



“Can Fin Homes Limited
Elara Capital - 01.09.26 (2)
September 04, 2026



MANAGEMENT:

MODERATOR:

- Questioner:** Yes, please. Sir, to start, basically, we had guided a loan growth rate of 14%. Are we on track to deliver that growth rate?
- Management:** Yes, sir. So far, we are almost to that, and we still maintain the guidance of 14% AUM growth for FY '27.
- Questioner:** Okay. And let us say, we are doing a lot of tech overhaul, which we are – it is expected to complete by Q2 FY '27, right? So, can we expect an acceleration of loan growth from FY '28 onwards given, for example, let us say, PNB Housing, which is more than double of our size, they are targeting a loan growth of, let us say, 18% to 20%, right?
- I am just giving an example. But given our size is smaller, okay? We have presence mostly in the southern market. So, can we expect a higher loan growth rate in, let us say, from -- are we targeting that? Or after this tech overhaul is done, how do you look at it?
- Management:** Sir, our guidance is that we will continue to deliver disbursement growth of more than 20% consistently quarter-on-quarter. And accordingly, our guidance for this year is 14%, and the year thereafter, which is FY '28, will be around 15% -- 16%.
- Questioner:** Okay. Loan growth, AUM growth?
- Management:** AUM growth. For us, we always, we'd like, we do not cut corners on the portfolio quality and other things. So, that has to be a sustainable thing which we are following. And we are mainly focusing on our disbursement growth.
- Questioner:** And, Guru, want to call out anything on the competition or, you know, the peers, especially in the segment. So, with the likes of, let's say, LIC or PNB Housing and all. So, how are they -- since all of you all are backed by very large parents. So, how is that segment shaping up vis-à-vis, you know, the normal affordable housing that is there?
- Management:** So, there is nothing new in it, actually. The competition was always there, and...
- Questioner:** But suddenly the growth aspirations have...
- Management:** The face of the competition keeps changing. Now, it's because of growth. Maybe tomorrow, it's because of portfolio quality, because of spread, NIM, profitability. So, all these things are there. But we are focusing on our own story, on our own journey.
- We have been strengthening the organization with respect to internal controls, with respect to our IT systems, building the necessary guardrails. And once these things are in there, we are -- we have already embarked on that journey of having our increasing our own sales team, which is contributing around 8% to 10% of our incremental disbursement.
- And similarly, we are expanding. We are working on our own stories like addressing the geographical consideration, moving from, like, just becoming a south-based company to a Pan-India franchise. So, we are working on those piece.

And once these all these things are there in place, we are giving a guidance of around 20% -- 25% consistent disbursement growth, which will And the AUM growth will follow because it comes with a little bit of lag, right? So, once we are consistent there, we will hit that this thing.

Questioner: When that happens, so what's the timeline then? Is it more like towards the fag end of FY '28 or...

Management: For '27, we are giving 14%. For '28, we are giving 16% -- 17%. And consistently, if you do that, it will be around at 17% -- 18%.

Questioner: '27 and '28 is expected. So, it's 15% -- 16% or 16% -- 17%?

Management: FY '28.

Questioner: FY '28.

Management: FY '28, it's 15% -- 16%, close to 16%.

Questioner: Okay.

Questioner: 15% -- 16% disbursement?

Management: AUM. AUM growth. For disbursement growth, we are consistently doing 20% more than 20%, 23%, 25%, this kind of number.

Questioner: Okay. And, sir, let us say, our -- if I look at our loan book, up to 75% of our book is less than INR35 lakhs in terms of average ticket size, okay? But something -- so can we achieve higher growth by, let us say, increasing our ticket size because, let us say, we are a AAA-rated company, our cost of funds is much lower, let us say, versus some of the other.

I am not saying that you should target prime sector because, again, banks would be much prevalent in that. But, let us say, near-prime segment or emerging segments, can we target that segment where, let us say, the yield is close to 12%? And we can have higher growth in that. I mean, I -- you know, more than me. But...

Management: No. It's not like that. So, the basic our go-to area is around that INR30 lakhs -- INR35 lakhs, that is our strength, which is keeping away from the competition to a certain extent. We don't have to compete on rates. And rather than thinking on the ticket size, we are looking more into that portfolio mix between salaried and self-employed so that we can also protect our yields and NIMs.

So, we have always wanted to, as you can see our numbers, we have always tried to maintain and deliver that 2.7 spread and 3.75 kind of 3.8 kind of NIM. So, growth coupled with profitability is also important for us.

Questioner: Okay. And, sir, within self-employed, you do this assessed income or ITR-based income?

Management: Documented income proof. It's not assessed, not appraised or something.

Questioner: Okay. It's ITR?

Management: ITR, GST returns, or any other document which is coming from the -- this thing.

Questioner: And salaried also, it is not cash salaried, it is ITR-based salaried?

Management: ITR-based salaried. Everything is underwriting is very strong. We have built in systems. They will go online they will fetch the ITR returns, other documents, and CIBIL reports and all those things.

Questioner: Okay.

Management: So, thereby, by doing all these things only, we are able to maintain our portfolio quality consistently over the period of a long span, I think.

Questioner: Fair. Just fallen sometimes. So, what possibly could be the reason? Just wanted to understand that, why somebody with much higher size is also able to grow at a much faster pace and at least guide also in the high-teens kind of segment versus ours, which is more on the mid-teens side?

I can understand because of this tech integration and everything, things are going to be a bit slow and subtle. But even on next year basis, can you not grow in, you know, the higher teens kind of number?

Management: See, how they are growing so fast, that we cannot comment on that and whether that how much of that is sustainable, I really cannot comment. I am not saying that that is not sustainable, but we have to see that how that can be achieved.

As I keep saying that I have reiterated -- I am reiterating that that we will continue to develop and give our guidance on the basis of our own story and own journey which we have embarked. So, with branch expansion, geographical expansion, and development of our sales team, we will definitely have decent growth.

Questioner: Fair. Do we do developer finance?

Management: We don't do developer finance as of now.

Questioner: So, are we targeting to do developer finance? Do we have that in our...

Management: Maybe some near in near future, or maybe in future, we can do that. But right now, we are not doing.

Questioner: Okay.

Management: The policies and all will be there. We maybe draft policies are there, and we can start, we can seek our approval from our board and all. But as of now, it's not there.

- Questioner:** As of now, not there. But what about, do we -- at the board level then, we must be having a discussion that whether we want to do developer finance or not? And if we -- do we have plans of doing that or we are thinking?
- Management:** Discussions are going on along those lines so to diversify our portfolio more so that higher-yielding consoles say maybe some additional avenues of disbursement we can get in the market. So, that's something of that is in the very initial stages right now. Maybe in Q3, maybe we will be coming up with something if everything finalizes in that fashion.
- Questioner:** In Q3, then you might announce that you might start developer finance, or...
- Management:** No. It is in the process. If everything materializes, in that case, we will be informing everybody, okay? Take the impulse of Q3 investor call, we are coming say something like in November or so.
- In that case, we will be informing you, okay, we have taken this decision in the -- so something is we are planning something. If everything falls in place, in that case, we will be a little bit diversifying on our...
- Questioner:** This November? This November '26, you will let us know. November or January, after Q3?
- Management:** No. During if it happens -- if everything falls in place, that would be in Q3, typically.
- Management:** It is too early to comment on this. You -- we come every quarter, right? So whenever it happens, you will definitely come to know.
- Management:** So, nothing of that sort, nothing concrete has been finalized yet. But we are evaluating. Being in the market, we have to keep evaluating all the fresh possibilities that we have, that the evaluation is going. That is the ongoing process, rather. So, as and when anything of that sort is finalized, then definitely we will come up.
- Questioner:** So then, let us say, if we enter into developer finance, then essentially that can be an acceleration to our loan book, right? But I mean, I am just thinking, trying to connect the dots, where can the growth come from?
- Management:** I think we are not there yet as of now. The -- to the simple answer is that, today, we don't have developer finance. And in the near future if we do, we will let you know and we'll definitely come with more answers to your question like, how much is the target, how much is the -- how much percentage we are trying to do there and all. So, all those things are in nascent stage, maybe at a board level, board strategy levels.
- Management:** Nascent stage. It will be very premature. Right now, any numbers based on that.
- Questioner:** Okay. Then coming to the tech integration and the entire processes that are taking shape right now. With that, what would be the cost-to-income trajectory or opex-to-asset trajectory going forward?

Management:

Our cost-to-income ratio right now is around 19.5-19. around that level. So, this is also because of some of the costs have also already been absorbed in some licensing cost. And once this IT implementation is complete, the depreciation and other things will come.

The licensing cost will be accrued over the period of those licenses. So, it will remain around 19.5 for this year and some part of next year also. But over a longer period of time, it will be around 18.5.

Questioner:

Sir, in terms of, let us say, the tech changes that we have done, can you please give us an understanding what are the changes that we have done? In terms of output, what are the output changes that we are seeing and how it can improve in the future? If you can just give us an understanding.

We are spending INR300 crores on that, right? INR100 crores capex and INR200 crores opex. What are the changes that we have done? How will it improve TAT or output, whatever you are seeing? Would just guide us?

Management:

So, to start with, the first and foremost thing which we would like to mention is that it was something which is very imperative on us because our earlier systems were completely legacy, very old. So, come what may, we have to -- the time has come to change the new system.

So, once we are doing it, we have done it in a best possible way and without like spending so more -- much more to change the complete landscape. It's not an IT transition. It's basically an IT transformation, complete digitization of every step, be it e-billing solutions, be it HR solutions, whether it's LMS, LOS, loan origination, expense management, accounting, risk, ALM, security aspect, everything that has been done.

So, apart from that, it will definitely help us to the major benefits, it will help us to do business in more compliant manner. It will help us to do more research and analytics, which will further give us new areas, new avenues of growing the business, earning more bringing more profitability. And the other part which I think sir will cover now is that it's an API integration kind of tool. So, many third-party vendors can be integrated.

Management:

So, the existing system that we were having was basically, you can say, like many systems were out of the purview of existing systems. Say, for example, like we do have to incorporate the valuation, we have to capture the ITRs, get it verified. Then we have to do that LSR thing.

We have to verify the project reports. Everything was isolated, more or less. Something was incorporated in the existing package, but it was not a vast advanced version of that. So, in this new package, what we have done is we have integrated through various types of service providers through API to provide that it's in a one single package we are having all this control certified now.

For be it valuation, be it legal report, be it any other verification reports, say, ITR or site visits, whatever it is there, geo-tagging, everything, all those reports are available in one go. So, for example, as you know, we are having our disbursements at the branch level. Our branches are having the delegation of powers for sanctioning at their level.

So, in that case, controls are very important. As you may be aware, last 3 years, we have gone for outsourced disbursements. So, we are -- we don't disburse anything from our branches. All disbursements are centralized. Even though sanctions are decentralized, disbursements are centralized for the last 3 years.

So, in that process, there were certain gaps in the existing system. And, of course, because of dependency on various types of different applications, there was a time lag also, which was taking more consuming more time for our employees. So, in that case, our TAT will, of course, improve. So, ease of doing business also will be there. At the same time, we can also look forward to having a better compliance over our assets.

Management: Right. So, this is not driven by TAT and TAT improvement alone, while it is definitely there, but it comes with a lot of other benefits. And just to add what sir mentioned, all these systems are capable of consuming AI in the future. Suppose we want to further integrate with any third-party vendor or who can give some intelligence or it can improve the analytical power or assessment or analysis, it can. It is capable of consuming it.

Questioner: What were the prepayments in the previous quarter? Quarter 1.

Management: The total run down for the quarter was INR1,857 crores. Out of that, if you say prepayment as such, prepayment, we would further divide into two parts. One is extra payment or early repayment by the customer, and BT-out. So, BT-out is around INR400 plus crores, and rest is...

Questioner: And how are we -- I mean, we have seen that traditionally the BT-outs have seen little bit of, you know, have risen a little bit. So, how are we seeing that going forward? Because we are doing IT trans, you know, all of that. We are taking a lot of measures on those fronts. So, how are we seeing those?

Management: So, definitely, we are looking at the BT-out number. We are closely -- it has been a watch area for us. So, we have -- with our IT systems, we have developed certain bureau alerts. We are connected with the bureau that whenever our customer is trying to take quote from other bankers or from other financiers, we will get an alert.

So, our call center team will immediately call the customer to understand his needs and requirement. So, whether we can step in there and help the customer to retain the customer. So, that is one part. And again, while we keep talking about the BT-outs, our BT-outs are not highest in the industry.

It's a common industry phenomenon, and quite common in housing finance industry, where we also follow any restrictive practices that we will not give the SOEs or the outstanding balance information and all those things. The regulator also doesn't want us to do that way. So, we are complying the regulation, and it's a free market.

So, if for something someone is luring our customer, attracting our customer, showing a teaser loan of say an initial teaser loan at a lower rate and then coughing it up with a higher rate, thereby managing the entire weighted-average cost of them, this thing. But yes, because of the BT-outs

and prepayments, we -- our disbursement growth -- our strong disbursement growth, rather, is not getting translated into AUM growth.

To check that, we are focusing more on disbursement growth only. So, if we are able to deliver continuous disbursement growth of more than 20% -- 25% quarter-over-quarter consistently, then we will definitely see the AUM growth. We will see that translating into AUM growth. Does that clarify your question?

Questioner: And in case the competition, let's say, is offering slightly, you know, discounted yield on the you know, lower interest rate on the loan, how far do you think we'd be able to go to, you know, undercut or maybe retain that customer in that sense?

Management: We don't do that only. In fact, we don't go into that discriminatory rate policy.

Questioner: Okay.

Management: This is evident by the fact that our yield, incremental yield is 9.81% and our book yield is also 9.81%. So, I think these transparency things will be understood by the customer, and that's why those who are sticking with us will continue to stick with us.

Questioner: So, should it be range-bound in 9.0 -- in 9% -- 9% -- plus?

Management: Fully.

Questioner: Should the yields hold up in 9% -- plus range? Because we've seen that I think year-on-year there were 10% yields and we've now fallen to 9.8%, slight moderation?

Management: Slight moderation because now it will not go further from here. Rather, it can go up only because in if you remember, in throughout the last year, we have been converting our annual reset customers to quarterly reset. So, now 85% -- 88% all the customers have been converted into quarterly reset. So, now only from here onwards, if the rate increases, the -- we will all the benefit has been given.

Questioner: Okay. So, this is probably the bottom of the yield?

Management: Correct. Bottom. Correct.

Questioner: Question, considering many of our customers would be having their job related to the IT. So, AI is also picking up and there are we are hearing there are a few of the layoffs. Are we envisaging any asset quality issues, the early signs, later on some of the other in media articles also we are reading there are huge layoffs in the IT because of the AI.

So, this will have a cascading impact because many of the borrowers would be having either home loan or personal loan, or car loan, whatever it is. It can have an impact in our portfolio. Anything early signs that we envisaging?

Management: In the first place, our IT the composition of IT dependent customers are very less.

Questioner: Okay.

Management: Less than 6%, to be precise. So, until now, we have not seen any such stress in the portfolio or in their repayment capability as it can be evidenced by the fact that our GNPA continues to remain much lower. For years together, right?

Last year also, it was 0.0 -- quarter-on-quarter, if you see, it was 0.98. Right now, it is 0.85. So, and with respect to delinquency, prepayment, our collection efficiency remains more than 94%, 95%. And we have not seen any such impact on the demand side also, so.

Questioner: Just closing loop. So, if you can just add, what is your customer profile like in terms of the you know, the industries that they are exposed to? Because you're in the...

Management: We are at 65% salaried.

Questioner: Yes.

Management: But 14% is only government employees. Government salaried is 14%. More on more 52% -- 53% are normal private this thing.

Questioner: And private also, you are saying it is 6% are with IT?

Management: Less than 6%. Okay.

Questioner: That was the only worry, so I was also having?

Management: Right. Otherwise, rest are all 32% -- 35% is SENP, self-employed non-professionals.

Questioner: Sir, do you have any house view or any indication about repo rates? So, are you building in any rate hikes or anything by the RBI?

Management: We cannot comment on that, repo rate. While the entire industry, we keep hearing these discussions that it will go up or it will be -- I don't know whether it will be maintained or go up.

But once it is done, we have adequate bank sanction lines, and that we don't see any stress in terms of our liquidity, and we don't see our cost of funds also going up very high because only incremental borrowing will increase because of that. So, our guidance for the upcoming quarter for the cost of funds will be around 7% or a little less than that also.

Questioner: So, growth range, any plan to increase a little bit higher numbers?

Management: For the financial year, our for...

Questioner: The next financial year, not for this financial year?

Management: For this year, like for next financial year, it is around 15% -- 16%. AUM growth, 14% -- 16%.

Questioner: And this Karnataka issue will be a little bit solved, or still it is in the...

- Management:** More or -- by and large, it is resolved now. It's not 100% off closed, but mostly, as you can see in our numbers, we have been able to do INR234 crores -- INR230 crores of this disbursement per month in Karnataka.
- Questioner:** How do you see the overall borrowing mix considering what they have asked about the repo rate increase, that being coming any changes on the borrowing mix? And how do you see that the NIMs and the spreads will be sustainable at the current level, also if, again, the yields are started inching up?
- Management:** So, the borrowing mix, what we have shown now, is more or less stable. We have reduced -- consciously reduced our reliance on the short-term loans. Right now, 60% -- 65% is of bank borrowing. That will continue. 15% is NHB refinance. Around 16% -- 17% is NCDs.
- So, by and large, this will remain the -- this thing. We have got fresh sanction from NHB in this year also. Last year, we got around INR1,500 crores. This time, we have already received the sanction of INR1,350 crores, which will be availing over the next few quarters.
- That comes with a very competitive rate, right? The blended rate is less than much less than 7%. Last year, it was 6.6. We don't have a number right now because that is a blended rate, but it will remain below 7. Having that said, our little bit of reliance is there on CPs, commercial papers, but that is also restricted to INR2,500 crores, which is close to 5%, 6%, 7% of our total borrowing.
- So, the mix will remain -- this is a kind of a stable mix. NCDs will only be issued when we see that the rates are in our fold. Right now, they we are getting quotes of around 7.8, 7.9. With this upcoming discussion of the next repo rate increase cycle, we see there are some distractions in the market that may go further high and all.
- But we can wait. We'll only issue the paper once the rates are in our favor. And because that to the extent of that compliance to remain in compliance with the SEBI circular, we are good there. We don't have any major urgency to issue the paper now only.
- Questioner:** Sir, but if that rate hike happens, for example, but then our yield still also go up, right? Because then the agreement is PLR plus the -- then our yield will also go up, sir.
- Management:** Yes, it will go. And we have strategically only we have like converted all the customers into quarterly reset. Almost 85% of our AUM is on quarterly reset. So, if they go, we have to pass on to...
- Questioner:** Yes, it will be passed on?
- Management:** Yes. Similarly, we have done the -- benefit also we have given, so this is...
- Questioner:** So, spreads and margins will be maintained?
- Management:** Yes. We are giving the we continue to give the guidance of 2.8 -- 2.75 spread and 3.8 NIMs. A little more, if not less, actually.

Questioner:

Sir, I'll just come back to tech thing and just close this loop, right? Earlier, everything was manual, right, done at branches. Everything was done at manual level. Now, with this automation, it could be that the salesperson would be doing login with their systems when they are visiting the customer.

Everything will be logged in in the system, and then we'll be having a track. Are we having something like that? Or how are things? Because earlier manual, then it would be much higher time?

Management:

So, not everything was manual. Like sir mentioned, there was a system. There was a system -- it was a system, even though it was old, it was a system. And we have done some amount of integration upgradation in that like the name was IBS. So, we had an IBS version 2 in, say, December '24 kind of thing.

The only lacuna there was that it was not capable of getting integrated with many things, and that workflow was not capable of being built. So, now with this new infrastructure, new architecture, everything is possible now. And definitely, we have other like Sampark apps where the customer can where our sales team can visit the customer place, do some recording, take his acceptance and all those things, which will flow directly into the system.

Improvement is there, but it's more automated, workflow-driven, and more ERP-driven kind of thing where one of the steps can be followed by some other thing rather than doing things in silos and then accumulating, thereby creating some intermittent gaps and lags.

Questioner:

Okay. Sir, in terms of the industry at where we stand as of now, where do you think where do you see our, you know, some of the -- maybe there are some in, let's say, inefficiencies in the industry, where do you see that overall? And where do you see and where do you see the industry is right now?

Management:

Inefficiencies in the industry, I will not be able to comment on that, what's what is in because there are many companies, big and large. We see into our close peers. What we see is more pertaining to compliance.

So, we are very much compliant, like we follow all the orders and advisories of NHB, RBI. And that comes to us with our parentage and pedigree, right? Our supervisor and our renowned PSU bank. So, many times, what you see as inefficiency or efficiency can be turned down or put down by compliance.

If you see in the last 1 year, so many resolutions, so many circulars, advisories have come. You have seen many news regarding this getting penalized, that getting penalized, and with this reversal of business, that reversal, that disclosure of NPAs and all. So, we are not getting into all those things for sure. And we are building our efficiencies with respect to our business and our journey with our focus.

Questioner:

And what would be our -- would we have any overlap with MFI customers also in our book?

Management:

No.

Questioner: We'd not have any MFI. None of our customers that would do unsecured lending or MFI lending.

Management: No. We don't have that.

Questioner: Sir, what are the ROE targets that we have for FY '27 and '28?

Management: We will remain in that level of 2.4 to 2.5.

Questioner: Okay. For both the years?

Management: Huh?

Questioner: For both the years?

Management: Around that level only. To get for up to '28.

Questioner: And the credit cost will be in the range of 0.5 to 0.6 basis, or is it...

Management: We are maintaining a guidance of 10 less than 10 bps. But we don't see any stress there, and...

Questioner: So, 10 not 40 basis points we have to take it or 10 basis points is fine for the credit cost?

Management: 10 basis points.

Questioner: Okay.

Questioner: Sir, 10 basis points was for this year, but I mean, then 15 basis points was, I think, guidance given earlier for...

Management: For the previous year, it was given 15 basis points. But right now, we are seeing that it will be around 10 basis points only.

Questioner: For FY '27. And for '28?

Management: Huh?

Questioner: FY '28?

Management: FY '28, if the portfolio quality improves, it will be around 10 basis points only. We are not seeing any stress there.

Questioner: Okay. At an industry level, do you have any sense what percentage of customers would be IT-exposed to the IT industry?

Management: I don't have a number for that right now. What I can guess is that, which I don't want to, but IT-level guys are paid more, so they will be buying more than INR1 crores property, prime customer.

Questioner: Hey, but why? Because Bangalore is IT hub...

- Management:** Yes. But they will be. Not very less, actually. We that one or two customers may be there. I don't know. Maybe definitely there. But mostly, there are not now not even INR1 crores, now the flats are all those things are more than INR2 crores.
- The Total Environment, Puravankaras and Prestige are more than 2.3, 2.5, moving into INR5 crores villas, INR10 crores villas. I hope you have seen those pictures in the last year's monsoon. INR10 crores villas are under water.
- No such plan to enter into a higher ticket size, but with recession or with the change necessary in the property cost, it is gradually shifting from INR20 lakhs, INR25 lakhs to INR30 lakhs, INR35 lakhs kind of thing. But our target customer remains the same with that income, household income of INR50,000 to INR1 lakhs.
- Questioner:** Down the line over the next 2 years, will you require a capital, considering the growth?
- Management:** Considering the growth and the kind of ROE which we are delivering, I think I don't think 3 years we will need any capital. It's self-sustainable. Right now also, our CRAR ratio is around 23%. And our ROE is close to 18%, and we are growing at below around 14%. So, we despite of the fact that we are giving dividends, 3 years, we don't need any capital.
- Questioner:** Any talks of Canara Bank dilute stake in the company?
- Management:** No such plans, I think. Not in the reasonable foreseeable future, there is no such discussion. Rather, like DMD sir is there from Canara Bank, the previous person was -- like was about to retire, so Canara Bank proactively inducted a senior resource from there.
- And now with that overlapping circular also being addressed properly, Canara Bank has passed a resolution to this effect that we have a different company who is doing housing loans. So, now I think this is behind us now.
- Questioner:** Sir, how much royalty we pay to Canara Bank for...
- Management:** Royalty?
- Questioner:** Yes. Do we pay royalty?
- Management:** I don't think so. We don't pay.
- Management:** Only dividend is paid.
- Questioner:** Only dividend. Because using that Canara Bank name, so.
- Management:** No, we are not using Canara Bank name, we are using Can Fin Homes. Please GST department will hear all these things and they will send us a notice.
- Questioner:** Sir, what's your outlook like and especially in which states we are more than more focused to?

Management:

So, if you see this year, we opened this year with 249 branches around. And this year, we planned for around 28 branches. This time, we have done that we have last couple of years, we are not opening much branches in the South.

This year, we have added South also. That is Tamil Nadu as well as Karnataka, Telangana, Andhra Pradesh. Apart from these places, we have added more number of branches and then some branches in, say, Chhattisgarh, say some branches in UP, some branches in you can say, Maharashtra as well as Rajasthan.

So, all together, if you see, more number of branches we are this time we have opened in eastern region. That is east our east comprises of Andhra Pradesh, Odisha, then Chhattisgarh, Bihar, and West Bengal. So, basically, of course, West Bengal, we are opening. Chhattisgarh, we are actually Chhattisgarh, we opened three branches.

Around five, six branches we are opening in Andhra Pradesh. And accordingly, similarly, Telangana also, we opened around three or four branches. 28 branches were proposed, out of which we have already opened 20 branches so far.

And the remaining branches also will be completing mostly except for, I think, three branches, all branches will be opened by through this half year end. So, there is kept three branches only maybe slated to that next quarter. Accordingly, next year also, this year, we propose to close this our branch size with around 277 branches.

Next year, we will be crossing 300 branches. Next year again, we propose to open more than 24, 25 branches so that this threshold of 300 level we will cross.

Questioner:

And what's the threshold in terms of reaching a certain size of AUM?

Management:

Get to break-even.

Questioner:

Yes.

Management:

Average, you can say, year and a half, 18 months, 15 to 18 months.

Questioner:

How do we look at it to AU -- do we look at it from an AUM perspective that at a certain AUM, we'll be we'll break-even? How do we -- how do you look at it in branch from a branch economic perspective?

Management:

INR20 crores -- INR25 crores portfolio in a branch will enable us to reach the break-even.

Questioner:

Okay. So, it takes around 1.5 year for the branch to completely mature?

Management:

So, INR2 crores -- INR2.5 crores disbursement per month and 12 months, 15 months, easily.

Questioner:

Okay. And what has attrition been like lately?

Management:

Attrition, overall attrition for the company is around 14%, 13.5% some number, to be precise. But which is quite low and manageable, I would say, with respect to a company of this size. And

it's more into like the kind of staff who are getting adjusted and they're understanding the thing, they continue with us.

If the attrition happens, it happens quite fast. So, thereby you can you can understand, no, like it's not a kind of thing that after 1 year, everyone will leave. Not like that. It's those who are getting on board and embarking on the journey, understanding the job, and suits us, it will work both ways and they will continue.

Questioner: Try to understand attrition on senior level, probably on an RM level, because they are the ones who get the customers, and they are the ones who will probably drive the BT-outs also eventually, right? So, at RM level, what is the kind of attrition you see?

Management: I have seen only retirements. I have not seen attrition in the senior levels.

Questioner: Okay.

Management: It's a quite steady company. Yes, we -- in fact, we are hiring from outside also, lateral hiring is there. But at senior level, there is no much attrition.

Questioner: Not much.

Management: Of course, exceptional, here and there, one or two cases may be there.

Questioner: Yes.