



सत्यमेव जयते



**COMPETITION COMMISSION OF INDIA**  
(Combination Registration No. C-2021/10/875)

2<sup>nd</sup> November 2021

**Notice under Section 6(2) of the Competition Act, 2002 given by HDFC Life Insurance Company Limited**

**CORAM:**

Mr. Ashok Kumar Gupta  
Chairperson

Ms. Sangeeta Verma  
Member

Mr. Bhagwant Singh Bishnoi  
Member

**Order under Section 31(1) of the Competition Act, 2002**

1. On 5<sup>th</sup> October 2021, the Competition Commission of India (**‘Commission’**) received a Notice under Section 6(2) of the Competition Act, 2002 (**‘Act’**), given by HDFC Life Insurance Company Limited (**‘Acquirer’/ ‘HDFC Life’**). The Notice was filed pursuant to the execution of a Share Purchase and Share Swap Agreement (**‘SPSW’**) on 3<sup>rd</sup> September 2021, between the Acquirer, Exide Life Insurance Company Limited (**‘Target’/ ‘Exide Life’**) and Exide Industries Limited (**‘Exide Industries’**) [Hereinafter, the Acquirer and Target are collectively referred to as **‘Parties’**].
2. The proposed combination envisages an acquisition by the Acquirer of 100% share capital of Exide Life from Exide Industries. As a part of the consideration for share sale, Exide Industries will be issued equity shares of HDFC Life amounting to 4.1% of the shareholding of the Acquirer. However, it is clarified by the Parties that Exide Industries is not acquiring any special / strategic rights that are not available to an ordinary shareholder as part of the acquisition of a 4.1% shareholding in HDFC Life. Upon the completion of the acquisition of Exide Life by HDFC Life, Exide Life is proposed to be



merged with HDFC Life such that HDFC Life will be the only surviving entity (**‘Proposed Combination’**).

3. The Acquirer, *vide* its email dated 29<sup>th</sup> October 2021, submitted certain clarifications by way of voluntary submissions.
4. The Acquirer is a life insurance company registered with the Insurance Regulatory Development Authority of India (**IRDAI**). It is a joint venture between HDFC Limited and Standard Life Aberdeen, a global investment company. Acquirer provides a range of individual and group life insurance solutions including participating, non-participating and unit linked insurance policies (**ULIPs**). Its product portfolio comprises of various life insurance and investment products such as protection, pension, savings, investment, annuity and health. It also provides certain riders pertaining to health benefits along with its primary life insurance policies.
5. The Target, a wholly owned subsidiary of Exide Industries, is a life insurance company registered with the IRDAI. It offers various individual and group life insurance products including protection plans (term insurance, child insurance plans), savings and investment plans (including ULIPs), retirement and pension plans. It also provides certain riders pertaining to health benefits along with its primary life insurance policies.
6. Based on the submissions of the Parties, it was observed that the business activities of the Parties exhibit horizontal overlap in the market for life insurance products and services in India.
7. The Commission decided to leave the delineation of the relevant market open as it was observed that the Proposed Combination is not likely to cause an appreciable adverse effect on competition in any of the plausible alternative relevant markets that may be delineated.
8. The Commission observed that the Parties have a combined market share of [0-5]% and [5-10]% in terms of volume and value respectively. The incremental market share, in



terms of both volume and value, is insignificant. Other players present in the life insurance market include Life Insurance Corporation of India, SBI Life, ICICI Prudential Life, Max Life Insurance Company Limited, Bajaj Allianz Life etc.

9. It was also observed that the Parties exhibit minor horizontal overlap in the provision of certain health-related products constituting of riders and defined fixed benefits. However, it was observed that the revenue derived from this product segment by the Parties is insignificant and not likely to change the competition dynamics.
10. Considering the material on record, including the details provided in the Notice and the assessment of the Proposed Combination based on the factors stated in Section 20(4) of the Act, the Commission is of the opinion that the Proposed Combination is not likely to have any appreciable adverse effect on competition in India. Therefore, the Commission approves the Proposed Combination under Section 31(1) of the Act.
11. The order may be revoked if, at any time, the information provided by the Acquirer is found to be incorrect.
12. The information provided by the Acquirer shall be treated as confidential in terms of and subject to provisions of Section 57 of the Act.
13. The Secretary is directed to communicate to the Acquirer accordingly.