Kapil: Today, we also built Salary Saathi by copying our biggest competitor, because it was not our product. A statement also came from Uday Kotak, in which he said that if someone has built a good product, you adopt it and bring it into your company; what is wrong with that? It would not be called theft. If large institutions are going live today by copying my BimaPe, it is not theft. Rather, the market size will increase because they will enter new areas and bring new innovation to the product. The market for that product, which is 2,000 crores today, will reach 20,000 crores, so my {? H1 ?} will also increase from 1,000 crores to 4,000 crores, will it not?

In simple terms, in conclusion, call this an investor call or an earnings call, but the foundation we have laid and our dream of creating our own wealth, creating wealth for investors before ourselves, and building an organization in the country are important. If we are building an organization in lending, excluding PSUs and small finance banks, Bajaj Finance is the name that comes to mind because every organization has a vision of becoming Bajaj Finance. Bajaj Finance was not built in one day. However, they adopted a strategy that remains appreciable and recommendable even today—the strategy of digital lending—which they adopted at a time when nobody had even thought about it.

Even today, multiple NBFCs are present in MSME lending, secured MSME lending, loans against informal shop registrations, home loans, MFI, and all these segments. We also started climate financing, but when we started climate financing, it was a buzzword. At that time, money was available for it, business was available for it, and debt lines were also available for it. Therefore, to say today that we started in the wrong area would be incorrect. We did not start in the wrong area. The foundation we have built today was built because of climate financing. {? Incofin ?}, the {? Belgium fund ?}, invested money in us first; they would not have invested if we had only had digital products. Why did they invest? Because we had climate financing. Therefore, to regret that we ran climate financing for 3 years and did not make as much money from it as we are making from these products would be incorrect.

If we look at the matter properly, the right point is that climate financing became our foundation, and we must learn to adopt the system in time. Many investors ask me today what comes next. I tell them that if we have grown from 8 to 80 and then to 100 in 3 years, we have to grow from 80 to 800. For that, we must first have the acceptance within ourselves that whenever something new comes, we will adopt it. If something has gone wrong in the company, we should not regret it; we should improve it and take it forward.

With that foundation in place, I want to acknowledge the support all of you have given the company. You have supported me, the company, and the vision in an unparalleled and unbelievable manner. Many people on this call are part of our entire team. Normally, earnings calls did not have the entire team present, but today people such as Sumit, Alabh, and Hanut are all on this call. The energy flowing through all of them is different. The words of a promoter are that we have to deliver something: create our own wealth, create wealth for investors, and build an organization that everyone recognizes as something that has been built.

Today, there are 3 or 4 companies in the country that everyone appreciates, and they should be appreciated because they have built organizations. Everyone compares us with {? Moneyview ?}

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and says that {? Moneyview ?} has done well. Yes, it has done well. They adopted a sector at a time when nobody was even willing to touch it: high-IRR personal lending and unsecured products. Everyone used to disrupt the sector, but they did not. However, their profit this year was 1,100 crores, and they delivered quarterly profit of 200 crores. Why can M-Fin not reach that level? It will reach not 100%, not 500%, but 1,000%.

The first thing is that we must believe in the acceptability of change. Even if we have made a mistake, we will correct it, and after correcting it, we will move forward together as a strong team. If we look at the profits we are generating, we will take a multiplier effect from here.

Today, I say that the profit for this year and this quarter has come in. Our total half-year profit was 10-11 crores, and it has now reached 30 crores. That is a threefold jump when we compare half-year to half-year. Right? Gunjan, approximately what was our profit in the previous half-year? It should have been around 10-11 crores, 5 and 6. Was it 11 or 12? How much was it for the half-year? It was approximately 11-12 crores. This time, our PAT has reached approximately 30-32 crores. At the PBT level, we can say 40 crores.

There was an impact from the previous period because we had purchased vehicles from {? BlueSmart ?}, among other things, and incurred losses on them. We should not be afraid to say that we incurred a loss. That was our business call. When we gave money to {? BlueSmart ?}, we did not find any company in the country better than it. Its promoter, Jaggi, gave us personal cheques. We thought that such a prominent person, who was running an empire worth thousands of crores, would have personal cheques that were as good as gold.

Gunjan: In the last H1, sir, it was 10 crores, against which it is now {? 29 ?}.

Kapil: It is now {? 29 ?} at the PAT level and 40 at the PBT level. So, the half-year-on-half-year jump has been threefold. It should have been higher, but we also have to account for the impact of the matters we are carrying from the past.

The previous rickshaw-related impact was 20-25 crores. If we say that we have incurred this loss, should we sit with our heads in our hands? Why should we sit with our heads in our hands? In the new journey, we are earning hundreds of crores. If the previous journey creates a financial impact of 15-20 crores for us, then it will. We have to clear it and finish it, so there is no sense in keeping it in the books.

I am sorry, but I will continue speaking; most people here will know that this is my habit. I will pause here, and I will be happy to answer any questions you may have.

Karan: Kapil, if I may go first. First of all, thank you to you, Gunjan, Hanut, Love, and everyone else. These are fabulous numbers. Congratulations. I am very proud to be an investor.

Kapil: [laughs] Sir, as an investor, you are calling these fabulous numbers, but I am disappointed that the numbers are low. This quarter, they should have been at least higher than this.

Karan: It is good to have this spirit, sir. I have a few questions. First, what is the actual split of the AUM in climate finance? Why are we making new investments here? Do we have lines for this, which is why we are doing it? And how much pain remains in this area?

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Kapil: Sir, regarding the new electric business, 110 crores of our retail book remains in L5 and L3. Apart from that, we have four-wheelers and batteries. The pain remaining in the books today is 20-25 crores. Broadly, consider it 25 crores, assuming that there is no further slippage in the portfolio of approximately 300 crores.

However, I do not believe that there is a major slippage that will arise and have an impact on the balance sheet. The existing position is what it is, and there is no difficulty in accepting it. Apart from this, I want to tell you one very positive thing: in the remaining 1,700 crores of AUM, our NPA today is zero. There is no other NPA.

Karan: Yes, okay.

Kapil: The first point is that our focus on climate finance has now become zero. Zero means zero. The reason is that our climate finance consists of solar, and 100-110 crores remains in L3 and L5. Approximately 60-70 crores of battery financing remains in climate finance, while the vehicle and bus financing has gone.

Why are we carrying this or continuing to do a small amount of it? We have taken longer-term lines from some international funds. For example, we worked very hard to obtain lines from {? US Development Finance Corporation ?}. It was not easy to obtain a line from them. It involved 2 years of due diligence, extensive due diligence, multiple visits, and repeated travel. When money came from {? USDFC ?}, there was no greater sense of achievement for us.

The money they provided can be used only for electric vehicles and cannot be used anywhere else. That is the first point.

The second point is that our equity investor, {? Incofin ?}, has always been supportive of us. When they invested money, they had even included a term in the term sheet that we would not diversify away from climate financing. They have now issued a report in India and worldwide stating that we are the only company in which they have exited at 6 times. They still have more than 200 crores with us. They had invested 35 crores, have exited 100 crores, and 200 crores of equity is still outstanding. They have received an open mandate to pursue our growth, and it is no longer necessary for us to focus on climate financing.

Why, then, do we still have to continue with climate financing? We have to do so because of our old commitments and certain obligations. For example, there is {? DWM ?}. We have borrowings from 2 or 3 international lenders, and their money has been provided to us. We can either repay it, but repayment would weaken our reputation. There could also be penalties invoked upon repayment, and several other difficulties could arise for us.

Gunjan: In addition, those lenders are also providing financing for Mediclaim premium financing. So if we return the green financing, then...

Kapil: For example, let us discuss {? FinFund ?}. It is not easy to bring {? FinFund ?} in. Today, there are 2 or 3 institutions that are, in a way, backed by the Finnish government. We requested them by email to treat the products we are developing as impact products and switch them from climate financing. They have switched 25-30%, and the remaining switch will gradually begin.

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Therefore, if you ask how much pain remains, it is approximately 25 crores. If you ask whether we want to continue doing it, the institution has zero inclination to continue it because it is not generating money.

Karan: In what we are doing now, we are doing only non-retail, right?

Kapil: We are doing only retail now. Only retail. Yes, we have stopped wholesale. We have restarted retail after making it completely watertight so that there is no delinquency in it. And how much do we have to do, 25-60...

Management: [pause] Karan, just to give you some insight, we are now doing only retail, as Kapil has mentioned.

Management: Our policies have become tighter because we know that alternative uses of funds are available. Earlier, it was only green financing, but now it is also digital lending. Therefore, our credit policies have been tightened significantly. The portfolio quality of the current electric mobility business is running fantastically well.

Karan: Got it. This helps. As an extension of this question, regarding our NPA, the 1.77% or 1.5% NPA number, I wanted to understand how much comes from the new book, which consists of the new products, and how much is the legacy, or V-book, NPA.

Kapil: Karan, as we communicated, based on the data I have at present—and Gunjan will provide the exact figure—approximately 99% is related to the old books, for which we have already started making provisions.

Gunjan: Out of the total NPA of around 30 crores, 1 crore is for the new legacy. There is recoverability even for that, so it is still in the book. The rest is EV retail only.

Karan: Got it. Kapil, looking at the larger picture, with the current capital we have, the current net worth of 600, plus the profits that will accrue, up to what AUM level can we grow? And when will that happen? Which year or time period will that be...?

Kapil: Look, I have just discussed with you that we want to remain asset-light. Some of our investors say that we should grow AUM. However, my view is that if, for example, we have a DA assignment of approximately 150 crores this month, and DSP had provided a line of 200 crores in the previous quarter, but we did not execute the DA, then if I had executed the DA, this quarter's profit would have been 23-24 crores instead of 15 crores. However, we did not execute the DA.

We are executing some DA transactions in this quarter. If I continue executing DA transactions, our profits will continue to be added and the portfolio will continue to be built. In that scenario, even today, if we add a profit of 100 to 600, it becomes 700. On 700, with 4 times the capital, it becomes 2,800 plus 700. Up to an AUM of 3,500 crores—or, if not 3,500 crores, up to an AUM of 3,000 crores—we would not need capital anyway. Do you understand my calculation, Karan? Should I go through it again?

Karan: Yes, no, no, I understand.

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Kapil: Okay. Up to an AUM of 3,000 crores, we would not need money if we continued executing DA transactions. Therefore, leaving aside March 31, 2027, even up to March 31, 2028, we would not need capital.

On March 31, 2028, I may give an ambitious number in writing, which is a separate matter. However, if I do not give an ambitious number and instead speak about the number I genuinely have in mind, I see a large profit in the books by March 31, 2028, as these products continue to go live. We also have lower legacy salary costs, lower borrowing costs, and profitable ventures. Their profit will add to our capital.

Therefore, even if we do not raise capital up to March 31, 2028, we will not face any difficulty. If we decide to build a portfolio aggressively, like CrazyBee or MoneyView, that opportunity is available to us. If I say that I will not do anything new, you have also been observing me for 3 years. If an opportunity arises that can lead to company growth, we will try to explore it.

Apart from this, raising capital is no longer a challenge for us because, from the beginning of our journey until today—from 2016 to 2027—investors have never suffered a loss in any capital we have raised. That is why every investor who participated in our new rounds participated again.

Therefore, raising capital is not a challenge for us today, but it creates a personal disadvantage for me if I dilute. As I said again on this call, people say that we are overpriced. I say that we are actually very underpriced considering the profits we see in the future. If something is available very cheaply today, why would I dilute it for someone else? I would first build a good portfolio and a bottom line of 300-400-500 crores, and then enter the market if the need arises.

For example, if I generate PAT of 400 crores, I am only discussing such numbers with you as an example, then 700 plus 400 becomes 1,100. At 1,100, with 4 times the leverage, it becomes 4,400 plus 1,100, or 5,500. If I build AUM of 5,000 crores, I would need capital if I have generated a profit of 300-400 crores.

Could I build 5,000 crores with simple products that have short tenures? For example, Artham's products have tenures of 45 days. Disbursements will take place there and processing fees will be received, but large AUM will not be built. There will be a continuous flow of funds.

Karan: Sure.

Kapil: Right? When there is a flow of funds, monthly disbursements may remain at 1,000-1,200-1,500 crores, but AUM may remain at 200 crores. Closing AUM will remain at 200 crores. What will happen is that profitability will be directly impacted, but AUM will not be built.

Let me explain the simple vision of the group. The vision of the group is what I have already stated: secured, scalable, tech-based, and profitable. The simple point is that I should never focus on AUM; I should focus on profit.

If I have to focus on profit, then if I continue executing DA transactions, I will not face any difficulty. By executing DA transactions today, my debt has reduced, the debt on my books has reduced, and the debt on the group has reduced, while profitability has improved. What could be better than that?

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The biggest point is that many people want to operate in this model today, but there is nobody to take their books. With all of your blessings, we have received an opportunity today where 10 lenders are coming to us and asking us to take their books. They are large organizations. I will name 5 of them, and all 5 are behind us, saying that we should take all the books we create. Aditya Birla is behind us, asking us to take all the books they create.

The problem is that I tell Gunjan to execute the DA and book the profit that is coming in. However, today we already have debt, and books have to be provided against that debt. It is not that we will execute DA transactions on our books and repay the debt we have already taken.

Karan: Sure.

Kapil: Therefore, we have to execute DA transactions only for as many books as we need. As far as raising capital is concerned, since this is an earnings call, we have several external parties that have expressed interest in providing further capital. However, I am deferring it for the moment because we do not need capital at present.

Capital is not something that you keep taking simply because it is available. You are diluting your ownership, and your responsibility toward that investor is increasing. You then have to show the investor numbers and growth and take the investor forward on that journey.

Karan: Sure.

Kapil: Does anyone have any more questions? I would love to answer them. I would be happy if someone advises us on anything we are doing incorrectly so that we can improve it. We cannot say that we are perfect. We have never been perfect, and we never will be. [laughs]

Sandeep: Kapil, this is Sandeep. Let me ask one question. As we are becoming more and more tech-based, perhaps you could spend some time discussing the technology investments we are making to scale the infrastructure and improve security. As we become more tech-enabled, we are also becoming exposed in that area, so perhaps you could spend some time on it.

Kapil: Sir, you have raised such a relevant point. I have not discussed this with anyone in the last month, but since you are my investors, I have no reason to hide anything from you. Today, specifically in India—and leaving India aside, even outside India—the incident involving Binance is an example in itself.

Digital lending in India is currently operating in an atmosphere of fear. In this atmosphere of fear, the systems of almost every digital lender are being hacked in some way, and data is being extracted from almost every digital lender. Leaving aside all data, even within our own ecosystem, so many people have tried to enter and breach it in some way to take data or money out.

For this reason, Sumit is on the line today. Sumit, if you would like to explain this for 5 minutes, I would be very happy. The senior-most team in the country has already joined the organization, and some others are also joining. I will mention 4 people by name. There is Mr. Harish; regarding Harish's background, Sumit ji... Sumit, are you on the line? Are you on the call? [pause] Sumit is not on the call, so Love will explain.

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These people are industry veterans from a security perspective. Perhaps they are pioneers in... Let me mention 4 people today. One of them is on the compliance side, Abhishek... These are new people whom we have not yet introduced even to our investors, but this requirement is important.

Earlier, I was afraid of incurring the expense of paying their salaries. Let me tell you my factual position. I am a traditional person who has always been very afraid of spending too much. However, I understood that this is so important to my growth journey that it is not an expense; it is an investment. You used the words when asking the question: investment in technology. In our situation, investment in technology can happen only through the people who join us.

Some of the most senior people in the industry have already joined us. It is not that they will join; they have joined. They have pointed out so many shortcomings in our systems that we realized that although we thought what we were doing was completely foolproof, we actually have many shortcomings.

They have given us a 1-year vision and roadmap. They say that we will not become perfect today itself. They have explained that we need software, tools, technology-end developments, and a complete technology-driven ecosystem to deal with the security breaches that are occurring and to improve the system.

For the past month, all the banks, small finance banks, and digital lending platforms have been operating in this sense of terror.

Karan: This would be called cyber terror, that is [inaudible].

Kapil: Basically, sir, what we have done in the past is hire senior resources. Mr. Harish Arora has joined our InfoSec department along with Amit Sharma, who is the CISO of the company. They have relevant experience from large organizations. For example, Amit Sharma used to work with SBI Cards, and Harish was working with Ambit. They have relevant experience and have managed larger infrastructures.

We will soon have a much larger infrastructure. Therefore, we have recruited the right people for the right positions. The first thing they did was move all the servers to AWS. To ring-fence the infrastructure so that there are no external breaches, we have taken the services of SentinelOne, which is the world's most capable software for ring-fencing external attacks.

Apart from that, systematic logs are being created, external audits are being conducted regularly on a quarterly basis, and VAPT audits are being conducted by certain empaneled auditors. Many newer measures are also being activated.

Earlier, we were a very small organization, and now we have also moved to the mid-layer in terms of RBI's classification. Therefore, many new regimes are also being imposed on us because we are in the mid-layer. With respect to the infrastructure, regular audits, monitoring, and newer third-party vendors of top-notch quality are being onboarded.

We are ensuring that this part of the entire system is managed and handled by the best of the best people.

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Karan: Got it. Could you also spend a little time on scalability? Is it expensive to invest in this technology infrastructure, and how do we make it scalable?

Kapil: [pause] Sir, obviously it is expensive, but as AUM increases, economies of scale will come into play. Therefore, I do not think it will be a challenge or a very deep cut on the balance sheet.

However, if you ask about the expense, yes, it is expensive. To be honest, we are now onboarding people and entering a phase where we have to incur an expense on infrastructure. Initially, it pinches us, but we know that it will safeguard the entire system and provide us with far greater benefits than the cost.

So yes, it is expensive, but at the same time, economies of scale will definitely come into play in the future as our scale increases.

One important point that I missed is something that many people will appreciate and many may not appreciate, but we know how it fits into our vision. There is an RBI license called the AD2 license. The AD2 license is a foreign exchange license.

Earlier, we had tried to obtain this license through our holding company. We even acquired a company for this purpose, and we lost some money in that acquisition. However, the target company had certain old compliance issues, which is why we could not complete the acquisition. We had tried to acquire a company called Hegemony, an FFMC. First comes the FFMC license, which is then converted into an AD2 license.

We found an RBI rule stating that if an NBFC has a net worth of more than 500 crores and AUM of more than 1,000 crores, that NBFC can apply for an AD2 license. Until today, nobody in India had applied under this rule.

The thought is that the technology for the AD2 license is already built with us. The PPI license has a wallet architecture in which we only need to build in foreign currency instead of domestic currency. We want to launch an app called NPCI One World Money through which foreign travelers can benefit.

After obtaining board approval, we took a new initiative with the RBI—something nobody in the country had taken up until today—to obtain a straightforward AD2 license within an NBFC, rather than first obtaining an FFMC license and waiting 3 years to convert it into an AD2 license.

With all of your blessings and the blessings of the Almighty, 2 days ago, this became a reality. It is a unique development at the RBI, and we received approval for the license. This happened 2 days ago, and it may not directly relate to lending, but today Mufin is perhaps the only company with capital of more than 500 crores and AUM of 1,000 crores.

There may be 50 NBFCs that can apply to the RBI today, but the RBI has not given an AD2 license to anyone in this manner until now. Therefore, I am very happy to tell you that 2 days ago, on the day of Dhanteras, the RBI approved the AD2 license for Mufin Green.

We will officially announce it in full-fledged form within the next 1 or 2 days. We are the only company that already has the complete technology for AD2. Even there, our vision is not to open

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branches and issue cards like Thomas Cook. Our vision is to build some lending-related products and innovative solutions around them in the future.

The most important point is that the regulator has placed its trust in us and in this ecosystem and environment, and has given us the first straightforward AD2 license for an NBFC without an FFMC license. This is an example in itself. Thank you.

Karan: Kapil, congratulations. I have one more question. As we become more tech-enabled, it may also become easier for new technology startups and other companies to enter this space, emulate these concepts, and copy them, particularly if this is an attractive and competitive market. What are we doing to build an edge that does not make it easy for competition to enter and allows us to protect our business as we scale? What is the edge or customer connection that we have?

Kapil: [pause] Sir, this was our biggest concern a few months ago. Hanut, Love, Sumit, Gunjan, and all of us used to sit together and brainstorm about it.

Today, we have made BimaPe live. After BimaPe went live, 6 more players entered the company from which we are receiving volume today. They have entered, and I do not think it would be appropriate to name them on this call, but some of the largest names in the country influenced the board there and entered in the same way as us.

If they are doing business of 20 crores per month today, they are giving 20.5 crores to those players and 19 crores to us. The reason is service. You cannot stop someone from providing service.

You used the phrase in the finance market that a product becomes a commodity. Someone else said it, but that line stayed in my mind. In the finance market, you can never create a product that nobody can copy. You can improve your services and build new, innovative ideas and drive them in parallel. That is what is in your hands, and it will increase the market size.

Regarding the other product, Artham, which I started, what is the edge in Artham? You asked about the edge. There are 4 PPI license holders in the country. It took us 6 months to build the product we created. If someone else tries to build and copy it, it will take them 1.5 years to build the product.

After that, first there is the PPI combination. Following the PPI, there are 5-6 technology players that provide ERP systems between contractors and employees. After that, there is the NBFC in the ecosystem to provide the money. Therefore, you have a combination of [trails off]

Kapil: That is it. It is like a combination vault in which one part is your {? PPI essence ?}, one part is a technology player that provides services to employees in terms of GST, attendance, and so on, and the third part is the NBFC.

It is not that the numbers of the vault's combination cannot be the same or that nobody can create the same combination. That is not impossible. However, we have built a vault in a way that will make it challenging for people to enter.

I used to be afraid that 50 players would enter BimaPe and kill the business we were receiving. That has not happened. Large players have entered, but how much volume are they actually receiving? Only a small amount. Even if they receive more, the market size will grow by more crores than that.

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By the time new products we are planning to build are launched, those players will enter by copying our old products, and we will have already launched the new products. Therefore, BimaPe is a live example from which we have learned that we cannot stop anyone.

We can improve ourselves on the technology side, bring innovativeness to the product, and if competition comes, it can affect us in one way: we may have to reduce our pricing. There will be a pricing war, not a product war.

However, if our cost of borrowing falls and we are sufficiently capitalized, then if we have to reduce our IRRs to some extent, as may be required at that time, we will do so.

Therefore, in terms of our edge, we are building an edge through technology and bringing in new innovations, as Artham is a live example. However, if I say that nobody else will be able to enter, that would be a misstatement on my part.

Earlier, I used to say that it was a monopolistic product, but let me give you another example from the finance market. CrazyBee was doing the largest business in unsecured lending. As far as I know, nobody in India was doing a larger business. Everyone thought that CrazyBee's model was so successful that nobody could copy it. MoneyView entered and reached a profit of 1,000 crores faster than CrazyBee. Am I right?

Let us take another example from a different industry: Zerodha and Groww. The number reported for last month was that Groww added 5,000 customers while Zerodha lost customers, even though Groww's model is a copy of Zerodha's. I am not saying anything incorrect, am I, sir?

Karan: Right, right.

Kapil: We cannot stop anyone. However, we can improve ourselves, add new things, bring innovativeness to them, and ensure that the company's numbers and growth journey do not stop.

Karan: Got it, Kapil. One more question and then I will stop. If you listen to the Bajaj Finance earnings call, since you mentioned it, a large portion of the call was devoted to explaining how they are incorporating AI into their system. If you look at the digital lending business anywhere in the world, everything is about how to adopt AI in business models. I have not heard anything from you today about what we are doing in that direction.

Kapil: Sir, to be honest, as of today, I have not made any major input into the company in the area of AI. However, the intention is completely there. If the intention is there, we will have to bring in some people around that ecosystem.

Management {? Gulshan ?}: Sir, I would like to come in here to answer this question. Sandeep, artificial intelligence today is used mainly in the lending industry by lenders operating in an unsecured lending environment, specifically for underwriting unsecured loan customers.

Since we, as an organization, are on a path where we do not focus significantly on unsecured loans and instead focus on loans where the repayment structures are aligned through a third-party anchor—for example, an insurance company or a state government in both of our products—we do not need to focus heavily on the underwriting aspect. We are largely secured on the collections

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side.

Therefore, the use of AI is currently not a very relevant factor for us. However, in other areas where we could adopt AI in lending, our team is already working on it. Broadly, whichever organization you speak to that is using AI is using it primarily for underwriting, and we are currently well covered in that area.

Karan: I understand. The most advanced players are using it everywhere. They use it for underwriting, customer contact, responsive functions, and software development. In some ways, it becomes almost like table stakes. It also creates an advantage because if advanced users bring down the cost of everything...

Management {? Gulshan ?}: Absolutely, sir. I will tell you about 2 areas where we are already using it. The first is on the DevOps side, where some aspects of coding are also done through artificial intelligence.

The second is in our collections process, where we have introduced collection bots that make multilingual calls to customers for reminders and also tell them, for example, that their policies will be cancelled if they do not make their payments. It is a conversational bot. If the customer replies, the bot responds in the manner required by the customer's question.

Therefore, these smaller areas have already been implemented and we are using them. However, on the underwriting side, we have not yet adopted it because it is not a use case for us.

Karan: Okay, thank you.

Kapil: Sir, if I may, I will quickly suggest that from next quarter onward, we should add a slide showing our R&D spend, our AI initiatives, and the new infrastructure expenses and infrastructure investments we are making. That would be a good tracker to show how much we have invested so far and what capabilities we are building for the future.

Karan: That sounds good. Kapil has expressed very well that we are focused on 4 variables: secured, scalable, tech-based, and profitable. Therefore, whatever KPIs we develop should also express that—how much is secured, what is unsecured, how we are scaling each aspect of the business, and how we are putting in place the technology that enables this.

We should also show how we are making the business more profitable by bringing down the cost of capital, along with what Gulshan explained. In many ways, everything revolves around the 4 pillars Kapil has expressed, and perhaps the KPIs should also reflect them.

Kapil: Sir, there is one more point. Our approach is open to acceptability. We do not want to operate in our ecosystem in a way where we simply continue on the same road. If we believe that an opportunity related to AI has come to us and that we can do something good with it, we will be more than happy to explore it and add something new.

As you said, what is our edge? Our edge will be that we keep evolving. We will continue to evolve. Right, sir? Are there any more questions from your end?

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I think we are also short of time. Since there are no more questions, I request that we close the call here. If anyone has any further questions, you can reach out to us at ir@mufinfinance.com, and we will make sure that we reply promptly.

Thank you. Thank you very much. Thank you. Thanks, everyone. Thanks, everyone. Thank you. Thank you, Kapil. Thank you, everyone. Thank you.

Note: {? ... ?} indicates a figure or name where audio clarity was insufficient for confident transcription. Verify against the source audio or the company's published filings.

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