SPANDANA

Ref: SSFL/Stock Exchange/2025-26/095

November 05, 2025

To
BSE Limited,
Department of Corporate Services
P. J. Towers, 25th Floor,
Dalal Street,
Mumbai – 400001

Scrip Code: 542759 and 890221

To
National Stock Exchange of India Limited,
Listing Department
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E)
Mumbai – 400051

Symbol: SPANDANA and SSFLPP

Dear Sir/Madam,

Subject: Transcript of conference call held on Friday, October 31, 2025.

Ref: Company letter No.: SSFL/Stock Exchange/2025-26/093 dated October 31, 2025.

In furtherance to our above-mentioned letter, please find enclosed herewith a transcript of the conference call held on Friday, October 31, 2025, to discuss the financial and operational performance of the Company for Q2HY1 FY26.

The aforesaid information shall also be made available on the website of the Company at www.spandanasphoorty.com.

Kindly take the above on record.

Thanking you.

Yours sincerely,
For Spandana Sphoorty Financial Limited
VINAY PRAKASH TRIPATHI
Digitally signed by VINAY PRAKASH TRIPATHI
Date: 2025.11.05 18:09:39 +05'30'
Vinay Prakash Tripathi
Company Secretary

Encl: As Above

"Spandana Sphoorty Financial Limited Q2 FY '26 Earnings Conference Call"

October 31, 2025

"E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on October 31, 2025, will prevail."

MANAGEMENT: **MR. ASHISH DAMANI – INTERIM CHIEF EXECUTIVE OFFICER, PRESIDENT AND CHIEF FINANCIAL OFFICER, SPANDANA SPHOORTY FINANCIAL LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to Spandana Sphoorty Financial Limited Q2 and H1 FY '26 Earnings Conference Call.

This conference call may contain forward-looking statements about the company which are based on beliefs, opinions, and expectations of the company. As on the date of this call, these statements are not guaranteed of future performance and involve risks and uncertainties that are difficult to predict.

As a reminder, all participant lines will be in the 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.

I now hand the conference over to Mr. Ashish Damani - Interim CEO, President and CFO. Thank you and over to you, sir.

Ashish Damani: Good evening, everyone. Thank you for taking time out and join us on this call.

Let me just first greet you. Wish you a very Happy Diwali, Dussehra, Season's Greetings. We wish you a good New Year as well.

Let me give you some highlights on the results:

We have already put up the Presentation, and I believe most of you would have got a chance to go through the deck. And if you have done so, I am sure you would have noticed improvements in all the lead parameters.

Let me start by highlighting few trends that we have been witnessing, and we are very excited about:

Concentrated industry-wide efforts have been made and have started yielding results. One of the lead indicators is the over-levered borrowers across the industry has been coming down.

Our X-bucket collection efficiency, if you would have noticed, has been behaving very strongly and has been improving. We have reported 98.7% as of September as against 97.9% which we had in June last quarter. X-bucket collection efficiency for October as well has been strong and is at around 98.5%. Obviously, it is a slight dip compared to the September month but that is owing to, less number of working days, festive season, rains and some floods which we have seen in some parts of the country. What is more heartening is that the improvement has been seen across the major geographies including Karnataka which was struggling in the past, now is in line with the national average.

Over 60% of our branches have moved into, a much better zone with more than 99% X-bucket collection efficiency. Our disbursement has also gained momentum. If you look at the numbers month-on-month, they have been shaping up fine and this has come with improvement in the portfolio quality as well. Disbursement for Q2 was Rs. 934 crores as against Rs. 280 crores in Q1. In October 2025, disbursement has been a touch lower than September, again the reason being same, less number of working days and festivities in the month kind of had lower disbursement compared to September, but yes, we are very confident that we will pick up pace in the coming months.

We have seen consistent improvement in productivity as well. we have given this data per loan officer, the amount disbursed over last few months has been improving and the information has been shared on slide 6. There have been multiple levers which have aided the improvement in the productivity, starting with some technology initiatives, like we have moved the credit bureau check upfront for new customer enrollment and higher share of disbursements from the weekly branches, which obviously have been performing better than the monthly branches in terms of collection efficiencies.

Our existing customer franchise offers us almost close to about Rs. 6,000 crores of disbursement opportunity. This has been detailed again in the presentation where you can see that 10 lakh customers are eligible under the stricter internal guidelines on the approval process that we have put and 76% of these customers have only two relationships at best and almost all of them have less than 1 lakh loan amount as outstanding. So, there is a big headroom available for us to disburse in this customer base.

Loans disbursed in FY '26 has been at 28% of our balance sheet for September and I think by end of October, this should be almost 37% of the balance sheet. This portfolio has been performing very strongly for us., the delinquent book in this portfolio is just 0.1%. 72% of these customers have again less than two lender relationships at the time of disbursement. Our internal rule engine filters out existing customers who have over 30 DPD and new customers who have even 1 DPD before we lend to such customers and these are rejected. Only 1.8% of our customers at the time of lending were in 1-30 DPD and rest all customers were in current bucket as we have shortlisted those customers for lending.

We continue to drive a strong momentum on the recoveries with multiple focused initiatives. So far, in 2025, we have issued 90,000 demand notices and over 3.3 lakh legal notices. We have also initiated Lok Adalat proceedings against 8,600 plus customers in 4 states. These measures have started yielding results, showing us a lot of promise. We have been able to recover Rs. 7.7 crore so far through these initiatives and please bear in mind that these initiatives were initiated sometime around August which means this will show a better trajectory, better numbers as we go forward into the quarter. Various digital channels were also introduced to engage and improve on the digital collections. QR code, SMS, BBPS payments have been adopted so that the customers can make digital payments without any further visits from our field force. A lot of efforts are being placed in optimizing operations and cost structure.

During H1 FY '26, we have seen rationalization in the size of operations. 101 branches have been merged or closed. We expect further improvements in our operating cost structure in the coming quarters. While all the so far mentioned positive trends continue to play out, we maintain a prudent financial stance. 21% of our assets are in form of cash and bank balances giving us flexibility to deploy funds at short notice. The successful closure of rights issue has further improved the company's capital position with CRAR at 47% at the end of September. Our net worth of Rs. 2,227 crores and gearing of 1.5x provides sufficient headroom for future growth of the organization. We have also been able to raise debt funding of Rs. 598 crores over the last 2 months. This stems the confidence that as we go along, we will be able to finance all our future lending plans.

Let me move to the results and give you the business updates:

Let me start with business drivers:

We are continuously evaluating our operational environment and taking measured steps to build a quality portfolio. As explained earlier, the new book's performance has given us confidence and hence we have stepped up the disbursements. During Q2 FY '26, Rs. 934 crores was disbursed as against Rs. 280 crores in the Q1. October has been slightly lower, but we are confident that we will be doing higher numbers as we go into November and December. AUM at the end of Q2 was at Rs. 4,088 crores. AUM is an outcome of disbursement as you all understand and as we step up disbursement, we should be able to record AUM growth from here on.

Portfolio Quality:

Like I have explained earlier, the top 5 states with AUM have shown improving trend in X-bucket collection efficiency over the months between July and September. We continue to maintain provisioning for the book at 80%. GNPA at the end of the quarter was 5.62%. However, the standalone number stood at 4.97%. Likewise, our NNPA for standalone was 0.97% and NNPA for the quarter was 1.17% at the enterprise level.

Borrowings & Liquidity:

We started the quarter with a comfortable liquidity position of Rs. 1,731 crores. Apart from the regular collections, external borrowing of Rs. 160 crores and Rs. 200 crores raised during the quarter through the partly paid rights issue supported the disbursement. We had about Rs. 1,179 crores of liquidity at the end of Q2 representing 21% of the total assets. As of October, we still have Rs. 1,270 crores in our cash and bank balance.

Let me give some highlights on the financial performance:

The net interest income for the quarter was Rs. 91 crores over Rs. 341 crores reported for Q2 of last year. Lower NII was primarily due to decline in AUM and the interest reversals due to the flows into GNPA bucket. PPOP for the quarter was negative at Rs. 40 crores. With disbursements improving and continued rationalization of our operations and costs, we expect to turn PPOP positive in the coming quarters.

Yield on the portfolio improved to 19.6% as against 19.4% reported in Q1 FY '26. Improvement in yield is reflected positively on our NIM for the quarter, which was at 8.4% as against 8.2% reported in Q1. We expect the yield and NIM to start improving from here as the proportion of new portfolio continues to grow in the AUM. The company reported a net loss of Rs. 249 crores for the quarter on account of provisions and higher OPEX relative to the size of operations at this point in time. Additional credit cost of Rs. 86 crores was recognized in second quarter due to technical write-off that we have done. If we would have excluded, the impairment cost would have been down to Rs. 172 crores.

As indicated in our last Earnings Call, we see FY '26 as a year of rebuilding. The loan book built in FY '26 under new credit rules gives us sufficient confidence for the way forward. We expect to maintain a steady pace of disbursement throughout the year while constantly keeping an eye on the behavior of the portfolio. The recent macros and bountiful monsoon also gives us sufficient indication of the quality and trend of credit demand in rural India.

With this, I would like to thank you again for taking time out to join this call. We have the entire management team of Spandana thanking you for your consistent feedback. And now, I request the operator to open the floor for any questions that we may have.

Moderator: Thank you, sir. Thank you very much. Ladies and gentlemen, we will now begin with the question-and-answer session. Our first question comes from the line of S K Debnath from SK. Please go ahead.

S K Debnath: Thank you very much for giving me the opportunity. I would like to understand that you have taken a lot of NCDs. How are you making the payments of that when you were suffering from loss and what are your plans to improve the performance in the next 1 year period?

Ashish Damani: Thank you, Mr. Debnath for the question. So, the focus is on pushing the disbursements, regrow the balance sheet for which we have all the required building blocks. We have worked on the capital side, we have worked on people side, we have worked on also origination improvements which are required and this should definitely start improving the upcoming quarters in terms of performance. On the NCD side, we are very comfortable. All our liabilities are serviced very comfortably. The company maintains very healthy liquidity. We always carry roughly about 2.5-3x of whatever the internal thresholds on the liquidity that has been laid out.

S K Debnath: Thank you.

Moderator: Thank you, sir. Our next question comes from the line of Aviral Jain from Siguler Guff. Please go ahead.

Aviral Jain: Hi, Ashish, good evening. I have two questions. One is, what is your expectations on disbursement pickup? What is the quantum that we can expect going forward for the balance 2 months of Q3 and Q4? And given the behavior of the book, given X-bucket collection efficiency at 98.5%, what is the expectation of the credit cost for the rest of the year, Q3 and Q4 specifically?

Ashish Damani: Hi, good evening, Aviral and thanks for the questions. The way it seems like is the disbursement is picking up. The industry is facing a challenge on the new customer acquisition; the rejection rates have been higher. However, I think with our focus on fixing all, relatively speaking, the challenges that we have been facing on the IT or on the operations side, we are very confident that we should start delivering over Rs. 500 crores in the current quarter and the next quarter, our run rate should be something around Rs. 700 plus crores on a monthly basis for the next quarter. In terms of credit cost, things have started improving. Like you would have noticed, roughly about 2.5%-3% was the flow rate from the current bucket earlier. It is down to 1.5%. And again, we are confident that as the percentage of new book improves in the balance sheet, this should start sustaining over 99%, which would mean that your flows into the subsequent bucket should slow down significantly. And that should have a very positive bearing on the overall credit cost that we have. I think currently we have about Rs. 150 crores, which is there in the 30-90 bucket. So, I am not expecting flows to be anything more than that during the quarter into the bucket compared to the Rs. 360 crores of flows that we have seen in the last quarter.

Aviral Jain: This is forward flow to 90+ you are saying, right Ashish?

Ashish Damani: That is right.

Moderator: Thank you, sir. Our next question comes from the line of Mayank Mistry from JM Financial. Please go ahead.

Mayank Mistry: Hi, sir. Thanks for the opportunity. Sir, question is mainly on the collection efficiency in Bihar state. So, as I was seeing the 20 bps, there is some improvement in the collection efficiency. I was seeing that in Bihar, there is a 10-bps decline in the collection efficiency. And I would like to know how is this panning out even in October because given that the elections are nearing, how would we see this going forward? Mainly your experience from the other states if that could help? And secondly, on the plus three lender base, considering that the write-offs have been really elevated over the last few quarters. I would like to know from this, is it mainly coming in from this 17% book? And the 23% that has been going on from February onwards. So, should we see the write-off continuing in maybe next quarter or how should we look at it? These are my questions?

Ashish Damani: So, on the first question, Bihar has been performing strongly for us. It has been at 98.8% like we presented. And I think in October also, we have a similar number for Bihar. So, while I understand there has been upcoming elections, our approach has been measured not just in Bihar, but across the country in terms of disbursements, which is what we are controlling right now. And the outcome so far has been positive, Mayank. In terms of three lenders and the performance there, yes, the customers who have more number of loans have shown higher delinquencies across the buckets. However, as we start taking measures on increasing the new customers from the buckets where either they have only 1 loan or 2 loans at best, this number should keep going down for Spandana like it has gone down in this quarter. And I think the positive rub-off will be seen across the buckets in terms of the collection efficiency.

Mayank Mistry: Sir, can you give me a number of the 17%? How much would be in Stage-II or Stage-III? Any color on this book?

Ashish Damani: I don't have that number handy right now, but Mayank, we can connect and we will definitely share these numbers with you.

Mayank Mistry: Sure, sir. And how do you see the growth in second half? You said that the disbursements would grow, we understand. But given that, now, should we see the positive growth from Q3 onwards on a sequential basis?

Ashish Damani: So, there should be improvement in the AUM for sure. However, for the full year, compared to last year, it should be more flattish is what I feel.

Mayank Mistry: Thanks. Thanks a lot. All the best.

Moderator: Thank you, sir. Our next question comes from the line of Meghna Luthra from Incred Equities. Please go ahead, ma'am.

Meghna Luthra: hi. Thank you, sir, for the opportunity. I had a couple of questions. Firstly, sir, can you explain a little on the Rs. 86 crores technical provisions? That is not a part of the write-offs, right?

Ashish Damani: Yes, that is right. It is just a nuance that we wanted to highlight that since we have done the write-offs, we had to take this additional 20%. If we would have left it in the GNPA, probably that cost would have not been incurred right now. We have been practicing a higher write-offs presently, and which led to this incremental cost of Rs. 86 crores.

Meghna Luthra: Because I wasn't sure how do I differentiate this from the 418?

Ashish Damani: No, it is a subset.

Meghna Luthra: It is a subset. Understood. So, it is probably not due, overdue to be written off and then you did prudential write-offs?

Ashish Damani: No, it is a technical. So, when we do this, we are expecting the field to continue to make all the efforts in a regular course of business.

Meghna Luthra: Thank you. And a couple of more questions. On the slide where this is the breakup of a customer, slide 7, there is a breakup of eligible customers at 10 lakh, right, which is 43% and 7% is serviced. So, is it fair to understand that this 43% is not serviced and these are ex-customers?

Ashish Damani: A part of them will be ex-customers, roughly about 2 lakhs, but others are active loans with me and when we do the scrub, they are all eligible as per my internal filters.

Meghna Luthra: So, sir, what proportion of this entire, only 2 lakhs will be, you mean to say will be ex-customers which are not on the books, right?

Ashish Damani: That is right.

Meghna Luthra: Because this service in H1, you mean to say there were fresh disbursals to 7% in H1?

Ashish Damani: Yes. So, last quarter, we have shown 50% customer base, which was all eligible. I think of that 7% were given new loans during H1 and the rest, we still have about 43%where we can lend as per our internal rules.

Meghna Luthra: Understood. So, it would be fair to also understand that the borrower count can further go down by, do you see like a number in the next, till second half?

Ashish Damani: I think it should go up as we have started pushing our customer acquisition. The member acquisition should push a higher customer base and over time, you should start seeing this number constantly improving.

Meghna Luthra: So, that can start happening from Q3 itself?

Ashish Damani: So, I think if you look at that slide 6, we would have given the new customer enrollment. We have 22% of the loans were given to the new customers. I think in Q1, it was 15% and this quarter, it was 22%. This number will be pushed further is what I was trying to explain.

Meghna Luthra: Understood. And sir, lastly, I know it is a farsighted, but can you indicate a quarter where you can see operating profit?

Ashish Damani: Yes. So, we should start seeing in coming quarters. Like we have explained, as the pressure on the GNPA eases up, which is what we are likely to see next quarter, we should start seeing first PPOP and then also operating profits.

Meghna Luthra: Got it. And lastly sir, which state right now, amongst all states, is still yet to catch up with the collection efficiency being, say in the 98%-99% or above percentage, , which state is lagging?

Ashish Damani: So, yes, there is not much of a lag now. Most of the states have come up to speed in terms of the national average, very close to the national average. But if you were to ask me, Andhra Pradesh, for example, has seen some floods and some other challenges. So, more improvement is what we are expecting there.

Meghna Luthra: And on the covenant front, I guess there would not be any further breaches or anything left, right, on any of the borrowings?

Ashish Damani: I think we are very comfortable, as things start improving, these challenges for the organization should start subsiding.

Meghna Luthra: Got it. Thank you so much, sir.

Moderator: Thank you, ma'am. Our next question comes from the line of Rahul Mishra from RTL Investment. Please go ahead, sir.

Rahul Mishra: Hi, Ashish. Thanks for taking my questions. First, any deliberation and thoughts on going down the CGFMU route?

Ashish Damani: Hi, Rahul. Thanks for the question. Yes, we have been deliberating this and internally have started looking at it. As we understand, the CGFMU is favorable when you have to assume that your overall, loss rate on a pool of loans is beyond 5%. That is when it is effective. However, we are deliberating and positively conclude on this one way or the other in the coming quarter.

Rahul Mishra: Because I guess more than the cost and we understand that probably now may not be the right time because we are just starting to recover, but just from a longer term, more predictable credit costs, that is something which at least most of the players seem to be going down, whether they are small finance banks or specialist MFIs. So, just wanted to check that? Secondly, I know you have been asked about this quarter and next quarter. But let us say, FY '26 has been what FY '26 has been. Looking out at FY '27, what do you think is, both AUM growth and credit costs that would make you feel satisfied?

Ashish Damani: Yes. So, I can give you only a guesstimate at this point in time, Rahul. But I think what we can achieve is, 20% kind of a growth rate. And the credit cost in my mind should not be over 3%. It should be more like a 2.5%-3% kind of a credit cost. Things have started looking up on the X bucket, whether I call it X bucket or when I look at the new portfolio under the new guardrails or the new credit filters that we have put has been behaving very strongly at 99.9, even for October for that matter. Gives us a lot of confidence that the path to recovery in the microfinance asset class has kicked off and from here on, it should only improve is how I kind of look ahead.

Rahul Mishra: Understood. And finally, any new senior hires and any update on the MD CEO?

Ashish Damani: So, senior hires, yes, we have hired earlier Head of FRM who has moved into the CRO role. So, that is one hire that we have done. MD CEO, I think it is a UPSI, but we should be positively be making a formal announcement to the exchanges within next 30 days.

Rahul Mishra: That is very helpful. Thank you so much for answering my questions.

Moderator: Thank you, sir. Our next question comes from the line of Ashlesh Sonje from Kotak Securities. Please go ahead.

Ashlesh Sonje: Hi, Ashish. Good evening. Sir, a few questions. Firstly, in your book, because of these MFIN guardrails, how are you looking at the trends on borrower rejection rates now? Is that trend gradually declining month after month?

Ashish Damani: Hi, Ashlesh. Good evening. So, the trend continues to be high. If I have to split it out between existing and new member acquisition that we do, the new member acquisition is hovering around 80% in terms of rejection. And the existing also we are seeing close to about 65% or thereabouts in terms of rejection. So, yes, it is high. Having said that, for us, a part of this is also because of lot of internal filters that we have put, like as explaining in the new customer acquisition, we are very stringent. We are looking at zero delinquency. One day delinquency is also knocked off. We are very stringent even for the existing customers and we are pegging at 30 days, although the SRO allows you to go up to 60 days in terms of delinquency. So, these matrices also have a role to play. But yes, I think we are comfortable given the portfolio quality being top class right now.

Ashlesh Sonje: And you would have any sense on when these rejection rates could normalize or is it too difficult to predict right now?

Ashish Damani: Yes, it is difficult. But I think the way we are looking at it is we just need to step up the new customer acquisition on a continuous basis going to geographies where there are still white patches or green patches and make effort to add. There is a clear headroom there in terms of improving productivity at a LO level and that is our focus area for us.

Ashlesh Sonje: Understood. And secondly, you mentioned that the October collection level is a bit relatively muted as compared to September because of festive and some floods. Can you just list out which are the states where there has been a flood impact and if you have seen anything specific in the state of MP?

Ashish Damani: So, floods, like I told you, Andhra Pradesh has seen pockets where there was flooding. We have seen in pockets in Bihar, parts of Odisha and West Bengal are the states. Sorry, your second part of the question was MP?

Ashlesh Sonje: Yes, sir.

Ashish Damani: Nothing specific, we have seen. In fact, I am not sure if I have covered that, but MP in terms of collection efficiency has been strong. We continue to see 98.9% kind of X-bucket collection efficiency there and disbursement also has been reasonable. In fact, in our case, MP, I think as a percentage has stepped up from 12% odd to 14% now of the total balance sheet.

Ashlesh Sonje: Understood, sir. And lastly, now that the guardrails have had their desired effect of curtailing leverage in the industry, is there any discussion at the industry level or at MFIN level to loosen the guardrails from here because the industry seems to be in a better position today.

Ashish Damani: Again, too early. I think the industry is still evaluating the impact. Given the positive impact on the portfolio quality, maybe, as an industry, we would probably wait a little more for us to analyze what is the negative impact on, let us say, the growth or other areas and then recalibrate. Having said that, are there discussions? Yes, there have been deliberations, nothing concrete to my knowledge has been actioned or has been initiated.

Ashlesh Sonje: Understood, sir. Thank you very much for the responses.

Moderator: Thank you, sir. Our next question comes from the line of Vatsal Parag Shah from Knightstone Capital Management. Please go ahead, sir.

Vatsal Parag Shah: Good evening. Thank you for taking my question. So, can you just quantify the slippages for this quarter and last quarter?

Ashish Damani: Yes, sure, Vatsal. We will give you the number. Just give us a moment. So, it was Rs. 552 crores for the Q1 and Rs. 396 crores for Q2.

Vatsal Parag Shah: Got it. And secondly, can you mention what is going on in the Criss Financial AUM, like where has that reached? I think in last year Q4, it was around Rs. 230 crores and hence, we have not received any update on that?

Ashish Damani: Yes, sure. So, I have my colleague who manages the Criss Financial business, Sushanta Tripathy. I will just ask him to update you on what is going on.

Sushanta Tripathy: Yes. Hi, this is Sushanta. I take care of the Criss Financial. So, Criss Financial, we have unsecured individual loan and we have the LAP book, Micro LAP. So, put together, we have a portfolio of Rs. 671 crores business in total. So, our unsecured individual loan is the rural segment AP, Telangana that we are operating. And the LAP, we have another 6 states we are operating, Rajasthan, MP, Karnataka, Tamil Nadu and AP, Telangana. So, unsecured individual loan, that there is the AP, Telangana, as we mentioned, there is a flood, attrition, other stress are there. So, the portfolio quality is not behaving in line with the other segment like Micro LAP. Micro LAP, whatever we have launched, Rs. 290 crore book that is going perfectly fine. We have very less slippages there, less than 1% NPA kind of thing. And that we plan to grow a lot. The journey in the Criss Financial is currently we are the 39% of the portfolio in secured, which was a year back 13% portfolio in secured in this financial that has become 39%-40%. We plan to take it to upwards of 50%-55% by year end. So, going forward, the major focus in Criss Financial will be the secured part lending to the Micro LAP segment and reduce the concentration in the unsecured element. So, that is the journey that we envisage. We have good branch network in the Micro LAP, 100 branches are there. Those have started yielding results in terms of the productivity and we will grow that book very strong in the coming quarters.

Vatsal Parag Shah: Got it. That was clear. Just one thing, the overall book was around Rs. 670 crores and out of that Micro LAP was around Rs. 300 crores, right?

Sushanta Tripathy: Yes. Correct.

Vatsal Parag Shah: So, the overall book will grow or you are going to degrow the unsecured part?

Sushanta Tripathy: No. So, the unsecured part, we will grow. I am saying the proportion of the LAP book will grow, but among that the unsecured part will remain stable or little marginal growth will be there. The journey from year to year down the line, we tend to have 70-30 kind of proportion in the book.

Ashish Damani: So, in the immediate run, Vatsal, the way we look at it is, probably individual book will also grow and LAP will also grow. Proportionately, LAP will grow more and over time, like Sushanta is saying, the strategy is to keep pushing the secured business and change the balance sheet to a 70-30 kind of a ratio.

Vatsal Parag Shah: Got it. And have you taken any price hikes in the group loan business?

Ashish Damani: Yes. So, across the group, we have seen increase in interest rates. For Criss, we are at 26% in terms of the interest rate and 1.5% as processing fee.

Vatsal Parag Shah: And any price hikes in the microfinance business, the JLG model?

Ashish Damani: Yes, we have highlighted on page 4, if you see now our pricing will be from 23%-26%, depending upon, which the aging or the vintage of the client with Spandana. And 1.5% is the processing fee, which used to be at 1%.

Vatsal Parag Shah: Got it. That is very clear.

Moderator: Thank you, sir. Ladies and gentlemen, due to the time constraint, that was the last question for today. I now hand the conference over to Mr. Ashish Damani for the closing comments.

Ashish Damani: Thank you once again, everyone for joining the call. Like always, we are open to feedback or any further clarification questions, which we could not take today. The team and all of us here are available for any further clarification. Thank you all and good day to all of you. Thank you very much.

Moderator: Thank you, sir. On behalf of Spandana Sphoorty Financial Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.