

Date: April 28, 2023

Place: Chennai

**Ref: SHAI/B & S/SE/20/2023-24**

To,  
The Manager  
Listing Department  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai – 400001  
Scrip Code: **543412**

To,  
The Manager  
Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, 5th Floor, Plot C/1,  
G Block, Bandra-Kurla Complex  
Mumbai – 400051.  
Scrip Code: **STARHEALTH**

Dear Sir/ Madam,

**Sub: Earnings Call Presentation – March 31, 2023**

Further to our letter SHAI/B & S/SE/12/2023-24 dated April 25, 2023 regarding intimation of Q4-FY2023 and FY2023 Earnings Call, please find enclosed the Earnings Call Presentation on performance of the Company, to be made to the Investors and Analysts on Friday, 28th April, 2023 at 07:30 pm IST for the quarter and year ended on March 31, 2023.

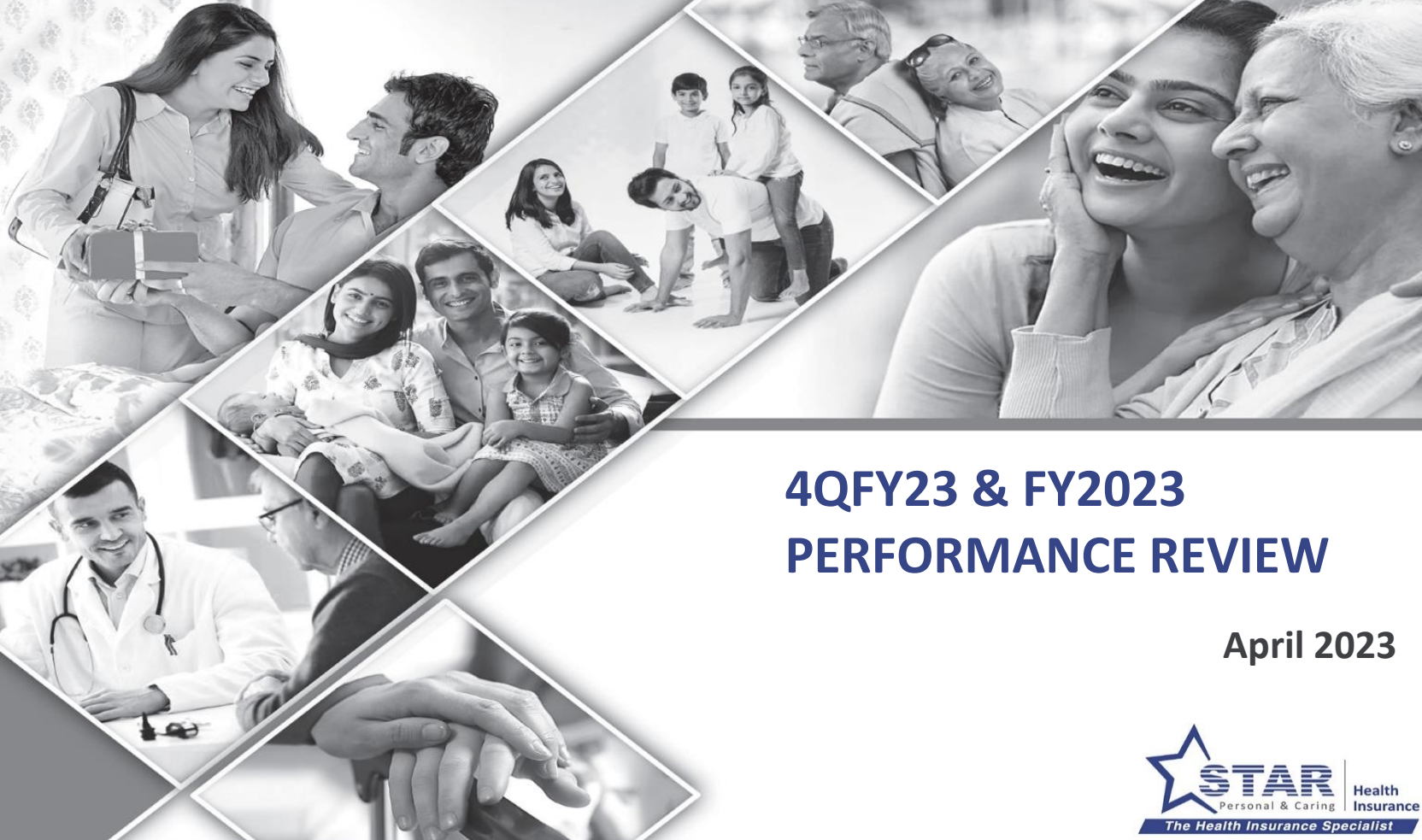
The above information is also being hosted on the Company's website at [www.starhealth.in](http://www.starhealth.in)

This is for your kind information.

**For Star Health and Allied Insurance Company Limited,**

**S.Venkataraman**  
**Vice President & Compliance Officer**

Encl.: As above



# 4QFY23 & FY2023 PERFORMANCE REVIEW

April 2023



# Key pillars of our Strategy

## 1 Leadership in Retail Health

34% Retail Health Insurance Market Share

39% Retail Health Accretion Market Share

## 2 Well Spread Distribution Network

20% CAGR in no. of agents since FY20 to 0.63 million

835 Branches

## 3 Investment in Technology

62% premium value issued digitally

INR 8.9bn GWP acquired from online channels

## 4 Diversified and Specialized Product Suite

Specialized Products contribute 15.5% of Star Health's total retail health GWP

## 5 Focus on Risk Management

14.2k Network Hospitals

67% claims processed through ANH

## 6 Superior Operating Performance

Solvency Ratio at 2.14x (premium based)

Best-in-class Opex/GWP Ratio of 15.9%

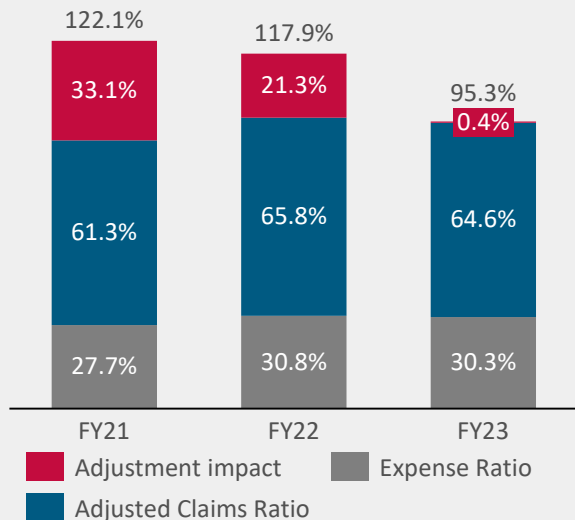
# Key Performance Indicators (1/2)

Particulars  (INR millions, unless otherwise stated)	Fiscal Year Ended March 31,		
	2021	2022	2023
GWP	93,885.4	1,14,634.7	1,29,524.7
Period-on-period growth of GWP	36.8%	22.1%	13.0%
Retail Health Renewal Premium Ratio	97.9%	94.0%	95.0%
Number of agents (in '000s)	462.4	549.5	625.9
Number of hospitals in network (in actual number)	10,871	12,820	14,203
Investment Income	4,236.8	7,928.2	8,345.6
Investment Yield	7.1%	8.2%	6.9%
Profit/(Loss) after tax	(10,857.1)	(10,406.7)	6,185.9
Net worth	34,843.4	45,133.8	54,301.3
Return on equity	-40.4%	-26.0%	12.4%

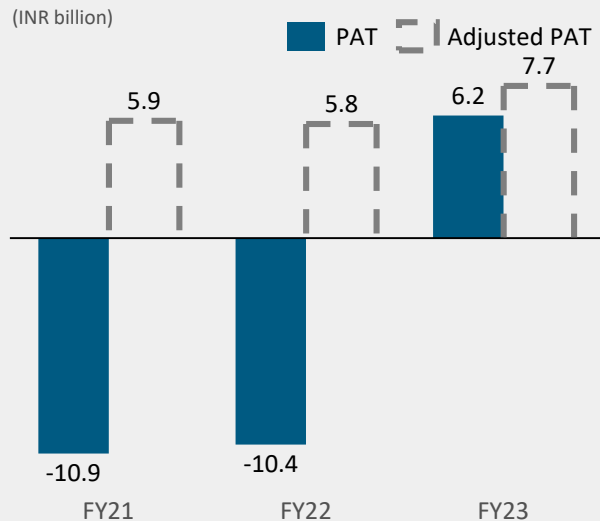
*Return on Equity = Profit After Tax/Average Net Worth. Note: Numbers are basis 1/365 URR method.*

# Key Performance Indicators (2/2)

## Claims, Expense and Combined Ratio



## Profit After Tax (PAT)



Note: Adjustments for FY21 excludes impact of exit from VQST reinsurance, clean cut URR, change in URR accounting to 1/365 basis, exceptional COVID -19 claims impact, One time expenses (Sweat Equity, Intangibles – IT Software, Provision for Doubtful Debts (RSBY) and Goodwill Gesture Scheme); Adjustments for FY22 and FY23 excludes COVID-19 claims impact, Non business ESOP cost.

Note: All numbers are basis 1/365 URR method

# Agenda

**Our Strategy**

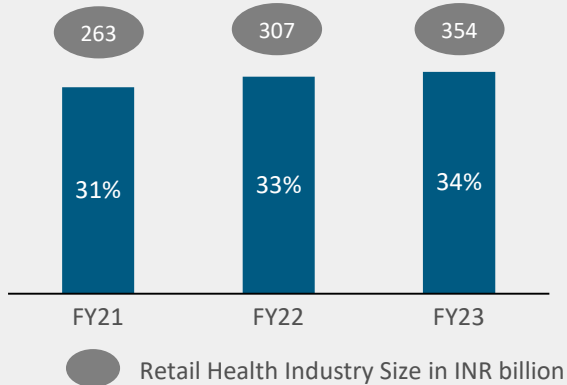
Performance Update

Industry Overview

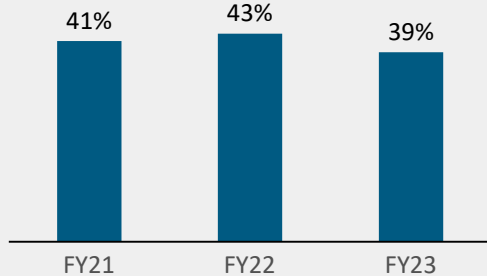
ESG: Strategy and Implementation Areas

# 1 Leadership in Attractive Retail Segment

Retail Health Market Share

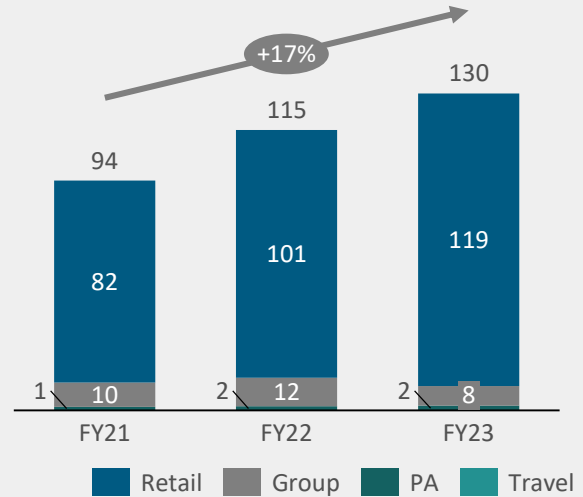


Retail Health Accretion Market Share



Gross Written Premium

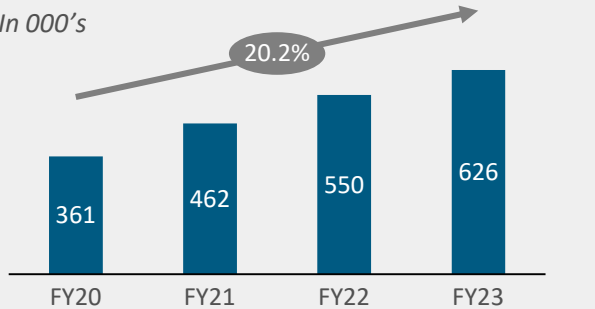
(INR billion)



## 2 Largest and Well Spread Distribution Network

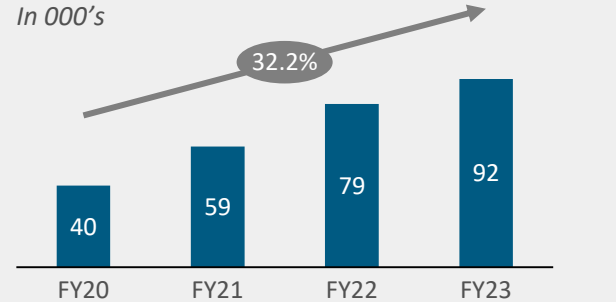
Total Agency Force

In 000's

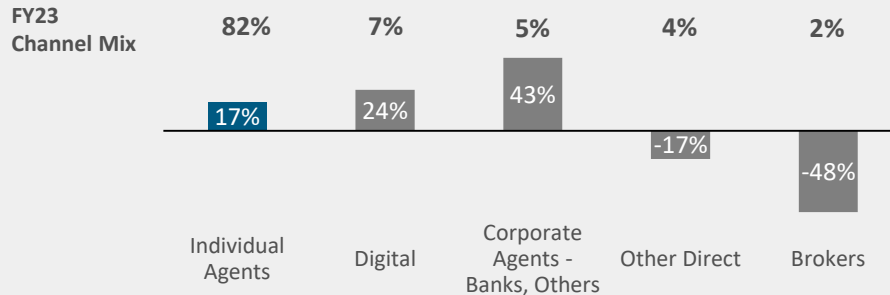


Sponsored Health Agency Force

In 000's



Channel wise mix and growth, FY23

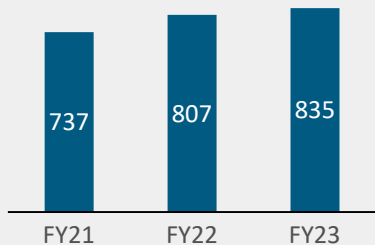


Note: Brokers excludes online brokers such as Policybazaar



## 2 Extensive Footprint and Alternate Distribution Channels

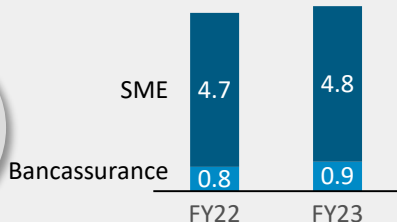
### Extensive Branch Network



### Focus on SME & Banca Group Health Sales

INR billion

**71%**  
SME + Banca  
contribution



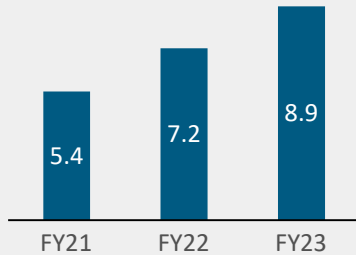
### Partner Integration



### 3 Continued focus on Digital Growth

#### Digital Acquisition

GWP acquired through online channels, INR 'billion



**28%**  
Growth – Web-sales  
& Telesales



#### Hyper-personalization

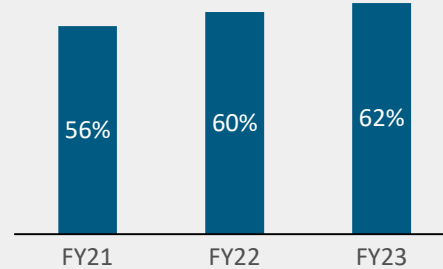
STAR POWER - personalized single channel customer self-service application

**2.0m**

Customer App  
downloads

#### Digital Issuance

% of premium collection



#### Digitizing Customer Acquisition

More than 80% of agents have  
downloaded the STAR ATOM app

Note: Digital includes web-sales, tele-sales, web aggregators and online brokers

## 4

# Diversified and Specialized Product Suite

## Specialized Products



Star Cancer Care Policy



Star Cardiac Care Policy



Star Diabetes Safe Policy



Star Senior Citizens Red Carpet Health Insurance Policy

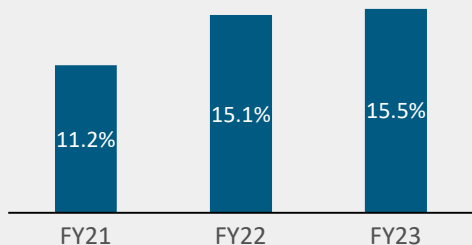


Young Star Policy



Women Care Policy

## Retail Premium Mix for Specialized Products (%)



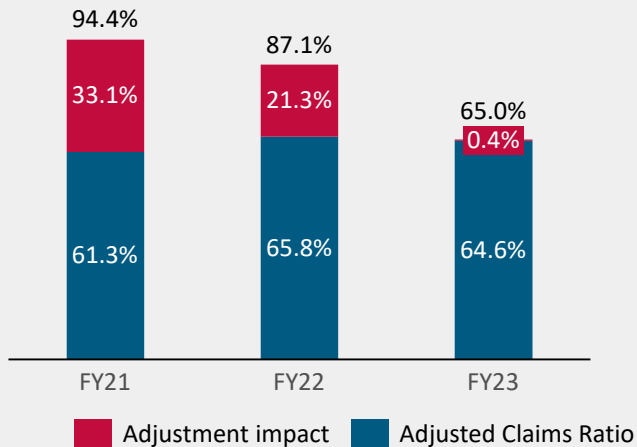
## New Product launches 4Q-2023

Special Care Gold  
Star Group Health Benefit Plus – Platinum

Note: Specialized products include disease and age specific products like Cancer care, Cardiac Care, Diabetes Safe, Senior Citizen Red Carpet, Women's Care and Young Star

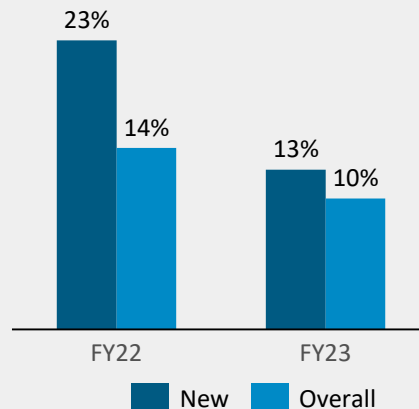
# 5 Strong Domain Expertise Driving Superior Claims Ratio

Net Incurred Claims Ratio<sup>(1)</sup>



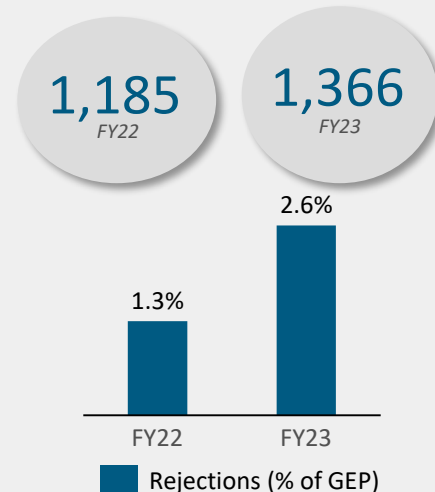
Increasing Sum Assured

Growth of Average Sum Assured on Retail Health policies



Fraud Analytics

Disciplinary action against erring hospitals



Note: Adjustments for FY21 excludes impact of exit from VQST reinsurance, clean cut URR, change in URR accounting to 1/365 basis, exceptional COVID -19 claims impact; Adjustment for FY22 and FY23 excludes COVID-19 claims impact

Note: (1) Net incurred claims ratio is defined as net incurred claims divided by net earned premium.

Note: All numbers are basis 1/365 URR method

## 5 Extensive Claims Processing and Network Negotiation

9.0m

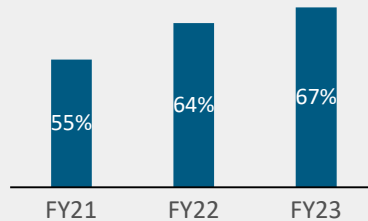
Claims Settled  
Since Inception<sup>(1)</sup>

90%

Cashless  
authorization < 2 hr

ANH<sup>(2)</sup> Share...

Proportion of total cashless claims



14.2k

Network  
Hospitals

- Largest Hospital network
- Valuable service provider (VSP) introduced to improve TAT's, Best pricing, transparency etc.

Note: (1) Data as of Mar 31, 2023 (2) ANH refers to Agreed Network Hospitals with better negotiated package based pricing. On number of claims count.

# Agenda

Our Strategy

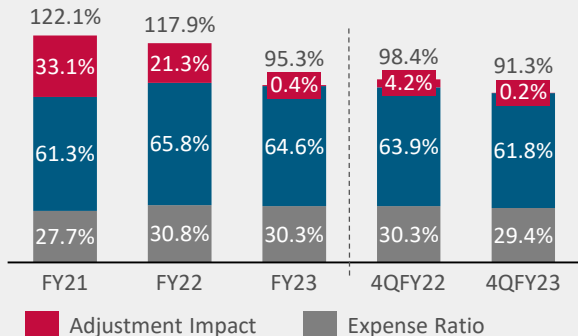
**Performance Update**

Industry Overview

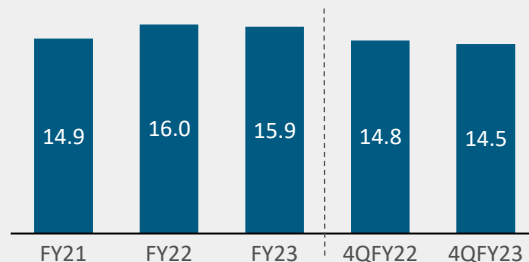
ESG: Strategy and Implementation Areas

# 6 Financial Performance

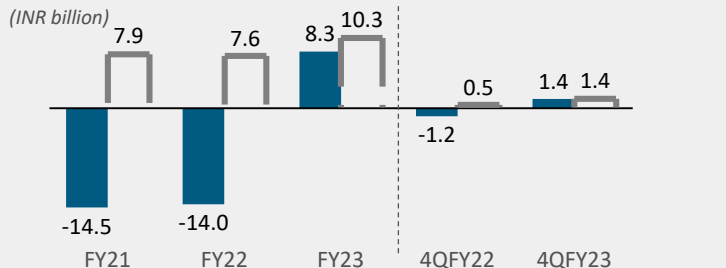
## Combined Ratio



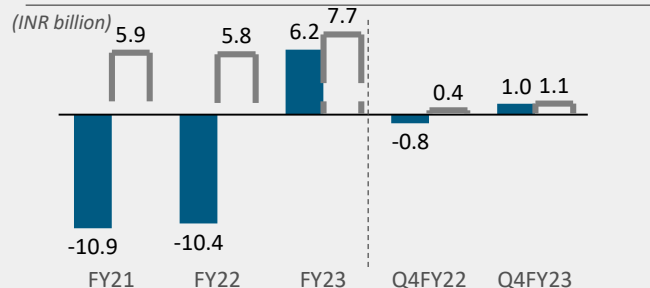
## Opex/GWP Ratio



## Profit Before Tax (PBT)



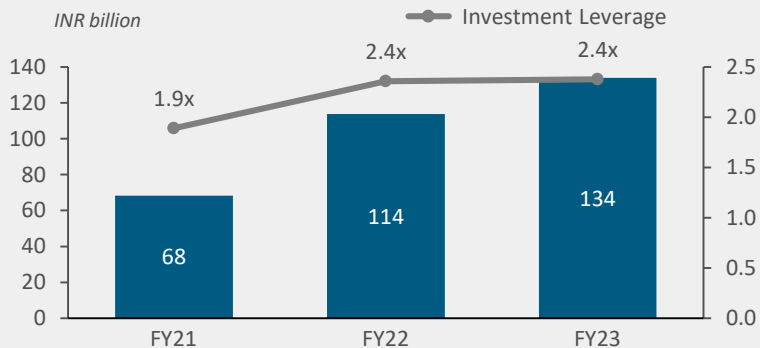
## Profit After Tax (PAT)



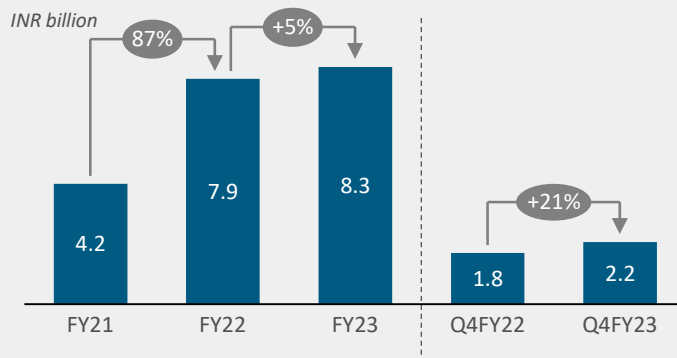
Note: Adjustments for FY21 excludes impact of exit from VQST reinsurance, clean cut URR, change in URR accounting to 1/365 basis, exceptional COVID-19 claims impact, One time expenses (Sweat Equity, Intangibles – IT Software, Provision for Doubtful Debts (RSBY) and Goodwill Gesture Scheme); Adjustments for FY22 and FY23 excludes COVID-19 claims impact, Non business ESOP cost. Note: All numbers are basis 1/365 URR method

# 6 Robust Investment Performance

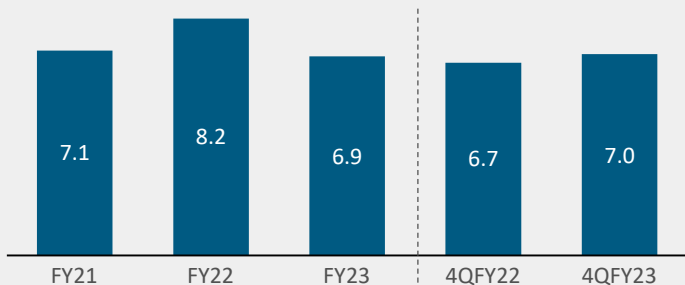
## Total Investments Assets



## Investment Income



## Steady Returns...



## ...with fixed income portfolio

**75%**  
AAA, Govt.  
Portfolio & FD

### Long-Term Funds

Government Securities, State Development Loans, Corporate Bonds, Fixed Deposits, REITs, InvITs and ETFs

### Short-Term Funds

Bank FDs, Overnight Mutual Funds, CPs, CDs, T-Bills, CMBS, Short Maturity Bonds and Tri-Party REPOs (TREPs)



# Agenda

Our Strategy

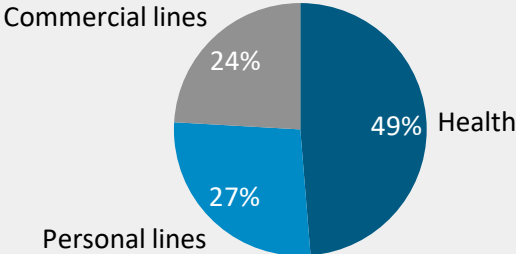
Performance Update

**Industry Overview**

ESG: Strategy and Implementation Areas

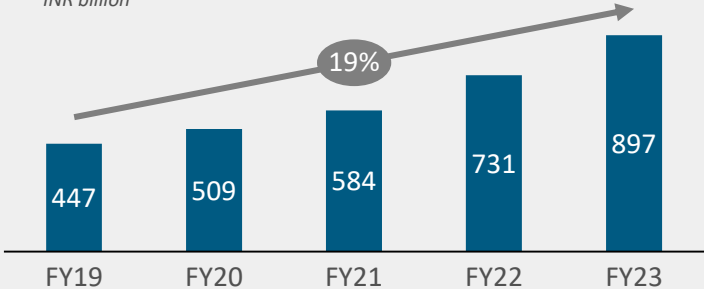
# India Health Insurance: Highly Underpenetrated and Growing

Global non-life premiums (2021) were USD3,860bn with Health contributing almost half <sup>(1)</sup>



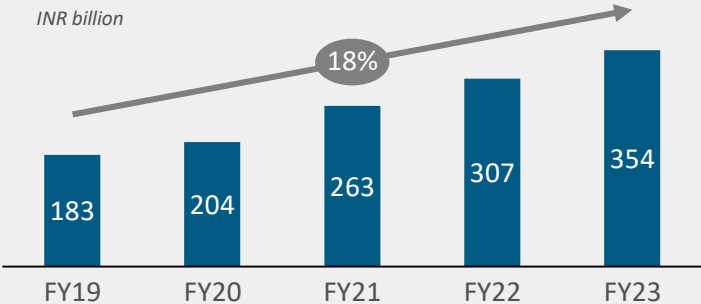
## India Health Insurance<sup>(2)</sup>

INR billion



## India Retail Health Insurance

INR billion

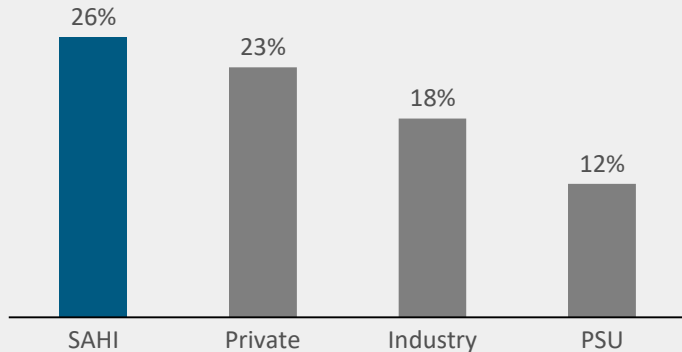


Note: (1) Personal lines consists of Motor, Property and Other, Commercial lines consists of Property, Liability, Motor and Other. Source: Swiss Re sigma. (2) Health excludes Travel and PA. Source: IRDAI, GI Council

# Standalone Players Continuously Gaining Share

## SAHIs leading Industry Growth

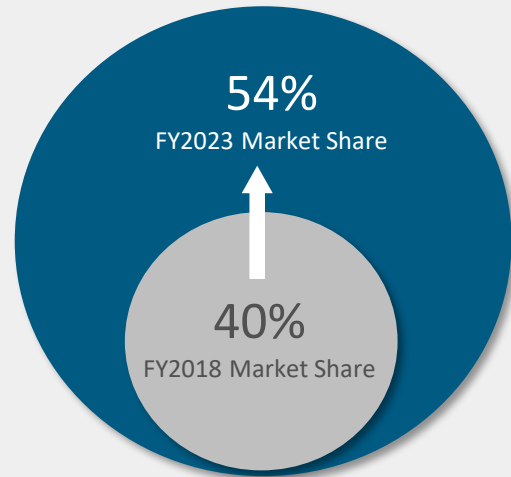
CAGR between FY18-23



- *Single product focus to better cater customer requirements*
- *Strong focus on underpenetrated and profitable retail business*
- *Open architecture allowing banks/ other corporate to partner with nine SAHI's insurers*

## Due to Focus on Retail Health

% Market Share of Retail Health Insurance



Note: PSU refers to Public Sector Undertaking or Public Sector Insurance Companies. SAHI refers to Standalone Health Insurance. Includes Travel and PA. Source: IRDAI, GI Council

# Agenda

Our Strategy

Performance Update

Industry Overview

**ESG: Strategy and Implementation Areas**

# ESG: Strategy and Implementation Areas



Health Insurance is a Social business protecting Health and Wealth of Customers

## Strategic Pillars of ESG

### Environment

Undertake initiatives to contribute to creating a more sustainable environment

### Social

Consistent work in areas of Healthcare, Education, Skill development and Employee welfare

### Governance

To operate the business in Transparent, Compliant and Secured manner for the benefit of stakeholders

# ESG: Strategy and Implementation Areas



## Environment

### Energy and Water Saving

- LED lighting and energy efficient AC installations
- 3/5 star rated appliances with regular maintenance
- Sensor based taps and Urinals to save water

### Waste Management

- E-Waste disposal through Govt. certified vendors
- Segregating Dry and Wet waste

### Digital Initiatives

- Digital on-boarding of Customers
- Double side printing configured
- Travel reduction through virtual meetings



## Social

Offering free telemedicine services with over 8.5 lakhs consultations to date and over Rs.24 crore savings

Providing food to underprivileged persons in various states across India

Promoting health care including preventive health care through Public Health Foundation of India

Maintenance of public toilet in a strategically located area in the city with high floater population

New Cancer treatment initiative with St. Jude Child Care Centres; Health and Accident coverage provided to at least 500 children annually

Promote diversity and inclusion at all levels; Anti sexual harassment policy and an equal employment policy

# ESG: Strategy and Implementation Areas



## Governance

### Board Structure

50% - Independent directors

2 Women independent directors

Evaluation framework for directors

### Data /Cyber Security

Enforcing leading practices and controls through effective Cyber security Policy and Framework

### Risk Management

Risk based internal audit framework & Risk management policy with oversight of Board and BRMC covering Financials, Operational and reputational risk

### Business Ethics

Whistle blowing to eradicate unethical behaviour in the workplace

Anti-money laundering & compliance

Acceptance of Gifts

Insider trading code

**THANK YOU**





# Glossary

Particulars	
FY	Financial Year
GWP	Gross Written Premium
GEP	Gross Earned Premium
CAGR	Cumulative Annual Growth Rate
Y-o-Y	Year-on-Year
VQST	Voluntary Quota Share Treaty
URR	Unexpired Risk Reserve
ANH	Agreed Network Hospitals
PA	Personal Accident
SME	Small and Medium Enterprises
TAT	Turn Around Time