

Management: So, let us go for that, you know, transcript and all those things, but just as a part of for minority shareholders, we have been now recording and uploading it on our website.

Questioner: The transcript or the recording?

Management: No, we are doing the transcript.

Questioner: Can you just give an update on that Karnataka issue and just overall growth as well, you know, how do you see the quarter and the coming year?

Management: Certainly, yeah. No, in terms of the Karnataka issue, so in Q3, we were doing about INR150 crores per month in terms of disbursement in monthly run rate in Karnataka. Post that, recently a month or two months back, the government has slightly kind of resolved the issue in the corporation limit areas. So that is the BBMP areas, the government has been able to do some kind of patch up between the sub-registrar offices and BBMP offices. So the e-Khatas are getting issued much faster.

So to that extent, some improvement has happened. So both January as well as February, we were able to do -- we were able to cross INR200 crores in terms of disbursement in Karnataka. And this month also, we are hopefully -- we should be able to cross INR250 crores also in terms of Karnataka.

But still, it is lower than what we have done in the last year Q4, because again, last year Q4 and Q2 this year also, we are doing much higher. So this still, I would say, about INR200 crores-INR250 crores of less, but compared to previous quarter where we lost about INR350 crores-INR400 crores, this is a little better. So some improvement is there.

Recently, the government also said that they are also working out something for the panchayat area. So once that gets resolved, I think we will be back to the previous growth rates and all those things and things should improve much better. Because today, almost 75%-80% business happens in our panchayat in BDA areas only, that urban development areas.

So once that is solved, this should also get resolved. But already we have seen a little bit of improvement in January-February compared to Q3. So that's the kind of thing. So as of now, we are in terms of the Q4 guidance of around close to what we did in Q4 of last year. We are on course for that. We had done INR2,314 crores last year in Q4. We should be doing a little better than that. So closer to INR2,400 crores is what we are targeting, is where we should be reaching.

Questioner: And Jan-Feb is reflective of that...?

Management: Yes, kind of. We are almost there. I mean we should be around INR2,000 crores today in this quarter in terms of disbursement. So in the next one week or so, we should be around INR3,200 crores-INR3,400 crores, we should be there. In this quarter, we should be closer to INR2,400 crores in terms of disbursement, whereas in last quarter, we had done INR1,800-odd crores we had done.

Questioner: And of this, INR500 crores-INR550 crores would be Karnataka in that INR2,400 crores that we do?

Management: No, it should be more than that. It should be INR650 crores-INR750 crores is what Karnataka would be contributing. Because INR200 crores we did in Jan and Feb, we just crossed INR200 crores and this month we should be doing INR250 crores plus, so INR650 crores-INR750 crores is where will be the contribution of Karnataka.

Questioner: And just directionally from there on, how do you see Q1 and subsequently FY '26 to be?

Management: In terms of the other geographies if I have to tell you, our North zone which is comprising Punjab, Haryana, Delhi, NCR areas, Uttarakhand and Uttar Pradesh, there we already crossed our previous year figure of 12-month disbursement in January itself. So we should be crossing 20% growth in that area. Same also for Tamil Nadu zone, which is Tamil Nadu, Pondicherry and Kerala, there also in January we crossed the previous year 12-month disbursement. So we should be 20% plus growth in this zone also.

West zone we marginally missed in January, but in February we have crossed. So that zone also is likely to be around 15% growth in terms of overall. And the West zone is basically Rajasthan, Gujarat, MP and Maharashtra for us. Karnataka, last year we did INR2,640 crores in FY '24. So FY '25, the way we were going, we were doing about INR275 crores. So that should have been about -- so INR2,640 crores are about INR220 crores per month. From there we were already doing INR275 crores in Q2. So we were at 20% growth, but this impact that we've had because of this e-Khata, so we were doing only about INR150 crores in Q3.

So that has brought down the growth. And in this quarter also, since we'll be losing a little bit of business, we'll be back to around INR2,640 crores-INR2,675 crores kind of business number we will be reaching. So basically we are back to INR220 crores-INR225 crores number. So even if we reach INR275 crores, which already we have demonstrated in Q2, so once this e-Khata problem is resolved, we should be back to INR275 crores plus.

So again, 20% growth in Karnataka will also happen, which means the majority North, West, Karnataka, Tamil Nadu, everything will continue. The momentum is already there. The market is also not changed. In fact, the segment that we are operating in continues to have the same amount of demand and all. So that also should not be a problem. So 20% growth is what we're looking at.

Other market, major market for us is Telangana. Telangana, in fact, we've had a major setback this year, particularly because of Hydra. So last year, we had done about INR1,750-odd crores we had done last year, entire year in Telangana. This year, because of this impact of Hydra and the sentiment getting affected and all, we should end up somewhere around INR1,200 crores, which is about INR100 crores a month.

Now, this is kind of a complete bottom out of this. And there also, in fact, during the year from that 150-170 levels, it kept on coming down and it almost reached the bottom of about 70 crores a month and now again has picked up. So, the way the last couple of months, at least we should be able to cross that 100-120 crores, we should be able to touch every month in Telangana, which

means even Telangana, because of a lower base, will now probably have a 20% growth or 15%-20% growth there also.

So entire, almost all geographies. Next year, we should be able to have a kind of 15%-20% growth, which is what we are projecting about 20% growth for next year.

Questioner: So, this year we landed about 8,500 crores, roughly.

Management: 8,500, because we got 6,100 odd crores in December, 9 months ago. So, 2,400, which will be around 8,500.

Questioner: Close to 8,500 crores, on that 15%, roughly 9,500-10,000 crores.

Management: 10,500 crores, 10,000-10,500 crores, definitely yes. Definitely yes. 10,500 crores mean we should be able to add about 5,000 crores to a book next year.

Questioner: So, Suresh, I think last conference call, we had mentioned that for FY26, our goal was AUM growth of 15%-16% and 12,000 crores disbursement, right?

Management: Yes, so 11,000 is what we had said, 11,000 crores disbursement. So, roughly actually it is 20% growth, there are 10,500, but we are targeting 11,000 crores, that is correct. Approximately 5,000 crores of additional book, as I mentioned, we should be closing, we were at 37,155 crores as of 31st of December.

With 2,400 crores disbursement in Q4, our net addition to the book will be approximately around 1,000, 1,100, which will be around 38,150 approximately, you can say. On that 5,000 crore addition of book will be 13% plus growth in AUM. So, if you do 11,000, it will be a little better, that is what, because our rundown in a book is about 5,500 in a year, it is approximately around 1,200 to 1,300 crores per quarter. So, that should come around.

Questioner: Just at a more concept level, we roughly, let us say, next year we achieve our target will be about 800 crores per month, 850 crores per month kind of disbursement. What is required for the company to do, let us say, 1,500 odd crores, I mean, just a trajectory shift in your view, like, is it more manpower in the existing network? What is exactly required?

Because we have been struggling somewhere between these 8,000 crores to 10,000 crores for a while. So, basically, there is not much excess capacity in the system to absorb some of these shocks, because something or the other will keep happening, right? That is correct.

Management: The major, I think, what will be required is a dedicated sales team, because today, if you look at our productivity, we are doing about 50,000 cases per month, per year, which is roughly around 4,000 to 4,200 cases per month we are doing with around 800, 900 staff on the field, which roughly works out to around the productivity of five cases per staff per month.

I guess, without any sales support, without any subsidiary which is providing us this business, without any DMEs who are not considered, I think the productivity of five cases per staff per month would be, I would, probably the highest in the industry today, okay? Because other places, our staff strength is just about 1,100 people, all put together. Of course, DSAs is there, everybody

has DSAs around. But we don't have a subsidiary which is providing us business. We don't have DMEs or DSTs.

So, I think that is one area where if we are able to do that, will definitely help us take it to another level. So, this year what we have done is, we have started with a small team, about 35 people. Today, they are contributing about 3, 3.25% of business incrementally. In Q3 of this year, they did almost about 3.25% of the incremental business. They have contributed close to 60 odd crores or something.

So, this is something we will have to add to this team. We will have to increase this team size and we will have to, push the direct sourcing a little more. We also have to do more of APF tie ups. So, this year, we just -- about 3-4 days back, we just crossed 70 APF approvals we have done. So, around 75 is what we are likely to touch by the end of this month.

Next year, we are targeting about 250 project approvals, APF projects. So, that also will give us some business. So, basically, you know, team strengthening is what is the biggest challenge or biggest thing that will take us to the next level.

Questioner: And so, is it like hurdle at the discussion at the board and promoter or is it like, why not spend a little bit more?

Management: Not the promoter, but I guess, yes, I mean, we need to first demonstrate that this model is working.

Questioner: The model is working, proof of concept.

Management: Yes. So, we have done it with about 35 odd people, maybe another 6 months, we will have to show that this. And from June onwards, if you see consistently, this number contribution per staff, this sales team staff contribution has been on the rise. So, that is something we have to, as something to show to the board.

And we will be looking at that as something that comes, I think definitely it will help. This year, of course, one possibility or one discussion is that, this IT transformation is happening. Once IT transformation happens, there will be a little bit of, you know, efficiencies which will come in.

And once this efficiency is coming in, a lot of things which are presently being done manually get automated. Then in that case, we should be able to kind of relieve or get some staff free from the business -- for additional business. That is what it is.

Questioner: Which all geographies you are adding staff?

Management: Currently, we are adding people more in the North and the West because that is where we are adding many maximum number of branches. Internally, otherwise, it is mostly, streamlining the current staffing. Because as this, because we have kind of template for staffing.

So, depending on the book size of the branch, we have classified the branches into five categories. And as and when they progressed from one level to the higher level, we provide staff.

So, by and large, the new staff mostly is for these, where the staff, the book sizes are increasing to support the business. And otherwise, for new branches in the north and west mainly.

Questioner: Any other major change to the distribution of apart from approved projects and this channel? Any other big change?

Management: As of now, no. This is one we should be doing it. But once this IT transformation is completed, next year, we will be starting the digital channel by which time this should also stabilize with 250 projects, APF projects on board.

And then I guess another 30-40 people at least will be adding to this team in this current year. So, we should be able to, and by the end of this year, I think seven and a half to 10% incremental business should start coming from this sales team.

Questioner: Sales team?

Management: Yes.

Questioner: What about the price competition in the banks have been getting very aggressive on prying each other specifically?

Management: See, PSU banks, some of them have reduced their rates like SBI reduced, Bank of India. A couple of banks have reduced their rate post the airport rate cut. Private sector banks, not as much.

And particularly the segment where we, which is our main competitor, which is LIC or Bajaj or PNB HFL as well, they have not reduced their rates. So, not much of a price competition, at least in the segment and in the geographies we are having. Prime, as you said, yes, would be, but we are not much into the prime segment. For us, ticket size is about INR50 lakhs, INR75 lakhs is very less. It's very small component.

Questioner: In our segment, you are not seeing anything?

Management: Not, not as yet, not as yet.

Questioner: Have we migrated our customers of that repricing more frequently compared to one of the points that you mentioned as in a downward rate cycle, you do not want more BT outs?

Management: Correct. So, we started this policy in January 2024. So, since then, all new loans are linked to quarterly reset policy only. For existing customers, we have been following with them, but nobody, not many of them have come forward to sign the documentation and shift from annual reset to quarterly reset. But now that the rates have actually started coming down, because, while we did it from January 24 to February 25, nothing happened. The rates were stable.

So, none of the customers felt it necessary or saw the, interest in changing from annual to quarterly. But now we do expect customers will come forward and to do. As of now, approximately 20%-22% or something is quarterly reset, rest is still annual. So, today even say

if I reduce the rate of interest by say 5-7 bps, tomorrow only 20% of the thing will get impacted in the one quarter.

Questioner: What percentage of us using right now is via DSAs?

Management: You can still say about 80%, but Q3 it was around 76%-77%. About by 28, we want to bring it down to 60%. That is the target. But of course, we want to, the earlier the better for us.

Questioner: In terms of risk appetite, any changes to the model, given the environment, any broad thoughts so that we are able to do more volumes or add better selection of customers?

Management: See, in terms of our segment, SENP has slightly been increasing. You would have observed that. From the last one and a half-two years, we were at 72% salary, 28% self-employed on the overall book, which has now come down to 70%-30%.

So, that also will slightly further come down because incrementally about 40% of the business we are doing is self-employed. So, that is one slight change and it is giving us a little bit of a yield buffer also.

Questioner: How much of that is SENP, the 40% self-employed?

Management: I am talking about SENP is 40%, 60% is salaried and professional. SNP is 60%, 40% is SENP. Second is in terms of LAP, slight increase is there from 5%-6%. So, that is another thing where in the next two years, we should be able to take it up to around 8% or thereabouts.

Questioner: And how much is the pickup between SCP and SENP?

Management: No, see, our salaried segment has actually in the last 6-8 months, I was just going through, it almost kind of remained kind of flat. SENP, since its percentage is there, it has been slightly increasing.

Questioner: No, I am saying rate pickup, yield pickup?

Management: Yield pickup okay, we are charging actually half a percent higher for SENP compared to salaried or professional and if it is a non-housing, again another half a percent. So, if it is a salaried, 50-100 and then within that also there is almost 45% or something difference within the risk based on the risk band.

Questioner: So, if we see about let us say 5-7 percentage point change in this composition in the next two years, this itself can add another 5-10 basis points kind of delta?

Management: On a standalone basis, yes, but since we are also doing APF, since we are also doing this slightly increasing the ticket size, a little bit of thing would be offset because we will have to be offering better rates there. So, to some extent, it will be offset, but yeah, some kind of benefit can be there.

We are also looking at the product for upraised income segment which probably we will roll out very slowly because now what has happened is many of the self-employed people who are not

having ITR proofs or things like that, at least the banking proof or the payments coming through UPA and all is definitely there, that proportion has increased substantially.

So, now for a lot of customers, you are able to, based on the UPA transaction base, you can better assess the sales volume and things like that. So, for that, on a very small scale, at least we want to experiment and see that if that can be done.

Questioner: Overall, on credit quality environment, any thoughts that you have? Seasonally, 4Q is better, but directionally, any thoughts?

Management: Directionally, not much. Although off late, I have been hearing a lot of this thing about some 15 bps, 20 bps increase in the SMA-1 and slowly coming up and customers becoming sticky and all those things. Not as much for us, but Telangana a little bit has increased for us, particularly because the sentiment is also there.

So, for us, Telangana, but other geographies, not much. In fact, in all likelihood, our percentage NPA across geographies other than Telangana and maybe a little bit in this thing, Maharashtra, where we had some pick-up post elections. I think rather than that, by and large, our cross NPA levels would be in same or almost same in most of the geographies like North or Tamil Nadu or East or Karnataka.

Questioner: So, no major, except for one or two, which keep coming each year. So, credit cost should be in that same?

Management: Yes. In fact, if you look at our past data prior to our COVID, our cross NPA was around 0.91%. Now, we are back to the same number because the entire restructured book has come out, all that thing, where the restructuring was offered and two-year moratorium was given. Wherever that book has also come out and that has also fallen into the various buckets as it was previously. So, we are back to the 0.9%. And I think 0.9% is the realistic NPA. We may have a slightly lower GNPA in Q4, which is slightly more because of the efforts.

But the customer profile, if you look at it, the customer's behavior and all, if you look at it, as I said, I think those customers will still have a little bit of impact. So, I think 0.9% is a cross NPA that we can.

Questioner: So, 25 bps of credit cost.

Management: Not 25, it is closer to 15, maybe 20 max, 15 to 18, that is it.

Questioner-2: And sir, if you can touch upon the branch expansion strategy, so you said the mix of the South and North will move more to 60-40. So, when are you targeting that? Is there any change?

Management: So, we are targeting 15 to 20 branches every year. Last year also, we opened 14 branches. This year, we are opening 15 branches. And all these branches are mostly, most of them are coming in the West and North only. So, therefore, slowly, this mix will change.

Questioner-2: Right now, the mix is 72 something.

- Management:** It was 72. It is probably maybe around 69-70. Because, I mean, actually, it is a little less because East, when we say East, is part of it is also Andhra Pradesh. So, we will have to segregate that. So, maybe if I add that back, it may be around 68-69% would now be the South versus this. Eventually, we want to make it 60-40.
- Questioner-2:** Sir, any specific reason you want to call out? Like why the expansion in West is a little slow, given your experience that you have been working and grew and all? So, that area, you know pretty well.
- Management:** No, we have been adding branches. Like we opened Bikaner, we opened Pali. We are opening, you know, one branch in Gujarat. We have opened in, now, Jalgaon. We are opening a third branch in Pune. We are looking at a couple of more branches. MP, we opened, now, another branch. We opened Ujjain. We are opening a third branch in Indore.
- Questioner-2:** And competition-wise, this geography will be very tight in terms of versus the South?
- Management:** No, these are all Tier 2 towns. That is where we are looking at. So, you know, because when we open a branch, it is normally with three people. So, these are locations where we know about 10 to 15 cases per month, we are able to, we can easily source.
- Questioner-2:** And the developer tie-up, same strategy you are following, obviously, there also?
- Management:** Yes. Only thing is, if you are talking about the developer strategy, it is more on the locations where we have put the marketing staff. Right now, we just have about 35 people. So, we first had North. And we are doing it in Tamil Nadu. Karnataka, we did not do because, again, when this problem is there, then there is no point doing more people.
- So, we have taken the pilots for other kind of, you see, more in the North. So, we have marketing staff in Delhi, two, three people. We have one in Gwalior, one in Jaipur. Then we have in Ahmedabad, a couple of them in Bombay. Then we have in Tamil Nadu, quite a few people we have for marketing. So, out of the 35, most of them would be in the North, West, and Tamil Nadu.
- Questioner:** Overall, for next year, 2.5% spread and 3.5%, the NIM is the broad conferences?
- Management:** Yes.
- Questioner:** Even assuming 50 to 7, another 50 books of repo also?
- Management:** We will pass on only what we experience. So, therefore, our, this thing will not be impacted.
- Questioner:** Understood. But despite increasing the self-employed and the LAP also, you are saying 3.5% NIM is what you are guiding?
- Management:** It is a little, I mean, we have throughout the year had a higher than 2.5% and higher than 3.5% kind of spread and NIM, but we are, yes, conservatively guiding for 2.5%, 3.5%.
- Questioner:** And 20% kind of a growth on the subsume?

Management: 20% growth is what we are saying, but 11,000 is what we are actually targeting.

Questioner: Is it the average ticket size, that has been increasing over the years. So, where do you think it will stay?

Management: No, it was increasing, but actually this particular quarter it slightly dipped because we had Telangana, Hyderabad and Bangalore, particularly Bangalore. Our ticket sizes are higher. And now that Karnataka was impacted, our ticket size in Q3 slightly dipped, but yes otherwise it is around 25 lakhs is the thing. And we would like to slightly with APF project, APF proposals coming in this might slightly show an improvement.

Questioner: What is your BT out currently?

Management: BT out is not much, actually. It is, see we are - our overall prepayment, part prepayment, full prepayment, BT out plus amortization is around 15%, 16% if you see. Out of that around 3.5% is amortization. Okay, the remaining 8.5%, 8% is around is part payment where customer's loans are still live. They just make some payment just to whatever including the excess EMI, which they are paying and goes towards principal. About 3%, 3.5% is again the BT out which has kind of remained almost there.

Questioner: This is typically to banks?

Management: Mostly to LIC. Most of the geographies if you see, it would be either LIC or Bajaj would be the major ones. Of course, banks are always there, but the highest would always be either Bajaj or LIC depending on the geography where they are strong.

Questioner: On incremental borrowing, have you seen any benefit after the repo change and just generally how your expectations, conversations are with?

Management: See, frankly we already got the benefit when we moved from a MCLR to a repo linked borrowing with the banks. But now with this repo, what has happened is most banks are now having a sizable retail book. And where they have reduced, they have had to reduce their pending rate based on the repo rate cut.

Questioner: On the bank book?

Management: On the bank book and also incrementally. PSU banks at least have reduced incrementally also. Now, that is definitely impacting them because today the spreads have started coming below 3% for the banks. If you see the deposit rates, I do not think there is any respect on the deposit rates, incremental borrowing rates that banks have been raising deposits. So, the pressure is definitely there.

So, incrementally it has been too short. We have not had too many with the banks. And Q4 is not the right indicator because Q4 generally, even on the market side, liquidity is a bigger factor which determines the rates, but from the bank's point of view, yes, they are a little reluctant to now kind of go and pass on exact. So, a bank which was giving at x, when the new loan is

coming, they are not giving at x minus 25. Although on the existing term loan, they have reduced by 25 bps.

So, the incremental when we are going, they are asking for x minus 10. See, so that is the kind of, although we did - we have had a couple of banks rather who have incrementally passed on the full 25 bps to us.

Questioner: So, blended you have not seen the full impact of the repo?

Management: Correct. So, this quarter though definitely not because February the repo rate cut happened. Most of the bank term loans which are linked to repo rate cut, the reset happens at the time of the interest payment, which is in this week of March. So, the reset will happen.

Questioner: Benefit will come in this 1Q?

Management: Benefit will come in this only. The second thing is while this has happened, the other component which is CP because the liquidity has been at a higher rate in this quarter. When the reset happens, obviously the rates will come down, but at least in this quarter the rate has been higher. And even the NCD that we have raised in this quarter, I think we ideally wanted to raise our NCDs in Q3, because Q4 always the rates are little higher.

Unfortunately, this GID, KID issue came up where we had to again go back to a board, take approvals and all. So, slightly we had to postpone it. It has happened in this quarter, but otherwise, ideally we would want to raise our NCDs in the second and third quarter.

Questioner: Are you seeing any change in appetite for growth within the system now post the change from RBI side, introduction to [inaudible 29:26] etcetera both from banks and...

Management: Not really. Frankly, if you look at the RBI it is that they in fact pointed out that a couple of HFCs and also NBFCs are growing for the sake of top line growth. So, indirectly, the message is that better to grow at a rate which is in line with the market growth rate. That is one thing. Second, a lot of companies, HFCs if you would have noticed in the last few years, have grown mainly because of the LAP.

And LAP definitely, they have called out LAP. They have in fact introduced this PBC criteria and they have become very strict on this PBC also. And they first introduced it, then they set quarterly returns on PBC, now they have made it monthly returns on PBC. So, definitely the RBI is monitoring the PBC criteria.

So, some of the players who have kind of almost breached or are very close to 60% are kind of slowing down on the LAP book. And even on the affordable piece, actually if you see, the growth rates have now come in the single digit numbers.

Questioner: Given the IT transformation that you have already done and doing, how should we think about the cost-to-income ratio?

Management: Not in 26, because we have this - we signed the contract in Jan and Feb, offered it in January and then contracting happened in February. So, we have a 12-month implementation period

followed by a 3-month handholding period. So, basically, this entire will run out and whatever cost is there will be capitalized.

So, the actual cost will start coming in from FY '27. And that in FY '27, about 1% should increase. So, from 17%, you can expect the cost to income ratios to be around 18%, 18.5%. And then slowly, as this grows, book size and income grows.

Questioner: But FY '26, nothing on the P&L?

Management: FY '26, not much. We can continue it around 17%, because we had originally anticipated that there will be some impact. But the way the project, the implementation plan and everything is there, effectively, it will run now into '27.

Questioner: So, recently, I think you have been awarded the ESOPs, right? So, like, what should we think about it, like you are for the long term now? And the resting period is what, 3 years?

Management: No, it is 4 years. 20-20, 30-30.

Questioner: Okay. Can your reappointment come next year?

Management: Next year, FY '26. I mean, it will come in March 26.

Questioner: So, is it only you or we are expanding the bids?

Management: No, it is up to, Chief Manager and above level. So, it is about Chief Manager, AGM, DGM, GM and.

Questioner: Assuming both gives reappointment, you would continue?

Management: Obviously, I mean...

Questioner: The CFO reappointment, what is the process?

Management: We have already, conducted the interviews, we have already done. And I mean, once the person joins, we will reappoint, we will be announcing. But as of now, we have already announced the interim CFO, Mr. Prashant Joishy, who was already there in the past and he is continuing now.

Questioner: Any other thoughts from the promoter, the thought process on?

Management: As of now, I think it is status quo. They have clearly indicated that they are looking at, there is a good amount of upside valuation possibility. The bank is also very keen to and pushing for this IT transformation. So, which will also give us a good feel to the future business and potential and productivity improvement and efficiencies.

So, that is also happening. And otherwise, there is no issue in terms of the, this sales team and in terms of this pushing for growth. In fact, the promoter is fully supportive, there is no issue on that also.

Questioner: [inaudible 34:22] One question from my side, with this whole affordable earning financiers also, I mean, larger HFCs, I know you are not there in this segment, but across various spectrums, are you seeing some, I mean, with respect to some pressure?

Management: Not, I mean, pressure as in you are saying whether there is a more active, competitive landscape has increased in particular segments. Not really, I think affordable housing finance companies also actually now are in the 10 lakh plus more in the 15 kind of segment. Larger ones, I do not think are, many are coming lower, but, I personally believe, I would love to do in the affordable segment, but I do not think the time is right now.

Because, that segment is particularly should see some, supply side issues, because new developers and new projects are not coming much in this segment, because there are no any incentives available. The CLSS, we do not know, it is too early to talk about whether that will be able to give a real flip to the affordable segment.

But other than that, the CLSS going has really impacted and it is reflected in the numbers because affordable numbers today are now in the single digit, growth numbers are in the single digits rather than. So, I do not see that that will be there. In fact, some of the smaller players are kind of regulatory, stipulations that are coming some of the things where the regulators are tightening the matters. I think in the smaller players there would be some small adjustments will have to be done.

Because particularly the regulators have been talking about, fee based income, some of the rates being charged by some of the players are too exorbitant. So, they have been now, coming down heavily on that. They have been talking about insurance Mis-selling and insurance being bundled along with, bundled along with housing as a mandatory requirement and being pushed to customers.

And they have been talking about now these PVC criteria is there. They have also now talking very openly about, you know, the lap loans and things like top-up loans because of which, there could be, higher valuations given. Like for example, you know, entity A gives 20 lakh loan on a particular property.

After six months' entity B takes over the loan with a 5 lakh, 7 lakh top-up. After another six months' entity C takes over that loan from the entity B with another 10 lakh top-up. So, the same 20 lakh loan eventually becomes a 40 lakh loan whereas the property value may not have grown or increased that much.

So, those kind of issues also now are being, people are being talking. Even classification of loans as housing, non-housing that is also another major issue which the regulator has been pointing out. So, I think, some of the things that have happened in the last couple of years I think should kind of correct.

Questioner: And at a broader level, LHB data seems to be showing a moderation in demand growth especially in the mid-segment, lower segment.

Management: Lower segment, yes, mid-segment at least.

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Questioner: Based on the premium as per the recent LHB data?

Management: Yes, the recent report that has come, correct. So, today it is growing about 12% to 14%. So, that is what it is.

Questioner: Okay, thank you, for your time.

Management: Thank you, Pleasure talking to you.