

Date: December 03, 2024

Place: Chennai

SHAI/B & S/GC/22/2024-25

To,
Binoy Yohannan
Associate Vice President-Surveillance
National Stock Exchange of India Limited (NSE)
Exchange Plaza, Bandra Kurla Complex,
Bandra East, Mumbai – 400051.

Dear Sir,

Sub: Clarification /Confirmation on news item appearing in “Media/Publication” Star Health shares jump up to 13% on likely GST reduction for health insurance premia”

Ref: Your Letter ref NSE/CM/Surveillance/15014 and email dated December 03, 2024.

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With reference to the captioned subject, we hereby furnish the following information

- 1. Whether such negotiations/events were taking place? If so, you are advised to provide the said information along with the sequence of events in chronological order from the start of negotiations/events till date.**

Response:

Please note the following with regard to the issue related to Goods and Services Tax (GST) on life and health insurance:

- In a written response in the Lok Sabha on 02 December 2024 Mrs. Nirmala Sitharaman, Hon’ble Finance Minister of India, mentioned that during its meeting on 09 September 2024, the GST Council had proposed forming a Group of Ministers (GoM) to comprehensively address the issues related to GST on life and health insurance.
- Further, Mrs. Nirmala Sitharaman stated that policy holders can expect lower insurance costs if the GST Council recommends a reduced GST rate on health and life insurance (currently facing an 18% GST).
- The GoM on 3 December 2024 has proposed a reduction in the GST rates.
- The GST council will be meeting on 21 December 2024 to discuss they levy of GST on health and life insurance.

The above information is based on publicly available information i.e. based on news articles. The above events are not internal to the Company and the Company was not a party to any of these discussions or negotiations or events. Further, the stated issues are still under discussion and there has not been any formal approval / notification from the Government yet on the GST reduction. The Company has also been learning about these developments only from the news available publicly and is not privy to any other information.

2. Whether you/company are aware of any information that has not been announced to the Exchanges, which could explain the movement in the trading, if any?

Response:

We are not aware of any information that has not been announced to the Exchanges which could have impacted the movement in trading. We would like to highlight that the proposals are still under discussion and since the proposed bill on GST rate rationalisation is yet to be enforced, we do not believe that any intimation to stock exchange is required under regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as there are no regulatory changes yet.

3. The material impact of this article on the Company

Response:

We do not contemplate any material impact of the article on the Company. The proposed GST rate rationalisation is external to the Company and we expect any impact only after the regulatory changes are formally enforced. We will ensure all compliances in case we believe that there will be a material impact on the Company.

For **Star Health and Allied Insurance Co Ltd**

Jayashree Sethuraman
Company Secretary & Compliance Officer