

Management: Yes, we can start.

Questioner: So business momentum is picking up now again or is it a same?

Management: No, other states as you know we had all the states barring Telangana are positive. So the positive flow in case of North and Tamil Nadu and West is continuing. Karnataka is improving, definitely better than Q3 and all. And so there also we are confident that should continue and further improve.

So we should not have a problem in Karnataka either. Telangana is a little slow but again it will pick up. Already we have reached a bottom. So I don't think now the contribution in Telangana also is very, very less compared to what it used to be earlier.

Questioner: So it has run down so much?

Management: Yes, because last 2 years we have had the negative growth in Telangana and we have reached a kind of a bottom.

Questioner: 2 years is a big problem?

Management: 2 years. Yes, because the year before that we had a little bit of those some frauds and all. And then we tightened up all the TSAs and everything in Telangana. Then last year anyway, immediately after that there was this Hydra project. And then sentiment has since been down only. So other states positive, this thing sentiment is continuing.

And last year if you actually look at it, the marketing team that we did, at least some green fruits are visible there. Because by the end of the year they were contributing about 4% of the incremental business, which is there in April also in fact. So with additional people that we are planning for marketing, we will definitely have a positive impact.

And we should further improve. The branches that we opened in the last 2 years, in fact that also if you see today, the branches which we opened in '23-'24, they last year have contributed about, you know, almost reached a point of 60-70, close to INR70 lakhs, INR75 lakhs per month disbursement they have reached per branch, per branch per month. And the newer ones which are opened next year, this year they will also start contributing where these ones will double.

So we are looking at, you know, this 30 odd, 35 odd branches that we have opened also to start doing more business. That will also add to the...

Questioner: 35 odd last year?

Management: No, last year we opened 25, because we also closed 10 branches or merged 10 branches. So net was 15, but actually we opened 25 branches last year. The year before that we opened 14. So totally 39 branches we opened in the last 2 years.

Questioner: Okay. And this year the planning another 40-50 branches?

Management: Another 15 we are saying. We can add more also, but we are looking at least 15 net branches to be added this year.

Questioner: Sir, how is that shift going from DSA, because I have just seen your presentation, to Q3 say DSA again jumped in Q4. Is that a seasonal thing or is it not working so let's...

Management: No, it is, obviously it has not worked to the best, and Q3 obviously we had a, so it has slightly gone up, because it's not so easy for us to immediately change everything and move out of the DSA.

Because, you know, the staff has all been very much accustomed to sitting in the branch and accepting the files and only doing the paperwork and the processing. So, to push them out into the field and to get them to source business to the market is still this thing. So, we are, whatever sales team also we are doing, we are basically looking at people from the field only and lateral hiring only to bring in that sales focus.

Questioner: Okay. So, you probably like add one person per branch, you might choose a sales person?

Management: Not all branches, because last year also when we added this, 39 odd people, what we have observed is that the people who are stationed in Tier 1 in metro towns, they have been able to do much better.

They have, some of them have even reached INR1.5 crores, INR2 crores per month, they have been able to source. But the smaller locations it's not coming, so whatever we do this year, we will not add people in the smaller locations. Because it is not getting us much, market is small, they can do so much. So, might as well start focusing on the bigger towns to get the marketing staff.

Questioner: So, smaller towns basically we will work more with DSA then?

Management: Smaller towns we will continue, we will try to do more, we will incentivize, we are seeing. One is we are incentivizing the staff for direct business. To see that, slowly they start, at least seeing something and at least, some people will go out and start getting business, somewhat improvement will come. Second, we are doing the sales team which will also do it.

Then the second thing which we are doing. So, we will see. So, the second part will happen only in the metros and the Tier 1 towns. Whereas the incentive which we are giving for existing staff, that we will give. So, some will continue.

Questioner: Correct. How is the competitive scenario across our level bank, big HFCs?

Management: See, banks have reduced the rates and little enquiry is there, but it is still not so much that, you know, it is starting to alter. Our NBFCs, HFC nobody has reduced except LIC and Bajaj who have reduced their lending rates. Nobody has reduced their lending rates. So, it is not affecting us at all. Even LIC.

So, even LIC and this one, what they are doing, it has not so far, it has not hurt us so much. I mean, we were feeling a little bit when LIC announced it. But then when we read the fine print,

we realized that it is more of an invitation price rather than the real sale price. Even some of the DSAs were very alarmed. See you have not done much.

But then we realized that 8% rate of interest is only for 800 plus civil score and that also only for female owners.

Questioner: Okay. Sir, but how should I think of, I mean, if you could just break it up a little, initially how it will work, on the later end how should it work for you and for the industry in general. How will your rate cuts have to behave and how will you have to pass down rates yourself, given competitive forces, given your aspiration to grow and how should the cost follow?

Management: See, in our case definitely, the first rate cut which happened in February, our bank borrowings and everything, we got an impact in March. CPs on the contrary went up because 2-4 liquidity normally in March is a little tight. So CP rates actually went up, NCD rates actually went up. But on the bank borrowing, we got some benefit. So net-net after removing the negative impact of CP and NCD, the net pass on to us was only about 10 bps.

Questioner: That was the improvement in cost of funding?

Management: In the cost of funding. So first April onwards, our cost of borrowing has come down by 10 bps because of the impact. Because 55% is banks, on that 55%, 80% is linked to repo rate. On that, 25 basis points was reduced. So 85% banks, 80% is repo rate.

So almost 40%. So on 40%, we got the benefit of 25 basis points. So effectively 10 paisa was what was passed on to us, which we have also passed on from May to our customers, existing and new customers. That we have already passed on. The second rate cut which has happened in April, that is yet to completely get passed on to us. Because there is a lag to which the banks will also pass on.

Some are passing on monthly, but many of them are passing on quarterly. So, that is yet to come to us. Maybe that will come by end of June or something. So first of July onwards, we may again pass on another 10-15 bps, whatever we get to our customers. That is the thing. Now, when we do, unlike a lot of other players, particularly NBFCs, HFCs, where they pass on to existing customers, but for incremental, they increase the rate.

That we are not doing. For us, what 10 bps we reduce for our existing customers, we reduce for our incremental also. So up to March, our best rate was 8.95. That has come down to 8.85. So that equivalent we will be keeping because for the similar kind of segment and category of customers, we cannot have a differential pricing. That is the guideline. So we are uniformly doing it for both existing and current. As for the rate pass on, we moved from an annual reset policy to a quarterly reset policy in January 24.

Correct. But because at that time, the rates were still stagnant and there was no repo rate cut in all the entire of calendar year 24. So, no new customers actually came forward in spite of our follow-ups, in spite of our SMS messages, in spite of our letters.

Hardly anybody came forward to convert from an annual to a quarterly reset. Because they have to execute it on.

Questioner: So you converted but people did not come?

Management: But incrementally, whatever we have done from January 24 onwards, everything is on quarterly reset. But now, we are again following with the customers. Now that the rates have started coming, people are coming forward and enquiring. We are saying you please move to a quarterly reset. You will start getting benefit every quarter.

So now it is about 25% of the book is now on quarterly reset. 75% is still on annual reset. But in the next 2 to 3 months, we expect that another 50% definitely will convert from quarterly reset. So for the 25%, now that we have done in May, the rates will start getting passed on. And for the remaining as and when they convert from annual to quarterly, they will also get the first rate change benefit to them.

Questioner: Sir, how should we think of what is the on-book? I think it is around 10% is the on-book yield that you have, right?

Management: 10.10, I think. 10.10, yes.

Questioner: 10.10. And incremental, what will it be for the last quarter?

Management: Incremental last year was around 9.9 or 9.8? 9.9. Now it is 9.8. We have cut 10 bps for this. Okay. Sir, if we cut 10 bps, then our 10.10 will also be 10. It will be 10.

Questioner: But your aspiration seems like you don't want to take any NIM cuts or spread cuts?

Management: No. As of now, two and a half, three and a half, we want to maintain.

Questioner: But is it practical, sir? I mean, I think in the last cycle, what we had taken a call is cut the rates, pass down the benefit. Because of course, at that time, there was a rate cut also. But I think in the last cycle, you would remember that we had taken the call that let's cut the rates and keep the customer and group. We will see later how?

Management: We will have to see later. If the giver has left, we will have to see. I don't want to stay close. I have a three-year contract. I am not finishing it tomorrow.

Questioner: So, you don't think that is a good strategy? You don't want to have that 18%-20% growth and my...

Management: As a spread, when our listing came down from 2.71 to 2.35, it went up to 3.1. 40 bps we got hit.

Questioner: So, if we had taken 10-15% growth, it would have been a better strategy?

Management: Better strategy. That entire rate cut, there was a point which is very surprising. There was a point when, CanFin was offering a rate lower than SBI. And the timing of that rate also is very

significant. Last minute you show the performance and then move out. Whatever has to happen, will happen. That is not your ability. You have to look at the company. You can't, you know...

Questioner: Correct. You can't put yourself ahead of the company?

Management: So, we will be like, growth will not come, it will go. No, growth will come.

Questioner: It won't be an 18%, 20% growth that we see...

Management: But we will protect the spread, we will protect the NIM. We will see that, we are not, maybe a little bit, 1 or 2 bps, 3 bps here and there. That is a different thing. But it may not affect the ROA and ROE.

Questioner: What is the average tenure of a liability, sir? Because that is the one thing that I think is your strong suit, right? I think shorter tenure?

Management: No, in our liability side. See, in our liability side, now that we are going for NCDs, it is almost 20. See, our banks, all, we have almost large chunk of our bank borrowings are long-term. Okay. They are 7-year, 10-year kind of borrowings. Short-term is there, little bit there. But many of the, mostly long-term.

NHB is completely long-term. Deposit, you can say, 3 years, not more. So, you can say, that is there. NCDs, we have consciously not gone for 10-year NCD because otherwise, we will be blocking it now. So, we are going for 2, 3 years kind of NCD only because rates are going down. There is no point blocking at this rate for 10 years now.

So, we are going for 3 years. Maybe when the rates are the, absolute bottom, or we feel that no further rate cuts, that time we will probably start blocking for a longer tenure. That is the present thinking that we are having. So, roughly, 19% of NCD and is absolutely short-term. Our 7% of CPs is short-term and deposits is short-term.

Questioner: NCDs are, how do we, like, make it more floating rate? Is there anything we can do? Like, I know HDFC used to do extensively those options to swap out and manage interest rates. Then, there is another thing, I have heard of some fancy flexible rate and NCDs also...

Management: There is not much appetite in the market. I don't think there is appetite in the market.

Questioner: But is there a link? I have heard from my side also that they did it for someone?

Management: That will be there. But that may be a small issue. But not much of an appetite from that.

Questioner: So, NCD has to be that fixed rate. But you don't want to do any swapping and all that fancy stuff?

Management: Not right now. I mean, I don't, see, if you are very, very big and then you can get away with it. I don't think, we have that kind of a standing in the market.

Questioner: You will end up doing mistakes because of that? That's what you feel? Because a lot of times, I think, a lot of people have got hurt by derivatives also?

Management: No, no. The thing is, see, bank prepayment is okay. But NCD, when you are in the market, when all those things, it is...

Questioner: No, no. Prepayment. I am asking if you want to do swaps and all that...

Management: That we don't want to get into that. No, no. That is, our capability is also not there to understand that market. And we are not...

Questioner: That's what I am saying. You rather don't want to make a mistake.

Management: You see, housing finance is not more of an asset business. It's more of a liability business.

Questioner: Absolutely. Correct. Sorry, I actually cut the competition point. So it's of LIC only by that you are saying rates. Competitors have not cut it. But then we hear your peers doing 9.25 affordable housing, BTs and all. Are we there? You don't want to do?

Management: There are no. Nobody is doing that affordable housing at 9.25%.

Questioner: No, no. PNB housing as a product. I did some channel checks locally in Delhi, Udaipur. It was 9.25%, 9.50%. You don't want to do it.

Management: It has -- In fact, let me tell you. Recently, there was a discussion with NHB. And, what they said was, as the regulators basically speaking, saying that we don't believe affordable segment may INR8 lakh, INR10 lakh, INR12 lakh alone may GNP is 1.25%. It is very surprising to have that and such a low GNP. I don't want to...

Questioner: I have that view only. That's why I prefer to cut. I mean, the regulator would also probably say one day, you don't have money to do BT...

Management: So, I'll tell you one thing. The regulator has recently changed the guideline. I mean, they can't do anything on BT. They can't stop the board or the company from taking a decision whether to do BT or not. But one thing which has come is NHB has issued a circular saying that loans which have been taken over, even if they are a housing loan, will not qualify for refinance.

Questioner: Oh, okay.

Management: That actually is giving a very big, that's a big statement, actually.

Questioner: In finance line you can't push BT, find some new business.

Management: Because our whole purpose of giving refinance is to create new housing stock.

Questioner: Correct.

Management: So, our refinance will not be given for BT cases.

Questioner: That is a very logical thing to say honestly. Sir, but in that...

Management: Actually, the regulator is...

Questioner: The least?

Management: Lot of points which they are saying is very, very, you know, it's off late the last two or some time that they have been coming out with these things like this PBC criteria. You are a housing finance company. You are enjoying 3600 benefit. You are doing all those things and you do maximum business of non-housing and LAP.

Two, you are saying you are a housing finance company but, you know, a huge percentage of your income comes from insurance selling, whether you are an insurance broker or you are a housing finance company. These are some of the, you know, basic and very, you know, fundamental questions that the regulator has been asking off late. And it's very nice to hear all those things actually.

Questioner: Correct. And let the product be here for 3 months. You are taking it all over the place otherwise. That is fair. And so, here I met one of these unlisted HFCs. The one that who took over? The one from Pune. I think it was TPG, right?

Management: Yes, yes. Magma. Yes. Magma, which eventually became Pune.

Questioner: Correct, correct. So, I was just asking the same question. What is the market size and what does it look like? That also is 100 on HFCs in that space. I feel -- don't you feel that market is too overcrowded now or do you think there is enough opportunity? Everybody needs a house.

Management: No, in fact, let me tell you, the NHB had come out with some statistics recently they have published as to the growth of the industry.

Questioner: Is the market size less?

Management: The market size -- of growth they have done. It is a little -- it clearly indicates that the growth is tapering off.

Questioner: Okay. That yardstick, 20,000 will grow 20%, 15,000 will grow 25%, 10,000 will grow 30%, 5,000 will grow 35%, that's an established statistic.

Management: That is an established statistic. That is how people do the valuation. Everything eventually has to be put into Excel.

Questioner: Correct.

Management: These are Excel models.

Questioner: Absolutely. But, I mean, I would say that there has to be some problem and I feel these companies' top three should be your hunting ground also for the likes of you...

Management: Affordable housing, what happens is, you know, we don't have a product for appraised income segment. So, most of these affordable housing companies are purely doing appraised income cases where there is no documented, you know, income documentation available. So, it becomes for us to fit into our policy.

Like today, even if we were to do, you know, you have to acquire a portfolio under a DA transaction or something, it technically says that, you know, both the lenders have to drop us uniform policy and both have to sanction the case simultaneously. Then, you can do the co-lending or else if you are buying a DA, then you are, obviously, the portfolio has to match your current portfolio or whatever. So, it is a little difficult for us to get into that. That is the issue.

Questioner: But, I have heard even PSU banks are happy to take. If there is a performance of 2 years, then PSU banks...

Management: Recently, like, for example, there was -- there is one article where our chairman, MD of Canara Bank, Raju sir has given a statement that, you know, they are, that Canara Bank itself is going a little slow on this kind of co-lending with certain segments because, you know, it is not -- that's it's not giving the comfort.

Questioner: No, I am not talking about co-lending. You just take the portfolio. Now 2 years it's being going...

Management: Co-lending, moreover, he has talked about co-lending. But, in that, he says in DA, once you get into it, then you have to keep on doing it to Canara. Otherwise, the profit that is coming from there will not come.

Questioner: Yes, I have tried. Correct. It is a -- don't fully understand that accounting, but I know that the assignment income, that is all PV of future income.

Management: Yes, future income.

Questioner: Correct, correct. There is some unwind in that. I don't understand that.

Management: Yes, there is. Like, for example, you have assumed that, you know, your INR100 crore portfolio is sold. So, INR100 crore every year is going to give you future and you have to upfront the profit.

Questioner: Yes.

Management: Now, if out of that 100, INR10 crore is prepared in the second year. Now, that future cash flows are not going to come. So, next year again you do the...

Questioner: Unwinding.

Management: Yes. So, you do the -- so, current year, whatever is the actual income you have accrued...

Questioner: Correct.

Management: That profit to you anyway is already. Suppose, your NPV of the first year cash flows was coming to, say, INR3 crore. But, actually, what you have got is INR3.2 crores. So, that remaining 20, you will take.

Questioner: That next year.

Management: That will come. But, the future INR10 crores, what has been closed, its future receivables, which already you have booked upfront, will have to be reversed.

Questioner: But, okay. Good that you are aware of this. Then, I can ask you the question. Is there a way for somebody to say that after doing this assignment transaction and growing at a 20%, 25% for, say, 10 years or so, eventually that assignment is getting negated because unwind is also very high? Is that correct to think? I don't know how to model it, but, let's say, when INR100 crores were growing 20%, I have kept?

Management: It all depends on the prepayment ratio. So, if you -- obviously, you have booked it for 20 years. But, eventually, if the portfolio gets completely closed in 6 years, 7 years, then obviously you will not have that kind of a difference because the first 6 years, 7 years whatever income you have done its NPV almost 90% you have already accounted in real value.

Questioner: Correct.

Management: Because, only the future discount will be higher. What you are going to get in the 10th year, 20th year, its discount today will be, say, 10% or 8% or something whereas, what you have done in the next year, its 90% is already accounted. Only that 5% you are leaving out. So, if it actually closes in the first 5 or 7 years, entire book, then there is a possibility.

Questioner: So, it doesn't get negated?

Management: Of course, I have also not done the math, but it is a possibility.

Questioner: Okay. Fair enough. And, banks have gone to 7.8 selectively, but I think generally, 8.25 is where the business should be happening incrementally for banks?

Management: Correct.

Questioner: How do we compete with that bigger bridge?

Management: See, today let me tell you, this is the first time after the EBLR has come in, that there is a repo rate cut. So, while doing the aggressive lending, nobody factored in, there will be a negative cycle and then we may have to go down. Just imagine, somebody, eventually it goes down to by another 1% or something, you will be back at 7% lending rate. And, you will not be able to do anything on that.

Questioner: But, how do you manage it? As a bank, I know the home loan, I know the bank will be crying on me?

Management: Obviously. So, today the spreads are coming down considerably. I mean, if you look at it, the NIMs of banks are getting hurt because of this. Another 50 basis points, almost all of them will be below 3%.

Questioner: I just saw an ad, Bank of Maharashtra said 775. I had to read it. Is it FD or Home loan? It becomes very difficult for them also to manage.

Management: Absolutely.

Questioner: I don't think any bank is aggressive today in taking home loan. Nobody is interested in home loan today. So, that leaves more scope for people like you to thrive on it?

Management: On paper, yes. So, 775, why would we not do it, but the point is they don't want to do it. Like I am telling you today, when the banks who had given lend to us, I mean before March, we were borrowing at or up to January, we were borrowing. Our last term loan was at 7.95 for our 7 year, 10-year loan. Now, that 7.95 is at 7.45 today.

Questioner: It has been cut at 250 because they are repo rate linked?

Management: They are repo rate linked. Now but the same bank, if I go to and say, you please give me at 7.45, they will say, no, I will give you at 7.75.

Questioner: Correct. So, basically, banks will also have to manage through this phase. They will not be as aggressive as we saw them in that last cycle?

Management: No.

Questioner: They came to cut suddenly. Intensity should be lower. Okay. And on the LAP products, what is the progress we are making or are we still at INR7 lakh, INR8 lakh tickets?

Management: No, we have definitely started. In fact, our ticket size has increased to almost INR15 lakh, INR17 lakhs. Because till December 23, we were not even offering for new customers.

Questioner: I remember.

Management: After that, when we launched it, now we have started doing it and it also helped us because when Karnataka, we had this E-Khata issue, we slightly had to push LAP and we have got some business increase from there.

Questioner: And growth aspirations are you spelled out now at 12%, 13% level?

Management: AUM growth this year and disbursement growth obviously will be higher.

Questioner: 10,500, 10,800. And you are sure it does not get hit by IT implementation?

Management: No, we are trying to push it before and try to see that AUM is minimized. So, we have factored in all those things and that is how we are doing it.

Questioner: And no asset quality issues as usual?

Management: Asset quality, we are not.

Questioner: I think your SMA 0 bucket flow of load?

Management: We had a third quarter, it went up substantially INR770 crores or something I had mentioned. It is mainly because of this, we could not keep that advance EMI or advance amount. So, that we have now recovered. So, from INR2,593 at the end of Q3, we brought it down to INR1,880 or something at the end of Q4. So, that entire SMA 0 which was mainly because of this has come down. I think your SMA 1, 2 slightly has gone up, but that is still more because of this, not at all a concern.

Questioner: And you are still carrying the restructuring provisions and all?

Management: Yes, restructuring provisions.

Questioner: But you will release them whenever there is...

Management: So, when the loan is closed, we are releasing them.

Questioner: Only closed?

Management: Only if it is closed, we are carrying it. So, as such the provision says that if your 20% of principal is coming back, then you can actually reduce it from 10% to 5% and if I think 40% principal is coming back, then you can make it to zero. So, there would be some cases which are live and the principal has come down they have made prepayments and all. We have not reversed those, but for those cases where it is completely closed, obviously, we cannot keep a provision against an account which is closed. So, that we have reversed.

Questioner: And this overlay that we created, you want to make it a recurring thing or you are?

Management: I mean little bit of management overlay, thus 10 bps, 12 bps to 15 bps is something we could.

Questioner: But that is all you want. It is not like a -- keep making INR10 crores every quarter or something...

Management: No, no. At least we. So, if you see, Stage 3 provision as per the ECL, it is range bound between 45% and 49% depending on movements and all those things. So, another 15 bps if you can carry somewhere around that, then approximately we can say we are around 65% to 70% of the PCR is there for our Stage 3. So, that is the basic logic, 60% to 60%.

Questioner: So, there will be more you will take in good quarters basically, that is what we have seen. But not, it is not going to be a recurring thing that every quarter INR10 crores?

Management: No, no. Even this, if you see, we did it first INR17 crores in March 23. Then we did INR70 crores in September 23. After that straight in 25 March only we have done, after 18 months. We have not done every quarter.

Questioner: So, basically whenever seeing a very great quarter, you are like, let us?

- Management:** We will keep on. And March and whether definitely we would like to see if we can at least with that make some provision whereby it can be something that can be there.
- Questioner:** Not because of anything else. It is just. And there any conversation on that forms of business circular?
- Management:** No, as of now nothing. It is kind of. Nothing, no discussion. I do not think it is as of the moment on the table. Because if you see, post that, in fact, if you see, when the circular came at that time, Carlisle actually was also holding this. Now, it is entirely only P&D. So, actually, earlier you could have at least said that the actual, there is somebody else who is holding more of the movie.
- But they gave the permission to completely sell off in the market. They did not even sell it to somebody else. They sold off in the market.
- Questioner:** Correct. That is also a good point. It was an uneasy silence. It is a floating knife for investors also, to be honest.
- Management:** And they agree. But I will tell you something. This point, the RBI has been talking about since 2015. I agree. It has come up in 2020. May be something came up in the discussion paper. It ran away. Because I remember in 2015, when first time HDFC, as a conglomerate, the IRF meetings were conducted, at that time in 2015 also they asked this question.
- You have two entities with the same group which are holding HFC license and there are two entities which are doing the same line of business. In 2015, HDFC and group, that time also they asked. So, it has been going on.
- Questioner:** I don't think there is a right answer with them also. They also don't have a right answer.
- Management:** And I think this governor was a little more practical and they said that when we have only given the approvals, so what is the question?
- Questioner:** At an appropriate time. They can take a call on the new ones to keep not giving. New NDFC will not make huffs. Whatever is there, it will grandfather it.
- Management:** But one more thing which has happened is, I think NHB in its refinance circular has also come out with a point that wherever the holding comes down below 26% and there is no parent, known parent with the management control, then in that case NHB can also make a one nominee Director on the Board.
- And so, there are two, three conditions they have instibulated. If their NHB's refinance, total refinance is more than X percentage or if, the, or else if there is no identifiable promoter, those kind of things. So, indirectly, I think.
- Questioner:** And sir, what ROA3, ROE3 that you are getting?
- Management:** Here, you are talking about our guidance. ROA 2% plus, that is 2.25% or 2.24% or something. So, 2.1% will be above. ROE closer to 17%. It could be around 16%, 17%, 16.92% heavy. And 16.92%, little below 17% is what it is currently.

Questioner: And sir, your appointment is for 3 plus 2. So, your 3 will get over in February 26?

Management: March 26.

Questioner: March 26. And then, so, is it like an automatic renewal?

Management: It has to be approved by the Board and it has to again go back to the shareholders.

Questioner: To the shareholders. So, that is our discussion for later. Any other, sir, new geographies or something I am missing?

Management: No, in fact, geographies, so I think we have been opening in the north and west and we will continue to do that. Last two years, we opened 39 branches, 13 in the north, 14 in the west. So, 27 out of 39 branches have been opened in north and west only. And not a single branch in Karnataka or Telangana. So, that will not continue.

Questioner: This Telangana, I think, sentiment has loosened up. It is difficult to get out of it now?

Management: It is also a very hugely DSA-controlled market. I wouldn't say driven market. It is a highly DSA-controlled market.

Questioner: Then now what is DSA?

Management: Okay. So, I think all players are purely -- so, while the going is good, everything is fine. But, in the long run, I think it is something which industry needs to look at. It is one state where it is completely. So, it's not giving -- we are good with whatever is there.

Questioner: Thank you.