

Ref/No/HDFCAMC/SE/2019-20/63

Date – October 25, 2019

National Stock Exchange of India Limited Exchange Plaza, Plot C/1, Block G, Bandra Kurla Complex, Bandra (East) Mumbai – 400051	BSE Limited Sir PJ Towers, Dalal Street, Mumbai – 400001
<b>Kind Attn: Head – Listing Department</b>	<b>Kind Attn: Sr. General Manager – DCS Listing Department</b>

**Sub: Outcome of Board Meeting**

Dear Sir/Madam,

We wish to inform you that at the meeting of Board of Directors of HDFC Asset Management Company Limited (“the Company”) held today i.e October 25, 2019 the Board has, *inter alia*, approved the un-audited financial results of the Company for the quarter and half year ended September 30, 2019, which have been subject to limited review by the Statutory Auditors of the Company, in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

A copy of said result along with limited review report on the financial results are enclosed herewith and the same are being uploaded on the website of the Company i.e [www.hdfcfund.com](http://www.hdfcfund.com). An extract of the said results will be published in the newspapers in accordance with the Listing Regulations.

The Board Meeting commenced at 04.00 p.m. and concluded at 5.45 p.m.

Please note that in terms of the AMC Share Dealing Code and the SEBI (Prohibition of Insider Trading) Regulations, 2015, the trading window for all the special employees and directors of the Company and their immediate relatives, in the shares of the Company shall remain closed till October 27, 2019.

You are requested to take note of the above and arrange to bring to notice of all concerned.

Thank You,

Yours faithfully,

For **HDFC Asset Management Company Limited**



**Sylvia Furtado**  
**Company Secretary**

Encl: a/a

**HDFC Asset Management Company Limited**

A Joint Venture with Standard Life Investments

CIN: L65991MH1999PLC123027

Registered Office : “HDFC House”, 2nd Floor, H.T. Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai-400 020

Tel.: 022 - 6631 6333 Fax: 022 - 2204 4304, 6658 0200 Website: [www.hdfcfund.com](http://www.hdfcfund.com)

[shareholders.relations@hdfcfund.com](mailto:shareholders.relations@hdfcfund.com)

# B S R & Co. LLP

Chartered Accountants

5th Floor, Lodha Excelus,  
Apollo Mills Compound  
N. M. Joshi Marg, Mahalaxmi  
Mumbai - 400 011  
India

Telephone +91 (22) 4345 5300  
Fax +91 (22) 4345 5399

## Limited Review Report on Unaudited quarterly and year-to-date financial results pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

### To the Board of Directors of HDFC Asset Management Company Limited

We have reviewed the accompanying Statement of unaudited financial results of HDFC Asset Management Company Limited (the 'Company') for the quarter and year to date results for the period from 1 April 2019 to 30 September 2019 (the 'Statement').

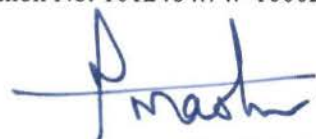
This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). Our responsibility is to issue a report on the Statement based on our review.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **B S R & Co. LLP**  
Chartered Accountants

Firm's Registration No: 101248W/W-100022



**Akeel Master**  
Partner

Membership No: 046768

UDIN:19046768AAABNQ8357

Mumbai  
25 October 2019

# HDFC ASSET MANAGEMENT COMPANY LIMITED

Unaudited Financial Results for the Quarter and Half Year Ended September 30, 2019

₹ (in Crore except per equity share data)

PARTICULARS	Quarter Ended			Half Year Ended		Year Ended
	September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
	(Reviewed)					(Audited)
<b>1. INCOME</b>						
- Revenue from Operations	498.00	504.39	480.36	1002.39	951.59	1,915.18
- Other Income	51.07	48.36	34.84	99.43	64.80	181.60
<b>Total Income</b>	<b>549.07</b>	<b>552.75</b>	<b>515.20</b>	<b>1,101.82</b>	<b>1,016.39</b>	<b>2,096.78</b>
<b>2. EXPENSES</b>						
- Finance Costs	2.28	2.29	-	4.57	-	-
- Fees and Commission Expenses	0.84	11.36	73.55	12.20	157.41	240.26
- Impairment on Financial Instruments	-	-	21.23	-	21.23	40.00
- Employee Benefit Expenses	57.83	56.68	54.37	114.51	108.15	206.27
- Depreciation, Amortisation and Impairment	12.46	11.88	3.07	24.34	5.67	12.85
- Other Expenses	48.13	40.62	65.77	88.75	132.08	222.70
<b>Total Expenses</b>	<b>121.54</b>	<b>122.83</b>	<b>217.99</b>	<b>244.37</b>	<b>424.54</b>	<b>722.08</b>
<b>3. PROFIT BEFORE TAX (1-2)</b>	<b>427.53</b>	<b>429.92</b>	<b>297.21</b>	<b>857.45</b>	<b>591.85</b>	<b>1,374.70</b>
<b>4. TAX EXPENSES</b>						
- Current Tax	63.51	141.57	97.05	205.08	190.58	445.47
- Deferred Tax	(4.22)	(3.44)	(5.75)	(7.66)	(9.90)	(1.37)
<b>Total Tax Expenses</b>	<b>59.29</b>	<b>138.13</b>	<b>91.30</b>	<b>197.42</b>	<b>180.68</b>	<b>444.10</b>
<b>5. PROFIT AFTER TAX (3-4)</b>	<b>368.24</b>	<b>291.79</b>	<b>205.91</b>	<b>660.03</b>	<b>411.17</b>	<b>930.60</b>
<b>6. OTHER COMPREHENSIVE INCOME</b>						
- Items that will not be reclassified to profit or loss	(0.35)	(4.81)	0.45	(5.16)	0.32	(0.62)
- Income tax on above	(0.34)	1.57	(0.14)	1.23	(0.10)	0.22
<b>Total Other Comprehensive Income (net of tax)</b>	<b>(0.69)</b>	<b>(3.24)</b>	<b>0.31</b>	<b>(3.93)</b>	<b>0.22</b>	<b>(0.40)</b>
<b>7. TOTAL COMPREHENSIVE INCOME (5+6)</b>	<b>367.55</b>	<b>288.55</b>	<b>206.22</b>	<b>656.10</b>	<b>411.39</b>	<b>930.20</b>
Earnings per equity share (Face value of ₹ 5 each) (Not Annualised)						
- Basic	17.32	13.72	9.71	31.05	19.42	43.87
- Diluted	17.27	13.69	9.69	30.96	19.36	43.78
Paid-up Equity Share Capital (Face value of ₹ 5)	106.30	106.30	106.17	106.30	106.17	106.29
Other Equity (excluding revaluation reserve) as at March 31						2,964.43

See accompanying notes to the Financial Results



## HDFC ASSET MANAGEMENT COMPANY LIMITED

Notes:

### 1. Statement of Assets and Liabilities

₹ (in Crore)

Particulars	As at September 30, 2019 (Reviewed)	As at March 31, 2019 (Audited)
<b>ASSETS</b>		
<b>FINANCIAL ASSETS</b>		
Cash and Cash Equivalents	2.41	0.90
Bank Balance other than above	0.13	31.09
Receivables		
Trade Receivables	66.15	82.66
Other Receivables	11.86	20.20
Investments	3,237.18	2,934.96
Other Financial Assets	66.51	27.98
<b>Sub-total - Financial Assets</b>	<b>3,384.24</b>	<b>3,097.79</b>
<b>NON FINANCIAL ASSETS</b>		
Current Tax Assets (net)	84.04	35.16
Deferred Tax Assets (net)	9.45	-
Property, Plant and Equipment	137.14	25.63
Intangible Assets Under Development	2.82	3.17
Goodwill	6.04	6.04
Other Intangible Assets	11.01	8.03
Other Non Financial Assets	30.10	47.93
<b>Sub-total - Non Financial Assets</b>	<b>280.60</b>	<b>125.96</b>
<b>TOTAL ASSETS</b>	<b>3,664.84</b>	<b>3,223.75</b>
<b>LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
<b>FINANCIAL LIABILITIES</b>		
<b>Payables</b>		
Trade Payables		
Total Outstanding Dues of Micro Enterprises and Small Enterprises	-	-
Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises	49.41	47.36
Other Financial Liabilities	156.31	65.69
<b>Sub-total - Financial Liabilities</b>	<b>205.72</b>	<b>113.05</b>
<b>NON FINANCIAL LIABILITIES</b>		
Current Tax Liabilities (net)	-	1.77
Provisions	4.33	1.01
Deferred Tax Liabilities (net)	-	2.84
Other Non Financial Liabilities	41.60	34.36
<b>Sub-total - Non Financial Liabilities</b>	<b>45.93</b>	<b>39.98</b>
<b>TOTAL LIABILITIES</b>	<b>251.65</b>	<b>153.03</b>
<b>EQUITY</b>		
Equity Share Capital	106.30	106.29
Other Equity	3,306.89	2,964.43
<b>Sub-total - Equity</b>	<b>3,413.19</b>	<b>3,070.72</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>3,664.84</b>	<b>3,223.75</b>



HDFC ASSET MANAGEMENT COMPANY LIMITED

2. Statement of Cash Flows

₹ (in Crore)

Particulars	For the Half Year Ended	
	September 30, 2019	September 30, 2018
	(Reviewed)	(Reviewed)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit Before Tax</b>	<b>857.45</b>	<b>591.85</b>
<b>Add / (Less) : Adjustments for</b>		
Depreciation, Amortisation and Impairment	24.34	5.67
Finance Costs	4.57	-
Share Based Payments to Employees	-	4.74
(Profit) / Loss on Sale of Investments (net)	(4.03)	(2.22)
Fair Value (Gain) / Loss on Investments	(19.41)	(18.07)
Net (Gain) / Loss on foreign currency transactions and translations	-	(0.02)
(Profit) / Loss on Derecognition of Property, Plant and Equipment and Other Intangible Assets (net)	(0.02)	(0.02)
Impairment on Financial Instruments	-	21.23
Investment Income from Financial Instruments	(61.57)	(41.93)
Other Interest Income	(0.93)	(0.54)
<b>Operating Profit before working capital changes</b>	<b>800.40</b>	<b>560.69</b>
<b>Adjustments for:</b>		
(Increase) / Decrease in Trade Receivables	16.51	6.90
(Increase) / Decrease in Other Receivables	8.34	(18.07)
(Increase) / Decrease in Other Financial Assets	34.59	(33.74)
(Increase) / Decrease in Other Non Financial Assets	14.89	71.52
Increase / (Decrease) in Trade Payable	2.05	10.00
Increase / (Decrease) in Other Financial Liabilities	(28.71)	(25.62)
Increase / (Decrease) in Provisions	3.32	4.05
Increase / (Decrease) in Other Non Financial Liabilities	2.08	14.20
<b>Cash generated from / (used in) operations</b>	<b>853.47</b>	<b>589.93</b>
Income Tax Paid	(254.50)	(200.53)
<b>Net cash from / (used in) operating activities (A)</b>	<b>598.97</b>	<b>389.40</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment and Other Intangible Assets	(13.80)	(11.25)
Proceeds from Sale of Property, Plant and Equipment and Other Intangible Assets	0.02	0.02
Purchase of Investments	(2,907.89)	(1,784.57)
Proceeds from Sale of Investments	2,657.53	1,217.76
Dividend Received	0.52	3.93
Interest Received / (Paid)	(9.49)	10.31
<b>Net cash from / (used in) investing activities (B)</b>	<b>(273.11)</b>	<b>(563.80)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issuance of Share Capital	2.45	173.54
Share Application Money - Pending allotment	0.11	1.65
Principal Element of Lease Payments	(14.79)	-
Interest Element of Lease Payments	(4.57)	-
Final Equity Dividend Paid	(255.11)	-
Tax Paid on Final Equity Dividend	(52.44)	-
<b>Net cash from / (used in) financing activities (C)</b>	<b>(324.35)</b>	<b>175.19</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)</b>	<b>1.51</b>	<b>0.79</b>
<b>Cash and Cash Equivalents at the beginning of the period</b>	<b>0.90</b>	<b>1.95</b>
<b>Cash and Cash Equivalents at the end of the period</b>	<b>2.41</b>	<b>2.74</b>
	<b>1.51</b>	<b>0.79</b>
<b>Cash and cash equivalents comprising of:</b>		
Balance with banks	2.41	2.74
Effect of exchange rate difference on balances with banks in foreign currency	(0.00)	0.00
<b>Total</b>	<b>2.41</b>	<b>2.74</b>
<b>Note:</b> The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, Statement of Cash Flows.		

**B. R. & Co. P.**  
 5th Floor,  
 Lohia Exchange,  
 N. N. P. Ch. M. R. S.  
 Mumbai - 400 011  
 India.  
 Chartered Accountants  
*mark*

HDFC Asset Management Company Limited  
 MUMBAI-20

## Notes:

- 3 The financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 - Interim Financial Reporting, notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.
- 4 Effective April 01, 2019, the Company has adopted Ind AS 116 - Leases and applied it to all lease contracts existing on April 01, 2019 using the modified retrospective method. Consequently, the cumulative adjustment has been taken to retained earnings on the date of initial application i.e. April 01, 2019. Based on the same and as permitted under the specific transitional provisions in the standard, the Company is not required to restate the comparative figures.

On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) of ₹ 114.93 Crore (including ₹ 2.96 Crore reclassified from other non-financial assets) and a lease liability of ₹ 125.23 Crore. The cumulative effect of applying the standard resulted in ₹ 8.63 Crore (net of taxes) being debited to retained earnings. The effect of this adoption is not material to the profit for the period and earnings per share.

ROU has been included under the line 'Property, Plant and Equipment' and Lease Liability has been included under 'Other Financial Liabilities' in the Statement of Assets and Liabilities.

- 5 As at September 30, 2019, the Company holds certain Non Convertible Debentures (NCDs) that are secured by a pledge of listed equity shares. Since these NCDs are classified as financial assets at fair value through profit and loss, any changes in their fair value is reflected as a part of 'Other Income'.

The unrealized loss recognized in the results for the half year ended September 30, 2019 on the said NCDs, is ₹ 24.97 Crore.

- 6 The Company has elected to exercise the option of a lower tax rate provided under Section 115BAA of the Income-tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019 dated September 20, 2019. Accordingly, the Company has recognised provision for income tax for the half year ended September 30, 2019 and re-measured its deferred tax assets basis the rate provided in the said section. The full impact of above mentioned change has been recognised in the result for the quarter ended September 30, 2019.

- 7 During the quarter ended September 30, 2019, the Company has allotted 17,185 equity shares of ₹ 5 each pursuant to exercise of stock options by certain employees.

- 8 The Board of Directors had proposed a final dividend of ₹ 12 per equity share for the year ended March 31, 2019 at its meeting held on April 26, 2019. The same has been approved by the shareholders at the Annual General Meeting held on July 16, 2019. The final dividend is in addition to the interim dividend of ₹ 12 per equity share declared by the Board of Directors on February 26, 2019.



**Notes:**

- 9 The Company is in the business of providing asset management services to HDFC Mutual Fund and portfolio management & advisory services to clients. The primary segment is identified as asset management services. As such, the Company's financial statements / results are largely reflective of the asset management business and accordingly there are no separate reportable segments as per Ind AS 108 - Operating Segment.
- 10 Previous period figures have been regrouped / reclassified wherever necessary.
- 11 The above results for the quarter and half year ended September 30, 2019, which have been subjected to a Limited Review by the Statutory Auditors of the Company, were reviewed by the Audit Committee of Directors and subsequently approved by the Board of Directors at its meeting held on October 25, 2019, in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.


**In terms of our report attached**

**For B S R & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No.  
101248W/W-100022



**Akeel Master**  
Partner  
Membership No: 046768

**For HDFC Asset Management Company Limited**

  
**Milind Barve**  
Managing Director  
(DIN: 00087839)

**Mumbai, October 25, 2019**

