

LIVE YOUR DREAMS

Raakhe K Tandon, Promoter & Executive Director, RAAS Housing Finance (India) Limited, speaks to Realty Plus about the Housing Finance Market in the North

Q] What is the current trend in the housing finance market?

- The Indian housing finance market has grown at a steady rate of 17% CAGR over the last three years and has reported good asset quality indicators
- The market continues to be dominated by the six large groups namely SBI Group, HDFC Group, LIC Housing Finance, ICICI Group, DHFL and Axis Bank, which account for 91% of the total housing credit in India. At the same time, there has been an emergence of new entrants in niche segments like affordable housing finance and different segments of the business community.
- Investor sentiment towards the housing sector has improved as reflected by the recent capital infusions to the tune of Rs.1780 crores in various HFCs during the current financial year
- As per estimates, HFCs will need external capital of around Rs18,000-28,000 crores to grow at 20-22% over the next 5 years for maintaining the capitalisation levels at current levels
- As per credit rating reports, HFCs have a favorable demographic profile with stable profitability indicators ie ROA of 2.1% and ROE of 18.8% for Q3 FY15

Q] What are the basic factors a company looks into while reviewing a loan application?

- Profile of the applicants and stability of income
- Quality of collaterals
- Clarity of Title documents
- Past banking habits of the applicants
- Repaying capacity of the individuals
- CIBIL score of customers

Q] What are the points a consumer should look into before finalizing a home finance company?

- Customer engagement model provided by the HFC
- Handling capabilities of original title documents
- Clarity on hidden charges involved
- Management of loan life cycle process ie tax certificates, EMI schedules, etc

Q] What are the interest rates offered to your clients?

We are following a competitive, yet risk-based pricing module. This pricing module is highly scientific with a negligible element of subjectivity. This module enables the categorization of the customers between low, medium and high risk to enable



matching against applicable ROIs.

Q] Can you give a brief about your company and its policies when it comes to housing finance?

We are a new-age Housing Finance company with our Corporate Office at New Delhi. The Company is managed by experienced mortgage professionals, who are easily accessible and are highly committed to excellence in customer satisfaction. We are poised to become a leading mortgage-finance provider in the industry by ensuring high quality business creation, duly backed by a strong work ethos & corporate governance practices.

Our strategy is to serve our customers at their doorstep by understanding their requirements and structuring the EMIs accordingly.

We offer flexible & customized solutions to our customers, within the purview of guidelines laid by NHB.