

BUSINESS

Sundaram Home Finance Q4 net jumps 44.9% to ₹53.05 crore



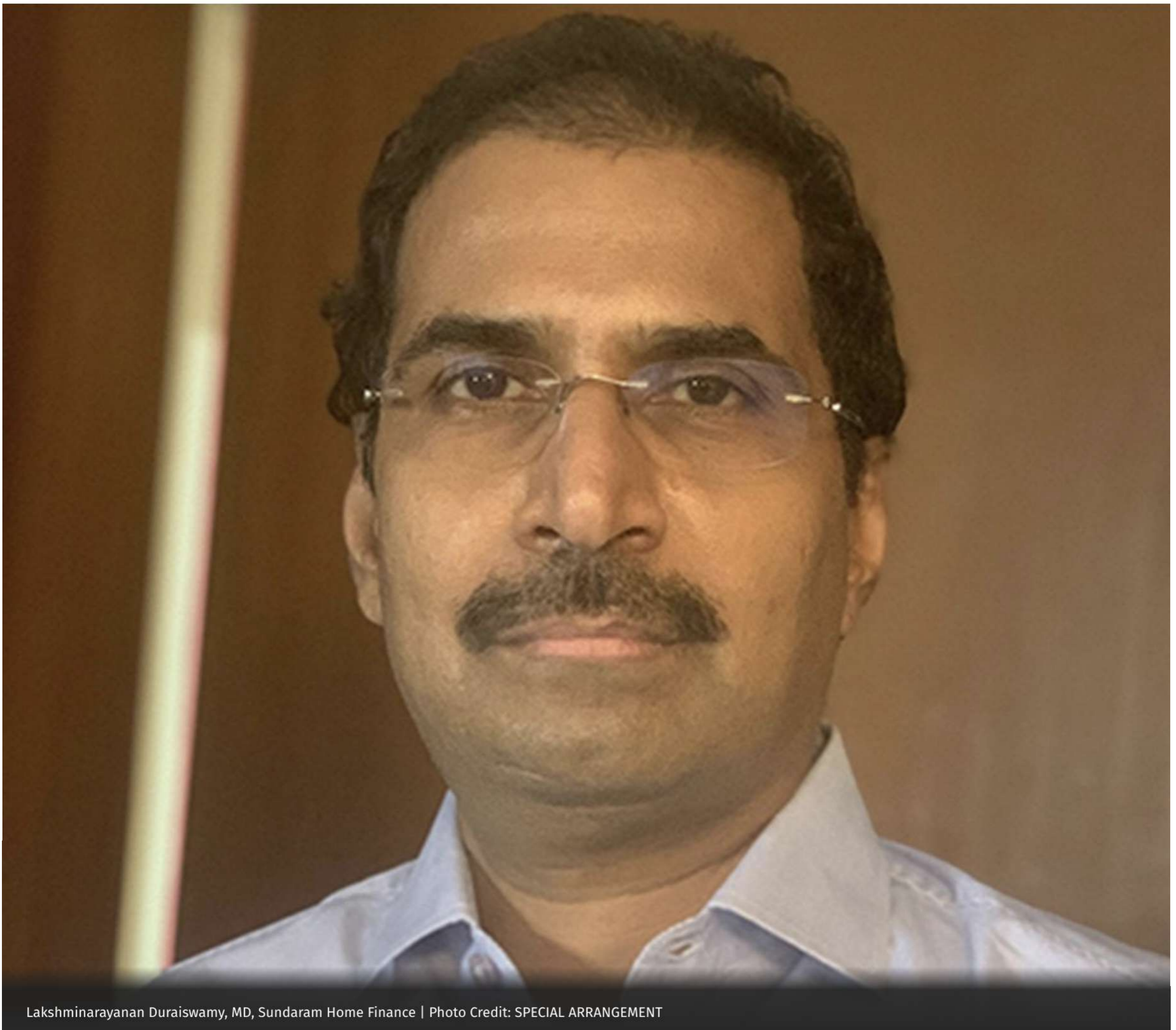
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Lender registers record disbursements in March



Lakshminarayanan Duraiswamy, MD, Sundaram Home Finance | Photo Credit: SPECIAL ARRANGEMENT

Sundaram Home Finance reported a 44.9% rise in net profit for the quarter ended March 31 to ₹53.05 crore, compared with a year earlier.

Disbursements during the quarter jumped to ₹794.11 crore from ₹459.38 crore.

The company said it registered record disbursements of more than ₹300 crore in March, the highest in its history. It hired about 100 frontline staff last year primarily in tier 2 and 3 towns, to support expansion plans.

The company "is bullish on the long-term prospects of the sector and would further strengthen its presence in real estate sector," according to a top official.

"The record disbursements in March this year is a clear sign of the resilience in the real estate sector," said managing director D. Lakshminarayanan. We have seen an uptick in business in tier 2 and 3 towns in the southern market, with the contribution from these geographies going up to around 70% at the end of Q4 from about 55% a year earlier".

He said the lending rates remained at 'unprecedented' low in the last couple of years and expected it to go up a few 'notches' this year. "Earlier this month, we saw the first rate hike in over two years. Despite the hike, the rates continue to be at attractive levels for the retail customer", he said.

The company also has plans to add another 100 front end sales personnel in Tamil Nadu, North Karnataka, Andhra Pradesh, Telangana where it plans to set up 10 branches in tier II and III locations.

We continue to remain bullish on the long term prospects of the sector. Sundaram Home Finance has established a strong presence in the South market," he said. "We believe that there is still a lot of untapped potential in these geographies and are confident of leveraging our brand, strong customer focus and the domain knowledge to grow in these markets especially in tier 2 and 3 locations", he said.

Mr. Lakshminarayanan said the affordable housing segment would remain one of the fastest-growing verticals in the real estate sector. "We will further strengthen our presence in this segment and are confident of tapping into the opportunities in this space this year", he said.