HDFC
HOUSING DEVELOPMENT FINANCE CORPORATION LIMITED
www.hdfc.com

Ref. No. SE/ 2019-20/88

June 19, 2019

BSE Limited
P. J. Towers
Dalal Street
Mumbai 400 001.

Kind Attn: Sr. General Manager
DCS - Listing Department

National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1
Bandra-Kurla Complex, Bandra (East)
Mumbai 400 051.

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**

We wish to inform you that the Corporation has today entered into agreements for acquiring up to 51.2% of the equity share capital of Apollo Munich Health Insurance Company Limited ("**Apollo Munich**"), from Apollo Energy Company Limited, Apollo Hospitals Enterprise Limited, the subscribers to the memorandum of association of Apollo Munich and certain other shareholders ("**Apollo Munich Proposed Acquisition**"), subject to receipt of requisite approvals (including the National Housing Bank, Insurance Regulatory and Development Authority of India, Competition Commission of India and/ or such other approval from other governmental authorities.

We further wish to inform you that the Corporation has today, in principle, granted its no objection to the proposed merger of Apollo Munich with HDFC ERGO General Insurance Company Limited (a subsidiary of the Corporation), subject to the finalization of swap ratio and other terms of the Scheme of Amalgamation, and subject to receipt of requisite regulatory, statutory, judicial and other approvals.

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.	Apollo Munich Health Insurance Company Limited ("**Apollo Munich**"). Apollo Munich is licensed as a general insurer and specializes in the health insurance business in India. It is a joint venture between the Apollo Hospitals group and Munich Health Holding AG. For the year ended March 31, 2019, Apollo Munich had a Gross Written Premium of ₹ 2,194.4 crore. As at March 31, 2019, the paid-up share capital of Apollo Munich is ₹ 358.41 crore.

HOUSING DEVELOPMENT FINANCE CORPORATION LTD. MUMBAI

Whether the acquisition would fall within related party transaction(s) and whether the promoter/promoter group/group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at 'arms length'.	The Apollo Munich Proposed Acquisition is not a related party transaction for the Corporation. Further, the Corporation is neither owned nor controlled, directly or indirectly, by any person, entity or government and does not owe allegiance to any promoter or promoter group. However, post the Proposed Acquisition, Apollo Munich is proposed to be merged with and into HDFC ERGO General Insurance Company Limited (HDFC ERGO), a subsidiary of the Corporation ("**Proposed Merger**") on the terms to be agreed between the relevant parties to the Proposed Merger and subject to the receipt of regulatory, statutory and judicial approvals, (including the approvals from National Housing Bank, Insurance Regulatory and Development Authority of India, Competition Commission of India and/ or such other approval from other governmental authorities). The Corporation currently holds 50.49% of the paid-up share capital of HDFC ERGO.
Industry to which the entity being acquired belongs.	Apollo Munich specializes in the health insurance business in India.
Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	The Corporation has presence in general insurance segment through its subsidiary HDFC ERGO, which is also engaged in the health insurance business in India. The Corporation foresees that health insurance has tremendous potential and hence the Corporation has agreed to acquire up to 51.2% of the shares of Apollo Munich. The ultimate business objective is to consolidate Apollo Munich's health insurance business into HDFC ERGO. However, with the objective of achieving synergies and efficiencies in operations, it is proposed to effectuate the overall business objective by way of the Apollo Munich Proposed Acquisition followed by the Proposed Merger.
Brief details of any governmental or regulatory approvals required for the acquisition	The Apollo Munich Proposed Acquisition and the Proposed Merger is subject to requisite approvals including from the National Housing Bank (NHB), Insurance Regulatory and Development Authority of

HOUSING DEVELOPMENT FINANCE CORP. LTD.

	India (IRDAI), Competition Commission of India (CCI) and the concerned National Company law Tribunal (concerning the Proposed Merger).
Indicative time period for completion of the acquisition	The Apollo Munich Proposed Acquisition is expected to be completed within a period 4 months and the Proposed Merger is expected to be completed within a period of 9 months, subject to fulfillment of certain conditions precedent and further subject to regulatory, statutory, judicial and other requisite approvals.
Nature of consideration - whether cash consideration or share swap and details of the same.	The shares of Apollo Munich will be acquired through full cash consideration.
Cost of acquisition or the price at which the shares are acquired	Total consideration to be paid by the Corporation to all selling shareholders of Apollo Munich: ₹ 1,346.84 crore, subject to any adjustment under the terms of the relevant share purchase agreements.
Percentage of shareholding/ control acquired and / or number of shares acquired.	Equity shares of Apollo Munich representing 51.2% of its share capital (currently 18,39,03,862 equity shares of ₹ 10 each).
Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information	Apollo Munich specializes in the health insurance business in India. It was incorporated in 2007 and has a pan India presence through its branches. Gross Written Premiums for last 3 FY: FY 2018-19: ₹ 2,194.4 crore FY 2017-18: ₹ 1,717.5 crore FY 2016-17: ₹ 1,301.9 crore

Please note that subsequent to the above mentioned Apollo Munich Proposed Acquisition, Apollo Munich would become a subsidiary company of the Corporation.

We also wish to inform you that the Board of Directors of HDFC ERGO and Apollo Munich at their respective meetings held today have approved the in principle draft Scheme of Amalgamation ("**Scheme of Amalgamation**") for the amalgamation of Apollo Munich with and into HDFC ERGO under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, subject to the approval of the swap ratio and other terms of the Scheme of Amalgamation and further subject to the receipt of requisite approvals from the National Housing Bank, Insurance Regulatory and Development Authority of India, Competition Commission of

India and the concerned National Company Law Tribunal and other regulatory, statutory and other governmental approvals. Copy of letter received from HDFC ERGO is enclosed.

A press release being issued in the above connection is also enclosed.

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

Encl. a/a

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

Press Release

HDFC Limited announces acquisition of Apollo Hospitals Group's shares in Apollo Munich and its subsequent merger with HDFC ERGO

- *HDFC Ltd to acquire 50.8% stake in Apollo Munich Health Insurance Ltd for Rs 1,336 crore from Apollo Hospitals Group & 0.4% stake held by a few employees for a consideration of Rs. 10.84 crore*
- *Merger with HDFC ERGO to create a strong health insurance franchise with combined gross direct premium of Rs 10,807 crore*
- *Munich Health Germany will pay Rs 294 crore to Apollo Hospitals Enterprise Ltd and Apollo Energy Ltd to support the transaction*
- *Policy holders and channel partners to benefit from enhanced product suite, touch points and digital led service architecture*
- *Employees to have greater opportunities across functions and geographies*
- *Transaction to generate significant operating leverage and synergies*

Mumbai, June 19, 2019: HDFC Limited ("**HDFC**") and Apollo Hospitals Group ("**Apollo**"), at their respective meetings held today, approved entering into definitive agreements for HDFC to acquire the entire 50.8% shareholding of Apollo Group, in Apollo Munich Health Insurance Company Ltd. ("**Apollo Munich**") for a consideration of Rs. 1,336 crore and 0.4% shareholding held by a few employees for a consideration of Rs. 10.84 crore, subject to regulatory approvals. Post-acquisition of the shares by HDFC, Apollo Munich shall be merged with its general insurance subsidiary, HDFC ERGO General Insurance Company Limited (**"HDFC ERGO"**), subject to all regulatory, shareholders & other approvals. To support the transaction with its material benefits for Apollo Munich, Munich Health will pay Rs 294 crore to Apollo Hospitals Enterprise Ltd and Apollo Energy Ltd in connection with the termination of their joint venture.

The proposed transaction brings together two large insurance players with complementary capabilities. The merged insurance entity on a pro-forma basis has a combined market share of 6.4% of non-life insurance industry, with 308 branches across the country. This also makes the combined entity the second largest private insurer in the accident & health segment with a market share of 8.2%. The proposed merger is expected to result in significant benefits to policy holders and other stake holders with an enhanced product suite, touch points, technology innovation, as also via scale based synergies.

The proposed share acquisition will be subject to regulatory approvals by National Housing Bank (NHB), Insurance Regulatory and Development Authority of India (IRDAI) and Competition Commission of India (CCI). The subsequent merger of Apollo Munich with HDFC ERGO would be subject to approval of the shareholders, National Company Law Tribunal (NCLT), and final approval of IRDAI.

Commenting on the proposed transaction, **Mr. Deepak Parekh, Chairman of HDFC Ltd and HDFC ERGO General Insurance said,**

"*Health insurance penetration in India is still at a very nascent stage compared to the global average, but is expected to drive growth of the general insurance industry in the times to come. This transaction will strengthen the HDFC group's commitment to the growing health insurance segment. The combined expertise of HDFC ERGO and Apollo Munich will result in greater product innovation, wider distribution and enhanced servicing capabilities, benefiting their 1.2 crore policy holders*."

Ms. Shobana Kamineni, Chairperson Apollo Munich Health Insurance and Vice Chairperson Apollo Hospitals Enterprise Limited said

"*Creating financing for illness is critical to building a healthy nation, Apollo Munich played a strategic role in building this Industry. We are glad to pass on the baton of Apollo Munich to a reputed group like HDFC. Apollo Munich established its leadership in the industry by winning several awards with its market leading innovations and customer centric approach. We are sure that the new shareholder will continue to nurture and scale the business to greater heights and confident that all stakeholders will be positively impacted. The funds from the divestment will enable us to focus on investing and growing our core healthcare business*."

Commenting on behalf of **Munich Re Group**, **Dr. Markus Riess Chairman ERGO Group AG Germany and Member of the Board of Munich Re** said

"*Over the years, Munich Re Group has enjoyed an excellent relationship with the Apollo group, in building a powerful franchise in Health insurance. With this transaction, we are very much looking forward to further strengthening our ties with HDFC Group and consolidating our presence in India".*

About HDFC Ltd

HDFC Ltd. is India's leading mortgage lender and a well - established financial conglomerate. It has assisted over 70 lakh customers in acquiring their own home over the last 4 decades. With a wide network of 546 offices, it caters to several towns and cities across India. HDFC Ltd has offices in London, Dubai and Singapore and service associates in the Middle East to assist non-resident Indians.

About Apollo Hospitals

It was in 1983 that Dr. Prathap Reddy made a pioneering endeavor by launching India's first corporate hospital - Apollo Hospitals in Chennai. As Asia's largest and most trusted healthcare group, its presence includes over 10,000 beds across 71 Hospitals, 3500 Pharmacies, over 90 Primary Care and Diagnostic Clinics, 110 plus Telemedicine Centres and 186 plus Apollo Munich Insurance branches spanning the length and breadth of the Country. We cared for over 50 million Indians last year in our network. In a rare honor, the Government of India issued a commemorative stamp in recognition of

Apollo's contribution, the first for a healthcare organization. Apollo Hospitals Chairman, Dr. Prathap C Reddy, was conferred with the prestigious Padma Vibhushan in 2010. For more than 30 years, the Apollo Hospitals Group has continuously excelled and maintained leadership in medical innovation, world-class clinical services, and cutting-edge technology.

About Apollo Munich Health Insurance Company

Apollo Munich offers innovative and award-winning health, personal accident and travel insurance plans, distributed through over 186 Apollo Munich offices across the country and several leading distribution partnerships. The company has state-of-the art technology and infrastructure offering uncomplicated services, delivered by over 4000 engaged employees. In FY 19 the company closed at a GWP of Rs. 2194 cr, with an overall market share of 4.4% and 9% among private sector players, in health insurance. It is a joint venture between the Apollo Hospitals Group, one of Asia's largest healthcare group, and Munich Health, Munich Re's health business segment, which offers global health insurance and reinsurance excellence.

About HDFC ERGO

HDFC ERGO General Insurance Company is a 51:49 joint venture between the Housing Development Finance Corporation Ltd (HDFC); India's premier Housing Finance Institution and ERGO International AG; the primary insurance entity of the Munich Re Group of Germany. HDFC ERGO, the 3rd largest Private General Insurer with 5.1% market share, offers products like Motor, Health, Travel, Home, Personal Accident and Cyber Insurance in the retail space and customized products like Property, Marine and Liability Insurance in the corporate space through its vast network of 122 branches spread across 106 cities and a wide distribution network.

June 19, 2019

For further information, please contact:

For HDFC Limited:
Mahesh Shah
Email: maheshs@hdfc.com

For Apollo Hospitals
Prashant Iyer
Email: Prashant.Iyer@adfactorspr.com

June 19, 2019

Ref No.: HDFCERGO/SLC/DVS/2019-20/99

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: Outcome of Board Meeting

We wish to inform you that, the Board of Directors of the Company, at its meeting held today i.e. June 19, 2019,approved the Share Purchase Agreement ("**Agreement**") proposed to be entered into by and amongst HDFC ERGO General Insurance Company Limited ("**the Company**"), Housing Development Finance Corporation Limited ("**HDFC Limited**"), Apollo Munich Health Insurance Company Limited ("**Apollo Munich**"), Apollo Hospitals Enterprise Limited ("**AHEL**"), Apollo Energy Company Limited ("**AECL**"), Munich Health Holding AG ("**MHH**") and the subscribers to the memorandum of association of Apollo Munich (being Ms. Suneeta Reddy, Ms. Sangita Reddy, Ms. Shobana Kamineni, Ms. Preetha Reddy and Ms. Sucharitha Reddy), in connection with the acquisition of upto 51.2% of the issued and paid-up share capital of Apollo Munich by HDFC Limited from AHEL, AECL and other shareholders, subject to receipt of requisite approvals including from the National Housing Bank (NHB), Insurance Regulatory and Development Authority of India (IRDAI), the Competition Commission of India (CCI) and/or such other approvals from relevant governmental authorities ("**Proposed Acquisition**").

Further, the Board of Directors of the Company has also approved the in-principle draft Scheme of Arrangement and Amalgamation ("**Scheme**") pursuant to the provisions of Sections 35 and 36 of the Insurance Act, 1938 read with Insurance Regulatory and Development Authority of India (Scheme of Amalgamation and Transfer of General Insurance Business) Regulations, 2011 and Sections 230 to 232 of the Companies Act, 2013 and the rules framed thereunder, for the merger of Apollo Munich into and with the Company, subject to finalization of the swap ratio and other terms of the Scheme, receipt of requisite approvals regulatory, statutory, judicial and other approvals including from the NHB, IRDAI, the CCI and/or such other approval from other governmental authorities, and sanction of Scheme by the National Company Law Tribunal.

In accordance with the provisions of Regulation 51 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find the required disclosure as mentioned below:

HEGIC/LH/0037/Apr18/035361

HDFC ERGO General Insurance Company Limited. (Formerly HDFC General Insurance Limited from Sept 14, 2016 and L&T General Insurance Company Limited upto Sept 13, 2016)
CIN: U66030MH2007PLC177117. Registered & Corporate Office: 1st Floor, HDFC House, 165 - 166 Backbay Reclamation, H. T. Parekh Marg, Churchgate, Mumbai - 400 020.
Customer Service Address: D-301, 3rd Floor, Eastern Business District (Magnet Mall), LBS Marg, Bhandup (West), Mumbai - 400 078.
Tel.: +91 22 6638 3600 | Fax: 91 22 6638 3699 | care@hdfcergo.com | www.hdfcergo.com. IRDAI Reg No. 146.

Particulars	Details
Name of the entity(ies) forming part of the amalgamation/ merger, details in brief such as, size, turnover etc.	Apollo Munich Health Insurance Company Limited ("**Apollo Munich**") and HDFC ERGO General Insurance Company Limited ("**HDFC ERGO**"). Apollo Munich is licensed as a general insurer and specializes in the health insurance business in India. It is a joint venture between the Apollo Hospitals group and Munich Health Holding AG. As at March 31, 2019, paid up share capital of Apollo Munich was ₹ 358.41 crore. For the year ended March 31, 2019, Apollo Munich had a Gross Written Premium of ₹ 2,194.4 crore. HDFC ERGO is a private sector general insurance company. It is a subsidiary of HDFC Limited and a joint venture between HDFC Limited and ERGO International AG.
Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length"	No. Post the Proposed Acquisition, Apollo Munich is proposed to be merged with and into HDFC ERGO, a subsidiary of HDFC Limited ("**Proposed Merger**") on the terms to be agreed between the relevant parties to the Proposed Merger and subject to the receipt of regulatory, statutory and judicial approvals, (including the approvals from National Housing Bank, Insurance Regulatory and Development Authority of India, Competition Commission of India and/ or such other approval from other governmental authorities). Since the Proposed Merger is contemplated post the Proposed Acquisition of up to 51.2% shareholding of Apollo Munich by HDFC Limited, it would be between two fellow subsidiaries of HDFC Limited. The share swap ratio would be based on valuation from an independent valuer and the transaction would be entirely on an arm's length basis.
Area of business of the entities	Apollo Munich specializes in the health insurance business in India. HDFC ERGO is in the business of providing general insurance.

Particulars	Details
Rationale for amalgamation/ merger	Achieving synergies arising out of the merger and leveraging on the combined strengths of Apollo Munich and HDFC ERGO so as to achieve higher and better performance of the combined operations of the merged entity, while safeguarding the interests of the policyholders of both the companies.
In case of cash consideration – amount or otherwise share exchange ratio	The shareholders of Apollo Munich will get shares of HDFC ERGO post the Proposed Merger becoming effective. Post the consummation of the Proposed Merger, HDFC Limited would hold ~50.6% of the issued and paid-up share capital of HDFC ERGO as against 50.5% held currently.
Brief details of change in shareholding pattern (if any) of the listed company	The Indian Promoter and the foreign investor will hold largely the same shareholding in the Transferee Company as held prior to merger in the Transferor Company.

A copy of joint press release being issued in the above connection is enclosed.

You are requested to take note of the above and arrange to bring this to the notice of all concerned.

Thanking you,

Yours faithfully,
For **HDFC ERGO General Insurance Company Limited**

Dayananda V. Shetty
Company Secretary & Chief Compliance Officer

Encl: a/a

Copy to:
Mr. Ajay Agarwal
Company Secretary
Housing Development Finance Corporation Limited
HDFC House, H T Parekh Marg,
165-166, Backbay Reclamation,
Churchgate, Mumbai 400 020

- For your information and and necessary disclosures to stock exchanges