



*HOME FIRST FINANCE COMPANY INDIA LIMITED
TRANSCRIPT OF 13TH ANNUAL GENERAL MEETING
JUNE 10, 2022*

TRANSCRIPT OF THE 13TH ANNUAL GENERAL MEETING OF HOME FIRST FINANCE COMPANY INDIA LIMITED HELD ON JUNE 10, 2022 AT 2.00 P.M. (IST) THROUGH VIDEO CONFERENCING / OTHER AUDIO-VISUAL MEANS

Mr. Deepak Satwalekar (Chairman): Good Afternoon. I confirm that the quorum for the meeting is present, and I call this meeting to order. I shall now request the Company Secretary to proceed.

Mr. Shreyans Bachhawat (Company Secretary): Good afternoon, everyone. I welcome you all to the 13th Annual General Meeting, which is being held through video conferencing. I would like to inform you all, that the facility to join this meeting was open 30 minutes before the meeting start time and shall be kept open for 15 more minutes after the scheduled time of the meeting.

In terms of circulars issued by SEBI and MCA, the facility to appoint proxy to attend is not available for this meeting. The Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC and other audio-visual means and participate to cast their vote through e-voting. Your company has received requests from four shareholders for registration as a speaker and these shareholders have been provided with specific links to login to the meeting and we should allow them to speak with the permission of the Chair.

We request the speakers to be concise in their queries and conclude within two minutes for the benefit of other shareholders. Further, shareholders who have not registered themselves and would like to express their views can write it to the Company at corporate@homefirstindia.com. With this, I now hand over the proceedings of the meeting to the Chairman.

Mr. Deepak Satwalekar: Thank you, Shreyans. Good Afternoon, ladies and gentlemen. I extend my hearty and cordial welcome to you all at the 13th Annual General Meeting of your company. I would like to mention that this AGM has been convened through video conferencing or other audio-visual means, in compliance with the Companies Act, 2013, read with the relevant specific circulars issued by the Ministry of Corporate Affairs, which exempt physical attendance of the Members at the AGM venue.

I shall now introduce the directors present in the meeting.

We have

- * Ms. Geeta Dutta Goel (Independent Director and Chairperson - Nomination and Remuneration Committee)
- * Ms. Sucharita Mukherjee (Independent Director and Chairperson - Audit and Stakeholders Relationship Committee)
- * Mr. Anuj Srivastava (Independent Director)
- * Mr. Maninder Singh Juneja (Non-Executive Nominee Director)
- * Mr. Divya Sehgal (Non-Executive Nominee Director)
- * Mr. Narendra Ostawal (Non-Executive Nominee Director)
- * Mr. Manoj Viswanathan (MD and CEO)

Mr Vishal Gupta (Non-Executive Nominee Director) could not attend owing to business exigencies. We also have with us Ms. Nutan Gaba Patwari, Chief Financial Officer of the Company.

I would like to mention that our Statutory Auditors, M/s Deloitte Haskins & Sells, Chartered Accountants is represented by Mr G. K. Subramaniam and he has joined us from Mumbai. I would also like to mention that our Secretarial Auditor and Scrutinizer M/s Bhatt & Associates, Company Secretaries LLP is represented by Mr. Aashish Bhatt and he has joined us from Mumbai.

The statutory registers, as required under the Companies Act, 2013 are kept open and accessible for electronic inspection during the continuance of the meeting. The notice dated May 17, 2022 convening this AGM along with the audited Financial Statements, the Boards' Reports and Auditor's Report for Financial Year 2022 have been circulated to everyone in advance. With your permission, I shall take them as read.

The Statutory Auditor's report and Secretarial Audit report did not have any qualifications, observations or comments. Pursuant to the Companies Act, 2013 and Secretarial Standards-2, the Statutory Auditor's report and the Secretarial Audit report are therefore not required to be read out.

In compliance with the provisions of Section 108 of the Act, read with rules made thereunder and Regulation 44 of the SEBI Listing Regulations, your company has extended remote e-voting facility to its Members, to transact the business set out in the notice of the AGM. The said facility was available from June 6, 2022 to June 9, 2022. Further I am satisfied that all efforts feasible, under the circumstances have indeed been made by us, to enable the Members to participate and vote on the items being considered at this meeting.

Members who had not cast their votes by availing the remote e-voting facility and who are present in this meeting will have an opportunity to cast their votes through e-voting system. The results would be declared after considering the voting at the AGM and also remote e-voting already done. The results would be submitted to the stock exchanges within two working days from the conclusion of this meeting and I further authorize Mr. Shreyans Bachhawat, Company Secretary and Compliance Officer to counter sign and declare the results of the voting and place the results on the website of the Company.

I think the last two years have been good times and we've had the worst of times. The global pandemic, recent political tensions and increase in the oil costs have led to disruptions in the supply chains. We are beginning to see interest rates hardening, globally and in India too. With the reducing impact of COVID over the last few months of the financial year, we can see normality returning. I believe, we are standing at the threshold of a period of growth and great opportunity. India's mortgage to GDP penetration is relatively very low compared to other countries and hence growth prospects for housing finance in India remains bright. Given that the informal economy and the SME sector are still substantial and income assessment is still a major challenge for many lenders, it presents a largely untapped opportunity for your Company. Our addressable market in affordable housing finance is large and expanding, contributed by an increasing middle-class population, rapid industrialization, favourable demographics and nuclearization of families. This sector continues to benefit from supportive government policies. Having experienced the freedom of working from anywhere during the pandemic, companies are finding it difficult to get employees to come back to work in the office. During the last two years, many employees went back to their homes, towns or villages and discovered a much superior work-life balance. This is leading to increasing demand for housing in smaller towns and cities. This is our focus area. In view of the same, we shall spread our geographic presence to make our products and services available widely.

Digital transformation, has now been an integral part of the ecosystem, that we operate in. Home First has been a huge proponent for use of technology for faster turnaround, customer service, transparency as well as business scalability. Your company embraces the use of technology to enhance customer service. We will continue to focus on housing finance for the middle-class population of the country, by doubling our touch points in the medium term. We have built a profitable business model, which will grow the business to a calibrated expansion strategy, focusing on the quality of the book and diversifying the lender base. I wish you good health and success in the new Financial Year.

Now I invite Mr. Manoj Viswanathan, Managing Director and CEO of your company to give an overview of the financial and operating performance of the company.

Mr. Manoj Viswanathan: Thank you Sir.

Dear shareholders, welcome to the 13th Annual General Meeting of your company- Home First Finance Company India Limited. I hope everyone is safe and healthy.

I am Manoj Viswanathan, MD and CEO of the company and I welcome you all to our second AGM as a listed entity.

I would like to make a short presentation, who we are, our journey so far, our FY22 performance, the opportunities in this sector and our strategic priorities.

Home First is a technology led affordable housing finance company. We provide loans for purchase and construction of homes to first time homebuyers, who have an income of less than 50,000 rupees per month. In our journey of more than 10 years, we have dispersed more than Rs.5000 Crores to 60,000 plus customers.

We have 851 employees and we are certified as a great place to work by the GPTW Institute for the second year in a row. Journey of the company started in 2010 and since our inception, we have raised four rounds of capital from marquee shareholders, such as Bessemer Venture Partners, Tata Capital, True North, Aether i.e. GIC of Singapore and Warburg Pincus. We got listed in the month of February 2021.

The financial year 2021-22 was a good year for the company. We crossed 5000 Crores AUM milestone in January 2022. AUM grew by 29.9% on a year-on-year basis to Rs 5380 Crores. Asset quality remained under control with the GNPA of 2.3% as at 31st March 2022. The same number is 1.3% prior to RBI classification. Our pre-provision operating profit was Rs. 251 Crores, and it was up by 51.2% on a year-on-year basis. Adjusted PAT stood at 174 Crores in FY22 which grew by 73.8% on a year-on-year basis. Our adjusted ROA is 3.6% and the ROE stood at 11.8% for the year and it has been showing an improving trend over the years. Our portfolio metrics are very strong as far as our product mix customers with credit history, occupation mix and ticket size is concerned. Around 91% of loans are housing loans, and this is amongst the highest within our housing finance peers. Also 72% of the AUM is to the salaried class, which is more resilient in case of any disruption and makes the repayments more predictable. This is also reflected in our strong collection efficiencies during various phases of the pandemic. We also have a granular loan book with average ticket size of Rs.10.5 lakhs.

Coming to the financial highlights, this slide shows you the trend of key numbers, such as the profit after tax, net-worth, ROA and ROE. We are pleased to report that all the numbers are on an improving trajectory.

In the next few slides, we will highlight the opportunity and drivers in the housing finance sector. As highlighted here, Home First is at the doorstep of an opportunity in housing finance in India. The mortgage to GDP ratio is still very low in our country. In comparison, developed markets have a high two-digit penetration of mortgage to GDP and also have demonstrated a strong correlation between per capita income and mortgage penetration. India is expected to witness high growth and its middle-class population as per the World Economic Forum. India is expected to have the largest middle class population by the year of 2050. This explosion in middle-class population will also continue to drive the demand for affordable housing in India.

Our strategy is to be present in vibrant states that help having a good asset quality. This slide shows the merchandise exports from India, which has seen a sharp growth in FY22 reaching an all-time high of USD 418 billion, which is a 43% growth on a year-on-year basis. In the 10 months export data available state-wide for FY22, these states in which Home First focuses have contributed to 69% of the total exports. In India, the housing finance industry is buoyed by urbanization, rising population and nuclearization, favourable demographics, increasing incomes leading to improved affordability and strong government support. As aspiring class customers that fulfil their ambition to own a home, a large market will open up in front of us. Even at the current size, the market is very large with fragmented market shares. Total opportunity as per Knight Frank is expected to be Rs. 11 trillion between 2019 and 2030. Home First currently enjoys a small share of the above, indicating the size of the opportunity ahead.

Digitalization has cause disruption in many sectors, and finance industry is no exception. Customers are quickly adapting to all aspects of lending taking place in the digital format i.e. origination, onboarding, payments and service. Customers prefer to avail services on mobile apps, rather than wait for call centres to attend to their calls.

The growth in UPI and the Bharat Bill Pay System, which is BBPS has helped Home First in increasing digital penetration amongst its connectors and customers. Efficiency in operations will further improve with increasing smartphone penetration. In the next few slides, we will focus on our six strategic priorities.

First, we will start with our first strategy priority that is the technology in mind or Tech in mind. Your Company is taking a lead in technology, within the housing finance segment. We have developed mobile applications that offer a frictionless experience to our sourcing partners, customers and front-end teams. All our applications are on the cloud, thus ensuring seamless operations and service to customers. Even during the disruptions that were caused by the pandemic, our analytic capabilities enabled us to enhance our underwriting accuracy and speed. 80% of our customers are registered on our mobile App.

The second strategic priority is scale and growth. The distribution strategy of Home First reflects a strong correlation between GDP growth and housing demand and also a belief in the power of technology to reach out to more customers. Home First has selected 12 states and a union territory to focus on. We have 200 touch points in these states. In the coming two to three years, we intend to strengthen our presence in the States with a much deeper presence extending to Tier-3 and Tier-4 towns and target to double our touch points to 400, which will include 140 physical branches as well. About 76% of the Urban Housing shortage is concentrated in 10 states and Home First has a presence in 8/10 states.

The third strategic priority is operational efficiency. Your company has one of the highest disbursements per employee ratio and an AUM per branch ratio within the affordable housing finance segment. We continue to optimize productivity at each branch employee level, by using technology to eliminate routine activities and, in turn, spend more time on business generation and collections.

The fourth strategic priority is funding. Your company has a diverse mix of borrowing, public and private sector banks contribute about 45%, NHB refinance of 27% and Direct Assignment of 23%, NBFCs of 2% with NCDs forming the rest. Our cost of borrowing has continuously declined from 8.5% in June' 20 to 7.2% in March' 22. The ALM position of the company is strong, with surplus on a cumulative basis across all the tenure buckets.

The fifth strategic priority is risk management. Our risk management design has been well thought through to address the nuances of the affordable housing segment. As we scale our operations and expand our reach, we will continue to invest on enhancing our risk management practices and build robust compliance and monitoring systems. The outcomes of our risk management are strong asset quality, maintaining it at very good level since inception, with GNPA remaining below 1% throughout and up to the pandemic.

Even post pandemic, the slippage has been range bound and within expected levels. Bounce rates are trending to normal levels 1 + DPD and 30 + DPD are also showing improvement. GNPA of 1.3% before RBI asset classification adjustment is also trending to normal levels. We have done minimal restructuring during COVID and also not given ECGLS funds to customers, this highlights the strength of our book and is reflected in credit cost, which is at 50 basis points and is now almost near normal levels and expected to improve as the situation has normalized.

Last and important strategic priority is ESG. We are aiming to build a world class business in affordable housing finance, but we are also cognizant of our responsibilities to various stakeholders that we serve. Home First has taken important steps to build a long-term sustainable business. Paperless operations, financial inclusion, employee diversity, engagement with the community and strong governance structure with a high Independent Director representation in every board committee are examples of a contribution to the environment, social and governance aspects of building a business.

In conclusion, I am grateful for the support of all the shareholders and the journey to reach the 5000 crore AUM milestone. I would like to reiterate that we are focused on building Home First as a trusted, innovative and customer centric name in the affordable housing industry. Tech is in our mind and service is in our heart.

Thank you very much!

Mr. Deepak Satwalekar: With your permission, I will now take up the resolution which require the shareholders' approval. The objective and explanations are provided in the explanatory statement of the AGM notice.

Item number 1 of the notice to be passed as an ordinary resolution, relating to the adoption of standalone audited financial statements and Directors' report for financial year 2022.

Item number 2 of the notice to be passed as an ordinary resolution, relating to the retirement of Mr. Vishal Gupta.

Item number 3 of the notice to be passed as a Special Resolution, relating to increase in borrowing powers of the company under Section 180(1)(c) of the Companies Act, 2013.

Item number 4 of the notice to be passed as a Special Resolution relating to creation of charge on the additional borrowings pursuant to Section 180(1)(a).

Members attending the AGM today, who have not already cast their vote by remote e-voting may cast their vote on the e-voting platform now. The voting will remain open till 15 minutes, after the conclusion of the meeting. And I now request, the Company Secretary to invite the registered speakers for their comments and queries.

Mr. Shreyans Bachhawat - CS: Thank you, Sir. I would request the moderator to unblock Ms. Lekha Shah as the first speaker.

Ms. Lekha Shah: Respected Chairman Sir, Board of Directors and my fellow members, good afternoon to all of you. Myself, Lekha Shah from Mumbai. First of all, I'm very thankful to our Company Secretary Mr. Shreyans Ji, especially Darshil Bhai for outstanding very good individual services and also sending me the AGM notice, well in time. So, I'm very grateful to our Company Secretary, Mr. Shreyans Ji and Darshil Bhai and also our Company Secretary has always answered all my calls and how happily cleared all my doubts. Once again, thank you so much, our Company Secretary Shreyans Bhai and especially Mr. Darshil Bhai. Thank you, Chairman Sir for explaining us about our Company. Congratulations for excellent work, Sir. Sir, I pray to God that he always showers blessing upon you. Thank you, Manoj Sir, for such an informative and wonderful presentation. Sir, I am confident that, with your vision and determination, you will lead our Company to greater heights. And also, I pray to God our company should progress more and more under you and your team's work.

Sir, I would like to ask few questions. My first question is, has there been any impact of the COVID second wave on the Company's operations. My second question is, are your employees working from home or they are working from the office. My third question is, what is the roadmap for the next two years. Sir, I would like to say that I strongly support all the resolutions for today's meeting and my best wishes, for the company and its prosperity. Thank you, Sir.

Mr. Manoj Viswanathan: Thank you Ma'am. I'll just address your questions one by one. I think the first question was - was there any impact of COVID wave 2 on the company's operations.

Yes, we had limited impact of wave 2, but however, after the first 2-3 months, the financial year 2022 was a good year for us and we were able to come out of the disruption and you would have seen that our disbursements as well as AUM growth has been very healthy during the year.

Regarding the question on employees working from office or home- All our employees are currently working from office itself. As far as the roadmap is concerned, we went through the strategic priorities in the presentation, so those encompass the roadmap for the company for the coming years. Just to summarize we intend to focus on technology to improve the productivity, expanded distribution into the large affordable housing market service as we mentioned and drive operational efficiencies, diversify the sources of funds, strengthen best management practices and focus on the ESG aspects of the business.

With all this, we feel that we are well placed to take the company to greater heights. Thank you so much.

Mr. Shreyans Bachhawat - CS: Thank you Manoj Sir, I would request the Moderator to unblock, Mr. Sarvjeet Singh, the second speaker.

Mr. Sarvjeet Singh: Namaskar Ji. Me Delhi se ji, Sarvjeet Singh, Manjeet Singh ke joint holder. Aapka sabhi ka, Board ka swagat karta hu. Aur kamna karta hu ki Company ki disha aur dasa sudharne ke andar pura sahyog kare. Aapki jo promoter holding hai, is Company ke andar, wo matra 1/3rd hai. Toh hum is chiz ki kamna karte hai ki aap, apna kuch salary cut karke, kuch shares ko push kare aur buyback ki yojna banaye. Sirf ye hai ki 10-12-15 aadmiyon ki management ki team banakar, unki itni high salary lekar, Companiyan nahi chali jati. Abhi aap apna kuch sahyog kare company me. Aapki jo promoter holding hai jo 29% bhi nahi aa rahi, 33-point kuch aa rahi hai, aap kuch usme badhawa kariye. Mera sujhaw hai aapko ki aap is taraf jarur dhyaan dijiye. Baaki me secretarial department ko mubarakbad dena chahunga ki 31st March ka jo khatam hua data, peechla saal jo khatam hua, uske bad apne 71st din pe jo hai AGM karli hai, iski me badhai deta hu. Isme unki puri mehnat hai. 71st day ke andar apne ye AGM kardi hai, jabki sarkar ki taraf se 180 din ka time hota hai. Ye aapne ek naya mark set kara hai, iske liye me apko bohot mubarakbad deta hu.

Aur Sir kuch aise kaam kariye, ki humara jo desh hai, 140 crore logo ka, usme unemployment bohot hai. Aapke jo employees hai, wo bohot limited hai, kuch aise karya kariye, ki jisse unemployment khatam karne me humari Company bhi kuch sahayog kar sake.

Aur fir jo ye RBI ke taraf se, ye jo rate wagera ka schedule change hua hai, use humari Company ko kya benefit hoga, kya market competition me hum tik payege, thoda aap is bare me bataiyega. Kuch rate reduce hue hai, high hue hai, jarur baitaiyega. Aur baaki hum Company ki aage kamna hi kar sakte hai ki achi dasa me aap kaam kare aur aap naye hai is bajar ke andar, listing ke bad, toh hum apke ane wale time me achi disha ki taraf, kamna karte hai. Thank you.

Mr. Manoj Viswanathan: Thank you, Sir. Hum aapke suggestions ko consider karege aur discuss karege. Unemployment ki bare me apne bataya toh humare employees kum hai, lekin hum market me connector aur agents ke through bhi hum kaam karte hai, toh unko bhi kaam mil jata hai humare through. Dusra, ye jo RBI ka rate increase hua hai, usse market me sabka rate thoda upar jayega, matlab home loan ka. Jyada farak nahi hona chaiyee, humare business ke upar. Thank you for your other suggestions, we will consider them.

Mr. Shreyans Bachhawat: Now I will request to unblock the third speaker, Mr. Dyaneshwar Bhagwat.

Mr. Dyaneshwar Bhagwat: Okay, thank you very much and thanks to Mr. Shreyans Bachhawat for sending me the soft copies, well in advance, which is full of knowledge and easy to understand. Thanks to him and his team for the excellent work. Secondly, I do support all the resolutions that are given in the agenda. For me, I have one question regarding debt. What are the steps taken by our Company to reduce the debt. I somehow feel that the debt is very high. Can you give me some idea behind that.

Me ye baat batana bhul gaya, Shreyans ne jo AGM ki notice jo di hai, wo bohot colorful hai aur usme jo bhi data chaiye, data pura mil raha hai. Mr Shreyans ki team ko aur jisne design kiya unko meri taraf se bohot bohot badhai.

Aur mera jo sawal tha debt ka, uske bare me kuch batayege toh badi kripa hogi. No more questions. Thank you very much for patience hearing. Thank you, Sir.

Mr. Manoj Viswanathan: Thank you, Sir. Thank you for your question. Your question was regarding debt and since we are a lending company, the debt will continue to be there and our whole business model is based on borrowing money from the banks and lending it to individual customers. However, you know

we have prudent practices for managing the asset and liability matching, so we will be maintaining sufficient buffers to meet all our obligations, so there should not be any concern on that.

Mr. Shreyans Bachhawat: The last speaker for the meeting, Mr Dinesh Kotecha. Moderator kindly unblock Mr Dinesh Kotecha

Dinesh Kotecha: Good afternoon, Sir, and all the Board of Directors, the CFO, the CEO and all the people present whom I can see on my computer. Sir, I have already sent my question yesterday by email, and I hope you must have received it, and if you are going to answer it, one by one, then I will not ask them. Otherwise, I mean I would, I would like to speak about the question, whatever you wish, can I read my questions?

Mr. Manoj Viswanathan: Sure Sir, you can go ahead, or you want us to address the questions one by one, we can do that as well.

Dinesh Kotecha: First of all, thanks for the Integrated Annual Report 2022. Very few financial Companies, you know they print this Integrated Annual Report and we, as a starter, you know just starting to we're just listed our shares last year and we have prepared this integrated annual report. Congrats to the entire team and the Board of Directors and the CFO and the CEO for doing this wonderful job because once the Integrated Annual Report comes you know everything is included in that. Very few questions need to be asked later on.

Sir, my question is that, as per the RBI guidelines gross NPA should not be more than 1.3%, but in our company, it is 2.3% for 2022. So, when do we expect that our GNPA should be around or below the one that is prescribed by the RBI and what steps are undertaken to bring the GNPA in the prescribed limit, Second.

What is the Company's strategy to be the top 3 national players in the field of Home Finance? Third one, how do you constantly question and test your present practices for continuing betterment of the performance of the Company. Request you to be elaborate with some specific examples done in year 2022 and plans for the same in 2023.

Sir, what are the challenges that you have envisaged in the current year 2023 and the changes that you envision next year that needs tackling. Since our chairman is from the former HDFC and he has got tremendous experience in housing finance, I think his experience will be much, much useful to the company not only now, but also in the later years for planning and strategizing our company's future growth. Sir, in the Annual Report, one chart or table should be shown showing quarterly results Q1, Q2, Q3, Q4 with some 5-6 parameters like interests, interest income, depreciation, PBT, PAT to understand the developments and the changes that have taken place over the quarters. Now that would be very helpful for us to understand quarter to quarter the key parameters, if you can give us all charts or 5-6 lines. Sir, what is the employee turnover ratio at the middle level and in the top executive management level.

Also, whatever feedbacks you have received or some suggestions you have received during the earlier years and the current year, which of them are seriously implemented or are being implemented for still better results.

Sir, are we planning to increase or decrease the ticket size of loans from the present minimum size of Rs.10 lakhs. Last question is, you know, in spite of having basic and diluted EPS of more than Rs. 20 on a face value of Rs. 2 per share, the Board has thought it, I mean not to declare any dividend which requires an explanation in detail.

I cannot digest this, because on Rs.10 face value, if you convert you are earning Rs. 100 or EPS 20 rupees and I mean it's very difficult to digest you not declaring the dividend. You may be having your own you know priorities or your own requirements not to declare but, even companies, you know, several companies, finance companies also even if they earn Rs.5, they declare Re.1 as dividend on Rs. 10 face

value. So, you must consider this properly, the employees take their salary, the lenders they get interest, the government taxes are paid but small minority shareholders are all left high and dry. The Independent Directors of the Board must pursue this matter of dividend to be paid by the Board. Now if you have if you really want us to also benefit and be part of the prospect of the Company in future, you should declare an interim dividend, along with the first quarter results. I would highly recommend that.

Sir, lastly you know now, what are the trends in the current two months, you know and can you give us a SWOT analysis of our company, just two-two points of each of the strengths, weaknesses, opportunities and threats of our competitors, just two-two points each of the parameters and I'll be very happy with that and wish you all the best. I think we are going into a crowded market of Rs.10 lakhs below. Since they are giving only to employees, who are people who are employed and are not self, say having their own businesses, we are having a lot of security from the employer can deduct the particular instalment and they pay to them, I think on same way what happened with HDFC.

Please explain me the model, a little bit if you can, in a few words, thank you very much, and wish you all the best.

Mr. Manoj Viswanathan: Thank you Sir. Let me address your questions one by one, the first question was on the NPA, GNPA. There is no such limit, which has been set by the RBI on GNPA, in fact we are declaring two numbers currently because there was a Notification by RBI on reclassifying the NPA in November of last year, so, which is why we're reporting two numbers which as per re-classification is 2.3% and prior to the reclassification historically, all NBFCs have been reporting the earlier number, which in our case is 1.3%. But as such there is no limit or cap that has been set by RBI on the GNPA.

I also want to mention that the GNPA has been on a declining trend, so the 2.3 that you're seeing now, it was 2.61 one quarter ago, so the GNPA is also on a declining trend and as far as the steps being taken to bring the GNPA below, some of this, increase in GNPA can be attributed to the two waves of COVID, three waves of COVID and I think now that customers are also you know recovering from that, our collection efforts have also been strong, so the GNPA is expected to keep coming down.

What is the company's strategy to be amongst the top players, so I mean what we're focusing on right now, as we mentioned as part of our strategic priorities is to create a respected brand in the affordable housing finance segment and to you know, to build a trusted innovative and customer centric brand so this will basically over a period of time help us to gain market share, and get counted amongst the large players in the country. Plus, we are also building a distribution because, along with the brand, we are also looking at reaching out to customers in all the markets, we are increasing or planning to increase our touch points from 200 to 400 touch points, so these steps which we are taking, will over a period of time put us amongst the top players in the affordable housing finance segment. There was a question on how we can test our practices, and kind of re-innovate and improve the performance of the company, and I just wanted to mention one example, and I think we have a kind of mentioned this example in our Annual Report also which is this year we have implemented a number of initiatives on the digital side to improve the productivity, which is the electronic nach or e-nach or e-stamping and the e-signing initiatives.

So, these are features that make the experience better for the customer, because they don't have to then sign physical agreements or put in a lot of signatures, and they can do the whole thing electronically, and also keep electronic record of the whole agreement so that's an initiative that we have implemented this year so it's an example. Regarding the challenges I think in the current market scenario, the main challenge that we are seeing is managing talent. Because we are expanding our distribution network, we need more people, we need to retain people and so managing talent, is the key challenge and on that we provide a very good platform for freshers and a clear growth path, it's also considered as a good place to work. We also have high ownership through ESOPs, so all of this, should help us create a good work environment for people and to help us manage the talent.

I think the next question was including a chart on the quarterly performance, and so I think we have address that through the presentation that I just shared and we will be also uploading this presentation on

the website so you should be able to access, that will give you a quarterly movement on various important metrics. I think the next question was around the suggestions that we received from the branches, and you know how we evaluate and implement those, so one example that he gave us on the electronic or digital initiatives. Another example is also the number of times we make disbursements in a day, so we do our disbursement to electronic payment transfer, we used to do it once a day now, we have received a suggestion from the branches, to carry out twice, and that is something that we've implemented recently that's another solution that we received from our teams and which we have implemented it.

On the ticket size of the loan, we don't anticipate any change in ticket size, because we are focusing on the affordable segment and mostly customers who are building or buying houses in that you know 5 to 25 lakhs range and, in fact, that this ticket sizes will remain constant for a very long time, so around 10 lakhs will be long term, so we don't anticipate much change in the ticket size.

On the dividends, yes your point is well taken and we will definitely discuss this in the Board. You know this year, the reason we took this decision was because we felt that we only raised capital last year through the IPO and we are just coming out of the COVID period, so we thought it is prudent to conserve capital at this stage. The company also is at this point at a stage where it is growing very fast, and it will require capital so, which is the reason, this year, because of these 2-3 factors, coming out of COVID, the need for capital, the high growth, etc. is the reason we refrain from paying out dividends, but your point is well taken and we will definitely discuss this, in our upcoming meetings to implement your suggestion.

I think your last point was on the SWOT analysis for the company and the business model. The business model is basically, providing loans to individual housing loan customers. Especially from the low-income segment and these are customers who find it challenging to get loans from larger entities, so from a SWOT analysis perspective, I think one of the key strengths of the company are, we feel, is the use of technology and in the way we are ahead in terms of providing a seamless experience to affordable housing customers and the high productivity of the team.

As far as weakness is concerned, it is still not a very well-known brand name in the housing finance space so customers, they have not heard about us in many places, and we have to explain, what the company is all about and the strengths and so on to customers. Opportunity, as we have explained in the Annual Report also is that there is a huge opportunity in affordable housing in this country as the incomes keep rising, and the urbanization and nuclearization takes place, I think there's a huge opportunity for affordable housing, that is getting created in the country and, as far as threats are concerned, we don't see, I mean the remote threat could be some new players coming in, or technology led players coming into this business, so those are the kind of threats that we see. I hope I have answered all your questions, if you missed out anything you may please let us know.

Mr. Deepak Satwalekar: Thank you Manoj. I'd also like to take this opportunity to thank the shareholders who have studied the Annual Report in detail. It helps the management to know that someone is reading what they have spent a lot of time and effort in putting together and I think the questions that have been asked, have been extremely diligent, I think well studied and well asked and I hope that we have been able to respond to all the questions that have been asked. If at all, there are any more clarification that you require, you're welcome to get in touch with the Company Secretary or our CFO.

I think this concludes the Annual General Meeting. I once again want to thank you for participating today and also to wish you good health in the year ahead. Now, I formally close the proceedings of this meeting.

Members who have not voted, can vote from now onwards, I think we have it open for another 15 minutes.

Thank you.