दि न्यू इन्डिया एश्योरन्स कंपनी लिमिटेड
(भारत सरकार का उपक्रम)
THE NEW INDIA ASSURANCE COMPANY LTD.
(Govt. of India Undertaking)
पंजीकृत एवं प्रधान कार्यालय : न्यु इन्डिया एश्योरन्स बिल्डिंग, 87, महात्मा गांधी मार्ग, फोर्ट, मुंबई - 400 001.
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Ref. No.: NIACL/CMD_BoardSectt/2025-26 05th August, 2025

To,

The Manager
Listing Department
BSE Limited
Phiroze Jeejeebhoy Tower
Dalal Street
Mumbai 400 001

The Manager
Listing Department
The National Stock Exchange of India Ltd.
Exchange Plaza, 5th floor, Plot C/1,
G Block, Bandra-Kurla Complex
Mumbai 400 051

Scrip Code: (BSE – 540769/NSE – NIACL)

Dear Sir/Madam,

Sub: Transcript of the Conference Call held on 30th July, 2025

With reference to our letter dated July 24, 2025, intimating you about the conference call with Analysts/Investors held on July 30, 2025.

Please find attached the transcript of the aforesaid conference call.

You are requested to kindly take the same on records.

Thanking You

Yours faithfully

For The New India Assurance Company Limited

ABHISHEK PAGARIA
Digitally signed by ABHISHEK PAGARIA
Date: 2025.08.05 15:03:45 +05'30'

Abhishek Pagaria
Company Secretary

The New India Assurance Company Ltd
Q1FY26 Earnings Con-call
30th July, 2025

Management:

1. Mrs. Girija Subramanian – Chairman cum Managing Director
2. Mrs. Smita Srivastava – Executive Director
3. Mrs. Kasturi Sengupta – Executive Director,
4. General Managers and Chief Financial Officer
5. other esteemed management members

Abbreviations:

GWP: Gross Written Premium
ICR: Incurred Claim Ratio
ROE: Return of Equity
GDWP: Gross Direct Written Premium
GDPI: Gross Direct Premium Income

NEW INDIA ASSURANCE
दि न्यू इन्डिया एश्योरन्स कंपनी लिमिटेड
The New India Assurance Co. Ltd

The New India Assurance Company Limited
Q1 FY'26 Earnings Conference Call
July 30th, 2025

Moderator: Welcome to the conference of the New India Assurance Company Limited arranged by Concept Investor Relation to discuss its Q1 FY26 Results.

We have with us today Mrs. Girija Subramanian – Chairman cum Managing Director, Mrs. Smita Srivastava – Executive Director, Mrs. Kasturi Sengupta – Executive Director, General Manager and Chief Financial Officer, among other esteemed management members.

At this point, all participants' lines will be in the listen-only mode. Later we will conduct a question-and-answer session. At that time, if you have a question, please press "*" and then "1" on your touch-tone telephone. Please note this conference is being recorded.

I would now like to hand the floor over to Mrs. Girija Subramanian, Chairman cum Managing Director. Thank you and over to you ma'am.

Girija Subramanian: Good afternoon, everyone. I am Girija Subramanian, Chairman cum Managing Director of the New India Assurance Company Limited. I welcome you all to discuss Q1 FY'26 Financial and Operational Performance of the New India Assurance Company Limited.

I am joined today by Mrs. Smita Srivastava – Executive Director, Mrs. Kasturi Sengupta – Executive Director, General Managers, Chief Financial Officer and other Management members.

At the outset, I would like to extend a warm welcome and express my sincere appreciation to all of you for joining us this afternoon. I would also like to thank our shareholders, investors and analyst community for your continued trust and confidence in New India Assurance. Your steadfast support is instrumental in driving our progress and strengthening our commitment to sustainable growth.

Before delving into our financial and operational performance for the 1st Quarter FY'26, I will begin with a brief overview about our company, following that, we will open the floor for the question-and-answer session where my team and I will be happy to address your questions and provide any necessary clarifications.

As we gather here today, New India Assurance stands at a pivotal juncture reflecting on a legacy of over a century of serving the nation while simultaneously charting an ambitious course for the future. Our journey has been defined by resilience, adaptability and an unwavering commitment to our policyholders, stakeholders and the broader Indian economy. We are a 106-year-old insurance company conceptualized by Sir Dorabji Tata in 1919 and nationalized in the year 1973. We have a PAN-India presence with 1,668 offices across the country and presence in 25 countries. As the largest non-life insurer in India in terms of gross direct premium, we remain committed to delivering excellence through prudent underwriting, superior claims service and customer-centric innovations. In the past quarter, despite a dynamic and often challenging global and domestic landscape, New India Assurance has demonstrated robust performance reinforcing our position as a leader in the Indian general insurance sector.

Our strategic initiatives, prudent underwriting practices and customer-centric approach have yielded commendable results, which we are eager to share with you in detail today. The general insurance industry stands atRs. 79,301.21 crores as of June'25, reflecting a year-on-year growth of 8.84% as per the General Insurance Council's data. Of this, New India Assurance has underwritten Rs.12,299.49 crores accounting for approximately 15.51% of the total gross direct premium underwritten, which represents a robust 15.27% year-on-year growth.

Business Highlights:

The Distribution Mix stands at direct 33.28%, agency 21.73%, BANCA 0.54%, dealer 5.65% and broker 38.80%. Product mix stands as follows, health and PA 50.19%, motor TP 10.61%, motor OD 10.65%, marine 2.51%, fire 17.04%, crop 0.94% and others at 8.06%. In Q1 FY'26, ratings agency - CRISIL has reaffirmed its Crystal AAA STABLE rating, which is considered to have the highest degree of safety for your company.

Furthermore, AM Best has assigned the India national scale rating NSR of AAA.IN, EXCEPTIONAL and has affirmed a financial strength rating of B++ GOOD and a long-term issuer credit rating of BBB+ GOOD to New India Assurance Company Limited. The outlook of these credit ratings is STABLE. New India Assurance Company Limited has consistently upheld the vital balance between sustainable growth and robust profitability, recognizing it as fundamental to organizational resilience.

Our operational ethos ensures that each underwritten policy is thoroughly risk-assessed, directly enhancing shareholder value. Consequently, we have made the deliberate choice to opt out of corporate accounts lacking revenue accretion, instant compensating with the strategic acquisition of premium low-risk policies. The positive outcomes of these concerted efforts are demonstrably evident in our 1st Quarter FY'26 performance as we feel below.

Financial performance:

The gross direct premium income Indian business stood at Rs.12, 299.49 crores in Q1 FY'26 as compared to Rs. 10,670.47 crores in Q1 FY'25. The gross direct premium global stands at Rs. 13,333.58 crores in Q1 FY'26 as compared to Rs. 11,787.92 crores in Q1 FY'25. Net premiums earned reported at Rs. 9,369.42 crores in Q1 FY'26 as compared to Rs. 8,503 crores in Q1 FY'25. Net worth stands at Rs. 22,279 crores in Q1 FY'26 as compared to Rs. 21,343 crores in Q1 FY'25. Net profit after tax stands at Rs.391 crores in Q1 FY'26 as compared to Rs. 217 crores in Q1 FY'25.

Now coming to the important ratios for Q1 FY'26:

Net incurred claims ratio is at 99.76%. Commission ratio is at 8.54% of net earned premium as compared to 8.49% in Q1 FY'25. Expense ratio is at 7.86% of net earned premium as compared to 11.65% in Q1 FY'25. Combined ratio is 116.16% compared to 116.13% in Q1 FY'25. Solvency ratio is 1.87% as compared to 1.83% in Q1 FY'25. Return on equity ratio is at 7.17%.

With this I come to the conclusion of my opening remarks and invite our General Manager of finance, Ms. Mary Abraham to provide a detailed overview of our financial performance.

Mary Abraham: Thank you, ma'am. Good afternoon and I will just quickly take you through the financial performance of the company for Q1 FY'25-26.

We had a gross written premium of Rs.13,333.58 crores as compared to Q1 FY'25 of Rs.11, 787.92 which is a growth rate of 13.11% year-on-year. Our net incurred claim, ICR%, has increased from 95.98% to 99.76% in this quarter and mainly because of the aviation claim, the Air India claim that we had and also due to an increase in the health and liability claim. The operating expenses you will see as a percentage of the net written premium has come down from 11.65% to 7.86%, a significant reduction mainly driven by the negative net addition of employees and the combined ratio despite the increase in the ICR percentage has remained stable at 116.16% as compared to the previous year of 116.13%. The other income, you will see we have the other expenses of Rs.145.35 crores mainly due to the provision that we made towards the non-moving reinsurance balances and also providing for the other doubtful debts. This was an attempt to clean the books and as per our board approved policy. The financial results are that we have a profit after tax of Rs.391 crores which is an 80% increase over the PAT of Q1 FY'24-25.

The combined ratio where we have remained almost stable and as compared to 2024-2025 we have remained stable but compared to 2023-2024 we have significantly come down. The gross written premium The combined ratio for Q1 FY'25-26 is 116.16% as compared to the combined ratio for the previous year which stood at 116.13%. So, we have remained stable as far as the combined ratio is concerned. As far as the gross written premium is concerned, as already mentioned we have a total premium of Rs.13, 334 crores in Q1 FY'25-26 as compared to Rs.11, 787 crores in Q1 FY'24-25 and this was at a growth rate of 13.11%. The investment income has increased in Q1 FY'25-26. It is Rs.2, 290 crores as compared to the investment income for the previous year which was Rs.1, 852 crores. The profit after tax is Rs.391 crores for Q1 FY'25-26 which is an 80% growth over the profit after tax of the previous year, which was Rs.217 crores.

To continue with the other ratios, our solvency ratio is 1.87x for Q1 FY'25-26 as compared to the previous year which was 1.83x which is a significant increase. Our asset under management stood at Rs.1,00, 802 crores for Q1 FY'25-26 as compared to Rs.98, 769 crores for Q1 FY'24-25. The technical reserve has increased to Rs.55, 789 crores in Q1 FY'25-26 as compared to Rs.51, 638 crores in Q1 FY'24-25. Our net worth has increased from Rs.21, 343 crores to Rs.22, 279 crores in Q1 FY'25-26. Fair value of change account has come down from Rs.26, 360 crores to Rs.23, 416 crores mainly due to the volatility in the equity market. Our return on equity is 7.17% for Q1 FY'25-26 as compared to 4.15% for Q1 FY'24-25.

Next, we come to the segment-wise performance:

For the fire department, the Q1 figures are Rs.2, 272 crores registering a growth of 19.95% as compared to the previous year's quarter. Marine premium stood at Rs.300 crores as compared to Rs.274 crores in the last year's 1st Quarter registering a growth of 9.48%. Motor OD premium stood at Rs.1, 270 crores in the current quarter registering a growth of 6.45% over Q1 FY'25-26. Motor TP premium stood at Rs.1, 415 crores registering a growth of 3.18% as compared to Q1 FY'25. Health and PA put together is a premium of Rs.6, 692 crores registering a growth of 14.15% over Q1 FY'25. Crop premium is Rs.126 crores with a growth rate of 0.8% as compared to Q1 FY'25.

Others, which comprises the other departments like engineering, aviation, miscellaneous, liability put together had a premium of Rs.1, 258 crores registering a growth of 16.8% as compared to that of Q1 FY'24-25.

I will take you through the incurred claims ratio segment wise:

For fire, the incurred claims ratio stood at 11.44% as compared to 7.75% of Q1 FY'25. Marine, the ICR is 59.88% as compared to 55.86% in Q1 FY'25. Motor OD, the ICR is 116.35% as compared to Q1 FY'25-26 of 114.86%. Motor TP, the ICR is 105.09% as compared to Q1 FY'25-26 of 111.71%, it has come down. Health and PA has an ICR of 108.98% as compared to the previous year's figure of 105.96%. CROF registered an ICR of 94.23% as compared to 72.26% in Q1 FY'24-25. And the others, the other departments, as mentioned earlier, had an ICR of 89.20% as compared to 50.79% pertaining to Q1 FY'24-25. The increase to the overall ICR is mainly due to aviation loss and some large losses in liability and miscellaneous portfolio. Motor TP loss ratio continues to remain high though it has shown a small reduction, and we have still not received any notification on the TP premium increase from MoRTH. Health segment also witnessed an increase in the incurred claim ratio.

We now take you through the performance of New India vis-a-vis the performance of the industry:

The general insurance industry grew by 8.84% in Q1 FY'26 with a premium of Rs. 79,301.21 crores and this was at a growth of 8.84% whereas New India grew at 15.27% with a premium of Rs. 12,299.49 crores. The market share of New India increased to 15.51% from 14.65% of the same period last year.

We take you through the segment-wise market share of New India:

For Fire, our market share was 16.5% where we had a premium of Rs. 1,857.16 crores as compared to the total market premium of Rs. 11,241.76 crores. For Marine, the market share was 16.2% with a premium of Rs. 280.68 crores as compared to the total market premium of Rs. 1,737.15 crores. For Motor, our market share was 9.92% with a premium of Rs. 2,302.1 crores as compared to the market premium of Rs. 23,200.28 crores. For Health and PA, our market share was 18.9% with a premium of Rs. 6,713.35 crores as compared to the total market premium of Rs. 35,543.33 crores and all the other miscellaneous departments like Crop, Credit and other miscellaneous liabilities, our market share stood at 15.3% with a premium of Rs. 559.97 crores as compared to the market premium of Rs. 3,658.06 crores. And all other departments put together, our market share was 15% with a premium of Rs. 586.23 crores as compared to the market premium of Rs. 3,920.63 crores. The company had in the past taken a conscious decision not to write Crop line of business directly.

A few other facts about our company:

We are in the 107th year of our operation, having celebrated our foundation day on the 23rd of July this year. We are a market leader with a strong brand image. We have been rated AAA by Crystal and B++ good by AM Best. We have a multi-channel distribution network and we are an Indian multinational with presence in 25 countries including India. We have 1,665 offices in India underlining strong domestic presence.

Our segment mix:

Fire accounts for 17.04%, health and PA accounts for 50.19%, motor TP is 10.61%, motor OD is 10.65%, marine is 2.51%, crop is 0.94% and others at 8.06%.

The distribution mix stands as follows:

The agents account for 21.73% of our business, brokers account for 38.8% of our business, direct premium is 33.28%, from dealers, the percentage is 5.65% and bank assurance accounts for 0.54%.

Our key initiatives for the year 2025-2026 are as below:

Launching innovative new products with focus on retail and MSMEs, growing new lines like parametric insurance, emphasis on growth in segments other than motor and health where competitive intensity is high, special efforts to drive insurance penetration in the state of Gujarat and Lakshadweep under the state insurance plan, further impetus on risk management initiatives and enterprise risk management and taking steps to improve our global credit rating.

Key initiatives are call centers offering services in seven regional languages: We have a revamped website. Our WhatsApp services are available in eight regional languages which offer policy and claim related services. AI and ML enabled chat bot for customer service. Claim automation efforts continue for faster claim settlement. Customer portal offering a seamless user experience for standard products.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Rehan Saiyyed from Trinetra Asset Managers. Please go ahead.

Rehan Saiyyed: Good afternoon. Thank you for giving us the opportunity. I assume the management has cleared points in detail with us. I would like to ask a couple of questions. First question is on the global side. Can you share more on your credit rating improvement strategy and how global rating agencies are responding towards that for going forward and what is the recent trend to the industry?

Girija Subramanian: Excuse me, we are not clear what you asked. Can you repeat please?

Rehan Saiyyed: Sure. I am asking can you share more on your credit rating improvement strategy.

Moderator: Sorry to interrupt. Mr. Rehan, May I request you to use your headphone? Can you try to use the speakerphone?

Rehan Saiyyed: Now, am I audible? Hello.

Moderator: Yes, please go ahead.

Rehan Saiyyed: So, my first question is around can you share more on your credit rating improvement strategy and how global rating agencies are responding towards that? Just put more light on that.

Girija Subramanian: Yes, so actually on this credit rating, we have been credit rated by AM Best for quite some time now and unfortunately in the year 2018, we were downgraded to B++ from A-Excellent and since then, we have been working consistently to see that we go up back to our A rated status and in that endeavor, we have been consistently trying to improve our ERM methods, the technology usage, the kind of resilience across all parameters, risk management initiatives, we have employment of technology to ensure that there are no gaps, all of this we have been trying to do across the last few years and most particularly in the last year, we have made some significant strides in this area. We have put certain, or wherever we have had audit observations and audit paras from our statutory auditors, we have actually put our teams, a task force to address each of these unreconciled amounts and as a result of that, you can see that the last quarter and this quarter, we have taken a few of the unreconciled amounts which are pretty old, very old balances to our P&L, we have written them off and so that we clean up the books permanently for the future.

At the same time, to be future ready and to ensure that such things do not repeat, we have created certain verticals within the company to address these procedural lapses so that, because of the transactional inconsistencies and delay, these things were happening and therefore, we have put address all those gaps. We expect that this will be a total cleanup for the future and we will not see these kinds of instances in the future. Apart from that, we have strengthened our ERM team. We have completely drawn up a risk map, heat map which was there. We have improved on it. We have taken the help of one of the big three in ensuring that we get the, the absolute state of art, knowledge transfer, the best practices in the industry for addressing this, to make ERM best in class for this industry and I think there has been a significant improvement from there. We have adopted technology in a big way to ensure that these gaps which were there in the procedures and processes, they addressed to a large extent and we have seen significant improvement in the way our teams have reacted to this, the way these processes have cleaned up and brought more accountability to the table of each and every employee. The way we are able to measure TAT, when it comes to claim settlement or, in fact, even for underwriting, we are able to find out where and on which table the delay is happening and these things, I think, are something which are permanent in qualitative terms and this would bring continual rewards for this company every quarter that we go.

Rehan Saiyyed: Okay. I understand and thank you for such a detailed answer and my second and last question is around what's the output for combined ratio in second half? Any internal targets or levers to improve it? Is there any target in the management team you have forecasting for FY'26 – FY'27?

Girija Subramanian: Yes. So, last year, we had a phenomenal year when we brought down the combined ratio from 119 to 116, which is not a mean feat to achieve for such a big entity, a global entity. So, it was definitely something we really worked on in the last year and we brought in significant change. The same things hold good this year. Additionally, this 1st Quarter has not moved in terms of combined ratio because there were a few large losses that affected this particular quarter and the one from Air India was a once in a while kind of a loss and otherwise, possibly, we could have seen a traction there also. But going forward and I think the kind of initiatives we are taking, we are very sure that internally, we have set ourselves improvement in combined ratio by another 3% this year, which I think should be achievable at the current point of time.

Rehan Saiyyed: Okay ma'am, thank you for your answer and good luck for the coming quarter.

Girija Subramanian: Thank you.

Moderator: Thank you. The next question is from the line of Aditi Joshi from J.P. Morgan. Please go ahead.

Aditi Joshi: Yes, thanks for taking my question. Just on the loss ratio side, just now you said that the 1st Quarter could have been better if it was not the case with the Air India losses. But if I look at the incurred loss ratio across the business line, it has broadly shot up in almost every category. So just firstly, with respect to the health insurance, actually, I wanted to understand what is your outlook for the rest of the year, especially given that we have taken some pricing hike and also cautious underwriting approach in that segment and also in the motor insurance side, now that the third-party premium hike has not come, so what is your outlook for the motor TP loss ratio as well? And if you are able to guide your total group level loss ratio for the rest of the year that will be helpful.

Girija Subramanian: Yes, this quarter, as you rightly said, the fire loss ratio, I mean, 11.44 is pretty low. And I think this is a natural case when we write new risks and you have different exposures here and you can say that this quarter it has gone up, but then that is still not very alarming. When it comes to marine, it is just a 4% increase. The major ones are, I think, in health, as you rightly said, from 105 to 108 and mainly this has happened because of medical inflation, which is currently at 14%- 15% and we have been telling to all agencies across the year, that a large part of the medical insurance service that we give our policyholders is unregulated, which is the hospitals and as long as each and every hospital in each and every tier of cities does not get on to a cashless system where we are able to pre-fix or pre-determine the rates, this kind of inconsistencies is going to keep happening, even though our underwriting processes have changed over the years. We have brought in a lot of stringency. There is a committee-based approval for every group mediclaim business that is written in New India. And we peg the prices much higher based on the loss ratios that have happened and despite the competition, we either let go the businesses we are not able to demand or get the price for and when we write, we write at a sufficient increase so that we are able to absorb that level of loss ratio. But then always the hospitals, they beat us at this game and therefore, you can see that increase and I am sure that once, with a lot of concerted effort from GI councils, from all of us, from, there's a concern shown by the DFS, especially on health, because it's a service that we give to the citizens of this country and therefore, I think it's not going to be too far when the health ministry also does something about it, when we have all the hospitals regulated in the country and that is the day, the golden letter day for health insurance in India and we will be surely on top of the charts to give that kind of service for our policyholders. And we have this additional regulation where we can't increase more than 10% in a year. So, our hands are tied at beyond 10%, when we cannot increase, the inflation is at 14%. We have a straight 4% differential there itself and then , this quarter, the hike is also because of an increase in infectious diseases, as you would have read in the press. Additionally, there has been a lot of regulatory change in health, which is very evolving and there are lots of circulars that keep coming throughout the year, when some of the latest ones include the inclusion of pre-existing diseases and that is also one of the reasons, and there is a new concept called robotic surgery, which is being increasingly used by our customers and this is something that has possibly not been priced for or taken into account during the pricing and because of these various reasons, our claim has shot up by 3%, which is pretty decent.

Aditi Joshi: Okay. So just to summarize that the pricing hike that we actually took in the last year, the impact of those hikes has largely translated into the loss ratio and now that going forward, it will largely be the function of claim frequency as well as the amount. Is my understanding correct?

Girija Subramanian: Yes, see this price cap of 10% came somewhere in the middle of last year, when there was a lot of hue & cry about retail premiums not being affordable by the larger public. So actually, the health, we have been, I mean, even earlier to that, we have been extremely, our increase in rates has not been on every year basis. So, we did change the rate applicable age wise, instead of band wise and that has somehow spread that kind of increase in premium across each year. But then, the retail, the premium growth has largely come from all segments, whether it's retail, GMC, government, we have increased the premiums even in government business by 20% basis, the ICR. On GMC, our prices have gone up by 14% in retail by 9%. But despite that, the claim ratio has gone up. So, which again reaffirms the fact that it is a service provider that now needs to be reamed in.

Aditi Joshi: Okay, got it. And, moving to the motor insurance, given the video that did not have a motor third party hike? So how to think about the incurred claim loss ratio in that segment?

Girija Subramanian: Yes, see, in motor TP, basically, it is a mandated class, we cannot refuse. So, whoever comes, we have to give them the cover. Here you can see a slight decrease because we have changed our priority in terms of the segmentation under motor wherein, we have overall, we have a private car distribution 47%, the commercial vehicles at 45% and the two wheelers at 8%. In the TP, we have a private car only of 34%, commercial vehicle exposure of around 56% and the two-wheeler at 10%. So, this is where the issue happens for the TP wherein the price has not gone up and it's not in our control either. So, there we have reengineered our workforce to try and change our portfolio mix more in the favor of private car, in the 1st Quarter, I think the response can be seen here in terms of the ICR decrease from 111% to 105%. As far as the motor OD is concerned, yes, this is mainly because of the strengthening on reserves because earlier year also we had this. In TP, we have strengthened the reserves last year, that's why the ICR was at 111. This year it is normal business as usual and therefore that is also one of the reasons why it is at 105%. Now the OD thing has gone up because this is mainly because of the OEMs and the dealers who demand a huge outgo because of which we are not able to. It's a very competitive segment, a lot of, it's huge competition in this area and when we do not get the businesses that are given away at a very high commission and then this kind of impact is bound to be seen. We have done some kind of dynamic strategy for each of the geographies that we operate on which is right now a work in progress and maybe in the next quarter or quarter after that you may be able to see an improved performance on OD which needs to be monitored on a daily basis. This is something we are doing right now and I think the results will be seen a quarter later.

Aditi Joshi: Okay, got it. That is helpful. Thank you.

Moderator: Thank you. The next question is from the line of Shobhit Sharma from HDFC Securities Limited. Please go ahead.

Shobhit Sharma: Yes, hi. Thanks for the opportunity. So, I have a few questions around the OPEX. So, if you look at the policyholder account, there is a steep decline in the OPEX. On the other side, if you look at the shareholders account, there is a steep increase, so is there some re-categorization which has happened over there?

Girija Subramanian: I will request the management officials present in the meeting to answer the questions.

Management: The reason why the operating expenses have gone down is strictly because the employee costs have gone down. The number of employees has actually reduced and correspondingly, we also had lesser impact on account of the pension liabilities last year and the same trend continues this year. So, that has actually resulted in the operating expenses gone down.

Shobhit Sharma: Sorry to interrupt, sir. My question was on other OPEX. Employee remuneration, I got that. Can you help us understand around the other OPEX, please?

Management: Yes, on the other OPEX, re-categorization-wise, we had moved some of the earlier provisions that we were making are actually getting into the revenue account. But there was a change of policy and they are now moving into the P&L account.

Shobhit Sharma: Okay, sir. And there is a steep increase in terms of the other income which we have recognized during the period. Is this sustainable and what does it relate to?

Mary Abraham: This is the provision that we have created. If you are talking about the minus Rs.145 crores, the provision that we have created for the non-moving reinsurance balances and towards the doubtful debt. So, this was done with the main intention of cleaning our books.

Shobhit Sharma: Ma'am, I am referring to the other income.

Management: It is a combination. We had another income, what you are talking about the Rs.202 crores of other income which is there. So, there is a combination of two, three things. Actually, as per our accounting policy, some of the old balances, we have taken a call of making provisions as well as so there will be non-moving balances which are appearing on both sides. Some need to be provided and some needs to be written back. So, whatever is written back has been put in the form of other income and whatever is written off is put in the form of the provisions. So, if you see the net impact is around Rs.145 crores negative.

Shobhit Sharma: Okay, sir. Got it. Now coming on to the business side, ma'am. Can you help us understand our approach on the long-term motor policies and how much business does this segment contribute to our top line right now?

Management: Long-term motor policy, we have launched recently but as of now, the proportion is on the lower side. But going forward, if we get a right price, we will be open to doing long-term policies even on the OEM side.

Shobhit Sharma: Okay. Ma'am, now coming on to the health side. So last time you had highlighted that on the retail health side, we have seen a 10% improvement in terms of the loss ratio and you had attributed that to the increase in the claim investigation which was around 34 odd percent for FY'25. So, can you help us with the same number for this current quarter, how are we progressing on the claim investigation, the efficiencies on the claim side and if you can split your health loss ratios in terms of retail, group health, employer-employee and the government, that would be helpful.

Management: Sir, good afternoon. As far as retail is concerned, last year we have done 30% in-house audit by our in-house doctors. The current year, the target has been fixed at 50% of audit of all the claim files of retail and also group health. So surely, we are also planning to introduce the FWA tool also, the in-house tool, even though all the TPAs got in-house tool, we are also trying to introduce. So, this year, last year ICR was 87% and slightly there is a 3% increase, mostly with respect to the infectious disease during this period. Always the 1st Quarter, there will be some increase in ICR as far as the health department is concerned. Then one more aspect is some of the big accounts where we used to pay the single premium of lump sum, so that also.

Shobhit Sharma: Sir, if I heard you correctly, you mentioned that, sorry ma'am.

Girija Subramanian: The ICR has gone up slightly this quarter as compared to last year because of increased incidence of infectious diseases because of which there is lot more hospitalization than earlier. This is something that is beyond our control and as he explained, number of audits has gone up from 30% to 50% because we are recruiting fifty more direct recruit doctors into our force. We already have seventy-five last year. We are adding another fifty, so this also proves the amount of, we are going to drill down into this entire claim process for health. We have also, we are building right now a customized fraud, waste and abuse tool that will help us to detect which hospital charges how much for which treatment and where is the leakage.

Moderator: Hello, ladies and gentlemen, we have the management line disconnected. Please stay connected until I reconnect the management. We have the management line reconnected. Please go ahead.

Girija Subramanian: Yes, can you hear me?

Shobhit Sharma: Yes, ma'am.

Girija Subramanian: Yes, as I just said, you know that now the audits have gone up, the number of the tools, the technology is being utilized. Even otherwise earlier the TPAs used to use their own tools. We also had an in-house tool that we used to use, but we are re-customizing the entire thing because I think there are so many other parameters that we feel we could monitor even more strongly and we want to see that every case as far as possible we get for 100% audit. So we are trying to move towards that and in that endeavor we are now building our own tool and we are going to see that this is wanted even more closely and I am sure that with all these efforts, because the 1st Quarter is always, the health ICR is always high, with these efforts I am sure that by the end of the year we will bring down the overall ICR for the year to a much better number than what it was last year.

Shobhit Sharma: Okay, ma'am, is there any thought around bringing in the health claim settlement on the health side in-house?

Girija Subramanian: No, it is not possible with the level of the volumes that we have at the moment. So this year we will be still not having any complete in-house settlement, but we do have TPAs, we have a government TPA that does an audit of the other TPAs. So, all these systems are there and I do not see that we are going to have any in-house TPA. It is a very big thing, it takes at least two, three years to adopt one and then especially in a PSU outfit and then make them ready to take on this kind of an initiative. It is a kind of a parallel vertical which will require investment of four, five hundred personnel present all across the country, all of that. So, it is a totally different initiative that needs to be thought about and till then we will have to see how much we can bring in efficiencies by way of technology. I think we are trying to adopt technology as a way we could even supervise the external TPAs and see that there is no leakage from their side. And there is also this parallel initiative of hospitals coming on board on the NHCA system and cashless being the way forward. Once that happens, this ecosystem will really improve in a much better way. Once it is cashless, everything is recorded, there is a database created wherein claims are there, fraud detection is much easier than before. So, I think the whole industry is working towards it, it is just a matter of time.

Shobhit Sharma: Ma'am just one thing which I wanted to understand, generally we believe that the GIPSA pricing arrangement which you have with the PSU Insurance Health, it gives them a levy of around 20-25% lower claim size. Is that true or is this something else? Can you help us understand about the GIPSA arrangement?

Girija Subramanian: No, it is totally untrue. GIPSA is just an association that does a common communication between the DFS, owners and the other companies that are the members of GIPSA. Beyond that, there is no other great efficiency we get by being a GIPSA company. We are competitors in our own market. We, of course, are governed by the DFS who are our owners. Even here, the thing is we are deeply regulated where health is concerned. We have regular reviews on health, especially on group health wherein the loss ratios had gone bad a couple of years ago. Since then, we have been deeply regulated. Our owners are fully aware of the health insurance ecosystem, how it works. So, we are reviewed on every aspect of health insurance very strictly and therefore, we are answerable and accountable for everything we do here. So, therefore, I think we cannot take an independent call vis-a-vis the private sector that does have a lot of liberty to take many calls on many things.

Shobhit Sharma: Okay, ma'am. Got it. Thank you and all the best.

Girija Subramanian: Thanks.

Moderator: Thank you. The next question is from the line of Nitesh from Investec. Please go ahead.

Nitesh: Thanks for the opportunity. First question is, can you share the incurred loss ratio for the retail health segment for quarter 1?

Management: 90%.

Girija Subramanian: It is 90%.

Nitesh: 90%?

Girija Subramanian: Yes.

Nitesh: Okay. So, second is, in your opinion, what is the possibility of motor TP price hike this financial year? Or we should completely rule it out?

Girija Subramanian: No, I mean, that is what. So, we have no clue whether it will get increased this year. Our hope and prayers are for that because in this endeavor, I think GI Council has worked a lot throughout the last year and several representations have gone. I myself have been a part of one of the meetings when we met MoRTH and we had these discussions with them. And at that point of time, we did feel that something surely would come out. If not in the same format, the pricing would definitely undergo some more segmentation and it would come. But I think right now, that is still not happening. And right now, we have no clue whether it will come out in a month's time, three months' time. No clue.

Nitesh: Sure. And last question is that we are witnessing the now competitive intensity from other PSU entities in the motor on-damage segment and we are seeing a bit of irrational pricing. So, what is driving that? The balance sheet position of other PSUs is not that strong. So, what is actually driving this? And this will all end a bit negatively for them over medium term. But what is making them so competitive in the near term?

Girija Subramanian: I will not be in a position to comment on any other organization.

Nitesh: Okay. Thank you. That's it for my side.

Girija Subramanian: Thank you so much.

Moderator: Thank you. The next question is from the line of Aditi Joshi from JPMorgan.

Aditi Joshi: Thanks. I appreciate you again. Just a couple of follow-up questions. The first is on the fire insurance, the growth was pretty decent in terms of the premiums. So, just want to understand like how is the competitive intensity and the pricing environment looking? And what is the outlook going forward under the fire segment for the rest of the year? And the second, if you are able to provide your guidance on the combined ratio for FY'2026 that will be actually helpful. Thank you.

Girija Subramanian: Yes. So, fire insurance has been New India's forte. We have been the leaders all along. We continue to be and we will surely be in the future also. We are the largest insurer for the large risk segment; we have been the leaders and it is always an insurer of choice for most of the large risk owners to go with New India. And so, it is no surprise that we have done so well. But apart that, the main reason for the increase is because the last year has witnessed a deep decrease in pricing in fire from the months of May to December when the pricing discounts were in the range of 90 plus. And that is the discounting when we talk about it is from the IIB pricing that was prevalent in the market before that. Now, since there is no tariff in the market, IIB pricing was something that was adopted by the market and then they decided not to go with it and therefore, it dived down. And then after that, because this is a heavily reinsurance-driven line of business and therefore the insurers had to step in and warn each one of the insurers that they would take off the reinsurance protection from 1st April. So, once they did that, the market quickly got back into discipline from 1st Jan and started quoting better rates at least in line with the loss ratios in the segment and therefore, there was definitely when you see 80-90% discount, then obviously when you re-correct and then you see something closer to reality, you are bound to see a decent 20% growth and that is one of the reasons that the growth is at 19.95%. But apart from that, New India has acquired a couple of new clients. We are very proud about them, to have them with us. And I am sure that this growth will be there going into the future also because this is a reinsurance-driven line, as long as the insurers maintain a leash on capacity, this will continue to grow.

Aditi Joshi: And on the combined ratio guidance for the year?

Girija Subramanian: Yes. Combined ratio guidance, I already said that we are aspiring to have a combined ratio 3% lower than 116, which would be around 113 maybe for this year.

Aditi Joshi: Okay, got it. Thank you so much.

Moderator: Thank you very much. Ladies and gentlemen that was the last question. I now hand the conference over to Mrs. Girija Subramanian, CMD of New India Insurance Limited.

Girija Subramanian: We extend our sincere gratitude to everyone who contributes to the New India Assurance, our valued investors, business partners, dedicated employees, and all who are connected to our institution, our agents, our brokers, the web aggregators, and shareholders in particular. We truly appreciate your engagement and the opportunity to share our strategies, financial performance, and future outlook. Your perspectives play a crucial role in our continuous growth and transparency. Above all, we deeply appreciate the steadfast trust our customers have placed in us for over 106 years. We are committed to building on this legacy, leading from the front, keeping our customers at the center of our existence for many more years to come. The entire management team and our dedicated workforce are united in our promise to consistently deliver on the commitments we have made to you, our valued customers. Should you have any questions or require any assistance, please do not hesitate to email us. We assure you of a swift and helpful response. I am happy to share with you that New India Assurance has been awarded the best PSU insurer in terms of grievance redressal for this year and this was a big achievement. We ended with a 99.96% grievance redressal, a show which is the best in the industry. Thank you all for being with us in this journey.

Moderator: Thank you, ma'am. I thank everyone on behalf of the New India Assurance Company Limited and Concept Investor Relations. You may now disconnect your lines.