September 25, 2026

To

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra-Kurla Complex,
Bandra (East), Mumbai – 400051

SYMBOL: POLICYBZR

BSE Limited
Department of Corporate Services/ Listing
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400001

SCRIP CODE: 543390

Sub: Transcript of the Analyst & Investor Call conducted on September 24, 2026

Dear Sir/Madam,

Pursuant to Regulation 30 read with Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith Transcript of the Analyst & Investor Call conducted on September 24, 2026.

The transcript of Analyst & Investor Call is also available on the website of the Company at https://www.pbfintech.in/investor-relations/.

You are requested to kindly take the same in your records.

Yours Sincerely,
For **PB Fintech Limited**

Bhasker Joshi

Digitally signed by Bhasker Joshi
Date: 2026.09.25 14:06:00 +05'30'

Bhasker Joshi
Company Secretary and Compliance Officer

Encl.: A/a

PB FINTECH LIMITED

Transcript of Analyst & Investor Call

September 24, 2026

Management: Hi guys, thank you for joining the call. We started this company in 2008 with a very clear objective to improve Social Security in the country. And in Social Security, the primary products were Term and Health. Within that, term insurance, when we started, used to have a commission of 0. And, health insurance was the same as motor insurance. So the primary reason we built these businesses was because we felt these were important products for the Indian middle class. Secondly, we've had some regulatory updates last evening and, we just wanted to clarify that we do a little more than a broker. We spend a lot of money in advertising and marketing to build awareness for the category. We do a lot of underwriting and risk management, because of which insurers get better quality business. We, of course, do distribution. But we also outdo what a distributor would usually do, in terms of customer service and claim support. We manage, for example, our own networks of garages, PB garages. We have a network of hospitals called PB Care+. We also have an investment in PB Health, which is a chain of hospitals. We also have a reinsurance brokerage. I just wanted to say these are additional activities from what you would find from a normal broker. In terms of our revenue lines, we have two clear revenue lines. One is life insurance, the second is general insurance. From the current regulations, in terms of net present value, we think the life insurance net present value is similar to what we have today, and should not have a major impact. But in terms of general insurance, it is between one-third to 40% of what we have today. That's a very serious impact on revenue. And we are thinking about what the implications of that are. We do have cost rationalization opportunities. And those would be in terms of how much we spend on digital marketing, how aggressive we are there, how aggressive we are in terms of brand spend. And also how aggressive we might be in terms of sales and customer support. Historically, our effort has been to be aggressive to drive growth for the overall industry. However, given the new economics, there may be opportunities for rationalization there, and we will look at that. With most of our general insurance partners, we work on a combined operating ratio model. What that implies is, if any component of the combined operating ratio, whether it is claims ratio or whether it is commissions, they come down, from whatever was the ongoing, that can reflect itself in terms of consumer pricing. And thus, you can see higher volumes because of more aggressive consumer pricing. Also, in term of service, we not just do marketing, consulting, technology, administration of policies, but we also manage networks. So, there is also possibility of us working with our partners for getting service revenues for these activities, including reinsurance support, because as you can imagine, we are not just a distributor, we are also a risk manager. So, and we are also exploring all options in terms of manufacturing, whether that be insurance or reinsurance, so we will explore those, we're at early stages of exploration of that. I don't know if Sarbvir or Alok, you want to add anything at this stage, otherwise, we can open it up to questions.

Management: I just want to reiterate what Yashish said, and, explain that we are performing multiple roles. There is a marketing awareness role, there is a conversion risk role, then there is a service and claims role. I think it is important to understand that our efforts are in multiple areas, and each of which, when unbundled, so for example, when you acquire customers from Google, you do pay Google separately, versus what you do to convert the lead, etc, etc. So, I think we have multiple roles, and I think that will give multiple areas of engagement. And the last thing I just want to say is that in the document, if you see sections 46-48, it is very clearly written that quality of business should be given value. It is not clear as to how that value is to be given, but I think that is very clearly expressed. I think that is very important portion to consider, because once that is in place, that value is given to the channel, to the distributor, to the platform which is providing higher quality of business, and then I think the delta that Yashish spoke about will become clearer. So, we remain very optimistic that eventually, the direction is clear, and hence, we will also benefit from that. And we have to work out the logistics of that.

Management: And we also hope the Act had provided a provision for the MGA, so we will also represent to the regulator and try to see if, along with these regulations, they can also consider approving the MGA, which should address this problem of quality and, thus, allow us to be rewarded for the better quality of business we do.

Management: See, one last thing, this is not something which is just for Policybazaar. This is a very industry-wide proposal which has been taken out, impacting all the distributors, and even insurance companies, and the way the insurance distribution model has worked in India so far. I think everyone from the industry has to collaborate and figure out what is the right next step for this, including us, obviously. But this is right now a draft consultation paper. So they will take inputs, and we will obviously provide inputs, and the timelines to implement, and some of the basic details in terms of whether it is retrospective, not retrospective, they are not still clear. So, our request is that right now, we are also absorbing, analyzing, and figuring out what is the right next step. And, we wanted to have this call so that we are able to present our current thinking with everyone. There are not too many exact next steps which are lined up yet, but over the next few weeks, I'm sure we and industry will have those in place, and at the right time, we'll communicate those to the broader group as well. It's just been less than 24 hours since this has come out. Happy to take questions here.

Management: Manas, please go ahead, I will unmute you right now.

Manas Agrawal: Thank you Yashish, for the opportunity. The math that has sort of come out from the regulator seems like the cost structure for the call center becomes difficult to sustain, especially on the general side, be it health, be it motor. So, obviously, the service is a bundle across all products. How are you thinking about product mix shifts, strategically, and that obviously has implications for market growth for the insurers as well. So that is question A. One more question, if I may. The second question that I want to understand from you guys, if you're in a position to share, what cost synergies or optimization strategies that could be enabled? To get a sense of downside protection.

Management: Sure, I'll take a very quick shot at it, and Sarbvir is the right person to answer this, but look, we always have decile analysis in our company. Typically, what you would find is that we always have deciles of people. In any contact centre, when you run a large contact center, the top 50% of your salespeople will typically account for about 80% of your sales. Now, the question is, why would you carry the remaining 50%? You carry the remaining 50% because over 3 months, 6 months. They become productive, too. And that's a normal route of a growing contact center. But once you are in a maintain mode, or you want to manage costs, you kind of start going reverse of that, and you start managing that. And so clearly, this is almost 20% of our revenue is the contact center, and we will have some rationalization opportunities. I'll kind of pass that on to Sarbvir. We also have many cost synergies which come, and we also have revenue synergies between our life and health business. You know, it's okay if we make more money somewhere and make a little less money somewhere for a little while, but sorry, Sarbvir, I'll pass that on to you, if there's anything else you want to add.

Management: Just to add to what Yashish said, there are two modes of operation. One is that you want to optimize for growth, where you go for every last opportunity for premium and revenue. That's how we have been operating now. But going forward, till this thing settles itself, clearly we will have to start cutting marketing and sort of our operational hiring, etc., to make sure that we don't over-expend ourselves. But I just want to use this call, because I know there are a lot of people on this call, including Policybazaar people also. I just want to be very clear that we are going to make no knee-jerk decisions, there will be no mass layoffs of any kind, we run the company for long-term growth, and we will calibrate that growth to the new reality, but at no point are we going to make decisions which will hurt our colleagues in any sort of unfair way. I just want to explain to all our Policybazaar team members that there is no plan whatsoever to do any kind of radical stuff.

Management: So, if you think about it from a rational perspective, maybe the hiring slows down a little bit. And what that means is our vintage starts growing. And when you look at vintage, people who have more than 6 months in the company are usually much more productive than the people in the first 6 months. So in a growing thing, you spend a lot on the first 6 months, and in a sort of maintained mode, you would sort of start calibrating that.

Management: But happy to take the next one, which is Jayant.

Jayant Kharote: Hey, Yashish. First question is on this. Just how do we sort of, thinking creatively, how do we deal with this? There is a top-line compression. I do understand we do have a lot of levers on the cost side as well, right? We do have a large cost base. Almost to the tune of, I think, ₹3,000 odd crores, if I'm not wrong. So, how is that cost broadly split? Where are the levers that you can pull on?

Management: To answer your question, Jayant, see, if you look at our overall revenue, let us say we have ₹100 of revenue. Of our core business, roughly half comes from GI, half comes from LI, let's say broadly. And let us say our GI gets compressed by 60%. Let's go with that. So, our total revenue has got compressed by 30%. And that means we have to see two things. Now, because this revenue compression has happened, and because we act in our GI business on a combined operating ratio basis, some volume expansion should also happen because of the price reductions. Like, at least what was shown to us was that there's a price elasticity of at least 1. Which means for every 1% reduction in price, there should be at least 1% growth. So, my view is at least 15-20% we should get back in terms of growth, if that is being given back to the customer in terms of price. That's number one. So, I think somewhere we have to factor that in, that our productivity goes up. I think number two, on the cost base, you are right. It is a large enough cost base, and we will find the synergies. Now, we're not going to be rash enough. We will spend the next week or so thinking about it, maybe even the next month or so thinking about it, and at some point, be in a position where we can sort of indicate that, look, there may be a 10% or so, and I'm not putting 10% out there right now, there may be a 10-15%, let us say, current revenue-to-cost synergy possible. I don't know. And that number, how it comes out, let's see. But see, it's our job to maintain the overall thing. I don't know, Sarbvir, do you have a different thing to say?

Management: Again, I don't want to say what are the right numbers, because I think the situation will play itself out, but, I mean, obviously, we will run the business in a responsible manner, as we have done so far. Now we'll be optimizing a slightly different objective, and based on that, we will take decisions. I mean, none of us want things to go south in any way.

Management: And we will also be creative around, when we said we will consider all options, there are lots of options we have to think about. We still do not have any revenues for all the activities we do. We run a care network, we run a garage network, we run a hospital network, we run a lot of stuff. And we do a lot of services, and currently we don't make any revenue for any of that. We have a reinsurance broker and please appreciate the reinsurance broker does not just apply to our business. Suppose I do 20% of an insurance company's business. The reinsurance broker can work on 100% of the insurance company's volume. So, I think there are a lot of levers here, and it doesn't have to be a reinsurance broker. We may tomorrow have something in manufacturing in a reinsurance company or an insurance company also. See, Policybazaar does three things. It distributes like a normal distributor. Then it does a lot of extra services, and Sarbvir spoke about unbundling of services. And the last thing is, we help a lot on risk. And that risk element, we are not getting rewarded for. Now, either the regulator should find the MGA mechanism, I believe, or they should permit us to as a reinsurer, take some of the benefit of what we are creating, is where I would leave it. So I do think there are quite a few moving parts here, which, being an innovative company, we will figure out, and we will manage.

Jayant Kharote: Yeah, just two more questions. One is on POSP. We are unable to get clarity if you guys have figured it out, how does the model work under the new IDE framework, if we will have to rethink on the POSP business. And the last question, Yashish is probably more strategic. We had thought of an international asset, maybe in hindsight now, how do you think now, maybe we need to re-look at some of the capital allocation decisions?

Management: I think it's a bit late. I won't answer in a knee-jerk manner, but I don't think we are revisiting international in a hurry in any way. That ship has sailed long back, and we have understood that was a mistake from our side. On POSP, look, if you read the regulation as it is, the business is challenged, and we have to think how we kind of manage it. Sarbvir, if you want to add something differently on the POSP, but, the way I read it, we need to look at it.

Management: And we are looking at it, Yashish already, and we understand again that there will be different portions of that business. But the way I would look at it is, from a top-line perspective, it would definitely be challenged if all this is going to be implemented, but then actually, from a bottom-line perspective, it may actually work in a different direction. So, I think we'll have to see how it goes, yeah.

Jayant Kharote: So, there is regulatory clarity now, or you're waiting for something on POSP?

Management: So, see, there is clarity in terms of what has been said so far. But whether this gets negotiated, diluted, let's see. Because I think this is a consultation. See, many of us, and I was speaking to some investors yesterday also, I agree, this is what the regulator has put out there. And the regulator has said there's a consultation process. Now, we have to see whether this changes a little bit or not. It's a little extreme compared to what the industry was expecting. So maybe there is some room for a little bit of walk back. Let's see.

Jayant Kharote: Okay, great, I'm sending good wishes to the team, all the best.

Management: Thank you. Just one more thing I would like to add here, this is Alok here. See, as I said earlier, these are draft consultation paper, not even regulations. This is not going to have any short-term impact on FY27, because even in this paper, it said the implementation will happen on 1st of April, only. And till that time, we have time to obviously go back, discuss, and put our points there. We also believe there's a potential upside from volume spurt, which we can see. So, we don't know how the FY28 will look like, but our hope is that we are able to figure out that there's no impact on FY29. But FY27, no impact.

Management: Fundamentally, that's what our endeavor would be. Our endeavor would be to try and get to the similar situation as we had by FY29. FY28 will be a year of challenges and discovery, maybe. I don't know.

Management: Shivani, please go ahead.

Shreya Shivani: Hi, thank you for the opportunity. My first question is, you specifically mentioned that the life insurance NPV remains similar under the new proposal as well. What are any thoughts around par, non-par, you know, those traditional savings products that you've sort of stayed away from, if you would want to scale up, you were already scaling up on those pension products, etc. Second, if you can just give a color around the MGA model, I mean, how does that model work in terms of revenue sharing, or, any dynamics around that would be helpful, in case if it comes up in the future, hopefully.

Management: Sarbvir, do you want to answer on the life side, and then I can do the MGA story?

Management: I want to answer, and I also want to be very upfront that while the NPV is in the same neighborhood as it is today, it is not the same. So, it's very important to understand that point. Second point is that you're right, actually with the commission's proposed, the larger agents will not find it lucrative to distribute at these levels. Now, the challenge for us, candidly, is that let's leave par alone for one second, but even for non-par products, is there any organic demand for them or not, is a question mark, but whatever little organic demand there is for them, I think now we will be in a better position to handle that demand. Because in the past, we were not in a better position because there were other dynamics in the industry, but now we will be. And one opportunity that we definitely see, and it's again early days, is that credit life, is an area which we have been working on for the last year or so in a somewhat, I would say, warming-up way. If credit life goes in the direction that is being proposed, then I think credit life could, again, be in a market that will open up for us. So, I think there are some puts and takes. There is also a discussion around non-insurance products. I don't know how exactly that will be implemented, but if that is implemented, then that also has opportunities for us. So I think we'll all probably find out. As Yashish said, it will take a while to figure out, but we are going to obviously keep our eyes and ears open for all these things.

Shreya Shivani: Just a follow-up over there, you were doing the mutual fund distribution from your Paisabazaar because it wasn't allowed under Policybazaar and all that? All of that is now under consideration for you too. These would the new product segments you'll be looking at, right?

Management: Yes, yes, absolutely. We are spending money on marketing. We can now find ways to improve the number of customers that we could get from the money, and I think that could be an interesting opportunity. Again, I don't know exactly how it's going to play out and be implemented, but it is an opportunity for us.

Management: If that happens, just to put it in perspective, before Paisabazaar was started, 25% of Policybazaar's revenue used to be credit cards and personal loans. Just putting it out there. I'm not saying that's gonna get allowed, but if that were to be allowed, there's a very strong possibility. Anyway, let's leave that aside. That'll happen if it happens. And we'll obviously attempt for that. There is no reason why it should not. If people who sell credit cards can sell insurance, why people who sell insurance should not be allowed to sell credit cards? On the MGA, see, the MGA is not very different from how an NBFC and a bank operates. The only difference is it's not very clear whether the MGA also puts capital. And we would be very open if the requirement is that the MGA puts one-third or half the statutory capital required for any activity. But in a way, the MGA takes on the role of underwriting, settling claims, and essentially the insurer acts like a wholesaler to an MGA, and the MGA then kind of manages the customers for the insurer to some extent. So essentially takes on the risk part in partnership with the insurer. If you really think about it, Policybazaar with this combined operating ratio is not very different from that, already. And so, we could move in that direction, and, I'm sure we will request the regulator, that if they can allow the MGA, along with these guidelines, then it would really open up for what I could call, quality distribution and responsible distribution, rather than just distribution, because I think making the distribution responsible is very important. And it's been mentioned, as Sarbvir said, that quality is important.

Management: Can we take Sachee? Hi, Sachee.

Sachee Trivedi: Hi Yashish, never a dull day! Yashish, you have a very unique position, you have a front-row seat into the entire industry. Take a step back, and explain to us where do you see maximum pain emerging in the industry because of the rules that have been proposed today? And, for which entities, doing this business almost becomes economically unviable. And I'm hoping, you could answer that all on the distribution side, but also on the manufacturing side, because even they are impacted. Help us see how the industry looks like next year.

Management: I think Sarbvir is much better placed than me to answer that, but I will give you my brief input. I think a lot of things will evolve. And, I think it is premature to say anything. See, today, for selling a fresh health insurance policy, an agent was being paid, give or take, ₹15,000. That is actually what an agent was being paid in the market. If these regulations are to be implemented exactly as they are being said, that same agent selling a health insurance policy is going to get ₹3,500 to ₹3,750. For somebody who was earning ₹15,000 selling 2 policies a month, suddenly getting ₹3,750 even if he manages to sell 3 policies a month, I don't know if that is rewarding enough. Now, typically, what would happen, in practice, is some of the people will be taken on-roll. So, actually, the person will still probably earn ₹15,000, because they would be taken on the roll of the company. So, I think some of the impact will be nullified that way. I think that people who can nullify the impact in some manner or the other I think would be able to see. We have to appreciate one thing. Either insurance has a huge amount of demand and somehow, we are all just fulfillers of that demand; if that is the belief, then clearly, if the price comes down, the demand should go up. But actually, I won't even stop there. I think the real issue in our industry was actually customer service and claims. And unless customer service and claims are sorted, it's not about the price, and that's what, in a way we have to look at what happened during the last price reduction, so to say, the sales did increase, but the elasticity was about 1, which is standard in most products. It's not like we had such fantastic growth just because of that so-called reduction. Because the pain for the customer stayed the same. And I'm not talking about the industry's pain, I'm talking about the customer's pain, in terms of the customer service and the claims experience. So, we have to actually focus on and improve that, if we want the industry to go better. If distribution was the engine that was pushing the sales, I think taking the engine out of the car and making it lighter will not make the car go faster, is my opinion. I could be wrong in that. And I think most industry will figure out. As I said, in agents, they might find a way to give the people a salary, there may be some arrangement for banks, people will figure out their arrangement, I believe. But I don't think anybody who can sell insurance, I don't think will be denied the right to sell insurance. I feel. But let's see. I may be surprised. I don't know, Sarbvir, if you think there's something you want to add here.

Management: I think largely, totally agree with what you said. The only thing I would just add is that there are jobs to be done. I think the best way to think of any situation is that there are jobs to be done, and someone has to do those jobs, and there is a cost of doing those jobs. So, unless you structurally change the cost, by eliminating one or the other, it doesn't solve the problem. And what I mean by that is that unless and until we make health insurance so desirable that people come and just start buying on their own, which is by improving the claims experience, the service, then things can change. Otherwise, it's going to be very hard, and we'll see where it settles. And I think that is the fundamental point that we have to all understand, that health insurance is not being bought by more than 6 Cr Indians, not because it's more expensive. Frankly, I would posit that it is actually not expensive when you compare it with anything else, and you see the range of prices that are there on our platform, for instance. It is not the price, it is actually the fact that people don't have confidence in the product. And I think till we change that point, and whether it comes about, because of this or anything else, I don't know, but that is one thing. And the second thing that I want to say is that I hope that due attention will be paid on making sure that, let's say, wherever the dust settles, whatever numbers are agreed upon, that the remaining benefit is provided to the customer. As Yashish said right up front, if Policybazaar is getting paid less than, let's say, channel ABCD, then we must be allowed to offer that delta as a price advantage. And I think at that point, things will get very interesting. So I think these are two very important points. Jobs still have to be done, and the delta must go to the customer, and I hope that the second will be ensured by the regulator.

Management: Hi, Shobhit.

Shobhit Sharma: Hi, Yashish & team, thanks for the opportunity. Yashish, you mentioned that we are looking to rationalize some bits and pieces of our expenses that we do, predominantly on the advertisement side, or the call center, or whatever it may be. My hypothesis is, because you do the advertisement spends, it fuels the organic traffic to your website, which in turn fuels the fresh business growth. So, if we are looking to rationalize on that piece, do you think it will impact our fresh business growth going forward? Second question is on, given what we have seen in the draft regulations, it seems that next 6 months are going to be very good in terms of the business which will happen all across the industry, across distributors, who will be looking to fuel themselves up. So, how do you interpret that psychology all over? And coming to the capital allocation. Policybazaar was the main capital creation for us as of now, and we have been investing a lot in the new initiatives, maybe PB Wheels, PB Care, PB Pay, Dubai business as well. We have invested a lot on Paisabazaar side as well. It's been 12 months, but certainly we've not seen the kind of strategic turnaround we were anticipating on the Paisabazaar side. So how do you think these business segments, because now the ask rate for these businesses to start contributing meaningfully, will go up substantially, given we have some setback on Policybazaar side? And lastly, do you think regulator believes all the distributors are making supernormal profits because the way they have rationalized the health renewal commissions? It seems to suggest that the distributors are not making any kind of effort, in terms of renewing those policies.

Management: I will say a few things, and some of it quite funny. My grandfather never lost hair, but I did. I've spent 18 years trying to build this company, and I think, worked very, very hard as a team, all of us and after 15 years of losses, we just started making profits 2-3 years ago. And our profits are still under 2% of total premiums that we do. If this was such a lucrative industry, we should have at least 10 more competitors. I can't even think of one standing with us today. That means it's a very hard industry.

But at the same time, I will admit that me, along with Sarbvir and Alok, all of us, were committed to growth, and are still committed to long-term growth. See, when you look at a digital business, you get a large part of your business because there's direct traffic, and if you put very little effort also, you will get sales on that. But then, what do you do at the margins? See, a person costs me the same in Gurgaon, or in Hisar or in Andhra Pradesh. But if I have to expand in Andhra Pradesh, I will not get the same sales as I get in Gurgaon, and I will not get the same direct traffic as I get in Gurgaon. And that costs money. And that is what we have been doing. We have been deploying people in 300+ cities settling claims. And I'm not saying this from a passionate perspective. The point is this is what India needs. To grow health insurance, to grow term insurance, because that is the need of the hour. Now, at the margins, when we were spending money on Google, and using these efforts to sell, we were barely at 100% right now. Like, we were spending ₹100 to make ₹100, at the margin. So clearly, that part will become unviable for us. If suddenly, instead of ₹100, I'm making ₹30, I can't spend 100 rupees to make 30 rupees. I obviously cannot. That is fair. And unless my sales become triple, which will not happen, right? Sales will not become triple. And what does that mean? This year, in H1, we hired about 6,000 people, and we hired them because we wanted to make this growth. But maybe if this had come out earlier, we may not have hired 6,000 people, we may have hired 2,000. That's okay. But here onwards, the hiring might start to slow down, and people after 6 months, they are far more productive. And we will wait for those 6 months to pass, and many of the people who've joined us have the opportunity to now become super productive. And so, our mathematics could look quite different in terms of productivity, in terms of efficiency, as long as the growth continues, and as long as the growth also delivers beyond that. So it is a different rationality, as Sarbvir said. One is a growth at any cost mindset. One is a rational growth mindset, and I think, for the short term at least, there could be some recalibration on that.

Regarding Paisa and every other independent asset, like UAE, etc. We are not so weak yet that we start taking irrational calls. That only very, very weak people do when they are in a very weak moment. These businesses are profitable by themselves. They are not dependent on the core business to support them. Yes, they have to grow from here. And we will support them in whatever meaningful way we can. Of course, if any of those businesses were anticipating making significant losses in the next year or so, that will need to be curtailed, if that was their plan, because we cannot inject a lot of fresh capital in that direction. Regarding capital allocation per se. Our capital allocation will be towards protecting our core position. Our core position is that of creating social security in our country, and doing that in a mindful manner, and being very clear about the risk we are creating. Please appreciate we may be getting paid 16%, but 70-80% of what the premium is goes towards claims. So, if we can be smarter about claims that does reduce costs, and that is better quality business, and if we can have better persistency. In some way, we do believe we need to be rewarded for that. And in some way, some of the capital allocation may go towards ensuring we get rewarded for that. Because that is the business, and that is the betterment we are creating in the system. And, not being rewarded for it is unfair. We are only here to do what is fair, with the new lens of economics on our eyes.

Management: I just want to add one very small point, Yashish. I just want to caution that this concept of fire sale, I'm not necessarily buying into this theory at all. Policybazaar is not a push platform. So, you see, even in instances, when there is push in the industry, that's not our style. So, I don't know that customers beyond a point will fully understand what is happening and come running to buy health insurance before 1st April, if that is the date on which this is implemented. So, I just want to caution that at this point, we are not clear, but of course, we will try our best.

Management: Hi, Ashwin.

Ashwin Mehta: Hi, Yashish. One question, given that the impact for us is much higher on health, and especially renewals. Now, renewals in term life and retail health, if both are retrospective, then the insurer might have to raise commissions in life renewals on their back book. Will that be agreeable to them, and can health and life be different, in terms of health being retrospective and life being prospective?

Management: I can't answer that question. We'll have to see what happens and, I don't know, Sarbvir, if you have any clarity so far, but I don't have any clarity on whether it's retrospective or not.

Management: Yeah, I think, Ashwin it's too early to get into all that. I think, it's just 24 hours since we've got this paper, so I think it'll take time.

Ashwin Mehta: Okay. Thanks, and all the best.

Management: Dipanjan, please unmute your mic.

Dipanjan Ghosh: Hi, yeah, so few questions. First, Yashish, with this insurance manufacturers, whether life or non-life, that you work with, there are multiple other categories, and I think Sarbvir touched upon the credit life proposition that you guys have been maybe working on for some time. There is Group business also, that some of them do, you have also kind of gone into the PB corporate mode. And, commission ceilings are different across all these, other product segments versus, let's say, the core retail health. And maybe the product is sold by the same manufacturer. Do you see some levers available for you in those product segments, to a certain extent, maybe get favorable revenues from those other products which are probably sold by the same manufacturer. That's the first question. Second is on POSP. I think this was touched upon, but I'll just maybe go ahead. Given the differential between agency and brokers incrementally, how does that channel really survive on a standalone basis? And the final question, from my side is that, with this commission ceilings and cuts on EoMs and everything, the business model of a lot of small brokers might become less and less viable, or small agents. Do you see any scope to bring them under your umbrella, M&A, etc, from the Indian market perspective because you have a very strong lead origination funnel, they might have the last mile reach out there.

Management: So, Dipanjan, Last question first, no. We are not in a mode of acquiring any of the small brokers or agents, because, fundamentally, the DNA doesn't match. And I'm not saying they are bad, or we are good, or we are bad, and we are good. It's just that there's no DNA match, so we do not like to do that. We just like to build our own employees, and we have a certain DNA as an organization, and we just follow that through. On the POSP, look, you've stated the obvious, that today the agency commission is higher than the broker commission, and the POSP is being bucketed in the agency side. So, how does this model work? Yes, it is a question mark, and I guess that question will be also posed to the regulator by the POSP players, and maybe the regulator is considerate and kind of considers a similar thought process. Also, look, legally, a broker puts in more effort than an agent, and please appreciate, you spoke about insurance companies, when an insurance company runs agency, there's a lot of costs that the insurance company undertakes to run agency. And they do not undertake the same level of cost in running a POSP channel, and they do not undertake the same level of cost in running Policybazaar. Much lower cost level compared to running agency. I have nothing to say here, because this is the regulator's call, but the economics of differential commission between an individual hired by an insurance company and an individual hired by Policybazaar, or a broker, where the broker actually has higher responsibility, I don't understand fully. So it is something I believe, which the regulator may clarify, may not clarify it. So, the regulator is the eventual head of the whole system, so eventually they decide, whatever they decide is the final word. But it doesn't sound very convincing that the agent on whom the insurance company is spending so much has to be paid more than the POSP, or than the broker.

Management: Yeah, I just want to add, Yashish one point, that while in POSP, we focus a lot on the commission side, and that is obviously one reason why POSP agents work with POSP platforms. There is actually another reason, which is that it is not possible to aggregate so many people and have the tech capability to manage their whole story, and for them to manage their customers. So, there are two parts to it. Insurance companies get a benefit of being able to manage advisors or agents through this platform, and the agent is able to manage their own customers through the POSP platform. So, I think, again, if you go back to the jobs-to-be-done framework, there is a second job which is being done, and hence, somebody will have to do it, and it'll cost money. So, I think we'll have to see where this all ends up, because if you see agency costs, Yashish was explaining, are much higher than POSP costs from an insurance company perspective. So, it's an interesting dynamic that will emerge from this.

Management: And there is also the pressure to reduce expense of management. Look, today it is not about one distributor versus another. We are all in this together. We have to somewhere plead with the regulator to allow distribution to exist and, also to allow responsible distribution to emerge, which is where MGA becomes the final responsible distribution, where a distributor is responsible for the quality of the business they are creating.

Management: Hi, Supratim.

Supratim Datta: Hi, Yashish, thanks for the opportunity. So firstly, there has been a lot of consultation already on this paper, right? You know, we have been hearing about this, you have been talking, a lot of the industry participants have been talking since January.

Management: I just wanted to clarify there has been no consultation with distributors. I just wanted to be crystal clear on that. We have a distribution regulation without consultation with distributors.

Supratim Datta: Got it, got it. No, that's very clear. That makes sense now. And see, on the other front, Yashish, you have, mentioned in previous forums that you could look at becoming an insurer. Obviously, MGA is one opportunity, I think step towards that direction, but that would require again, regulatory clarity. But you have indicated that you could look at manufacturing, or, going towards that. Does this make it even more imminent that Policybazaar as a platform should go towards that direction?

Management: Supratim, we are still exploring, and I mentioned in the opening remarks itself, we are exploring how we think about manufacturing. But you are spot on. It becomes a little harder for me to justify not having a manufacturing entity of my own, because this somewhat takes away the trust in the fact that distributors would be rewarded for the quality of business they create. See, we have worked 18 years to create good quality business. Today, if we had created bad quality business or good quality business, if we're going to get paid exactly the same for both, to an extent, the joke is on us. And in the past, the reason we felt we did not have the need to become a manufacturer, because we could operate with our partners on a combined operating ratio basis. And as both me and Sarbvir said, we would still like to operate on a combined operating ratio basis. We are okay with us getting paid less, that's fine. We will figure out our costs. That's our job. But then the reward must go to the customer. If this implies that the reward does not go to the customer, and all we are doing is transfer financial benefit from us to somebody, then that becomes an unfair position, because we are already giving quite a bit. We are operating at a combined operating ratio in health of 93%. Please appreciate, for ₹30 of capital, with ₹5 of interest income on that and ₹7, that is ₹12 on ₹30, that's 40% return on equity. If you reinsure that, you can today reinsure commodity at 20%. And let's say you reinsure 50% of that, then on your 50%, you can make 60% return on equity. So, I think we are giving a very profitable business. If somebody expects it to be more profitable than that, somebody expects it to be 100% return on equity, I think that's an unfair expectation. And then that is where you get forced to become a manufacturer. So, I think now, if I was to think about it, if I was to give a probability, I would say, yes, there would be a higher probability of us having some manufacturing capability of our own, because we have to defend ourselves in that situation, where our financials are impacted, but the benefit is not passed on to the customer, and thus we are not allowed to win. See, if the benefit is passed on to the customer with our position, we should be able to win more in the market. But if none of those happen, then, yeah, we have challenges. But I think, with our partners, we will be able to reach a common ground of passing on the benefit to the partners, and both us and our partners growing. I think both us and our partners are both very responsible, and both important to each other.

Supratim Datta: Absolutely, and that's very fair. And last question from my side, you indicated again, that there are services that you don't charge for now, Garage Network, and others, and, you know, you could look at, monetizing some of these, but correct me if I'm wrong, when I read the regulation, it suggests that any payment that you make to the distributor will now be classified as commissions.

Management: No, but this is not the distributor, my friend. These are separate companies.

Supratim Datta: Understood, understood.

Management: So, the distributor does not do any of these activities. They are all done outside of the distributor, so PB Garage, PB Wheels, PB Care+, PB Health, these are all separate companies.

Supratim Datta: Understood. Oh, that's clear. Thank you.

Management: We have another call starting in about 4-5 minutes, so maybe we can take one last question if there is somebody.

Management: Nidhesh, you can unmute your mic.

Nidhesh Jain: Hi, Yashish. So, I think the biggest impact on our business is because of the renewal revenue, because there is a sharp cut in the Health Insurance Commission. So, is there any way to protect our renewal revenue, in your mind?

Management: No, I think it's a very emerging thing, and as there's a kind of unwritten contract that we have had with our partners, and our insurers are our partners, where we have sourced business in the first year by investing in the health insurance business. That is the reason why we have the lowest port share, we bring fresh, younger lives to the industry. And then, obviously, we expect that over a period of time, both our partners and Policybazaar, as Yashish just explained, make money on those lives. It's not just that Policybazaar makes money, or the partner makes money. So this was an implicit contract, and I think that's what has played out over the last many years. Now, we'll have to figure out what shape this contract takes, because honestly, if we don't get fresh, young lives into the health insurance industry, this industry cannot work. I mean, beyond a point, we all understand the economics, that above a certain age, the premium can never fulfill the cost of serving that customer. That has to happen from fresh, younger lives, and honestly, I feel this is a very important job to be done, and unless somebody does it, there will be major issues.

Management: And right now, we do perhaps half the job of bringing in young lives into the health insurance category. Please appreciate, just for a moment, let us take the argument, I'm not saying this is true, let's take the argument Policybazaar can't sell health anymore, because our costs and everything become such that we just can't operate. Let's assume. What does that mean? That means the one who was bringing in at least 50% of their young lives to the system, in terms of fresh business, it's not doing that anymore. Can the industry afford that? That means the old book starts growing. And that the claims ratios start becoming worse. I don't think it's an option for the industry to not grow the fresh book, and to not encourage the growth of that fresh book. Our arrangement, as Sarbvir said, is very clear, we were paid a certain amount for fresh, and a certain amount we were supposed to be paid for renewal. I don't want to use a strong word, but I don't expect any of our insurance partners to renege on that partnership which we have had.

Nidhesh Jain: Sure, that's it from my side.

Management: Alright, thank you so much, guys. This was our last question. Thank you.