

04th November, 2025

The Manager, Listing Department, National Stock Exchange of India Ltd., Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051 Scrip ID: LICHSGFIN EQ Email: cm1ist@nse.co.in	The General Manager, Department of Corporate Services-Listing Dept., BSE Limited, 25 th Floor, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. Scrip Code : 500253 Email: corp.relations@bseindia.com
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Dear Sir/Madam,

Re:- Disclosure in terms of Regulation 46 (2) (oa) of SEBI (LODR) regulations, 2015 pertaining to the uploading of the Audio or video recordings and transcripts of post earnings calls on the website of the Company.

With respect to the captioned subject the Conference Call Transcript for Q2 FY2025-26, which transpired during a conference call convened for investors and analysts on Thursday, 30th October, 2025 at 11:30 AM IST , to discuss the unaudited financial results for the quarter ended 30th September, 2025, has been uploaded on the website of the Company namely www.lichousing.com.

The respective Link for accessing the said material is as given below:

Transcript of the Call:- <https://www.lichousing.com/investors/concall-transcript>

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,

For LIC Housing Finance Limited



Varsha Hardasani

Company Secretary and Compliance Officer



“LIC Housing Finance Limited Q2 FY '26 Investors Conference Call”

October 30, 2025



MANAGEMENT: **MR. TRIBHUWAN ADHIKARI – MANAGING DIRECTOR
AND CHIEF EXECUTIVE OFFICER – LIC HOUSING
FINANCE LIMITED**
**MR. LOKESH MUNDHRA – CHIEF FINANCIAL OFFICER
– LIC HOUSING FINANCE LIMITED**

MODERATOR: **MR. PRAVEEN AGARWAL – AXIS CAPITAL LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to LIC Housing Finance Q2 FY '26 Investors Conference Call hosted by Axis Capital Limited.

This conference may contain forward-looking statements about the company which are based on the beliefs, opinions, and expectations of the company as on date of this call. These statements are not the guarantees of future performance and involve risk and uncertainties that are difficult to predict.

As a reminder, all participants' lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '*' then '0' on your touchtone phone. Please note that this conference is being recorded.

Now, I hand the conference over to Mr. Praveen Agarwal from Axis Capital Limited. Thank you, and over to you, sir.

Praveen Agarwal: Thank you, Swapnali. Good day, everyone, and welcome to this Earnings Call of LIC Housing Finance.

Today with us we have the management team led by Mr. Tribhuwan Adhikari – MD and CEO. Along with him, we have Mr. Lokesh Mundhra – CFO, to discuss the initial results, post which we will open the floor for Q&A.

I would request Mr. Adhikari to share his initial remarks. Over to you, sir.

Tribhuwan Adhikari: Thank you, Praveen. A very good morning to all of you friends and welcome to the post Earnings Conference Call of LIC Housing Finance Limited for Q2. As you are aware, we declared our Q2 financial results yesterday after the Board meeting.

Before I start with the highlights of Q2 Results, a brief outline of some of the developments in the economy over the last quarter:

The RBI, as in the October meeting, kept the repo rates unchanged at 5.5% and retained a neutral stance while upgrading growth projections, a signal that the monetary conditions are stable and supportive of credit growth.

Retail inflation has moderated sharply with the CPI printing at a multi-year low in recent months, which reinforces the RBI room to remain accommodative.

On the housing front:

We have witnessed a good resilient demand in Q2 as compared to Q1, which was slightly muted. For this, it translates into an environment of sustained demand and improved asset quality

dynamics and good opportunities to grow the market share while maintaining credit discipline in Q3 and Q4, which are traditionally the strong quarters for the company.

With that as an overview, I would like to share the key financial highlights for the quarter:

Total revenue from operations were at Rs. 7,163 crores against Rs. 6,926 crores for the corresponding quarter of the previous year, up by 3%. Outstanding loan portfolio stood at Rs. 3,11,816 crores at the end of the quarter as against Rs. 2,94,588 crores as on the same period last year, reflecting a growth of 6%. Out of this, the individual housing loan portfolio stood at Rs. 2,64,096 crore as against Rs. 2,50,879 crores, up by 5%. The housing loan portfolio incidentally constitutes 85% of the total portfolio.

Total disbursements for the quarter were at Rs. 16,313 crores as against Rs. 16,476 crores for the corresponding period. Out of this, disbursements in the individual home loan segment were Rs. 13,490 crores as against Rs. 13,051 crore, up by 3% Y-o-Y. Sequentially, the disbursements were up by 24% as against the Q1 number of Rs. 13,116 crores.

Disbursements in the project loans were muted at Rs. 378 crores as against Rs. 1,397 crore for the same period of the previous year. The overall project loan portfolio now stands at about 3% of the overall portfolio. We continue to be cautious and selective in our approach in this segment.

Net interest income stood at Rs. 2,038 crores as against Rs. 1,974 crores for the same period in the previous year and Rs. 2,066 crores for Q1 of Financial Year '26. Net interest margins for Q2 Financial Year '26 stood at 2.62% as against 2.71% of Q2 of FY '25 and 2.68% of FY '26.

PBT, profit before tax, for the quarter was at Rs. 1,704.71 crores as against Rs. 1,664.36 crores in Q2 of Financial Year '25, a growth of 2% as compared to Q1. The PBT recorded an increase of 0.32% from Rs. 1,699.16 crores to Rs. 1,704.71 crores. Profit after tax for the quarter stood at Rs. 1,353.87 crores as against Rs. 1,328.89 crores for the same period in the previous year, a growth of 2%.

In terms of asset quality, Stage-3 exposure at default as on 30th September 2025 stood at 2.51% as against 3.06% as on September 30th of last year. Total provisions as of 30th September of current year stood at Rs. 5,074 crores reflecting a provision coverage ratio of above 53% as against a provision coverage ratio of 49% as of at the end of the quarter last year.

A technical write-off of Rs. 133 crores has been made during the quarter. These loans were all carrying 100% provision. Also, there was a recovery from written-off loans to the tune of Rs. 83 crores. In the coming months and quarters, we expect the asset quality to improve further and this trend to continue.

On the funding side, the cost of funds stood at 7.42% as on 30th September of the current fiscal as compared to 7.73% as on 30th September last year and 7.50% as on 30th June of last year, a decline of 8 basis points sequentially against the entire borrowing pool of Rs. 2.72 lakh crores.

Incremental cost-of-funds stood at 6.73% for Q2 FY '26 as against 7.71% for the corresponding period last year and 6.97% for Q1 of the current fiscal, that is a decline of 24% sequentially in the incremental cost.

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

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Mahrukh Adajania from Nomura. Please go ahead.

Mahrukh Adajania: Sir, I just had a few questions. Firstly, on growth, right? So, our growth is flat Q-o-Q when in general seasonality should be better this quarter. And the repayment in core retail also looks on the higher side. So, possibly, there are BT out. How do we plug that? How do we accelerate growth from here on? Because it is just stuck on a year-on-year basis also in that single-digit range. So, how do we view growth going forward? That is the first question, especially even in core retail. I am not even talking about developer or LAP.

Tribhuwan Adhikari: Is that the only question, Mahrukh?

Mahrukh Adajania: No, I have one more, sir. Also, in terms of credit costs, so now we see them settling in this 20, 22 basis points range. Is that the right way to look at it? Of course, and if and when recoveries come, then that is an additional upside. So, will it be in that range, the credit cost, or would it be slightly higher or lower?

Tribhuwan Adhikari: Fine, Mahrukh. I will take your first question on growth. Yes, I do agree that the growth has been, I would say, flat. As you said, we are just showing growth of 5%, 6% Y-on-Y and Q-on-Q also there is not too much of a growth. Yes, you are right. The growth, to some extent, has been hit by BT during this second quarter.

If I take on Q2, the BT has been to the tune of Rs. 4,014 crores against a normal run rate of about Rs. 2,000 crores in a quarter, right? In Q1, it was Rs. 2,195 crores. So, there was a slight pressure on BT largely because of, I would say, the rates the banks are, and in case of a BT, what usually happens when a person goes out, he gets the new, what we call the normal lending rate which is available, which is roughly, which starts from 7.50% by and large in the industry. So, that was one of the reasons.

Yes, we were aware of this. We were waiting and watching what would be the impact. And this Rs. 4,000 crores of BT out in the quarter did sort of take away about Rs. 2,000 crores of business from our loan book. So, had we decided to lower our, what we call, rewriting rates, we could have probably saved on those Rs. 2,000 crores.

But then again, as I said in the beginning of the year, this year is going to be a year of challenges in the sense of balancing growth with the spreads and the NIMs. So, we did, I would say, decide not to be very aggressive on reducing rates as a result of it, which probably took a good hit.

But we have done it now very recently. We have reduced our rewriting rates to some extent and we are hopeful that this BT challenge is now over. The BT challenge is now over. As witnessed in the month of October of Q3, the BT is at lower levels as compared to July, August, and September of Q1. So, the BT challenge is over. Yes.

The other part is, of course, we have to grow the disbursements. The disbursements though quarter-on-quarter have grown by about 24%, but year on year the disbursements are up just by 3%. But again, the quarter-on-quarter growth of 24% gives us hope that we will do much better in Q3 and Q4. And traditionally for LICHFL, Q3 and Q4 have been the most productive quarters when compared to Q1 and Q2.

So, we had in the beginning of the year given you a guidance of about 10% growth, both in disbursements as well as the book. We right now stand at 6%. So, we are hopeful that the green shoots we see in the increase in disbursements from Q1 and Q2 will continue further, accelerate further, and probably by the end of the year we will be closer to the guided figure of double-digit growth.

As regards credit cost, yes, in the beginning of the year we had given a guidance of keeping credit costs within 15 basis points. Right now, in Q1 it was 6 basis points. In Q2 it was 5 basis points. So, together, 11 basis points. But if you see, though our asset quality has been improving, we have been making a slightly higher provision.

Our PCR currently stands at 53% whereas at the end of last year it was at 49%. In the last quarter it was 51%. And that is partly because let me call it the principle or let me say the, what we call is, we have something called the management overlay. Though traditionally it means it is at the discretion of the management to decide how much to provide and how much not to provide, but here in this company we have formulated this, or we have had a written down six-point formula on what are the management overlays we are going to provide for.

So, there is not too much of, I would say, management discretion on that. And because of that, some of the stressed loans which are outstanding for a longer period of time, even though as per the ECL we did not require to provide for them, but as per the formula we have fixed for ourselves, we have to provide for a little bit more. So, the management overlay has been additionally provided in the quarter, which has resulted in a better PCR or a bigger PCR by an increase in the PCR by 2%. So, probably, that was one of the reasons why our credit cost appears to be slightly higher.

But going forward, I believe we have made whatever provisions are required to be made. The asset quality is improving quarter-on-quarter. A lot of efforts have been taking place to get these recoveries, especially the legacy loans which form a major portion of our Stage-3 portfolio, to get these resolved either through legal methods SARFAESI or through the NCLT or through the DRTs and also through conciliation, negotiation, and settlement.

We expect in the remaining two quarters, Q3 and Q4, at least three big loans to be settled. They are very close to resolution and almost literally I would say the final stages of resolution, the final small formalities and modalities need to be worked out. So, going forward, I am pretty sure the, I would say, credit costs would be further reduced, and I think we would be able to achieve the guided range of 50 basis points, which we had alluded to in the beginning of the year.

Mahrukh Adajania: Sir, but what is the new rewriting rate now that you adopted now?

Tribhuwan Adhikari: Well, it is the lending rate plus 50 basis points, by and large. By and large.

Mahrukh Adajania: So, what would it be?

Tribhuwan Adhikari: The lending rate is about 7.50% So, 50 basis points would mean closer to 8 % subject to CIBIL score.

Mahrukh Adajania: Okay. So, there is still a difference with banks, but it is lower than earlier. So, it is helping business. That's correct.

Tribhuwan Adhikari: Yes, it will help BT out. It will help in containing and reducing BT out. Yes, of course, see, we are at a very peculiar situation. The portfolio we deal in and the segments we deal in are exactly the same ones which banks are lending to. And banks, since everything is repo rate dependent and banks are very aggressive also, they are rewriting, for them any BT in gets written at the normal lending rate of approximately around 7.5%, 7.6%.

It will be difficult for us to match that. We cannot go so far low. But yes, we have taken a conscious call that yes, so we need to be competitive. We need to somewhat put the brakes on the BT out which were slightly at elevated levels in Q2, and the October results tell us that yes, I think we have been successful. We are now back to normal.

Moderator: The next question comes from the line of Renish from ICICI Bank. Please go ahead.

Renish: Just two things from my side. One, on the NIM. So, from last two quarters we saw a significant reduction in incremental cost of borrowing, and I do understand that it will not reflect in NIM immediately. But just wanted to check, when do you see the book cost coming down materially and drive NIM higher? And also does your PLR directly link to your book cost? In that case, NIM will structurally remain low as the moment your book cost comes down, next quarter you

have to adjust your PLR, which will result in asset yield compression. So, how do you see the NIM trajectory in near term, say next four to six quarters?

Tribhuvan Adhikari:

Yes, right now the NIMs are at 2.62% for the quarter, right? And beginning of the year, we have given the guidance that NIMs would be in the range of 2.6% to 2.8%. As regards the transmission of the lowering of the PLR, we lowered the PLR in the end of April month, 1/3 of my book. That means out of 15 lakh loan portfolio, number of loans, 15 lakh loans were on monthly reset. So, they got reset from the 1st of May itself.

The rest 2/3, that means 10 lakh loans, got reset from the first day of the next quarter because they were on quarterly reset. So, the entire reset on these 10 lakh loans happened on the 1st of July. So, the full impact of the PLR reduction was felt in Quarter 2 because the reset happened from the 1st of July on the remaining 2/3 of the portfolio.

So, I think as far as the reset is concerned, all loans have been reset. There are no further resets which are going to take place. So, I believe this 2.62% NIM which we are seeing at the end of Q2 is the bottom that we have seen. I do not see any reason why there should be any compression on NIMs any further.

Going further as the cost of borrowing decreases, now as far as the cost of borrowing is concerned, my borrowing book of Rs. 2,70,000 crores is divided into two parts. 53% of my book, the borrowing is at fixed cost in the form of NCDs. So, that is not going to get replaced. That will only happen when the NCDs go out of my books 43% of my book is linked to the repo, which are basically bank borrowings where I do get the benefit of reduced repo rates.

So, this, I would say, a compression in the cost of borrowing, part of it has come into Q2 and some, a little bit more will be transmitted in Q3. So, we can expect the incremental and the cumulative cost of borrowing. Incremental cost of borrowing right now stands at 6.85% and the cumulative cost of borrowing stands at 7.42%. We expect, of course, there has been a compression, but we expect it to compress a little bit more further, probably by 5 or 6 basis points further in Q3. So, that will also translate into a better NIM, I would say, in adding to the NIM.

So, going forward, I believe the NIMs, the range which we had given 2.6% to 2.8%, we shall be maintaining it. 2.62%, I believe, is the bottom of the curve which we are experiencing right now at the end of Q2. Going forward, I expect the NIMs to improve slightly.

Lokesh Mundhra:

Yes, Renish, Lokesh Mundhra, CFO. I just want to add something more. So, last quarter as on 30th June, our cumulative cost of borrowing was 7.50%. Now it has come down to 7.42%. So, there is a reduction of almost 8 bps point. If you compare on a quarterly basis, for the last quarter, incremental cost of borrowing was 6.9% which has come down to 6.73%. So, there is a reduction of 24 bps and this year almost Rs. 15,000 crores, Rs. 14,000 crores to Rs. 15,000 crores, NCDs

are going to be repriced by end of March. So, we are expecting the 10 to 12 bps further cut in our cumulative cost of borrowing.

Renish: Just to follow up on that, I mean, the moment your cost of borrowing comes down, how often you sort of reassess the PLR rate? Is it quarterly, 6 monthly? How is it?

Lokesh Mundhra: Review is on a periodical basis. Our PLR is repriced based on our cost of borrowing and other factors.

Tribhuwan Adhikari: Quarterly.

Lokesh Mundhra: Or quarterly basis we review it.

Renish: On quarterly basis, you said?

Lokesh Mundhra: We review it on a quarterly basis, and PLR after reviewing if the cut is required, and it all depends on the cost of borrowing and other factors.

Renish: My second question is again on the growth side. So, honestly, our growth is one of the lowest in prime housing despite such a strong brand and competitive pricing. And also, I am just referring to your Slide #12, wherein the ticket size is increasing and however, even growth continue to remain low single-digit, which means login must have been lower in the recent past. So, what are the plans to accelerate login and eventually clear the disbursements? And also, do you feel is there any need for a structural change? We are doing a business considering the increased competition. Do you feel there should be any incentive or a branch structure as to change to excel in this process?

Tribhuwan Adhikari: Yes, Renish, coming to growth, yes, that is, I believe, the biggest point of worry for us as management also. As a company, I think we have stagnated over quarters, but I believe over the last few years the kind of growth we envisaged or thought about have not come about. Yes, there is a lot of soul searching going on within the company. What do we do? What do we do with the distribution model? Is there something done in the distribution model? Is there something to do with the structure of the company?

And towards that, the Board has guided us or the Board has asked us to go in for a comprehensive relook at the entire structuring of the company in terms of offices, the locations, also in terms of the distribution channels and what we need to do. And we are right now in the process of boarding a consultant for this process.

So, probably three to six months we will be going through this entire exercise in conjunction with the Board and having a look at the overall picture and seeing what are the areas which are holding us back, which are the areas where we need some restructuring, some change, some slight tweaking or a major rehaul overall. So, that is a process we are going through.

For the current financial year, if you may ask me, two areas, two issues which we need to address directly. See, we are a company which is overly dependent on agency business, right? About almost 87% of my business is through agents, as you know, these are not ID agents in the sense they are not tied to our company alone. They are freelancers and they do business with other companies and other lending institutions.

So, the question is how do we sort of get more business out of them or rather how do we increase their productivity, how do we make sure that the businesses which they are diverting to other companies comes to us and this and that? That would include, of course, one is the, and the cost factor and the rates. And of course, the other part of it is the tax and various other formalities which are also associated with it. So, that we are doing.

And the other part of it, we are also trying to develop an alternate channel. In fact, we are working on two alternate channels. One is the lead business. This was a business which we were not very much focused on. We started off last year and the whole of last year we did about Rs. 800 crores of business through this channel. This is a direct business channel. We get leads through various sources, online and offline. Now these lines are funneled or aggregated together and pushed down the chain to our operating officers who then follow up on these leads and convert them into business.

Last year we did Rs. 800 crores through this channel as we call it. This year we have already crossed Rs. 750 crores in H1 which augurs well for us. Target for this year is Rs. 2,000 crores through the lead channel. So, this is another channel which we had to nurture and we see a lot of potential and scope in this channel. It helps me also because it reduces my cost also because I don't have to pay commission to the agents. This is so cost neutral channel. So, that's one.

And the other, we also have a subsidiary called LICHFL FSL, Financial Services Limited which is a subsidiary of LICHFL which was formed basically for doing sort of housing loan business and other businesses of general insurance, life insurance. It was more on the structure of HDB, the housing, HDFC sales channel. So, that is right now contributing to 10% of my business.

We are strengthening their channel. We are after them. We are asking them to go in for further recruitments and increasing their marketing force. Here we are looking at getting 15% of our total business to come from this FSL and going forward in the next year, we want them to contribute at least 25% of our business. So, these are what we are doing.

The retail front, quarter-on-quarter, yes, there is a 24% growth in the business Q1 to Q2. So, these green shoots gives us hope that Q3 and Q4, which are traditionally strong quarters for LICHFL, we will see better growth in Q3 and Q4. Only worry is the construction finance and the project finance channel, if I may call it, where the performance has been very, very muted this year. As against Rs. 1,397 crores in H1 of last year, we have only been able to do Rs. 156

crores for H1 of the current fiscal. So, there is a big dent of almost about Rs. 900 crores there, Rs. 800 crores, Rs. 900 crores there.

But yes, as we said, we continue to be cautious and selective in our upcoming approach to this construction finance segment. But yes, we have a strong pipeline of undisbursed sanctions which will be coming forward in Q3 and Q4. So, hopefully this channel contributed about Rs. 4,000 crores of business last year, the construction finance channel. This year we are hopeful that we are going to surpass this. Not by much, but we are targeting at least Rs. 5,000 crores of business from the construction finance channel this year which would come majorly in Q3 and Q4.

Lokesh Mundhra:

And Renish, silver lining is there. The last year in the same quarter, average yield on the project finance was 10.35%. So, it has increased to almost 12 approx. %. So, there is an increase of almost more than 200 bps in the project finance yield. So, we definitely are taking selective call on a case to case basis. That is why our margins are intact. We are focusing more on margins.

Renish:

Thank you very much, sir, for a detailed answer.

Moderator:

The next question comes from the line of Kunal Shah from Citigroup. Please go ahead.

Kunal Shah:

So, again, just harping on this question of PLR. So, the last cut was in April, and thereafter we have seen reductions in terms of the repo, and we are seeing the incremental cost of borrowings also coming off like almost 16-odd basis points, maybe 20, 24 basis points this quarter itself. So, would we be revising the PLR, or maybe now we are good enough with the rewriting rates and new rewriting rates, and there is no need to change the PLR at this juncture because we want to protect the margins?

Tribhuwan Adhikari:

Yes, Kunal, yes. At the beginning of the year, I said this year is going to be a difficult year for us because we would be required to balance our growth of books, growth of disbursement with the NIMs and the spreads, right. So, this is what we had said in the beginning of the year and I had also said that push through the wall. I would prefer to protect my margins and NIMs rather than going for growth of business at which is not very profitable to the company. We have been doing that.

Yes, we have cut our overall PLR by 25 basis points across the board. You may say this is less when compared to the 100 basis point cut in the repo rate. But then the repo rate transmission does take time. Yes, 24 basis points, incremental cost of borrowing has gone down by 24 basis points quarter-on-quarter and about 90 basis points from the beginning, from year-on-year. So, the full transmission has not been felt.

Now going forward, as I said, we would like to protect our margins and while answering to Renish, I had said my construction finance portfolio is down this year, almost Rs. 900 crore deficit. But again, that is a conscious call we have taken. Banks are very aggressive on this front. They are giving construction finance loans almost at home loan rates, which we are not

comfortable doing. We would like to have some margins in the project and the construction finance business. As CFO said, the margins in the CF business are almost what our yields are, almost 12%, 12.5%. These have gone up from almost 11% of last year.

So, yes, we would like to do business, but definitely we would like to do profitable business. So, going forward, I do not, until and unless something drastic happens on the repo rate front in probably December or something of that sort, I do not see any scope for any further reduction in rates.

Also considering that we have very recently, in the last month, in the month of October, September, October only, we have sort of reduced our rewriting rates quite significantly, almost by 75 basis points. Our early rewriting was at a flat 8.75%. Now we are offering them at the lending rate plus 50 basis points which roughly translates to 8%. So, given these two reductions in the rewriting rate and the overall PLR, I do not see any scope for any further reductions.

Kunal Shah: And secondly, when we look at it in terms of the overall BT out of Rs. 4,000 odd crores, what was the request that had come in, and how much we have been able to retain and finally, we saw this BT out of Rs. 4,000 crores?

Tribhuwan Adhikari: I don't have the figures, Kunal, honestly. Yes, what were the total number of applications received, how much did we retain, and how much went out, I don't have the figure exactly. That can be found out. But yes, overall...

Kunal Shah: Just wanted to get the sense, since you mentioned like now it will be much controlled with this newer rewriting rates, so just wanted to ensure that maybe was maximum, the BT out was already there, and maybe now you would be able to retain some part of it and that is giving you the confidence.

Tribhuwan Adhikari: Definitely, Kunal. Definitely, right, because at 8.75% even if we had tried to retain, I don't think we could have made much of an impact when banks were offering at 7.5%. It is difficult to retain a customer at 8.75% that you would also allude to. But with the reduction in BT rates, we have seen it in October. Our October BT out has reduced significantly when compared to July or August or even September. And I think at 8% roughly we should be able to retain much, much more as compared to what went out.

See, normally our run rate was about Rs. 2,000 crores per quarter, and in the last quarter it was Rs. 4,000 crore, straight away meaning that our BT out had doubled. So, I lost almost about Rs. 2,000 crores. Okay. Out of this Rs. 2,000 crores, even if I assume that Rs. 500 crores would have gone, we could have gone at least a dent of Rs. 1,500 crores definitely, because of higher rates would have taken place. So, probably my book would have grown by Rs. 1,500 crores more had I lowered my rewriting rates at the beginning of last quarter. So, I think that rewriting rates

reduction has taken place. And Q3, I am expecting the BT to come down to normal at Rs. 2,000 per quarter. I expect that to be at that level.

Kunal Shah:

And lastly, in terms of the improvement in Stage 3 and Stage 2, is it largely retail because of this focused correction sell which was there post Q1, or there is some element of corporate recoveries in this improvement in Stage 3, Stage 2?

Tribhuwan Adhikari:

Yes, the asset quality has been improving quarter-on-quarter past four, five quarters almost. Yes. And this is, see, if you understand the recovery thing is not that I do something this month and I get results next month. Especially if you look at our entire book, most of the Stage-3 is pertaining to our legacy loans, particularly 2016 to 2019, and some of these loans, about 10, 12 of these loans are big loans, Rs. 200 crores and above. So, it does take time, especially the legal process, as you know, in India it takes time. Whether it be the SARFAESI method or whether NCLT or DRT, these all things take time.

So, this is a continuous process which has been going on, and the improvement in the asset quality, which you see is the result of what has happened probably 3 quarters back or 4 quarters back. So, there is no easing on the pressure. We are increasing the pressure. In fact, there is another thing which we have not done so far is there is this willful defaulter guidelines issued by RBI. We have not yet initiated this, but for the, I would say, very obstinate and tough people who are not willing to negotiate, not willing to settle, not willing to talk, I think we need to initiate the process of declaring them willful defaulters and all. That is basically to put on pressure.

So, going forward, I feel this recovery from NPA will improve in this quarter. If I see as compared to the June quarter, my Stage-3 has come down by Rs. 742 crores. Recovery is happening. Going forward, I am hopeful that two to three big loans, and when I say big loans, I mean Rs. 200 crores and above, two, three big loans to be settled. They are very close or almost on the verge of settlement or final agreement between us and the borrower. One is in NCLT. We are expecting a decision any day now in the next weeks. So, these will all help us improving the asset quality and reducing the credit costs.

Kunal Shah:

No, I was just asking this quarter also, was there any resolution or no? In Stage-2 and Stage-3, the improvement, was it from the corporate or it was from retail?

Tribhuwan Adhikari:

It was both corporate. Corporate, I think there was one big loan of about Rs. 140 crores which got resolved, but the entire thing did not come. I think we got about Rs. 60 crores of that. The rest is through because it is scheduled, I would say, repayment. The rest of it would come in Q3 and Q4.

Kunal Shah:

So, this was in Stage-3.

Tribhuwan Adhikari:

Stage-3.

- Kunal Shah:** Only Rs. 60 crores in Stage-3 from the corporate, otherwise the balance was largely from retail.
- Tribhuwan Adhikari:** Yes.
- Moderator:** The next question comes from the line of Abhijit Tibrewal from Motilal Oswal. Please go ahead.
- Abhijit Tibrewal:** Thank you for taking the question. And sir, before I do that, may I request the operators that the operator lines and the participant lines are coming great, but the management line, at least for me, is not very great. I don't know about the other participants in the call.
- Tribhuwan Adhikari:** I try to come closer to the phone and speak so that you can hear me loud and clear.
- Abhijit Tibrewal:** So, sir, just two questions. First thing is, I mean just a clarification in terms of this PLR changes that we have done total until now, right? Since the time the repo rate cuts have started, how much PLR cut have we taken? Is it 25 basis points or cumulatively 50 basis points? One 25 basis points effective from 1st April and the other one was 28 April thereabouts, is it? Just a clarification on that front.
- Tribhuwan Adhikari:** Okay, Abhijit, let me. We have made only one. We had changed the PLR only once. That was in the month of April where we reduced the PLR by 25 basis points, right? There has been only one PLR cut of 25 basis points.
- Now what has happened is that my book is divided into two parts. There are about 1/3 of my loans, almost 500,000 loans, which are on monthly reset. So, 500,000 loans got the PLR reset from the 1st of May. The moment I declared my PLR cut, they immediately got repriced, 1/3 of my book.
- 2/3 of my book is on quarterly reset. That means the PLR reset happens on the first day of the next quarter. Since the cut was somewhere in the middle of April, the PLR got repriced from the 1st July. So, almost 1,000,000 loans got repriced from 1st July. Right now, 100% of my book has been repriced by 25 basis points.
- Abhijit Tibrewal:** So, logically speaking, given that the entire back book has been reset, now what we are going to see is yields might stabilize till the time you take your next PLR cut.
- Tribhuwan Adhikari:** Yes.
- Abhijit Tibrewal:** And cost of borrowing should keep improving.
- Tribhuwan Adhikari:** Yes, cost of borrowing should improve. Transmission, the cost of borrowing should improve further. So, expecting that another 10-basis points reduction in the cost of borrowing by the end of the year.

Abhijit Tibrewal:

And sir, then my second question was, if I look at LIC Housing as a franchise for almost this decade, from maybe 2012 to 2022, we used to operate at lower margins, still deliver respectable ROAs. Because of that growth which was there and which used to give you leverage in the balance sheet, we still used to deliver very respectable ROEs. So, essentially, we were still delivering growth and healthy profitability.

Right now, I am sure early in the call you have made it very clear that we will prioritize profitability over growth, but can't we kind of do some trade-off in terms of margins to maybe at least get to a respectable double-digit growth? Because sir, when I look at it, right, since maybe 2020, the company has not been able to get to a double-digit growth.

I appreciate the fact that it is a much, much bigger franchise now, so growing at the same rate might not be possible. You would have seen, right? All the participants who have participated on the call today, all of them have been asking about what steps can be taken to spur growth.

And lastly, sir, the data keeping question. We usually share the segment-wise Stage-3 on the earnings call. If you can also share that with us?

Tribhuwan Adhikari:

Yes, Abhijit, yes.

Lokesh Mundhra:

Yes, Abhijit. As I said during my reply to Renish and others, this is one question which has been bothering me, growth. Yes, I do agree to what you are saying that we are a big company, Rs. 3 lakh crores of AUM, so definitely expecting me to grow at the same rate as some of the smaller companies, it is not possible. But definitely this growth of what, 7% or 8%, whatever we call it, not acceptable at all. This is the biggest question which is worrying me, which is worrying the Board as to how do we grow.

One of the methods, I would say slightly what I call an inorganic method, is probably going for co-lending or direct assignment. This is something which we have not at all tried in the past. All our business is totally what we directly source either from agents or through direct business or whatever.

So, definitely, one, there is a scope for getting into co-lending arrangements, into going in for direct lending or direct assignment, which can also boost my book. Yes, that is something which we are exploring. Right now we are framing co-lending and a direct assignment policy, which we will get approved by the Board. The Board also agrees that yes, we need to have a policy and need to explore this particular channel of growing the book. Probably that is one method which we need to deploy or employ, if you may call it. Yes, definitely.

And the other thing, as I said, I think we really need to have a relook at the organizational structure we have, the various marketing verticals we have. Do we need any change? Because something is sort of pulling us back, not allowing us to go. Because one thing is for certain, I will not say that there is no demand for housing loan. There is definitely a demand for housing

loan. It is only going to grow as I see it. It is only going to grow as the economy grows and the sentiments turn positive. So, definitely, we really need to do something about it.

And yes, this year also, I do not say that we are going to do something exponential in the remaining two quarters. We would be very happy to achieve a double-digit growth both in the disbursement and in the book by the end of March. And traditionally, Quarter 3 and Quarter 4 are good quarters for us.

Last year it was slightly subdued because of certain problems in Bangalore and Hyderabad, two of our major contributors, two of the major regions contributing to our business. So, this year both these regions are back on track. So, this year definitely these two regions will contribute much, much more as compared to Q3 in last year and partly Q4 of last year. So, there will be growth, 24% growth from quarter-on-quarter. We want this growth to go up further.

So, hopefully, there will be growth in business, but again, even our double-digit growth, I don't think would satisfy me. We need to look at ways and means of coming to somewhere around probably 13%, 14%, and I think that is doable with a little bit of structural changes, probably some more rethinking, relook or both brainstorming at the corporate level and pushing it down the line. So, we are engaged, we are worried. And hopefully we will be able to turn around the corner in probably one or two years.

Abhijit Tibrewal: And then if you could just share those segment-wise Stage-2?

Tribhuwan Adhikari: Segment wise, yes. No, you want it separately for IHL etc.?

Abhijit Tibrewal: Yes, sir.

Tribhuwan Adhikari: Abhijit, just a minute.

Lokesh Mundhra: Abhijit, you want provision figure for segment-wise?

Abhijit Tibrewal: No, sir. So, if you could share both, one is the Stage-2 for IHL, NHL and project loans?

Lokesh Mundhra: For individual it is 1.15% only. For project, it is project plus Non-housing corporate, so it is 24.88%. Non-housing individuals are 4% only. And total it is 2.51% of the total portfolio.

Abhijit Tibrewal: And sir, what did you say about non-housing individual?

Lokesh Mundhra: Non-housing individual only. Non-housing individual right now we don't have breakup of non-housing. Just let me check it.

Abhijit Tibrewal: So, sir, you said two numbers. One was IHL, 1.15, project plus non-housing commercial, which is 24.88%. And then you said a third number which was non-housing individual.

- Lokesh Mundhra:** That's right. The 4%. Non-housing it is 4%.
- Abhijit Tibrewal:** 2%.
- Lokesh Mundhra:** 4%.
- Abhijit Tibrewal:** 4%, okay. That's all from my side.
- Moderator:** The next question comes from the line of Prithviraj Patil from Investec. Please go ahead.
- Prithviraj Patil:** So, my question was what is the incremental yield that you are seeing in the business? What is the incremental yield for the disbursements?
- Tribhuwan Adhikari:** Incremental yield for this first half, it is 8.78% and 8.78% incremental yield as on 30th September '25.
- Moderator:** The next call comes from the line of Shweta from Elara Capital. Please go ahead.
- Shweta:** Sir, just to close the argument on PLR front, now given the fact that a larger part of the book is priced at 8% levels, so these are the comfortable levels for you wherein you are confident that BT outs will be restricted and therefore no further PLR tweaks are required. So, is my understanding correct?
- Tribhuwan Adhikari:** Yes, we have repriced both our existing book as well as the rewriting rates. The existing book is repriced at 25 basis points and our rewriting rates, which were at a flat 8.75%, have been repriced to 50 basis points above the fresh lending rate. So, roughly around about 8%.
- I do not say that this will result in no BT out because again, BT out, see, if you see the biggest problems in BT out, when a loan goes out of my book, it enters the other institution as a fresh loan, and naturally the fresh loan rates are lower than the existing loan rates.
- So, for example, if I take supposing a loan goes out from my book to State Bank of India, the lending rates at State Bank start at 7.5% or probably he would be getting the loan repriced at probably 7.6% or 7.7%, whereas my repricing is at 8%. So, there could be some customers who would go out because of this 20 basis point difference or 25 basis point difference.
- But by and large, I think customers are not so, I would say, sticky on 20, 25 basis point difference if their experience has been good in the existing company. But I am pretty sure that this huge uptick in the BT out, doubling of the BT out if I may say, because as I said, the average run rate was Rs. 2,000 crores and in Q2 we witnessed a run rate of Rs. 4,000 crores. So, the doubling of the BT out will not happen. We expect this to come down to either the original levels of Rs. 2,000 crores or even further probably to Rs. 1,200-1,500 crores level.

- Lokesh Mundhra:** Shweta, our rates for the new business is very competitive and it is matching with the other financial institutions like bank and other HFCs. So, if what sir is, what CMD is giving the example, if the customer is having a similar CIBIL score, is offered 7.50%, so if other institutions are offering 7.50% or 7.65%, what sir is saying, but definitely there is some documentation cost, and that documentation cost is almost 40 to 50 bps. In that case, suppose 7.5% and our rewriting rate is just 50 bps above the fresh lending rate. So it is matching only. So, I don't think our business will transfer out. Definitely we are very confident that in this quarter, this BT will be restrict.
- Shweta:** The second question I had in terms of ECL. When is the annual reset exercise for us as far as ECL is concerned, and what is the period of consideration for us for those PD LGD calculations?
- Tribhuwan Adhikari:** No, Shweta, PD and LGD is done on a quarterly basis, right? Every quarter we run the ECL model and our EPD and PD, LGD is calculated on a 10-year database. So, for example, if I take the September quarter, so September quarter 2025, that means the assessment of PD and LGD would be on business done from the 1st of October 2015 to the 30th of September 2025. So, every quarter, three months would go out and three new months would be added to calculate PD and LGD. And what was the first part of your question?
- Shweta:** Sir, when is the ECL reset exercise that happens?
- Tribhuwan Adhikari:** ECL reset. Can you just explain that?
- Shweta:** How many months you consider for calculating the expected credit loss? Like backwards and ahead, what are the periods into consideration for calculating the expected credit loss?
- Tribhuwan Adhikari:** As I said, PD, LGD is on a 10-year, and from the end of the quarter 10 years back, we take, we go. And any loan, all loans pertaining to those last 10 years are taken, and based on their experiences, the PD and LGD is calculated, and the ECL is based on the PD and LGD. ECL is calculated on the current loan book. Does that satisfy you?
- Shweta:** Yes, you answered the question by mentioning 10-year period.
- Moderator:** The next question comes from the line of Kushagra Goel from CLSA. Please go ahead.
- Kushagra Goel:** Most of the questions are already answered. Just sir, could you give some more color on the competitive intensity. So, I know we have talked a lot about growth, but if you could just talk about more how you see the PSU banks behaving going forward, that would be helpful. Secondly, if you could give some more color that I know we are not reducing PLR and all the impact is there. But can the incremental yields come down further from current levels? How should we think about it?

Tribhuwan Adhikari: Yes. Kushagra, right. As regards what PSB banks are going to do, I don't know. I do not know whether I can take a call on that. One thing definitely, PSB banks are very, very, very aggressive right at the moment. I do not know why the aggressiveness has come about. Is it something to do with reducing their unsecured lending portfolio? Because housing finance, as you know, is a 100% secured portfolio backed by solid collaterals.

But yes, what we are seeing is PSU banks are very, very aggressive, right? Offering rates as low as 7.35%. Two banks I know are offering new loans at 7.35%, whereas most of the bigger banks, PSU banks, are at 7.5%, where we are exactly right now. So, I believe we are competitive as far as that is concerned insofar as that is concerned.

So, yes, and unfortunately, we are a housing finance company. We are not a bank. But the segment we operate in, if you look at my book, it is almost 85% salaried and probably 10% self-employed and another 5% to non-housing corporates, etc. So, the segment we operate in is exactly the segment in which the banks are operating. So, quite naturally, there is a lot of competition, there is a lot of pressure, and banks are very, very aggressive as I said.

Even in the construction finance book, which we are not doing very well at the moment, banks are very aggressive in the construction finance space also. There are cases which have come to me where PSUs have offered rates which are almost at par with the individual lending rates, and these are rates being offered to construction finance companies, which we are not very comfortable with. We would not do. So, yes, the competition is intense. The competition is quite aggressive.

Nothing we can do right now. Overnight it is not going to change. I cannot ask my people to stop selling to salaried customers and totally focus on the self-employed. Yes, we are trying to change. We are trying to change our product mix so that we are a little more, I would say, focused on the self-employed segment and the other segment, as I said, affordable, we explored it last year.

We are very, very slow, cautious on that segment. We are growing the book, but we are at a very slow pace, and we are comfortable with that. We don't want to take an aggressive stand on that and enter into problems. We are first trying to set up a new team, completely separate team for the affordable segment. Something like what PNB has done for its Roshni vertical. It will take two, three years' time. I do understand that. But yes, at the moment, competition from the public sector is very, very intense. And the other part, what was the second question? Kushagra, I just forgot.

Kushagra Goel: That was on the incremental yield. How that impacts?

Tribhuwan Adhikari: Yes, the incremental yield.

- Lokesh Mundhra:** Kushagra, yes, so incremental yield for this H1, that is 8.78%. So, we don't see any downside in yield part. But on the other side, on the incremental cost of borrowing, definitely we are expecting 10 to 12 bps downside. So, definitely our spread would be in line with our expectations.
- Moderator:** The next question comes from the line of Rajiv Mehta from YES Securities. Please go ahead.
- Rajiv Mehta:** Most of my questions are answered, but just two things. First, on the borrowing side, this borrowing which you sourced in Q2 at 6.73%, can you tell us mix? And also can you tell us the fresh pricing for NCDs for bank loans and whether the whole repo benefit on the existing bank loans had already come through?
- Tribhuwan Adhikari:** Yes, so, Rajiv, our borrowing structure is almost 55% is fixed, what we have raised through NCDs, and almost 45% is floating. So, whatever we have raised funds at floating rates mostly from the banks only and the total average borrowing cost is 7.42%. And this year, definitely we are focusing more borrowing through banks only. This quarter, almost 92%, 93% we have borrowed from banks.
- Tribhuwan Adhikari:** 0:59:46
- Rajiv Mehta:** But can you quote the fresh bank loan pricing? I mean, is it below 7? And how much is it for the new facilities that you would have taken from banks? And similarly, if you would also raise, say a 3-year, 39-month NCDs in the market right now, what will be the cost of NCDs?
- Lokesh Mundhra:** Yes, so banks, this quarter we have borrowed from banks between 6.75% to 6.90%. In between 6.75% to 6.90% and NCDs we have raised around 6.89% to 6.90%.
- Rajiv Mehta:** And just one last thing. In terms of new home loan repricing, which I think we last reduced in June by 50 basis points, so given the fact that we want to preserve margins even at the cost of growth, if the competition were to become more aggressive in terms of new loan pricing, we should not follow competition. That seems to be the approach. Is that understanding right?
- Tribhuwan Adhikari :** Yes. No, it's not 50 basis point cut. We have cut the home loan rates or the PLR, if you may call it, by 25 basis points in the month of April. After that, there have been no PLR cuts.
- Rajiv Mehta:** No, sir, in June, I think June you reduced the new loan pricing by 50 basis points to 7.5.
- Tribhuwan Adhikari :** New loan, yes, new loans, yes.
- Rajiv Mehta:** Yes, new loan. I am talking about new loan.
- Tribhuwan Adhikari :** Yes, new loans, we brought it down by 50 basis points to be competitive with the rates being offered by the PSUs, which is at almost 7.5%, by and large. And we are also at 7.5%. So, that

has already been done. Now, assuming the same scenario continues, I do not see any scope for any further reduction in the pricing for new loans. I think we are fairly, fairly competitive enough. I don't see any way we can afford to bring it down any further.

Because as I said in the beginning of the year, we need to balance growth along with our spreads and margins. And given a choice, I would like to protect my spread and margins as compared to going aggressively for, I would say, non-profitable growth. So, we intend to follow that same trajectory. And I think as far as I am concerned, the new loan rates are where they are and we would like this to continue for the rest of the year until and unless there is something majorly happening, probably in the December MPC or nearby or somewhere near that.

Moderator: The next question comes from the line of Bhaskar Basu from Jefferies. Please go ahead.

Bhaskar Basu: I had two questions actually. Firstly, what would be the yield on the portfolio of home loans? You gave the total portfolio yield of 9.24%, but the home loan yield for the portfolio? And also just wanted to understand how does this whole rewriting thing work. Someone who is looking for a balance transfer, you offer an 8% yield for them.

Tribhuwan Adhikari: Yes, I will come to the rewriting part. As regards the sort of yields, CFO will answer it. Coming to the relating part of it, yes, over a period of time the loans would have been given at various rates of interest, and depending on the increase in PLR or lowering of PLR, the rates would have been reset either monthly or quarterly.

And right now, the customer would be standing with a particular rate of interest. Whenever he comes to us for a rewriting request, we do assess his CIBIL score because rewriting rates are not flat 8%. They are dependent on the CIBIL score of the borrower as on date. So, we would be assessing the score and the other risk factors associated with the loan. And based on that, we would be giving him a rewriting rate at which we would rewrite his loan.

Broadly speaking, the rewriting rate is at 50 basis points higher than the lending rate. Right now, lowest lending rate is 7.5%. So, add 50 basis points to that, so that comes to roughly 8%. It does not mean that everybody gets rewritten at 8%. It would also depend on the CIBIL score and other risk factors associated with it. So, that is about the rewriting, and as regards the yield on the various...

Lokesh Mundhra: Yes, Bhaskar. So, segment-wise as of 30th September '25 for individual housing loan, it is 9.24%, and for non-housing individual, 10.22%, and for non-housing corporates, including project finance, it is 10.54%. The average is 9.40% for this as on 30th September '25. On incremental basis, segment-wise, IHL is 9.03%, non-housing individual is 10.21%, and non-housing corporate including project is 10.47%.

Bhaskar Basu: So, my connected question was that, say, your overall housing portfolio is sitting at around 9.24% I understand that there will be various borrowers at different categories of CIBIL score,

but this is still fairly well above your rewriting rate. So, don't you see a lot of these borrowers coming for reset or at least coming down to that 8% or whatever the rewriting rate? So, my question is whether this back book continues to reprice going forward even though you may not have another PLR cut?

Lokesh Mundhra:

For rewriting that 8% is a minimum rate. If a customer is having the highest CIBIL score, more than 800 points, in that case we are offering 8%. For new business it is 7.50%, but it depends on the CIBIL score of the customer. The 8% is a minimum rate for rewriting.

Bhaskar Basu:

No, that I understand.

Tribhuwan Adhikari:

Bhaskar, I do agree, yes, by reducing the rewriting rates. The question is do we expect all people to come to us for rewriting? No, that usually doesn't happen. That usually doesn't happen. If you take the experience of Q2, out of a book of 15 lakh loans, a total of 13,715 customers took a BT, right, transferred their loans from us to the banks.

By and large, I would say the rewriting would happen for what, in a quarter, about Rs. 1,000 crores, Rs. 1,500 crores of business. So, it is not that my entire bank book is going to get repriced because of the rewriting facility which I offer. But yes, definitely people will be coming and going, and anybody who is probably at 8.5% or more than that would definitely want to reprice his loan at 8% or nearabouts.

Bhaskar Basu:

Right. So, I get it. So, basically, there will be some repricing which will continue, obviously not to the extent of the PLR cut, but at least a reasonable portion of your back book will continue to see some repricing.

Tribhuwan Adhikari:

It is a call. Rather than have Rs. 4,000 crores of business go out of my books completely where I earn nothing, it is better to get something at 8% given my cost of borrowing at 6.7% to 6.75%, earn at least 1.25% rather than nothing at all.

Bhaskar Basu:

Just one last question on the OPEX side, we saw a sharp decline in the employee cost. Any specific reason for that? And how should we think about sustainable employee cost, etc.? It was like Rs. 140 crores versus--

Tribhuwan Adhikari:

Bhaskar, last year was, let me call it a year of wage revision and IAC, right. The wage revision of all the employees in the company was due. So, we were making provisions all through last year. Every quarter, we were making provisions for this, what you can call it, the supposed increase in the salaries of the employees.

So, now that the wage revision has been done, the salary cost is now fixed. There is not going to be any other. There is no impending wage revision until the 1st of August 2027. No provisioning for wage revision is being made. So, that is the reason why the salary cost has come down.

- Bhaskar Basu:** But, say, for example, between 1Q and 2Q, 1Q was like Rs. 160 crores, 2Q was Rs. 140 crores. So, where is the kind of, how should we think about the run rate actually? Whether 1Q is a better benchmark or 2?
- Tribhuwan Adhikari:** Salary cost, you have the breakup. This was basically the impact of provisioning only. I don't see any reason why our, just a minute. Yes, employee cost, the actual for Q2 FY '25-'26 was 143, right?
- Bhaskar Basu:** Yes. And 1Q was 160.
- Tribhuwan Adhikari:** Q1 was 160.
- Bhaskar Basu:** 160. So, even between 1Q to 2Q, we have seen a Rs. 20 crore drop.
- Tribhuwan Adhikari:** I think the employee cost would remain at the current levels, I think Rs. 143 crore, at the most probably Rs. 150 crore, not more. There is nothing which is going to get added to employee cost, except probably in Q4 where we do make provisioning for gratuity. I think Q3 is going to be in the Rs. 150 crores range. Should not be Rs. 160 crores which what it was in Q1, probably be in the range of Rs. 150 crore. Nothing has been done which is going to increase my employee cost. No new hirings or anything of that sort.
- Bhaskar Basu:** That's all from my side.
- Moderator:** The next question comes from the line of Subramanian Iyer from Morgan Stanley. Please go ahead.
- Subramanian Iyer:** My questions have been answered.
- Moderator:** Thank you. Ladies and gentlemen, that was the last question for today. I would now like to hand the conference back to the management for closing comments. Over to you, sir.
- Tribhuwan Adhikari:** Thank you. Thank you, friends, for your questions and the concerns which you have shared for the company. Yes, overall the company is doing well in all fronts except the growth front, as all of you alluded to. And as I said during my conference call, this is something which is worrying us, not only the management, the Board also. This is something, if I may call it this, we need to get out of this trap and move forward towards an assured path of growth which continues quarter-on-quarter. We are working towards that on various fronts.
- Q3 and Q4 traditionally are very strong quarters for the company, and going by the situation in the market at present, as far as demand is concerned, as far as all the other factors are concerned, I think are all positive. There is nothing which I see in the horizon which is going to sort of retard our progress or stop our progress from going aggressively in these two quarters. As I said, Q1

to Q2, we have seen green shoots already, especially on the retail front, 24% growth displayed in Q2 as compared to Q1.

So, I believe that Q3 is going to be even stronger. And going forward, the company expects to do better both on the disbursement front, the loan book front. The asset quality front is doing well progressively, and we will continue to grow progressively. The asset quality is going to improve. Provisioning requirements are going to be reduced. And some big resolutions are expected. Hopefully all this put together will turn out, will transform Q2 into much stronger quarter for LIC Housing Finance. Look forward to your assured support and cooperation. Thank you. Thank you all.

Moderator:

Thank you. On behalf of LIC Housing Finance. That concludes this conference. Thank you for joining us today and you may now disconnect your lines.