

## SUMMARY OF THE PROPOSED COMBINATION

*[In terms of Regulation 13(1A) of the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011, as amended]*

### A. NAME OF THE PARTIES TO THE COMBINATION

1. The names of the parties to the combination are:

- (a) HDFC Life Insurance Company Limited (**HDFC Life / Acquirer**); and
- (b) Exide Life Insurance Company Limited (**Exide Life / Target**).

Together, HDFC Life and Exide Life are referred to as the **Parties**.

### B. NATURE AND PURPOSE OF THE COMBINATION

2. The combination pertains to the acquisition of 1,850,000,000 (one billion eight hundred and fifty million) fully paid-up equity shares, representing 100% of Exide Life's share capital by HDFC Life from Exide Industries Limited (**Exide Industries**). After completion of the share acquisition, Exide Life (which will be a wholly owned subsidiary of HDFC Life) is proposed to be merged with HDFC Life. Together, the acquisition of shares and the subsequent proposed merger are the **Proposed Transaction**.

3. The Proposed Transaction will be undertaken pursuant to a share purchase and share swap agreement dated 3 September 2021 entered into between HDFC Life, Exide Life and Exide Industries. The Proposed Transaction is being notified to the Hon'ble Commission as an acquisition of shares by HDFC Life under Section 5(a)(i)(A) of the Competition Act, 2002 (the **Act**) followed by a merger of Exide Life with HDFC Life under Section 5(c)(ii)(A) of the Act.
4. The Proposed Transaction is expected to result in value creation for not only the shareholders of the Parties, but also the customers, i.e., the policyholders, through the availability of a wider product suite and enhanced distribution, higher service points, acceleration in revenue growth, as well as more opportunities for upselling, cross selling, and entering new markets. Employees and agents of the Parties would benefit from a larger, stronger organisation that realises the synergies arising out of complementary business models built on similar ethos.

#### **C. PRODUCTS, SERVICES AND BUSINESS(ES) OF THE PARTIES TO THE COMBINATION**

5. **HDFC Life:** HDFC Life is a life insurance company registered with the Insurance Regulatory and Development Authority of India (the **IRDAI**). It offers a range of individual and group life insurance solutions including participating, non-participating and unit linked insurance products. Its

product portfolio comprises various life insurance and investment products such as protection, pension, savings, investment, and annuity. It also provides certain riders pertaining to health benefits along with its primary policies. HDFC Life has two wholly owned subsidiaries, namely, HDFC Pension Management Company Limited and HDFC International Life and Re Company Limited.

6. **Exide Life:** Exide Life is a registered life insurance company 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 policies. It does not have any subsidiaries.

#### **D. THE RESPECTIVE MARKETS IN WHICH THE PARTIES TO THE COMBINATION OPERATE**

7. The Proposed Transaction will not lead to any change in the competitive landscape or cause any appreciable adverse effect on competition in India, irrespective of the manner in which the relevant market is defined. In order to aid the Hon'ble Commission's assessment of the Proposed Transaction, the relevant market has been defined as the "***market for life insurance products and services in India***". Further, since there is a minor overlap with respect to the provision of defined benefit health insurance products,

the broader relevant market has been defined as the “***market for life insurance and health insurance products and services in India***”.