

Take it easy!

HDFC ERGO General Insurance Company Limited

April 28, 2017

Ref No.: SEC/DEBT/06-2016-17

The Manager
Listing Department
Wholesale Debt Market
BSE Limited
Phiroze Jeejeebhoy Tower,
Dalal Street, Mumbai – 400 001



Ref: Scrip Code of Debt: BSE: 955252 - 7.60% HDFC ERGO 9Nov2026
(ISIN: INE392I08011)

Dear Sirs/Madam,

Sub: Submission of Audited Financial Results for the financial year ended March 31, 2017

We wish to inform you that at the meeting of the Board of Directors held today i.e April 28, 2017, the Board has approved the audited financial results for the year ended March 31, 2017.

In accordance with Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (LODR regulations), please find attached herewith the following:

1. Audited Financial Results for the financial year ended March 31, 2017 alongwith the report of the Statutory Auditors thereon. The Auditor has issued an unqualified report.
2. Certificate under Regulation 52(5) of LODR Regulations issued by the Debenture Trustee, IDBI Trusteeship Services Limited

We would also like to inform you that the Company Petition in connection with the Scheme of Arrangement for merger of the Company with HDFC General Insurance Limited, its wholly owned subsidiary, is listed for final hearing by the National Company Law Tribunal, Mumbai Bench, on May 3, 2017.

The outcome of the hearing will be informed to the exchange in due course.

We request you to kindly take the same on record.

Thanking You,

Yours' faithfully,
For HDFC ERGO General Insurance Company Limited


Dayananda V. Shetty
Company Secretary and Head – Legal & Compliance

Encl: a/a

IDBI Trusteeship Services Ltd

CIN : U65991MH2001GOI131154

Ref. No. 845/ITSL/OPR/2017-18

April 28, 2017



HDFC ERGO General Insurance Company Limited

1st Floor, HDFC House, H T Parekh Marg,
165-166, Backbay Reclamation, Churchgate,
Mumbai - 400 020

Kind Attn: Mr. Abhiranjan Gupta, Chief Investment Officer

Dear Sir,

Subject: Certificate u/r 52(5) of SEBI (Listing Obligations & disclosure Requirements) Regulations, 2015, for Debentures Issue by HDFC ERGO General Insurance Company Limited, for the financial year ended 31st March 2017.

Dear Sir/Madam,

We are acting as Debenture Trustee for the Redeemable Non-Convertible Debentures issued by HDFC ERGO General Insurance Company Limited ("The Company").

In terms of the provisions of Regulation 52(5) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, ('Regulations') we certify that we have taken note of the disclosures made by the Company in the letter enclosed hereto, under Regulation 52(4).

Thanking you.

Yours truly,

For IDBI Trusteeship Services Limited

A handwritten signature in black ink, appearing to be 'Gurpreet' or similar, written over a horizontal line.

Authorized Signatory

Encl. As above

HDFC ERGO GENERAL INSURANCE COMPANY LIMITED

Registration No.: 125

Date of Registration with the IRDA : September 27, 2002



FORM NL-3A-B-B-S-BALANCE SHEET

(₹. In '000)

Particulars	As at 31.03.2017	As at 31.03.2016
SOURCES OF FUNDS		
SHARE CAPITAL	6,004,659	5,386,203
RESERVES AND SURPLUS	12,118,629	5,313,058
FAIR VALUE CHANGE ACCOUNT - SHAREHOLDERS	132,861	(39,141)
FAIR VALUE CHANGE ACCOUNT - POLICY HOLDERS	367,757	(142,415)
BORROWINGS	3,500,000	-
DEFERRED TAX LIABILITY	26,534	96,473
TOTAL	22,150,440	10,614,178
APPLICATION OF FUNDS		
INVESTMENTS - SHAREHOLDERS	22,121,338	8,867,331
INVESTMENTS - POLICYHOLDERS	46,129,138	32,264,024
LOANS	-	-
FIXED ASSETS	1,414,735	1,345,343
CURRENT ASSETS		
Cash and Bank Balances	1,888,416	1,388,984
Advances and Other Assets	14,670,854	5,050,731
Sub-Total (A)	16,559,270	6,439,715
CURRENT LIABILITIES		
PROVISIONS	46,408,226	24,134,218
Sub-Total (B)	46,408,226	24,134,218
NET CURRENT ASSETS/(LIABILITIES) (C) = (A - B)	(47,514,771)	(31,862,520)
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)	-	-
DEBIT BALANCE IN PROFIT AND LOSS ACCOUNT	-	-
TOTAL	22,150,440	10,614,178

FORM NL-2A-B-PL: PROFIT AND LOSS ACCOUNT

(₹. In '000)

Sr.No.	Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
1	OPERATING PROFIT/(LOSS)		
	(a) Fire Insurance	12,252	393,370
	(b) Marine Insurance	(229,524)	(303,652)
	(c) Miscellaneous Insurance	3,324,534	1,012,966
2	INCOME FROM INVESTMENTS		
	(a) Interest, Dividend and Rent - Gross	986,476	908,128
	(b) Profit on sale of investments	308,909	78,830
	Less: Loss on sale of investments	-	-
	(c) Accretion/(Amortisation) of Debt Securities	(5,219)	6,783
3	OTHER INCOME	9,743	-
	TOTAL (A)	4,407,171	2,096,425
4	PROVISIONS (OTHER THAN TAXATION)		
	(a) For diminution in the value of investments	29,905	-
	(b) For doubtful debts	89,076	7,710
	(c) Others	-	-
5	OTHER EXPENSES		
	(a) Expenses other than those related to Insurance Business		
	Employees' related remuneration and welfare benefits	48,208	34,625
	(b) Corporate Social Responsibility Expenses	26,702	22,976
	(c) Bad Debts written off	-	-
	(d) Remuneration to directors and others	3,380	3,000
	(e) Debenture issuance expenses	7,857	-
	(f) Amalgamation Expenses	107,579	-
	(g) Interest on Debentures	104,214	-
	(h) Penalty	1,500	-
	TOTAL (B)	418,421	68,311
	PROFIT/(LOSS) BEFORE TAX	3,988,750	2,028,114
	Provision for Taxation:		
	-Current Tax/ Minimum Alternate Tax (MAT)	1,287,017	536,148
	-Deferred Tax	(69,939)	(21,767)
	Profit/(Loss) After Tax	2,771,672	1,513,733
	APPROPRIATIONS		
	(a) Interim dividends paid during the period	750,582	673,275
	(b) Proposed final dividend	-	-
	(c) Dividend distribution tax	152,801	137,063
	(d) Transfer to any Reserves or Other Accounts	-	-
	(d) Transfer to Debenture Redemption Reserve	97,200	-
	(e) Transfer to Contingency Reserve for Unexpired Risks	-	-
	Balance of profit/ (loss) brought forward from previous year	2,004,828	1,301,433
	Balance carried forward to Balance Sheet	3,775,917	2,004,828

FORM NL-1A-B-RA: REVENUE ACCOUNT

(₹. In '000)

Sr.No.	Particulars	For the year ended 31.03.2017				For the year ended 31.03.2016			
		Fire	Marine	Misc	Total	Fire	Marine	Misc	Total
1	Premiums earned (Net)	804,365	536,130	21,675,022	23,015,517	733,033	747,848	15,604,518	17,085,399
2	Profit/Loss on sale/redemption of Investments (Net)	59,981	19,645	868,826	948,452	14,399	5,275	185,416	205,090
3	Accretion/(Amortisation) of Debt Securities	(1,013)	(332)	(14,680)	(16,025)	1,239	453	15,954	17,646
4	Others:								
	Investment Income from Terrorism Pool	17,918	-	-	17,918	23,408	-	-	23,408
	Miscellaneous Income/Liabilities written back	387	271	10,918	11,576	274	294	6,129	6,697
5	Interest, Dividend and Rent - Gross	191,544	62,734	2,774,518	3,028,796	165,873	60,769	2,136,031	2,362,673
	TOTAL (A)	1,073,182	618,448	25,314,604	27,006,234	938,226	814,639	17,948,048	19,700,913
1	Claims Incurred (Net)	403,409	612,313	16,523,968	17,539,690	371,836	761,531	11,308,226	12,441,593
2	Commission (Net)	(245,881)	26,536	(3,470,151)	(3,689,496)	(187,080)	65,559	(1,377,143)	(1,498,664)
3	Operating Expenses related to Insurance Business	903,402	209,123	8,936,253	10,048,778	360,100	291,201	7,003,999	7,655,300
4	Premium Deficiency	-	-	-	-	-	-	-	-
	TOTAL (B)	1,060,930	847,972	21,990,070	23,898,972	544,856	1,118,291	16,935,082	18,598,229
	Operating Profit/(Loss) from Fire/Marine/Miscellaneous Business C= (A - B)	12,252	(229,524)	3,324,534	3,107,262	393,370	(303,652)	1,012,966	1,102,684
	APPROPRIATIONS								
	Transfer to Shareholders' Account	12,252	(229,524)	3,324,534	3,107,262	393,370	(303,652)	1,012,966	1,102,684
	Transfer to Catastrophe Reserve	-	-	-	-	-	-	-	-
	Transfer to Other Reserves	-	-	-	-	-	-	-	-
	TOTAL (C)	12,252	(229,524)	3,324,534	3,107,262	393,370	(303,652)	1,012,966	1,102,684

FORM NL-30A: Analytical Ratios for Non-Life companies

Sr.No.	Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016	Sr.No.	Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
1	Gross Direct Premium Growth Rate	72.81%	6.20%	12	Operating Profit Ratio	13.50%	6.45%
2	Gross Premium to shareholders' fund ratio	3.22	3.16	13	Liquid Assets to liabilities ratio	0.25	0.24
3	Growth rate of shareholders' fund	69.39%	7.04%	14	Net earning ratio	10.66%	7.98%
4	Net Retention Ratio	43.80%	54.75%	15	Return on net worth ratio	15.29%	14.15%
5	Net Commission Ratio	-14.19%	-7.90%	16	Available Solvency Margin Ratio to Required Solvency Margin Ratio	1.71	1.67
6	Expense of Management to Gross Direct Premium Ratio	22.21%	30.11%	17	NPA Ratio		
7	Expenses of Management to Net written Premium ratio	49.91%	53.61%		Gross NPA Ratio*	NA	NA
8	Net Incurred Claims to Net Earned Premium	76.21%	72.82%		Net NPA Ratio*	NA	NA
9	Combined Ratio	100.67%	105.26%	18	Debt Equity Ratio	0.19	-
10	Technical Reserves to net premium ratio	1.44	1.50	19	Debt Service Coverage Ratio	39.27	-
11	Underwriting balance ratio	-0.04	-0.09	20	Interest Service Coverage Ratio	39.27	-
				21	Asset Cover Availability*	NA	-

**NA* denotes Not Applicable

1. The results for the year ended March 31, 2017 which have been audited by the Statutory Auditors, were reviewed by the Audit and Compliance Committee of Directors and subsequently approved by the Board of Directors at its meeting held on April 28, 2017, in terms of circular on Public Disclosure by Insurers dated January 28, 2010 issued by Insurance Regulatory and Development Authority of India.
 2. Ratios are computed in accordance with and as per definition given in the Master Circular on Preparation of Financial Statements dated October 5, 2012 & subsequent corrigendum thereon dated July 3, 2013 (except for ratios at Sr.No.18-21 in Form NL-30A above).
 3. Credit Rating for Unsecured Non-Convertible Debentures is 'AAA' by both, CRISIL and ICRA.
 4. The Debentures were issued on November 9, 2016 and the first due date for payment of interest would be November 9, 2017.
 5. Networth as on March 31, 2017 : ₹ 18,123,287 ('000s) [Previous Year ₹ 10,699,261 ('000s)] (Computed as per definition laid down by IRDAI)
 6. Earnings per share as on March 31, 2017 : Basic : ₹ 4.83 (Previous Year ₹ 2.81), Diluted : ₹ 4.80 (Previous Year ₹ 2.79)
 7. Pursuant to IRDAI approval for acquisition of 100% shares of HDFC General Insurance Limited "HGIL" (Formerly L&T General Insurance Company Limited) by the Company and in-principle approval for amalgamation of the Company and HGIL and approval of Competition Commission of India (CCI), the Company has acquired 100% shares of HGIL from Larsen & Toubro Limited on September 09, 2016. The Board of Directors and Shareholders of the Company, at its respective meetings, has approved the Scheme of Arrangement to be made between the Company and HGIL with the Appointed Date of January 1, 2017 and accordingly has filed the Company Summons for Directions with the High Court of Judicature at Bombay. Subsequently the matter moved to National Company Law Tribunal (NCLT). Pending the approval of NCLT, no effect of the proposed arrangement has been recognized in the financial statements for the year ended March 31, 2017.

Place : Mumbai

Date : April 29, 2017

Call us : 1800 2 700 700 or Visit us : www.hdfcergo.com

Deepak S. Parekh
Chairman



B. K. Khare & Co.
Chartered Accountants
706-708, Sharda Chambers
New Marine Lines
Mumbai 400 020

G. M. Kapadia & Co.
Chartered Accountants
1007 Raheja Chambers
213 Nariman Point
Mumbai 400 021

Auditor's Report

To the Board of Directors of
HDFC ERGO General Insurance Company Limited

We have audited the accompanying results prepared in Form NL comprising the Balance Sheet of HDFC ERGO General Insurance Company Limited ("the Company") as at March 31, 2017, Revenue Account, Profit and Loss Account, Analytical Ratios and selected explanatory notes for the year ended March 31, 2017 ("collectively referred as "the Statement") being submitted by the Company pursuant to the requirement of Regulation 52(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and relevant IRDA Circulars. This Statement which is the responsibility of the Company's Management has been approved by the Board of Directors and have been compiled from related standalone financial statements approved by the Board of Directors which has been prepared in accordance with the accounting principles generally accepted in India, including the provisions of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015 (the "Insurance Act") read with Insurance Regulatory and Development Authority of India circular IRDAI/F&A/CIR/CPM/056/03/2016 dated April 4, 2016 and IRDA/F&A/CIR/CPM/010/01/2017 dated January 12, 2017, the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act"), the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditor's Report of Insurance Companies) Regulations, 2002 (the "IRDA Financial Statements Regulations"), orders/directions issued by the Insurance Regulatory and Development Authority of India (the "IRDAI") in this regard and the Accounting Standards specified under Section 133 of the Act, to the extent applicable.

Our responsibility is to express an opinion on the financial results based on our audit of the financial statements which have been prepared in accordance the relevant provisions of the Insurance Act, 1938 (the "Insurance Act"), the Insurance Regulatory and Development Authority Act, 1999 (the "IRDA Act") and other accounting principles generally accepted in India, to the extent considered relevant and which are not inconsistent with the accounting principles as prescribed in the Insurance Regulatory and Development Authority (Preparation of Financial Statements and Auditors' Report of Insurance Companies) Regulations, 2002 (the "Regulations") and orders/directions/circulars issued by the Insurance Regulatory and Development Authority of India ("IRDAI") to the extent applicable.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining on a test basis, evidence supporting the amounts disclosed in the financial results. An audit also includes assessing the accounting principles used and the significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.



In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Statement gives the information required as per circular no IRDA/F&I/CIR/F&A/012/01/2010 issued by the IRDAI as disclosed in note no.1, and gives a true and fair view in conformity with the accounting principles generally accepted in India, as applicable to the Insurance Companies

- i. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- ii. in the case of the Revenue Accounts, of the operating profit in so far as it relates to the Fire Revenue Account and the Miscellaneous Revenue Account and the operating loss in so far as it relates to the Marine Revenue Account for the year ended March 31, 2017; and
- iii. in the case of the Profit and Loss Account, of the profit for the year ended March 31, 2017.

Other Matters

The estimate of claims Incurred But Not Reported (IBNR) and claims Incurred But Not Enough Reported (IBNER), included under Claims Outstanding as at March 31, 2017 has been duly certified by the Company's Appointed Actuary, and in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI. We have relied upon the Appointed Actuary's certificate in this regard for forming our opinion on the financial statements of the Company.

The financial statements of the Company for the year ended March 31, 2016 were audited by the joint auditors of the Company, one of which is a predecessor audit firm. The joint auditors in their audit report dated April 21, 2016 have expressed as unmodified opinion on the financial statements for the year ended March 31, 2016.

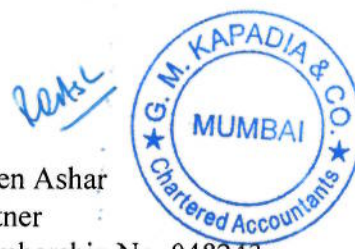
For B. K. KHARE & CO.
Chartered Accountants
Firm's Registration No.: 105102W

Padmini Khare Kaicker
Partner
Membership No.: 044784



Mumbai, April 28, 2017

For G. M. KAPADIA & CO.
Chartered Accountants
Firm's Registration No.: 104767W



Rajen Ashar
Partner
Membership No. 048243