

Date: November 11, 2021

Place: Chennai

To,

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor,

Plot No.C/1,G Block,

Bandra Kurla Complex,

Mumbai – 400 051.

Dear Sir/ Madam,

Scrip code:

Sub: Outcome of Board Meeting- September 30, 2021

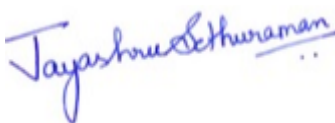
In compliance with Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) we wish to inform you that the Board of Directors of the Company, at their Meeting held on Thursday, November 11, 2021 have approved the Audited Financial Results for the quarter and half year ended September 30, 2021.

A copy of the Audited Financial Results for the quarter and half year ended September 30, 2021 together with the Statutory Auditors Report in prescribed format is enclosed herewith.

The Meeting of the Board of Directors of the Company commenced at 11.00 A.M. (IST) and concluded at 01.30 P.M. (IST).

Kindly take the same on record.

For Star Health and Allied Insurance Company Limited,





Jayashree Sethuraman,

Company Secretary & Compliance Officer

Encl: As above

Independent Auditors Report on Quarterly and Year to Date Financial Results of Star Health and Allied Insurance Company Limited pursuant to the Regulation 52(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended read with Insurance Regulatory and Development Authority of India circular reference number IRDA /F&A /CIR/ LFTD/027/01/2017 dated January 30, 2017

**To The Board of Directors of
Star Health and Allied Insurance Company Limited**

Report on the audit of the Financial Results

Opinion

We have audited the accompanying quarterly and year to date financial results of Star Health and Allied Insurance Company Limited (the "company") for the quarter ended 30th September 2021 results for the period from 1st July 2021 to 30th September 2021 and the year to date results for the period from 1st April 2021 to 30th September 2021 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52(3) of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations") and Insurance Regulatory and Development Authority ("IRDAI" or "Authority") circular reference number IRDA /F&A /CIR/ LFTD/ 027 / 01/ 2017 dated January 30, 2017.

In our opinion and to the best of our information and according to the explanations given to us these financial results:

- (i) are presented in accordance with the requirements of Regulation 52(3) of the SEBI Listing Regulations and IRDAI Circular reference number IRDA /F&A /CIR/ LFTD/ 027 / 01/ 2017 dated January 30, 2017; and
- (ii) give a true and fair view in conformity with the recognition and measurement principles laid down in Accounting Standard ("AS") 25, "interim Financial Reporting" ("AS 25"), prescribed under section 133 of the Companies Act (the "Act"), including relevant provisions of the Insurance Act, 1938 (the "Insurance Act"), the Insurance Regulatory and Development Authority of India Act, 1999 (the "IRDAI Act") and other accounting principles generally accepted in India, to the extent considered relevant and appropriate for the purpose of these financial results and which are not inconsistent with the accounting principles as prescribed in the Insurance Regulatory and Development Authority of India (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002 (the "IRDAI Accounting Regulations") and orders/ directions/ circulars issued by the IRDAI, to the extent applicable, of the other financial information for the quarter and year to date ended 30 September 2021.



Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (' SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Interim Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Interim Financial Results

These quarterly and year to date financial results have been prepared on the basis of the interim condensed financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net loss and other financial information in accordance with the recognition and measurement principles laid down in AS 25, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder , the Insurance Act, the IRDAI Act, the IRDAI Accounting Regulations and orders / directions prescribed by the IRDAI in this behalf, current practices prevailing within the insurance industry in India and other accounting principles generally accepted in India and in compliance with Regulation 52(3) of the SEBI Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.



Auditor's Responsibilities for the Audit of the Interim Financial Results

Our objectives are to obtain reasonable assurance about whether the financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an Audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.



- Obtain sufficient appropriate audit evidence regarding the financial results of the Company to express an opinion on the financial results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

The actuarial valuation of liabilities in respect of claims Incurred But Not Reported (IBNR), including claims Incurred But Not Enough Reported (IBNER) and provisioning for Premium Deficiency and Free Look Reserve as at September 30, 2021 is the responsibility of the Company's Appointed Actuary ("Actuary") and has been duly certified by the Actuary. The Appointed Actuary has also certified that the assumptions considered by him for such valuation are in accordance with the guidelines and norms, if any, issued by the IRDAI and the Actuarial Society of India in concurrence with IRDAI. We have relied upon the Actuary's certificate in this regard for forming our opinion on the financial statements of the Company.

Our Opinion is not modified in this matter.

For M/s. Brahmayya & Co.
Chartered Accountants
Firm Registration No: 000511S



K. Jitendra Kumar
Partner
Membership No: 201825
Date: 11 November 2021
Place: Chennai
UDIN No: 21201825AAAAIY5106

For M/s. V Sankar Aiyar & Co.
Chartered Accountants
Firm Registration No: 109208W



S Venkatraman
Partner
Membership No: 023116
Date: 11 November 2021
Place: Chennai
UDIN No: 21023116AAAAMH7079



STAR HEALTH AND ALLIED INSURANCE COMPANY LIMITED

Registration No. and Date of Registration with the IRDAI : **129/16.03.2006**

Statement of Financial result for the Quarter and Year to date ended September 30, 2021

Pursuant to the Regulation 52 of SEBI (Listing and Disclosure requirements) regulations, 2015 as amended and read with SEBI circular reference SEBI/HO/DDHOS/CIR/2021/000000537 dated October 5, 2021

(Rs in '000)
Year ended

Sr No	Particulars	Three Months ended		Six Month ended		March 31, 2021
		September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2020	
		Audited	Audited	Audited	Audited	Audited
Revenue Account (Miscellaneous- Segment)						
1	Premiums earned (Net)	2,41,67,043	2,24,29,789	1,48,13,408	4,65,96,832	2,54,31,959
2	Profit/ (Loss) on sale/redemption of Investments	8,42,774	18,370	3,286	8,61,144	3,405
3	Others	-	-	-	-	-
4	Interest, Dividend & Rent – (Gross)	9,70,537	8,70,829	6,46,751	18,41,366	11,67,248
5	Sub Total (1 to 4)	2,59,80,354	2,33,18,988	1,54,63,445	4,92,99,342	2,66,02,612
6	Claims Incurred (Net)	2,06,95,777	2,04,14,096	1,09,71,312	4,11,09,873	1,63,43,000
7	Commission (Net)	35,96,902	26,64,976	18,95,763	62,61,878	30,21,423
8	Operating Expenses related to Insurance Business	50,33,686	35,10,468	34,43,069	85,44,154	62,95,208
9	Premium Deficiency	-	-	-	-	-
10	Others	-	-	-	-	-
	a. Provision for Impairment of Investments	-	-	-	-	-
	b. - Management Expenses allocated to Profit and Loss account	-	-	-	-	-
11	Sub Total (6 to 10)	2,93,26,365	2,65,89,540	1,63,10,144	5,59,15,905	2,56,59,631
	Operating Profit/(Loss) from Miscellaneous Business (5 - 11)	(33,46,011)	(32,70,552)	(8,46,699)	(66,16,563)	9,42,981
	APPROPRIATIONS					
12	a. Transfer to Shareholders' Account	(33,46,011)	(32,70,552)	(8,46,699)	(66,16,563)	9,42,981
	b. Transfer to Catastrophe Reserve	-	-	-	-	-
	c. Transfer to Other Reserves (to be specified)	-	-	-	-	-
	TOTAL 12 (a+b+c)	(33,46,011)	(32,70,552)	(8,46,699)	(66,16,563)	9,42,981
Profit and Loss a/c						
13	Transfer from Policyholders fund	(33,46,011)	(32,70,552)	(8,46,699)	(66,16,563)	9,42,981
14	Interest, Dividend & Rent – (Gross)	5,45,035	5,45,698	3,30,672	10,90,733	7,04,658
15	Profit/(Loss) on sale of investments	4,98,587	11,511	1,970	5,10,098	2,055
	OTHER INCOME					
16	(a) Interest on Income Tax Refund	67,320	-	-	67,320	-
	(b) Others	1,214	408	19,123	1,623	19,354
17	Sub Total (13 to 16)	(22,33,855)	(27,12,935)	(4,94,934)	(49,46,791)	16,69,048
	PROVISIONS (Other than taxation)					
18	(a) For diminution in the value of investments	-	-	-	-	-
	(b) For doubtful debts	329	233	665	561	665
	(c) Others	-	-	-	-	-
19	Key Management Personnel Remuneration	15,305	15,133	12,020	30,438	25,792
20	Management expenses allocated	-	-	-	-	-
21	Donation	883	10,367	150	11,250	300
22	Interest on NCD	65,484	63,123	64,526	1,28,607	1,28,351
	Remuneration To Non-Executive Directors - Profit	-	-	1,902	-	1,902
23	Related Commission	-	-	-	-	-
24	Late Fees / Penalty	30	-	-	30	-
25	CSR Expenses	4,473	110	3,308	4,583	18,786
26	Consultancy fees	698	698	802	1,396	1,500
27	Bad Debts Written Off	2,505	-	-	2,505	-
28	Loss/(Gain) on sale / Discard of Fixed Assets	(137)	292	45	156	42
29	Sub Total (18-28)	89,570	89,956	83,418	1,79,526	1,77,338
30	Profit/(Loss) Before Tax (17-29)	(23,23,425)	(28,02,891)	(5,78,352)	(51,26,317)	14,91,710
	Provision for Taxation					
31	(a) Current Tax	-	-	(1,30,704)	-	5,09,997
	(b) Deferred Tax	(5,73,734)	(7,05,121)	(54,597)	(12,78,854)	(88,115)
	(c) Tax relating to earlier years	(44,799)	-	(61,255)	(44,799)	(61,255)
32	Profit/(Loss) After Tax (30-31)	(17,04,892)	(20,97,770)	(3,31,796)	(38,02,664)	11,31,083
	APPROPRIATIONS					
33	(a) Interim dividends paid during the year	-	-	-	-	-
	(b) Proposed final dividend	-	-	-	-	-
	(c) Dividend distribution tax	-	-	-	-	-
	(d) Transfer Contingency reserve for Unexpired Risk	-	-	-	-	-
	(e) Debenture redemption reserve	-	-	-	-	-
34	Balance of profit/ (loss) brought forward from last year	-	(72,45,362)	-	(72,45,362)	36,11,775
35	Balance carried forward to Balance Sheet	(17,04,892)	(93,43,132)	(3,31,796)	(1,10,48,026)	47,42,858
Segmental Technical Liabilities (Miscellaneous)						
1	Claims Outstanding	80,87,135	1,36,85,857	95,07,892	80,87,135	95,07,892
2	Reserve for Unexpired risk	5,29,17,528	4,97,91,786	3,01,40,122	5,29,17,528	3,01,40,122

Handwritten signature



Handwritten signature



VENkataSAMY
JAGANNATHAN
N
Digitally signed by
VENkataSAMY
JAGANNATHAN
Date: 2021.11.11
13:22:52 +05'30'

STAR HEALTH AND ALLIED INSURANCE COMPANY LIMITED
Registration No. and Date of Registration with the IRDAI : **129/16.03.2006**

Rs in '000

Particulars	As At September 30, 2021 Audited	As At September 30, 2020 Audited	As At March 31, 2021 Audited
SOURCES OF FUNDS			
SHARE CAPITAL	55,32,899	49,06,380	54,80,869
EMPLOYEE STOCK OPTION OUTSTANDING	7,429	-	2,929
RESERVES AND SURPLUS	3,76,51,713	1,52,62,686	3,67,57,852
FAIR VALUE CHANGE ACCOUNT - SHAREHOLDERS	21,345	29,813	(31,031)
FAIR VALUE CHANGE ACCOUNT - POLICYHOLDERS	36,034	49,384	(44,897)
BORROWINGS	65,00,000	25,00,000	25,00,000
DEFERRED TAX LIABILITY	-	-	-
TOTAL	4,97,49,420	2,27,48,263	4,46,65,722
APPLICATION OF FUNDS			
INVESTMENTS - SHAREHOLDERS	3,20,04,897	2,10,98,438	2,79,41,129
INVESTMENTS - POLICYHOLDERS	5,40,30,396	3,49,49,039	4,04,25,732
LOANS	-	-	-
FIXED ASSETS	11,55,143	9,29,111	9,89,672
DEFERRED TAX ASSET	54,91,997	1,58,131	42,13,143
CURRENT ASSETS			
Cash and Bank Balances	87,81,134	60,60,417	1,87,89,939
Advances and Other Assets	61,58,467	60,58,961	1,26,50,186
Sub-Total (A)	1,49,39,601	1,21,19,378	3,14,40,125
CURRENT LIABILITIES			
PROVISIONS	5,32,50,785	3,03,96,930	5,19,46,396
Sub-Total (B)	6,89,20,640	4,65,05,834	6,75,89,441
NET CURRENT ASSETS (C) = (A - B)	(5,39,81,039)	(3,43,86,456)	(3,61,49,316)
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)	-	-	-
DEBIT BALANCE IN PROFIT AND LOSS ACCOUNT	1,10,48,026	-	72,45,362
TOTAL	4,97,49,420	2,27,48,263	4,46,65,722

(Signature)



(Signature)



**VENkataSAMY
JAGANNATHAN**

Digitally signed by
VENkataSAMY JAGANNATHAN
Date: 2021.11.11 13:23:16
+05'30'

STAR HEALTH AND ALLIED INSURANCE COMPANY LIMITED

Registration No. and Date of Registration with the IRDAI : **129/16.03.2006**

Statement of Financial result for the Quarter and Year to date ended September 30, 2021

Pursuant to the Regulation 52 of SEBI (Listing and Disclosure requirements) regulations, 2015 as amended and read with SEBI circular reference

SEBI/HO/DDHOS/CIR/2021/000000537 dated October 5, 2021

(Rs in '000)

Sr No	Particulars	Three Months ended		Six Month ended			Year ended
		September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	March 31, 2021
		Audited	Audited	Audited	Audited	Audited	Audited
1	Asset Cover Available ratio (Note 1)	4.98	12.05	8.74	4.98	8.74	13.01
2	Debt Equity ratio (No of Times) (Note 2)	0.20	0.08	0.12	0.20	0.12	0.07
3	Debt Service Coverage ratio (No of Times) (Note 3)	(34.48)	(43.40)	(7.96)	(38.86)	12.62	(55.48)
4	Interest Service Coverage ratio (No of Times) (Note 4)	(34.48)	(43.40)	(7.96)	(38.86)	12.62	(55.48)
5	Total Borrowings	65,00,000	25,00,000	25,00,000	65,00,000	25,00,000	25,00,000
6	Outstanding redeemable preference shares (Quantity and Value)	NA	NA	NA	NA	NA	NA
7	Debenture redemption reserve (Note 5)	1,50,000	1,50,000	1,50,000	1,50,000	1,50,000	1,50,000
8	Networkth	3,19,86,587	3,29,99,855	2,00,19,066	3,19,86,587	2,00,19,066	3,48,46,288
9	Net Profit after tax	(17,04,892)	(20,97,770)	(3,31,796)	(38,02,664)	11,31,083	(1,08,57,137)
10	Earning per share (of Rs 10 each)						
	Basic (in Rs)	(3.08)	(3.82)	(0.68)	(6.93)	2.31	(21.75)
	Diluted (in Rs)	(3.08)	(3.82)	(0.68)	(6.93)	2.23	(21.75)
11	Current ratio (Note 6)	NA	NA	NA	NA	NA	NA
12	Long term debt to working capital (Note 6)	NA	NA	NA	NA	NA	NA
13	Bad debt to Accounts receivable ratio (Note 6)	NA	NA	NA	NA	NA	NA
14	Current liability ratio (Note 6)	NA	NA	NA	NA	NA	NA
15	Total debt to total assets (No of times) (Note 7)	0.13	0.06	0.11	0.13	0.11	0.06
16	Debtors turnover (Note 6)	NA	NA	NA	NA	NA	NA
17	Inventory turnover (Note 6)	NA	NA	NA	NA	NA	NA
18	Operating margin ratio (Note 6)	NA	NA	NA	NA	NA	NA
19	Net profit margin ratio (Note 6)	NA	NA	NA	NA	NA	NA
	Sector specific ratios (Note 8)						
20	Gross premium growth rate	19.34%	42.01%	53.51%	28.16%	44.61%	36.76%
21	Gross premium to shareholders' fund ratio	0.90	0.66	1.21	1.58	1.98	2.69
22	Growth rate of shareholders' funds	59.78%	62.13%	50.40%	59.78%	50.40%	84.49%
23	Net retention ratio	94.61%	93.80%	73.81%	94.26%	74.25%	76.47%
24	Net commission ratio	13.18%	13.00%	10.63%	13.10%	10.29%	8.16%
25	Expenses of Management to gross direct premium ratio	30.51%	29.30%	28.53%	29.99%	29.97%	28.91%
26	Expenses of Management to net written premium ratio	31.62%	30.13%	29.92%	30.98%	31.72%	27.70%
27	Net Incurred Claims to Net Earned Premium	85.64%	91.01%	74.06%	88.22%	64.26%	94.44%
28	Combined ratio	117.26%	121.14%	103.99%	119.21%	95.98%	122.14%
29	Technical reserves to net premium ratio	223.52%	309.70%	222.23%	127.65%	134.97%	84.02%
30	Underwriting balance ratio	-6.34%	-18.66%	-10.10%	-8.40%	-0.90%	-37.43%
31	Operating profit ratio	-12.26%	-15.96%	-4.75%	-13.85%	3.21%	-32.01%
32	Liquid assets to liabilities ratio	31.24%	14.81%	30.88%	31.24%	30.88%	40.20%
33	Net earnings ratio	-6.25%	-10.23%	-1.86%	-7.96%	3.85%	-15.12%
34	Return on networkth	-5.33%	-6.36%	-1.66%	-11.89%	5.65%	-31.16%
35	Reinsurance ratio	4.70%	6.20%	42.13%	2.67%	25.75%	23.53%
36	Available Solvency margin(ASM) to Required Solvency margin(RSM)	1.52	1.66	1.71	1.52	1.71	2.22
37	Gross NPA ratio (Note 9)	0.00	0.00	0.00	0.00	0.00	0.00
38	Net NPA ratio (Note 9)	0.00	0.00	0.00	0.00	0.00	0.00

Notes

- Asset cover available ratio computation is in accordance with SEBI circular SEBI/HO/MIRSD/CRADT/CIR/P/2020/230 dated November 12, 2020.
- Debt Equity ratio is calculated as Total borrowings divided by Equity. Networkth defined by IRDAI is considered as Equity.
- Debt service coverage ratio is calculated as Profit before interest and Tax divided by Interest expenses together with principal payment of long term debt during the period
- Interest service coverage ratio is calculated as Profit before interest and Tax divided by Interest expenses of long term debt during the period

Pursuant to IRDAI circular no. IRDA/F&A/OFC/01/2014-15/115 dated August 4, 2017, and as required by Companies (Share Capital and Debentures) Rules, 2014, read with Notification F.No. 01/04/2013-CL-V Prt-III dated 16th August, 2019 issued by the Ministry of Corporate Affairs, Company has created Debenture Redemption Reserve (DRR) of Rs. Rs. 1,50,000 thousands (PY: Rs. 1,50,000 thousands) upto date

6 Not applicable to Insurance Companies considering specific nature of the business

7 Total debt to total assets is computed as borrowings divided by total assets

Sector specific ratios (Point 20 to Point 38) have been computed in accordance with and as per definition given in the IRDAI Master Circular on Preparation of Financial Statements dated

8 October 5, 2012 and subsequent corrigendum thereon dated July 3, 2013

9 Gross / Net NPA pertains to Non-performing Investments

Atul Chandra Kumar



A. K. K. K.



VENkataSAMY
JAGANNATHAN
Digitally signed by
VENkataSAMY JAGANNATHAN
Date: 2021.11.11 13:23:32
v05'30'

STAR HEALTH AND ALLIED INSURANCE COMPANY LIMITED

Registration No. and Date of Registration with the IRDA: 129/16.03.2006

RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD ENDED SEPTEMBER 30, 2021

	(Rs '000)	
Particulars	September 30, 2021	September 30, 2020
Premium received from policyholders, including advance receipts & payables to policy holders	6,00,90,913	4,86,38,779
Other receipts	67,320	18,966
Receipts/(Payments) from other entities carrying on insurance business (including reinsurers)	58,06,846	(18,25,553)
Payments of claims	(4,38,56,473)	(1,66,05,758)
Payments of commission and brokerage	(78,25,070)	(58,99,153)
Payments of other operating expenses	(81,84,839)	(63,56,564)
GST (Net off GST-ITC)	(67,79,182)	(55,61,927)
Income Tax	(78,160)	(5,55,715)
Deposits, advances and staff loans	(63,116)	(21,587)
Cash flows from Operating Activities	(8,21,762)	1,18,31,487
Purchase of fixed assets	(3,49,826)	(2,08,689)
Proceeds from sale of fixed assets	1,541	140
Purchases of investments	(56,78,37,947)	(8,17,98,669)
Sales of investments	55,10,79,203	6,58,89,390
Rents/Interests/Dividends received	39,46,434	16,96,976
Expenses related to investments	(8,440)	(3,082)
Cash flows from Investment Activities	(1,31,69,036)	(1,44,23,933)
Proceeds from issuance of share capital	9,45,892	-
Proceeds from borrowing	40,00,000	-
Repayments of borrowing	-	-
Interest/dividends paid	(2,55,299)	(2,57,399)
Cash flows from Financing Activities	46,90,594	(2,57,399)
Movements during the period	(93,00,204)	(28,49,845)
Opening Balance	1,59,91,038	51,34,961
Closing Balance	66,90,834	22,85,117

Fixed Deposits of Rs. 20,90,300 thousands (Half year ended September 30, 2020: Rs. 37,75,300 thousands) shown under schedule 11 of financial statements is not considered as part of Cash and Cash Equivalent but under the investing activities.

Closing Cash balance as on 30th September 2021 includes Proceeds from issuance of share capital of Rs. 4,90,000 towards share allotted on Sep 30, 2021. (Half year ended September 30, 2020: Rs. Nil)

Payments of other operating expenses includes payment towards Corporate Social Responsibility of Rs. 4,583 thousands (Half year ended September 30, 2020: Rs. 18,786 thousands)

Receipt and Payment Account is prepared under 'Direct Method'






VENkataSAMY
JAGANNATHAN
N

Digitally signed by
VENkataSAMY
JAGANNATHAN
Date: 2021.11.11
13:53:16 +05'30'

STAR HEALTH AND ALLIED INSURANCE COMPANY LIMITED
#1 NEW TANK STREET, NUNGAMBAKKAM, CHENNAI-34.
CIN U66010TN2005PLC056649 IRDA REGN. NO.129
Telephone: 044-2828 8800 Website:-starhealth.in

Notes forming part of the financial results

1. The above financial results of the Star Health and Allied Insurance Company Limited (the Company) for the quarter and year to date ended September 30, 2021 were reviewed and recommended by the Audit Committee and subsequently approved by the Board of Directors at its Meeting held on November 11, 2021.
2. The above financial results were audited by the joint statutory auditors, Brahmayya & Co., Chartered Accountants and V. Sankar Aiyar & Co., Chartered Accountants who have issued an unmodified opinion on these financial results.
3. During the Quarter and Half year ended September 30, 2021, the company has issued 8.75% Unsecured, Subordinated, Fully paid up, Listed, Redeemable non-convertible debentures of a face value of Rs 1,000,000 each amounting to Rs 40,00,000('000) with a tenor of 7 years.
4. During the quarter ended September 30, 2021, the Company allotted 46,10,177 equity shares of face value Rs. 10 each pursuant to exercise of stock options vested under ESOP and 81,806 equity shares of face value Rs. 10 each pursuant to a Preferential issue of equity shares. During the half year ended September 30, 2021, the company allotted 46,10,177 equity shares of face value Rs. 10 each pursuant to exercise of stock options vested under ESOP and 5,92,882 equity shares of face value Rs. 10 each pursuant to the Preferential issue of equity shares.
5. The financial results of September 30, 2021 are not comparable with those of the previous financial year/periods on account of:

a) Change in method of computation of Unexpired premium reserve (UPR)

The Company was following 50% UPR method up to the financial year ended March 31, 2020 and half year ended September 30, 2020, and shifted to 1/365 day method of accounting UPR as on March 31, 2021, for the financial year 2020-21, with the prior approval of IRDAI. In this method, the UPR is determined on the basis of the number of days from the expiry of the financial year to the expiry date of the policy.

b) Discontinuance of Reinsurance – Voluntary Quota Share treaty

The company had entered into a Voluntary quota share treaty (VQST) for the Health segment with the reinsurer, where the Company has ceded 20% of its risk to the reinsurer. The treaty has provision for clean cut as at the year end, when the Company decides to withdraw from the treaty, the settlement amount paid by the reinsurer as per the treaty terms is 90% of the outstanding reinsurance claims (excluding IBNR) and 35% of the total reinsurance premium.

The Company has decided to discontinue this reinsurance treaty (VQST) for business written under Health Insurance on a clean-cut basis with effect from April 1, 2021 (i.e. w.e.f. from FY 2021-22) based on the IRDAI circular No.: IRDA/F&A/CIR/MISC/ 076/03/2020 dated March 28, 2020.

STAR HEALTH AND ALLIED INSURANCE COMPANY LIMITED
#1 NEW TANK STREET, NUNGAMBAKKAM, CHENNAI-34.
CIN U66010TN2005PLC056649 IRDA REGN. NO.129
Telephone: 044-2828 8800 Website:-starhealth.in

- c) Claims Incurred (Net) include legal and investigation fees and in House claims processing expenditure estimated at 1 % (3% till June 30, 2021) of Gross Premium pertaining to Health (Retail & Group) Segment based on a management estimate, which results in reduction of the said expenditure by Rs 10,09,292 thousands for the half year ended September 30, 2021.
6. The Company has used the principles of prudence in applying judgments, estimates and assumptions to assess and provide for the impact of the COVID 19 pandemic on the financial statements based on internal and external sources of information. However, due to the uncertainties associated with the pandemic, the actual impact may not be in line with the estimates as of the date of approval of the financial statements. During the quarter ended September 30, 2021 the Company has witnessed significantly higher number of reported COVID 19 health claims in second wave in comparison with the initial wave. Accordingly, the Company had made necessary provision required for these claims. The Company will continue to closely monitor any changes to the estimates basis future economic conditions. Further, the impact assessment done by the company does not indicate any adverse impact on its ability to continue as a going concern.
7. In view of the seasonality of Industry, the financial results for the quarters are not indicative of full year's expected performance.
8. The financial results for the three months ended September 30, 2020 are the balancing figures between the audited figures in respect of the half year ended September 30, 2020 and the quarter ended June 30, 2020.
9. Figures of the previous year / quarters and year to date ended have been re-grouped / re-arranged to conform to current year / current quarter and year to date ended presentation.

For and on behalf of the Board

VENkataSAMY
JAGANNATHAN
Digitally signed by
VENkataSAMY
JAGANNATHAN
Date: 2021.11.11 13:24:07
+05'30'

Place: Chennai
Date: November 11, 2021

Mr.V.Jagannathan
Chairman & CEO
DIN : 01196055

