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Headline: L&T Finance Holdings' Q4 PAT jumps 46% to Rs. 501 crores			

L&T Finance Holdings' Q4 PAT jumps 46% to ₹501 crore

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L&T Finance Holdings posted a net profit of ₹501 crore for Q4FY23, on a consolidated basis, up 46 per cent YoY and 10 per cent QoQ. For FY23, the profit after tax was ₹1,623 crore, higher by 52 per cent on year.

The growth trajectory was led by the highest annual retail disbursements of ₹42,065 crore across segments.

RETAIL PORTFOLIO

The retail portfolio grew 35 per cent YoY to ₹61,000 crore, comprising 75 per cent of the total loan book compared with 51 per cent a year ago.

Retail NIM and fees for the quarter were at 11.9 per cent, up 15 bps YoY due to strong growth in retail disbursements.

"We are almost nearing the greater than 80 per cent retailisation goal of



Lakshya envisaged for FY26. The company will continue to offer retail products that encircle the entire customer ecosystem, creating a bespoke cross-sell and up-sell franchise and optimum distribution strategy," MD and CEO Dinanath Dubhashi said.

In FY23, rural business finance disbursements grew 70 per cent YoY whereas consumer loans grew 117 per cent. Housing loans and loans against property disbursements were up 97 per cent for the year. L&T Finance

Holdings has been bringing down the share of its wholesale book, which stood at ₹19,840 crore as of March 31, a reduction of 54 per cent on year.

"Prudent asset liability management along with changing portfolio mix towards retail resulted in reduction in annual WAC (weighted average cost) by 4 bps to 7.46 per cent in FY23 compared with 7.50 per cent in FY22. This reduction has been achieved in spite of a rising interest rate environment," it said in a release. Gross stage 3 assets were at 3.4 per cent and net stage 3 assets were at 0.7 per cent at the end of March. L&T Finance said

that the merger of subsidiaries, L&T Finance, L&T Infra Credit and L&T Mutual Fund Trustee, with itself, is "progressing well" and is expected to be completed during FY24, subject to regulatory approvals.