



**HDFC ERGO General Insurance**

**May 8, 2020**

**Ref No.: HDFCERGO/SLC/DK/2020-21/12**

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, 2020**

We wish to inform you that at the meeting of the Board of Directors held today i.e. May 8, 2020, the Board has approved the audited financial results for the year ended March 31, 2020.

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, 2020 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**  
**Company Secretary and Chief Compliance Officer**

**Encl: a/a**

**B.K. Khare & Co.**  
Chartered Accountants  
706-708, Sharda Chambers,  
New Marine Lines,  
Mumbai - 400020

**G. M. Kapadia & Co.**  
Chartered Accountants  
1007, Raheja Chambers,  
213 Nariman Point,  
Mumbai - 400021

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

The Board of Directors of  
**HDFC ERGO General Insurance Company Limited**

1. We have audited the accompanying results prepared in Form NL comprising the Balance Sheet of **HDFC ERGO General Insurance Company Limited** ("the Company") for the year ended March 31, 2020, the Revenue Account, the Profit and Loss Account, Analytical Ratios and relevant explanatory notes thereon (the statement) for the year to date financial results for the period from April 1, 2019 to March 31, 2020 (standalone financial results), being submitted by the Company pursuant to the requirement of Regulation 52(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and IRDAI Circular reference: IRDA /F&I / IRDAI /F&I /CIR/ F&A /012/01/2010 dated January 28, 2010. These yearly financial results as well as year to date 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 in its meeting on May 8, 2020.

**Management's Responsibility for the Standalone Financial Results**

2. These standalone financial results have been prepared on the basis of standalone financial statements prepared in accordance with the measurement and recognition principles specified in paragraph 3 below, which is the responsibility of the Company's management. The management's responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation of the standalone financial results that are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility for Audit of the Standalone Financial Results**

3. Our responsibility is to express an opinion on these quarterly and year ended March 31, 2020 standalone financial results based on our audit of such standalone financial statements, which have been prepared by the Company's Management in accordance with the recognition and measurement principles specified under Section 133 of the Companies Act, 2013 ("the Act"), including 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 appropriate for the purpose of these standalone 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 issued by the Insurance Regulatory and Development Authority of India ("IRDAI") to the extent applicable.

4. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act) and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the standalone financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

#### Opinion

5. In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:
- a) 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: IRDA /F&I /CIR/ F&A /012/01/2010 dated January 28, 2010 in this regard; and
  - b) give a true and fair view of the net profit and other financial information for the year ended March 31, 2020 as well as the year to date financial results for the period April 1, 2019 to March 31, 2020.

#### Emphasis of Matter

6. We draw your attention to the note no. 8 to the financial results in connection with the management's assessment of the impact of the outbreak of Coronavirus (Covid-19) and subsequent lock-down announced by the Central Government on the business operations of the Company. The management assessment includes but is not limited to valuation of investments, valuation of policy-related liabilities and solvency position of the Company. The management continues to closely monitor the implications of Covid-19 on its operations and financial statements. Our opinion is not modified in respect of this matter.

#### Other Matters

7. The actuarial valuation of the outstanding claims Incurred but Not Reported (IBNR) and Premium Deficiency Reserve (the "PDR") that are estimated using statistical methods. PDR and IBNR reserve, as at March 31, 2020 have been duly certified by the Appointed Actuary and in his opinion, the norms and assumptions for such Valuation are in accordance with the guidelines 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



B.K. Khare & Co.  
Chartered Accountants

G. M. Kapadia & Co.  
Chartered Accountants

in this regard for forming our opinion on the valuation of liabilities for outstanding claims reserves and PDR contained in the financial results of the Company.

8. The Statement dealt with by this report has been prepared for the purpose of filing with stock exchange. This Statement is based on and should be read with the audited standalone financial statements of the company for the year ended March 31, 2020 on which we issued an unmodified audit opinion vide our report dated May 08, 2020.

For B.K. Khare & Co.  
Chartered Accountants  
Firm Registration No. 105102W



Radhemi Khare Kaicker  
Partner  
Membership No. 044784  
UDIN No. 20044784AAAAAK4735

Place: Mumbai  
Date: May 08, 2020

For G.M. Kapadia & Co.  
Chartered Accountants  
Firm Registration No. 104767W



Rajen Ashar  
Partner  
Membership No. 048243  
UDIN No. 20048243AAAAAK48353

# HDFC ERGO GENERAL INSURANCE COMPANY LIMITED

Registration No.: 146

Date of Registration with the IRDAI: July 09, 2010

FORM NL-3A-B-BS: BALANCE SHEET		(₹. In '000)	
Particulars	As at 31.03.2020	As at 31.03.2019	
<b>SOURCES OF FUNDS</b>			
SHARE CAPITAL	6,058,421	6,054,221	
RESERVES AND SURPLUS	18,283,989	13,769,664	
FAIR VALUE CHANGE ACCOUNT – SHAREHOLDERS	(95,750)	(57,263)	
FAIR VALUE CHANGE ACCOUNT – POLICY HOLDERS	(660,295)	(217,528)	
BORROWINGS	3,500,000	3,500,000	
DEFERRED TAX LIABILITY	-	-	
<b>TOTAL</b>	<b>27,086,365</b>	<b>23,049,094</b>	
<b>APPLICATION OF FUNDS</b>			
INVESTMENTS – SHAREHOLDERS	14,566,590	18,971,760	
INVESTMENTS – POLICYHOLDERS	100,451,268	72,068,296	
LOANS	-	-	
FIXED ASSETS	2,430,110	2,135,050	
DEFERRED TAX ASSET	449,848	517,639	
CURRENT ASSETS			
Cash and Bank Balances	7,323,506	3,883,282	
Advances and Other Assets	22,443,671	17,713,394	
<b>Sub-Total (A)</b>	<b>29,767,177</b>	<b>21,596,676</b>	
CURRENT LIABILITIES	89,161,552	63,751,506	
PROVISIONS	31,417,076	28,488,821	
<b>Sub-Total (B)</b>	<b>120,578,628</b>	<b>92,240,327</b>	
NET CURRENT ASSETS/(LIABILITIES) (C) – (A - B)	(90,811,451)	(70,643,651)	
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)	-	-	
DEBIT BALANCE IN PROFIT AND LOSS ACCOUNT	-	-	
<b>TOTAL</b>	<b>27,086,365</b>	<b>23,049,094</b>	

FORM NL-2A-B-PL: PROFIT AND LOSS ACCOUNT		(₹. In '000)	
Sr. No.	Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
1	OPERATING PROFIT/(LOSS)		
	(a) Fire Insurance	(444,974)	333,361
	(b) Marine Insurance	(178,508)	(230,527)
	(c) Miscellaneous Insurance	6,159,605	4,836,224
2	INCOME FROM INVESTMENTS		
	(a) Interest, Dividend and Rent – Gross	1,284,157	1,379,320
	(b) Profit on sale of investments	122,848	158,642
	Less: Loss on sale of investments	-	-
	OTHER INCOME		
	Others	-	175,000
	<b>TOTAL (A)</b>	<b>6,943,128</b>	<b>6,652,020</b>
4	PROVISIONS (OTHER THAN TAXATION)		
	(a) For diminution in the value of investments	116,600	1,578,181
	(b) For doubtful debts	(30,108)	7,038
5	OTHER EXPENSES		
	(a) Expenses other than those related to Insurance Business Employees' related remuneration and welfare benefits	90,357	83,351
	(b) Corporate Social Responsibility Expenses	72,669	40,901
	(c) Bad Debts written off	43,715	-
	(d) Remuneration to directors and others	4,000	3,752
	(e) Bad & Doubtful Investments written off	100,000	-
	(f) Amalgamation Expenses	161,443	-
	(g) Interest on Debentures	266,548	266,000
	(h) Penalty	-	500
	<b>TOTAL (B)</b>	<b>825,224</b>	<b>1,979,723</b>
	<b>PROFIT/(LOSS) BEFORE TAX</b>	<b>6,117,904</b>	<b>4,672,297</b>
	Provision for Taxation:		
	- Current Tax/ Minimum Alternate Tax (MAT)	1,573,053	1,396,384
	- Deferred Tax	67,791	(553,964)
	<b>PROFIT/(LOSS) AFTER TAX</b>	<b>4,477,060</b>	<b>3,829,877</b>
	<b>APPROPRIATIONS</b>		
	(a) Interim dividends paid during the period	-	1,362,200
	(b) Proposed final dividend	-	-
	(c) Dividend distribution tax	-	280,004
	(d) Transfer to any Reserves or Other Accounts	-	-
	(e) Transfer to Debenture Redemption Reserve	24,300	97,200
	(f) Transfer to Contingency Reserve for Unexpired Risks	-	-
	Balance of profit/ (loss) brought forward from previous year	5,074,847	2,984,374
	<b>BALANCE CARRIED FORWARD TO BALANCE SHEET</b>	<b>9,527,607</b>	<b>5,074,847</b>



# HDFC ERGO GENERAL INSURANCE COMPANY LIMITED

Registration No.: 146

Date of Registration with the IRDAI: July 09, 2010

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

(₹. in '000)

Sr. No	Particulars	For the year ended 31.03.2020				For the year ended 31.03.2019			
		Fire	Marine	Misc	Total	Fire	Marine	Misc	Total
1	Premiums earned (Net)	1459,430	721,251	41,654,192	43,834,873	991,370	603,252	36,505,485	38,100,107
2	Profit/Loss on sale/redemption of Investments (Net)	31,875	6,268	593,783	631,926	29,234	6,776	542,989	578,999
3	Others :								
	Investment Income from Terrorism Pool	30,188	-	-	30,188	44,972	-	-	44,972
	Miscellaneous Income/Liabilities written back	1,510	764	44,058	46,332	1,522	950	57,515	59,987
4	Interest, Dividend and Rent – Gross	333,198	65,516	6,206,924	6,605,638	254,179	58,917	4,721,051	5,034,147
	<b>TOTAL (A)</b>	<b>1,856,201</b>	<b>793,799</b>	<b>48,498,957</b>	<b>51,148,957</b>	<b>1,321,277</b>	<b>669,895</b>	<b>41,827,040</b>	<b>43,818,212</b>
1	Claims Incurred (Net)	1,021,393	589,499	32,230,558	33,841,450	528,742	562,260	28,000,813	29,091,815
2	Commission (Net)	(292,128)	95,319	(2,137,384)	(2,334,193)	(549,837)	91,924	(1,068,042)	(1,525,955)
3	Operating Expenses related to Insurance Business	1,571,910	287,489	12,246,178	14,105,577	1,009,011	246,238	10,058,045	11,313,294
4	Premium Deficiency	-	-	-	-	-	-	-	-
	<b>TOTAL (B)</b>	<b>2,301,175</b>	<b>972,307</b>	<b>42,339,352</b>	<b>45,612,834</b>	<b>987,916</b>	<b>900,422</b>	<b>36,990,816</b>	<b>38,879,154</b>
	<b>Operating Profit/(Loss) from Fire/Marine/Miscellaneous Business C= (A - B)</b>	<b>(444,974)</b>	<b>(178,508)</b>	<b>6,159,605</b>	<b>5,536,123</b>	<b>333,361</b>	<b>(230,527)</b>	<b>4,836,224</b>	<b>4,939,058</b>
	<b>APPROPRIATIONS</b>								
	Transfer to Shareholders' Account	(444,974)	(178,508)	6,159,605	5,536,123	333,361	(230,527)	4,836,224	4,939,058
	Transfer to Catastrophe Reserve	-	-	-	-	-	-	-	-
	Transfer to Other Reserves	-	-	-	-	-	-	-	-
	<b>TOTAL (C)</b>	<b>(444,974)</b>	<b>(178,508)</b>	<b>6,159,605</b>	<b>5,536,123</b>	<b>333,361</b>	<b>(230,527)</b>	<b>4,836,224</b>	<b>4,939,058</b>

## FORM NL-30A: Analytical Ratios for Non-Life Companies

Sr. No	Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019	Sr. No	Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
1	Gross Direct Premium Growth Rate	8.08%	18.15%	12	Operating Profit Ratio	12.63%	12.96%
2	Gross Premium to shareholders' fund ratio	3.82	4.34	13	Liquid Assets to liabilities ratio	0.29	0.20
3	Growth rate of shareholders' fund	22.79%	12.56%	14	Net earning ratio	9.67%	8.76%
4	Net Retention Ratio	49.05%	50.14%	15	Return on net worth ratio	18.39%	19.32%
5	Net Commission Ratio	-5.04%	-3.49%	16	Available Solvency Margin Ratio to Required Solvency Margin Ratio	1.89	1.75
6	Expense of Management to Gross Direct Premium Ratio	22.72%	20.75%	17	NPA Ratio		
7	Expenses of Management to Net written Premium ratio	45.67%	40.87%		Gross NPA Ratio*	NA	NA
8	Net Incurred Claims to Net Earned Premium	77.20%	76.36%		Net NPA Ratio*	NA	NA
9	Combined Ratio	102.63%	98.74%	18	Debt Equity Ratio	0.14	0.18
10	Technical Reserves to net premium ratio	1.63	1.46	19	Debt Service Coverage Ratio	23.95	18.57
11	Underwriting balance ratio	-0.04	-0.02	20	Interest Service Coverage Ratio	23.95	18.57
				21	Asset Cover Availability*	NA	NA

\*NA denotes Not Applicable

- The above results for the year ended March 31, 2020 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 May 08, 2020, 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).
- Borrowing as at March 31, 2020 includes Non-Convertible Debentures (NCDs) amounting ₹ 3,500,000 ('000s) details as under :
  - Credit Rating for Unsecured Non-Convertible Debentures (NCDs) is 'AAA' by both CRISIL and ICRA.
  - The previous due date for payment of Interest on NCD was November 11, 2019 and the interest was paid on the said due date.
  - The next due date for payment of Interest on NCD is November 9, 2020 and total interest due and payable on NCD on November 9, 2020 is ₹ 266,548 ('000s).
  - Net worth as on March 31, 2020: ₹ 24,342,410 ('000s) [Previous year: ₹ 19,823,885 ('000s)] (Computed as per definition laid down by IRDAI).
  - As required by section 71 of the Companies Act, 2013, during the year the Company has created Debenture redemption reserve of ₹ 24,300 ('000s) upto June 30, 2019 (Previous year ended March 31, 2019 ₹ 97,200 ('000s)) on the NCDs. Consequent to the issuance of the Companies (Share Capital and Debentures) Amendment Rules, 2019 ("Rules") on August 16, 2019 and in terms of Rule 18, sub-rule (7)(b)(iii)(B) of the said Rules, no Debenture Redemption Reserve has been created from the date of issuance of the said Rules.
- Earnings per share as on March 31, 2020 Basic: ₹ 7.39 (Previous year ₹ 6.33), Diluted: ₹ 7.37 (Previous year ₹ 6.31).
- During the year, the Company allotted 420,000 shares pursuant to exercise of stock options vested under ESOP.
- In terms of SEBI circular on fund raising by issuance of Debt Securities by Large Entities, the Company has been identified as a Large Corporate. During the year, the Company did not borrow any money, either through issuance of Debt Securities or otherwise.
- In terms of IRDAI Circular No. IRDA/F&A/CIR/MISC/099/04/2020 dated April 24, 2020 the Company has not declared any dividend for FY 2019-20. [Previous year : ₹ 1,642,204 ('000s) (including DDT) @ ₹ 2.25 per equity share of ₹ 10 each]

**HDFC ERGO GENERAL INSURANCE COMPANY LIMITED****Registration No.: 146****Date of Registration with the IRDAI: July 09, 2010**

8. In light of the Covid-19 outbreak and the information available upto the date of approval of these financial statements, the Company has assessed the impact of Covid-19 and the subsequent lock-down announced by the Central Government, on its operations and its financial statements. The assessment includes but is not limited to valuation of investments, valuation of policy-related liabilities and solvency position of the Company as at March 31, 2020. Further, there has been no material changes in the controls or processes followed (except for the accounting of premium in relation to Motor third party liability cases as directed by IRDAI and as mentioned below) in the financial closing process of the Company. The Company continues to closely monitor the implications of Covid-19 on its operations and financial statements, which are dependent on emerging uncertain developments.
- The Authority vide Circular No. IRDAI/NL/CIR/MOT/081/04/2020 dated April 3, 2020 has provided clarifications on its Circular No. IRDAI/NL/CIR/MOT/079/04/2020 dated April 2, 2020 issued in relation to accounting of premium on the Motor third party liability cases falling due for renewal during the lockdown period (25<sup>th</sup> March, 2020 to 14<sup>th</sup> April, 2020) (subsequently extended to May 3, 2020) as a result of Covid-19 pandemic. Accordingly, the Company has booked Gross written premium of ₹ 421,257 ('000s) for both Standalone Motor Third Party and TP portion of Package policies falling due for renewal during the period from March 25, 2020 to March 31, 2020 and for which premium has not yet been received during FY 2019-20 and which has accordingly been reflected under Outstanding Premium. The Net Earned Premium on the premium booked is ₹ 2,321 ('000s) and an Unexpired Risk reserve of ₹ 288,347 ('000s) and a claims reserve of ₹ 911 ('000s) has been created on the same for FY 2019-20.
9. The Company has chosen to exercise the option of lower tax rate of 25.168% (inclusive of surcharge and cess) under Section 115BAA of the Income Tax Act, 1961, as introduced by the Finance Act, 2019. The impact of this change is included in the tax expenses and deferred tax credit for the year ended March 31, 2020.
10. The Board of Directors of the Company, at its meeting held on June 19, 2019, approved entering into Share Purchase Agreement, by and amongst the Company, Housing Development Finance Corporation Limited (HDFC Limited), Apollo Munich Health Insurance Company Limited (Apollo Munich) (now HDFC ERGO Health Insurance Limited), Apollo Hospitals Enterprise Limited, Apollo Energy Company Limited and Munich Health Holding AG, in connection with the acquisition of upto 51.2% of the paid-up share capital of Apollo Munich by HDFC Limited and subsequent merger of Apollo Munich into the Company. Pursuant to receipt of requisite approvals from the Competition Commission of India (CCI), Reserve Bank of India (RBI) and Insurance Regulatory and Development Authority of India (IRDAI), on January 9, 2020, HDFC Ltd acquired 51.16% of paid-up share capital of Apollo Munich. Consequently, Apollo Munich has become a subsidiary of HDFC Limited. The name of Apollo Munich was also changed to HDFC ERGO Health Insurance Limited (HEHI). Further, the Board of Directors of the Company at its meeting held on January 15, 2020, approved the Scheme of Amalgamation of HEHI with the Company with the Appointed Date of March 1, 2020. Thereafter, the Company has filed The Company Scheme Application (CSA) with the National Company Law Tribunal, Mumbai Bench (NCLT) on February 17, 2020. NCLT heard the CSA on April 30, 2020 and has dispensed with convening meeting of the Shareholders as well as unsecured creditors (including Debenture holders). NCLT directed issuance of Notices to be sent to relevant Statutory Authorities. The merger shall become effective after receipt of approval of NCLT and final approval from IRDAI.
11. Previous year figures have been regrouped, wherever necessary, for better presentation and understanding.



Ritesh Kumar  
Managing Director & CEO

Place: Mumbai  
Date: May 08, 2020

Call us: 1800 2 700 700 or Visit us: [www.hdfcergo.com](http://www.hdfcergo.com)

**Ref. No. 15241/ITSL/OPR/2020-21**

**Date: May 8, 2020**

**HDFC ERGO General Insurance Company Limited**

1<sup>st</sup> Floor, HDFC Hose, H T Parekh Marg,  
165-166, Backbay Reclamation, Churchgate,  
Mumbai – 400 020

**Kind Attn: Mr. Dayananda V. Shetty (Company Secretary and Chief Compliance Officer)**

Dear Sir,

**Subject: Certificate u/r 52(5) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 for Debentures Issued by HDFC ERGO General Insurance Company Limited, for the half year ended 31<sup>st</sup> March, 2020**

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), without verification.

Thanking You,

Yours faithfully,

For IDBI Trusteeship Services Ltd



**Authorised Signatory**

**Encl:** as above