

Manappuram sticks to growth target despite gold rate flux

Investors are seeing no respite from the fall in [gold](#) prices as the yellow metal continues its downtrend. CNBC-TV18 caught up with I Unnikrishnan, managing director of [Manappuram Finance](#) to figure out how that is likely to affect business for the company on account of [gold](#)-loans and the way forward for Manappuram Finance.

He says that the company is well on its way to achieve the guided quarterly loan-book of Rs 13500 crore by the end of March and there is going to be no revision of targets in the near-term on account of gold price fluctuation.

Unnikrishnan says that as per the lending policy of the company, they do not fix the lending rate or lendable amount based on a particular date but over a period of time. "Therefore, when the gold prices were at say Rs 29000, our internal benchmark price was not Rs 29000, but well below that," he says. The overall loan book for the company today is less than 70% of realisable value of gold.

Manappuram Finance is gearing up for fund-raising by way of a public offer of nonconvertible debentures (NCD). Unnikrishnan says that this could possibly be over the next three months depending upon the change in the policy rates of RBI. "Once we see that policy rates are coming down, we can come out with an NCD issue of Rs 200-400 crore," he says. A fixed timeline has however not been decided.