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SKS Microfinance Limited's Board of Directors approves Company's proposal to apply for a Small Finance Bank

The Company's loan portfolio excluding the states of Andhra Pradesh and Telangana registers 35% year-on-year increase to Rs. 3,195 crore in Q3-FY15

Mumbai, January 29, 2015: The Board of Directors of SKS Microfinance Limited today approved the Company's proposal for making an application to the Reserve Bank of India for grant of a Small Finance Bank licence.

The Company also announced that its portfolio excluding the states of Andhra Pradesh and Telangana registered a 35% year-on-year increase to Rs. 3,195 crore from Rs. 2,364 crore in Q3-FY14 (5% quarter-on-quarter growth -- Rs. 3,043 crore in Q2-FY15).

In Q3-FY15, loan disbursements stood at Rs. 1,544 crore as against Rs.1,693 crore in Q2-FY15 (Rs. 1,399 crore in Q3-FY14) while net interest income was at Rs. 96 crore (Rs. 110 crore in Q2-FY15, Rs. 68 crore in Q3-FY14). The Company announced a PAT of Rs. 41.1 crore in Q3-FY15 (Rs. 21.4 crore in Q3-FY14, Rs. 56.8 crore in Q2-FY15).

The Company had incremental draw-downs of Rs. 931 crore in Q3-FY15 (Rs.1,100 crore Q2-FY15) besides issuing Commercial Paper of Rs. 175 crore and completing securitization transactions of Rs. 391 crore rated as A1+ and AA (SO).

As of December 31, 2014, SKS Microfinance Limited had a net worth of Rs. 998 crore and capital adequacy of 34.6% (without the Reserve Bank of India dispensation on the Andhra Pradesh and Telangana provisioning). Cash and cash equivalents stood at Rs. 746 crore.

The un-availed deferred tax benefit of Rs. 506 crore will be available to offset tax on future taxable income. Given the carried forward tax loss, no tax provision was required for Q3-FY15.

About SKS Microfinance Limited:

SKS Microfinance Limited is among the largest microfinance companies in India with presence across 16 states covering 1,00,000 villages. The states include: Andhra Pradesh, Telangana, Karnataka, Maharashtra, Odisha, Madhya Pradesh, Bihar, Uttar Pradesh, Rajasthan, Uttaranchal, Haryana, West Bengal, Jharkhand, Chhattisgarh, Kerala and Punjab. The Company's mission is to provide financial services to the economically weaker sections.

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