

This finance pro won't sit on his laurels

FOR a high-ranking finance professional, after retirement, the safest choice is to become an independent director or play an advisory role. But not so for MAnandan, a veteran in financial services with over 30 years of multi-functional experience. After a three-decade stint with the Murugappa Group, he has turned an entrepreneur, promoting and investing in socially-relevant segments like mi-cro finance, SME financing, gold loans, affordable housing finance and the like.

A chartered accountant, MrAnandan joined the Murugappa Group in 1976 as a management trainee with Tube Investments of India. In 1988, he moved over to the group's asset financing NBFC, Cholamandalam Investments and finance. Says the 60-year-old Anandan proudly: "In the first leg of my life, I spent 31 years with the Murugappa Group graduating from a management trainee to become MD of Cholamandalam Investments and then, Cholamandalam MS General insurance. I was the first non-family member of the group to become a director and also the MD."

During his 12-year stint at the helm, leveraging the freedom given by the group to play an entrepreneurial role, he identified and grew new businesses like factoring, wealth management, AMC/mutual funds and insurance, besides forging Ns. Called by his friends a maverick and a man with the Midas touch, MrAnandan has become a role model for aspiring young Turks. "After retirement, I declined offers to join boards and play advisory roles. Rather, in the past three years, I have ventured to become an investor and promoter of evolving new businesses. I am also on the boards of the companies guiding them in management, business plans and raising funds," says MrAnandan. He is a co-promoter and director in Equitas Mi-cro Finance India, which has a net worth of ₹300 crore and built assets of more than ₹1,000 crore within three years. With negligible exposure to Andhra Pradesh, it is not hit by the current storm in the sector. Since 2008, he is an investor and director with Manappuram General Finance and Leasing (specialising in gold loans). He is a majority shareholder and chairman of Fivestar Business Credits, focused on financing micro and small enterprises.

In December 2009, MrAnandan promoted Aptus Value Housing Finance to focus on low-income and affordable housing finance segment in suburbs and semi-urban centres in the South. MrAnandan holds a 70% stake (₹22.5 crore) in the ₹32-crore paid-up capital and the rest ₹9.5 crore raised as private equity. "In our survey, we found that all traders, fruits, vegetable and milk vendors, vehicle cleaners and scores of self-employed people have regular income and are equally credit worthy. Since they don't have bank statements, IT returns or any other documentary evidence to show their income, they are not able to access housing loans from banks and HFCs," MrAnandan points out.

Aptus has identified this as a focus segment. It gives them a loan of ₹10 to ₹20 lakh for a period not exceeding 15 years. The interest band is 13-14%. Its plan is to disburse ₹400 crore the next fiscal. Sounds like a big target. But MrAnandan remains bullish, citing the estimated ₹6 lakh crore market for affordable housing.



MAnandan

V BALASUBRAMANIAN