

Published Date	23 rd May, 2024	Publication	The Hindu Business Line
Edition	All Edition	Page No	2
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L&T Finance aims to be among top 3 lenders in electric two-wheeler space

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Chennai

L&T Finance aims to be among the top-three players in the electric two-wheeler financing segment as it seeks to grow its EV portfolio supported by the expansion of its tie-ups with the leading players and favourable growth outlook.

Currently, at ₹11,025 crore, the EV business accounts for less than 10 per cent of its two-wheeler portfolio (matching the industry trend), as of March 2024, up from ₹10,447 crore in March 2023.

E2W FINANCING

“We believe the electric two-wheeler market has adjusted to the new incentive regime. It’s encouraging to see the improved credibility and quality of EV OEMs compared with the days of quality issues and absence of compliance to norms



Sanjay Garyali,
Chief Executive - Urban
Finance, L&T Finance BUJOY GHOSH

etc,” Sanjay Garyali, Chief Executive - Urban Finance, L&T Finance, told *businessline*.

L&T Finance is the preferred lending partner for electric two-wheeler OEMs such as Ather and Ola, while it has also collaborated with other leading OEMs such as TVS Motor and Bajaj. The company financed 44,158 electric two-wheelers in FY24.

“The share of EV business in our portfolio is expected to rise. We aim to be among the top two-three players in electric two-wheeler lending,” he added. Garyali attributes the

growth of its EV business to the high turnaround time with processes and multiple customer-centric programmes. L&T Finance currently provides about 90,000 two-wheeler loans monthly, extending loans for all types of two-wheelers, focusing on urban customers with loans up to ₹20 lakh.

HOME LOAN BIZ

The company is also expanding its home loan business (including housing loans and loans against property), achieving its highest-ever quarterly disbursements of ₹2,513 crore in Q4, with a total book size of ₹18,443 crore in FY24. “We aim to drive growth by reaching customers directly and partnering with key developers,” he said, launching the company’s ‘The Complete Home Loan’ programme, a digitised process with a dedicated relationship manager and Home Décor Finance options in Chennai.

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<https://www.thehindubusinessline.com/money-and-banking/lt-finance-aims-to-rank-among-the-top-3-lenders-in-the-electric-two-wheeler-space/article68203838.ece#:~:text=L%26T%20Finance%20aims%20to%20be%20among%20the%20top%20three%20players,players%20and%20favourable%20growth%20outlook>

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Currently, the EV business accounts for less than 10 per cent of its two-wheeler portfolio (matching the industry trend), which stood at ₹11,025 crore as of March 2024, up from ₹10,447 crore in March 2023.

The two-wheeler market saw a revival during the festive season last year, with a continuous sales uptrend expected to persist.

“We believe the electric two-wheeler market has adjusted to the new incentive regime. It’s encouraging to see the improved credibility and quality of EV OEMs compared with the days of quality issues and absence of compliance to norms etc,” Sanjay Garyali, Chief Executive – Urban Finance, L&T Finance, told businessline.

e2W financing

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“The share of EV business in our portfolio is expected to rise. We aim to be among the top two-three players in electric two-wheeler lending,” he added.

Garyali attributes the growth of its EV business to the high turnaround time with processes and multiple customer-centric programmes. “We were the first to lend up to 100 per cent of the vehicle cost to some specific set of customers. Our strong processes in 2W lending are a key strength in the EV sector,” he noted.

L&T Finance currently provides about 90,000 two-wheeler loans monthly, extending loans for all types of two-wheelers, focusing on urban customers with loans up to ₹20 lakh.

Home loan biz

The company is also expanding its home loan business (which includes housing loans and loans against property), achieving its highest-ever quarterly disbursements of ₹2,513 crore in the March quarter, with a total book size of ₹18,443 crore in FY24. It reached a monthly

disbursement rate of ₹1,000 crore in March. Its loan ticket-size ranges from ₹30 lakh to ₹7 crore.

“We aim to drive growth by reaching customers directly and partnering with key developers,” he said, launching the company’s ‘The Complete Home Loan’ programme, a digitised process with a dedicated relationship manager and Home Décor Finance options in Chennai.

The company forecasts a 25 per cent growth in its book for FY25, targeting a total loan-book size of ₹1-lakh crore.

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Updated - May 22, 2024 at 05:04 PM | Chennai

The NBFC expects its overall loan book size to reach ₹1-lakh cr in FY25

By G BALACHANDAR

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Sanjay Garyali, Chief Executive - Urban Finance, L&T Finance

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