

March 27, 2024

Ref. No.: HDFC Life/CA/2023-24/129

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

Listing Department
BSE Limited
Sir PJ Towers,
Dalal Street,
Fort,
Mumbai – 400 001

NSE Symbol: HDFCLIFE

BSE Security Code: 540777

Dear Sir/ Madam,

Sub: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”)

Pursuant to the captioned subject, we wish to inform that the Company has received an Income Tax Order from the Assistant Commissioner of Income Tax, Central Circle 6(2), Mumbai on March 27, 2024.

The tax demand and applicable interest has been incorrectly computed by the Department and the Company is in the process of filing a rectification application before the Tax Authority. The Tax demand and interest mentioned in the said Order would be materially reduced post passing of the rectification Order by the Tax Authority.

However, in order to ensure compliance with the SEBI Listing Regulations, the tax demand along with the applicable interest as per the assessment order has been disclosed.

The relevant details pertaining to the said Order are provided in ‘Annexure A’.

The aforesaid order will have no adverse material impact on the financial operations of the Company and the same shall be contested by the Company by way of an appeal before the Appellate Authority.

This is for your information and appropriate dissemination.

Thanking you,

For HDFC Life Insurance Company Limited

Narendra Gangan
General Counsel, Chief Compliance Officer &
Company Secretary

Encl.: As above

Name of the Authority	Assistant Commissioner of Income Tax, Central Circle 6(2), Mumbai
Nature and details of the action(s) taken, initiated or order(s) passed	<p>Nature – Income Tax Order</p> <p>Period involved – Assessment Year 2020-21 (Financial year 2019-20)</p> <p>Tax demand – Rs. 2,883.01 crore</p> <p>Interest – Rs. 1295.79 crore</p> <p>Penalty - Nil</p>
Remark pertaining to the order passed	<p>The above demand has been calculated considering the corporate tax of 30% (excluding surcharge and cess) instead of applicable special tax rate of 12.5% (excluding surcharge and cess). The Company is in the process of filing rectification application before the Tax Authority with respect to the above.</p> <p>Post passing of the rectification order, the rectified tax demand shall be approximately Rs. 1295.14 crore and Interest shall be recomputed accordingly.</p>
Date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the Authority;	March 27, 2024
Details of the violation(s)/ contravention(s) committed or alleged to be committed;	<p><u>Allegations:</u></p> <ol style="list-style-type: none"> Negative Reserves not considered as part of taxable surplus. Shareholders net investment income classified as 'Income from life insurance business' instead of 'Income from Other Sources'. Certain incomes should not be claimed as exempt under Section 10. Contribution from Shareholders' incorrectly claimed as a deduction while computing Shareholders' profits. Proportionate disallowance as per Section 14A read with Rule 8D not made. Certain marketing and advertising expense in financials considered as admissible expense incorrectly while calculating the taxable surplus in Policyholder's Account. <p>Major issues raised in the assessment order [as stated in Allegations (a) to (e) above] are covered by orders of the Income Tax Appellate Tribunal, Mumbai and Commissioner of Income tax (Appeals) in own case for earlier years which was already disclosed vide disclosure of pending litigations/ disputes made on August 14, 2023 and November 9, 2023, respectively.</p>

Impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible	None
Remark	The said order is appealable before the Appellate Authority. The Company will file its appeal within the specified period.

HDFC Life Insurance Company Limited

Corporate & Registered Office:

13th Floor, Lodha Excelus, Apollo Mills Compound,
N. M. Joshi Marg, Mahalaxmi, Mumbai - 400 011.

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