

Ref. No.: SE/2021-22/88

June 19, 2021

BSE Limited
P. J. Towers,
Dalal Street,
Mumbai 400 001National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra-Kurla Complex,
Bandra (East), Mumbai 400 051Kind Attn: Sr. General Manager
DCS - Listing Department

Kind Attn: Head – Listing

Dear Sirs,

Sub: Intimation under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Divestment in HDFC ERGO General Insurance Company Limited (HDFC ERGO)

With reference to the captioned subject, we would like to inform you that the Board of Directors of the Corporation has approved sale of 3,55,67,724 equity shares of ₹ 10 each, representing 4.99% of the outstanding issued and paid-up share capital of HDFC ERGO, to HDFC Bank Limited (a related party) at a price determined based on an independent valuation report, subject to receipt of necessary approvals including from the concerned regulators and the shareholders of the Corporation.

The details required to be disclosed under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is as below:

Particulars	Details
Name of the target entity, details in brief such as size, turnover etc.	HDFC ERGO General Insurance Company Limited (HDFC ERGO) For the financial year ended on March 31, 2021, the total turnover (Gross Written Premium) of HDFC ERGO was ₹ 12,443.93 crore and the net-worth as at that date was ₹ 2,926.86 crore.
Whether the sale would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being sold? If yes, nature of interest and details thereof and whether the same is done at an “arm’s length”	Since the acquirer of the shares i.e. HDFC Bank Limited is a related party of the Corporation, the said transaction would be a related party transaction. The said transactions will be carried out on an arms’ length basis post receipt of requisite approval including from the shareholders.

Corporate Office: HDFC House, HT Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai 400 020.

Tel.: 66316000, 22820282. Fax: 022-22046834, 22046758.

Regd. Office: Ramon House, HT Parekh Marg, 169, Backbay Reclamation, Churchgate, Mumbai 400 020. INDIA. Corporate Identity Number: L70100MH1977PLC019916

	The Corporation's entire shareholding is held by public shareholders and the Corporation does not have any promoter shareholders.
Industry to which the entity being sold belongs	General insurance
Objects and effects of sale (including but not limited to, disclosure of reasons for sale of target entity, if its business is outside the main line of business of the listed entity)	<p>HDFC Bank has been a long term distribution partner of HDFC ERGO, sharing a successful relationship since 2009.</p> <p>The proposed transaction will help align the interest of HDFC Bank and HDFC ERGO, which is thereby expected to further accelerate the profitable growth of HDFC ERGO leading to additional long-term value creation for all its shareholders.</p>
Brief details of any governmental or regulatory approvals required for the sale	The transaction will require approval from the Insurance Regulatory and Development Authority of India (IRDAI). HDFC Bank will also be seeking approval from the Reserve Bank of India (RBI). Any other necessary regulatory/governmental approvals will be evaluated prior to the share purchase agreement for the transaction and will be applied for as required.
Indicative time period for completion of the sale	We expect the transaction to be completed by September 30, 2021 (subject to receipt of relevant regulatory and shareholders' approvals).
Nature of consideration - whether cash consideration or share swap and details of the same	All cash consideration
Cost of sale/ price at which the shares are being sold	<p>The transaction will be carried out at a price determined based on the valuation report issued by an independent valuer.</p> <p>The aggregate consideration for sale of 3,55,67,724 equity shares of ₹ 10 each is ₹ 1,906.43 crore i.e. ₹ 536 per equity share.</p>
Percentage of shareholding/ control divested and/ or number of shares sold	3,55,67,724 equity shares of ₹ 10 each of HDFC ERGO representing 4.99% of the current outstanding paid-up capital of HDFC ERGO.

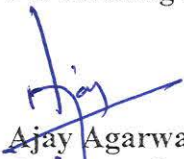
Brief background about the entity sold in terms of products/line of business sold, date of incorporation, history of last 3 years turnover, country in which the entity being sold has presence and any other significant information (in brief)	<p>HDFC ERGO is a joint venture between the Corporation and ERGO Group AG, the primary insurance entity of the Munich Re Group of Germany. HDFC ERGO has a market share of 6.2% for FY 2020-21 (in terms of Gross Direct Premium income) in India, and offers products like Motor, Health, Travel, Home, Personal Accident and Cyber Insurance primarily in the retail space and customized products like Property, Marine and Liability Insurance in the corporate space through its network of 203 branches and a wide distribution network.</p> <p>The turnover of HDFC ERGO, measured in terms of Gross Written Premium, for the last three financial years is as under:</p> <p>FY 2018-19: ₹ 8,721.80 crore FY 2019-20: ₹ 9,760.10 crore FY 2020-21: ₹ 12,443.93 crore</p>
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You are requested to take note of the above and arrange to bring this to the notice of all concerned.

Thank you,

Yours faithfully,

For Housing Development Finance Corporation Ltd.


Ajay Agarwal
Company Secretary



cc: London Stock Exchange
10, Paternoster Square
London EC4M 7LS