fact it was around 4.8 as of March it has come down to 4.6. Initially we were also into slightly higher ticket sizes to start with and some of this calls over a period of time we are having some difficulties, but then what we have done is we have actually scaled up our recovery efforts increased in a three pronged strategy one is in terms of soft bucket the solution, second is in terms of legal recourse and also in terms of negotiator settlement, so I can assure you that going forward we will definitely be able to substantially bring it down during the course of this year.
- Sagar Shah:** The reason was for me asking this question was basically we are seeing stress especially for such lenders who are lending to the developers actually, but I guess you are not catering to the developers you are catering to the almost the mid to low income group?
- Jeevan Das Narayan:** You are right. Initially there was some teething trouble, now we are coming out. Now, you are right that the India level of 4.6%, but it has gone up to over 5% so during the last quarter we have brought it down. In the coming quarters we will go down and towards the end of the year, three quarters we will reach to the level of market.
- Sagar Shah:** My last question would be as a whole actually as a Manappuram's total lending portfolio something like AUM in which segment will we see in FY2019 basically which segment will lead to the

Manappuram's growth in FY2019, is it going to be housing finance, microfinance, vehicle or the gold finance?

V.P. Nandakumar: The gold loan, which is the major area around 75% as of now will grow at 15% that will be a good number in absolute growth followed by microfinance, you have heard the microfinance MD saying that they will grow to around 3500 Crores, so CV is growing steadily CV two-wheelers etc., the run rate is around 100 Crores now, so which may grow to 200 Crores to 300 Crores, so the growth has started in affordable housing also. They are also dispersing, so that may reach around 700 Crores. These are the numbers.

Moderator: Thank you. Next question is from the line of Digant Haria from Antique Stock Broking. Please go ahead.

Digant Haria: Sir, can you just give some more insights on what is happening on the gold loan side that you know after a very long time this demand is coming back, so it is just that the demonetisation has gone, the effect of that is gone away and hopefully now we should at least see double digit growth for us slightly longer period of time or is it just the days catching up for may be two, three, four quarters?

V.P. Nandakumar: We are expecting double-digit growth in gold loan. All regions all the years other than the demonetisation regulatory changes we have grown double digit, so that has come back, so it may not be short-term, it is medium term total of three to five years we expect a double-digit growth.

Digant Haria: And in your gold loan customers do you see any other alternate products competing the SME loan or the unsecured personal loan, do you see that has any bearing on your customers?

V.P. Nandakumar: In a country like India, which is a fast growing at a rate of 7.3%, I think with the growth of these products, the opportunities of this growth will definitely complement each other.

Digant Haria: Fine, my second question is a little bit on the accounting side, you know from the annual report I can see that the provision that we were having on the balance sheet all in all 190 Crores, so that number as of June 2018, would it be 185 or 285 I could not catch it with the previous participant asked?

Bindu A.L.: 190 is consolidated, what I have mentioned is a standalone provision.

Digant Haria: Sorry Madam, standalone provision and consolidated what would each of these numbers be as of June?

Bindu A.L.: We will get back.

- Digant Haria:** You said that in gold loan we are still following the RBI mandated provisioning guidelines, which is 40 BPS for standard assets, but we are less curious to know what would be ECL model, would it be as low as 10 BPS or 15 BPS?
- Bindu A.L.:** Gold loan PD is around 18%, but the recovery is very good in the case of gold loan, so the LGD days 0.63%, so overall the provision was much less than RBI norms.
- Digant Haria:** So, I think if we had loss given default is hardly less than 1%, right?
- Bindu A.L.:** Yes.
- Digant Haria:** Got it Madam. Lastly in this microfinance now the small finance banks have closed down reasonably because should we get some of that market share or are some other players again becoming more aggressive any thoughts on that?
- Jeevan Das Narayan:** No the small finance banks moving to the microfinance company to SSB has really opened out funding sources for the existing large players so to that extent funding to us becomes much easier that is the main thing that has happened because banks are lending more than 50% to those people and now they are not eligible for banks funding and banks are chasing large microfinance company, funding become that much easier for us.
- Digant Haria:** And on the ground competition that more or less remain similar or?
- V.P. Nandakumar:** They remain the same. There are no new big players, so the competition is still the same.
- Moderator:** Sure Sir. The next question is from the line of Venkat Subramanian from Organic Capital. Please go ahead.
- Venkat Subramanian:** My questions are one towards the microfinance side, and the second is on gold finance. The rate of growth in microfinance is a little unnerving at a point in time when large established players were taking the range and price they are trying to calibrate we have continue growth and that is normally not without complications, which is your assessment as to where we are and what you think our profile is?
- Raja Vaidyanathan:** No, in fact the whole industry was growing till demonetization and subsequently it came down and last year industry grow only by about 26% to 28% and since I am talking about 2017 - 2018, so for 2018 - 2019 again the industry has now moved into a lot of risk mitigation efforts and as it given Asirvad we have moved to completely 100% bank disbursement that is only the major risk scenario, cash handling was one of the major risk and we to speak for ourselves we are planning to go about 42% in the coming year and as against 26% to 30% we grew last year. More or less the bigger players will grow only around that 35% to 40% this year that is our assumption.

- Venkat Subramanian:** Frankly that is what we at least from the listed players, a lot of them have calibrated their growth rates with the possible exception of one or two, we are seeing one of the outliers with respect to growth, Mr. Nandakumar this has actually directed at you, as an entrepreneur who has historically looked at secured lending this is something that is really should be out of your comfort zone especially when that book is growing at this kind of rate as an industry veteran how are you looking at this?
- V.P. Nandakumar:** The secured and unsecured is all based on how the repayment is. The repayment track record of unsecured business in microfinance has been good that is 99% plus, but for some occasions like Andhra crisis or demonetisation otherwise it is good. Now, the biggest risk here is that the geopolitical risk as happened in Andhra, so however, business is scattered all over the country it is really when we took over the subsidiary the exposure in Tamil Nadu was over 80%, now that has been brought down to below 30%, it is being consistently brought down per the share of AUM is consistently brought down, so hopefully it will be around 25% by the end of this year and we are expanding to other thing, so barring these two the recovery was extremely good and we are able to maintain the ROE of around 16% to 17%, so secured lending and unsecured lending all is dependent on the recovery that is the way I look at.
- Venkat Subramanian:** The second question is on gold loan, after demonetisation I think lot of organized players were feeling a sigh of relief that friendly neighborhood, moneylender would probably out of this, but they will come back with a bang, in that context how do you explain drastic that happened now and the fact that over the last 18 months as we had anemic kind of demand and growth?
- V.P. Nandakumar:** I told that the gold loan is growing is having a double digit growth over the last 10 years other than the hit towards the time hits one with the regulatory changes and second is demonetisation other than that this is going at double-digit, so we expect the same double-digit growth to continue overcome medium terms five years we are very confident, so our strength is now many players try to enter this arena, because many could not sustain the business over the appropriate practices were not adopted, so we are able to adopt, we hope this can be sustained.
- Moderator:** Thank you. Next question is from the line of Kunal Shah from Edelweiss. Please go ahead.
- Prakhar:** This is Prakhar. Three to four questions from my side, first was what was the auction during the quarter?
- V.P. Nandakumar:** 62 Crores, which is the one of the lowest.
- Prakhar:** Sir, when I look at your consolidated AUMs there is others component and that has broadly remained flattish quarter-on-quarter, so any sense on that under consolidation?
- V.P. Nandakumar:** We dispersed around 60 Crores. That is the same amount I had recovery, so we are expecting that to grow to around 750 Crores this year.

- Prakhar:** Sir, in terms of your acquisition towards an educational loan what is our outlook in that because somewhere there is aggravated stress on this education portfolio at various geographies what made us acquire this portfolio and our growth plans in there?
- V.P. Nandakumar:** One they are niche players. There are a few players of the country, then the team is good, they understand the product, they have scoreboards, etc., so each of the segments they are in so they have understood that segment well and will good response and practices are followed by the company and the prospects for growth we assess it is good and they are growing now, they have got good run rate now, so these are the reasons, so they will be able to report ROA of around 3% to 4% this is our expectation.
- Prakhar:** Sir, what is the current AUM of this book?
- V.P. Nandakumar:** It is nearly 650 Crores.
- Prakhar:** And where do we expect to take it to?
- V.P. Nandakumar:** May reach nearly 1000 Crores this year, this is our expectation.
- Moderator:** Thank you. Next question is from the line of Siji Phillip from Axis Securities. Please go ahead.
- Siji Phillip:** Regarding the housing finance segment since we are focusing primarily on the affordable housing space, are we witnessing any supply side constraint?
- V.P. Nandakumar:** Our current run rate is around 30 Crores, month-on-month it is increasing by 5 Crores to 10 Crores, so we are actually targeting our own customer base which stands at around nearly 40 lakhs, which includes gold loan, microfinance and other business, so the business is coming from that area also.
- Siji Phillip:** And I just missed the microfinance figures for FY2019, so could you repeat that please?
- Jeevan Das Narayan:** FY2019 we had disbursed first quarter about 670 Crores in the AUM at 2,435 and we made a profit of 28.6 Crores against a loss of 16.5 Crores last quarter, first quarter of last year, so we have clearly turned around and as we had provided what are necessary for the arrears in the last financial year itself.
- Siji Phillip:** So, for FY2019 how much is the growth we are expecting?
- Raja Vaidyanathan:** We are expecting about 40% to 42% growth ending the year is about 3,500 Crores.
- Moderator:** Thank you. Ladies and gentlemen, I now hand the conference over to the management for closing comments. Over to you!



Manappuram Finance Limited
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V.P. Nandakumar: Thank you for all the participants once again.

Moderator: Thank you Sir. Ladies and gentlemen, on behalf of Antique Stock Broking that concludes today's conference call. Thank you for joining us. You may now disconnect your lines.