

Ref/No/HDFCAMC/SE/2021-22/68

Date – October 25, 2021

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

Sub: Outcome of Board Meeting

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. October 25, 2021 has, *inter-alia*, approved the un-audited financial results of the Company for the quarter and half year ended September 30, 2021, 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 1.45 p.m. and concluded at 4.05 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, 2021.

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

Encl: a/a

B S R & Co. LLP

Chartered Accountants

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Nesco Center, Western Express Highway,
Goregaon (East), Mumbai - 400 063, India

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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 ended 30 September 2021 and year to date results for the period from 1 April 2021 to 30 September 2021 (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.

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.



Mumbai
25 October 2021

For B S R & Co. LLP
Chartered Accountants

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

Kapil Goenka
Partner

Membership No: 118189
UDIN: 21118189AAAAQI1976

HDFC ASSET MANAGEMENT COMPANY LIMITED

Statement of Unaudited Financial Results for the Quarter and Half Year Ended September 30, 2021

₹ (in Crore except per equity share data)

PARTICULARS	Quarter Ended			Half Year Ended		Year Ended
	September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	March 31, 2021
	(Reviewed)					(Audited)
1. INCOME						
- Revenue from Operations	542.33	507.08	456.25	1,049.41	867.74	1,852.53
- Other Income	66.07	100.91	113.70	166.98	193.52	349.21
Total Income	608.40	607.99	569.95	1,216.39	1,061.26	2,201.74
2. EXPENSES						
- Finance Costs	2.21	2.23	2.21	4.44	4.41	8.95
- Fees and Commission Expenses	1.37	1.27	1.30	2.64	2.68	5.69
- Employee Benefit Expenses (see note 4)	79.84	83.46	53.45	163.30	106.06	226.75
- Depreciation, Amortisation and Impairment	13.59	13.51	14.06	27.10	27.79	55.41
- Other Expenses	50.02	41.40	35.98	91.42	77.00	155.99
Total Expenses	147.03	141.87	107.00	288.90	217.94	452.79
3. PROFIT BEFORE TAX (1-2)	461.37	466.12	462.95	927.49	843.32	1,748.95
4. TAX EXPENSE						
- Current Tax	107.46	106.31	101.65	213.77	186.61	369.39
- Deferred Tax	9.53	14.36	23.24	23.89	16.29	53.80
Total Tax Expense	116.99	120.67	124.89	237.66	202.90	423.19
5. PROFIT AFTER TAX (3-4)	344.38	345.45	338.06	689.83	640.42	1,325.76
6. OTHER COMPREHENSIVE INCOME						
- Items that will not be reclassified to profit or loss	(0.34)	(1.11)	0.75	(1.45)	0.19	(0.92)
- Income tax on above	0.08	0.25	(0.16)	0.33	(0.04)	0.23
Total Other Comprehensive Income (net of tax)	(0.26)	(0.86)	0.59	(1.12)	0.15	(0.69)
7. TOTAL COMPREHENSIVE INCOME (5+6)	344.12	344.59	338.65	688.71	640.57	1,325.07
Earnings per equity share (Face value of ₹ 5 each) (Not Annualised)						
- Basic	16.16	16.22	15.88	32.38	30.09	62.28
- Diluted	16.14	16.19	15.85	32.34	30.03	62.16
Paid-up Equity Share Capital (Face value of ₹ 5)	106.58	106.53	106.45	106.58	106.45	106.48
Other Equity (excluding revaluation reserve) as at March 31						4,669.70

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, 2021	As at March 31, 2021
	(Reviewed)	(Audited)
ASSETS		
FINANCIAL ASSETS		
Cash and Cash Equivalents	3.74	1.68
Bank Balance other than above	9.15	0.67
Receivables		
Trade Receivables	76.30	79.91
Other Receivables	4.27	3.85
Investments	4,792.82	4,753.25
Other Financial Assets	34.09	32.35
Sub-total - Financial Assets	4,920.37	4,871.71
NON FINANCIAL ASSETS		
Current Tax Assets (net)	30.89	31.29
Property, Plant and Equipment	126.17	136.86
Intangible Assets Under Development	0.40	1.18
Goodwill	6.04	6.04
Other Intangible Assets	8.39	10.32
Other Non Financial Assets	34.13	37.30
Sub-total - Non Financial Assets	206.02	222.99
TOTAL ASSETS	5,126.39	5,094.70
LIABILITIES AND EQUITY		
LIABILITIES		
FINANCIAL LIABILITIES		
Payables		
Trade Payables		
Total Outstanding Dues of Micro Enterprises and Small Enterprises	-	-
Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises	66.54	42.11
Other Financial Liabilities	148.09	187.90
Sub-total - Financial Liabilities	214.63	230.01
NON FINANCIAL LIABILITIES		
Current Tax Liabilities (net)	11.08	4.34
Provisions	15.03	7.88
Deferred Tax Liabilities (net)	56.03	32.13
Other Non Financial Liabilities	41.03	44.16
Sub-total - Non Financial Liabilities	123.17	88.51
TOTAL LIABILITIES	337.80	318.52
EQUITY		
Equity Share Capital	106.58	106.48
Other Equity	4,682.01	4,669.70
Sub-total - Equity	4,788.59	4,776.18
TOTAL LIABILITIES AND EQUITY	5,126.39	5,094.70



HDFC ASSET MANAGEMENT COMPANY LIMITED

Notes:

2. Statement of Cash Flows

₹ (in Crore)

Particulars	For the Half Year Ended	
	September 30, 2021	September 30, 2020
	(Reviewed)	(Reviewed)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	927.49	843.32
Add / (Less) : Adjustments for		
Depreciation, Amortisation and Impairment	27.10	27.79
Finance Costs	4.44	4.41
Share Based Payments to Employees	34.27	-
(Profit) / Loss on Sale of Investments (net)	(22.27)	(15.70)
Fair Value (Gain) / Loss on Investments	(127.08)	(161.26)
Net (Gain) / Loss on foreign currency transactions and translations	-	0.05
(Profit) / Loss on Derecognition of Property, Plant and Equipment and Other Intangible Assets (net)	(0.01)	(0.01)
Investment Income from Financial Instruments	(15.62)	(16.03)
Other Interest Income	(0.57)	(0.57)
Operating Profit before working capital changes	827.75	682.00
Adjustments for:		
(Increase) / Decrease in Trade Receivables	3.60	(5.32)
(Increase) / Decrease in Other Receivables	(0.42)	0.78
(Increase) / Decrease in Other Financial Assets	(0.01)	0.03
(Increase) / Decrease in Other Non Financial Assets	3.29	1.61
Increase / (Decrease) in Trade Payable	15.95	4.44
Increase / (Decrease) in Other Financial Liabilities	(31.94)	(29.93)
Increase / (Decrease) in Provisions	7.15	1.92
Increase / (Decrease) in Other Non Financial Liabilities	(4.58)	(7.60)
Cash generated from / (used in) operations	820.79	647.93
Income Tax Paid	(206.30)	(177.38)
Net cash from / (used in) operating activities (A)	614.49	470.55
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment and Other Intangible Assets	(4.85)	(6.30)
Proceeds from Sale of Property, Plant and Equipment and Other Intangible Assets	0.01	0.01
Purchase of Investments	(1,255.51)	(1,978.75)
Proceeds from Sale of Investments	1,359.34	2,089.87
Dividend Received	0.03	0.32
Interest Received / (Paid)	20.15	9.87
Net cash from / (used in) investing activities (B)	119.17	115.02
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issuance of Share Capital	13.81	6.85
Share Application Money - Pending allotment	0.06	0.02
Principal Element of Lease Payments	(16.60)	(16.53)
Interest Element of Lease Payments	(4.44)	(4.41)
Final Equity Dividend Paid	(724.43)	(595.96)
Net cash from / (used in) financing activities (C)	(731.60)	(610.03)
Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)	2.06	(24.46)
Cash and Cash Equivalents at the beginning of the period	1.68	26.64
Cash and Cash Equivalents at the end of the period	3.74	2.18
Net Increase / (Decrease) in Cash and Cash Equivalents	2.06	(24.46)
Cash and cash equivalents comprising of:		
Balance with banks	3.74	2.18
Effect of exchange rate difference on balances with banks in foreign currency	(0.00)	(0.00)
Total	3.74	2.18
Note: The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.		



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 The Nomination and Remuneration Committee of the Board of Directors of the Company at its meeting held on February 22, 2021 had approved grant of 11,45,000 stock options representing 11,45,000 equity shares of ₹ 5 each, at a grant price of ₹ 2,934.25 per equity share (being the market price as defined in the applicable SEBI Regulations), to its eligible employees under Employees Stock Option Scheme - 2020 ("ESOS - 2020"). The total charge for share based payment to employees towards outstanding options as at September 30, 2021 is ₹ 16.67 crore and ₹ 34.27 crore for the quarter and half year ended September 30, 2021 respectively.

Accounting for equity settled share based payment transaction (ESOPs) at fair value increases the non cash component of Employee Benefits Expenses and is reflected in Share Options Outstanding Account under Other Equity. This balance of Share Options Outstanding Account is transferred to Securities Premium as and when the stock options are exercised by the employees and hence this charge is neutral to Equity of the Company.
- 5 During the quarter ended September 30, 2021, the Company has allotted 97,301 equity shares of ₹ 5 each pursuant to exercise of stock options by certain employees.
- 6 During the period ended September 30, 2021, the Company has paid a final dividend of ₹ 34 per equity share (face value of ₹ 5 each) for the year ended March 31, 2021 as approved by its shareholders at the Annual General Meeting held on July 16, 2021.
- 7 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.
- 8 COVID-19 was declared a pandemic in March 2020 and since then it has had a sizable impact on the economies of various countries. Nations across the globe at this juncture seem to be returning to normalcy as a result of waning infection levels. An aggressive vaccination drive by the government in India has led to significant improvement in the situation which has provided a pathway to the normalisation of economic activity. However, the situation will have to be monitored till the pandemic is finally put to rest.

While the company's operations have shown resilience, the extent to which the pandemic may impact its future results will depend on ongoing developments. The Company continues to closely monitor material changes in economic conditions, markets and the operating environment.

Further, during the quarter ended September 30, 2021, there has been no material change in the controls or processes followed in the preparation of the financial results.



Notes:

- 9 Previous period figures have been regrouped / reclassified wherever necessary, in order to make them comparable.
- 10 The above results for the quarter and half year ended September 30, 2021, 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, 2021, in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For HDFC Asset Management Company Limited



Navneet Munot
Managing Director & Chief Executive Officer
(DIN: 05247228)

Mumbai, October 25, 2021

