

Manappuram Finance to raise Rs 400 crore.

MUMBAI: Manappuram General Finance and Leasing Ltd (MAGFIL), the only listed gold loan company in India and the highest credit-rated, is planning to raise Rs 400 crore before the end of this financial year through Commercial Papers, said a top company official here.

"According to our fund raising plan, we have already raised Rs 125 crore from banks and mutual funds. Our target is to raise Rs 400 crore before the financial year ending through Commercial Papers," Chairman and Managing Director of MAGFIL, VP Nandakumar told reporters here.

Many leading Private Equity (PE) firms have evinced interest in the company which has already received FDI of Rs 140.75 crore in the last fiscal, from leading PE firms like Sequoia Capital, India Equity Partners (Hudson Equity Holdings) and Ashmore Alchemy which amounts to 35 per cent of stake holding in the company.

"Considering the growth rate of the company, we may require some funding next year. Many parties have shown interests," said Nandakumar, while refusing to divulge more details.

According to Nandakumar, Indians together own 20,000 tonnes of Gold which amounts to two third of the country's GDP and the total size of mortgaged gold is 1,500 tonnes. MAGFIL is managing 15.6 tonnes of mortgaged gold assets.

"It means our business has a vast area to grow, where as the risk factor is very less," Nandakumar said.