

Early Warning System

IFC-46651

DCM Manappuram

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Quick Facts

Countries	India
Financial Institutions	International Finance Corporation (IFC)
Status	Active
Bank Risk Rating	C
Voting Date	2022-06-30
Borrower	MANAPPURAM FINANCE LIMITED
Sectors	Finance
Investment Amount (USD)	$ 100.74 million
Loan Amount (USD)	$ 100.74 million

Project Description

According to IFC, the proposed project is a senior secured loan of up to US$ 100 million in equivalent INR in the Company through subscription to non-convertible debentures (NCDs) to an existing IFC portfolio client, Manappuram Finance Limited (MFL or the Company), for a tenor of up to 3 years. The proposed project supports underserved individuals in the economy with focus on directing a portion of the debt towards women borrowers.

Investment Description

- International Finance Corporation (IFC)

The proposed project involves a debt investment by IFC’s of up to US$100 million.

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- MANAPPURAM FINANCE LIMITED (Financial Intermediary)

Private Actor Relationship

MFL is promoted by Mr. V.P. Nandakumar who controls 34.5% of the total equity of the company. 29.8% is held by various foreign portfolio investors (Quinag Acquisition – 9.9%, Fidelity Investment Trust– 3.6%, Baring India Private Equity – 3.2%) while the balance is dispersed among the public and mutual funds.

Private Actors Description

MFL is a registered NBFC under the Reserve Bank of India (RBI) primarily offering gold loans, i.e., loans against pledge of gold jewelry. The Company was founded by Mr. V.C. Padmanabhan, father of current MD & CEO Mr. V.P. Nandakumar, in 1992 in Kerala. As on March 2022, MFL has consolidated assets under management (AUM) of INR 303bn (US$3.9bn) and a workforce of over 40,000. Its long-term debt is rated AA/stable by CRISIL. MFL is headquartered in Thrissur (Kerala) and has 5,000 branches across 29 states in India on consolidated basis.

Contact Information

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ACCESS TO INFORMATION

You can submit a request for information disclosure at: https://disclosures.ifc.org/#/inquiries

If you believe that your request for information from IFC has been unreasonably denied, or that this Policy has been interpreted incorrectly, you can submit a complaint at the link above to IFC's Access to Information Policy Advisor, who reports directly to IFC's Executive Vice President.

ACCOUNTABILITY MECHANISM OF IFC/MIGA

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org