

L&T Finance Q1 profit grows 15% to ₹192 crore

PRESS TRUST OF INDIA

Mumbai

L&T Finance on Thursday reported a 15 per cent increase in its consolidated net profit at Rs 192 crore in the quarter ended June 2015 on account of improved margins and stable operational expenses. The company had reported a consolidated profit of Rs 167 crore in the same period last year without the exceptional item.

"The company saw improvements in margins and we were also able to maintain our operational expenses," L&T Finance president and Whole-time Director N Sivaraman told reporters here on Thursday.

"The Rs 285 crore net profit on the consolidated basis in the first quarter of last year include the profit on sale of investment we had in the City Union Bank of (of around Rs 119 crore), which we had realised.

"All profit numbers we are talking about today are profit without the exceptional items. We were about Rs 167 crore in the first quarter of the last year without these exceptional items," he added. Net interest margins for the lending business grew 22 per cent to Rs 681 crore from Rs 558 crore in the same period last year.

The gross non performing assets level with 180 days NPA recognition cycle stood at 2.64 per cent against 3.57 per cent in the year-ago quarter.

L&T FINANCE/BSE Rs 71.55 ▼

NSE Rs 71.40 ▼

QUARTERLY RESULTS

L&T Fin Holdings posts 15% jump in consolidated PAT before exceptionals

Mumbai Bureau

Mumbai, July 23: L&T Finance Holdings on Thursday reported a reasonable set of numbers for the three months to June 2015. Adjusting for exceptional items, the company reported a 15% rise in consolidated net profit for Q1FY16 at Rs192 crore against Rs167 crore in the same period last year.

Addressing reporters, N Sivaraman, president and whole-time director, said Q1 profit came off a high base because the Rs 285-crore figure in Q1FY15 included the profit on sale of investment in City Union Bank.

The firm reported a 0.13 percentage points year-on-year rise in net interest margins (NIMs) in the June quarter. Loans and advances grew 21% y-o-y to Rs 49,219

REPORT CARD

In ₹ crore	Q1FY16	Q1FY15	Chg(%) y-o-y	Q4FY15	Chg(%) q-o-q
Net interest income	733.14	577.07	27.05	705.56	3.91
NIM	5.65	5.52	0.13	*	*
Net profit	192	167	14.97	203.17	-5.50
Gross NPA	2.64%	3.57%	-93 bps	2.25%	39 bps
Net NPA	1.60%	2.67%	-107 bps	1.26%	141 bps

PAT figures before including exceptional items, NPA figures at 180 days past due

Source: L&T Finance Holdings Press Release and BSE filing

crore from Rs 40,764 crore as on June 30, 2014. "This has been led by healthy disbursement growth of 37% on a y-o-y basis in our key focus areas, i.e., B2C products—two wheelers, housing and microfinance in the retail business and operational projects in the wholesale business," the company said in a press release.

Asset quality remained stable with the gross non-performing assets (GNPAs), as a

percentage of gross advances, at 2.64%, down 93 bps y-o-y, for a 180-day NPA-recognition cycle. On a sequential basis, however, NPAs increased 39 bps due to higher delinquencies in the farm portfolio.

Calculated for a 150-day NPA-recognition cycle, gross NPAs stood at 3.05%. Net NPA, as a percentage of net advances, stood at 1.60% in Q1FY16 against 2.67% in the same period last year. On a

150-day cycle, the company reported a figure of 2% in the first quarter this fiscal. Sivaraman added that the company did not sell any bad loans to asset reconstruction companies (ARCs) in Q1. The average assets under management (AAUMs) of the investment management business grew 12% to Rs 22,213 crore from Rs 19,895 crore in the same period last year. The scrip closed 1.99% lower at Rs 71.55 on the BSE.

Economic Times

L&T Finance Net Up 15% on Lower Interest Expenses

Mumbai Bureau

Mumbai: L&T Finance Holdings said its net profit for the April-June quarter rose 15%, boosted by non-operating income and lower interest expenses, even as its retail and corporate portfolio did not generate profits.

The June quarter earnings climbed to ₹192 crore compared to ₹167 crore a year earlier. Its loans and advances grew 21% to ₹49,219 crore from ₹40,764 crore in the year ago quarter, with corporate segment leading with a 29% gain, while retail lagged with 14%.

"We continue to see healthy growth opportunities in our focus areas of business to consumer products in the retail business and operational assets in wholesale business," said YMDeosthalee, chairman and managing director, L&T Finance Holdings.

The company said that though regulation has made bad loan recognition stricter, down to 150 days from 180, gross bad loans rose to ₹1,473 crore from ₹1,421 crore.

21%

**GROWTH IN
LOANS AND
ADVANCES AT
₹49,219 CRORE
DURING JUNE
QUARTER**