Date: 14.05.2024

ISIN: INE526R01028
SCRIP CODE: 539017
SCRIP ID: STARHFL
PAN NO. AAGC1988C

To,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai -400001

Sub: Transcript of Earnings Conference Call

Ref: Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

In continuation to our letter dated 09th May, 2024 regarding the Company's Earnings Call, please find attached the transcript of the said call.

The transcript is also uploaded on the website of the Company at www.starhfl.com

This is for your information and records.

Thanking You,

For M/s. Star Housing Finance Limited

SHREYAS RASHMIN MEHTA
Digitally signed by SHREYAS RASHMIN MEHTA
Date: 2024.05.14 15:59:50 +05'30'

Shreyas Mehta
Company Secretary & Compliance Officer
M.No. A38639

Star Housing Finance Limited
Q4 FY24 Earnings Conference Call
May 09, 2024

Moderator: Ladies and gentlemen, good afternoon and a warm welcome to all participants to the quarterly update call of Star Housing Finance Limited. Star Housing Finance Limited has organized this call with an intent to share updates and discuss operational as well as financial highlights of the Company for the period ending March 31st, 2024.

On the call we have the senior management comprising Mr. Ashish Jain – Managing Director, Mr. Kalpesh Dave – Chief Executive Officer, Mr. Natesh Narayanan – Chief Financial Officer, Mr. Anoop Saxena – Chief Operating Officer of the Company, along with Ms. Savli Mangle as an IR from Adfactors PR.

Before we proceed with this call, I would now like to take this opportunity to remind everyone about the disclaimer related to this conference call. Today's discussion may be forward-looking in nature based on management's current beliefs and expectation. It must be viewed in conjunction with the risks that our business faces that could cause our future results, performance or achievements to differ significantly from what may be expressed or implied by such forward-looking statements. As a reminder, all participants line will be in listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '*' then '0' on your touchtone phone. Please note that this conference is being recorded. Without much further ado, I request Mr. Anoop Saxena, Chief Operating Officer of the company to address the participants. Thank you and over to you, sir.

Anoop Saxena: Thank you operator. A warm welcome everyone to the Earning Call hosted by Star Housing Finance Limited for the Fourth Quarter and the Full Financial Year ending March 31st, 2024. We are delighted to have you join us today as we reviewed our operational and financial performance for quarter and year ended March 31st, 2024 of Star Housing Finance Limited. Highlighting significant accomplishments and providing valuable insights for the year. Following the management remarks, we will be eager to address any questions from the participants.

Let me introduce Star Housing Finance Limited a dedicated retail home finance company committed to assisting first time homebuyers in semi urban and rural areas wherein we operate. Our primary focus is on economically weaker section and low income families aiming to fulfill their dreams of home ownership. We offer long term housing finance solution, with fair terms to deserving families striving to uplift the bottom of the pyramid segment. Headquartered in Mumbai, and listed on the main board of the Bombay Stock Exchange, we aim to transition to the National Stock Exchange platform, post all necessary approvals and compliances. Our network spans across Maharashtra, Madhya Pradesh, Gujarat, Rajasthan, the NCR and Tamil Nadu, with over 24 physical locations. With a team of over +250 housing finance professionals specialized in the low ticket housing finance space.

Now coming to the performance for the period year ending March 31st, 2024. I wish to state the following points.

1. Throughout the period Star Housing Finance Limited extended housing finance assistance to a significant number of families from the economically weaker sections/ low income housing segment. Thanks to robust incremental disbursements, our asset under management have reached Rs.426 crores plus, marking 74% year-on-year growth.
2. Our asset portfolio is predominantly retail and well diversified across the regions where we operate. The average incremental loan size stands at Rs.12 lakhs in semi urban areas and Rs.8 lakhs in rural regions.
3. As our portfolio expands we maintain a focus on asset quality. The diligent credit and collection practice observed by our team in day-to-day operations have resulted in a portfolio address of 3.22% for accounts that are +0 days past due.
4. Our gross net performing assets and net non-performing assets ratios as of 31st March 2024 stands at 1.50% and 1.02%, respectively. Additionally, our provision progress ratios remains robust at 43.60%.
5. We are committed to enhancing our operational capabilities through investment in human resources, branch infrastructure and technology. We are currently in the process of deploying an upgraded version of our lending suite which will offer enhanced functionalities to improve productivity and credit management processes.
6. We have expanded our presence to the Northern region particularly in the national capital region that is NCR recognizing its growth potential.
7. Our focus remains on scaling up our asset under management through both on book lending and co-lending partnerships with our strategic collaborators.
8. Under the guidance of our Chief Financial Officer, Mr. Natesh Narayanan, Star Housing Finance Limited has successfully secured credit lines totaling approximately Rs.225 crores plus from various banks and financial institutions during the period. Our robust pipeline positions as well to support planned growth initiatives.

We are delighted to announce significant growth achieved during the period all the while upholding our dedication to quality standards. The recent capital infusion through warrants has further fortified our capitalization level and our robust liability pipeline continues to support our growth strategies. And with this, the expansion our core focus remains on providing retail credit access to first time and new to credit homebuyers, empowering them to realize their dream of homeownership. With this, I now call upon our CFO, Mr. Natesh Narayanan to speak on the balance sheet, profit and loss and financial ratios for the period ending March 31st, 2024. Thank you and over to you Natesh.

Natesh Narayanan: Thank you Anoop. Good afternoon to all and a warm welcome to all the participants.

I am delighted to announce that our focus on maintaining growth momentum while upholding the quality standards has led to robust financial performance during this period ending March 2024. I would like to extend my appreciation to our entire team for the dedicated efforts in laying a solid foundation for asset growth, particularly through our single minded focus on building liability franchise. As a result, we have established successful working relationship with 20 lenders, which includes seven banks, both in the private sector as well as the public sector space. We have secured incremental sanction amounting to Rs.224 crores from these institutions in the last Financial Year. With unbound limits and pending proposals in our pipeline we are well positioned to scale up our operations, which will be in-line with our planned growth trajectory.

With this, now I come to the financial performance for the Financial Year ending March 31st, 2024. They are as follows:

- The asset under management stood at Rs.426.86 crores as of March 31st, 2024 against Rs.246 crores as of March 31st, 2023 thus giving a year-on-year growth of 73.52%
- Disbursement for the Financial Year '24 stood at Rs.240.86 crores as against Rs.207.51 crores. The total income for the Financial Year '24 is at Rs.61.64 crores as against Rs.37.24 in March 2023, a year-on-year growth of 65.52%.
- The net interest income in FY24 stood at 26.13 crores as against 21.06 in FY23. GNPA I am pleased to announce that GNPA as of March 31st, 2024 has come down to 1.5% and NNPA is at 1.02%.
- Of the period ending March 31st, 2024, the PAT increased by 27.27% year-on-year. During this period the company received a total sanction of Rs.424.42 crores of which Rs.219.42 crores was disbursed.
- Total borrowings outstanding as on 31st March, 2023 stands at Rs.320.3 crores, thus giving us a leverage of 2.41 times.
- The company possesses a robust liability pipeline poised to support growth initiatives.

I firmly believe that as a team, we will capitalize on our past accomplishments to reach business, financial and operational goals that we have established for ourselves in the coming Financial Year. Now, I call upon our CEO, Mr. Kalpesh Dave to provide the concluding remarks. Thank you and over to you Kalpesh.

Kalpesh Dave: Thank you Natesh. Hello, everybody. So, on behalf of the Star HFL team, I extend a warm welcome to all our participants. I wish everybody on this call and all our stakeholders a very happy and successful new Financial Year 2024-25. May this new Financial Year bring more significant milestones to everybody over here. So, the objective of arranging these earnings call regularly is to share updates on the company's progress as to how we are doing and what lies ahead of us. I will share some more points in addition to what my colleagues Anoop and Natesh have spoken.

On the equity infusion front, the capitalization levels further strengthened during the last Financial Year. So, successful issuance of warrants amounting to Rs.60 crore, which had been subscribed by family office, HNI investors and retail investors. As we seek 25% of the total warrant amount has been received. Resultantly, the capitalization level have gotten strengthened, network as of March 31st 2024, stands at Rs.133.01 crore and as mentioned by Natesh leverage levels remain modest at 2.41x.

In addition to what Anoop said on the AUM growth approach, happy to share that Star HFL has initiated a new co-lending partnerships with Tata Housing Finance Limited targeting assistance to 5000 potential homebuyers in its initial operational phase. Also, on the rating front, during the last Financial Year, Star HFL received a rating upgrade from Care and is now rated as BBB stable by both its rating partner with India ratings and Care.

So, as we have grown, our leaders on ground have witnessed a lot of housewarming ceremonies of our customers. And this filled our hearts with immense pride that we as an organization have started to play a meaningful role in home owning aspirations of these deserving borrowers as we are growing.

Star HFL sees itself as a part of broader mortgage fraternity in retail low ticket housing finance space. We, along with our peers, that includes bank, HFCs, financial institutions, credit societies and others, have to work strength-to-strength to enable credit access and play our parts in realizing our honorable PMs dream of Housing For All.

On the business front, it is heartening to see the growth momentum be carried ahead well into the fag end of the Financial Year without compromising on the quality and overall framework as well as guidelines that we have laid for day-to-day operations. As we are growing, we are expanding to those areas where we do feel that there is an addressable segment and we can develop a meaningful presence through our operations. And hence we expanded to the newer geography of NCR in the last Financial Year.

Our goal is to extend our presence into new territories, spending the requisite approval while adhering to our retail philosophy. I have consistently emphasized this in every communication and I want to restate once again over here that, prioritizing quality over growth remains paramount for us. Our commitment remains steadfast in cultivating a high quality loan portfolio. With increasing levels of capital, the company aspires to transition to the National Stock Exchange, subject to all compliances, approvals and qualifying criteria in place. We are poised to the optimum growth in AUM. And we have maintained a comfortable capital adequacy ratio, courtesy equity infusion and the liability franchise being built on top of that. Strong traction in liability, the pipeline so created and consistent capital raise including the recent one through warrant, gives us confidence to March ahead on asset side and grow the balance sheet.

So, in conclusion, we extend our heartfelt thanks to all our stakeholders including the RBI, the National Housing Bank, our banking partners, our rating partners, our business associates, our +4500 valued customers, dedicated staff of (+250) fine HFC professionals with strong domain and their respective families. Each one of them have played and we look forward them to play a crucial role in the development of the Star HFL franchise. As a committed and responsible lending organization, we are dedicated to creating value for all our stakeholders as we continue on our path to become a respectable housing finance institution. Thank you for your attention. Over to you operator.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Dhanaya Arora from JT Financial. Please go ahead.

Dhanaya Arora: Sir, my question is on the geography. So, any new area of geography that we are looking to explore as rural development is going fast?

Management: So, in terms of expansion to newer geography, as I mentioned and Anoop also mentioned that we expanded into the NCR region last Financial Year. And now the focus would be basically to penetrate deeper and deeper into our existing geography. You have to understand that we are spread across the state of Maharashtra, Madhya Pradesh, Gujarat, Rajasthan, Tamil Nadu and now NCR. So, now the time is basically come to look within these geographies and find those fertile micro market where we can kind of develop our portfolio and establish our branch network as we build up the AUM over there. So, that will be the first focus to answer your question. In relation to expansion to the new geographies in this Financial Year, that is a call that we will take in the second half of the Financial Year, once these newly established branches basically scale up, and we look to penetrate deeper into the existing **zones** that we have.

Dhanaya Arora: Okay. Sir and as you said that we are entering the NCR region also. So, what’s the reason for the same, is the company seeing any high growth rate there?

Management: So, no, I’ll tell you the growth rate for the affordable housing finance company, there is a market out there. And same applies to NCR when we are talking about NCR we have established a brand in Ghaziabad. And Ghaziabad basically will be positioned as a hub to cater to the existing geographies of Meerut, Hapur, Bulandshahr, so on and so forth. So, just to answer to your question, there is an addressable segment in these geographies. We have started, we have started well, if we talk about incremental disbursement now NCR basically contributes to around 10% to 15% of our implemented monthly disbursement. We look forward to build further presence over there so that the contribution basically comes up to 20% from the NCR region, and that will basically help us to diversify geographically also given that, bulk of our business is coming from the Western geography as we speak right now. So, NCR is a critical cogs in the overallview

Dhanaya Arora: Okay. And sir lastly, you said that are also entering South Indian markets, right. So, is the market size big enough to address and to warrant the competition?

Management: So, answer to your question. As I said in my speech also, so there are all the players and we consider them as our peers. So, there are banks, that are HFCs, there are NBFCs, there are rural cooperative banks, there are credit societies, all these have been there before Star Housing Finance was born and they will continue to be there, but you have to understand that the opportunity size of this addressable segment of economically weaker section, low income group segment who wishes to become a first time homebuyer is so huge that there is an opportunity to have a peaceful coexistence amongst all the players and hence, you will also understand and appreciate that the government of India has also been mulling to extend the Pradhan Mantri Awas Yojana. So, lot of work has required to be done in, across the length and breadth of the country. So, while the competition is there, as I told you there is the pie is so huge that we don't have to worry about how much we are going to do. And we are not really into the business of increasing market share, so on and so forth. We are only focused to grow your portfolio, backed by good asset quality. So, that is the focus and just to answer to your question that you have forage into the Southern geography no, we have already been present through our branch in Chennai, we have only expanded in the last Financial Year by adding a couple of branches, in addition to Chennai which is Kanchipuram, Vellore and Sulur. So, that is what we are doing, we are not expanding into any new state as such.

Moderator: Thank you. The next question is from the line of Vatsal Chheda from Northern Arc Capital. Please go ahead.

Vatsal Chheda: Actually, my question was more pertaining to the portfolio construction. So, wanted to know what percentage of our borrowers are new to credit. And secondly, wanted to know, what's the average household income of these borrowers?

Anoop Saxena: So, operator I'll take that. So, Vatsal to answer your question, approximately 50% of my portfolio, 50% of customers who are standing as of now in my portfolio are new to credit. Having said that, new to credit doesn't mean that these customers don't have a repayment track record. The fact of the matter is, their repayment track record might not be available with TransUnion, but that can be available with CRIF or any other credit bureau for that matter. And if at all that is not the label with formal credit rating, these customers do have a repayment history available with local moneylenders sort of. So, they do have a repayment habit in terms of formal as well as informal channels. So, that is to answer your first question. As well as second question is concerned what is typical household income for these borrowers. So, typically, we operate within the income, within the household income of starting from Rs.15,000 to Rs.50,000 household income range. Having said that, we operate on the leverage such as debt burden ratio, which is typically netting of business income minus household expenses which comes as household income and Star Housing Finance, calculate equated monthly installment on the basis of household income of the customer. So, that answers your question.

Moderator: Thank you. The next question is from the line of Umesh Mishra from Mindtree. Please go ahead.

Umesh Mishra: I would like to ask a couple of questions. So, one is when you speak about portfolio at risk, what does that mean. And how is it different from GNPA. And my second question is, how do you see diversifying your borrowing profile in terms of lender and instrument. Thank you.

Management: So, the portfolio at risk, if you wish to know we normally share our portfolio at risk with all our stakeholders, because we feel that, that is the right barometer of sharing how asset quality goes in. So, when you speak about portfolio at risk, it is any particular installment which is even one day past due, let's say your installment is due today, and if the payment doesn't come, that means that, that account has gone into basically overdue and when we give that number of 3.22%, we talk about all those accounts which are even one day pass through. So, that percentage is 3.22% and GNPA comes within that particular number. So, when we say that portfolio at risk is 3.22% and is 1.50% GNPAs, that means that out of 3.22% the gross NPA is 1.5% So, that is the, technicality, I wish to tell you what that part of it in terms of our asset quality, because we feel that, that is the right approach to consider how the asset is working, how the loan is being built up on the quality front of it. On diversifying the liability profile, see you have to understand that we have basically come a long way in terms of scaling up our overall liability pipeline and I am answering on behalf of my colleagues Natesh, because he deserves to be applauded for this kind of scale up which we have seen, resultantly the asset has been built up, we have diversified in terms of the number of, in terms of a lender, the lender profile, previously it was only financial institutions who used to lend us, now it is a mix of public sector banks, private sector banks, and financial institutions basically who are there our lending partners. So, that diversifying we have already done over the past two to three years. Second thing which I wanted to share with you is that we have diversified in terms of our instruments. So, these banking partners will give you term loans. And we have recently successfully closed an NCD instrument, so, non-convertible debentures, is the first diversification that we have basically sought, that we have been successfully able to add to our overall liability franchise which happened in the last Financial Year subscribed by two financial institution and these NCDs are also listed on the exchange. So, that is a diversification that we have achieved, as we move ahead, as we go ahead, one more milestone of 500 crores of AUM –as we scale up, over a period of time, the liability also will be slowly opening up to us and the other liability partners which is like Social Impact Fund, the International Funds on the debt side of it, are slated to come based on the merit that we deserve, and my colleague Natesh and his team are diligently working towards that diversification. So, that is what the action plan is or the liability franchise.

Moderator: Thank you. The next question is from the line of Suman Gupta from Star Housing Finance. Please go ahead.

Suman Gupta: Yes, what is the maximum ticket size that you offer to the customers and the average ticket size on the book?

Management: So, the maximum ticket size that we offer is 25 lakhs in the semi urban and rural geography, that is the maximum ticket size that we offer. Bearing the areas which are basically very, very close to metros well, basically affordable houses also while we a bit higher in the value there basically we can move up to 35 lakhs but not beyond that, but bulk of our maximum ticket sizes is 25 lakhs as we speak. Our average incremental ticket size as mentioned by Anoop comes to around 12 lakhs in semi urban and eight lakhs in rural area. And on the portfolio it is at around 10 lakhs or so.

Suman Gupta: One more question. What is the ALM profile and what is the ideal leverage level you would want to maintain?

Management: ALM profile Natesh you want to answer and leverage level?

Natesh Narayanan: Yes. So, on the ALM front, we have no mismatches up to three years or so. So, we are very adequately funded, we have a reasonably good liquidity position which will fund our growth. Our repayments take care of our payments to our lenders. As such the ideal leverage level in light of the current balance sheet size and the rating, the market looks at a 3x to 3.5x something which should be the ideal leverage level. So, I hope I answer your question.

Moderator: We have disconnected the participant line. We will move on to the next participant. The next question is from the line of Vimal Sharma who is an Individual Investor. Please go ahead.

Vimal Sharma: I have couple of questions, what is the geographical state of your AUM**.** How do you see the shaping of this peaking AUM growth. And how do you see the branch expansion in the current year in monthly disbursal. Thank you.

Management: So, I'll answer that question. On the overall AUM split region wise Maharashtra is the bulk of the overall region, overall AUM it stands at around 60% to 63% odd. So, that is the bulk of the AUM coming from followed by MP and Rajasthan which added around 12% to 13% odd each as we speak, followed by Tamil Nadu and Gujarat which added around 5% odd each and as I said that NCR has started building up it's presence. So, now NCR kind of contributes to around 2% to 3% of our overall portfolio. And as I have mentioned before also that the new geography of NCR over a period of time should build up in double digits as we scale up in the current Financial Year. That is on the overall geographical split. How we want to shape up our overall AUM as we speak, I think that geographical diversification of the overall AUM is due, it should happen, because we have focused on opening new branches in the geos which basically are right now not having that much of contribution. So, Maharashtra will be rationalized in terms of number of new branches getting opened up in the current Financial Year, and we will basically re-impose more in the geos of Madhya Pradesh, Rajasthan, Gujarat and Tamil Nadu in addition to NCR. So, that's how the diversification will happen as we speak. And on the branch expansion I have already mentioned that one new geo has already been added in the last Financial Year, and that to we added in the second half of FY23-24. So, in the first half of 25, I don't see us expanding into any new, new territory as such. However, we will continue to expand into our existing geographies where we are operational, and then we will take a call in around October or November, which are the new geos we want to expand too. There are three to four geographies which we are interested in just to tell you Chhattisgarh is one of them. That is one particular geography where we are looking forward to, we are looking forward to basically have more presence in the adjoining areas of NCR, the UP, Uttar Pradesh is something that we are focusing on and at the same time one more location down South either Andhra Pradesh or Telangana where we will be looking forward to open. But see it all depends on how the AUM is getting scaled up, how the capacity is getting utilized. The current branch network has a capacity of around 30 to 35 crores of monthly disposable. Currently we are clocking at 20 to 25 crores. So, once we cross that critical mass of 30 crores sustainably for the period of let's say two months or soon, then we will basically focus on expanding into the newer geography. I hope that answers your question.

Moderator: Thank you. The next question is from the line of Amol Doshi, who is an Individual Investor. Please go ahead.

Amol Doshi: My question is for the management, first when do you see the next rating upgrading take place and what are the parameters for it?

Natesh Narayanan: So, I said that the rating is just, we have just got upgraded in the last Financial Year that is the year ending March 2024. So, given our size and the growth trajectory that we are on, we are quite hopeful that we will be able to convince our rating partners for a up gradation to +BBB over the next six to nine months time. As regards the parameters, while no one exclusively, no specific exclusive specifications are given, but if you see the broad trends, +BBB rated housing finance company is typically a company with a 650, 700 crore plus kind of AUM with the GNPA profile of under 1.5% the net worth of 120, 130 crores and a profit making in this HFC is what the broad trends look like. So, while we meet most of the criteria's the AUM given the growth trajectory the AUM criteria will also be close to that number during that period and then thereafter we may reach out to our partners and try to convince them to look at, take a fresh look at our rating at that point in time.

Amol Doshi: I have one more question. What is the average loan to value ratio at the time of the origination and on portfolio?

Management: So, my average loan to value ratio at the time of origination is typically the maximum loan to value I offer is typically 75% at the time of origination. Having said that, while if you look at my portfolio cut then by portfolio cut maximum contribution towards portfolio is coming through self-construction cases wherein loan to value is relatively lower as compared to loan to value with other products. So, at portfolio level my loan to value is about 52% to 53%. So, in typical sense if in layman terms, if my portfolio standards at 426 crores then typically around 800 crores is houses are there which are mortgage to us against 426 crores AUM.

Moderator: Thank you. The next question is from the line of Ashish Kumar, who has an Individual Investor. Please go ahead.

Ashish Kumar: My question is, how much of the book is through co-lending and how do you see this proportion in future?

Management: So, Natesh I will take that also. So, as of now at portfolio level my book is standing around 10% book is coming through co-lending book and 90% book is of owned book. While having said that, we wish to have around 15% to 20% book through co-lending, generate co-lending relationship and 85% to 80% book is generating through own book that is our wish list for now.

Moderator: Thank you. The next question is from the line of Ankit Raidkar who is an Individual Investor. Please go ahead.

Ankit Raidkar: Just wanted to understand few questions. My first question will be regarding the AUM, what are our long term projection and can we expect sustainable growth in the AUM?

Management: Long term projection you are talking about, you are asking?

Ankit Raidkar: Yes.

Management: So, being a listed company, I cannot give you a forward-looking statement over here, but you have to understand how we have grown, we have grown around +100% in the last-to-last Financial Year that has been, that momentum has been maintained because now the base has been buildup, the last Financial Year we ended up at growing at around +75%. So, if you consider this kind of a growth rate, over the next 36 to 48 months, now subject to availability of capital being infused, the deck being raised, and other parameters being done the macro and micro economic parameters favoring, we are well poised to have a book of around +2000 crore and again, I don't want to speak in terms of AUM in the amount wise, we always speak in terms of how many files basically we will be processing. So, in this journey incrementally from here on, we should be catering to around +20,000 first time homebuyers, out of the +40,000 homebuyers would basically be coming at the login stage to us. So, that is something which this team is capable of, this team has that particular right kind of domain and technical knowhow to steer growth over the next 36 to 48 months as we speak. And if we are able to achieve that, obviously the resultant value will be created for all of our stakeholders. So, that's the best that I can share with you in terms of our overall projection on the AUM side of it, and for achieving that thing obviously, the branch expansion has to happen, we will have to venture out from our familiar territories into the newer territory, and in that process Star Housing Finance will be well poised to become a pan India presence housing finance company in affordable housing, finance space.

Ankit Raidkar: Okay, got it. And sir my second question, as company has effectively managed its gross NPA and net NPA compared to its peers in the industry. So, just wanted to understand which are the factors contributing to our efficiency?

Management: Very good question and see in our every interaction with all of our stakeholders, we always say that we are credit and collection oriented company, we do feel that 99% of housing finance not to put any other function down is 99% is credit and collection, because it is very easy to lend money, it's very difficult to decide whom to lend, what to lend, how much to lend, and obviously collecting that money. So, what we have done right from the beginning is that, of these (+4500) live loan accounts, we have made a man-to-man marking across all our branches, that is the first thing that we have done. Any new branch that we open up, the first thing that we take is credit and collection person. So, right from day one there is a focus on maintaining this asset quality in terms of portfolio that I mentioned before. So, that is the first thing that we do, second thing we have ensured that all the customers basically get converted themselves into registered for the ETA. That is the first thing that we do. So, we get exact idea on 10th of every month that this is our bounce percentage and based on that bounce percentage, there are daily calls that happen right in the morning wherein we only-and-only speak about the collection numbers and how would this going to stay. So that is that is the dedicated effort day in day out that we do has resulted in this. I am not saying that you know we are the best or we basically can't beat ourselves the book is yet to get seasoned so you know one more year down the line I can definitely you know say that you know we are really doing good. But yeah, very happy with what we have achieved till now given the customer segment in the offing.

Moderator: Thank you. The next question is from the line of Venkatesh Krishnan from Rockford Sign. Sir, please go ahead.

Venkatesh Krishnan: Two questions I want to ask. One is how do you plan to divide your borrowing whether loans or NCDs? How much NCDs you are planning to do in the current financial year? And second thing is that as far as your ability, whenever you doing co-lending that says the normal lending considering that there are some concerns raised by RBI on calling whether you are going to still concentrate more on coding or normal lending. Please two questions I want to. Ask thank you.

Management: Yeah, I'll take the first one. So while we build on the NCD market, this financial year with the two separate issues, that totals to around nearly 31 crores, we expect currently it's about 9% of our overall borrowing and we expect to maintain this on our expanded borrowing book. For this I guess for this year we should have not more than 10% of our overall borrowing coming from NCD's subject to of course criteria in terms of rates and our mix. As per uh, the necessity of the book which will keep the cost of borrowing low but yet NCD's will be a very important part of our borrowing rather than liability. Anoop on the second part, would you want to take that?

Mr. Anoop: Yes, sure. Thank you, Natesh. So uh, to answer the second question is uh, goal ending is the arrangement which has been allowed by the Reserve Bank of India. And Reserve Bank of India has specifically allowed two type of Co-lendings, which is typically oneCLM One model and 2nd is CLM 2 model whatever is allowed within the parameters of what has been stated by Reserve Bank of India. If you are if one lender is following all the parameters I don't think there is any risk into that. We as a responsible uh lending institution, Whatever calling we are doing is we are doing typically under the CLM 2 model wherein all the gist of sale and two model has been followed. Whatever is written in the circular that has been follow with all heart, soul and gist. So that is to answer Your question, I don't think that until unless we are not violating what is written in that co-lending circular. Ttill, the time there is any issue. There is prevailing practices in the market which are against those circular, which is typically FLD is one of those practices. If I understood it. We, as a responsible institution, are has never gone into any sort of arrangement which is not defined or allowed by the regulator. We are someone who always play, who always like to play within the parameters of whatever regulator has seen said so I don't see any challenge while doing more into co-lending thing having said that, since it does have its own permutation and combination, that was the reason I specifically stated that typically we wish to grow from 10% to 15 and at next 20% at portfolio level but not more than that probably I think that answers the question.

Venkatesh Krishnan: Sorry, that answered the question that my worry was that there was slight concern showed by RBI in co-lending. So I do expect some kind of a restriction may come in post-election that's why I asked this question thank you so much.

Management: Maybe Sir but till that time we are we are following whatever is written in the guidelines. I don't see there is there are any challenges.

Venkatesh Krishnan: Thank you.

Moderator: Thank you. I now hand the conference over to Mr. Kalpesh Dave, Chief Executive Officer for closing comments.

Management: So, on behalf of Star Housing Finance Limited, I thank everybody for attending a FY2023-24 earnings call. You are our valued stakeholder. Please continue to follow us, continue to track us if you have any questions even after the call, you can get in touch with the Investor Relations team. We will be more than happy to talk to you or meet you in person to discuss and share what are the plans and send it and have your performance. So in case of any further queries please do get in touch with the Star Health relationship. Thank you and take care. Bye.

Moderator: On behalf of research by corporate service that concludes this conference, thank you for joining us and you may now disconnect your line.

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