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## Sundaram Finance arm to raise up to ₹1,500 crore



Srinivas Acharya, Managing Director, Sundaram BNP Paribas Home Finance Ltd at a press conference, in Chennai in this file photo

It will be used to fund the company's growth plans: CFO

Sundaram BNP Paribas Home Finance, the home finance subsidiary of Sundaram Finance Ltd., is planning to raise about ₹1,500 crore to fund its growth plans, according to a top executive.

“We plan to raise around ₹1,500 crore in the second half of the year to fund the growth plans,” said G. Sundararajan, chief financial officer, Sundaram BNP Paribas Home Finance. “Around 70% of this will be raised through debentures and short-term borrowings.”

As part of the expansion plan, the company will be adding ten more branches this year. The company has registered a 2% increase in its net profit for the second quarter ended September 30 at ₹40 crore against ₹39 crore in the year-earlier period. Home loan disbursements rose 32% to ₹439 crore compared with ₹334 crore. “The strong 32% growth in home loan disbursements in the second quarter gives us the confidence that the worst may be behind the sector,” said Srinivas Acharya, managing director of the company.

### **Affordable housing**

“While A.P., Karnataka and Kerala registered good growth, the most heartening news has been the growth of almost 40% registered in the Chennai market.

“We expect second half to be equally good.” More than 40% of the disbursements is in the affordable housing segment, he said adding this segment would continue to be an important growth driver during the second half of the year.