

Transcript of group meeting

Questioner: Sir, if we can start with growth?

Management: Sure.

Questioner: So, I am just looking at the disbursement trends, so the disbursement growth has been declining over the last four to five quarters, like primarily, I guess, there was some e-khata issues and regulatory issues in Karnataka and Telangana; so, if you can just give some light on how are these things trending in Q2, Q1 and any idea on that?

Management: Sure, see first of all I mean if you look at the trend, it is normally been a cyclical thing in the sense that first half is about 45 percent disbursement, second half normally in the industry is about 55 percent, that is what I would -- I would say. In that sense, this is the first time, wherein in Q1, in Kanchan we have done more than INR2,000 crores disbursement, so this in Q1 FY'26 where we have crossed INR2,000 number, so that is the first thing.

For the year, we are looking at around INR10,500 crores plus kind of disbursement number and for which INR2,000 crores we have done and this quarter we are looking at around INR2,500 crores, because normally April is a slightly slack month after the year end, then May and June slowly picks up and that is how it goes.

So, this month also in the month of July that is we have done INR800 crores plus disbursement, little above INR800 crores, so that is why we are in line for the INR2,500 crores disbursement kind of figure for Q2 and then Q3, Q4 we will be again further doing it, although in Q3 we would like to give a target or set a target of INR2,500 crores only, because we also have an IT implementation scheduled in November 2025, so keeping that in mind we would still keep it at INR2,500 and so in Q4 we will pick up and push the disbursements in Q4 after the implementation of the IT package.

So, as of now we are hitting a run rate of about INR800 crores in July also. If I break it up, six zones we are having, of which the north zone, which is the states of Punjab to UP, Punjab, Haryana, Himachal, Uttaranchal, Delhi and UP, there we are having a 40% plus growth.

Last year also we had around 35%-36% growth which we registered in north zone, this year also they have continued the momentum and it is 40% plus. Tamil Nadu, last year was also 25%-26% growth in last year, this year in Q1 they have registered a 35% growth, so that zone also is growing for us. West zone last year was doing around 15% growth, this year also is doing around 15% growth in Q1.

East zone last year, was negative in Q1 and then post change of government slowly picked up and they have continued the same kind of momentum, therefore because also of a base effect but still they are like quarter on quarter showing an improvement and this quarter therefore there is a 40% growth in east zone also which otherwise in FY'25 was a flat issue, 0.75% only growth in terms of the disbursement.

So that way four out of the six zones are doing healthy growth. The two zones, which are not doing is one is Karnataka, where last year we were growing at a healthy 20% growth and roughly around we were doing about 250 plus crores of disbursement in Karnataka month on month, which because of the e-khata, which was introduced from October 2024 has affected the business.

It went down in Q3 of last year to almost INR150 crores per month run rate, increased to a little more than INR200 crores last year in Q4 and in this quarter we are like again INR200 crores we have maintained and June, sorry July we have done -- June and July, both months, we have done more than INR225 crores disbursement in Karnataka.

So, at least in Karnataka, the way it is happening slowly month on month the numbers are also increasing and second half will definitely be better, that is the trend also is of that only. So, therefore the average of last year was INR225 crores, where we already are, so whatever increase comes month-on-month from here will add to the growth, so end of the year, we are expecting around 15% growth in Karnataka state and Telangana, which was the other state where there was this problem of Hydra and the demolitions and all that happened. So last 6 to 8 months there are no demolitions, so that has helped in improving the sentiment.

Prices, which had kind of gone down, in quite a few areas they have come back, they have again stabilized also and that is bringing a lot of positivity in Telangana also now. So that is witness one in the sense that our delinquencies, which had slightly gone up because of the prices going down and demolitions and all happening, now the delinquencies also in Telangana have started to come down.

This quarter also Q1 we had a lower delinquency number as compared to Q4, so June was lower than March and July again further reduction is there, so that positivity is reflected and numbers also month on month are growing. This month again we should probably cross INR100 crores in Telangana, so that way again in Telangana with the positivity coming back we will be by the end of the year, this state also should come back and should be in a positive, about 20% positive.

So, overall, the number of INR10,500 crores, that we are talking about is we are in-line for that.

Questioner:

Okay, Mr. Mehta asks, your DSME social has gone down from 87 to 79 and your revenue, sorry your business employees gone down from 32 to 31, so I am trying to forget both of them, you are saying that your branches I cannot get a number somewhere, so branch for your business is also flattish for last few years, so; like the move from 87 to 79 being thought, basically my cost of income should go up because of that, because you are implementing some measures? I will leave the comments for you to make sure.

Management:

No problem, so this is actually a kind of a conscious decision, that we want to bring down our sourcing through the DSA channel, from which was 85% in Q4 of FY"23, we wanted to bring it down to 60% by FY"28, so in that direction is what we are moving and for that what we are doing is one, we are increasing or building our own sales team, which earlier there was no sales team in campaign.

We are now building our own sales team, it was a small number, we started with a pilot last year about 39 people and this year again, we are increasing the team also because the experiment was also very positive and the team also demonstrated almost like INR80 lakh plus kind of a sourcing per month per staff, because we had only 39 people in Q4, they were able to do almost INR40 crores on average per staff, so that way the productivity was also quite positive.

So, it is a little accretive because compared to what we would have paid to the DSA, the sales team with this kind of a productivity will slightly bring down the cost also, plus the reason why we wanted to also reduce the sourcing is that one is the over reliance on one particular channel is the slight risk.

Second in case of a DSA sourced business, there is always a risk of a slightly higher BDL, because they generally tend to move the business in 2-3 years' time. So, that was the second and third of course is that, when it is a DSA driven business, the DSA decides what is the segment, what is the kind of business that will come to us, whereas if it is a sales team then we can decide on what is the kind of credit work, customer segment or profile we want to pick up.

So, these are the main reasons why we have said that we would like to bring it down to a 60% and build our own sales team, so that our own sourcing can be, direct sourcing can bring in about 20% and site implementation that we are implementing that is going to give an additional digital channel for us, so that also in the next 2-3 years should bring in another additional 10%.

Questioner: We didn't have a digital channel as of now?

Management: We didn't have a digital channel.

Questioner: Then what is the reason for that?

Management: Now what is the reason for that? Flattish business is because business per employee, that is because in the last year, in fact in the last 2 years we have strengthened our teams, we have added 39 branches, net 29 branches, because there were some we merged also and some we closed also, so that is about we were 205 branches and we added 29 branches in the last 2 years.

So, that is also the reason we have added the staff to in FY"24, we had if you see our tagline also it is: Reinforce, Rebuild and those are the reinforce basically that we have strengthened all our assurance functions, so our team size in particularly risk or compliance or audit and legal, these are the 4 functions we have strengthened it to quite a considerable number in the last 2 years, so almost it is more than doubled in terms of the size.

Questioner: How many team members are there?

Management: Now, we have 34-member team for audit, no?

Management2: No, it is around 29.

Management: 29, some additions and all those, sorry?

Questioner: Centrally dispersed mostly or in deadlines?

- Management:** So, the disbursement is central, yes; we have the centralized verification before the DDs are approved and authorized centrally.
- Questioner:** And underwriting is also centralized?
- Management:** Underwriting is not centralized, it is decentralized up to certain delegated powers, so up to INR35 lakhs if it is a manager level up to INR35 lakhs provided the person has been with us for a while and he is a confirmed employee and all those things, we would give them INR35 lakhs sanctioning power, then it increases up to INR75 depending on the grade and all.
- Questioner:** So, you have employed a lot of elite on street, not the managerial level, that is what I am trying to understand?
- Management:** No, we have also I mean not from outside external, we have not taken much from lateral hiring but internally yes we have kind of strengthened the team, but that is mainly because of little more promotions and all in the last couple of years because that middle layer also we have strengthened with every department, we have had a second line strong deputy, all those kind of things also we have built in kind of in terms of strengthening the...
- Questioner 2:** Sir, what about the compensation structure?
- Management:** See in compensation structure, we have mainly made two changes, one in the last two years, one is that we had in November 24, we have introduced the ESOP and the first allotment happened for the chief manager and above level people, we have introduced the ESOP scheme and of course the first vesting will happen this year, but at least the grant happened in November 24 and this will continue for all SMP and KMP every year because a certain percentage of the package we would like to give by way of ESOP or stock.
- The second thing we have done is last year we went in for a compensation benchmarking and post the compensation benchmarking, we had a salary revision which took place in very, very end of this month, last month that is in June, sorry and the very end of June and that impact we gave from 1st April 2025, so that compensation benchmarking exercise helped us in kind of realigning some of the stuff.
- So, we have at least increased our salary package in the mid and slightly senior level, so little more than what we have done for the junior level, so that we can also attract some good talent from the market for the middle and senior management levels, so these two things we have done for this.
- Compensation, now if you see the comparison with the industry, up to the senior chief manager level, I think we would be very comparable or at times even better I would say as per the what the study has shown, it would be probably better than the competition because our entry level strategy, the lowest when the entry one year, somebody from the state from college or from MBA institute or maybe with the one or two year experience, if we pick up the entry package would be somewhere around INR5 and a half lakhs CTC, so which would be around INR40, INR42,000 per month.

So, this that way and all if you see we might be even better than the competition in some of the levels, some of the very senior levels, yes there is still a disparity because it is still a kind of a gradual kind of a thing, whereas in private sector some of the beyond a point there is a exponential growth, so here it is not the case, so but still it is some of it has been bridged in this compensation review exercise that we did and at least fairly we will be able to attract decent talent from the market.

Questioner: Just one question, like you are recalibrating your compensation structure plus you are adding sales team plus you have some IT related expenses, which are going to come up in the near term, so what kind of opex drag can it have over the let us say FY'26, FY'27?

Management: See today post our salary revision and everything and whatever we have taken the additional people, so not that all people are going to be added from outside, so only to the extent of the new branches now we will be adding people, otherwise by and large the team we have built the additional team for all those things, all that is already factored into our cost as of now which is coming to around 18% cost to income ratio.

Now, the additional cost which is not factored in and which will come into the place in FY'27 wherein we have an additional about INR40 crores which will get added in terms because of our IT implementation, there the total cost would be around INR60 crores, INR55 to INR60 crores will be the annual cost including the capex and opex.

Currently we are paying about INR15 crores, the cost is around INR15 to INR17 crores, so net there would be around INR40 crores you can say additional which will add about 1% to the cost to income ratio, so right now our cost to income ratio is about 18%, it will probably go up to around 19% and then we will see how that will eventually be absorbed as our size increases.

Questioner2: In-line for reducing the DSA channel share from 80% to 60% is by when?

Management: By FY'28.

Questioner2: By FY'28. I am just trying to understand the cost structure difference between let us say if we source a customer from the DSA versus let us say if we source the customer in-house, so what is the difference in the cost structure if you can?

Management: Okay, today when we are the average payout blended cost, blended payout for DSA source business around INR0.45 to INR0.50, so approximately if DSA brings a INR1 crores kind of business they would be paid about INR45,000 rupees, as I said now we are recruiting people or we are currently moving our team part of it to the sales channel, so sales channel they would be therefore at the entry level getting around INR42,000 rupees, so that is the reason why we were kind of seeing whether the 39 people can justify the kind of payback and whether they will be able to earn for themselves.

So, today when the team is able to get about INR40 crores with 39 people or 38, 39, INR40 crores with 39 people approximately a crores they are able to bring, so indirectly at least there is no drag because of the own channel.

Now obviously as the productivity increases, as the ticket size increases this will effectively help, plus the fact as I mentioned that that the own sourcing will be a little more sticky portfolio as compared to the DSA source portfolio.

Questioner2: Have you experienced any higher BT outs lately because banks are being very aggressive lately in the mortgages and home loans?

Management: Not much in Q1, our numbers are there because we have been doing the last 36 or rather 12 quarters we have given in our presentation also, there is not much of a change actually, obviously the enquiries were there because we first experienced it on our liability side then passed on to our customers.

So, obviously there was some initial enquiry and some hesitation and all those things from the customers, so some impact was there but as and when we started in May we gave the first rate cut to our customers' existing and new of 10 basis points, then that was a little help and then again when in July, we have given a further 15 basis points to the customers, so therefore now at least the customers are convinced that the rate cuts will come, maybe there would be a little bit of a time lag.

Questioner: Okay, so no concerns on prepayments, moving out to banks at least in India?

Management: As of now no.

Questioner 2: What about the IT layoffs which are happening in the IT sector, since Bangalore is a, I mean the southern region is a big area where you have?

Management: Correct, see as of now our total source, our customer base if you look at it about 6% of our income comes from the IT sector.

Questioner 2: 6%?

Management: 6%, 14% is government salaried segment, 51% is our private sector. Now, 6% only is about the IT, so that definitely is one area which will be impacted but again if you look at the ticket size that we are catering to about INR24 lakh average ticket size for the incremental sourcing, that kind of a salary segment I don't think will be much affected by this. As of now also, whatever is happening is more in the senior and middle management and IT company.

Questioner 2: Is it entry level also?

Management: Entry level the jobs maybe new may not happen, but it is I mean and even otherwise for this kind of an EMI of about INR24 lakh, the EMI would be coming to INR25,000; INR26,000 that kind of an EMI I don't think would be much impacted. They will definitely be able to jump and find something where they can service that.

Questioner 2: Any plans of diversifying geographically?

Management: We are in fact, if you see today in FY'23 we had about 73% business coming from the five southern states and again in the same strategy paper we had one of the themes that we would

slightly geographically expand in the other mainly the western and northern geographies and bring this down to around 60-40.

So incrementally I think now I think it has already come down to 66% from the southern states incrementally. So, last year and the year before last about 29 net branches but otherwise 39 branches we have opened. Out of the 39 branches 27 branches are in the west and the north.

Questioner3: Just a question in your stage 2 phase 3, 6.5%, how would you say two years back?

Management: Last two years it has been a slight uptick has been there in the stage 2 that is SMA 1 and SMA 2 and one of the reasons was we had this Telangana issue where some delinquencies increased. Second issue was our SMA 0 increased substantially when almost to about INR770 crores to INR800 crores when there was a change in the regulation, whereby we used to have some excess EMI always where customers would pay higher amounts or some INR500,000 or they would pay round amount in case INR17,200 they would pay INR18,000 some.

So those amounts also we used to sometimes if there is a check bounce or some charges to be debited or some this thing then that would be adjusted against those excess but in October there was a change in guideline where they said everything has to be adjusted to principle you cannot carry any excess amount.

So that leverage that we had went off. So, we had to change our style and everything. So, in December when we reported our SMA 0 went up almost by large amount which now has come down and it has been this thing.

So, now that that pressure which happened some of it obviously once it goes into SMA 0 will roll forward and things like that. But now it is definitely coming down. So, now for the last two quarters continuously our SMA levels have been coming down from INR4,880 crores in December '24 in March '25 it came down to INR4200 crores and in June it has come down to INR3980 crores, which in July has further come down to below INR3,900 crores.

Questioner3: So what is the provision, if I look at on stage 2, stage 3 put together?

Management: See we have the ECL guidelines. So, we have to follow as per the ECL whatever is the based on the LGD, BD and LGD.

Questioner3: So, what is it?

Management: So, right now it is.

Questioner3: What I am asking is sorry. It's my mistake. The current number of provision you have what is stage 2?

Management: We have...

Questioner3: Provision you have, what is stage 2, provision is to 38?

Management: Yes, ECL provision is totally 171, total ECL provision.

Questioner3: Only for stage 3.

Questioner4: That is stage 3.

Management: That was stage 3. Then INR59 crores we have....

Questioner3: stage 2's is always less, So, total ECL provision is INR45 crores and you say that your stage 2 will come down?

Management: Will come down.

Questioner3: Further?

Management: Yes.

Questioner3: Sorry. What was the number?

Questioner4: Top up-loans.

Questioner3: Exactly what is the 2%? 3%. 3%.

Questioner4: '24, 1%, 1%, 1.5% to 2%. What is top-up loans?

Management: See existing customers sometimes they come for a slightly higher amount. They have already constructed or they want to add something some repair not some colouring work or some small things. So, there we give based on the if there is a scope in terms of the LTV in terms of the customer profile and repayment track. If we feel that it is justified we give some top up. It is considered as a non-housing loan because it is not for construction or purchase.

Questioner3: And how much is the lab fee?

Management: It is 6%.

Questioner3: This is SME lab or rent?

Management: That is both SME plus salary both.

Questioner3: And most of your stage 3 and stage 2 will be coming from?

Management: It is a combination both. Obviously my if I look at stage 3 the NPA level for a salaried segment is about 0.6 little bit 0.6 or something and 1.7 for self-employed.

Questioner4: Just trying to understand the share of lab for you is if you compare with the peers is comparatively much lower at 5-6 odd percent. So, any plans to increase the share of lab maybe to improve your yields and just follow up in the sense like what is the yield differential between home loan and lab loan?

Management: Yes, that is see today we are at around 84% is housing and 16% is non-housing. Earlier our housing was 89%. So, there was a consciousness and we are okay to go up to 80% of housing and 20% non-housing.

This 20% includes top up loans, it includes lab, it includes personal loans and it includes plot loans. Personal loan again is a very very small component mainly for purchase or something or things like that.

Questioner4: But when you are saying 20% non-housing loan like whether it is coming from the CRE this commercial real estate project loans or it is?

Management: No, we do not have project loans. Everything is purely retail. 100% of a book is retail.

Questioner4: So, you do not have any exposure to project loans?

Management: No, we do not.

Questioner3: Sorry my mistake I forgot. The 0% disbursement in Q3'25 was because of Telangana and sorry.

Management: Sorry.

Questioner3: The 0% disbursement in Q3'25.

Management: 0%.

Management2: 0% This is the growth rate. Growth rate is almost flat.

Management: That was mainly because in Q3 that is in October-September'24 the e-khata issue came up. So, we were doing almost INR275 crores per month in Karnataka, which came down to INR150 crores. Subsequently we have it has slightly improved to 200 and today we are doing almost INR225 crores per month.

Questioner2: Exactly what was the e-khata issue? I mean if you can just clarify.

Management: See actually Karnataka is already having a digitization of land records. So, if you go for a go to the sub registrar office you can get the encumbrance certificate from the sub registrar offices. However, they wanted to completely digitize I do not know I mean the thing is they wanted to once again go for a digitization of the land records.

So, the government came up in September with a circular September'24 that customers for any registration first you have to confirm your e-khata, collect your e-khata for which you may have to submit some additional documents and then prove your ownership and then again get that e-khata only then you will be able to do the registration.

So, like for example if I am already having a property if I want to sell that property, I will have to first get an e-khata of the property then I will have to do it. Now e-khata means you will have to submit some documents.

Now obviously when I had purchased it in 2005 everything was digitized. Still, I do not know what but they said they have to digitize it. So once again you have to go to the government you again have to produce your documents. Once again going to the government means some you have to pay something there will be some charges.

Questioner 2: That is the reason why this whole thing is kind of slowed down.

Management: So, now e-khata it is a process. Once you go to the government and you go to the sub-registrar office saying that I want an e-khata. So, there is a process, there is a time, there is a cost involved. All those things resulted in a complete delay.

Questioner 2: So now that thing has...

Management: No, it has not. So, basically there are three parts. One is the Municipal Corporation then comes the Development Authority and beyond that is the Panchayat.

In the corporation limit they have at least been able to streamline some of the things where between the sub-registrar offices and the revenue records they have been able to do some linkages whereby some way you are able to at least get the e-khatas.

BDA that is the Development Authority and the Panchayat area still it has not happened. It is not happening. So, there registrations and all are really becoming difficult. You have to... It has become very slow. Very less number of cases are happening where e-khatas are getting generated and people are able to register the property.

Questioner 2: Which means smaller towns and cities there you might be facing a lot of...

Management: No, actually for us mainly it is Bangalore. Majority of our business of Karnataka happens in and around Bangalore, Bangalore, Mysore and up to that belt only. Bangalore alone if you see extended Bangalore including up to Hoskote this side, you have Magadi road on this side or Nellamangala on this side.

If you look at all up to that area it is almost 28 branches are there. Then if you go a little further towards Mysore side then also another 6-7 branches are there. So basically, majority of the business comes from Bangalore. Therefore, it is affected.

Questioner3: What kind of legal and leverage are you comfortable with? Because the maximum amnesty is 1.7 point something.

Management: Actually, we had a leverage beyond 8 but with the rating agencies I think they are comfortable with up to 8 for a triple A rating, I think. That's when we brought it below 8 is when they were comfortable and gave us a triple A rating. So, I would say up to 7.5 I think we can still go.

Questioner3: Will the fundamentals remain the same 53% banking and...

Management: I think it is a good time today when the rates are so low to take a fixed rate NCD. And block your rate at this rate because from here I think maybe a quarter percentage point it may go down but otherwise rates can't go down much further.

Questioner3: What is the kind of NCD rates you are getting?

Management: 7 to 7.25 per 3-year kind of NCD.

Questioner3: So, bank borrowings is 50% of your total borrowings. So, have you seen any pass through from banks?

Management: Almost all of them except for one particular bank, where we are yet to get the full discount otherwise 1%.

Questioner3: So, it's been all repo linked for you?

Management: 80% of it is repo linked and 20% is TP linked approximately.

Questioner2: So, what's the blended bank rate?

Management: Blended bank rate would be around 7% because there are some below 7% also there are up to maximum today is at 7.25% barring that one where we are yet to get that benefit that also should come to 7.25% or below.

Questioner2: So, what is the difference between NCDs and banks?

Management: I am saying between 7% and 7.25%.

Questioner2: Both?

Management: It's all also a matter of time.

Questioner2: So, you are basically indifferent between banks and NCDs as of today?

Management: As of today.

Questioner2: Any plans for capital raise in the near-term?

Management: ROE 17 we are growing at lower than that. So, no plans for that.

Questioner3: So, this E-Khata issue was mainly related to B-Khata properties only right?

Management: No no, even A-Khata.

Questioner3: Even A-Khata?

Management: Even A-Khata.

Questioner3: And A-Khata is a normal property basically?

Management: A-Khata is the fully official registered this thing. B-Khata is in some of the other areas which are not coming and getting registered in the main which we need some regularization or some kind of a...

Questioner3: Something like a Lal Dora and North?

Management: No no much better than Lal Dora. Lal Dora is other extreme. It's not that. It's not that kind of one.

Questioner2: What is Lal Dora?

Management: That is almost like an unauthorized or that kind of thing. This is proper everything but some documentation has not happened. Some in between link or something. B-Khata is areas which are yet to get into the proper mainstream registration.

Questioner3: How many people do you plan to have on the upkeep and street for the next one year?

Management: We already have increased it from 1st July from 37 to 100. Another 63 people we have moved from our existing team to sales team. And maybe we will add few more. And 125 is something we want to have by the end of the year.

Questioner3: So, when you are saying 100 basis points increase in cost to income it factors in IT implementation plus the increase in the sales team?

Management: Sales team will be from the existing team. But there will be some increase for the additional branches because we are opening 15 branches this year. So, some but that is not a major figure.

Questioner3: So that's outside of 100 basis points?

Management: No, I think 19% cost to income next year I think will cover everything.

Questioner3: Incentives to an employee is a bit of disbursement?

Management: In collection is also incentive for this? We have 40% weightage and disbursement in the incentive plan. 40% on collections and recovery.

Questioner3: This is the incentive part, not the fixed part?

Management: And the variable pay also, what we have the variable pay. Variable component of the pay everything is 40%. Remaining 20% is for audit, customer servicing and all those things.

Questioner3: So, your branch will probably cover how much area?

Management: 40 km radius is what is the span of operation.

Questioner3: How much is the overlap with the credit access?

Management: Our ticket size is 24 lakhs.

Questioner3: How close would your credit access branch be?

Management: Branch they could have anywhere, that is not the thing. We also have in the district headquarters mainly. They could also be having a branch there. But I think the customer profile is what will

be different. Today about 84% of our customers incrementally are having a Sibyl score of more than 700.

Questioner3: One more thing, so your customers are mainly concentrated in the urban time?

Management: Metro tier 1, few tier 2 also.

Questioner3: What I have been hearing from some of the competitors is that Bajaj housing finance is aggressively tackling the customers of other prime housing financers. So are you also witnessing that kind of trend?

Management: Today if you ask me the three main competitors, one of them would be Bajaj. In terms of BT out. If you talk to a branch who is your main competitor, then Bajaj name would come.

Questioner3: So basically they are competing in terms of lower yields?

Management: Normally they have aggressive pricing for housing. And they also give a top up loan kind of a thing. So blended rate effectively will be a little higher. Now obviously how much scope they have to do top up? Because they are already in the, not exactly but very close to the PBC or whatever criteria.

So that we will have to see how much of it. Till sometime back yes they were very aggressive. Off plate little slow down we are seeing. Because now they are almost kind of closing or breaching the PBC criteria.

Questioner2: What is the PBC criteria?

Management: Primary business criteria. So basically, for a housing finance company 60% of your business and all that has to be mainly into housing.

Questioner 2: So, they are already reaching that.

Questioner3: How much would a person of INR800 crores, what would be your housing loan for INR1 crores? Sorry you don't give 1 crores housing loan. Say INR50 lakhs.

Management: No, we do give 1 crores housing loan also.

Questioner3: But that is a big number.

Management: So, we have less, but yes, we do give.

Questioner3: Suppose if I say INR50 lakhs, what would be the interest rate you charge for someone with a 800 Sibyl score?

Management: So, for a 800 Sibyl score salaried customer going for housing, it would be around 8.7. And what is the average Sibyl score?

Questioner3: You usually, what is the sweet spot?

Management: As I said no, today we have 84% of our incremental customers who are having a 700 plus Sibyl score. But 700 to 750 would be a larger chunk out of the 84. Probably about 50 would be there and less would be the 750 to 800. We have 800 plus core customers also.

Questioner3: So, 84% are 700 plus, out of which 50% you would say 700 to 750.

Management: Yes.

Questioner3: It could be.

Management: No, no, no, 1 to 750.

Questioner3: No, it's the other way around.

Management: 700 to 750 is 26 and 58 is more than 750. 750 is more than 58. 58.

Questioner 2: 58% is more than 750.

Management: 58 is more than 750, 26% is 700, that is 84% is 700 plus.

Questioner3: And by regulations everything is ensured.

Management: Obviously. Obviously. Sir. Thank you.

Questioner 2: Okay, thank you so much.