

SUMMARY OF THE COMBINATION

(Under Regulation 13 (1B) of the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011)

1. Names of the parties

- (a) Housing Development Finance Corporation Limited (***HDFC / Acquirer***);
- (b) HDFC ERGO General Insurance Company Limited (***HDFC ERGO / Transferee Company***); and
- (c) Apollo Munich Health Insurance Company Limited (***Apollo Munich / Target***).

2. Type of combination

The proposed combination for which the approval of the Hon'ble Commission is being sought (***Proposed Combination***) is in the nature of a composite transaction comprising of two inter-connected steps: (i) the acquisition by HDFC of an aggregate 51.20% of the total equity shareholding of Apollo Munich from the certain selling shareholders (***Proposed Acquisition***); and (ii) pursuant to the Proposed Acquisition, the merger of Apollo Munich into its then fellow subsidiary, HDFC ERGO, pursuant to a scheme of arrangement (***Proposed Merger***).

The Proposed Combination meets the jurisdictional thresholds under the Competition Act, 2002 (the ***Act***) and accordingly, a composite notification in Form I under Section 6(2) of the Act is being filed in respect of the acquisition of shares as well as control under Section 5(a) and 5(b) of the Competition Act respectively, and followed by a merger / amalgamation under Section 5(c) of the Competition Act.

3. Areas of activities of the parties

(a) Housing Development Finance Corporation Limited:

HDFC is a financial conglomerate based in Mumbai, India. It is, *inter alia*, engaged in housing finance/home loans, loans against property, loans against deposit and deposit taking.

(b) HDFC ERGO General Insurance Company Limited:

HDFC ERGO General Insurance Company Limited is a joint venture between HDFC Ltd. and ERGO International AG, a Germany-based company. It is engaged in providing, *inter alia*, health insurance services.

(c) Apollo Munich Health Insurance Company Limited:

Apollo Munich is a joint venture between the Apollo Hospitals group and Munich Health, one of the three business segments of Munich Re; a leading reinsurance company based in Germany. It is engaged in providing health insurance services.

4. Relevant market

The Proposed Combination does not present any competition concerns, regardless of the way in which the relevant market is defined. Accordingly, it is submitted that in the absence of any competitive concerns, the definition or delineation of relevant product market and relevant geographic market for the assessment of the Proposed Combination could be left open by the Hon'ble Commission as the relevant markets for the purpose of the present filing are highly competitive and the Proposed Combination will not cause an appreciable adverse effect on competition in India in any market which may be considered by the Hon'ble Commission.

However, for the purpose of the Hon'ble Commission's assessment, the relevant market has been defined as the health insurance business in India.