

April 16, 2018

Ref No.: HDFCERGO/SLC/DK/2018-19/41

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, 2018**

We wish to inform you that at the meeting of the Board of Directors held today i.e April 16, 2018, the Board has approved the audited financial results for the year ended March 31, 2018.

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, 2018 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 request you to kindly take the same on record.

Thanking You,

Yours' faithfully,  
For HDFC ERGO General Insurance Company Limited

  
Dayananda V. Shetty  
Executive Vice President - Legal & Compliance and Company Secretary

Encl: a/a

**IDBI Trusteeship Services Ltd**

CIN : U65991MH2001GOI131154

Ref. No. 541/ITSL/OPR/2018-19

April 16, 2018

**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 31<sup>st</sup> March 2018.**

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 'J. Gupta'.

**Authorized Signatory**

Encl. As above





FORM NL-3A-B-BS - BALANCE SHEET			(₹. In '000)	
Particulars	As at 31.03.2018	As at 31.03.2017		
<b>SOURCES OF FUNDS</b>				
SHARE CAPITAL	6,050,718	6,004,659		
RESERVES AND SURPLUS	11,560,400	8,843,730		
FAIR VALUE CHANGE ACCOUNT - SHAREHOLDERS	43,185	133,927		
FAIR VALUE CHANGE ACCOUNT - POLICY HOLDERS	150,889	375,349		
BORROWINGS	3,500,000	3,500,000		
DEFERRED TAX LIABILITY	36,326	-		
<b>TOTAL</b>	<b>21,341,518</b>	<b>18,857,665</b>		
<b>APPLICATION OF FUNDS</b>				
INVESTMENTS - SHAREHOLDERS	18,154,614	18,230,354		
INVESTMENTS - POLICYHOLDERS	63,433,015	51,092,887		
LOANS	-	-		
FIXED ASSETS	2,095,017	1,488,386		
CURRENT ASSETS				
Cash and Bank Balances	4,370,413	2,019,989		
Advances and Other Assets	15,492,246	15,004,521		
<b>Sub-Total (A)</b>	<b>19,862,659</b>	<b>17,024,510</b>		
CURRENT LIABILITIES	59,339,619	50,703,070		
PROVISIONS	22,864,168	18,275,402		
<b>Sub-Total (B)</b>	<b>82,203,787</b>	<b>68,978,472</b>		
NET CURRENT ASSETS/(LIABILITIES) (C) = (A - B)	(62,341,128)	(51,953,962)		
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)	-	-		
DEBIT BALANCE IN PROFIT AND LOSS ACCOUNT	-	-		
<b>TOTAL</b>	<b>21,341,518</b>	<b>18,857,665</b>		

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

(₹. In '000)

Sr.No.	Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
1	OPERATING PROFIT/(LOSS)		
	(a) Fire Insurance	(134,501)	(77,748)
	(b) Marine Insurance	(98,262)	(12,441)
	(c) Miscellaneous Insurance	4,944,181	909,581
2	INCOME FROM INVESTMENTS		
	(a) Interest, Dividend and Rent – Gross	1,370,571	443,559
	(b) Profit on sale of investments	185,296	162,226
	Less: Loss on sale of investments	-	-
	(c) Accretion/(Amortisation) of Debt Securities	(26,296)	(6,613)
3	OTHER INCOME	-	-
	<b>TOTAL (A)</b>	<b>6,240,989</b>	<b>1,418,564</b>
4	PROVISIONS (OTHER THAN TAXATION)		
	(a) For diminution in the value of investments	-	-
	(b) For doubtful debts	(87,241)	94,491
5	OTHER EXPENSES		
	(a) Expenses other than those related to Insurance Business Employees' related remuneration and welfare benefits	62,351	12,014
	(b) Corporate Social Responsibility Expenses	46,226	13,791
	(c) Bad Debts written off	670,428	-
	(d) Remuneration to directors and others	4,000	3,380
	(e) Amalgamation Expenses	142,128	10,562
	(f) Interest on Debentures	266,000	65,633
	(g) Expenses transferred from Policy holders' Account	-	3,169
	(h) Penalty	4,416	1,500
	<b>TOTAL (B)</b>	<b>1,108,308</b>	<b>204,540</b>
	PROFIT/(LOSS) BEFORE TAX	5,132,681	1,214,024
	Provision for Taxation: -Current Tax/ Minimum Alternate Tax (MAT)	1,059,298	16,593
	-Deferred Tax	36,326	(46,663)
	<b>Profit/(Loss) After Tax</b>	<b>4,037,057</b>	<b>1,244,094</b>
	APPROPRIATIONS		
	(a) Interim dividends paid during the period	1,210,144	-
	(b) Proposed final dividend	-	-
	(c) Dividend distribution tax	246,357	-
	(d) Transfer to any Reserves or Other Accounts	-	-
	(e) Transfer to Debenture Redemption Reserve	97,200	97,200
	(f) Transfer to Contingency Reserve for Unexpired Risks	-	-
	Balance of profit/ (loss) brought forward from previous year	501,018	(5,630,141)
	<b>Balance carried forward to Balance Sheet</b>	<b>2,984,374</b>	<b>(4,483,247)</b>

FORM NL-1A-B-RA: REVENUE ACCOUNT										(₹. In '000)	
Sr.No.	Particulars	For the year ended 31.03.2018				For the year ended 31.03.2017					
		Fire	Marine	Misc	Total	Fire	Marine	Misc	Total		
1	Premiums earned (Net)	973,629	486,133	28,485,235	29,944,997	252,370	197,280	9,441,370	9,891,020		
2	Profit/Loss on sale/redemption of Investments (Net)	32,856	8,137	542,252	583,245	26,960	7,400	434,689	469,049		
3	Accretion/(Amortisation) of Debt Securities	(4,662)	(1,154)	(76,952)	(82,768)	(1,099)	(302)	(17,720)	(19,121)		
4	Others :										
	Investment Income from Terrorism Pool	40,724	-	-	40,724	13,784	-	2,432	16,216		
	Miscellaneous Income/Liabilities written back	1,147	629	36,676	38,452	129	101	4,859	5,089		
5	Interest, Dividend and Rent - Gross	243,022	60,181	4,010,833	4,314,036	73,714	20,234	1,188,533	1,282,481		
	<b>TOTAL (A)</b>	<b>1,286,716</b>	<b>553,926</b>	<b>32,998,044</b>	<b>34,838,686</b>	<b>365,858</b>	<b>224,713</b>	<b>11,054,163</b>	<b>11,644,734</b>		
1	Claims Incurred (Net)	641,453	398,485	21,226,868	22,266,806	119,762	144,723	7,433,489	7,697,974		
2	Commission (Net)	(183,433)	33,197	(2,534,005)	(2,684,241)	(59,271)	6,253	(1,471,125)	(1,524,143)		
3	Operating Expenses related to Insurance Business	963,197	220,506	9,361,000	10,544,703	383,115	86,178	4,182,218	4,651,511		
4	Premium Deficiency	-	-	-	-	-	-	-	-		
	<b>TOTAL (B)</b>	<b>1,421,217</b>	<b>652,188</b>	<b>28,053,863</b>	<b>30,127,268</b>	<b>443,606</b>	<b>237,154</b>	<b>10,144,582</b>	<b>10,825,342</b>		
	Operating Profit/(Loss) from Fire/Marine/Miscellaneous Business C= (A - B)	(134,501)	(98,262)	4,944,181	4,711,418	(77,748)	(12,441)	909,581	819,392		
	APPROPRIATIONS										
	Transfer to Shareholders' Account	(134,501)	(98,262)	4,944,181	4,711,418	(77,748)	(12,441)	909,581	819,392		
	Transfer to Catastrophe Reserve	-	-	-	-	-	-	-	-		
	Transfer to Other Reserves	-	-	-	-	-	-	-	-		
	<b>TOTAL (C)</b>	<b>(134,501)</b>	<b>(98,262)</b>	<b>4,944,181</b>	<b>4,711,418</b>	<b>(77,748)</b>	<b>(12,441)</b>	<b>909,581</b>	<b>819,392</b>		

FORM NL-30A: Analytical Ratios for Non-Life companies							
Sr.No	Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017	Sr.No	Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
1	Gross Direct Premium Growth Rate	227.76%	369.84%	12	Operating Profit Ratio	15.73%	8.28%
2	Gross Premium to shareholders' fund ratio	4.14	1.51	13	Liquid Assets to liabilities ratio	0.32	0.24
3	Growth rate of shareholders' fund	18.61%	938.92%	14	Net earning ratio	11.68%	12.45%
4	Net Retention Ratio	46.69%	44.36%	15	Return on net worth ratio	22.92%	8.38%
5	Net Commission Ratio	-7.77%	-15.25%	16	Available Solvency Margin Ratio to Required Solvency Margin Ratio	2.06	1.76**
6	Expense of Management to Gross Direct Premium Ratio	21.37%	25.08%	17	NPA Ratio		
7	Expenses of Management to Net written Premium ratio	45.08%	55.83%		Gross NPA Ratio*	NA	NA
8	Net Incurred Claims to Net Earned Premium	74.36%	77.83%		Net NPA Ratio*	NA	NA
9	Combined Ratio	97.11%	109.13%	18	Debt Equity Ratio	0.20	0.24
10	Technical Reserves to net premium ratio	1.50	4.23	19	Debt Service Coverage Ratio	20.30	19.50
11	Underwriting balance ratio	-0.01	-0.09	20	Interest Service Coverage Ratio	20.30	19.50
				21	Asset Cover Availability*	NA	NA

\* "NA" denotes Not Applicable

\*\* For the purpose of calculating RSM, the Company has considered total of GWP, NWP, GIC and NIC of the Transferor Company and the Company. Had the Company considered the total GWP, NWP, GIC and NIC of the Company only, the Solvency of the Company would have been 4.93 times.

- Pursuant to approval of the National Company Law Tribunal, Mumbai Bench (NCLT) and IRDAI, the merger of HDFC ERGO General Insurance Company Limited (IRDAI Regn. No. 125) and the Company (IRDAI Regn. No. 146) is effective from August 16, 2017 with the Appointed Date of January 1, 2017. The name of the Company has changed to HDFC ERGO General Insurance Company Limited with effect from the Effective Date. Accordingly, the figures of the current period are not comparable with those of the previous period. Further, previous period figures have been regrouped for better presentation and understanding.
- The above results for the year ended March 31, 2018 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 16, 2018, in terms of circular on Public Disclosure by Insurers dated January 28, 2010 issued by Insurance Regulatory and Development Authority of India.
- 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).
- Credit Rating for Unsecured Non-Convertible Debentures is 'AAA' by both CRISIL and ICRA.
- Due date for payment of Interest on Non-Convertible Debentures : November 9, 2018
- Amount of Interest on Non-Convertible Debentures on November 9, 2018 is ₹266,000 ('000s)
- Networth as on March 31, 2018 : ₹17,611,118 ('000s) [Previous Year ₹14,848,389 ('000s)] (Computed as per definition laid down by IRDAI)
- Earnings per share as on March 31, 2018 : Basic : ₹6.70 (Previous Year ₹2.07), Diluted : ₹6.68 (Previous Year ₹2.06)

*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 on Yearly Financial Results of the Company pursuant to the Regulation 52(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with IRDA Circular reference: IRDAI /F&I /CIR/ F&A /012/01/2010 dated January 28, 2010**

To the Board of Directors of  
**HDFC ERGO GENERAL INSURANCE COMPANY LIMITED**  
(formerly known as HDFC General Insurance Limited which was earlier known as L&T 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**(formerly known as HDFC General Insurance Limited which was earlier known as L&T General Insurance Company Limited) ("the Company") for the year ended March 31, 2018 and the year to date financial results for the period April 1, 2017 to March 31, 2018, being submitted by the Company pursuant to the requirement of Regulation 52(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and IRDA Circular reference: IRDAI /F&I / IRDAI /F&I /CIR/ F&A /012/01/2010 dated January 28, 2010. These yearly financial results have been prepared on the basis of the annual financial statements, which are the responsibility of the Company's management and have been approved by the Board of Directors on April 16, 2018.

Our responsibility is to express an opinion on these yearly financial results based on our audit of such annual financial statements, which have been prepared in accordance with the requirement of the Insurance Act, 1938, as amended by the Insurance Laws (Amendment) Act, 2015 (the "Insurance Act") read with Insurance Regulatory and Development Act, 1999 (the "IRDA Act") and in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 to the extent considered relevant and appropriate for the purpose of yearly financial results 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/guidelines 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.



**B. K. Khare & Co.**  
**Chartered Accountants**

**G. M. Kapadia & Co.**  
**Chartered Accountants**

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

- (i) are presented in accordance with the requirements of Regulation 52(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and IRDAI Circular reference: IRDAI /F&I /CIR/ F&A /012/01/2010 dated January 28, 2010 in this regard; and
- (ii) give a true and fair view of the net profit and other financial information for the year ended March 31, 2018.

**Other Matters**

The actuarial valuation of the outstanding claims reserves that are estimated using statistical methods, PDR and IBNR reserve as at March 31, 2018 has been duly certified by the Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the Insurance Regulatory and Development Authority of India ("IRDAI"/ "Authority") and the Institute of Actuaries of India in concurrence with the Authority. We have relied upon the Appointed Actuary's certificate in this regard for forming our opinion on the valuation of liabilities for outstanding claims reserves that are estimated using statistical methods, PDR and IBNR reserves, as contained in the annual financial statements of the Company.

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

**Padmini Khare Kaicker**  
Partner  
Membership No.: 044784



Mumbai, April 16, 2018

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

**Rajen Ashar**  
Partner  
Membership No. 048243

