

Ref/No/HDFCAMC/SE/2020-21/40

Date – July 23, 2020

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
Kind Attn: Head – Listing Department	Kind Attn: Sr. General Manager – DCS Listing Department

Sub: Outcome of Board Meeting

Dear Sir/Madam,

We wish to inform you that the Board of Directors of HDFC Asset Management Company Limited (the Company) at its meeting held today i.e. July 23, 2020 has, *inter-alia*, approved the un-audited financial results of the Company for the first quarter ended June 30, 2020, 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 results 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. An extract of the said results will be published in the newspapers in accordance with the Listing Regulations.

The Board Meeting commenced at 11.30 a.m. and concluded at 1:10 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 July 25, 2020.

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

Thanking you,

Yours faithfully,

For **HDFC Asset Management Company Limited**



Sylvia Furtado
Company Secretary

B S R & Co. LLP

Chartered Accountants

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Limited Review Report on Unaudited quarterly 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 ended 30 June 2020 (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 (the "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.

Attention is drawn to the fact that the figures for the 3 months ended 31 March 2020 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.

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 recognized 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: 20046768AAAALD2866

Mumbai
23 July 2020

HDFC ASSET MANAGEMENT COMPANY LIMITED

Unaudited Financial Results for the Quarter Ended June 30, 2020

₹ (in Crore except per equity share data)

PARTICULARS	Quarter Ended			Year Ended
	June 30, 2020	March 31, 2020	June 30, 2019	March 31, 2020
	(Reviewed)	(Audited) #	(Reviewed)	(Audited)
1. INCOME				
- Revenue from Operations	411.49	476.13	504.39	2,003.25
- Other Income	79.82	(26.51)	48.36	140.18
Total Income	491.31	449.62	552.75	2,143.43
2. EXPENSES				
- Finance Costs	2.20	2.21	2.29	8.98
- Fees and Commission Expenses	1.38	1.59	11.36	20.89
- Employee Benefit Expenses	52.61	43.15	56.68	214.71
- Depreciation, Amortisation and Impairment	13.73	13.39	11.88	50.37
- Other Expenses	41.02	59.71	40.62	195.43
Total Expenses	110.94	120.05	122.83	490.38
3. PROFIT BEFORE TAX (1-2)	380.37	329.57	429.92	1,653.05
4. TAX EXPENSES				
- Current Tax	84.96	99.07	141.57	410.52
- Deferred Tax	(6.95)	(19.33)	(3.44)	(19.88)
Total Tax Expenses	78.01	79.74	138.13	390.64
5. PROFIT AFTER TAX (3-4)	302.36	249.83	291.79	1,262.41
6. OTHER COMPREHENSIVE INCOME				
- Items that will not be reclassified to profit or loss	(0.56)	0.57	(4.81)	(4.11)
- Income tax on above	0.12	(0.07)	1.57	1.03
Total Other Comprehensive Income (net of tax)	(0.44)	0.50	(3.24)	(3.08)
7. TOTAL COMPREHENSIVE INCOME (5+6)	301.92	250.33	288.55	1,259.33
Earnings per equity share (Face value of ₹ 5 each) (Not Annualised)				
- Basic	14.20	11.74	13.72	59.37
- Diluted	14.17	11.72	13.69	59.24
Paid-up Equity Share Capital (Face value of ₹ 5)	106.42	106.40	106.30	106.40
Other Equity (excluding revaluation reserve) as at March 31				3,922.86

See accompanying notes to the Financial Results

Figures for the quarter ended March 31, 2020 are derived by deducting the published unaudited year to date figures for the period ended December 31, 2019 from the audited figures for the year ended March 31, 2020.

Notes:

- 1 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.
- 2 During the previous year, the Company had 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 had recognised provision for income tax and re-measured its deferred tax assets basis the rate provided in the said section and had recognised the impact of above changes upto September 30, 2019 in the result for the quarter ended September 30, 2019.
- 3 During the quarter ended June 30, 2020, the Company has allotted 40,471 equity shares of ₹ 5 each pursuant to exercise of stock options by certain employees.
- 4 The Board of Directors have proposed a final dividend of ₹ 28 per equity share for the year ended March 31, 2020 at its meeting held on May 09, 2020, subject to the approval of the shareholders at the ensuing Annual General Meeting.
- 5 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.
- 6 The rapidly expanding spread of Covid 19 across the world has forced various actions to be taken by government, statutory and regulatory authorities to deal with its fallout. This pandemic has led to a great deal of uncertainty and unpredictability in the business environment. For most of the quarter, authorities in India had imposed lock downs across large parts of the country. During these lock-downs, though most commercial enterprises across the nation were required to close, some establishments like securities market intermediaries including our Company were exempt and therefore functional. Over the quarter, there has also been a move to open up various commercial establishments in a graduated manner.

The Company has assessed the impact of the pandemic on its operations and its assets including the value of its investments and trade receivables as at June 30, 2020. The management does not, at this juncture, believe that the impact on the value of the Company's assets is likely to be material. However, since the revenue of the Company is ultimately dependent on the value of the Assets Under Management (AUM) it manages, changes in market conditions and the trend of flows into mutual funds may have an impact on the operations of the Company. Since the situation is still evolving and it seems likely that there will be a material impact on the economy, its effect on the operations of the Company may be different from that estimated as at the date of approval of these financial results. The Company continues to closely monitor material changes in markets and future economic conditions.

Further, during the quarter ended June 30, 2020, there has been no material change in the controls or processes followed in the preparation of the financial results.

Notes:

- 7 Previous period figures have been regrouped / reclassified wherever necessary.
- 8 The above results for the quarter ended June 30, 2020, 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 July 23, 2020, 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

For HDFC Asset Management Company Limited

Akeel Master
Partner
Membership No: 046768

Milind Barve
Managing Director
(DIN: 00087839)

Mumbai, July 23, 2020