Management Discussion

Praveen Agarwal - Analyst, Axis Capital
Thank you, Avirat. Good day, everyone, and welcome to this earning call of LIC Housing Finance. Today with us from the management team, we have Mr. Sandeep Kumar, MD and CEO, and Mr. Lokesh Mundhra, CFO. I would request Mr. Sandeep to share his initial comments, post which we'll open the floor for Q&A. Over to you, sir.

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Yeah, good morning. Good morning, everybody. Yeah, good morning. Welcome to post-earnings conference call for LIC Housing Finance Limited. As you are aware, the company has announced its Q2 FY27 financial results on 30th of October 2026. Before we begin discussing the quarterly performance, let me briefly introduce myself. I joined the company as CEO in May 2026 and taken over charge as MD and CEO on 29th of August 2026. Before joining LIC HFL, I was associated with LIC HF HFL Financial Services Limited, a subsidiary of LIC Housing Finance, as its MD and CEO.

Having been associated with LIC HFL Group for last 2 years, I have an opportunity to lead this business operation and strategic initiatives. Before I start with the highlights of Q2 results, I would like to outline a few economic developments over the last quarter. In October 2026, during the monetary policy review, the RBI increased the repo rate by 25 basis points to 5.5% and shifted its policy stance from neutral to calibrated tightening, reflecting rising inflationary pressure. Persistent geopolitical tensions, elevated crude oil prices, upside risk inflation, uncertainty around the global interest rate trajectory have strengthened market expectations that RBI may maintain a higher monetary policy stance with the interest rates likely to remain elevated for longer.

As a result, the company also increased its benchmark lending rate, LHPR, on the existing portfolio as well as on the new business by 25 basis points with effect from 31st of October 2026. Housing demand in the September quarter remained broadly resilient. The underlying demand for homeownership continues to be supported by urbanization. Looking ahead, The festive season and the sustained domestic economic activity around should further support housing credit demand. With that in an overview, I would like to share the key financial highlights of the quarter.

The total revenue from the operations were INR7,175 crore against INR7,074 crore for the corresponding quarter of the previous year. Outstanding loan portfolio stood at around Rupees 3 lakh 24 thousand 173 as on 30 September 2026 against 3 lakh 11,860 crore as on 30 September 2025, reflecting a growth of 8 percent. Now out of which retail portfolio stood INR9,740 crore against INR8,732 crore, up by around 12%. Total disbursements for the quarter were INR18,127 crore against INR16,313 crore for the corresponding period in Q2 FY26, up by 11%.

Out of that disbursement, in the retail portfolio were INR17,563 crore as against INR15,935 crore, up by 10% year-on-year. Sequentially, quarter-on-quarter, the total disbursements were up by 21% as against the Q1 disbursements of INR15,014 crore. Disbursements in project loans were INR564 crore as against INR378 crore for the same period. During the previous year, up by 49%. The net interest income stood at around INR2,088 crore as against INR2,038 crore for the same period in the previous year. Net interest margin for Q2 FY27 stood at 2.58% as against 2.62% for Q2 FY26 and 2.58% for Q1 FY27.

Profit before tax for the quarter was at INR1,918.55 crore as against INR1,704.71 crore in Q2 FY26, at a growth of about 13%. Profit after tax for the quarter stood at INR1,508.78 crore as against INR1,353.87 crore for the same period year-on-year growth of around 11 percent. in terms of asset

quality, stage three exposure [Foreign Speech] default, as on 30 September 2026 stood at 2.05 as against 2.51 as on September 30, 2025. total provisions stood at rupees 4,292 crore, reflecting a provisioning coverage ratio of Around INR553 crore of recovery has been done in this quarter.

Apart from this, there were recovery from written-off accounts to the tune of INR84 crores. On the borrowing side, our cumulative cost of funds stood at 7.29% as on 30th September 2026, compared to 7.42% as on 30th September '25 and 7.28% as on 31st of March 2026, reflecting an improvement of 13 basis points on a year-to-year basis, whereas the incremental cost of funds for Q2 FY27 stood at 6.91 as against 7.06 in Q1 FY27. Despite the elevated interest rate environment during the quarter, we have been able to maintain stability in our overall cost of funds while -- and moderated our incremental borrowing cost sequentially.

With this brief introduction, I would like to invite your questions. Thank you.

Questions & Answers

Operator
Thank you very much. We will now begin the question and answer session. [Operator Instructions] The first question is from the line of Avinash Singh from MK Global. Please go ahead, Mr. Singh. Your line is -- go ahead with the question.

Avinash Singh - Analyst, Emkay Global Financial Services Limited
Yeah, hi, good morning. Thanks for the opportunity. Uh, first question is on growth. Uh, I mean, the growth continues to lag the industry growth. Uh, now the competitive dynamics of this, uh, housing finance is going to stay the way it is. Uh, in your core segment of retail, uh, salaried customer, the public sector banks remains aggressive. And if at all you move down, I mean, the affordable segment also in terms of the peers, focused peers, remains competitive. Now in this context, how do you see your growth panning out over the coming quarters?

Uh, and if this aggressive competitive, uh, pricing continues, will you be willing to, uh, again take a hit on margins to accelerate growth? I mean, uh, to put it very simple, I mean, do you see double-digit growth coming back over coming quarters or not? That's one. Second, on this credit cost, I mean, yes, it continues to remain negative, the PCRs having coming off slightly. But the question is that, okay, how do you see the outlook for credit cost? I mean, and once you have the kind of recoveries from past backbook going away, what kind of risk-adjusted credit cost do you see?

Thanks.

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Yeah, you are absolutely correct. You know, there is a lot of uncertainty around the corner, uh, world over. The interest rates are moving up, and I think that is the case in India itself. All companies, all, you know, mortgage company, housing loan finance company, including banks, they are facing headwinds. Uh, you know, I'm very certain that we have achieved growth so far for the last 2 quarters we have logged in the growth of more than 11%, uh, which includes growth from the retail as well as project.

And I am -- we have given a guidance for the year for a double-digit growth around 12 to 14. What I see that as the rate has been increased across the industry, so there is no competitive margin pressure on us for that matter. But yes, what steps we have taken internally to increase the sales at

our end is that we have -- are increasing number of people on the seat, uh, in our company. We have around more than 8,000 BSCs, agents, those who are giving us business, those who are active. We are also strengthening our marketing subsidiary also to get more business in terms of sales, and that is happening.

That the figures are with us. They are also increasing say around by 25% to 30% on quarterly basis. Secondly, on the margin front, if I see, we have, uh, actually 2 months back, if I see, in certain products we have initiated increase in rates 2 months back. And in fact, that has not impacted us. That is, in fact, has given some margin boost if you have seen our results. Uh, so I'm very confident. And then another thing is we are focusing on product mix, a better product mix. Whereas, uh, we are dominated 100% by the salary class, our now focus is moving towards self-employed category, get more margins.

At the same time, we are focusing on project side also. We are also focusing on LAP business also. I think for the current year, we have set our target for achievement of 20% of sales through LAP. This is margin-accretive business to us. And we are moving in the same direction. I'm confident the projections given by us for the current year, we will hold them. We may be surpassing them. Uh, as far as the credit cost question is concerned, yes, uh, we are able to, uh, show, I think, a -3 basis points in the credit cost, uh, for the quarter.

Uh, despite our aggressive recovery, I think we have done more than 500, 500 60 crore of recovery. And I tell you, none of the case out of this 50 cases is a big one. We have all relied on the retail loan recoveries, and I'm, I'm very confident that whatever guidance that we have given, that is around 7 to 10 basis points up from the present, that will -- we will be able to maintain it, we will be able to achieve it by the end.

Lokesh Mundhra - Chief Financial Officer, LIC Housing Finance Limited
Yeah, Avinash, this is Lokesh Mudra, CFO. So what MD has narrated, I want to add some more facts. For this quarter only. So, you know, last quarter my growth was 14.5%, uh, disbursement growth. But if you compare the, uh, sequential growth for this quarter, it is more than 20%, that is around 21%. So, uh, company is doing, uh, good on the disbursement, uh, path, but AUM growth is definitely muted because of the size of our portfolio. It is more than INR3.26 lakh crores. So definitely same similar growth cannot be reflected in AUM, but definitely it will take and company is on the right path.

And the second is, uh, credit cost. Uh, definitely the last quarter also we have done good job as recovery fund. Again for this quarter, due to my, my credit cost is negative, that is by 3 bps only negative, and we are looking for a better recovery during next quarter, Q3 and Q4. As far as, uh, investors are concerned, definitely, but as you compare my financials, my, uh, my profitability, uh, most important parameter is return on equity. My return on equity is 14%. I think that is one of the best in the industry.

Yeah, Vinash.

Avinash Singh - Analyst, Emkay Global Financial Services Limited
Yeah, thank you, sir. Uh, no, so yes, you rightly alluded that the divergence between, uh, disbursement growth and AUM. So one element there is of prepayments, uh, it is stable around 12%, but this 12%, closer to 12% level, is reasonably higher than what you used to have earlier, more closer to 10%, 9-10%. Now, till the time this prepayment rates come down, or the divergence between, uh, disbursement and AUM might continue. So in that context, what are the steps you're

taking and how do you see this prepayment come down, particularly if the aggression from, you know, the large public sector bank continues.

Uh, so what will kind of -- what are the steps you are taking and how do you hope your disbursement growth and AUM growth to converge versus the divergence that you have currently?

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
So prepayment is prepayment by way of, uh, basically for by 3 things. That is, one is our EMI, whatever principal repayment we are getting every month through EMI. And the second is my BT out, or you can say the lump sum payment or prepayment. So, uh, it's a 37-year-old company, so definitely my prepayment or EMI is in terms of principal, it is definitely is around 2 or 2.5, uh, thousand every month. But as far as BT out is concerned, uh, as our rates are very competitive if you compare with even rates offered by bank, so my rate is up to last month it was 7.15 percent onward, so rates were very competitive, I so I think on BT out front it is nothing of normal, so almost every month net BT out hardly 500 crore only, so secondly secondly for retention of customers Whenever we receive a request from the customer for return of document, a request for documents, so definitely we try to convince the customer that, uh, our rates are very competitive and wherever required we reprice the loan.

So we are hopeful that if the company is growing at double-digit growth, last quarter it was 14.5%, this quarter is around 11% of sequence. It is growing at 21% Q1Q, uh, Q1Q. So definitely it will reflect, uh, better growth in my AUM by end of the year.

Avinash Singh - Analyst, Emkay Global Financial Services Limited
Got it. Thank you, sir. Thank you.

Operator
Thank you. The next question is from the line of Subranchu Mishra from Philip Capital. Please go ahead.

Shubhranshu Mishra - Analyst, PhillipCapital
Hi, just 2 data point questions. First, if you can split the disbursement and AUM into, especially the retail part of it, into LAP and home loans for disbursement and AUM. Second is if you can give the Stage 3 of each of these segments, which is home loans, non-home loans, and project loans. Thanks.

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
so pass yes Sunanshu [Foreign Speech] pick that my portfolio breakup in terms of my different segments so my portfolio under IHL as on 30 September 2026 it was 2 lakh 67,344 crores and then non housing individuals like LAP and LRD for individual segment it is it was 45,513 crore and non housing corporates it was 3,576 and projected again it is 9,740 crore as on 30 September 26 so my total portfolio as on 30 September it is 3,26,173 presentation. So as far as growth is concerned, uh, so we're showing almost 5%, uh, 5% growth, uh, year on year in terms of my portfolio.

And, uh, I think what was your second question? Uh, the same,

Shubhranshu Mishra - Analyst, PhillipCapital
the same split for disbursements. Actually, this was all given earlier, uh, in the PPT. This time around, what we have done is that we have only shown this split for project finance and, uh, individual. We are not splitting the individual into to other asset classes, hence the question. So, uh,

again, if you can split the disbursement into the same categories and gross stage 3 for the same categories.

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Thanks. If you want to note it down, yeah, just I'll give you, give you the breakup of INR18,127 crores what we have dispersed in this quarter. So, uh, so breakup of that INR18,000 crores, IHL is individual housing loan is INR12,197 crores. Non-housing individuals means LAP and LRD loans given to individuals. It was INR5,216 crores. And non-housing corporates is INR150 crores. And project is INR564 crores. That is a breakup for this quarter in terms of disbursement.

Shubhranshu Mishra - Analyst, PhillipCapital
And gross stage 3 for each of these categories?

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Pardon?

Shubhranshu Mishra - Analyst, PhillipCapital
Gross stage 3 for each of these categories, please.

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Both. Okay, okay. Phase 3, you want phase 3?

Shubhranshu Mishra - Analyst, PhillipCapital
Yes, sir. Phase 3, correct.

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Yes,

Shubhranshu Mishra - Analyst, PhillipCapital
sir. Yes, sir.

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Oh, uh, so gross NPAs phase 3 is an IHL category, it is 1.09%,

Shubhranshu Mishra - Analyst, PhillipCapital
right?

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
NHI, all housing end-user, is 2.36%, right? Then, uh, let's see if, uh, because of some legacy cases is on a higher side. But my total gross NPA is 2.05% stage three.

Shubhranshu Mishra - Analyst, PhillipCapital
This two point zero five is the project loan. So what is the project loan gross NPA sir?

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
It's project loan is it is twenty percent almost. My gross NPA, gross NPA at the end of this quarter is two point zero five. So if you compare with twenty twenty

Shubhranshu Mishra - Analyst, PhillipCapital
percent sir for project finance or thirty percent twenty percent. And, uh, that, uh, non-housing corporates, that is 20%. 20%? 2-0?

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
2-0, yes. Yeah,

Shubhranshu Mishra - Analyst, PhillipCapital
okay, okay. So if I can just squeeze in one last question, sir. This project finance, how many projects are there which are still in gross stage 3? And, uh, what would be the largest ticket size there? And what, uh, if you can split, like, what stages of resolutions are they stuck at?

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Okay, so just just wait for a minute only. Actually, you want figures, so let me just give the exact figures. So stage three of stage three under this project and non-housing corporate is at two seven two zero crores. One thousand seven hundred.

Shubhranshu Mishra - Analyst, PhillipCapital
Okay. Yes, sir. Thank you. The number of projects here, sir, the total number of projects.

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Number, exactly. I'm sharing the amount only.

Shubhranshu Mishra - Analyst, PhillipCapital
Oh, okay, right. Would you be able to share the number of projects?

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Yeah, yeah, we can, we can share with you, but, uh, right now I'm not having the figure in terms of numbers, so amount I've already shared with you. So if you want numbers, we'll share you separately.

Shubhranshu Mishra - Analyst, PhillipCapital
Yeah, right, right. So I'll come back and let you know. Thank you so much.

Operator
Thank you. The next question is from [Indecipherable] from Aviva Bank Insurance Company.

Unidentified Participant - Analyst
Hello?

Operator
Yes, hello.

Unidentified Participant - Analyst
hi, good morning, sir. Uh, thank you for the opportunity. Uh, so my query is regarding the, uh, NCLT order in case of personal insolvency proceedings of Dr. Subhash Chandra and LIC's exposure to it. So my query is, uh, the first part is that what is the residual amount? Uh, so has firstly, has the entire INR1,330-odd crores been provided in the books? If not, what is the residual amount that remains to be provided and the extent of impact on the P&L? My second query is regarding the secured assets.

What are the company's avenues for recovery of the outstanding amount and the steps that the company has taken or intends to take for monetization these assets? What is the current assessed value of these assets relative to the outstanding exposure? And are there any material legal or other impediments to realize, uh, the security, to monetize the security? Thank you.

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Yeah, madam, good morning. As far as your question regarding this, uh, Z matter is concerned, I think we have already gone public. We have already shared the requisite information that The 2 loans which we have granted way back, they are in NCF stage since 2022-23, and thereafter, you know, the recovery process is on. Now we have filed a criminal suit against Mr. Subhash Chandra. A complaint has been filed in CBI against Mr. Subhash Chandra, who is a guarantor under these 2 loans. Now, as far as the conditions of the loans, they are NPA and we are under process of recovering through NCLT, through SARFAESI, whatever means available to us, we will pursue those cases.

The standard assets are with us only. In fact, if you see, we have an auction lined up for, I think, 2nd or 3rd against one of the properties. I won't be able to share much detail because already this is under subject release. With the CBI. Whenever there will be something new or some news will be there, we will share it. So just, uh, yeah, please, please, please go on.

Unidentified Participant - Analyst
So, uh, there is, uh, I mean, there's only going to be recovery on it going forward, no negative impact on the P&L as far as provision is concerned. So has it been 100% provided?

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Uh, Marukh, I don't think it is 100% provided, but, uh, but we have, we have sufficient security coverage. So we have 2 big properties located prominently in South Bombay only, and the value of those 2 properties are sufficient to, uh, sufficient to cover my outstanding, uh, outstanding loan that I can say.

Unidentified Participant - Analyst
Okay, thank you.

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Thank you.

Operator
Thank you. The next question is from the line of Abhijit Tibrewal from Motilal Oswal. Please go ahead.

Abhijit Tibrewal - Analyst, Motilal Oswal
Uh, yeah, thank you for taking my question. Just one question, uh, so I think during your opening remarks you had shared that you have increased your PLR by 25 basis points effective October 21st on both the back book and the newer loans, the, the new loans that you're giving out. So I was just trying to understand, a couple of quarters back we had shared that whenever loans -- wherever the interest rate environment goes up, for at least some time till the time we start seeing an increase in our interest rates, we might maybe want to hold off those PLR increases on incremental loans so that we can maybe gain some market share.

Because banks, given that they give out repo rate loans reparate linked loans, they will be obligated to increase. And in that period, right, maybe you would have gained some market share. So any, any thought process around maybe gaining some market share? You have earlier alluded to the fact that you're still shooting for a double-digit disbursement growth. So just, just that thing, if I wanted some -- I wanted some clarity on. And the other thing is some margins. I joined the call a little late.

Have you put out some thoughts on how margins are going to shape up over the next few quarters given that we are in a rising rate environment?

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Yeah, I tell you, in fact, your first question was regarding PLR. So we have already effected our increase in PLR from 31st October. We have increased 0.25% based on our bookend as well as on the new disbursement. Uh, in fact, uh, you know, uh, we are competing. You know, 80% of our earlier business is in salary sector only, and we are competing with banks. Since banks have already increased that and passed on to the customer, I think it is not going to much impact on the sales. First thing. Second thing is, uh, on portfolio side, at least one-third of our portfolio, I think the rates will increase from 1st of November.

Whereas for 2/3 of our portfolio, it will be effective from 1st of January 2027. So there is enough leeway into that. Uh, as far as the competition part is concerned, I, I don't think that, uh, in that space, in the salaried space, uh, there's -- it will remain to be competitive as far as the banks are concerned. But, uh, we have taken a switch in our policy, our product mix. Uh, now we are focusing on Salaried employees. Against salaried employees, we are going for self-employed category also. We are also trying to increase our business from LAP vertical, LRD vertical, and project finance.

So this is how we want to pursue the competition as well as we have a focus on our margins. And the guidance which we have given, I think, for the year, uh, it is 2.5 to 2.6. I think we will be able to continue that. At present, last quarter it is 2.58. As against quarter-to-quarter, if you see last year, it was, uh, 2.62, I think. So we'll be able to maintain that margin.

Abhijit Tibrewal - Analyst, Motilal Oswal
Got it. And so lastly, uh, are there any big-ticket resolutions on the project loan side which are there in the pipeline? Because Earlier in the calls we used to hear that we are toying with the idea of some ARC sales as well. Some of them were in advanced stages, some of them we said it'll take time. But do you think in the second half any big-ticket project loan which is in advanced stages of resolution and you are expecting to get resolved?

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
If you see our recovery part in the Q2 I think there is no big sale through ARC or some something like that, but in spite of that, we have done more than INR563 crore recovery through retail recovery only. I think we are expanding our recovery team, we are making it stronger and taking all those steps to see. But yes, you are correct, uh, what we could not do in Q2, definitely we have 2 projects, uh, lining up with resolution through ARC. And Q2 and Q3 and Q4. I'm hopeful that those big recovery will also be affected in Q3 and Q4.

Abhijit Tibrewal - Analyst, Motilal Oswal
Got it, sir. That's all from my side, and thank you so much, and I wish you and your team the very best.

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Thank you.

Operator
Thank you. The next question is from the line of Harshit Dewani from Anso Capital. Please go ahead.

Unidentified Participant - Analyst
Hi, sir. Thank you for the opportunity. Am I audible?

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Yes,

Unidentified Participant - Analyst
I had a question on dividend policy. Our payout, the dividend payout, has been around 10% for several years, and I understand RBI norms allow us to go to maybe up to 50% payout, and stepping it up would lift our ROE and also reward shareholders. So what's the thought process behind the same, and is there a case to raise it?

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Oh, Harshad, you know, uh, yeah, so this company is giving -- if you, if you compare, uh, With the previous year. So this time we have given 500% dividend, that is INR10 per share, uh, having face value of INR2. So, uh, definitely, uh, rewarding, uh, shareholders. One way is dividend payout and other way maybe, maybe bonus or right issue at a discounted price. But other options are not, not in place right now. But we can say that, uh, just taking, uh, industry average in terms of return on equity, so we are, we are giving, we are giving almost 14%, uh, ROE, uh, on return on, return on equity.

So that is quite good if you compare with the other, other peer companies.

Unidentified Participant - Analyst
Understood. So my second question would be, what is the progress in terms of DA and co-lending initiatives in this quarter?

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Yeah, so, uh, uh, Harshad, policy for, for, for, uh, this, uh, direct assignment, or you can say, uh, securitization, we already placed before the board. It was discussed at length. Uh, board has suggested minor, uh, modifications, so I think, uh, we'll get it approved in the next board meeting, and probably in Q3 and Q4 will definitely in the market for pool purchase and direct

Unidentified Participant - Analyst
assignments okay sir [Foreign Speech] thank you

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
thank you.

Operator
Tthank you The next question is from the line of Gaurav Khandelwal from JPMorgan. Please go ahead.

Gaurav Khandelwal - Analyst, JPMorgan
Hi, good morning. Thanks for taking my questions. First question is on the yields and margin side. So sir, if I can understand better, our incremental cost cost of fund is almost down 40 basis points. The exit cost of fund of 6.91, it's almost 40 basis points below 7.29. In that context, if the cost of funds are not increasing, uh, because even if I look at your liability mix, so almost 45-50% is NCD, how were we able to increase the PLR by 25 basis points? Uh, can you explain that please?

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
So, uh, yes, Gaurav. So, you know, uh, figures are in the public domain only. So my incremental borrowing cost is 6.91. It is -- you, if you compare with the, uh, industry, so definitely it is quite lower, or somehow we could manage our incremental borrowing cost. If you compare year on year, so definitely there is a handsome reduction in my My incremental borrowing cost. As far as, uh, as far as, uh, my margins are concerned, definitely, uh, if you compare sequentially, so last quarter it was 2.58, and again we could manage at 2.58 only.

If you compare year on year, the last time it was 2.6, so there is a reduction of 4 bps. But if you, if you compare with the other peer competitors So their margins have come down by almost 10 to 20 bps. So that way we are, we are performing in a better way,

Gaurav Khandelwal - Analyst, JPMorgan
right? No, sir, but my question is, my understanding was to increase PLR we have to justify a cost of fund increase. Is that not the case?

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Uh, cost of fund, okay, cost of fund is definitely one parameter, but you know, all other players, especially banks, those who are having almost 75% market share, they already increased the lending rate by 25 bps because of this policy repo rate increase. So definitely cost is one parameter for increasing P&L, but other parameters is my margin only. So, uh, so that is why whenever we are, we are getting better margins, so, and if my market is absorbing that lending rate, so definitely we are We are increasing our prime lending rate and it will be reflecting in my margin in Q3 and Q4 onwards.

Gaurav Khandelwal - Analyst, JPMorgan
Got it, sir. And now after these changes, what would be the gap between my incremental lending rate and my backbook lending rate?

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Incremental lending rate?

Gaurav Khandelwal - Analyst, JPMorgan
Yeah.

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
incremental lending rate [Foreign Speech] already increase [Foreign Speech] earlier we we were starting at 7.15, so now we are starting at 7.40 onwards. so for every segment, whether it is IHL, non-housing individuals and project and NSE, all PLR rates were increase by 25 p

Gaurav Khandelwal - Analyst, JPMorgan
we'll get almost, uh, 25 basis points increase on back book. So we were at 8.96% right now, which basically means we'll go to 9.2% by 1st Jan. Is that a fair assumption?

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Uh, you know, my reset clause as per my loan agreements, almost one-third, one-third book is repriced, uh, Uh, on quarterly basis, uh, and 2/3 book is repriced immediately from 1st of the next month.

Gaurav Khandelwal - Analyst, JPMorgan
Right, right. So, so exactly, sir, in that case, so we are at 8.96 loan yield today, uh, when once everything is repriced in let's say 2-3 months, we get to 9.2%, but our incremental lending rate would be 7.4, which means the gap between new lending and back book is 180 basis points, which means that my spreads will continue to compress going forward. Is, is that a right assumption?

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
So 7.40 is my, my starting rate. It's not my, uh, uh, it's my -- not my average, uh, or average yield on the portfolio. So on incremental basis, my incremental basis, my average yield on the entire disbursement, it is 8.29%, and my, my cost is, uh, cost is 7.6 -- 6.91% for this quarter. So my spread is around 1.75%.

Gaurav Khandelwal - Analyst, JPMorgan
Okay, okay. So 8.29%, 8.29% is the average disbursement rates, right? And, uh, on cost of funds, so can you, uh, you give us some visibility on, let's say, over the next 3-4 quarters, how much would your cost of fund change by given the 25 basis points rate hike that we've already seen?

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Yeah, yeah. So, uh, looking to my borrowing structure, almost, uh, 32 to 35% borrowing is from banks. Those were repriced or based on EBLR, repo, especially repo link. So probably impact of repricing of my borrowing bank borrowings, it would be around 10 bps by end of the year.

Gaurav Khandelwal - Analyst, JPMorgan
Okay, okay, and got it, that's clear. Thanks. And just one more question, and you already alluded to it in part. So when I look at the disbursement data to self-employed, that number was about 12% in first quarter, second quarter we've gone up to 17%. Is that a conscious strategy that you are adapting to increase your shift towards more self-employed? Number one. Number two, how much, uh, is the yield differential for a self-employed loan versus a salaried loan?

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
So, Gaurav, actually self-employed, uh, even MD sir was saying that We have shifted our focus from, uh, IHL, that is a prime salary class segment, to non-housing individuals, that is LAP and LRD to individuals. Actually, that segment is giving better yield, and the difference would be around 150 to 200 bps if you compare with the ELO and IHL portfolio.

Lokesh Mundhra - Chief Financial Officer, LIC Housing Finance Limited
In fact, this is a conscious shift we have taken. We are taking diversify our portfolio mix. At the same time Actually, since most of the competition is from the salary class, and that is we are getting it from banks, so we are trying to keep ourselves, uh, you know, aloof from that, trying to avoid that. And that is why we are focusing on the self-employed, where the yield comes to around 9.15% as against 7.40% we normally pass into the salary class. So I think there is a differential of around 2.1 point, uh, 1.8 to 1.7, something like this.

Gaurav Khandelwal - Analyst, JPMorgan
Got it, sir. And maybe if I can squeeze in one more, the final question on competition with -- and this is almost a month that we've seen, one month has passed after the rate hikes. Are you seeing on the prime-mortgage segment any increase in competition levels by PSUs or private banks? The competition was already elevated to begin with, But do you think has that worsened in the last, uh, 2

weeks, 3 weeks post the rate hike, or not really?

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Okay, I can only say that, uh, you know, banks have increased the rates immediately, but we are increasing rates from 31st of October. So probably we are to that extent not affected during the last month.

Gaurav Khandelwal - Analyst, JPMorgan
Got it. Okay, thank you. Those were all my questions. Very helpful.

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
maintain the growth effective.

Gaurav Khandelwal - Analyst, JPMorgan
thank you.

Operator
Thank you. [Operator Instructions] T he next question is from the line of Sanket Chedda from DAM Capital. Please go ahead.

Sanket Chheda - Analyst, DAM Capital
Yeah hi sir. just Since we have a higher share of NCDs on the cost of funds side and almost the entire book on floating on the asset side, isn't it fair to assume that our cost of funds inch up would be slower than the yield inch up from here on? And hence, from here on, margin should likely be steady if not inch up. But that's my first question. I'll ask the next one after you answer this.

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Yeah, thank you. So definitely because of parentage advantage, LIC, we are getting raising funds at a lower rate. Definitely if you compare with other AAA-rated companies, our borrowing cost is comparatively less. So, uh, my total borrowing, my cumulative borrowing cost is 7.29%. Uh, and, uh, and you know, last year, uh, as it, as a strategy, we have borrowed almost 82% money from banks only. So that banks borrowing is giving comfort. My, my cumulative borrowing cost on banks borrowing is 6.93% as on date.

So still it is below 7%. If you compare with the market conditions, you know, the policy rate rates, uh, even 10-year G-Sec rate has gone up to 7.49%. Uh, today only it is around 7.36%. So that way, uh, our cost of borrowing is very good, uh, and, uh, and definitely, uh, margins, uh, would be intact, or we'll be able to maintain our, uh, NIM margins, uh, what we have committed, uh, in the previous quarter. And now again, we are committing the same conservative view. That our margin would be between somewhere 2.5 to 2.6.

That is a conservative outlook.

Sanket Chheda - Analyst, DAM Capital
And, uh, on, uh, growth, we alluded that the disbursement growth would be 12 to 14%, uh, but we have not given a number on the, uh, EUM growth that we would foresee. Uh, now for, for I think a couple of years due to rising interest rate cycle, these disbursements have been really a range-bound, uh, number. So, uh, do we expect, uh, this 12%, 14%, 15% disbursement growth to continue, uh, for 2-3 years? And thereby, uh, would you, would you, uh, like to, uh, give us a, uh, give us some sense that when do we see 10-12% AUM growth possible?

Maybe next year, and so in FY29, what do you see that as a leader? Do you aspire to, say, take this growth higher now in future? The growth has remained there. So would you be happy with this five percent growth or you you intend to or aspire to say deliver the higher growth from here on?

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Yeah, thank you. Yeah. So the first stage is this percent growth. Disbursement side, the company started growing at a decent rate, last quarter to around 15% and this quarter again to around 12%. So definitely, nearer disbursement growth would be better, so it will be reflected in AUM growth only. You know my AUM size is 8 to 10%. So we are moving in that direction only. But predominantly, this company is basically, uh, uh, uh, individual housing in the prime segment, that is salaried class. If you compare my market share, uh, as per the data released by National Housing Bank, uh, still we are, we are holding market share of almost 27% in terms of disbursement and almost 40% market share in terms of my portfolio size.

So definitely we are moving in the right direction and we are hopeful that the company will reflect a decent growth on AUM by end of the year.

Sanket Chheda - Analyst, DAM Capital
Sure, sir. Thanks.

Operator
Thank you. The next question is from the line of Chintan Shah from Citigroup. Please go ahead.

Chintan Shah - Analyst, Citigroup
Uh, yeah, so thank you for the opportunity. Uh, so firstly, on the cost of funds towards the banks, which you alluded that it might increase by 10 bps by the end of the year. So if I look at the PPT numbers, so bank or NSB weighted average cost was 6.85 in Q1, which has increased to 6.92 already in Q2. So the 10 bps will be over and above this Q2 number. So that's the first question. And secondly, on the CP cost, actually we have almost seen a decline of 1 bps on a sequential basis from 7.2 to 6.9.

So, uh, anything to read here? Yeah, that's the first question.

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
So, uh, yes, Mr. Shah. So NHB, you know, if you compare the figure of my outstanding borrowing from NHB, it was around INR10,000 crore last year. So it has gone up to almost INR25,000 crore. So my average borrowing cost from NHB is 6.91. So, uh, it is almost, uh, if you compare with the market rates, at 6.91 is a very good rate. Uh, but this year, uh, this year in affordable segment, uh, almost, uh, we are getting a refinance of almost 25 to 30% from NHP, and the remaining, uh, we are getting at 7.75.

So my blended rate is around 6.91. CP, again, CP, my, my CP, uh, as on 30th September, it is around INR12,000 crore and average cost is 6.69%. So during this quarter, in, in an initial, initial days of this quarter, we could borrow money from the market at a very decent rate. It was around 6% or around 6 or 6.10%. So that is why my borrowing cost through CP is 0.69% as on 30th September.

Chintan Shah - Analyst, Citigroup
Okay, sure, thank you. And sir, so on the recovery front, now coming to the recovery, so we have seen kind of negative credit cost for the first 2 quarters. And so now anything specifically, and we already highlighted the 2 more corporate projects are also in pipeline, so should we assume a

negative credit cost for the overall FY27 as well?

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Oh, Shah, every quarter it should be negative. It's difficult to say, but we are, we are expecting that my, my credit cost would be around 8 to 10 bps by end of the year. And, uh, you know, my PCR is around 48%. Uh, so, uh, for this quarter it was negative by 3 bps. By end of the year we are expecting somewhere around 8 to 10 bps.

Chintan Shah - Analyst, Citigroup
Okay, sure. And okay, and so lastly on the AUM growth, so basically disbursements, as you already mentioned, they were quite strong at 20% sequential growth, but also it is not translating into AUM growth despite the stable repayment rates at all. So what actually kind of needs to -- what kind of disbursement growth should come up or what kind of repayment growth should we be looking at to get to the desired 10% to 12% AUM growth?

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
[Foreign Speech] strategies you have to we have to focus on disbursement growth so now company started doing doing showing a good growth of 10 to 20 percent we are targeting around double-digit growth, even around 15 percent growth we are targeting for this year definitely it So its impact is not bad or reflecting equal impact in AUM growth. So we are hopeful that by end of the year, company will show a decent growth in AUM also.

Lokesh Mundhra - Chief Financial Officer, LIC Housing Finance Limited
Apart from that, I would like to say that this year we are trying to implement our, you know, institutional rewriting framework. You know, you know, we, we expect that some of the customers may be trying to, uh, BT out. They will try to BT out. We have developed an institutional framework for rewriting. And I think that the results of that may be forthcoming in this quarter as well as before.

Chintan Shah - Analyst, Citigroup
So, and lastly, sir, one question if I could squeeze in. Uh, yeah, hello?

Lokesh Mundhra - Chief Financial Officer, LIC Housing Finance Limited
Yes, yes,

Chintan Shah - Analyst, Citigroup
yeah. So, sir, the one last question. Yeah, yeah. So on the affordable housing piece, I think we had mentioned a few quarters ago that we would be looking to ramp up on this segment. Also, any update, anything you want to update here in terms of like you having highlighted that we'll be reaching a goalpost of INR1,000 crores of AUM? And so any timelines or anything to update here on the affordable housing piece?

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Yeah, that segment is definitely lucrative in terms of yield, but that segment is risky. We have affordable housing, uh, uh, segment, and but portfolio is if you compare with my total aim, it is negligible. So as such, we have not, uh, not created a separate team for affordable housing loan segment, but, uh, definitely we are moving in the same direction. And, uh, though it's a lucrative in terms of yield, but on the other side it's a very risky segment. Some of the companies are definitely, they are more in affordable segment.

But my core strength is, uh, that is, uh, prime segment, because that segment is comparatively lesser risky and, uh, giving, uh, better returns, uh, and steady returns. So our focus is on, uh, what company is traditionally doing for last so many years. But this year we have changed our strategy in terms of better yield. So this year we are, we are focusing on non-housing segment, that is the LAP and LRD. Especially to individual segment. And again, we started focusing on project finance, so that project finance is again showing a good growth of 49%, uh, quarter on quarter.

So that is a good sign for the company's growth.

Chintan Shah - Analyst, Citigroup
Okay, uh, thank you, and, uh, thank you so much for answering all my questions. Yeah, and all the best.

Operator
Yeah, thank you. The next question is from the line of Vipul Kumar Shah from Sumangal Investments. Please go ahead.

Vipul Kumar Shah - Analyst, Sumangal Investments
Hi sir, I am an individual investor, so my question relates to our renewed focus on project finance where our past experience is not very good. We have very high NPAs and the cases are still continuing. So, uh, so what we are going to do different this time so that we don't have the same type of result?

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Yeah, actually, you see, we have taken a different strategy this time. Earlier, we used to focus only on the big-ticket size project financing, maybe INR500 crore, INR400 crore, INR600 crore. This time, our strategy from the beginning of the year, we have taken a stance that apart from the big, we should also start looking at small-ticket size project financing. And where I find the Maximum growth in the housing today is coming from the traction in the -- our Tier 2, Tier 3, and Tier 4 cities. So we have set up mechanisms in our regional offices to see that we start getting proposals for the project finance to, uh, with the range of INR50 to INR100 crore.

And we are getting a lot of inquiries from Tier 2, Tier 3 cities. We have become very selective, very choosy. It is not like that, that whatever is coming, we are accepting And we are mindful of the, the NPAs which have been generated during the last few years. We are trying to resolve that also at the same time. But our strategy is to move this project, uh, cycle in a big way, but, uh, by learning, uh, I mean, from the past mistakes we have done, at the same time exploring new markets where we were earlier not present.

Vipul Kumar Shah - Analyst, Sumangal Investments
So what is the yield we are offering, uh, to the, this small ticket size, uh, builders And what is the security cover in terms of percentage? We are, uh,

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
yeah, Mr. Shah. So definitely what MD has said, that we have -- we are very selective, uh, whenever we are, uh, financing any project. So for bigger loans, we have taken a minimum benchmark of external credit rating, that is BBB. And, uh, and security coverage is 1.75 times. So you are, you are initially saying that our experience was not so good in this segment. So you are, you are very right, we already burned our fingers. But this time, uh, this time we have, we have tightened our

underwriting parameters and we are taking a very calculated call, uh, for financial, uh, project finance cases.

And we are hopeful that, uh, in this segment -- this segment is good and, uh, it is yielding almost 10% plus. If you compare with the IHL segment, this project finance segment is giving you better returns and it is more than 10%.

Vipul Kumar Shah - Analyst, Sumangal Investments
So for, for a BBB developer, you are giving rates at, uh, loans at just 10%?

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Yeah, so it depends on the many, many underwriting parameters. The AAA+ is the minimum benchmark. That is the minimum benchmark. And it depends if the -- suppose, uh, rating is AA+ or AA, so definitely my, my lending rate would be, uh -- normally we are following the market rates, uh, what other, other financial institutions like banks are offering. So we are matching our rates, uh, with the other, uh, other lending But on an average, the segment is giving you 10% plus yield on the entire, entire project portfolio.

Or more precisely, it is around 10.62% as on 30th September '26.

Vipul Kumar Shah - Analyst, Sumangal Investments
Okay, sir, thank you and all the best.

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Thank you very much.

Operator
Thank you. [Operator Instructions] The next question is from the line of Ayush, an individual investor. Please go ahead.

Ayush - Analyst
Good morning. My question is a follow-up regarding the dividend policy. We are at around 14-15% ROE, upwards of 25% capital adequacy, and single-digit AUM growth rate. Over the next couple of years, at the current rate, our capital adequacy will cross around 27%. Now when RBI is allowing us to give up to 50% of annual profit as dividends, why don't we tweak our policy? Because despite having 15% ROE and LIC parentage, we are trading at 0.6 times book. That is the lowest amongst all HFCs. Everyone trades at least at double our valuation.

So even if we give the maximum permissible dividend over the next 2 years, our capital adequacy ratio remains around the current levels, and even the gearing ratio only increases marginally. So why don't the senior management and the board have a serious discussion about this? Because trading at a 40% discount to book value is extremely punitive to all the shareholders.

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Uh, yes, I will show, you know, uh, uh, my, my capital adequacy ratio is far above the required of 15%, that is 25.48%. So we can consider -- so again, uh, this year again we have, uh, we have declared a dividend of 500%, that is in terms of amount is INR10 per share. So, uh, definitely whenever time comes, definitely we'll, we'll find out the other options, uh, to rewarding my, my shareholders. So as of now, uh, as of now, there is no, uh, no matter to be discussed regarding other, other, other ways of, uh, payouts to shareholders.

But definitely, uh, in the board meeting last time also it was discussed in the board meeting. So I will take a call at the appropriate time.

Ayush - Analyst
So it's, um, It's, it's been more than 5 years since, uh, we've been trading at these steep discounts. And despite the 500% that you're seeing on a INR2 face value, that barely moves the needle on a stock that has an INR850 book value. So I think looking at it in terms of a percentage of the face value is the wrong metric. Now even if you get to 7-8% asset growth and with the way your risk weight, uh, is on the asset, you will still not need more than, uh, uh, 40-45% of the profits as retained earnings even to maintain these levels.

So you should, you should, uh, commit to the shareholders that you will take steps to at least bring the book value up to par because 0.6 is unheard of. Like PNB Housing is trading at 1.4 times. So you have a pseudo-sovereign rating, and despite that, we are trading at such steep discounts. I, I don't know why other shareholders are not speaking up on this matter.

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
So, Ayush, uh, you are very right. The stock is highly undervalued. It's trading around, uh, 0.65, that is a price-to-book value multiple. So prices are definitely market-driven only. Uh, company's role is to perform only. So companies performing, target performing, they are showing a good disbursement growth. Other, other, other things what you are saying, uh, how to reward my shareholders, definitely, uh, we'll discuss all other options available, uh, in the next board meeting. If board approves, definitely will come out with the, uh, really nice, uh, you can say, uh, dividend.

Either dividend should be better or We'll offer some other options.

Ayush - Analyst
Okay, thank you very much.

Operator
Thank you. The last question is from the line of Karan Singh, an individual investor. Please go ahead.

Karan Singh - Analyst
Hi, good morning. So actually my question was on the same thing that the previous participant --

Operator
Sorry to interrupt, Mr. Singh. May we request you move a bit closer to the microphone?

Karan Singh - Analyst
Sorry, am I -- Is it better now?

Operator
Yeah, please go ahead.

Karan Singh - Analyst
Yeah, so my question is along the lines of what the previous participant alluded to, and I think, uh, a lot of people have spoken about this. Um, and what I'd just like to pass on is, you know, looking at dividend on face value and then saying the bonus is a capital allocation, I think is -- I don't think the board and the management is giving it due consideration in terms of minority shareholders, and this message should be passed on fairly seriously. Because you have to look at capital requirements as a

basis of, uh, as a percent of what is required.

And I don't think, uh, that is being handled, uh, and I just want to highlight that. So I think the previous participant covered it very well, and I hope this gets covered in the next board meeting. And at least there's a clear policy, because earlier you should pay out 18 to 20% of profits as dividend. Looking at it as percentage of face value, whether it's 50, 100, really doesn't make any difference. So one is that. Second is there was a question on the exposure to the Z Group promoter. What is the outstanding gross and net on the books?

Because that number was not mentioned.

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Yeah, what was your last question? Outstanding cost

Karan Singh - Analyst
for the -- not the cost, the exposure to the -- to Dr. Subhash Chandra's group, the gross and net on the books, because it was mentioned that there is something. So what is the gross and the net? I understand you have cover for it, but what is the gross and net on your books today?

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
So I can say one thing only, uh, uh, there are 2 loan accounts in that group. Uh, one loan account is 100% provided, and second one, I think 75% we already provided. And, uh, the total outstanding amount, it is around INR1,365 crores, uh, including, uh, including interest and other things. But, uh, my principal outstanding is quite below and we are sufficiently covered. We have 2 good properties in South Mumbai and the value of those 2 properties, uh, quite sufficient to recover my outstanding dues.

But I think I

Karan Singh - Analyst
got that, I got that one of them is 100% covered, so I'm guessing that's not -- is it, is it technically written off? So does it come as loss NPA? No,

Lokesh Mundhra - Chief Financial Officer, LIC Housing Finance Limited
no, no, no, it's technically written off. It is in the books appearing as my non-performing asset.

Karan Singh - Analyst
So both the total 1,300 is appearing as non-performing and the provision against that is, uh, also reflected.

Lokesh Mundhra - Chief Financial Officer, LIC Housing Finance Limited
It is in one case it is 100%, the other, other cases is 75%.

Karan Singh - Analyst
So what is the net NPA towards this group? That's basically the unprovided part.

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Figure, that figure I, I don't have right now, but it is sufficiently -- we have already provided.

Karan Singh - Analyst
Okay. And on the dividend, you know, just I would appreciate if you start looking beyond the

Percentage on face value, and I would just say bonus is good. But bonus, if it becomes a proxy for paying a higher dividend, is good. But otherwise, it really is a shift from reserves to equity. So it really doesn't matter. We have

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
taken your suggestion. Yeah.

Karan Singh - Analyst
Thank you.

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Thank you.

Operator
Thank you, ladies and gentlemen. That was the last question for today, and now I would like to hand over the conference to the management for closing comments.

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Yes, I, I thank all my investors on the call and all my analysts for having trusted us in past and at present and future also. I wish them a very happy Deepavali. I think this is around the festival we should celebrate, and, uh, definitely this quarter and the next quarter will also be very celebrating to all our investors. Thank you. Thank you very much.

Operator
[Operator Closing Remarks]

Sandeep Kumar - Managing Director & Chief Executive Officer, LIC Housing Finance Limited
Thank you, everybody, and wish you happy Diwali.