

October 22, 2018

Ref No.: HDFCERGO/SLC/DK/2018-19/240

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 Unaudited Financial Results for the half year ended September 30, 2018**

We wish to inform you that at the meeting of the Board of Directors held today i.e October 22, 2018, the Board has approved the unaudited financial results for the half year ended September 30, 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. Unaudited Financial Results for the half year ended September 30, 2018 alongwith the Auditor's Report 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

HEGIC/LH/0037/Apr18/035868

**IDBI Trusteeship Services Ltd**

CIN : U65991MH2001GOI131154



Ref. No. 6846/ITSL/OPR/2018-19  
October 22, 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 Half Year ended 30<sup>th</sup> September 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 'A. Gupta'.



**Authorized Signatory**

Encl. As above





Registration No.: 146

Particulars	As at 30.09.2018	As at 30.09.2017
<b>SOURCES OF FUNDS</b>		
SHARE CAPITAL	6,054,221	6,050,718
RESERVES AND SURPLUS	13,880,621	11,004,245
FAIR VALUE CHANGE ACCOUNT - SHAREHOLDERS	(88,885)	143,120
FAIR VALUE CHANGE ACCOUNT - POLICY HOLDERS	(246,135)	315,519
BORROWINGS	3,500,000	3,500,000
DEFERRED TAX LIABILITY	48,902	17,479
<b>TOTAL</b>	<b>23,148,724</b>	<b>21,031,081</b>
<b>APPLICATION OF FUNDS</b>		
INVESTMENTS - SHAREHOLDERS	23,371,203	21,460,661
INVESTMENTS - POLICYHOLDERS	64,718,123	47,311,683
LOANS	-	-
FIXED ASSETS	2,140,586	2,032,648
CURRENT ASSETS		
Cash and Bank Balances	2,045,171	1,868,684
Advances and Other Assets	16,063,487	14,825,890
<b>Sub-Total (A)</b>	<b>18,108,658</b>	<b>16,694,574</b>
CURRENT LIABILITIES	60,023,551	46,087,688
PROVISIONS	25,166,295	20,380,797
<b>Sub-Total (B)</b>	<b>85,189,846</b>	<b>66,468,485</b>
NET CURRENT ASSETS/(LIABILITIES) (C) = (A - B)	(67,081,188)	(49,773,911)
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)	-	-
DEBIT BALANCE IN PROFIT AND LOSS ACCOUNT	-	-
<b>TOTAL</b>	<b>23,148,724</b>	<b>21,031,081</b>

Sr.No.	Particulars	For the period ended 30.09.2018	For the period ended 30.09.2017
1	OPERATING PROFIT/(LOSS)		
	(a) Fire Insurance	120,483	8,850
	(b) Marine Insurance	(123,434)	(93,260)
	(c) Miscellaneous Insurance	2,278,286	2,088,683
2	INCOME FROM INVESTMENTS		
	(a) Interest, Dividend and Rent - Gross	792,286	807,662
	(b) Profit on sale of investments	71,604	105,456
	Less: Loss on sale of investments	-	-
	(c) Accretion/(Amortisation) of Debt Securities	(20,431)	(11,921)
3	OTHER INCOME	175,000	-
	<b>TOTAL (A)</b>	<b>3,293,794</b>	<b>2,905,470</b>
4	PROVISIONS (OTHER THAN TAXATION)		
	(a) For diminution in the value of investments	155,739	-
	(b) For doubtful debts	-	-
5	OTHER EXPENSES		
	(a) Expenses other than those related to Insurance Business Employees' related remuneration and welfare benefits	37,529	31,176
	(b) Corporate Social Responsibility Expenses	530	11,900
	(c) Amalgamation Expenses	-	142,128
	(d) Interest on Debentures	133,364	133,364
	<b>TOTAL (B)</b>	<b>327,162</b>	<b>318,568</b>
	<b>PROFIT/(LOSS) BEFORE TAX</b>	<b>2,966,632</b>	<b>2,586,902</b>
	Provision for Taxation - Current Tax/ Minimum Alternate Tax (MAT)	655,426	545,022
	-Deferred Tax	12,576	17,479
	<b>Profit/(Loss) After Tax</b>	<b>2,298,630</b>	<b>2,024,401</b>
	<b>APPROPRIATIONS</b>		
	(a) Interim dividends paid during the period	-	-
	(b) Proposed final dividend	-	-
	(c) Dividend distribution tax	-	-
	(d) Transfer to any Reserves or Other Accounts	-	-
	(e) Transfer to Debenture Redemption Reserve	48,600	48,600
	(f) Transfer to Contingency Reserve for Unexpired Risks	-	-
	Balance of profit/ (loss) brought forward from previous year	2,984,374	501,018
	<b>Balance carried forward to Balance Sheet</b>	<b>5,234,404</b>	<b>2,476,819</b>

Sr.No	Particulars	For the period ended 30.09.2018				For the period ended 30.09.2017			
		Fire	Marine	Misc	Total	Fire	Marine	Misc	Total
1	Premiums earned (Net)	354,836	273,596	16,636,948	17,265,380	471,665	236,349	13,868,769	14,576,783
2	Profit/Loss on sale/redemption of Investments (Net)	11,867	2,832	206,275	220,974	15,201	4,318	241,935	261,454
3	Accretion/(Amortisation) of Debt Securities	(3,386)	(808)	(58,856)	(63,050)	(1,718)	(488)	(27,350)	(29,556)
4	Others:								
	Investment Income from Terrorism Pool	20,693	-	-	20,693	17,493	-	-	17,493
	Miscellaneous Income/Liabilities written back	524	421	25,577	26,522	609	336	19,571	20,516
5	Interest, Dividend and Rent - Gross	131,305	31,340	2,282,397	2,445,042	116,420	33,070	1,852,919	2,002,409
	<b>TOTAL (A)</b>	<b>515,839</b>	<b>307,381</b>	<b>19,092,341</b>	<b>19,915,561</b>	<b>619,670</b>	<b>273,585</b>	<b>15,955,844</b>	<b>16,849,099</b>
1	Claims Incurred (Net)	336,920	263,227	12,907,743	13,507,890	288,092	231,050	10,681,099	11,200,241
2	Commission (Net)	(425,043)	47,512	(858,243)	(1,235,774)	(107,654)	16,988	(1,575,324)	(1,665,990)
3	Operating Expenses related to Insurance Business	483,479	120,076	4,764,555	5,368,110	430,382	118,807	4,761,386	5,310,574
4	Premium Deficiency	-	-	-	-	-	-	-	-
	<b>TOTAL (B)</b>	<b>395,356</b>	<b>430,815</b>	<b>16,814,055</b>	<b>17,640,226</b>	<b>610,820</b>	<b>366,845</b>	<b>13,867,161</b>	<b>14,844,826</b>
	Operating Profit/(Loss) from Fire/Marine/Miscellaneous Business C= (A - B)	120,483	(123,434)	2,278,286	2,275,335	8,850	(93,260)	2,088,683	2,004,273
	<b>APPROPRIATIONS</b>								
	Transfer to Shareholders' Account	120,483	(123,434)	2,278,286	2,275,335	8,850	(93,260)	2,088,683	2,004,273
	Transfer to Catastrophe Reserve	-	-	-	-	-	-	-	-
	Transfer to Other Reserves	-	-	-	-	-	-	-	-
	<b>TOTAL (C)</b>	<b>120,483</b>	<b>(123,434)</b>	<b>2,278,286</b>	<b>2,275,335</b>	<b>8,850</b>	<b>(93,260)</b>	<b>2,088,683</b>	<b>2,004,273</b>

Sr.No	Particulars	For the period ended 30.09.2018	For the period ended 30.09.2017	Sr.No	Particulars	For the period ended 30.09.2018	For the period ended 30.09.2017
1	Gross Direct Premium Growth Rate	13.01%	1617.96%	12	Operating Profit Ratio	13.18%	13.75%
2	Gross Premium to shareholders' fund ratio	2.11	2.18	13	Liquid Assets to liabilities ratio	0.36	0.17
3	Growth rate of shareholders' fund	16.89%	1005.06%	14	Net earning ratio	11.78%	12.22%
4	Net Retention Ratio	45.82%	43.82%	15	Return on net worth ratio	11.53%	11.87%
5	Net Commission Ratio	-6.53%	-10.05%	16	Available Solvency Margin Ratio to Required Solvency Margin Ratio	2.03	1.87
6	Expense of Management to Gross Direct Premium Ratio	19.93%	20.20%	17	NPA Ratio		
7	Expenses of Management to Net written Premium ratio	42.94%	45.34%		Gross NPA Ratio*	NA	NA
8	Net Incurred Claims to Net Earned Premium	78.24%	76.84%		Net NPA Ratio*	NA	NA
9	Combined Ratio	99.42%	98.83%	18	Debt Equity Ratio	0.18	0.21
10	Technical Reserves to net premium ratio	2.87	2.78	19	Debt Service Coverage Ratio	23.24	20.40
11	Underwriting balance ratio	-0.02	-0.02	20	Interest Service Coverage Ratio	23.24	20.40
				21	Asset Cover Availability*	NA	NA

\* NA denotes Not Applicable

- The above results for the half year ended September 30, 2018 which have been subjected to limited review 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 October 22, 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 (NCD) is 'AAA' by both CRISIL and ICRA.
- The previous due date for payment of Interest on NCD was November 9, 2017 and the interest was paid on the said due date.
- The next due date for payment of Interest on NCD is November 9, 2018 and total interest due and payable on NCD on November 9, 2018 is ₹266,000 ('000s)
- Networth as on September 30, 2018 ₹19,934.842 ('000s) [Previous Year ₹17,054,963 ('000s)] (Computed as per definition laid down by IRDAI)
- Earnings per share for six month period ended September 30, 2018 : Basic ₹3.80 (Previous Year ₹3.37), Diluted ₹3.79 (Previous Year ₹3.37)
- Previous year figures have been regrouped, wherever necessary, for better presentation and understanding.

Place: Mumbai  
Date: October 22, 2018



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

*Deepak S. Parakh*  
Deepak S. Parakh  
Chairman



**G. M. KAPADIA & CO.**  
(REGISTERED)

CHARTERED ACCOUNTANTS

1007, RAHEJA CHAMBERS, 213, NARIMAN POINT, MUMBAI 400 021. INDIA

PHONE : (91-22) 6611 6611 FAX : (91-22) 6611 6600

**Auditor's Report on Unaudited Half 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 reviewed 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") Profit & Loss Account, Revenue Account, Analytical Ratios and relevant explanatory notes thereon (hereinafter referred as "half yearly financial results") for the half year ended September 30, 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 half yearly financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the Company's management and have been approved by the Board of Directors on October 22, 2018.

Our responsibility is to express an opinion on these half yearly financial results based on our review of such interim 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 half 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 review in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the review to obtain reasonable assurance about whether the financial results are free of material misstatements. A review includes examining on a test basis, evidence supporting the amounts disclosed in the financial results. A review also includes assessing the accounting principles used and the significant estimates made by management. We believe that our review provides a reasonable basis for our conclusion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying half yearly financial results drawn up in conformity with requirements of the recognition and measurement principles laid down in AS 25 "Interim Financial Reporting" specified under Section 133 of the Companies Act, 2013 and applicable rules thereto along with accounting principles generally accepted in India, to the extent they are not inconsistent with the accounting principles as prescribed in the Insurance Act, the IRDA Act, the Regulations and orders/directions/circulars issued by the IRDAI, does not contain the information required for the purpose for which they have been drawn up or that it contains any material misstatement.



**Other Matters**

The actuarial valuation of the outstanding claims reserves that are estimated using statistical methods, PDR and IBNR reserve as at September 30, 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 interim financial statements of the Company.

For G. M. KAPADIA & CO.

Chartered Accountants

Firm's Registration No.: 104767W

**Rajen Ashar**

Partner

Membership No. 048243



Mumbai, October 22, 2018