

L&T Fin Net Up on Better Asset Quality

Our Bureau

Mumbai: L&T Finance Holdings posted a 10% increase in its consolidated fourth-quarter net profit, aided by an improvement in asset quality and credit pickup.

The lender's net profit rose to ₹205.5 crore in the January-March quarter from ₹186.5 crore a year earlier.

Net interest income (NII) — essentially the difference between interest earned on loans and interest paid to depositors — rose 21% to ₹705.6 crore.

The company's loan book grew 18% to ₹47,232 crore in the past quarter.

"This growth has come from focus on (loans to buy) tractors, 2-wheeler finance, microfinance and housing finance and emphasis on operating projects in renewable power and the road segment," chairman and managing director YM Deosthalee said.

Its gross non-performing assets (NPAs) dropped to 2.25% of total loans from 3.18% in the year-earlier quarter, helped by better local collection and the sale of loans to the asset reconstruction company.

Its shares closed 4.1% higher at ₹66.3 on the Bombay Stock Exchange on Thursday compared with a 0.6% drop in the benchmark Sensex.