

India Shelter (INDIASHL) - BUY

Result Update

Current Market Price (CMP)

Rs. 586

Target Price

Rs. 700

Rationale:

- India Shelter's asset quality performance improved YoY.
- Coupled with a lower base, this encourages the company to sustain its high loan growth guidance.
- The Street may have concerns of low seasoning of its book.
- Retain BUY with FV of Rs700 (from Rs685).

Q4FY24 Earnings Update:

Positives:

- India Shelter reported PAT of Rs77.7 cr in Q4FY24 up 47% yoy.
- Core PBT at Rs93.6 cr was up 47% yoy and 6% above estimates.
- NII was up 58% yoy driven by 40% growth in loan book and 133 bps yoy margin expansion.
- Stressed loans declined 53 qoq to 3.3% in Q4FY24.

Negatives:

- Increase in leverage to drive NIM compression over the medium term.
- GNPA's to inch up as growth moderates.

(NII – Net Interest Income, NIM – Net Interest Margin)

Click here

For detailed report dated 9th May 2024. Note: CMP & valuation may differ due to difference in dates.



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