

HDFC ERGO General Insurance Company Limited

November 30, 2023

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Subordinated debt	-	-	Withdrawn

Details of instruments/facilities in Annexure-1.

Rationale, Key rating drivers and detailed description of the key rating drivers

CARE Ratings Limited (CARE Ratings) has withdrawn the outstanding rating of 'CARE AAA; Stable' assigned to the non-convertible debentures of HDFC ERGO General Insurance Company Limited (HEGI) with immediate effect, as the company has repaid the aforementioned subordinate debt issue and there is no amount outstanding under the issue as on date.

Analytical approach: Not applicable

Applicable criteria

[Policy on Withdrawal of Ratings](#)

About the company and industry

Industry classification

Macro-economic Indicator	Sector	Industry	Basic Industry
Financial services	Financial services	Insurance	General insurance

HEGI is a joint venture between HDFC Bank Limited (50.48% stake as on October 30, 2023) and ERGO International AG (48.61%), while the balance is held by the employees of HDFC ERGO. The company offers complete range of general insurance products ranging from motor, health, travel, home and personal accident in the retail space and customised products like property, marine and liability insurance in the corporate space.

The ERGO group is Germany-based and one of the largest insurance groups in Europe. The group is represented in around 30 countries worldwide and focuses on the regions of Europe and Asia. ERGO offers a comprehensive range of insurance, pensions, and services.

HDFC Limited got merged into HDFC Bank Limited (HBL; rated 'CARE AAA; Stable') with effect from July 01, 2023. The Housing Development Finance Corporation Limited was among the first to receive an 'in principle' approval from the Reserve Bank of India (RBI) to set up a bank in the private sector, as part of the RBI's liberalisation of the Indian banking industry in 1994. The bank was incorporated in August 1994 in the name of 'HDFC Bank Limited' (HBL), with its registered office in Mumbai, India. At present, HBL is the largest private sector bank in India. As on March 31, 2023, the bank's total balance sheet size stood at ₹2,466,081 crore. HBL continues to be identified as a domestic systemically important bank (D-SIB) as per the RBI.

Brief Financials (₹ crore)	March 31, 2022 (A)	March 31, 2023 (A)	6MFY24(UA)
Gross written premium	13,707	16,873	8,722
PAT	500	653	436
Total assets	21,290	25,064	26,609
Net NPA (%)	0.01	0.00%	0.00%
ROTA (%)	2.5	2.8	3.4 (annualized)

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

A: Audited UA: Unaudited; Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Please refer Annexure-2

Covenants of rated instrument / facility: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Bonds-Subordinated	INE092V08028	18-Sep-2018	10.25%	18-Sep-2028	0.00	Withdrawn*

*withdrawn of full redemption

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
1	Bonds-Subordinated	LT*	-	-	-	1)CARE AAA; Stable (13-Dec-22)	1)CARE AAA; Stable (24-Mar-22)	1)CARE AAA; Stable (26-Mar-21)

*Long term

Annexure-3: Detailed explanation of covenants of the rated instruments/facilities: Not applicable

Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Bonds-Subordinated	Complex

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on the complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

Contact us

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About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

Disclaimer:

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