GIC Re

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To,

The Manager	The Manager
Listing Department	Listing Department
BSE Limited	The National Stock Exchange of India Ltd.
Phiroze Jeejeebhoy Tower	Exchange Plaza, 5th Floor, Plot C/1,
Dalal Street	G Block, Bandra Kurla Complex
Mumbai – 400001	Mumbai - 400051

Scrip Code: (BSE – 540755/ NSE – GICRE)

Dear Sir/Madam,

Sub: Transcript of conference call held with Investors and Analysts to discuss the financial results for the quarter ended 30th June 2023

In compliance with Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith Transcript of the conference call held with Investors and Analysts on Friday, August 11, 2023, to discuss financial results for the quarter ended 30th June 2023.

The same is also available on the website of the Corporation at www.gicre.in.

Kindly take the above information on record.

Thanking You

Yours sincerely

For General Insurance Corporation of India

SATHEESH KUMAR S Digitally signed by SATHEESH KUMAR S Date: 2023.08.14 14:52:11 +05'30'

(Satheesh Kumar)
CS & Compliance Officer

भारतीय साधारण बीमा निगम

(भारत सरकार की कंपनी)

General Insurance Corporation of India
(Government of India Company)
CIN: L67200MH1972GOI016133 IRDA REG NO.: 112

'सुरक्षा', १७०, जे. टाटारोड, चर्चगेट , मुंबई ४०००२०

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"General Insurance Corporation of India Limited

Q1 FY24 Earnings Conference Call"

August 11, 2023

MANAGEMENT: **MR. DEVESH SRIVASTAVA – CHAIRMAN AND MANAGING DIRECTOR – GENERAL INSURANCE CORPORATION OF INDIA LIMITED**
MR. HITESH JOSHI – GENERAL MANAGER, GENERAL INSURANCE CORPORATION OF INDIA LIMITED
MS. JAYASHREE RANADE – CHIEF FINANCIAL OFFICER, GENERAL INSURANCE CORPORATION OF INDIA LIMITED
MR. SATEESH BHAT - APPOINTED ACTUARY (NON LIFE), GENERAL INSURANCE CORPORATION OF INDIA LIMITED
MS. RADHIKA RAVISHEKAR – CHIEF INVESTMENT OFFICER, GENERAL INSURANCE CORPORATION OF INDIA LIMITED

MODERATOR: **MR. BINAY SARDA – ERNST & YOUNG**

Moderator: Ladies and gentlemen, good day, and welcome to the General Insurance Corporation of India Limited Q1 FY24 Earnings Conference Call.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during 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. Binay Sarda from Ernst & Young. Thank you, and over to you, sir.

Binay Sarda: Thanks, Ryan. Good afternoon to all the participants on the call, and thanks for joining this Q1 FY '24 Earnings Call for General Insurance Corporation of India.

Please note that we have mailed out the press release to everyone, and you can also see the results on our website as well as it has been uploaded on the stock exchange. In case we have not received the same, please write to us, and we'll be happy to send it over.

Before we proceed with the call, let me remind you that the discussion may contain forward-looking statements that may involve known or unknown risks, uncertainties and other factors. It must be due in conjunction with our business that could cause digital performance or achievement to differ significantly from what is expressed or implied by such forward-looking statements.

To take us through the results of this quarter and answer your questions, we have with us the management of GIC represented by Mr. Devesh Srivastava, Chairman and Managing Director and other top members of the management. We'll be starting the call with a brief overview of the quarter 1 part, which will then be followed with a Q&A session.

With that said, I'll now hand over the call to Mr. Devesh Srivastava. Over to you, sir.

Devesh Srivastava: Thank you, Mr. Sarda. Good afternoon, everyone. I'm pleased to announce the financial performance for the quarter ended June 30, 2023.

Over the past few years, our teams have diligently worked to refine our underwriting practices, and we are constantly focused on improving our combined ratio on the back of our unwavering commitment to enhancing profitability and posting sustained growth. We believe that the increase in combined ratio during the quarter is temporary, and we are confident of much lower levels in the coming quarters, led by a relentless pursuit of operational excellence, strategic initiatives and prudent risk management practices. While strategically managing risk and maintaining a balanced portfolio, we continue to position ourselves for long-term success.

Let me now take you through some of the key highlights of the financial performance.

The gross premium income of the company was INR8,917.71 crores for Q1 FY24, as compared to INR11,021.83 crores for Q1 FY23. The investment income increased to INR2,454.94 crores in Q1 FY24, as compared to INR1,890.43 crores in Q1 FY23. Incurred claim ratio stood at

95.1% from Q1 FY24 as compared to 94.7% during the corresponding quarter of the previous year.

Combined ratio in Q1 FY24 stood at 118.47% versus 110.97% during the corresponding quarter of the previous year. The adjusted combined ratio, by taking into consideration the policyholders' investment income works out to 97.24% for Q1 FY24, as compared to 97.01% from Q1 FY23. Profit before tax stood at INR935.18 crores in Q1 FY24 as against INR988.71 crores in Q1 FY23. And profit after tax stood at INR731.79 crores in Q1 FY24, compared to INR689.72 crores in Q1 FY23.

Solvency ratio increased to 2.88 as on 30.06.2023 as compared to 2.14 as on 30.06.2022. Net worth of the company, without fair value change account, increased to INR32,984.27 crores on 30.06.2023 as against INR26,345.14 crores as on 30.06.2022. Net worth of the company, including fair value change account, increased to INR69,650.29 crores on 30.06.2023 as against INR55,341.65 crores as on 30.06.2022. On the premium breakup, domestic Q1 FY24 is INR5,547.35 crores and the international is INR3,370.36 crores. The percentage split is domestic 62% and international 38%. There is a degrowth in the domestic premium by 33%, while the international book has increased by 21%.

We firmly believe that the current market conditions, which is going through a hardening cycle, combined with our prudent risk assessment, disciplined underwriting practices and well-executed strategic initiatives will help us in achieving a more favorable risk profile and positioning us for sustained growth. We are optimistic about the future and confident in our ability to seize emerging market opportunities while navigating potential challenges. As we move forward, we remain committed to upholding our values, delivering exceptional service and achieving sustainable growth.

Having given the highlights now, we will open the floor for questions from the interested parties. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. First question is from the line of Sanketh Godha from Avendus Spark, please go ahead.

Sanketh Godha: Thank you for the opportunity. Sir, my first question on the growth. There is a significant drop in the crop insurance business. For example, last year, you did around INR2,700 crores of business in crop. And today, you did only INR650 crores in the second quarter. So it's more to give the timing difference of recognition of the premium or most part of the country has adopted a 80-110 rule and therefore crop business has not come to reinsurer. So I just wanted to understand why it led to that shortfall?

Devesh Srivastava: Sure. We are happy to ask our CFO to give this. This is, as we mentioned in the notes as well, largely due to an IRDAI circular in which there is a change in the way we have to estimate our premiums. And that is what led to this drop. So our CFO, Ms. Ranade will take you further on to this, where you can understand where it's coming from.

Jayashree Ranade: Good morning, Sanketh. This is Jayashree Ranade. Actually, if you see in our notes number 10, we had mentioned that there is an overall -- we have modified our accrual policy, based on the

IRDAI circular. This circular mandates that you can estimate only for a quarter. That means nobody is permitted. And at the same time, it has to be equal for all the portfolios. I mean, portfolio-wise you cannot variate it.

Now crop being a different kind of insurance -- insurance business. We earlier used to take it on the basis of our estimated premium income in the treaties, etcetera. But now that even obligatory, we have to consider certain benchmark figures given to the GI Council. So based on that, we calculated crop insurance premium for this particular quarter because SOA, the statement of accounts will be received later. There is a drop shown in this quarter. I'm sure going forward, these figures will increase based on the firming of these figures, which are the base for our accrued premium calculations to match the IRDAI regulation. So this time, there is a drop which is shown, but roughly around INR800 crores-plus is -- because of this change in the methodology in the crop itself.

Sanketh Godha: Okay. So sir, you need to say that if you would have the whole method of accounting of crop, that number would have been closer to INR1,400 crores rather than being at around INR600-odd crores that you have reported. That's the way I should understand ma'am?

Jayashree Ranade: Yes. It could be slightly even more than that, but we have made a conservative calculation of those numbers. And it will be in the range of INR1,500 crores, INR1,600 crores. But since we changed the methodology for crop, this is what it is. In fact, if you see in note number 10, we have told that we have given the disclosure also. Total impact of this change is INR1,660 crores across all the classes, mainly domestic. So hence, yes, going forward in the next quarter, this crop figures will percolate into GI Council figures. So my obligatory will also go up. Even our SOA will come, which will give me the 100% figures etcetera, these are the modality of our business, how the accounts are being like taken into the books. So going forward this figure will match up which is last year's figures.

Sanketh Godha: So, which means that from a full-year point of view, last year, we did around INR5,000 crores of crop business. So if a number you can expect to be continued for the FY '24, sir?

Hitesh Joshi: Sanketh, Hitesh here. I think as ma'am explained, the major driver of the figure is premium estimation policy. The second important factor is the change in the market structure in terms of some of the states moving to alternate supply sharing models, shrinking premium. Apart from that, there is also a softening in the market.

I think part of the reason is the EOM circular encouraging some cedents to benefit from the way the UAM stipulation is to be reckoned by IRDAI. Given the softening and the size of the market shrinking, there is some step back by GIC. So it is a summation of all these four factors together. The first thing is the premium estimation. Second the movement of states. Third is the softening because of UAM. And fourth is, since the pricing has become less attractive, relative step back by GIC.

Sanketh Godha: Okay, got it. Perfect, sir. Which means that compared to last year, given the market is not conducive, and also the market size for the reinsurer has shrunk because states have adopted the 80-110 rule. Can we expect this number to be maybe decently lower compared to the last year?

Like if you have done INR5,000 crores last year, this year number could be, from a full year point of view I am saying, this number could be as low as INR4,000-odd crores or much lower than that, sir?

Hitesh Joshi: I think what you have mentioned is a decent figure. It can be lower by 15% to 20%.

Sanketh Godha: Got it. Perfect, sir. And this accounting rule is not just only limited to crop. It is applicable to all products, right? Right, sir? That's the reason we see decline in most of the products, except for the motor business in the current quarter.

Jayashree Ranade: Yes, Sanketji, yes. It is applicable to across the portfolios, domestic as well as foreign. So, we've got modified methodology is applicable to all portfolios.

Sanketh Godha: And then, is there any reason, ma'am, like, motor has done such a strong growth, 35% year-on-year?

Jayashree Ranade: Motor, foreign is growing.

Sanketh Godha: Okay, it's more to do with the foreign business rather than the domestic business, right?

Jayashree Ranade: Yes.

Sanketh Godha: Okay, the second question which I had was, if you can quantify the combined ratio deterioration because of CAT events, I mean, in domestic we already had one CAT event. And then in overseas also I see loss ratio -- combined ratio to be meaningfully higher compared to what we had as a combined ratio in last year in the same quarter, around 119 becoming 131. And domestic, it has marginally deteriorated from 108 to 111. So should I read it as more due to the CAT event or if it is the case, then what is the quantum of loss, what you have booked?

Jayashree Ranade: Sanketji, one reason for foreign portfolios combined ratio increase is basically around INR400 crores of debt due to exchange loss. Of course, it is notional. Last year there was an exchange profit and this year there is an exchange loss of INR60 crores. This is one reason for domestic's little worsening of that combined ratio, nearly INR400 crores.

As regards domestic portfolios, domestic is, a small variation is there from 108 to 111.

Sanketh Godha: Okay, yes ma'am. But the Gujarat floods, did it impact any numbers, Gujarat cyclone I meant to say, not floods, impact any impact you want to quantify which led to the deterioration in the combined?

Sateesh Bhat: Sateesh Bhat here. Not much because we have not yet received much of the information. There are two things, one was the Biparjoy cyclone and the Uttarakhand floods. So we have made an implicit provision. So maybe in Q2 we will have a clearer picture as to how much is attributed to that. But yes, to answer your question, we have slightly increased the loss ratios for property portfolio. But that is not the main reason why the slightly higher, that could be one of the reasons why your incurred loss ratio is higher for domestic portfolio.

Sanketh Godha: Okay, but would it be okay to quantify the provision what you have made for CAT, already reported CAT in the quarter 1?

Sateesh Bhat: No, we have not done any explicit provision. See, what happens is to make a provision, you need information that will be flowing from the cedants. So in the absence of any information what we do is that the loss ratios that we consider for reserving, we do a markup on that, maybe 3- 4 percentage markup on the loss ratios to ensure that we have made some provision in Q1 itself in the absence of any information flowing from the cedants. So we will be able to quantify it only in the next quarter.

Sanketh Godha: Okay, got it sir. Got it, perfect. And ma'am on the exchange loss, it's notional, right? It means if the currency behaves properly by the end of the year, then this combined ratio of 131 in the overseas business will not remain to that extent, right?

Jayashree Ranade: Sanketji, yes, this is one kind of factor for which the loss is increased, if you see the actual thing. Apart from that, motor and cargo has given little increased losses in foreign portfolio. Yes, but going forward by end of the year if exchanges, there is a small difference 82 point something and 82 point something that is why this loss has come so because it is appreciated in a rupees appreciated a bit.

Going forward if it is kind of again a little bit of this deprecation this will again exchange will be taken care of with that calculation, yes.

Sanketh Godha: The reason why I'm asking ma'am this question is that we have been highlighting that our overseas book has seen a decent amount of price hardening. We highlighted that point in the first quarter too, sorry, last quarter too. So, but the trend doesn't seem to be encouraging, at least in the overseas business, from first quarter number. So that's the reason I was just trying to check. It's only because of the currency or even we can see if a better combined ratio in the overseas business eventually?

Hitesh Joshi: Sanket, the thing is that all the liabilities for the claims for all the period, total OSLR and IBNR get tagged to the new exchange rate. So though we benefit for say, January renewal on the exchange inward business for the period, the cumulative liabilities get reassessed at a new exchange rate and it definitely creates a huge impact.

Second variation can be attributed to the fact that even a small variation, say, a 2% variation on a given quarter, given the small premium base gets pronounced for the given quarter. I think we have to consistently maintain the stand that given the seasonal nature of the GIC book and certain seasonal bookings and catastrophes being seasonal, it is not desirable to look at quarterly results. You have to look at quarterly results with certain caveats.

Sanketh Godha: Got it, sir. Perfect. And last two questions from my side. One, I just wanted to understand how do we read the current increase in the commission ratio in the quarter. Relatively, it is much higher, around 22% as a percentage of net return premium. So I just wanted to understand why is it the case, is it because the overseas contribution has gone up compared to the last year, point number one. Or anything else we need to read into it?

And second question, just on a bookkeeping, just wanted to break down your investment book into capital gains and other income. Other income is dividend/interest income.

Hitesh Joshi: On the first one regarding the higher commission level, I think we have discussed this earlier, that on the US book, we have stepped back. But due to various legal aspects, certain bookings were delayed, and the contracts which we walked away from had a higher commission level. So because of delayed booking, those, there is a delayed impact, trailing impact of this particular contract which is impacting the current quarter. We hope that it should soon revert to the earlier commission level.

Sanketh Godha: Okay, sir. And lastly on that investment income breakup?

Radhika Ravishekar: Sir, regarding interest income?

Sanketh Godha: Yes, yes. Breakup into capital gains and interest and dividend income, ma'am?

Radhika Ravishekar: Yes, so the interest income was INR1,255 crores as against INR1,069 crores of the previous year. Dividend is INR208 crores as against INR173 crores of the previous quarter, 30, June 2022. And profit on sale is INR802 crores as against INR589 crores.

Moderator: Thank you. The next question is from the line of MW Kim from JPMorgan, please go ahead.

MW Kim: Thank you so much for this opportunity. So I have two questions. The first question is about the risk management. So I noticed that overall the underwriting looks not really at a good stage compared to the other global reinsurers, so I just want to understand about your risk management practice. So in this years renewal, did you make that bigger the increase of the main excess overload the XOL, excess limit to make that the potential the tail risk the manage better, so that's the my first question.

And then the second question is about the overseas motor underwriting. So based on my understanding, the overseas motor if you consider the good underwriting strategy due to the low correlation with the natural catastrophe event in general. So I just want to understand a little bit more the big spike on the claim ratio and also the outlook on the overseas motor. Thank you.

Devesh Srivastava: See, on the risk management practice, what exactly are you wanting from us? We were not very clear on that.

MW Kim: Yes, sure. So I want to know that whether you increase the XOL, the excess overload of the point, in the case that the overall, in a big mega event you can make that your underwriting will not really have the big harmful. So that's my question.

Devesh Srivastava : Okay, no, on that count our deductible has remained the same from the previous year. There is no change at the point at which we purchase retro insurance. So that has remained the same. Does that answer your question?

MW Kim: Yes. In the case of the weather, it is a little bit different compared to the history. Maybe too hot and more frequent flooding, etcetera. I just want to understand that compared to the old that on the underwriting, do you have the more sophisticated on the writing to manage that tail risk which may happen in every 100 year or every 250 year, or you have the other own internal model to manage the risk then?

Devesh Srivastava: So that of course, you see our pricing strategies are at work and our pricing tools are used of course, but if you are talking about the change in the weather pattern that we are seeing, we had taken care of this in our previous quarter ending when we built up a catastrophic reserve, which was a healthy amount that we started with and that is going to hold us in good stead as we move forward.

So in the event of any vis a vis of nature that hits our book, we will have that reserve that will come to our rescue. Does that help?

MW Kim: Yes. Thank you so much, that's very clear.

Devesh Srivastava: And on the motor book, yes, motor does give you the diversification. So essentially it is just one contract that we are speaking about. I'll request Mr. Joshi to explain it further.

Hitesh Joshi: I think we had mentioned maybe two or three quarters back that given the experience of our US book, we decided to step back and we are re-evaluating our position and we will be again emphasizing the motor book and as you rightly pointed out it does offer a good diversification, but we are taking a pause for the moment in a particular market.

Moderator: Thank you. The next question is from the line of Supratim Datta from Ambit Capital, please go ahead.

Supratim Datta: Thanks for the opportunity. So I'll start off with the product-wise line. So in life, I can see that on the domestic side, the combined ratio has increased significantly from 82% last year to around 180% now. Just wanted to understand, what is driving this? And could this result in another cycle of hardening, when it comes to the reinsurance rate next year. That is question number one.

Question two would be on the combined ratio outlook that you gave, that you expect combined ratio to improve at the company level from the next quarter onwards. Just wanted to understand what gives you the confidence given the losses that we have seen due to floods in northern India and Telangana during this quarter, for the April and July. So what gives you this confidence? And currently, what kind of claims are under it and which categories are you seeing losses being developed due to these floods? So that would be question number two.

And question three would be that, given we have already seen two NATCAT events this year, do you see the reinsurance rates on the general insurance side hardening again next year? Those are the three questions. Thank you.

Hitesh Joshi: Let me start with life. There is a definite reserve strengthening that is impacting the higher combined ratio and the higher ICR. But we expect that over the period of time it will get fairly muted. Coming to the second point.

Supratim Datta: So this does not require any pricing action, I understand that, correctly?

Hitesh Joshi : Yes. Coming to the catastrophe, I think the entire world is watching in terms of what is happening on the climate change side and it is getting more-and-more headlines in different parts of the world. So the broad consensus presently is that climate change is here to stay. It is much nearer than we had thought and planned for. And presently, despite some additional capacity which has come forth, we expect that the hardening of the reinsurance rates, particularly CAT rates will continue to be solid. The market discipline for July renewal continues to be there, despite some increase in appetite of the risk carriers, as also more attention by the cedants. Market discipline is held up for July renewal and we expect it at least to continue for one more year.

Supratim Datta: And on your outlook for combined ratio for this year that you expected to improve, so could you say what gives you that confidence given the flood and if you could see, let us know that initially where you are seeing the impact on the floods?

Hitesh Joshi: I think we expect based on our various underwriting measures and discipline and process improvement that we have carried out that we will be improving in our underwriting performance year-to-year. This is of course subject to no major CAT event which is fully exposing our net, tweaking the results. So given the trajectory that we have charted out for ourselves, we do expect that year-on-year there will be improvement.

Moderator: Thank you. The next question is from Anirudh Agarwal from Valuequest Investment Advisors. Please go ahead.

Anirudh Agarwal: Thanks for the opportunity. My first question was on the international book again. So if you could share ex of the forex impact and the US book impact that you saw higher commission, what would the combined ratio have been in the foreign book?

Jayashree Ranade: Mr. Anirudh, if you see, in case of foreign book, our combined ratio is somewhere around 131%. Of which approximately, from the last year if you see, last year there was a profit -- exchange profit of INR350 crores. This year there is a loss of INR59 crores. Okay. So this is a major change. So if you reduce INR59 crores, of course that will be a small impact. Apart from that, the claim ratios have increased a bit by 10%. And as explained by Hitesh sir, commissions for those contracts which have gone up, which has some impact. So these are the reasons for foreign portfolios like increase in the combined ratio?

Anirudh Agarwal: Right, ma'am. No. The question basically comes from we have been seeing that there has been a 20% to 40% hike in international prices in the January renewals. And that was expected to significantly bring down the combined ratios from where we were operating earlier. But as I understand from your point, there is not a very significant impact of the forex loss or the old contracts in this 130%. So claims, of course, have gone up, but ideally shouldn't that price increase have countered that benefit and the loss ratio should have remained where it is instead of going up.

Hitesh Joshi: The price increase that you are mentioning is essentially on the property CAT side, though it has had knock-on effect, domino effect on all classes, but then it is essentially on property side. Our result is presently majorly impacted by the motor foreign adversely impacting and motor foreign has its own dynamics. It does have an influence of the wider market, reinsurance market trend, but then that is not impacted and it is not hardening to the same extent as what other classes have seen. So to see the improvement in our performance, the hardening of the rate at January, you need to look at property and not at motor. Motor is where what we explained about a particular contract and a particular tailing and what do you say, run off effect of the particular contract and delayed booking which I mentioned.

Anirudh Agarwal: If you could share the quantum of that impact -- of that contract?

Hitesh Joshi: I think it will be difficult.

Anirudh Agarwal: But broad number at INR100 crores to INR200 crores, INR300 crores, any sense you can give us?

Hitesh Joshi: If you can just superimpose motor figure for the current quarter over the previous quarter, you will get a good idea.

Anirudh Agarwal: Got it. Okay. Understood. And so on the domestic side, how are you looking at combined ratio improvement as we go ahead? Because obviously on the domestic side also, there is some amount of hardening that has already happened. And still, broadly, the combined ratio has only gone up versus last year, right? So what is the part that takes us to 100% combined ratio in domestic? Obviously, now some parts of the weather changes and NATCATs are going to be an everyday occurrence, the way climate change is moving and so on. So how do we get to 100% combined ratio in domestic?

Hitesh Joshi: I think whatever we have been doing, we have to continue on the same path. The only thing is that when the correction required was fairly huge, it could not have been done in a single year. And again, given the nature of the reinsurance business, where when a decision is taken, almost it takes around eight quarters on a proportional treaty to get the changes in underwriting getting reflected in the financials.

So it is the same thing essentially that entire world market, all risk carriers, whether it is retrocessionaires or whether it is reinsurers or insurers, I think every single player in the risk management market is alive to the challenge of climate change. If you have read the recent headlines, I think from 1st April, there is an increase of 25% loading on the STFI rating. So market is alive and reacting to this. Though there was a relaxation on the main fire cover, there was a loading on the this CAT component of the premium by 25%. So I think market will be reviewing the position, all the carriers will be alive to the situation and will correct itself.

Devesh Srivastava: I want to add to what Mr. Joshi just said, if our '22-'23 entire year results, our domestic combine's are totally under control and within 100. Even in this quarter, we see that our combined for the domestic is below 100. So domestic is now totally under control. It is the foreign book that we are working on and as mentioned earlier, there have been these three contracts that are not recent, they are earlier contracts which are now coming to a certain stage of maturity and those figures are what is playing the party pooper so to say.

Anirudh Agarwal: Got it. And sir, these contracts Q1, we have taken all the impact or there is more to come in the next one or two quarters?

Devesh Srivastava: I should remind you that largely the contracts were taken into account only that the bookings are now maturing and therefore there is a lag, there is a delay in the bookings of earlier years. That is why that is the number that is being reflected now.

Anirudh Agarwal: Right. And some amount of bookings you are seeing will happen over the next one or two quarters as well. That's how I should think about it?

Devesh Srivastava: Yes, because the tail is still carrying on.

Anirudh Agarwal: Understood. Okay, and any outlook on the investment income for this year given how equity markets have been performing?

Radhika Ravishekar: So this is, I'm the CIO. Yes, equity income is still, as the markets will be on the rise for some more time, we will be booking some profits from sale of securities. We'll definitely be there and we have a very stable fixed income portfolio also. 53.9% is in sovereign securities and so out of that 53%, 73% is in fixed income securities only. So there will be a stable investment income also. So interest income is also likely to go up.

Anirudh Agarwal: Right, understood. And finally, any update on the credit rating side?

Devesh Srivastava: So, Mr. Agarwal, we had our rating exercise, they had come in the second week of July and we had long discussions with them throughout the day. So, let's see. The toing and froing of questions is going on and we should be getting to hear from them. We are optimistic because they also acknowledge the fact that a lot of work has been done and the numbers speak for themselves.

Moderator: Thank you very much. That was the last question in queue. I would now like to hand the conference back to the management team for closing comments.

Devesh Srivastava: Thanks everyone again for your time and we are on a very set about path where we had made our decisions and we are just adhering by them moving forward on a well thought of way forward and that is what is getting us the results. And this trend is going to continue because as we had earlier also mentioned that it is the trend that you have to set in motion and then it takes time for it to actually translate into numbers.

So whatever we did four quarters, five quarters, six quarters, seven quarters, eight quarters ago is now getting into action and those numbers are showing and we hope to continue this trend. We have made a lot of post correction even in this time on the 1st of April renewals, which will hold us in good stead as the year develops. So we look forward to continue to make our portfolio much healthier and deliver better results quarter-on-quarter. Thanks again for your time and wish all of you a very happy weekend.

Moderator: Thank you very much. On behalf of General Insurance Corporation of India, that concludes the conference. Thank you for joining us. Ladies and gentlemen, you may now disconnect your lines.