

L&T Finance Holdings net up 8% in first quarter

OUR BUREAU

Mumbai, July 22

L&T Finance Holdings (LTFH) reported an eight per cent increase in consolidated net profit at ₹207 crore in the reporting quarter ended June 30, as against ₹192 crore in the year-ago period.

LTFH, which is promoted by Larsen & Toubro, has seven wholly-owned subsidiaries — L&T Finance, L&T Infrastructure Finance Company, L&T Investment Management, L&T Capital Markets, L&T Housing Finance, Family Credit Ltd, and L&T Fin-Corp.

The financial holding company said consolidated net profit to shareholders (after considering dividend on preference shares on pro-rata basis) was up 21 per cent to ₹175 crore (₹145 crore in the year-ago quarter).

Overall loans and advances grew 17 per cent year-on-year to ₹57,736 crore (₹49,218 crore as on June 30, 2015).

“This growth was led by disbursements in housing finance, operational projects in renewable energy, micro-finance and two-wheeler finance,” said LTFH in a statement.

As per regulatory requirements, LTFH has started recognising non-performing assets (NPAs) at 120 days of delinquency.

Gross NPAs reduced from 5.45 per cent as on June 30, 2015, to 4.58 per cent of book at the end of the current quarter. Net NPAs reduced from 4.43 per cent to 3.13 per cent.

In the investment management business, average assets under management for the quarter grew 28 per cent y-o-y to ₹28,404 crore.

Meanwhile, the company said Dinanath Dubhashi has been elevated as Managing Director. Earlier, he was Deputy Managing Director.

L&T Finance Q1 net profit up 8%

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Mumbai, July 22: L&T Finance Holdings (LTFH) on Friday reported a consolidated net profit of Rs 207.4 crore for the quarter ended June 2016, up 7.9% from the same period last year.

The firm fared better on the asset quality front in Q1FY17, with its net non-performing assets (NPAs) falling 17% on a year-on-year (y-o-y) basis to Rs 1,752 crore. Gross NPAs at Rs 2,599 crore were down 1.3%.

The firm's investment management business witnessed the average assets under management growing by 28% on a Y-o-Y basis to Rs 28,404 crore.

Its net interest margin (NIM) for the lending business was at 5.31% in the quarter under review, compared with 5.64% in the same quarter last year.

YM Deosthalee, chairman and managing director, L&T Finance Holdings, said in a statement that the com-

pany grew despite a slower-than-expected pick-up in the overall economy and significant cash flow pressures in rural markets.

“Our focus on financing operational projects in renewable energy and road sectors, and select segments of rural and housing finance has enabled this. Our philosophy of being a focused financial services player is playing out positively in terms of maintaining a consistently healthy growth in assets and profitability,” he said.

In April 2016, LTFH had unveiled its strategy to reach top quartile return on equity (RoE) by FY20. As part of this strategy, LTFH said it has realigned its focus on profitable growth in three lending businesses — rural, housing and wholesale — while de-emphasising other products in its lending portfolio.

Loans & advances in the focused businesses grew 23% y-o-y to Rs 53,331 crore.

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L&T Fin Q1 net increases 8%

L&T Finance Holdings on Friday reported a rise of 7.8% in consolidated net profit at Rs 207.4 crore for first quarter ended June, 2016. AGENCIES