

Proxy Advisory Report (Addendum)

Star Health and Allied Insurance Company Ltd

ABOUT SES

Stakeholders Empowerment Services (SES) is a Corporate Governance Research and Advisory Firm. SES assists Investors to analyze Governance Practices including matters relating to sustainability, prevalent at Listed Entities and empower Investors to undertake meaningful engagement with Investee Entities.

SES SERVICES

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A web-based, one-stop vote management system to cater to the requirements of Institutional Investors.

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COMPANY INFORMATION

BSE CODE: 543412

NSE SYMBOL: STARHEALTH

ISIN: INE575P01011

Industry: General Insurance

Email: investors@starhealth.in

Phone: +91 44 4788 6700

Registered Office: No.1 New Tank Street, Valluvarkottam High Road, Nungambakkam, Chennai- 600 034.

MEETING DETAILS

Meeting Type: PB

Voting Deadline: 16th June, 2026

Notice Date: 13th May, 2026

Notice: [Click here](#)

Annual Report: [FY 2024-25](#)

SES PA Report (Last AGM): [Report](#)

E-VOTING DETAILS

e-Voting Platform: [KFintech](#)

Cut-off Date: 8th May, 2026

Remote E-voting:

- **Start:** 18th May, 2026
- **Ends:** 16th June, 2026

ADDENDUM REPORT RELEASE DATE: 9th June, 2026

Research Analyst: Vansh Ganatra

Conflict Disclosure: SES - No Conflict | Analyst - No Conflict



ADDENDUM

There is no change in the SES Recommendations on any resolution. However, shareholders may take note of the Company's clarification and SES' comments thereon.

| EXISTING RECOMMENDATION | | | | | |
|-------------------------|--|------|-------------------|----------------|---|
| S. No | Resolution | Type | SES Observation # | Rec. | Rationale |
| 1 | Continuation of Mr. Sumir Chadha , Nominee Director of Safecrop Investments India LLP on the Board of Directors of the Company. | O | LC* GC | <u>AGAINST</u> | <i>Profile not adequately disclosed; NRC member and Board is non-compliant with Section 152 of the Companies Act.</i> |
| REVISED RECOMMENDATIONS | | | | | |
| 1 | Continuation of Mr. Sumir Chadha , Nominee Director of Safecrop Investments India LLP on the Board of Directors of the Company. | O | LC* GC | <u>AGAINST</u> | <i>NRC member and Board is non-compliant with Section 152 of the Companies Act.</i> |

O – Ordinary Resolution; Rec. – Recommendation | *SES has identified certain technical observations. ([Read more](#))
 # LC - Legally Compliant, NC - Legally Non-Compliant, TC - Disclosures & Transparency Concern, GC - Governance Concern

BACKGROUND

SES as per its policy, had emailed its PA Report ([weblink](#)) to the Company on 3rd June, 2026 in respect of the PB of the Company. Post release of PA Report, SES received an email from the Company on 5th June. The Company, through the email, has provided its view point, which is reproduced at the last in *blue text*. It may be noted that the email of the Company dated 5th June (as per SES policy framed to comply with SEBI Circular dated 3rd August, 2020 [SEBI/HO/IMD/DF1/CIR/P/2020/147](#)) has already been forwarded to SES clients as it is, without any inputs from SES. This Addendum provides appropriate responses of SES, wherever required.

SES COMMENTS TO COMPANY'S RESPONSE

Resolution #1:

Continuation of Mr. Sumir Chadha, Nominee Director of Safecrop Investments India LLP, on the Board of the Company

In this context, the proposed continuation should not be construed as analogous to a re-appointment, which entails a different level of evaluation, due diligence, and procedural requirements. The approval sought under Regulation 17(1D) is limited to obtaining periodic shareholder consent for the Nominee Director continued association with the Company and does not constitute a fresh appointment or re-appointment.

Notwithstanding the above, and in the interest of transparency and enhanced disclosures, the requisite details pursuant to Regulation 36(3) of the SEBI (LODR) Regulations and Secretarial Standard–2 on General Meetings issued by the Institute of Company Secretaries of India are provided as below.

Refer [Attachment](#)

SES Comments:

SES, in its PA Report, had raised concern since the profile of Mr. Sumir Chadha, including material disclosures such as the latest attendance, were not disclosed by the Company, without which it was not possible to ascertain the performance of the Director.

The Company in its response has provided the profile of Mr. Sumir Chaddha, which includes information on board meeting attendance, nature of expertise, directorships, committee membership/ chairmanship, among others.



Further, while the Company has clarified that Mr. Sumir Chadha has attended 5 Board meetings in FY 2025-26, they have not disclosed the total number of Board meetings held during 2025-26. However, in the present case, SES has verified from the BSE records that only 6 Board meetings were held during the year.

Accordingly, his performance in light of the additional disclosure is as follows:

| Meeting | AGM | Board | | |
|---|--------------|--------------|------------------------------------|-----------|
| Attendance | Last 3 | FY 2025-26 | Aggregate 3 FYs (Inc. FY 2025-26)* | |
| SES Benchmark | - | At least 60% | At least 75% | |
| Sumir Chadha | 0/3 | 83% (5/6) | 85% (17/20) | |
| Aggregate Attendance last 2 FYs (FY 2024 & FY 2025) | NRC | | RMC | CSR |
| SES Benchmark | At least 50% | | At least 50% | - |
| Sumir Chadha | 70% (7/10) | | 50% (3/6) | 50% (4/8) |

SES believes that the Notice should be all-encompassing in nature, such that all material details are disclosed in the Notice for shareholders’ informed decision making. Therefore, ideally, the Company should have provided the above information in the Notice to shareholders.

Since the Company has disclosed the profile and the board meetings attendance of Mr. Chadha has remained adequate, the governance concern raised by SES regarding non-disclosure of profile has been **adequately addressed**.

However, SES had also raised governance concern since the Board of the Company is non-compliant with Section 152(6) of the Companies Act and Mr. Sumir Chadha has been a member of the NRC since 6th November, 2019. Refer page #8 of the PA Report for detailed analysis.

This concern raised by SES continues to persist and accordingly, there is **no change** in SES recommendation w.r.t. to the proposed continuation under resolution #1.

Directorship of Mr. Utpal Sheth

*Further, with regard to the continuation of Mr. Utpal Hemendra Sheth under Regulation 17(1D), we wish to clarify that the transmission of shares held by Late Rakesh Jhunjhunwala is currently in progress and is expected to be completed in due course. Upon completion of the transmission process and based on the resulting shareholding structure, **the Company will evaluate the applicability of the relevant provisions and seek the necessary shareholder and/or regulatory approvals, as may be required, at the appropriate time. The Company remains committed to ensuring compliance with all applicable regulatory requirements in this regard.***

SES Comments:

SES had highlighted an observation that the Company has not sought continuation of directorship of Mr. Utpal Sheth under Regulation 17(1D) of SEBI LODR Regulations, since he was appointed on the same date as Mr. Sumir Chadha and more than 5 years has passed since his appointment. Refer page #8 of the PA Report for detailed analysis.

The Company in its response has stated that the transmission of shares held by Late Mr. Rakesh Jhunjhunwala is currently in progress and the Company will evaluate the applicability of provisions and seek approval when required. Shareholders may note that Mr. Sheth is the Nominee Director of Late Mr. Rakesh Jhunjhunwala.

It is unclear how the transmission of shares is relevant to seeking shareholders’ approval for a director to continue on the Board. It may be noted that Regulation 17(1D) applies to all directors sitting on the board on non-retiring basis (except WTD/ MD / ID) and exception has only been carved out for nominees of the Government (except at PSU), RBI registered financial institution, financial sector regulator, Debenture Trustees and director appointed pursuant to the order of Court/ Tribunal.

While not related to any of the resolutions proposed in the Postal Ballot, SES is of the view that continuation of directorship of Mr. Sheth, without shareholders’ approval, is **non-compliant** with Regulation 17(1D) of SEBI LODR.

Resolution #3, #7, #8, #9 & #10:



The rationale for recommending a vote against the proposed resolutions appears to be based on the alleged non-compliance of the Board with the requirements of Section 152 of the Companies Act, 2013 relating to retirement of directors by rotation and the fact that the concerned directors are members of the Nomination and Remuneration Committee....

Therefore, the proposed resolutions are compliant with the applicable requirements governing remuneration of Independent Directors. As also noted by SES, the resolutions themselves do not suffer from any regulatory non-compliance. Any alleged non-compliance relating to the composition of the Board or the operation of Section 152 of the Companies Act, 2013 is a separate matter and cannot, by itself, constitute a valid basis for recommending that shareholders vote against resolutions seeking approval of remuneration payable to duly appointed directors.

SES Comments:

SES reiterates that no concern has been identified regarding the quantum of remuneration proposed under resolutions #3, #7, #8, #9 & #10. Further, no compliance concern has been raised.

SES has raised governance concern since the Board of the Company is non-compliant with Section 152(6) of the Companies Act and the directors have been NRC Members/Chairperson since a considerable time. Further, Mr. Rajeev Kher (resolution #3) is the Board chairperson.

The Company has itself stated that only 3/6 directors i.e. 50% directors are liable to retire by rotation, and that *“the Company will discuss the mechanism internally to ensure continued compliance with the same.”* Hence the Board is non-compliance with the requirement of at least 2/3rd retiring directors on the Board.

SES is of the opinion that although non-compliance of the Board with Section 152 is a separate matter, maintaining a compliant board is the responsibility of the Board Chairperson as well as the NRC and for material non-compliances they should be held accountable.

Since the Board chairperson and directors have been part of the NRC for considerable time and no disclosure has been made regarding whether adequate steps were taken to rectify the continuous non-compliance on the Board, the concern raised by SES stands unaddressed.

Hence, SES concern on payment of remuneration to the directors on account of them being the Board Chair and NRC Members/Chairperson and non-compliant Board continues to persist and there is **no change in recommendation**.

Response to Specific Concern under Item No. 8

We note your observation regarding Mr. Rohit Bhasin serving as Chairperson of both the Audit Committee (AC) and the Nomination and Remuneration Committee (NRC).

The Company is fully compliant with the applicable regulatory requirements in this regard. The relevant provisions do not require the Chairpersons of the Audit Committee and the NRC to be different individuals. The regulations only mandate that the Chairperson of each committee must be an Independent Director. Accordingly, as both committees are chaired by an Independent Director, the Company remains in compliance with the prescribed governance requirements.

Accordingly, there is no non-compliance with SEBI (LODR) Regulations, 2015.

We further submit that this practice is prevalent across various companies, and there is no stipulation from the sectoral regulator, i.e., the Insurance Regulatory and Development Authority of India (IRDAI), requiring separate individuals to chair these committees.

SES Comments:

SES had highlighted in its Report w.r.t to the combined position of Mr. Rohit Bhasin as Chairperson of the Audit Committee and Nomination & Remuneration Committee and not raised any **compliance** concern.

While the same may be legally permissible and a practice among other companies, SES continues to maintain that as a good governance practice the Chairmanship of the Audit Committee and Nomination & Remuneration Committee should be held by separate Independent Directors in order to ensure that power is not concentrated in the hands of a single individual. However, no concern has been raised in this regard.

Conclusion:

The Company has not provided sufficient justification to address all of the concerns raised by SES in its PA Report and accordingly, there is no change in recommendation under any resolution.

HOWEVER, SHAREHOLDERS MAY TAKE NOTE OF THE COMPANY'S CLARIFICATION AND SES COMMENTS THEREON AND MAKE AN INFORMED DECISION.

COMPANY'S EMAIL

Dear Team,

With reference to the trail mail, please find attached the Company's response for your perusal.

[ATTACHMENT](#)

Disclaimer Sources

Only publicly available data has been used while making the report. Our data sources include Notice of Shareholders' Meeting, BSE, NSE, SEBI, Capitaline, MCA, Moneycontrol, Businessweek, Reuters, Annual Reports, Sustainability Reports, IPO Documents and Company Website.

Analyst Certification

The Analyst(s) involved in development of this Report certify that no part of the Research Analyst's compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed by the Research Analyst(s) in this Report. The concerned Research Analyst(s) and Director(s) do not have any pecuniary relationship with the Reported Company, except that they may be holding miniscule shares in the Company which does not impact their independence in respect of this Report.

SES may be a shareholder in the Company holding equity shares as disclosed on its [website](#). The objective of SES' investment is solely to obtain Shareholders' communications from the Company as a shareholder.

CAUTIONARY STATEMENT

The recommendations made by SES are based on publicly available information and conform to SES's stated Proxy-Advisory Guidelines. SES opinion is based on SES's interpretation of law and governance benchmarks, which may differ from opinion/ benchmarks of other analysts or practitioners. Further, SES analysis is recommendatory in nature and reflects how SES would have voted if it was a shareholder. Therefore, SES expects that the clients will evaluate the effect of their vote on their investments independently and diligently and will vote accordingly. Subscribers may also carry out an impact analysis of their votes and keep the same as an addendum for their records. In our opinion, Institutional investors are positioned significantly differently from other shareholders due to their ability to engage with the board and the management to bring out desired result. As a firm, it is our endeavour to improve the level of corporate governance while not causing any disruption in company's proceedings and therefore we respect the independence of investors to choose alternate methods to achieve similar results.

Disclaimer

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All disputes shall be subject to jurisdiction of High Court of Bombay, Mumbai.

Concern terminology

NC – Compliance Concern: The Company has not met statutory compliance requirements

FC – Fairness Concern: The Company has proposed steps which may lead to undue advantage to a particular class of shareholders and can have adverse impact on non-controlling shareholders including minority shareholders

GC – Governance Concern: SES questions the governance practices of the Company. The Company may have complied with the statutory requirements in letter. However, SES finds governance issues as per its standards.

TC - Disclosures & Transparency Concern: The Company has not made adequate disclosures necessary for shareholders to make an informed decision. The Company has intentionally or unintentionally kept the shareholders in dark.

Company Information



Stakeholders Empowerment Services

SEBI Reg. No. INH000000016

CIN No. -

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Contact Information

Stakeholders Empowerment Services

109, Shyam Baba House,
Upper Govind Nagar,
Malad East,
Mumbai – 400097
Tel +91 22 4022 0322

research@sesgovernance.com

info@sesgovernance.com

www.sesgovernance.com



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