"Niva Bupa Health Insurance Company Limited

Q1 FY27 Earnings Conference Call"

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MODERATOR: **MR. ANSUMAN – ICICI SECURITIES**

Moderator: Ladies and gentlemen, good day, and welcome to Q1 FY27 Results of Niva Bupa Health Insurance Company Limited. Please note that any statements and comments made in today's call that may look like forward-looking statements are based on the information presently available to the management and do not constitute any indications of any future performance as future involves risks and uncertainties which could cause results to differ materially from the current view being expressed.

As a reminder, all participant lines will be in listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star then zero on your touchtone phone.

Please note that this conference is being recorded. I now hand the conference over to Mr. Anshuman. Thank you, and over to you, sir.

Ansuman: Thanks, Atharva. Good evening, ladies and gentlemen. We are extremely delighted to host the Q1 FY27 Results Conference Call of Niva Bupa Health Insurance Company Limited. From the management, we have Mr. Krishnan Ramachandran, Managing Director and CEO; Mr. Ankur Kharbanda, Executive Director and Deputy CEO; Mr. Vishwanath Mahendra, Executive Director and CFO; Mr. Bhabatosh Mishra, Chief Operating Officer; and Mr. Vikas Jain, Chief Investment Officer.

I now hand over the call to Mr. Krishnan, MD and CEO.

Krishnan Ramachandran: Thank you very much, Ansuman, and thank you to all of you who made time for our Q1 call this evening. I will follow the same format that I've done for a few quarters now, which is to give you a brief update on some of the important industry initiatives and a brief summary, my summary of highlights of performance from Niva Bupa's standpoint.

On the industry front, the awareness campaign continues apace. I continue to update on this because I think this is critical, critical to improving lives penetration in retail health insurance. And as you all know, the entire industry is collectively committing about INR120 crores a year towards improving, you know, insurance awareness and about 50% of this budget is towards health.

So, we've had a very successful series of campaigns, very good feedback from a customer standpoint, and specifically the audience metrics around awareness around health insurance need, you know, campaign itself has landed quite well. And in Q2 as well, you know, we will see a repeat of a campaign as far as this is concerned.

We continue to experience, you know, GST tailwinds. Retail health at the industry level grew 31.6% and the overall growth as far as health is concerned, you know, on a reported basis was 22.4%. Our own growth continues to comfortably outpace the market growth, but I'll come to that in a little bit.

I think the other important update is that in Q1, we have fully transitioned to Ind AS. You know, in the past, as you all are aware, we used to update our financial results on an IFRS 17 basis. Again, the regulator has notified and we are one of the companies that have transitioned to the

Ind AS accounting standard. We will continue to report parallel accounts as required by the authority from a public disclosure standpoint.

And I think the last update I have from the industry standpoint is the work that's being done, you know, as part of the health insurance committee led by Dr. Prakash. Again, to update you all, this group is working on standardization, specifically around care pathways and position statements.

So, in addition to the work that I updated you all last quarter around infections, robotic surgeries, and modern treatments, there's also work and we expect to roll out in collaboration with the association of, you know, ocular group, our position statements on cancer, and we are also working at a fairly advanced stage as far as position statements on oncology is concerned.

The common empanelment initiative continues to move apace, and today we have MOUs with more than 3,000 hospitals. So that's a very high-level overview of some of the important initiatives taking place at the industry level. As far as Niva Bupa's performance is concerned, on a like-to-like basis, overall we grew at 23.0%; on a reported basis at 31.7%. The same numbers for retail health are 35.5% and 47.1%.

And our retail market share, which is only available on a reported basis, has moved up to 11.1% for Q1. Just a brief comment that we have seen a challenging pricing environment on the group side. So our group growth has actually been flat. I mean, we've not had any growth on the group side of our business for Q1.

And the pricing environment that we discussed last year as well, specifically towards Q3, Q4, we continue to face a challenging pricing environment on the B2B side. Our profit after tax improved to INR137.8 crores in Q1. Our combined insurance service ratio improved to 100.2%, which is a significant improvement over the 103.2% that we had for Q1 last year.

On people, for the first time, we've broken into the top 50 Great Places to Work in the country, where we were ranked 41st. We've also seen good traction and improvement on our NPS scores, 62 on a blended basis across, just to remind all of you, more than 25 pivotal customer touchpoints.

So this number is up from 57 last year, and on a monthly basis, this represents the voice of more than 20,000 customers who give us their feedback on the various experiences they have of the company, whether that's issuing a policy, renewing a policy, experiencing a cashless process, experiencing a discharge process, what have you.

Our claims settlement rate has also improved. In Q1 our settlement rate was 95.6%. We continue to execute quite strongly on our health partner strategy. We have 5,70,000-odd monthly active users. And in Q1, we had more than 62,000 people per month consummating health checkups, diagnostic services through our app, and more than 6,600 doctor consults on a monthly basis on our app.

We also continue to execute on our Preferred Provider Network strategy, which is now present in 49 cities, encompassing more than 1,000 hospitals. And in these cities, to these hospitals, 22%

of our claims flow in. Again, just to remind all of you, this is a strategic measure that we've been driving for a few years now to guide our customers to the right care setup, which has the right quality and also the right cost.

So these would be largely secondary care / secondary care plus hospitals. And I'd say the last comment from my side would be to say that we continue to make progress on intelligent automation, and intelligence now incorporates GenAI. And so we've gone well beyond the pilots that we updated you a couple of quarters ago, and we do have a number of GenAI initiatives that are in production, both, built in-house through our AI Lab, or we have deployed third-party products as I've mentioned in the past. So that's a very brief highlight about performance of Q1, and I'm going to hand over to Vishwanath, our CFO, to talk to you about financial performance.

Vishwanath Mahendra: Thank you, sir. We start with; the board has approved formation of debt raising committee and it has also passed enabling resolution to raise up to INR500 crores in one or more tranches. As you know, we already have NCD of INR250 crores, which was raised 5 years back. And the call option for that is due in this financial year. And we're also looking at our growth plans for next 2 years, and basis that we will take decision to raise debt. Also, just to update you, our issuer rating was AAA by ICRA. They rated us some time back.

In terms of financial highlights, the post-tax ROE for last four rolling quarters is 11.8%. Like sir mentioned, combined insurance service ratio for last quarter has improved by 300 basis points to 100.2%.

While there is a slight increase in expense ratio by 90 basis points, primarily due to mix change, that is more focus on retail health, this has been more than offset by reduction in loss ratio by 3.8 percentage point, resulting in improvement in CISR. Retail loss ratio has also improved by 90 basis points to 67.5% in Q1.

The expense of management ratio has improved to 35.2% from 38% last year Quarter 1. The allowable EoM including additional allowances comes to 36.2%. So we are well within regulatory threshold and there is a headroom of 100 basis points.

Annualized investment yield for Q1 is 7.2%, not accounting for MTM gain on ETF, etc. with AUM of INR9,963 crores on book value basis and over INR10,000 crores on mark-to-market basis.

Solvency ratio is at a healthy level of 2.25 as on 30th June 2026 against regulatory minimum of 1.50. So this was financial overview of Quarter 1 FY27. Happy to take any questions.

Moderator: Thank you. We will now begin with the question-and-answer session. The first question comes from the line of Shreya Shivani from Nomura Holdings. Please go ahead.

Shreya Shivani: Yes, thank you for the opportunity. I have two questions. First is on the loss ratio trajectory of this quarter. It's been quite strong on Y-o-Y basis, which is more comparable. What has been the trend that you've seen in month of July? The movement is so fast that what is your outlook on the year to go by? That's my first question.

My second question is on the expense ratio bit. I understand that because of the GST portion, your expense ratios were supposed to be slightly elevated in 1Q. However, a big chunk of it is coming from the net reinsurance expense line item. So if you can help us understand what's happening over there, because the other operating expenses have also picked up, but the net reinsurance expense pickup is the sharpest. So if you can explain that. Thank you.

Vishwanath Mahendra: Sure, Shreya. So in terms of loss ratio, the July trend is in line with our expectation. Of course, the infection season will start in some time and we'll be able to update you in next quarterly call how the infection is behaving. But otherwise, we have not seen any unusual trend so far in the month of July.

Q1 loss ratio improvement Y-o-Y basis is driven by two factors, one of course, retail, the new business as we already mentioned last time. So that's one positive trend we are experiencing. Second, under group, since we have taken decision not to write any large group account where it is not as per our underwriting philosophy, and focus more on whether it's, affinity group or SMEs, so that is the reason for group loss ratio improvement.

In terms of expense ratio, the RI has; basically there is nothing structurally different this quarter versus next quarter. RI has a lot of things mixed up. For example, let's say, in some cases, the profit commission, which is mainly on obligatory or voluntary quota share, is booked in one quarter, in some time it is in next quarter. But otherwise, structurally there is nothing, which is unusual here. So as the year progress, you will find it is more or less converging with historical trend.

Shreya Shivani: Right. And from just a follow-up on the expense ratio portion, so from third quarter onwards, we should see these ratios stabilizing, right, as the entire GST portion goes into base? That understanding is correct, right?

Vishwanath Mahendra: Yes. Actually, in case of GST, as far as commission is concerned, which is the main line item that we have already passed on to our distributors. Any loss on ITC, Input Tax Credit for expenses, you're right, it will normalize from Q3. After Q3, the results will be comparable Y-o-Y basis. But really, there is no sharp increase. In fact, if you see expense of management, it has improved from 38% to 35.2%.

Shreya Shivani: Correct. Correct. Right. All right. That answers. Thank you so much and all the best.

Vishwanath Mahendra: Thank you.

Moderator: Thank you. The next question comes from the line of Harsh Shah from HSBC Global Asset Management. Please go ahead.

Harsh Shah: Yes, thank you for the opportunity. Just a couple of questions from my end is one, I heard your opening commentary on growth, and again, I understand that quarter-on-quarter is not the right way to look at it, but from a trend perspective, is there any change that you have done to your internal strategy or philosophy which can lead to a sustained higher than your past trend of growth?

And when I say past trend, I'm comparing or I'm taking the difference between what Niva Bupa grows versus the industry growth. So is there any gap that you're trying to build versus the industry growth that we should be aware about?

Krishnan Ramachandran: No, I think structurally or strategically, and, Ankur can add to what I'm saying, in terms of the levers that we have been using to drive growth, they continue to be the diversified multi-channel mix. And last time I mentioned, we're doubling down quite seriously on what we refer to as the Bharat initiative, which is to penetrate Tier 2, Tier 3 towns and beyond.

And we continue to make the same run rate of investments in driving growth as we have now for six years. So this year as well, in terms of distribution expansion, we continue to have the same level of investment, although incrementally it's much smaller given the size of the company today.

So that's, that's broadly what we are driving, and, we do expect to sustain 8 to 10 percentage points faster than market growth on retail health specifically. And some of the other engines around product, product innovation, correct products for segments, all of those continue apace. Anything you want to add?

Ankur Kharbanda: Just to add on few more, we have continuously been adding our advisor network across. This year also we are continuously adding in the similar pace of what we did last year. We've added new locations as well in our, as Mr. Krishnan also spoke about, the smaller markets is where we are expanding, and locations also we are expanding there.

One is new products. We've launched in the month of August last year, we launched a product called Reassure 3.0. That has got a very good success in the market because that is very uniquely placed there.

And last is, while we do on all of this on expansion, we are also working on AI-led capabilities to increase productivity of our advisors and of our employees. These are the few things which we are doing strategically to improve our growth and consistently grow better than the market.

Harsh Shah: Understood. And from a retail and group health mix, anything to read again from an annual trend perspective, means is there a range where the guidance is to remain between 70% to 30% or you think that retail can inch up further as you're planning to grow almost 10% to 15% higher than the industry?

Ankur Kharbanda: Our internal one would be similar in terms of what we said earlier as well. Large part of it, which is around 70% would be retail, and around 30% would be group.

Krishnan Ramachandran: Yes, and just to reiterate, we are not at all averse to group business. I think the only point is the threshold around economics, combined ratio, we have not been able to stay within that threshold for the last year as well as this quarter. But if we see the pricing environment improve where there are opportunities, we will certainly capitalize on that.

And again, to remind all of you, within that, we are certainly doubling down on the SME opportunity, and that is actually growing 50% plus. But of course, it is not been able to fully compensate for some of the renewals that we have lost on the B2B side largely on account of pricing.

Harsh Shah: Sure. Point well taken. Just to press on this, from group perspective on your renewal business, I mean, from pricing perspective, what is hitting you comparatively harder? When I say you, it also may be applicable to other sides. Is it the expense ratio part of it or the claims ratio part of it?

Krishnan Ramachandran: The market is operating at claims minus in terms of pricing, annualized claims forecasted minus. Obviously, that makes no economic sense.

Harsh Shah: Yes, that's true. And last question from me is, once everything normalizes as earlier participant also alluded, how does your CISR look like from Q3 onwards on a normalized basis?

Vishwanath Mahendra: Sorry, you said normalized as in?

Krishnan Ramachandran: As CISR is, mean there's no normalization required on that front, no?

Vishwanath Mahendra: Yes, because it's all, amortized. There is earning, which is on 1/365, there is amortization and DAC. So it is already normalized, so...

Harsh Shah: Okay. Got it.

Krishnan Ramachandran: And on that, we stick to our FY29 guidance, which is what we have been indicating.

Harsh Shah: Sure, sure. No problem. That is it from my end. Thank you and all the best.

Vishwanath Mahendra: Thank you.

Moderator: Thank you. The next question comes from the line of Supratim Datta from Jefferies Investment. Please go ahead.

Supratim Datta: Hi, thanks for the opportunity. My first question is on the growth side of things. If you could give us some color within the retail health piece, what would be your, you know, fresh business, and what would be the renewal business, and how both of them are growing? That would be helpful.

And wanted to understand that, obviously there has been GST tailwinds, you have been making investments in expanding, the channels, but as you go into, the second half of the year, the base becomes, fairly elevated. So on that elevated base how are you thinking about growth? What would be the key drivers there, and yes, if you could give some color around that, that would be helpful.

Secondly, when I look at your presentation, the contribution from PPN cities, you know, that has been going up; the network has obviously been expanding. Wanted to understand how does this impact the loss ratio, what kind of benefit are you seeing on the retail loss ratio because of this? If you could give us some color there, that also would be very helpful. Thank you.

Ankur Kharbanda: Sure. Let me answer the first two, and then I will ask Dr. Bhabatosh to answer the third one, which is on PPN. Our overall growth for this quarter on retail business is 46.5%, largely driven, it is a mix of both renewal and fresh. The fresh grew by a 41% overall. So both our fresh and renewal are growing.

In terms of future, do we see growth coming in? July is also looking very good for us. I can't comment a lot in terms of overall forecasting this, but what I can tell you is that we want to grow better than the market as we have been doing, significantly better than the market, 8% to 10% over the market is what we want to grow. I will ask Dr. Bhabatosh to talk about it.

Bhabatosh Mishra: Thank you. Supratim, the preferred provider network, just to reiterate, allows customer to have convenience and savings through free ambulance, discounted services, assistance through a SPOC layer, etcetera.

How does it help in claim ratio is, these are, let's say, secondary / secondary care plus hospitals, and we do notice that lot of people land up in quaternary, tertiary care hospitals for what is classified or what could be easily be called as a very secondary care treatment like a cholecystectomy, appendix removal, small surgeries, dengue, malaria, etcetera.

The idea is by deploying convenience and exemplary experience and saving to customers, if some of these people can be transferred or choose a PPN network instead of a tertiary care or quaternary care setup, that results in a nearly 15% to 20% point lesser average claim size than the same treatment available in a quaternary or a tertiary setup. That's how it reduces.

Secondly, we have better working relationship with SOPs with PPN hospitals, which ensures appropriate care is delivered. And lot of times you would come across that unnecessary abuse of ICU admission, not discharging patient in time, keeping them for longer, these abuses are avoided, and both of these go towards reduction of claim cost, resulting in better claim ratios. Does that answer your question?

Krishnan Ramachandran: I will just add one thing. In terms of translating this into claims cost savings, the answer is yes. Does it necessarily mean improving claims ratios? The answer is no, because we may choose, it just helps us be more price competitive because of all of this that we deploy. We may still maintain or allow the claims ratio to deteriorate, and pass back more of this to the customer.

So just want to make sure that we, you may not necessarily see these, and we have had this discussion in the past as well. Claims ratios is also a choice driven by the repricing and the extent of repricing that we need to do. This gives us flexibility, on that aspect.

Supratim Datta: Absolutely. I completely understand that point. Just one, clarification, could you give us the differential in loss ratio between, a tertiary or, a PPN, what would be the differential in claim cost or loss ratio, however you are quantifying that? That is one. And lastly, on the fresh GWP, thanks for giving us the growth, what proportion of your retail GWP would be fresh, if you could, let me know that, that would be very helpful as well.

Bhabatosh Mishra: Let me take the first question first. Loss ratio difference cannot be because it is computed on the premium and earning on the premium between a tertiary care setup and, secondary care setup.

The average claim size differential or like-to-like treatment between a tertiary/quaternary setup vis-a-vis a secondary care setup varies anything between 15 to 30 percentage point difference, depending on which procedure or which treatment we are talking about.

Ankur Kharbanda: And on your question on the retail versus, sorry, fresh versus renewal, 35% around that number, 35% of our business is fresh in retail and 65% is renewal in retail, around plus-minus 1% here and there.

Supratim Datta: Got it. Thank you.

Moderator: Thank you. The next question comes from the line of Prayesh Jain from Motilal Oswal Financial Services Limited. Please go ahead.

Prayesh Jain: Yes, hi. Good evening, everyone. Just a few questions. Firstly, if I look at your claims ratio that has improved by more than 300 basis points, and obviously we had multiple levers here with respect to fresh growth being stronger, pricing actions being taken.

So how have the loss ratios played out between the fresh book and the older book? You've just mentioned that the ratio is 35/65 in terms of your fresh and renewal mix in terms of premium. But in terms of claims, how would that have panned out? I am trying to understand the trajectory on the back book loss ratios?

Vishwanath Mahendra: Yes. So, Prayesh, generally, as we mentioned, the renewal loss ratio in retail is around 75%. So that's broadly is a renewal book loss ratio, back book loss ratio. And you are right, all those things like pricing action, PPN, all those have contributed to reduction in loss ratio and mix also, mix between retail and group and other things, yes.

Prayesh Jain: Got it. And second, I think this is an extension to an earlier asked question, I think Harsh had asked this question about normalized CISR. Probably, what he meant and even I want to understand this was, now that, second half will have a GST base effect where your growth will slow down and probably fresh growth will look lower, loss ratios will possibly trend higher because of the mix itself, the mix itself changing towards renewal versus fresh. So what is a, in a stable scenario, or the unwind out of the net earned premium coming out of the long-term book, will help you offset that impact? How should we think about it from a second half onwards standpoint where you will not have a -- the advantage of GST tailwind kind of flowing in?

Vishwanath Mahendra: Actually, this is based on earnings, and earnings is slower than GWP. So we don't think that that will materially change between H1 and H2, the loss ratio. So it's not that they will deteriorate. And even if there is some impact, that will be more than offset by reduction in expenses. So in that sense, like-to-like basis, we really don't see any reason for this to be deteriorated. Of course, if there is something like infection, which is abnormal, then it's a different matter. But otherwise, inherently there is no reason because it is all amortized, both premium and claims, actually.

Prayesh Jain: Right. Like you mentioned that July has been very strong in terms of has maintained the momentum in terms of premium, how has been the trajectory on the loss ratio in this month?

Vishwanath Mahendra: Claims are quite in line with our plan.

Prayesh Jain: Okay. But in terms of any adversities being seen, because there are many areas where we've seen floods and heavy rains, any adversities so far we've seen?

Vishwanath Mahendra: No, no. See, some upside anyways is built in plan and in previous years, so other than that, nothing, Prayesh.

Krishnan Ramachandran: But as Vishwanath said, Prayesh, we'll have to just see through the monsoon, but otherwise, at least July is quite range-bound with respect to our planning expectation.

Prayesh Jain: Okay. Okay. And last bit on the investment book any change in plans to move towards equity? And also one more point was on the debt raise of INR500 crores, I think that you have kind of approval for, why do we need that?

Vishwanath Mahendra: So I'll just first cover debt. So, Prayesh, we have INR250 crores NCD for which call option is due, so it was raised 5 years back when we had rating of A at that point in time at 10.7 coupon. So that's one, and we have some growth plans. So we are currently evaluating all the options, and as I was mentioning, our issuer rating by ICRA currently is AAA, and we'll go for instrument rating soon. So given that and our growth plans, we have this enabling resolution, and we'll see when we need to raise how much.

Vikas Jain: Yes, on the investment Prayesh, there is no major change in our strategy as from what we stated earlier. We continue to be conservative, at the same time, we are mindful of the yield that we need to churn out of our investment book. One thing I would like to point out is we are sort of investing significantly in the AIF segment, which yields us anywhere between 12% to 15%.

We are at about 4% of our AUM from a committed capital on the AIF, maximum permitted by regulator is 5%, and we continue to look at relevant opportunities in that space and we would continue to sort of inch closer to the regulatory limit there.

Plus also what we've done is we've increased our exposure and allocation to Nifty ETFs as the markets have been very stable now, and that is at around 3.5% of our investment book. There is no discussion on investment in direct equity at this stage, but we may take a call depending on the discussion with the board at an appropriate time on that.

Prayesh Jain: And sorry, one more last bit. The AIF that you mentioned, are credit AIFs and would be restricted to performing credit only, or would it expand to special situations and others also where the yields are even higher?

Vikas Jain: So they are largely performing credit AIFs, Prayesh, but if there are good special situation AIFs which are available from pedigreed institutions with significant AUM and experience, we are open to investment in those as well, but large part of them are very safe and sound performing credit.

Prayesh Jain: Got that. Thank you so much and wish you all the best.

Vishwanath Mahendra: Thank you.

Moderator: Thank you. The next question comes from the line of Hitaindra Pradhan from Maximal Capital. Please go ahead.

Hitaindra Pradhan: Yes, hi. So am I audible?

Vishwanath Mahendra: Yes.

Hitaindra Pradhan: Yes, hi. So I'm referring to slide 28, the Ind AS disclosure. So, sir, if I look at the insurance revenue, so that is grown by 28% versus the GWP growth of 23 and the GWP one by N basis is bit higher than that. So can you explain the divergence here? I mean, how to think about it? Sorry, I'm referring to slide 24. Slide 24.

Vishwanath Mahendra: Slide 24, and your question is increase in insurance revenue, which is over last year. This is 29%, close to 29%.

Hitaindra Pradhan: 29%, yes, yes.

Vishwanath Mahendra: Yes, and what was your question, so?

Hitaindra Pradhan: And the GWP growth is like, say, 23%. Yes, so the divergence if you can explain.

Vishwanath Mahendra: And for this, you should really look at overall GWP without one by N, which is 23%. So 23% versus 29%, and the reason is this is on earnings basis. So all the policies we have written in last year and for multiyear policies even 2, 3 years back, so this is kind of gross earned premium. It is coming from amortization of those policies on 1/365 basis.

Hitaindra Pradhan: So it's to do with the multiyear policy mix, right? I mean, that's what...

Vishwanath Mahendra: Multiyear too. So it will not exactly match with GWP. It really depends on, yes, how much proportion of multiyear were there in Q1 last year, how much here, so that way.

Hitaindra Pradhan: Got it. Got it, sir. So second question is on the loss ratio. So on the legacy book, I mean, you mentioned the loss ratios are elevated at 75%. So how do we think about the risk stratification over there, and how do we price it, and the -- how to think about the repricing year-on-year looking forward? And so what can be the trajectory of the loss ratio in that book?

Vishwanath Mahendra: You mean to say group portfolio?

Hitaindra Pradhan: On the retail, on the retail portfolio, the renewal book, this loss ratio. So how do we think about the risk there and stratification there, and the pricing that we're going to take?

Vishwanath Mahendra: Yes. So in retail, renewal loss ratio 75% is quite acceptable because expenses are not that much in that book. It is some commission and some renewal expenses, which is not much. So let's say 20% overall, less than 20%. So in that sense, if we get 75% loss ratio, it's quite acceptable. In terms of actions to keep it at that level, we have -- annual price increase in that portfolio. We increase by high single digit every year for renewal book.

Hitaindra Pradhan: Got it. Got it. So on the EOM side, I think last quarter you mentioned that you are targeting 2 to 2.5% improvement. I mean, are we still sticking to that or if anything changed on the EOM trajectory, expense ratio trajectory?

Vishwanath Mahendra: So if you see, this quarter compared to last year, there's an increase by 2.8%, sorry, improvement, 38 has gone down to 35.2%. At some point in time, it will stabilize between, let's say, 33 -- closer to 33%. So which is quite comfortable, 32% to 33%, yes.

Hitaindra Pradhan: And the final one on the ROE, I mean, do we have any kind of target in mind for FY '27, FY '28, I mean, how to think about the ROE trajectory?.

Vishwanath Mahendra: So ROE, if we just see last 4 quarters, rolling quarters, it is 11.8%. What we guided earlier was by FY '29 mid to high teens, and we go by that. So that trajectory will be very smooth, and because it's Ind AS, everything is amortized, so that other than if there is some infection, etc. So in some quarter, otherwise, it will be smooth trajectory from close to 12% now, annualized, to mid to high teens by FY '29.

Hitaindra Pradhan: Got it, sir. Thank you. Thank you, and all the best.

Moderator: Thank you. As there are no further questions, I would now like to hand the conference over to management for closing comments. Thank you, and over to you.

Krishnan Ramachandran: Thank you. No, no other comments other than to reiterate thanks to all of you for taking your time this evening, and we'll talk to you next quarter.

Moderator: Thank you. On behalf of ICICI Securities Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.