

Date: May 05, 2026

Place: Chennai

Ref: SHAI/B & S/SE/21/2026-27

To,
The Manager
Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400001
Maharashtra, India
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
Maharashtra, India
Symbol: **STARHEALTH**

Dear Sir/ Madam,

Sub: Earnings Call Transcript – Q4 & FY 2026

Further to the Company's letter SHAI/B & S/SE/06/2026-27 dated April 20, 2026 regarding Earnings Call Intimation for Q4 & FY 2026, please find attached transcript of the call dated April 29, 2026 for your information and records.

The above information is being hosted on the Company's website at www.starhealth.in

Thanking You,

For Star Health and Allied Insurance Company Limited,

Jayashree Sethuraman
Company Secretary & Compliance Officer

Encl: as above.



Star Health and Allied Insurance Company Limited

Q4 & FY2026 Earnings Conference Call

April 29, 2026

Management:

Mr. Anand Roy – Managing Director and Chief Executive Officer

Mr. Amitabh Jain – Executive Director & Chief Operating Officer

Mr. Himanshu Walia – Executive Director & Chief Marketing Officer

Mr. Nilesh Kambli – Chief Financial Officer

Mr. Aneesh Srivastava – Chief Investment Officer

Mr. Sombit Bhattacharyya – Head Investor Relations

Moderator:

Ladies and gentlemen, good morning and welcome to the Star Health and Allied Insurance Company Limited's Q4 & FY26 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 "*" then "0" on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Devyanshi Dave from Adfactors PR, Investor Relations team. Thank you and over to you, Ms. Devyanshi.

Devyanshi Dave:

Thank you. Good morning, everyone.

From the Senior Management, we have with us Mr. Anand Roy – Managing Director and Chief Executive Officer, Mr. Amitabh Jain – Executive Director & Chief Operating Officer, Mr. Himanshu Walia – Executive Director & Chief Marketing Officer, Mr. Nilesh Kambli – Chief Financial Officer, Mr. Aneesh Srivastava – Chief Investment Officer, and Mr. Sombit Bhattacharyya – Head Investor Relations.

Before we begin the conference call, I would like to mention that some of the statements made during the course of today's call may be forward-looking in nature, including those related to the future financial and operational performance, benefits and synergies of the company's strategies, future opportunities and growth of the market of the company services. Further, I would like to mention that some of the statements made in today's conference may involve risks and uncertainties.

Thank you and over to you, Mr. Roy.

Anand Roy:

Thank you. Good morning and thank you for joining Star Health's Earnings Call for the 4th Quarter and for the full Financial Year FY25-26.

FY26 was a year of strategic recalibration for us, focused towards strengthening our performance across the core operating levers, which is distribution, maintaining a strict underwriting discipline, claims management and high focus on customer experience and operating efficiency.

We have maintained that given the inherent characteristics of our business, the impact of all these measures would progressively manifest through the P&L. Team Star Health has executed and continues to execute the strategic blueprint with consistency and conviction. As we report

our results for Q4 and for the full fiscal FY26, the green shoots of our operating turnaround in the previous quarters is now more pronounced in our underlying metrics, which I will be taking you through in today's call.

I will start by outlining the broader sectoral context and ecosystem trends which is shaping the business environment of our industry:

India's health insurance has entered what we describe as a structurally advanced growth phase. The confluence of policy support, consumer intent and sustainable demand drivers is creating a very compelling backdrop towards a multi-decadal growth opportunity for the category.

The GST exemption on Retail Health insurance, a landmark policy intervention by the Government of India, has already demonstrated significant impact. Consumer intent is rising, actualized through category growth trends. We believe that Retail Health represents the most consequential value pool in the Indian insurance sector, with scale driven by deeper penetration amongst new-to-insurance customers aligned with the national ambition of universal health coverage for all by 2047.

Reflecting this momentum, our new-to-insurance customers accounted for 94% of fresh additions in H2 FY26, as compared to an already healthy 92% in H1 FY26. At industry level, Retail Health insurance premiums have grown by 30.2% YoY in H2 FY26, significantly outpacing the broader non-life industry growth which came at 11.2% YoY during the same period. For the full fiscal, non-life insurance premiums grew by 9.3% YoY, while Retail Health grew close to 20% YoY.

Forward-looking reforms outlined by the regulator are supportive of long-term growth and sectoral development. We welcome the IRDAI's formal mandate on implementation of IND AS accounting standards from April 1, 2026. At Star Health, we have always believed it to be the most relevant framework and have aligned all our business and investment decisions towards these principles.

Our IND AS financials have been reviewed by our joint statutory auditors for multiple quarters now, and we enter the IND AS regime from a position of readiness.

Against this backdrop, Star Health has remained focused on maintaining leadership in Retail Health insurance and compounding a durable value-accretive franchise anchored on our four pillars, which is a risk-first approach, a consistent focus on ROE, a customer-centric execution, and a digital-first mindset.

Now let me take you through our quarterly performance highlights:

Coming to our operating performance for the quarter:

In line with our reporting convention in previous quarters, we will state our business numbers on N basis for Quarter 4 and for the full Financial Year FY26. Going forward from next financial year, we would report 1/n measures for both business and growth.

Following are the highlights of our performance for Q4 FY26:

- Fresh retail growth on N basis for the quarter was 38% YoY. Fresh growth was driven by both value and volume as the number of Retail Health policies expanded by 11% YoY.
- New-to-insurance mix was 94% on fresh premium basis compared to 90% last year for the same quarter.
- Overall, GWP increased 17% YoY on N basis to Rs. 6,259 crore for the quarter.
- Our IND AS underwriting profit for the quarter was Rs. 186 crore, an increase of 200% YoY over Rs. 62 crore in Q4 FY25. This was driven by an improvement in combined ratio by 2.7%, which was 98.4% in Q4 FY25 and came to 95.7% in Q4 FY26.
- As in the previous quarters, our loss ratio improvement continued for the third successive quarters with a 4% improvement from 69.2% in Q4 FY25 to 65.2% in Q4 FY26.
- The retail loss ratio improved 3% YoY to 64.8% in this particular quarter for FY26.
- Our retail loss ratios have improved by 0.8%, 1% and 3% YoY during Q2, Q3 and Q4 of FY26 respectively, underscoring progressive improvement every quarter.
- The geopolitical tension-induced correction in the equity markets led to a Rs. 558 crore marked-to-market loss during the quarter. As a result, we reported a loss of Rs. 55 crore for Q4 FY26 compared to a profit of Rs. 271 crore during Q4 FY25.

So, the headline numbers for the full year FY26 are as follows:

- The fresh retail business grew on N basis at 37% YoY, driven again both by value and volume as the number of Retail Health policies grew 8% for the full year.
- Our new-to-insurance mix, which we believe is focused on the quality of business, was 93% on fresh premium as compared to 89% for the last fiscal.
- Overall, GWP increased 16% YoY on N basis to Rs. 20,369 crore. This is a very important milestone for us to cross Rs. 20,000 crore in GWP as we complete 20 years of establishment of Star Health in this calendar year.
- As against the full year loss of Rs. 165 crore during FY25, underwriting profit turned positive at Rs. 206 crore for FY26, a positive delta of Rs. 371 crore. This was driven by

improvement in combined ratio by 2.3% from 101.1% in FY25 to 98.8% in FY26. The improvement in combined ratio was further driven by improvement in both loss ratio and expense ratio. The loss ratio was improved by 2% to 68.7%. Further, the retail loss ratio improved by 1% to 68.2%.

- Our IND AS expense ratio also improved by 30 basis points to 30.1% for the full year. The improvement in expense ratio reflects disciplined cost management and operating leverage, notwithstanding an absolute impact of around Rs. 80 crore due to factors such as GST and Labor Code.
- On the full year basis, the marked-to-market loss was Rs. 127 crore.
- Full year PAT increased 16% YoY from Rs. 787 crore in last financial year to Rs. 911 crore in FY26.
- To smoothen the reported profitability against the short-term marked-to-market volatility, we are adopting a concept of normalized investment yield, pegged at 8% on annualized basis. Going forward, we will consistently refer to this basis to depict an appropriate reflection of the underlying profitability, excluding the short-term fluctuations that may happen. Under this normalized framework, our profit after tax increased 45% YoY in FY26 to Rs. 1,222 crore and ROE expanded from 10.1% in FY25 to 13.1% in FY26.

Progressively improving operating performance in sequential quarters by disciplined execution and recalibrated strategies have resulted in turnaround of our underwriting results.

Coming to the business outcomes:

We continue to build a very diversified granular retail franchise focused on ROE-centric growth through preferred geographies and segments and channels, which meet our profitability thresholds. Notwithstanding all the underwriting discipline above, we have maintained a category leadership in Retail Health segment with market share at 31.3% in FY26. Our strategic choices, aligned with the priorities outlined above, have translated into tangible benefits as evidenced through the underwriting profitability improvements.

Our proprietary distribution channels, which are the agency channel and the digital D2C, now contribute over 90% of the retail business and positions us to deepen the insurance penetration beyond the urban areas with emphasis on new-to-insurance customers. We will continue to focus on our preferred segments, which scale faster with significantly higher growth rates compared to the national average.

On the portfolio management and recalibration strategies, we have undertaken disciplined recalibration of the portfolio, anchored towards improvement of risk-adjusted outcomes, progressive improvements in loss ratios have been driven through multiple levers:

- Analytics-led pricing
- Strengthened underwriting
- Portfolio optimization towards preferred segments,
- further improvements in fraud, waste and abuse management and
- institutionalization of our wellness-based consumer ecosystem.

Our Home Health Care and Telemedicine capabilities witness significant growth in utilization, enhancing our capabilities to manage fever and infection-related cases in a home-based setting, therefore improving the customer convenience as well.

Our consumer-focused metrics continue to demonstrate improvement trends. The retail claim settlement ratio increased by 3% to 92% for the full year. Our renewal ratio on full-year basis increased by 2% to 99%. The company-level NPS improved by 8 points to 62 at March 31, 2026.

Our retail book demonstrates a best-in-class grievance ratio benchmarked with other standalone health insurers.

On the digital side of things, the technology investments that Star Health is making are improving the productivity and service outcome with digital embedded across the value chain through platform modernization, workflow automation, and straight-through processing, and also enhanced deployment of analytics and AI.

Acquisition and onboarding are now predominantly digitalized with 95% of all fresh premiums collected digitally.

Our mobile application, the customer app, has over 14 million downloads, playing a pivotal role in driving customer engagement, acting as the primary interface across the policy lifecycle. Monthly active users of the app have scaled past the 1.5 million mark with desirable levels of self-service adoption through claims intimations and renewals.

Ongoing investment in experience design and self-service enablement will continue to enhance adoption with integrated wellness and preventive care features enabling sustained non-transactional engagement as well.

And finally, in conclusion:

To summarize, our strategic growth path remains centered on building a very granular retail franchise supported by our unmatched operating scale. We have a 30%+ category market share, we have 2.8 crore lives who are covered with us, 15,000 plus hospital partners, 8 lakhs plus agents moving towards a million agents in the next two years, 900 plus offices, and 75 plus partnerships.

Heading into FY27, our priorities remain unchanged, that is to deliver strategic objectives like customer-first approach, growth through proprietary channels, and focus on preferred segments. We remain confident that disciplined execution at scale will translate into sustainable, risk-first balance of growth and ROE.

Thank you for your continued trust in Star Health, and with that we are now open to take your questions. Thank you very much.

Moderator:

Thank you. We will now begin the question-and-answer session. Ladies and gentlemen, we will wait for a moment while the question queue assembles. Our first question comes from the line of Supratim Dutta from Jeffries Group. Please go ahead.

Supratim Dutta:

Thanks a lot for the opportunity and good morning to everyone. The loss ratio improvement has been a welcome change and a positive surprise for everybody. My questions were on this bit and the outlook going ahead. The key drivers here have been the reduction in Group Health business and the improvement on the retail loss ratios. However, the retail loss ratios are still above the level that you operated at in 2023-2024, which was closer to 65%-66%. It is currently somewhere around 68%. I wanted to understand what is the pathway of this 68% retail loss ratio going down to 65%-66%. Is that something that is possible or has something structurally changed which does not make it possible? If it is possible, what would be the pathway to that loss ratio improvement? That is the first bit.

Secondly, this year the seasonal claims around vector-borne diseases were lower as compared to last year. As we are going to 2027 and if there is a recurrence of seasonal claims going up, how is Star Health looking at mitigating that? That would be the second question that I have. Thank you.

Amitabh Jain:

Thanks Supratim. We had a better than expected Quarter 4 as you would have seen in the numbers. This business, as we all know, has cycles and there could be cycles of frequency or severity going up in particular quarters. We have seen that over the years. But whatever series of actions we have done over the last one and a half years, I think we are well placed to see a continuous improvement in our loss ratios going forward. Specifically talking about dealing with the kind of cyclical events that happen, as stated by Anand in his address, we have been working on three specific areas on prevention and wellness starting from Telemedicine, Home

Healthcare and Condition Management programs. These are three areas that we have been investing on. This year this has scaled up significantly. We had seen overall 4x to 5x jump over the year. In fact, Quarter 4 saw almost a 9x jump in the consumption of these services. The idea is that we are able to provide a solution to our customers when they need in terms of fever, infectious diseases, gastro cases, which helps them manage things at home or through a Telemedicine consultation. While we service them well, we also keep the cost of servicing low. So, that's the approach we have taken, and I think it's proceeding in the right direction.

Supratim Dutta: Thanks a lot, Amitabh. Could you just quantify what proportion of your policyholders or people who are claiming are using this Telemedicine service now versus last year?

Amitabh Jain: We had more than 90,000 calls for the year, for specifically the calls that came for Home Healthcare. But eventually the numbers that utilized Home Healthcare were much lower. But the Telemedicine calls were more than 90,000. Pure Telemedicine calls were in excess of another 40,000. So, that's the kind of usage we are already seeing.

Supratim Dutta: Understood. That's very clear. Thanks a lot for the opportunity.

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

Prayesh Jain: Hi, good morning, everyone and congratulations on a good set of numbers. Just a few questions from my side. Firstly, Anand, you spoke about growth, right? While the industry has been seeing a very strong growth on the retail side, our growth is still lower than the industry? Obviously, the base kind of plays a role. But the gap that used to exist, even say a few years back, that gap still exists. Now other companies have also scaled up reasonably well over the last couple of years. So, how do you see the growth panning out for us in the next couple of years, given the tailwinds that we are seeing from the industry?

Anand Roy: Yes, so Prayesh, thanks for the question. See, I think over the last two, three quarters, we have been articulating that growth is important. But for us, quality of growth is more important. And that's what we are focusing on. If you look at the quality of growth that we are building a franchise, which will be sustainable in the future, the new-to-insurance mix of the company has been the main focus. We are not so much focused on the portability side of business. Within the geographies also, we have taken some decisions on going slow in certain markets, as you are aware. So, I think we are not comparing exactly with what the others are doing, but we are more focused on what is our Company's strategy and objectives, which is to have a sustainable high-teen growth, and a sustainable, hopefully mid-teen to high-teen ROEs. I think these are the two major focus areas, and that's what we are trying to track.

Prayesh Jain: Got that. Secondly was on loss ratio. The fresh growth has picked up momentum in H2 of FY26, and to a certain extent, that is definitely a reflection in terms of improvement of loss ratio. I think as NEP unwinds out of this fresh growth; do you think that the loss ratio improvement can still hold up for another few quarters before the impact of this new book starts coming in from the loss ratio perspective also?

Amitabh Jain: Yes, absolutely. Already there is an increase in the earnings of the fresh retail business, and that has improved the portfolio mix. The benefits of that, as well as the repricing that we have been doing on the portfolio, both of them will play out in terms of the sustenance of the LR on an annual basis. There can be fluctuations in the quarter, but I think overall we should see an improvement.

Prayesh Jain: Got that. And just a last bit on the commission side, in the last couple of quarters we have seen a significant improvement on commission ratio. I would assume that the fresh growth would obviously be at a higher commission, but some bit of benefit would have come in from the senior citizens commission adjustment that you have done. But could you still explain more as to whether there is any other lever that is helping the commission ratios, or is it just the senior citizens part? And to that, what is the contribution of senior citizens in FY26 versus FY25?

Nilesh Kambl: So, senior citizen contributes around 20% of portfolio, Prayesh. Yes, along with senior citizens, we have been taking various measures to control the outgo in terms of the procurement cost or sourcing cost. Some bit of impact is there because the fresh growth has been higher. But senior citizens is one factor, and the other initiative that we have taken is ensuring that the productivity of our sales managers has improved a lot. All these initiatives are helping us to improve the commission ratio.

Prayesh Jain: The mix was same in FY25 also, 20% in FY25 and FY26, both is at 20%?

Nilesh Kambl: Yes, it is largely in that range, but this initiative on reduction in senior citizens commission was effective April FY25, so it is effective only for FY25-FY26.

Prayesh Jain: Got that. Thanks. Thank you.

Moderator: The next question comes from the line of Swarnabha Mukherjee from 360 One Capital. Please go ahead.

Swarnabha Mukherjee: Hi, sir. Thank you for the opportunity and congrats on a good set of numbers. Three questions from my side, sir. First, wanted to understand what is the status in terms of price hikes, if you could give some color in terms of what products you are doing, so how much will be the proportion in terms of GWP and what is the quantum of price hike on an average that would

be very helpful. Given that you highlighted in the opening remarks that there is both value and volume-led growth in fresh, I just wanted to understand the same from the renewal side also. How would have things transpired in terms of value and volume? How should we think about the growth numbers? If you could also highlight the proportion of fresh in your mix, is it about a quarter of your overall GDPI? Would that be the right assessment? So, that's one.

Second is, sir, wanted to understand the retention ratio seems to have come up a little bit from last quarter. So, what is playing out there, if you could highlight. And thirdly, in terms of the NEP growth. So, we are more or less now for multiple quarters growing at a fairly steady rate. I just wanted to understand that why is NEP growth still lagging the GWP growth? How should we think about it? Given that the momentum that is there in fresh business, etc., when do we expect the NEP growth to pick up and come to the 15% kind of range? That would be my question, sir.

Anand Roy:

Swarnabha, let me take some of those questions and I will request my colleagues to pitch in wherever needed. The price hike which you mentioned, our strategy has been that we will take an annual price increase in all our products. We will continue to follow that strategy. Of course, within that, we will see how do we optimize so that customers are given benefits based on their own behavior in terms of wellness and health conditions and so on and so forth. So, that we will continue to do. On the renewal side, you have asked about value and volume. I am happy to tell you that Star Health with the kind of scale that we operate, we have the best persistency in the industry, both on volume as well as on value. So, I think on volume basis, we have seen almost close to 86-87% retention in terms of volume. We believe that there is scope to improve further, but we are still the best in the industry.

On the NEP growth, I think, broadly because of the long-term policy sales, which is now becoming the order of the day, most of the consumers are preferring to go for long-term policies, which is, I believe, good for all the stakeholders, both from consumer point of view, from the distributors, as well as from the insurance companies' point of view. I think that's why the NEP growth will have a lag effect, but it will catch up in the upcoming quarters.

Swarnabha Mukherjee:

Right, sir. Just a follow-up on this. Given that the fresh growth, as you mentioned, is around 35%-37% and the volume growth is, I think, 8%-9%, which you had mentioned in your opening remarks. So, would it be fair to assume that going forward also, earlier we used to highlight about a 50% volume and 50% value-led growth, because now we take consistent price, I can maybe assume the industry phenomenon as well, would it be slightly lopsided towards value growth? Would that be a fair expectation going ahead?

Anand Roy: In the N basis reporting, yes. But once we move to 1/n basis reporting, I think it will kind of normalize to some extent. But, yes, this distortion is coming because of the long-term policy sales, which is now the preferred segment for the customers.

Swarnabha Mukherjee: Understood, sir. And the retention ratio coming up, is this also related to the long-term sales? If you could, maybe give some color on that.

Nilesh Kambli: Yes. So Q3 was a very unique phenomenon. The GST cut happened in September. So, what happened is a lot of people waited for the month of September, and they renewed the policies in Q3. Q4 is traditionally a very big quarter, and we see some spillover coming to Q1. So, on a yearly basis, in fact, we have improved the volume-based retention by 1% to 1.5%. But there was a slight anomaly in Q3 and Q4 because of the GST cut which happened in Q2, September was the announcement and people waited in September and did the renewal within the grace period in Q3.

Swarnabha Mukherjee: Understood. Thank you so much and all the best.

Moderator: Thank you. The next question comes from the line of Dipanjan Ghosh from Citigroup. Please go ahead.

Dipanjan Ghosh: Hi, good morning, sir. A few questions from my side. First of all, I just wanted to look at your YoY growth in the value of claims that you have paid. Just wanted to understand if you were to break it between inflation for similar treatments, again to the extent possible, versus, let's say, claims frequency or incidence. I mean, how would that trajectory have fared in FY26 versus, let's say, the past few years or historically witnessed averages? The second question is now that you have started seeing improvement in your retail claims ratio on a YoY basis and the quantum of YoY change seems to be improving in terms of the claims ratio going down. Some of it is obviously new business, but if you can give some color on how the back book is trending and especially some of your vintage products which historically have witnessed some pressure, that would be really great. Any qualitative feedback on that?

The third question is on the agency front. You mentioned that you want to touch almost 10 lakh agents over the next two years. Now, once you reach a certain size and scale in terms of the proprietary channel and given the competitive pressure, what sort of strategies around ring-fencing, activation, including productivity or curtailing or controlling commission payouts in those channels, what are the strategies? I have one question on the regulatory front, but maybe I can ask it after these three.

Amitabh Jain: So, on the first question, for the whole year, the frequency and severity as a whole we have been able to sort of manage it in the high single digits, which is the trend that has been there

for us for some time now. If you were to talk about the quality of the renewal book that is seeing a consistent improvement in LR, given our pricing strategy that we have been following over the last one and a half years. So, on both those things are looking better. We believe that this as a strategy will continue as far as the pricing of the book is concerned. We are expecting to reprice almost 80% of the book between what we started from Q4 going up to Q1 this year. And that will show up in the earnings going forward.

Himanshu Walia:

On the agency side, we are confident of getting to 1 million in the next two years. We maintain this, that we will be adding 1 lakh agents every year for the next many years. If you look at our agent productivity, even for this year it has improved by about 37% on fresh, and overall, 18% on total business. This is coming on the back of the upskilling of the agents that we do on a regular basis. Our L&D transformation, which is led by the technology solutions that we are providing to our agents, we continue to believe that this will continue to improve.

As far as the ring-fencing of the agents is concerned, we have best-in-class offerings for our agents, which we believe will continue to maintain stickiness of our agents.

Dipanjan Ghosh:

Got it. One last question from my side. On the regulatory front, till date, we are under a company-level expense of management and while there have been multiple discussions on line of business by EoM, just wanted to understand that when you talk to the regulator, are they cognizant of the fact that there is a natural arbitrage between SAHIs and multi-liners in terms of expense of management on the Retail Health business and if there any consideration on that front?

Anand Roy:

Dipanjan, what was the arbitrage? Please explain.

Dipanjan Ghosh:

For example, you guys can operate at a maximum of 35% and your book is almost entirely Retail Health, right? Whereas there is a possibility of cross-subsidization at the multiline channels in terms of them able to operate at a higher EoM specifically for the Retail Health line.

Anand Roy:

No, I think broadly we await IRDAI's guidance on EoM. There has been some data that the regulator has asked which all of us have supplied. But you will appreciate that we have been a very disciplined company in terms of EoM. We are probably the only company in this space operating within the current guidelines. We continue to invest a lot to improve our expenses operating ratios. So, we will await that. I don't want to give any comment now but when it comes, I am sure it will be fair to all the players and, most importantly, it will be fair to consumers.

Dipanjan Ghosh:

Sure. Maybe just one small follow-up. You mentioned your claim severity is around high single digit. I mean, hypothetically speaking, if your price hikes are let's say a percentage or a few

percentage points higher than your claim severity, is that going to be a strategy to kind of bring this claims ratio down from let's say whatever 68-69% to let's say somewhere around 65%? Is that something you guys should be focusing on? That's all from my side.

Anand Roy: Well, obviously, claims severity is a function of higher quality of treatments and the kind of disease profiles we are seeing nowadays. So, pricing of insurance products will always be a factor of that. So, to maintain our margins, we may have to take a slightly higher than that. But then there are efforts continuously being done to manage severity better in terms of discussing with our hospitals, having more preferred partners. Obviously, we have a target combined ratio under which we want to operate. To that extent, we will keep taking our strategies aligned.

Dipanjan Ghosh: Thanks Anand and the team and all the best.

Moderator: The next question comes from the line of Sanketh Godha from Aventus Spark. Please go ahead.

Sanketh Godha: Yes. Thank you for the opportunity. Sorry, Anand and Amitabh, it's the same question, probably in a different way. See, the loss ratio improvement honestly was a positive surprise, very positive surprise. So, if you really want to attribute a major reason, is it that the last part of the improvement happened in the renewal book and naturally, the new contribution would have played a role, but the bigger delta came from the renewal book because of your cohort based or pricing strategy which you adopted maybe five quarters back. That is getting reflected in the numbers and therefore if that strategy was useful and if you try to implement to the entire book, is it fair to say that the renewal book delta will be the biggest change to bring the loss ratio improvement going ahead? That was my question. Basically, I just wanted to understand the breakup or waterfall of the loss ratio improvement, whether it is new, renewal or severity or, or hospital management. Just, if you can give a bit of a color, there it will be useful.

Anand Roy: Sanketh, I think you have answered the question yourself. It's a sum of all parts, right? It's not one can lay a finger on any one particular item. It's everything that you mentioned. It's an improvement in the renewal book, the pricing strategy, the quality of sourcing of new business, the selection of geographies and profile of customers. Of course, over and above that, most importantly, having a very, very strong Fraud, Waste and Management (FWA) initiatives. So it's a combination of everything. I think we operate at a scale which probably others are not able to do and that's why the kind of data and the kind of analytics we bring to the table to manage this is a little better than what maybe others can provide. So it's a combination of everything.

Amitabh Jain: So, if you want to specifically ask, the improvement has been across the renewal book and the fresh book. So, it's not simply about one aspect of the business. Two, the overall impact, specifically in Quarter 4, has been the improvement in frequency that we have seen over the

last year. So that cut across the entire book, it doesn't play out only for one thing. And all of this has been enabled because of the continuous efforts we have been taking on the Telemedicine and Home Healthcare front, along with all other prevention measures. So this is something that is playing across the book.

Sanketh Godha: Understood. So, Amitabh, just on this frequency part you said, is it that it was in general lower than what it usually is? Or this frequency coming down is more structural because of the Telemedicine and all the measures what you just told is playing out?

Amitabh Jain: Yes. So, it is lower than what we expected. Infact that both our interventions have played. So, it's a mix of both.

Sanketh Godha: So, which means that incrementally the loss ratio, maybe if not 66-67% kind of a number, can be achievable given the intervention measures what we are taking for next year point of view?

Amitabh Jain: The point is that this business we need to discuss in terms of a longer period and we can't just focus on a particular quarter. So, whatever changes and series of interventions we have done are for the improvement of the book in the longer term. There can be cyclical ups and downs in a quarter here and there. But fundamentally what we are trying to improve is the quality of the book, the quality of sourcing, the way we are managing our claims, the way we are dealing with fraud, waste and abuse and disproportionately focus on managing the claims that can be managed at Home or through Telemedicine and invest on Wellness as a big part of our strategy.

Sanketh Godha: Understood. And one small data keeping question, maybe two basically. One, if you can give your Rs. 4,567crore of fresh premium breakup into long term and annual plans and how it was compared to last year. Maybe if you can give that number both on NOP and premium basis will be useful. Lastly, in the fresh premium you said Anand, and it is there even in the presentation that 93% of the business is fresh to insurance customer which means indirectly 7% of the customer are porting. That is on NOP but if you can give a bit of color on premium to that 7% if it is porting-led in the fresh premium, how much is on that premium Rs.4,567 crore?

Anand Roy: No Sanketh, the number is on GWP, not on NOP, on the new-to-insurance. It's on fresh premium. I am not even saying that we will not do portability. What I am saying is that we will be calibrated and making it a risk-first approach and where we feel that there is opportunity, we will go for that. But as far as the breakups of long term and all that is concerned, we will give it to you separately.

Sanketh Godha: Okay Anand, thanks for the answers.

Moderator: Thank you. The next question comes from the line of Avinash Singh from Emkay Global. Please go ahead.

Avinash Singh: Thanks for the opportunity. Congratulations on a great set of numbers. A couple of questions. I mean the first one more around that a lot of the actions you have taken on multiple parts of your business including the repricing of portfolio and all. Now of course the BAU based repricing or price increase we will continue. But do you see the way that medical inflation and your claims experience are going forward- I mean any sort of a major repricing need is at least not there in FY27 and it will be normal I mean whatsoever single digit or whatsoever possible typical price increase. So, is that current price sustainable with the kind of a claim in present to settle you in your desired combined ratio zone?

The second on the regulatory side, I mean of course I guess you briefly touched upon the expected EoM/commission regulation to be out in near future. On this Bima Sugam that finally seems to be kind of making some progress. I mean what's your evaluation? Is it going to be kind of augmenting your sourcing or it is more going to be the renewal and maintenance? On that front or is the regulator looking at the product I mean whether it's a new or renewal to be priced differently on this platform because this platform is being projected as a direct-to-customer and for customer only. So, is there some sort of a rebate or discount that the insurer has to offer to the customer on this platform if the customer is buying new or renewing the policy? Thanks.

Anand Roy: Yes Avinash, first of all thank you for the good wishes and see over the last five to six quarters we have been taking this pricing corrections across all our products and as you rightly put it we will be taking this in the future as well. We do not foresee any particular change in the strategy or any increase that is beyond normal, we do not see that. So, we continue to maintain the current strategy, and we believe that that should be more than sufficient for us to maintain the target combined ratio that we have. So, that is one.

As far as the Bima Sugam platform is concerned I think the project is more focused on giving a platform to the consumers for affordable insurance plans. Obviously, it will not be zero-cost but there may be lower cost but at the same time it is also a service-oriented platform for both having all insurance policies under one roof in terms of life insurance, health insurance and all general insurance products. So, that the consumer can have one platform to do all the services themselves. So, I think this is a good initiative, we are totally supportive of it. We are also a shareholder of the platform. So, we hope that it is successful and we will keep you updated as we get more information.

Avinash Singh: Now looking back this EoM regulation that had a kind of a March'26 as a deadline. What is the regulator's view now because I mean a number of players will be non-compliant. Of course you

are in the compliant bucket but across the board because eventually when this new EoM regulation was launched on 1st April'23, I mean there was a deadline, there was a kind of amendment and companies had to give a glide path how they are exiting March'26 with those kind of a limit, the 30% or 35% limit, depending upon the class. Now what is the regulator's view now for the non-compliant companies? Because this kind of a will set that okay how in future the companies will take regulatory awards. I mean if even with a three-year deadline, if there is no sort of action or a nudge from regulators for non-compliance, then I mean it is very difficult to believe that in future regulations will be taken that seriously.

Anand Roy: Sir, this is a very difficult question for me to answer. I think I will give it a pass.

Avinash Singh: No worries, thanks.

Moderator: Thank you. The next question comes from the line of Rishi Jhunjhunwala from IIFL. Please go ahead.

Rishi Jhunjhunwala: Yes, thanks for the opportunity. Two questions. Firstly, sir, you have talked about continuing with the price hikes in your portfolio. Given the sensitivity around GST cut being passed on to the consumers and government indicating they are keeping a close eye on that, how do you think you will be able to manage price hike in the near term which is not overlapping or compensating for some of the GST loss? I mean it optics, I understand, but do you believe this will be easier to do than how it looks?

Anand Roy: See Rishi, the pricing strategies are all done beforehand in the sense that pricing strategies are based on product performance. It has nothing to do with GST. GST benefits are fully passed on to the consumers. The pricing strategies of the company is based on the performance of the product in terms of the loss ratios. On that basis only we are taking the price increases. I believe that it should be fair to all the stakeholders. It is based on fully defined actuarial principles, and I don't think there should be any resistance there.

Rishi Jhunjhunwala: Fair enough, sir. Thank you. The other question is, it has been now 7-8 months of GST exemption related tailwinds that we have seen. In your portfolio where customers are returning for renewals, out of the Rs. 118 of cash outflow that they used to do for a Rs. 100 premium, can you give some sense of how much have we been able to retain in the form of maybe a higher sum assured and as a result higher premium or attach more riders so that Rs. 118 inflow actually doesn't go down completely to Rs. 100. I just want to understand how much incremental demand we have received from the returning customers.

Himanshu Walia: Good question, Rishi. If you look at our renewal retention numbers for the current financial year, there is a 300-bps improvement in terms of GWP. That clearly reflects that the customers

are now opting for higher sum insured and they are also willing to opt for riders, which are beneficial for them. In terms of NOP numbers, there is a 100bps improvement. It goes to show that there is significant improvement in the back book.

Rishi Jhunjhunwala: How does this look for our distributors?

Himanshu Walia: Distributors are pretty much happy because the growth has been upwards of 50% ever since GST has been announced. Their income levels have gone up.

Rishi Jhunjhunwala: Okay, thank you.

Moderator: Thank you. The next question comes from the line of Nidesh Jain from Investec. Please go ahead.

Nidesh Jain: Thanks for the opportunity and congratulations for a good set of numbers. So, first question is on NEP mix. If you can share, what is the share of new and renewal for FY26 and FY25 on NEP basis?

Nilesh Kambli: Okay, NEP basis, as you mentioned, a good proportion of the long-term business is coming in. It is in the range of 2% difference. It has been 80:20 and it has changed by 100-150 bps on premium basis

Nidesh Jain: Next year also this ratio should further increase because as these long-term policies, business will get accrued in NEP. Is that a right understanding?

Amitabh Jain: Yes, it will continue to improve. That's right.

Nidesh Jain: Secondly, we have seen a good improvement in Group Health claims ratio. I think we have been defocusing on that segment for last one year. What is the strategy on that segment going forward? Do we expect growth to come back in that segment?

Himanshu Walia: We have taken a very recalibrated strategy at the beginning of FY26 and that has played out really well which reflects in our loss ratio. We have been focusing on our SME segment which for the current financial year has contributed to 78% of our overall business, which was 58% in FY25. So, we continue to maintain this strategy, and we are absolutely clear that we will go behind businesses which are profitable in nature and SME is one of those businesses and we have taken growth rate targets in line with the overall objective of the organization.

Nidesh Jain: Sure. Third question is on our growth in retail segment so, if you look at Q4, the growth in retail is around 19% versus industry growth is close to 29%. So, there is a decent gap in our retail growth and industry growth. How are we thinking about this gap, let's say, from a medium-

term perspective? Because we have also got benefits. The industry has got benefited from GST cut and that benefit probably will come into base in H2. So, when industry is growing at steady state of 70-80%, how should we see this gap between our growth and industry growth panning out?

Himanshu Walia: At Star, we are completely aligned on profitable growth. So, our market share has sustained at 31% for the full year. So, internally, we track our business on N basis and growth remains pretty steady on that front with upwards of 39% for FY26. But more importantly, we are focused on profitable geographies and profitable cohorts of consumers. Which is why if you look at our mix of business on the new-to-industry is now about 94%-95% and portability has come down further. As maintained in the previous calls also, we will continue to chase businesses which are profitable in nature. So, we are not desperate to grow our market share at the cost of profits.

Nidesh Jain: Sure. Last question is if you can share the quantum of deferred revenue on long-term policy as of March '26?

Nilesh Kambli: Quantum of deferred revenue is the premium received in advance, correct?

Nidesh Jain: Yes, premium received in advance. Yes.

Nilesh Kambli: We can give it to you offline. Yes, it's part of the balance sheet. We will share it.

Nidesh Jain: Sure. Thank you. Thank you. That's it for my side. Thank you.

Moderator: The next question comes from the line of Supratim Dutta from Jefferies. Please go ahead.

Supratim Dutta: Hi. Thanks a lot for the opportunity for this follow-up. So, just two questions. One, you have transitioned to this Medi Assist platform. It has been now nearly one year. So, just wanted to understand how is that transition playing out? What are the savings that you are getting and how should we think about that playing out over the next couple of years? That's one. Secondly, on this IRDAI initiative regarding Public Insurance Registry, wanted to understand how do you see that impact loss ratios, particularly on the fraud and waste side? If you could give some color there, that would be helpful. Thank you.

Amitabh Jain: So, on the platform shift on the claims processing, that is now nearly complete. We are just entering the final phase of our last set of products that will be shifted on to that platform. By this quarter end, I think we should be fully through. So, we are clearly seeing efficiencies coming across for which we had thought for the platform and that's playing out. More importantly, it's not simply a matter of efficiency, but also the effectiveness of managing our claims better and giving our customers a better experience. On both those fronts, we are doing fine.

Anand Roy: On the PIR side, this is a very good initiative. We believe so. It will help the industry to have more disciplined underwriting data. And we await further insights on this. We are closely engaged with the regulator in terms of building this model. Our CTO is part of the working group as far as this particular model is concerned. We will keep you updated as we get to know more.

Moderator: Thank you. The next question comes from the line of Mohit Surana from HDFC AMC. Please go ahead.

Mohit Surana: Hi, sir. Congratulations. From my side, I just wanted to know, since historically we have had ups and downs in terms of loss ratios and often external environment has also played a part in it. So, how do you assess the current external environment in terms of the healthcare, lifestyle changes, as well as some of the seasonal stuff? Second, in some way, is there a thought process to smoothen out some of these movements over time? Because often the profit and loss and loss ratios kind of get impacted by changes in external environment while we are trying to improve the internal processes and policies. External environment has historically often played a part in how vagaries of business have panned out. So, is there a thought process to smoothen out the impact of external impact?

Anand Roy: Yes, Mohit. So, that's a good question. I think you will be happy to know that there is a lot of engagement now happening at various stakeholder levels on the external environment side to manage the piece that you are talking about, whether it is the GI Council creating a common empanelment of hospitals, whether it is the IRDAI and GI working together to bring the payers and providers together on a single platform. Five working groups have been created. We believe that all these initiatives will over time reduce the friction and at the same time reduce the challenges that we used to face earlier. So, I think this is something that we can do.

On the internal side, as you have seen that over the last four, five quarters, we have set a process in place. For the last three quarters consistently, we have been demonstrating that the loss ratios have been improving. So, I think the model is working fine and we will continue to invest in the same model. But beyond that, I think the company will focus on sustainable growth with a sustainable ROE target that we have set for ourselves. So, if that answers your question.

Mohit Surana: Got it. Thank you and wish you all the best.

Anand Roy: Thank you so much.

Moderator: Thank you. Ladies and gentlemen, that was the last question for today. I would now like to hand the conference over to Mr. Nilesh Kamble for the closing remarks.

Nilesh Kamble: Thank you everyone for joining the call. It has been one of the turnarounds for Star Health in terms of higher retail growth and improvement in the combined ratio driven by an improvement in loss ratio. The normalized PAT with 8% investment yield has seen a robust growth to Rs. 1,222 crore. We continue to build on that in the coming future. We will continue to execute our strategy with more conviction and confidence and thanks for your continued support. Thank you very much.

Moderator: Thank you, sir. Ladies and gentlemen, on behalf of Star Health Allied Insurance Company, that concludes this conference call. Thank you for joining us and you may now disconnect your lines.

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