

L&T Fin Q1 net up 15% at ₹192 cr

PRESS TRUST OF INDIA

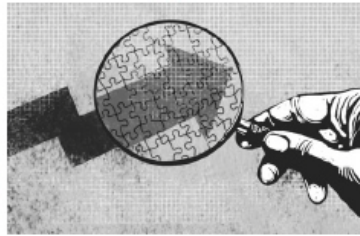
Mumbai, 23 July

L&T Finance Holdings on Thursday reported a 15 per cent increase in its consolidated net profit at ₹192 crore in the quarter ended June 30, on account of improved margins and stable operational expenses.

The company had reported a consolidated profit of ₹167 crore in the corresponding period last year without the exceptional item.

"The company saw improvements in margins and we were also able to maintain our operational expenses," N Sivaraman, L&T Finance Holdings president and whole-time director, said. "All profit numbers we are talking about today are profit without the exceptional items. We were about ₹167 crore in the first quarter of the last year without these exceptional items."

Net interest margins for the lending business grew 22 per cent to ₹681 crore (5.65 per cent) from ₹558 crore



(5.52 per cent) in the same period last year. Gross non-performing assets (GNPA) level with 180 days NPA recognition cycle stood at 2.64 per cent against 3.57 per cent in the year-ago quarter. Net NPA with 180 days NPA recognition cycle stood at 1.60 per cent compared to 2.67 per cent.

On the 150 days NPA recognition cycle, GNPA stood at 3.05 per cent while net NPA was at two per cent in the quarter. As on June 30, loans and advances grew 21 per cent to ₹49,219 crore from ₹40,764 crore in the same period last year.

The average assets under management of the investment management business grew by 12 per cent to

₹22,213 crore, compared with ₹19,895 crore in the corresponding quarter last year.

When asked about the media reports about private equity firm Warburg Pincus buying a stake in L&T Finance, Sivaraman said, as a non-banking financial firm which requires periodic capital infusion, the company keeps meeting multiple investors. "The fact that we are running, on the aggregate 14-15 per cent tier-I capital, and if we meet growth expectation for current year and also believe next year is extremely strong, there is need to look at capital raising. In that context, we do have conversation with multiple investors for the purpose of raising capital. We continue to pursue these. There is nothing that is finalised on the ground in terms of size or the name of the investor as of now," he said.

The company's share price ended at ₹71.55, down 1.99 per cent on the BSE, which closed on Thursday at 28,370.84, down 0.47 per cent.

Mint

L&T Finance Holdings Q1 profit rises

Mumbai: L&T Finance Holdings Ltd on Thursday reported a 15% increase in net profit for the quarter ended 30 June, owing to steady growth in its wholesale loan book.

The non-banking finance company's net profit in the April-June period rose to ₹192 crore from ₹167 crore in the same period last year.

The share of retail finance and wholesale business in net profit was ₹89 crore each. The company's wholesale loan book as of 30 June rose 29% to ₹23,352 crore from a year ago while its retail loan book was at ₹25,867 crore, up 14% year-on-year.

Gross non-performing assets (NPAs) rose to ₹1,278 crore in the first quarter from ₹1,045 crore reported in the January-March period. Gross NPAs as a percentage of the loan book rose to 2.64% as of 30 June, from 2.25% as of 31 March.

The company expects the NPA levels to rise in the next few quarters since it has started reporting bad loans within 150 days of a payment default, compared with 180 days earlier, L&T Finance said in a statement. **VISHWANATH NAIR**