



Ref/No/HDFCAMC/SE/2020-21/95

Date – January 20, 2021

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,

Further to our letter number Ref/No/HDFCAMC/SE/2020-21/94 dated January 20, 2021, please find enclosed herewith a copy of investor presentation along with press release on financial results for quarter and nine months ended December 31, 2020.

Kindly take the same on records.

Thanking 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", 2ndFloor, H.T. Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai-400 020

Tel.: 022 - 6631 6333 Fax: 022 - 6658 0203 Website: www.hdfcfund.com email: shareholders.relations@hdfcfund.com



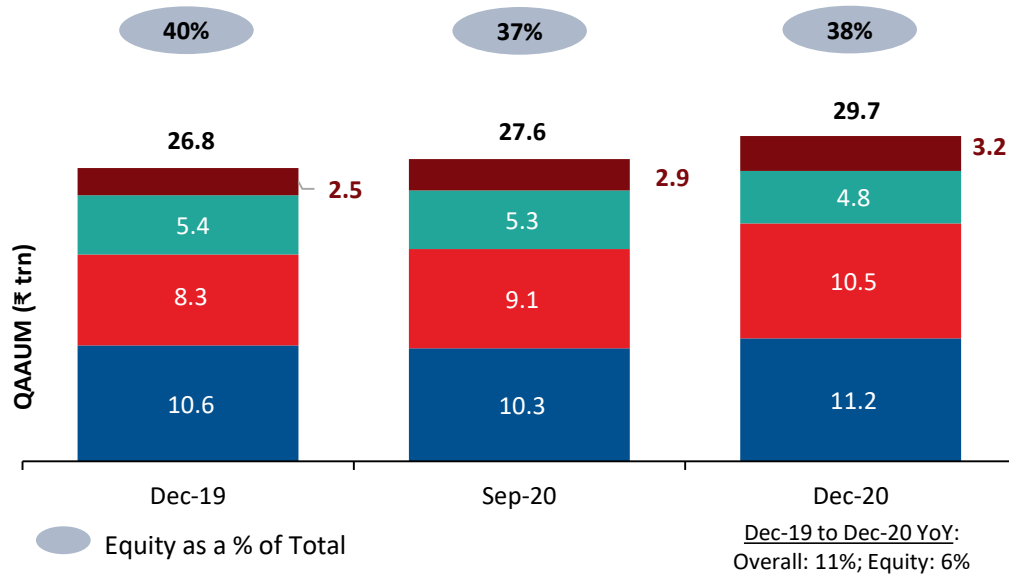
HDFC Asset Management Company Limited

Q3 FY20-21

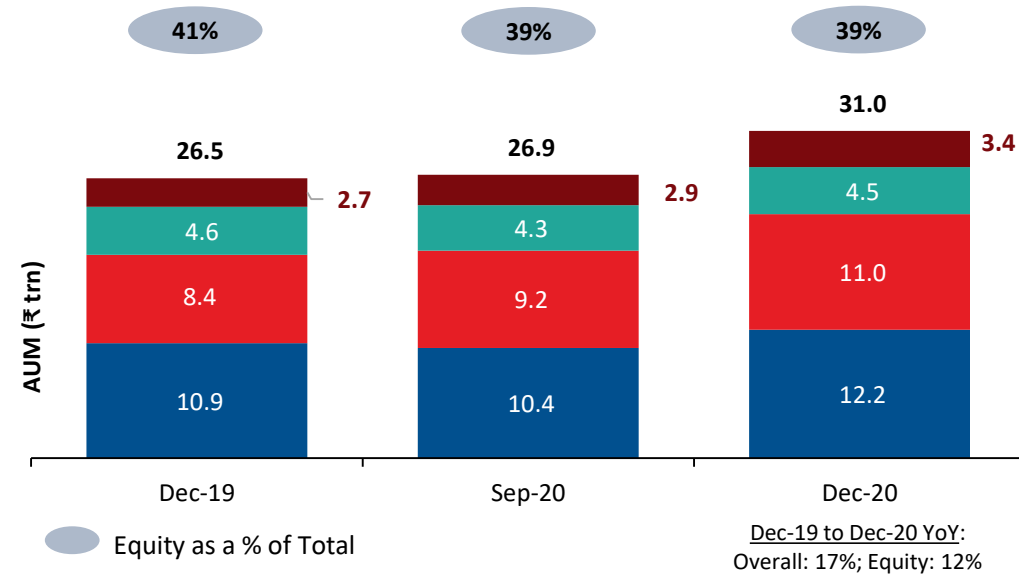
(For the quarter ended December 31, 2020)

Industry - AUM and Net Sales

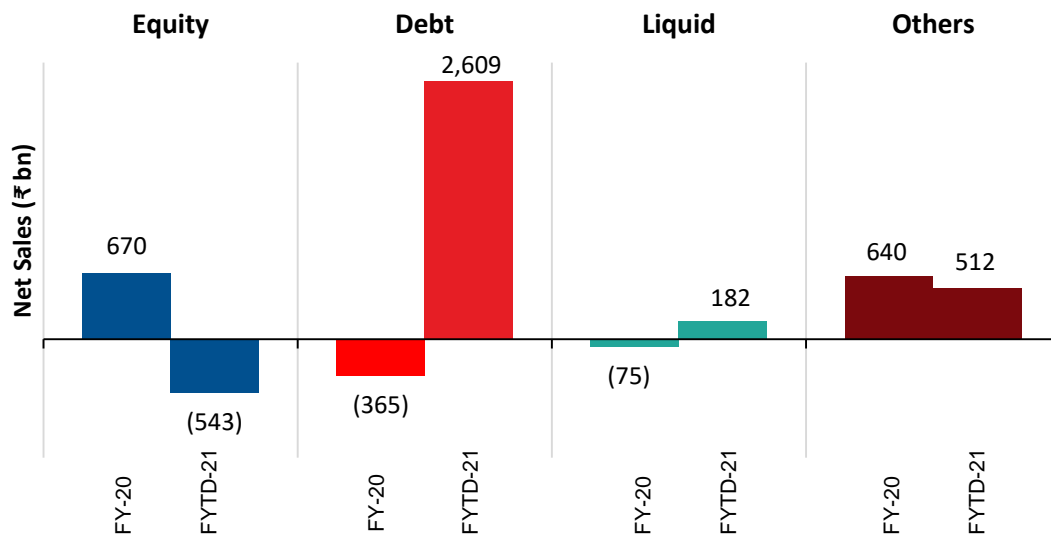
Quarterly Average AUM (QAAUM)



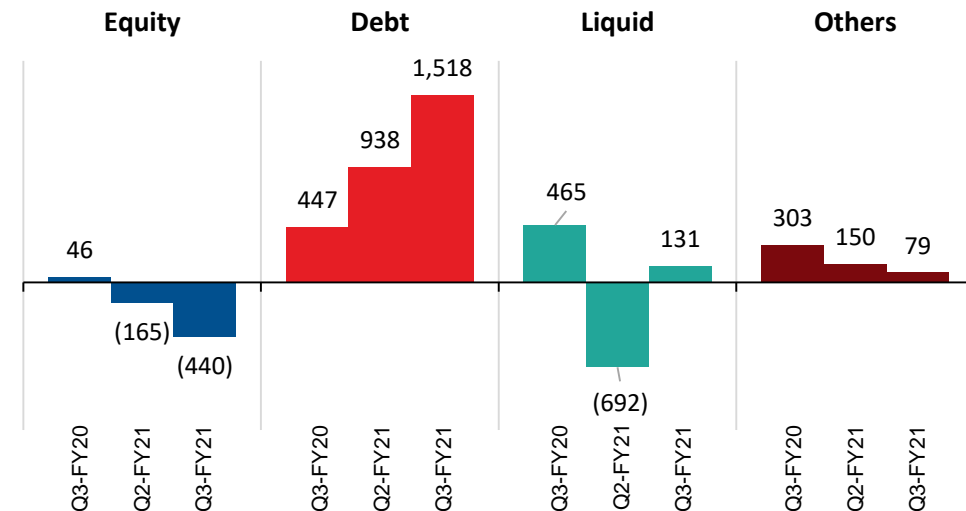
Closing AUM



Yearly net sales

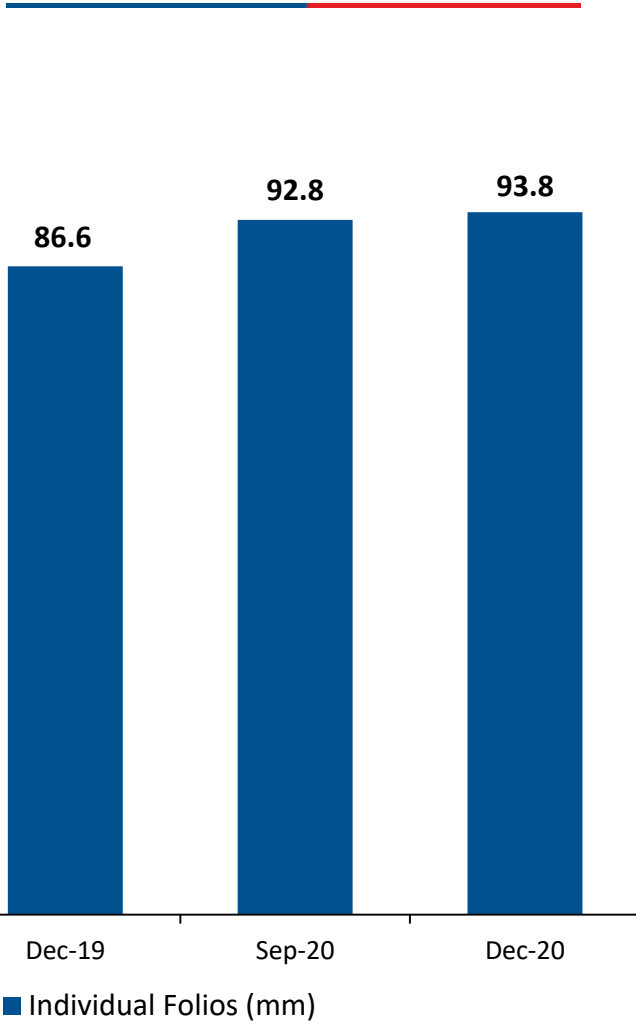


Quarterly net sales

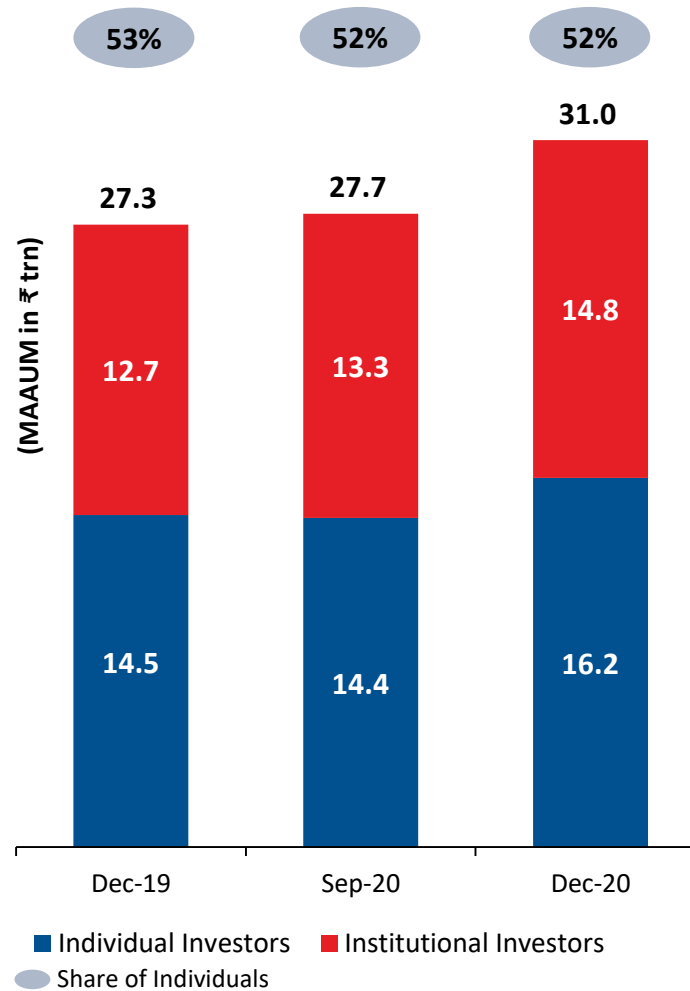


Industry - Individual / Institutional MAAUM, B30

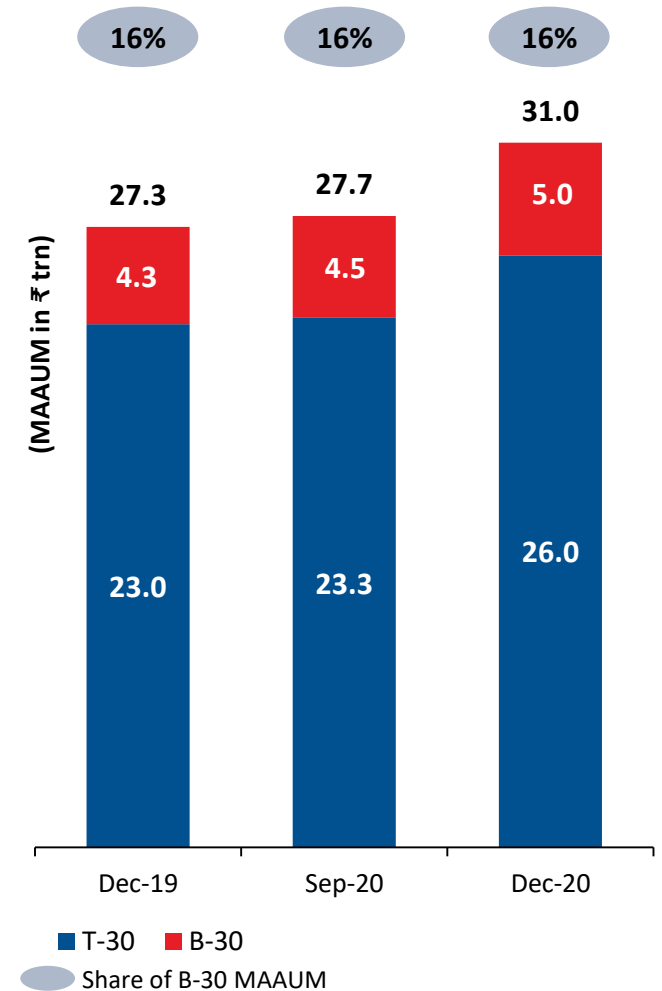
Individual Folios



Overall MAAUM by Investor category



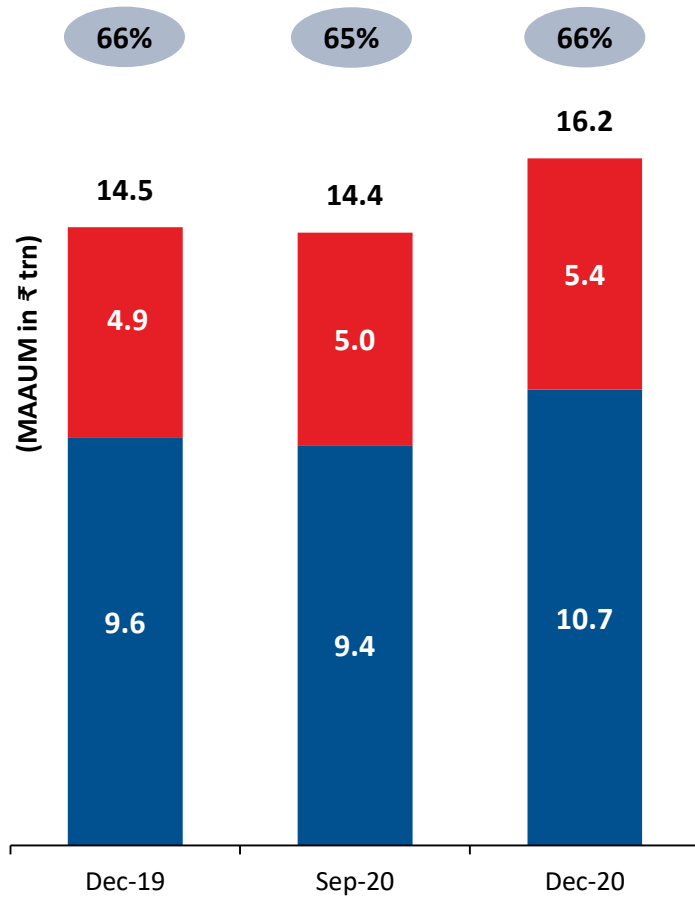
Overall MAAUM by Location



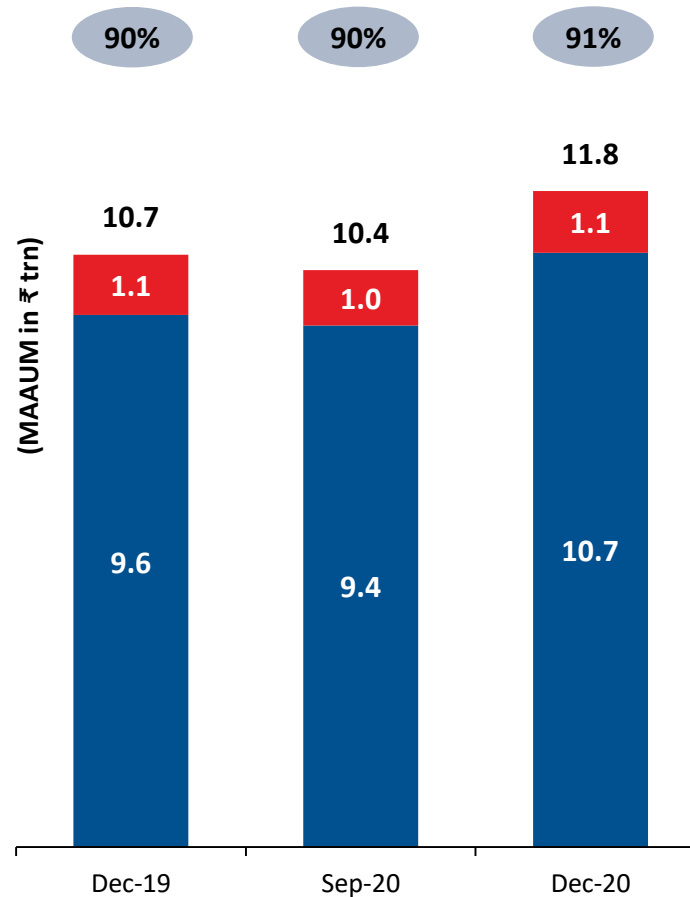
Source: AMFI ; Based on monthly average AUM

Industry - Individual / Institutional MAAUM, B30

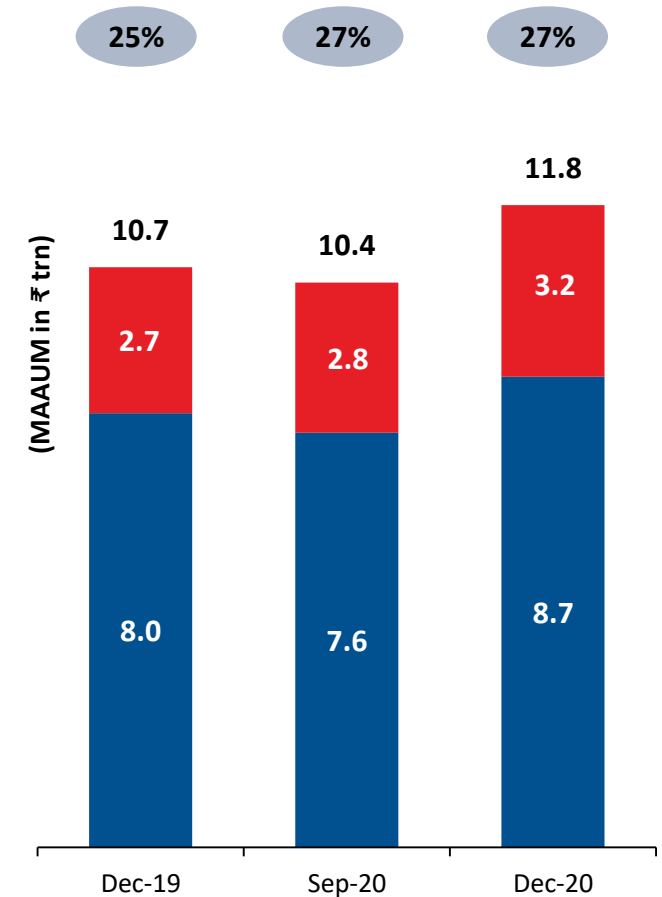
Individual MAAUM by Asset class



Equity MAAUM by Investor category



Equity MAAUM by Location



■ Equity ■ Non Equity

● Share of Equity (%)

■ Individual Investors ■ Institutional Investors

● Share of Individuals

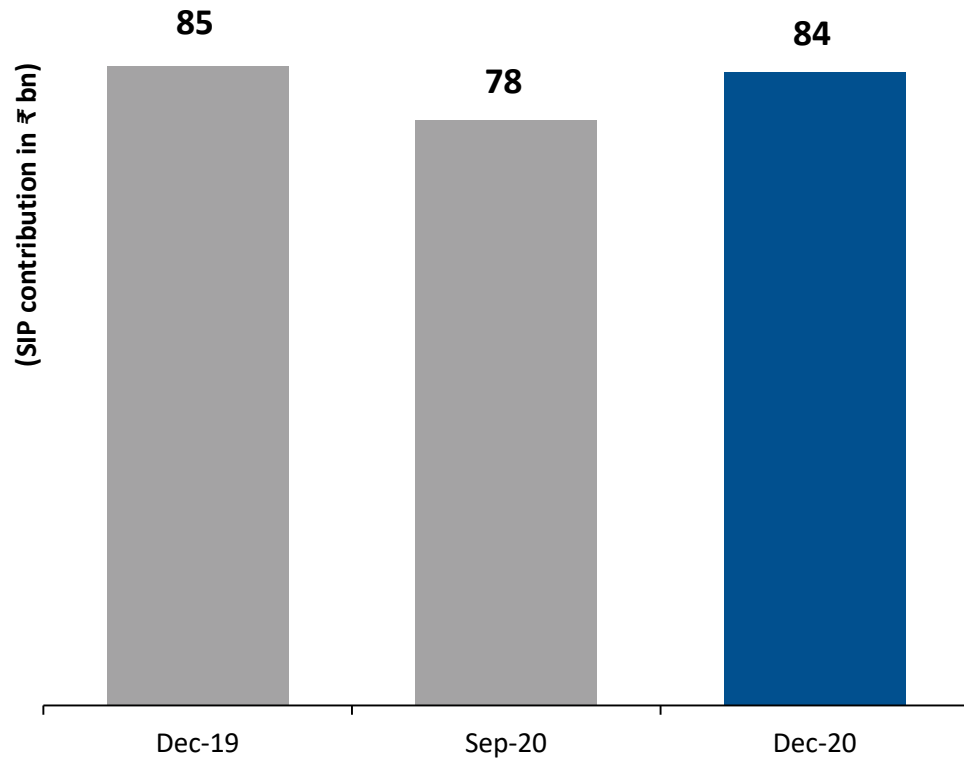
■ T-30 ■ B-30

● Share of B-30 MAAUM

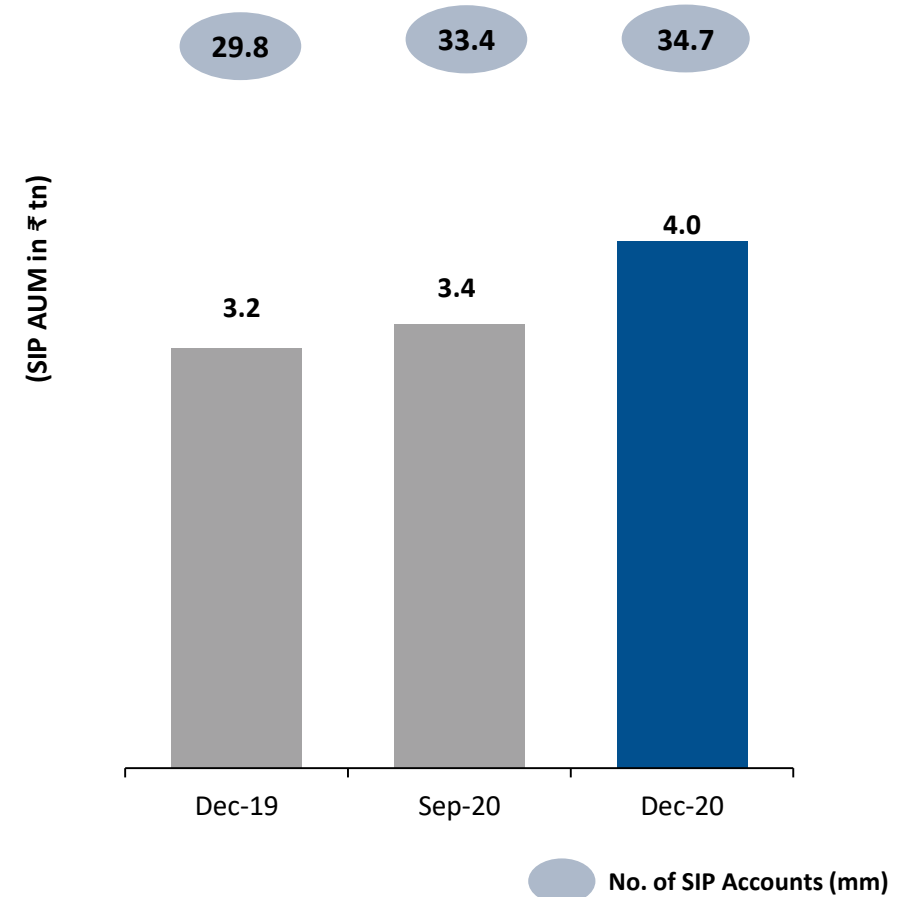
Source: AMFI ; Based on monthly average AUM
 Note: Equity MAAUM excludes arbitrage schemes.

Industry - SIP Flows & AUM

SIP Flows



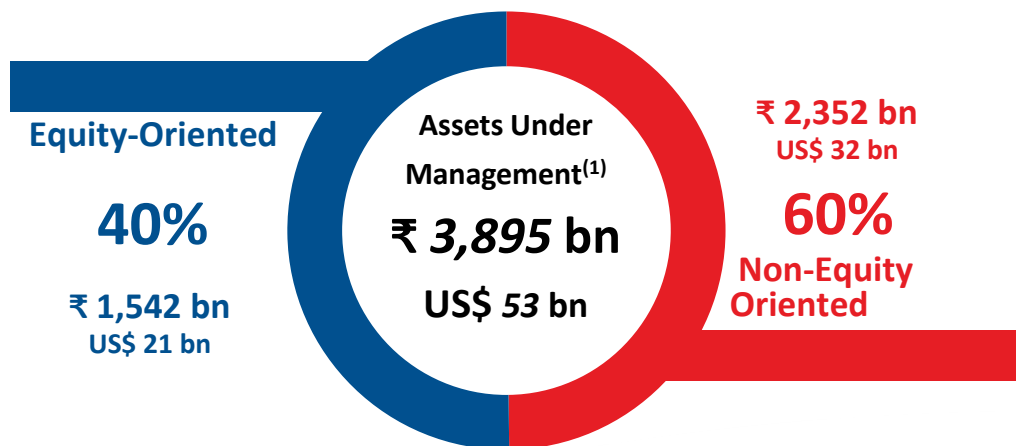
SIP AUM



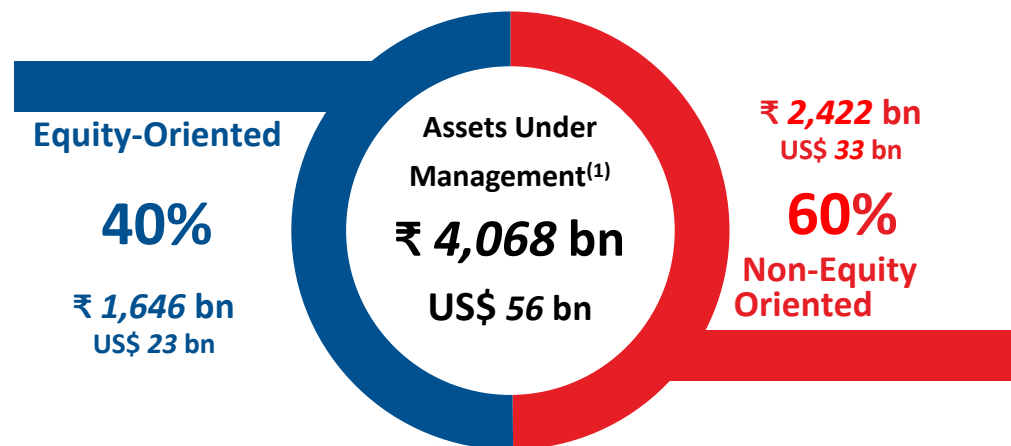
(1) Source: AMFI

○ HDFC AMC at a glance

Quarterly Average AUM



Closing AUM



5.4 mm
Unique Investors &
9.1 mm Live accounts

₹ 116 bn
PMS & SMA AUM⁽³⁾

224
Branches⁽²⁾;

98%
Pincodes serviced
across India

₹ 2,228 bn
Individual MAAUM

1,163
Employees

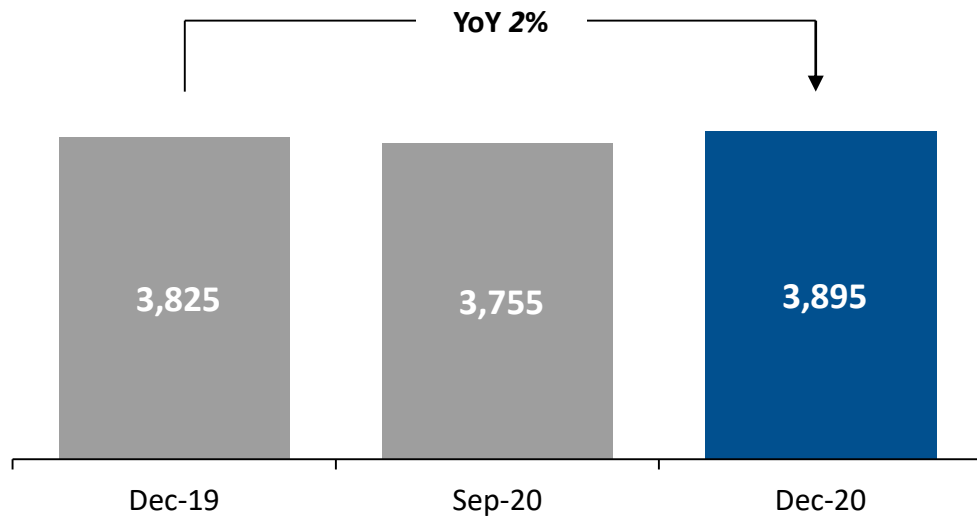
65k+ Empaneled
Distribution Partners

Notes - (1) Data is as of December 31, 2020 / for December 2020; (2) Includes one representative office in Dubai; (3) Includes advisory mandates (4) USD/INR conversion rate: ₹ 73.07 (5) Source: Internal.

○ Total AUM and Market Share

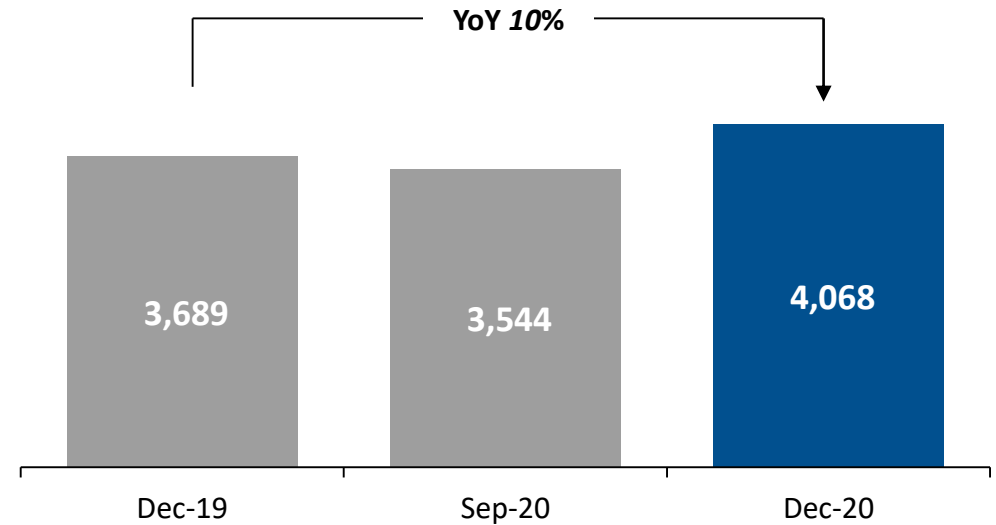
Quarterly Average AUM

₹ billion



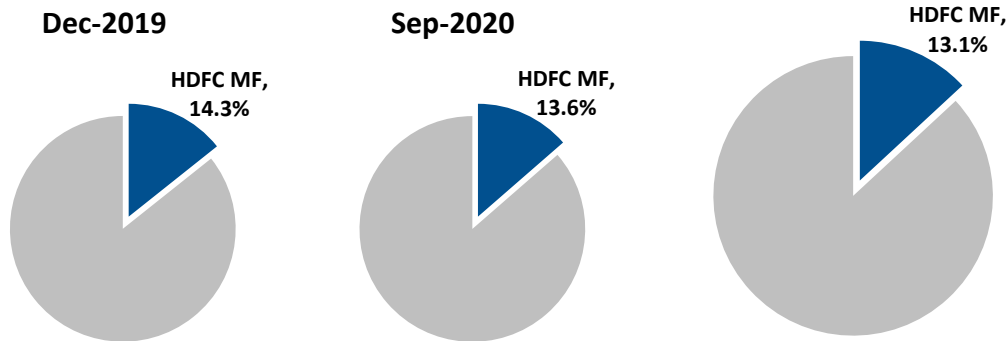
Closing AUM

₹ billion



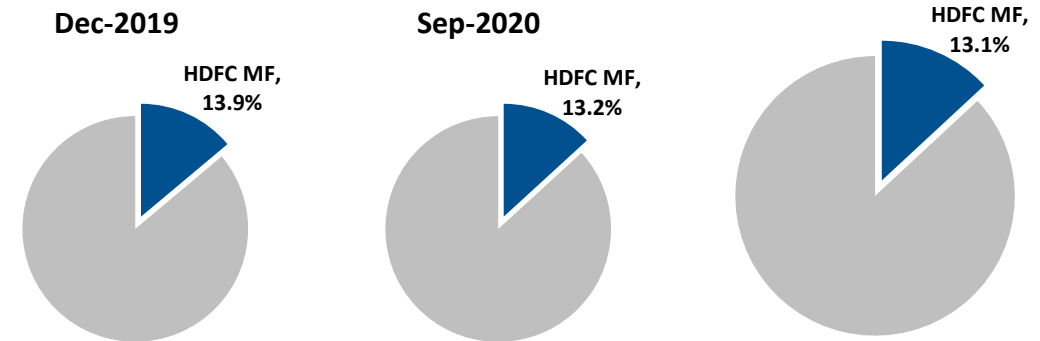
Market Share - Quarterly Average AUM

Dec-2020



Market Share – Closing AUM

Dec-2020

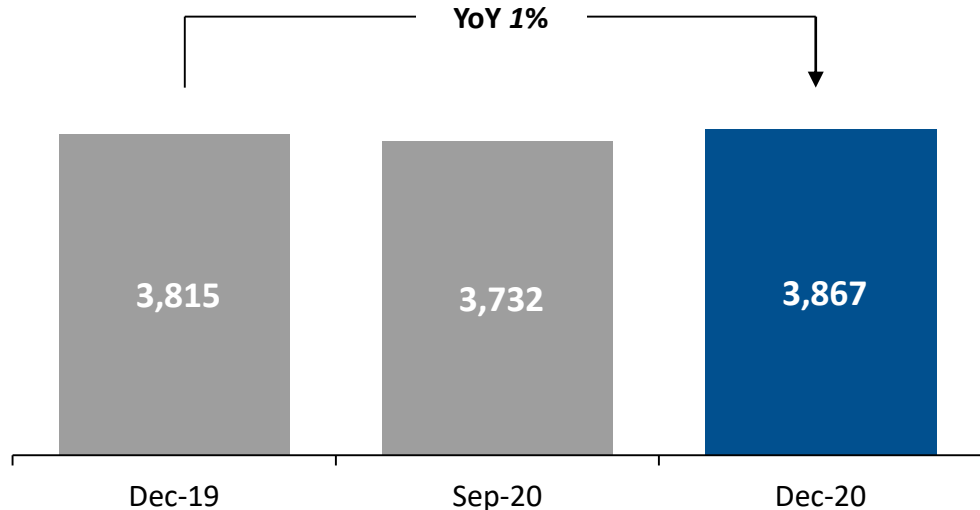


○ Total AUM and Market Share (Ex ETFs)

Quarterly Average AUM

₹ billion

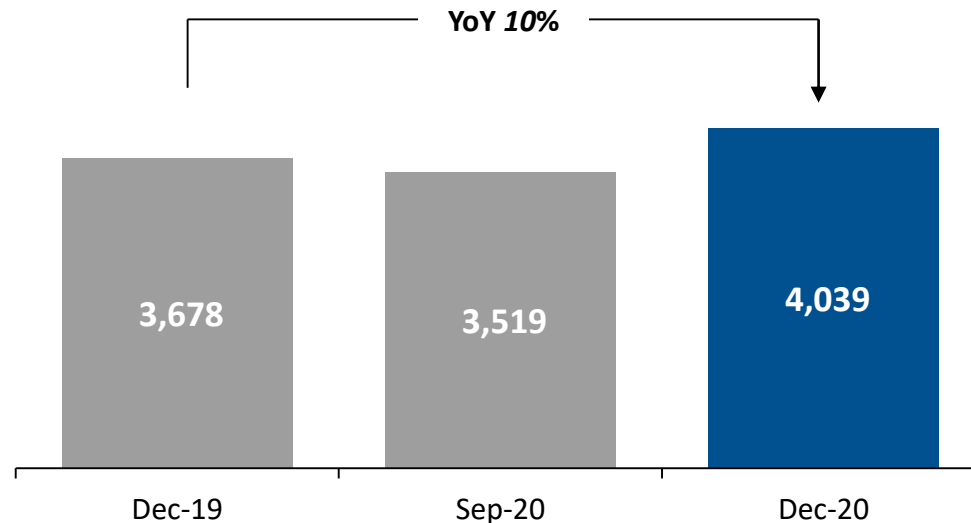
YoY 1%



Closing AUM

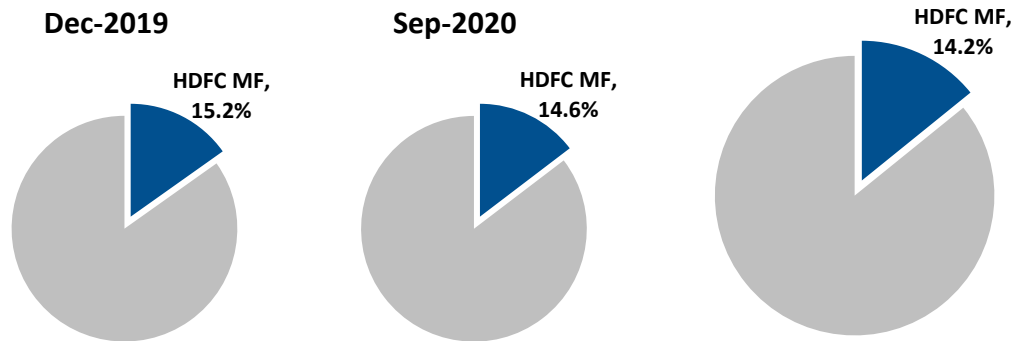
₹ billion

YoY 10%



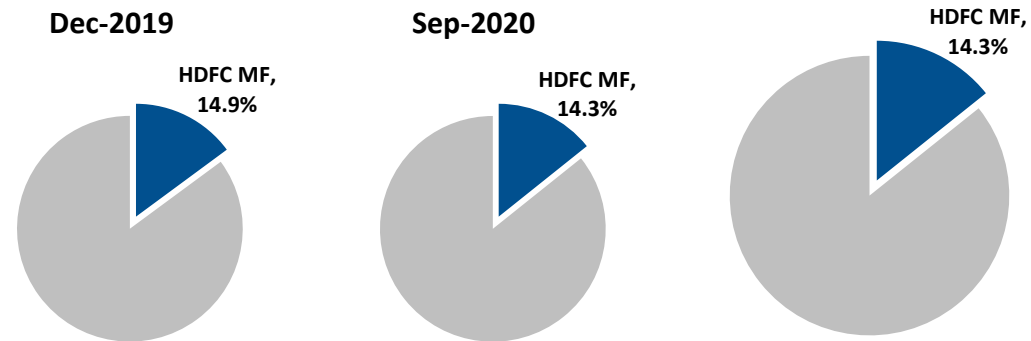
Market Share - Quarterly Average AUM

Dec-2020



Market Share – Closing AUM

Dec-2020

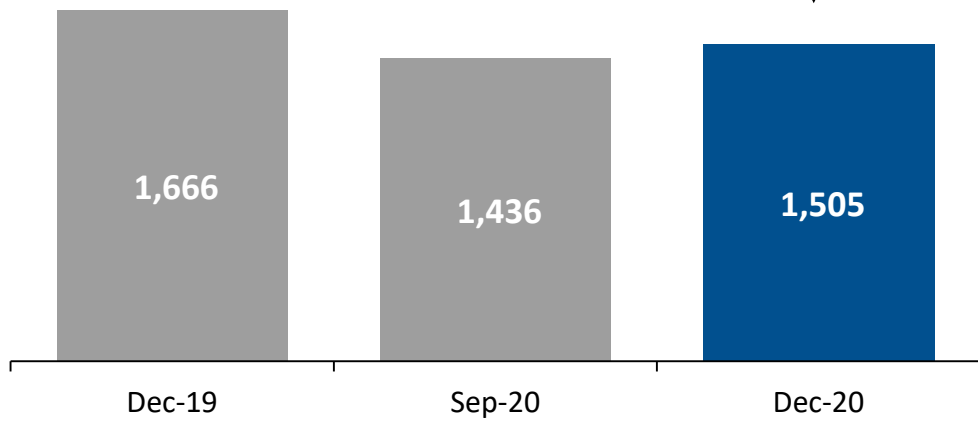


Actively Managed Equity-oriented AUM and Market Share

Quarterly Average AUM

₹ billion

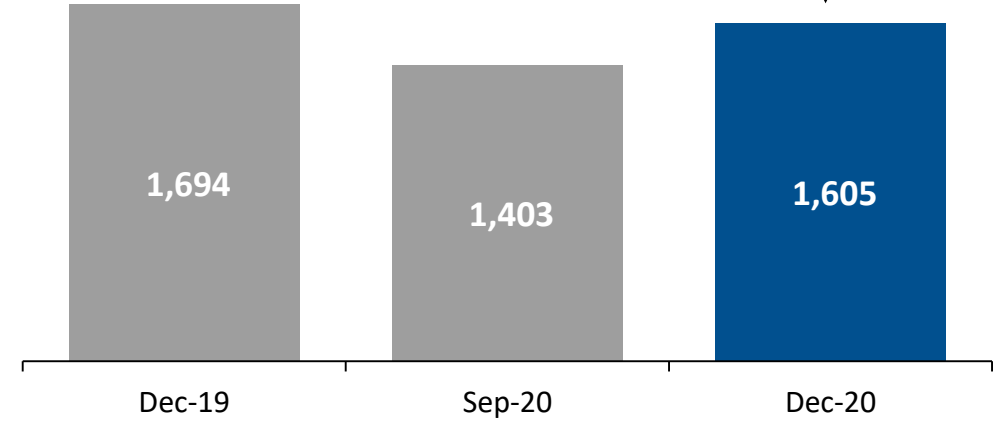
YoY -10%



Closing AUM

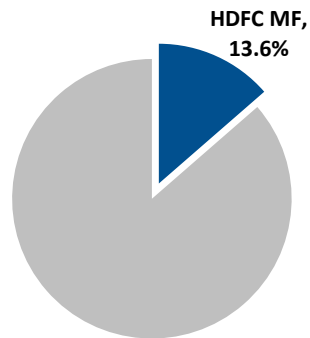
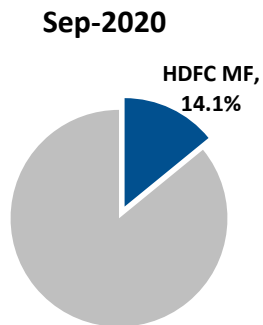
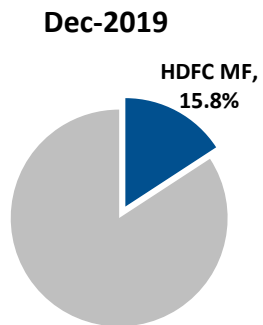
₹ billion

YoY -5%



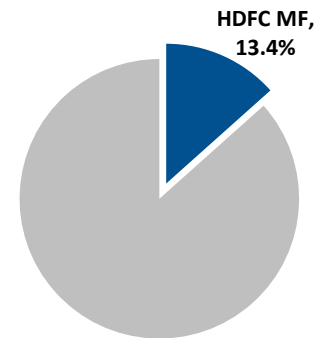
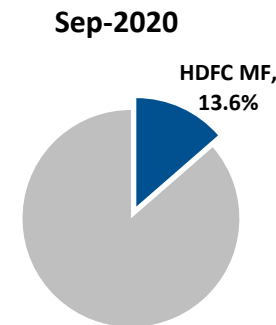
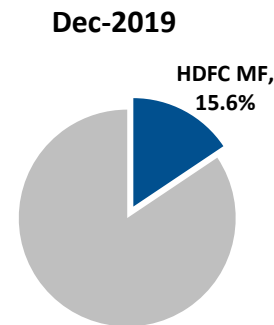
Market Share - Quarterly Average AUM

Dec-2020



Market Share – Closing AUM

Dec-2020

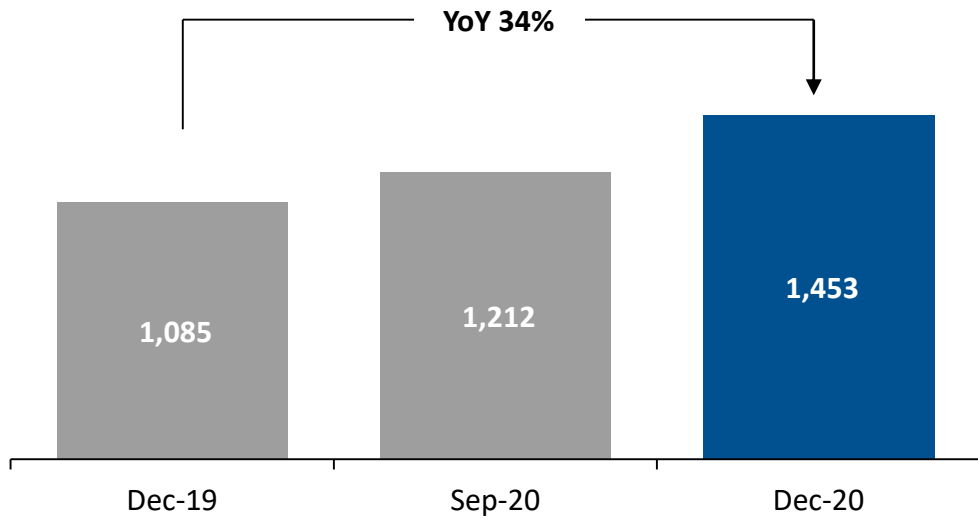


Source: AMFI, Internal
Actively managed equity-oriented AUM excludes index funds from equity-oriented funds.

Debt AUM and Market Share

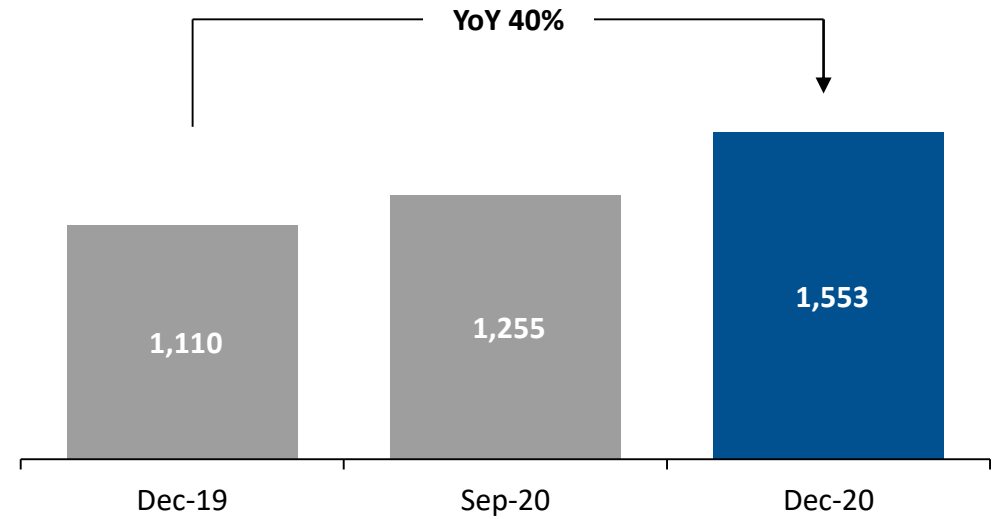
Quarterly Average AUM

₹ billion



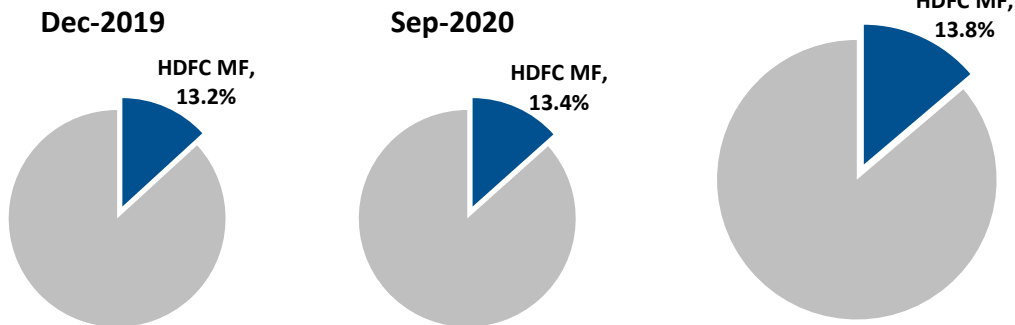
Closing AUM

₹ billion



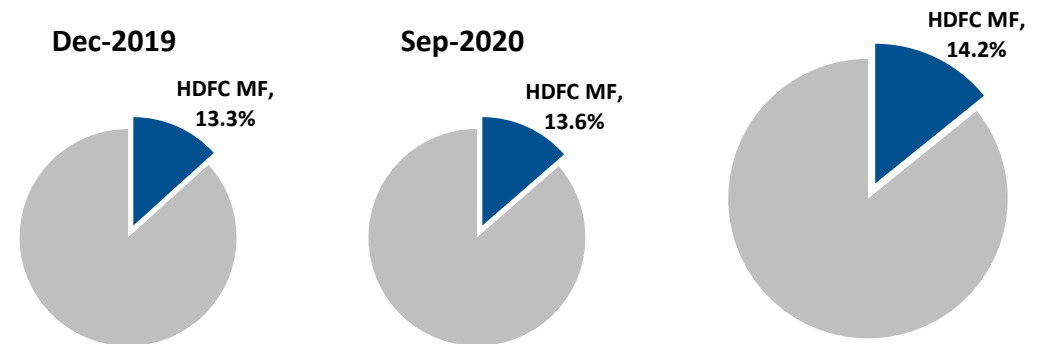
Market Share - Quarterly Average AUM

Dec-2020



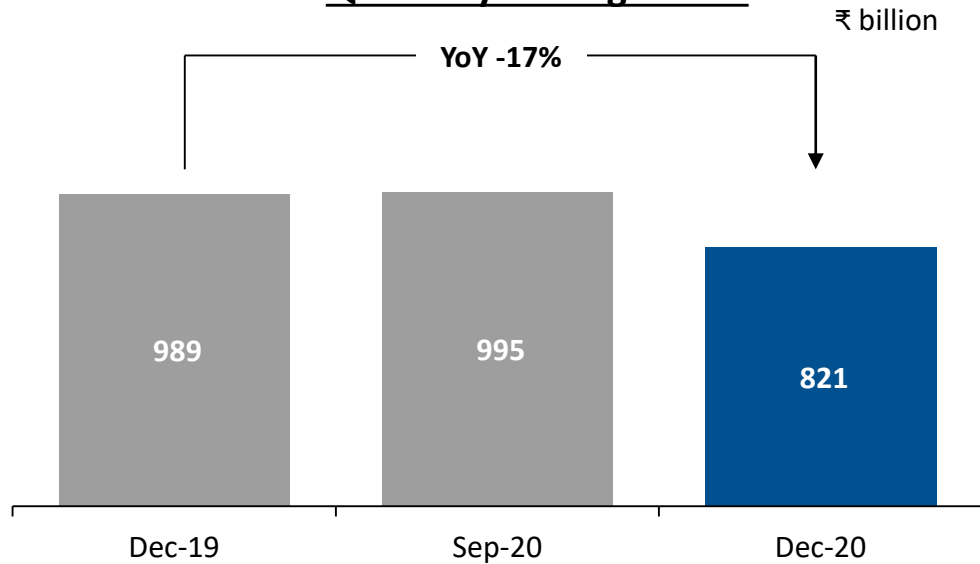
Market Share – Closing AUM

Dec-2020

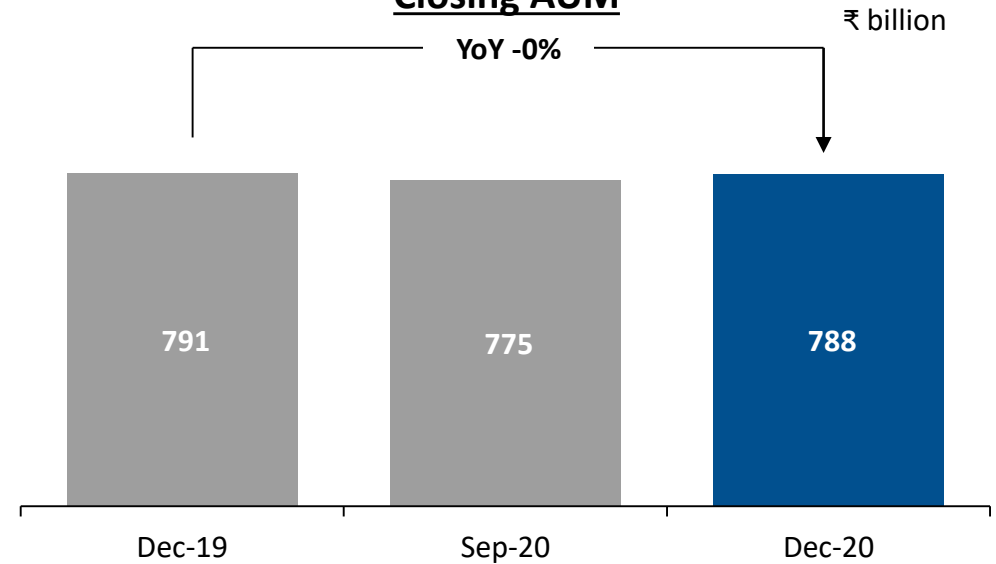


Liquid AUM and Market Share

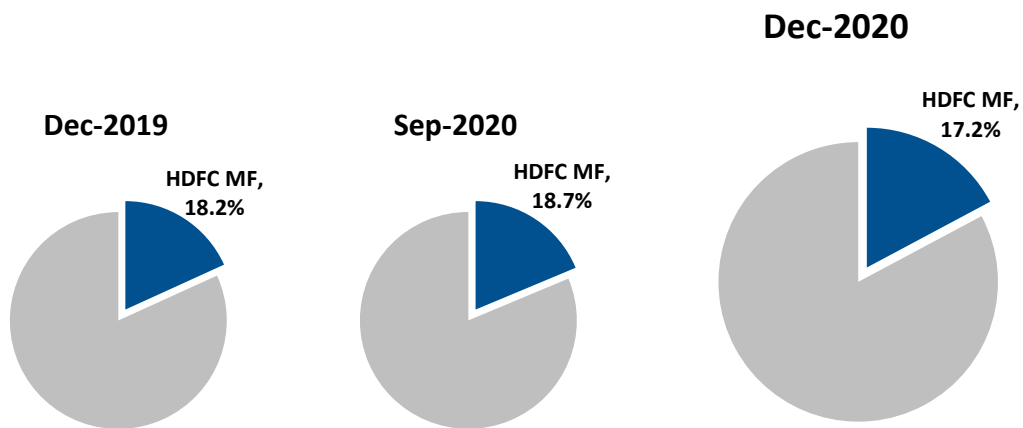
Quarterly Average AUM



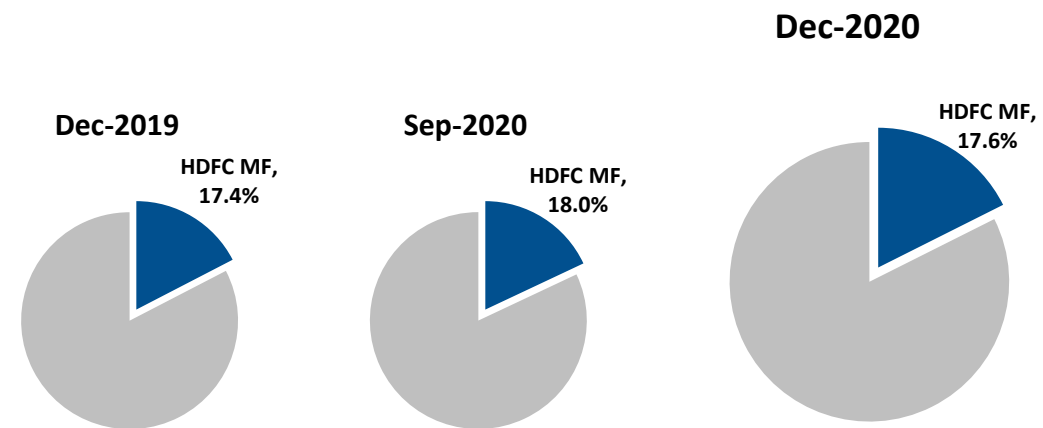
Closing AUM



Market Share - Quarterly Average AUM



Market Share – Closing AUM



Source: AMFI, Internal

Note : Liquid category contains Liquid and Overnight schemes.

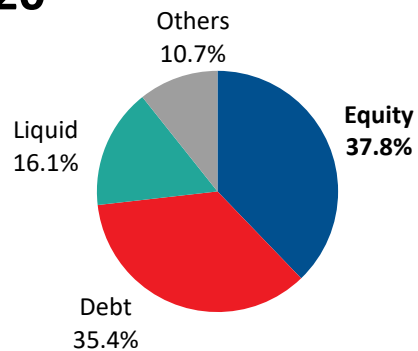
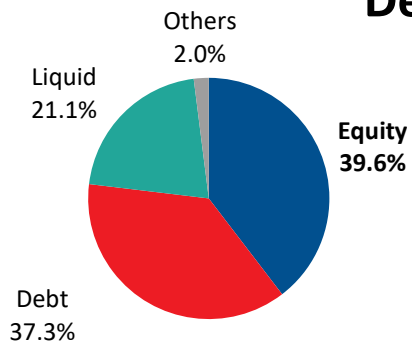
AUM by Segment – HDFC AMC and Industry

Quarterly Average AUM

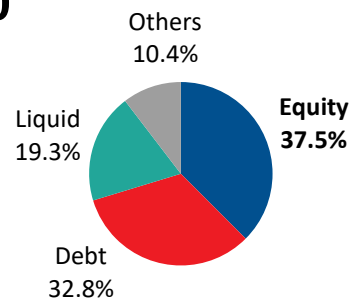
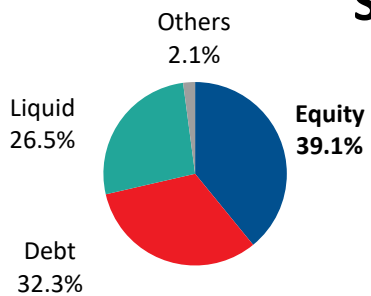
HDFC MF

Industry

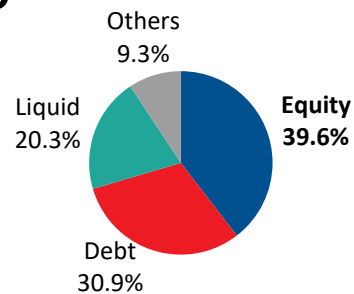
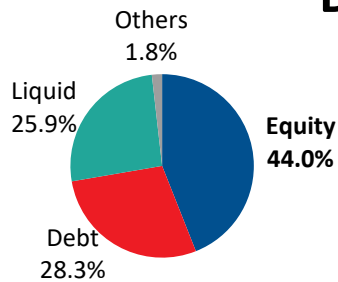
Dec-2020



Sep-2020



Dec-2019

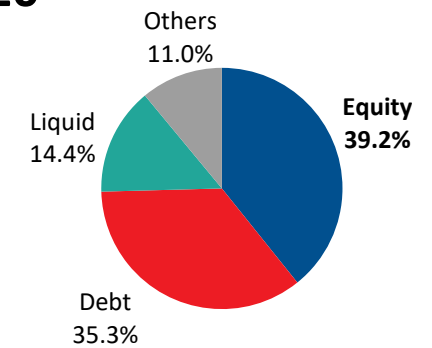
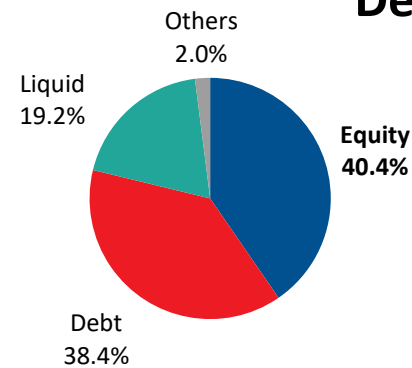


Closing AUM

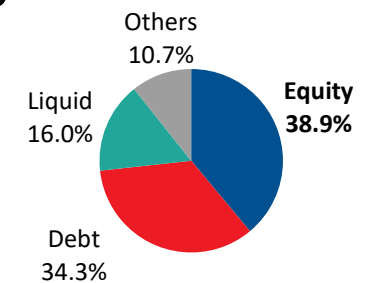
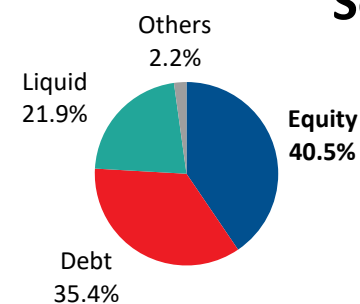
HDFC MF

Industry

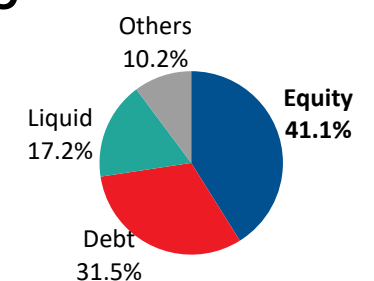
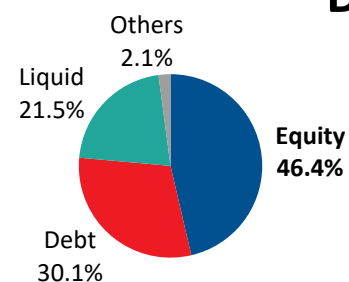
Dec-2020



Sep-2020

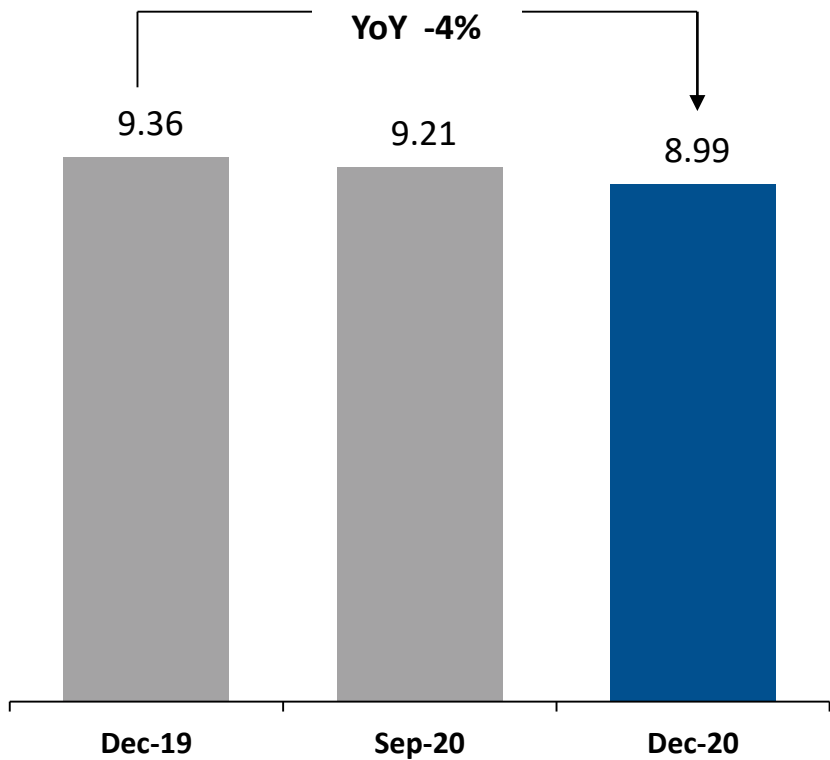


Dec-2019

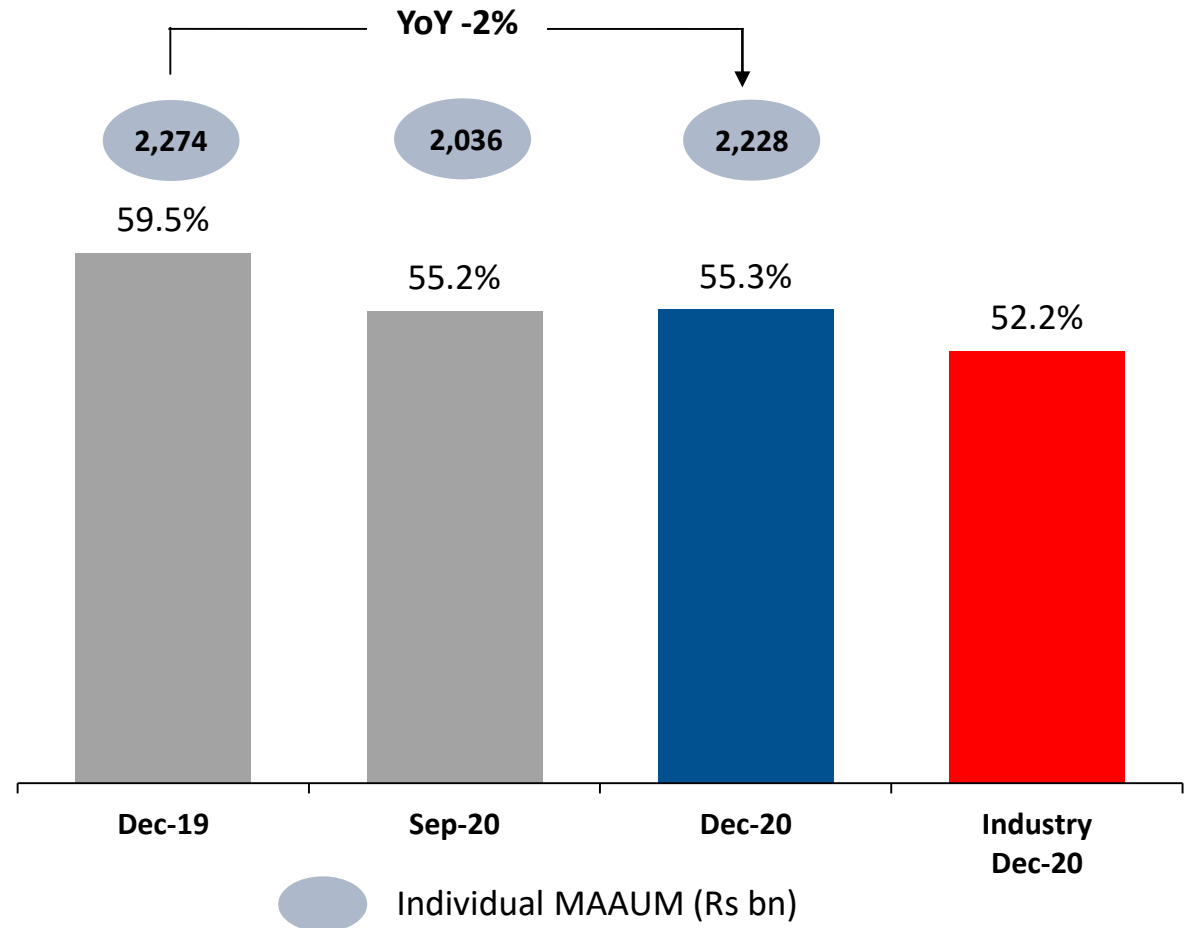


Individual Investors – Accounts & MAAUM

Number of Live Individual Accounts (in millions)



Individual MAAUM % of Total

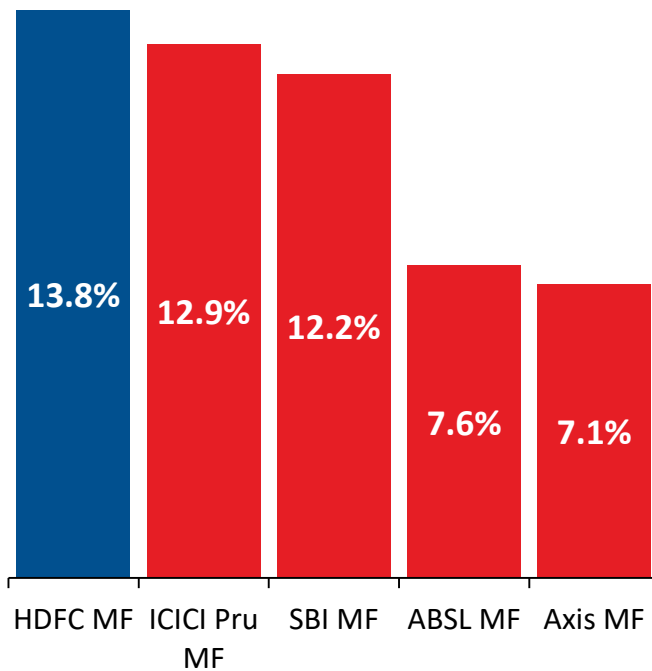


Individual customers prefer equity-oriented schemes and stay invested for longer periods

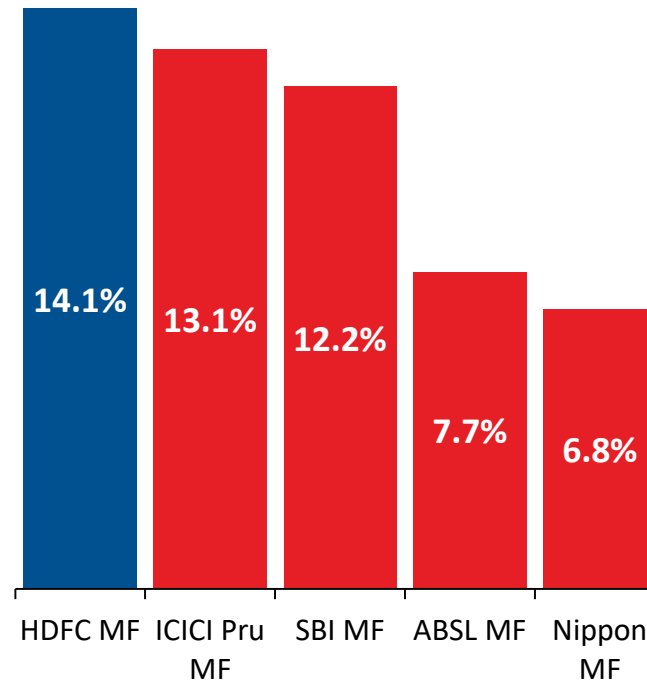
Most Preferred Choice of Individual Investors

Individual Assets Market Share

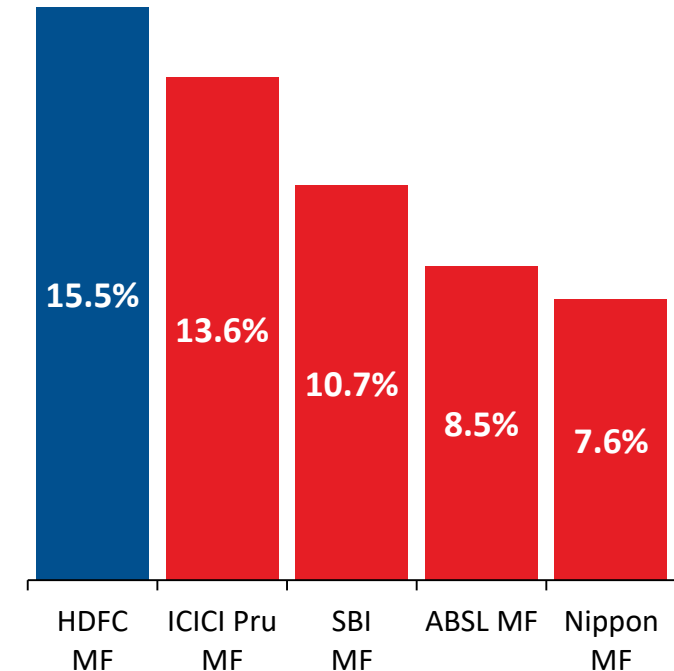
Dec-20



Sep-20

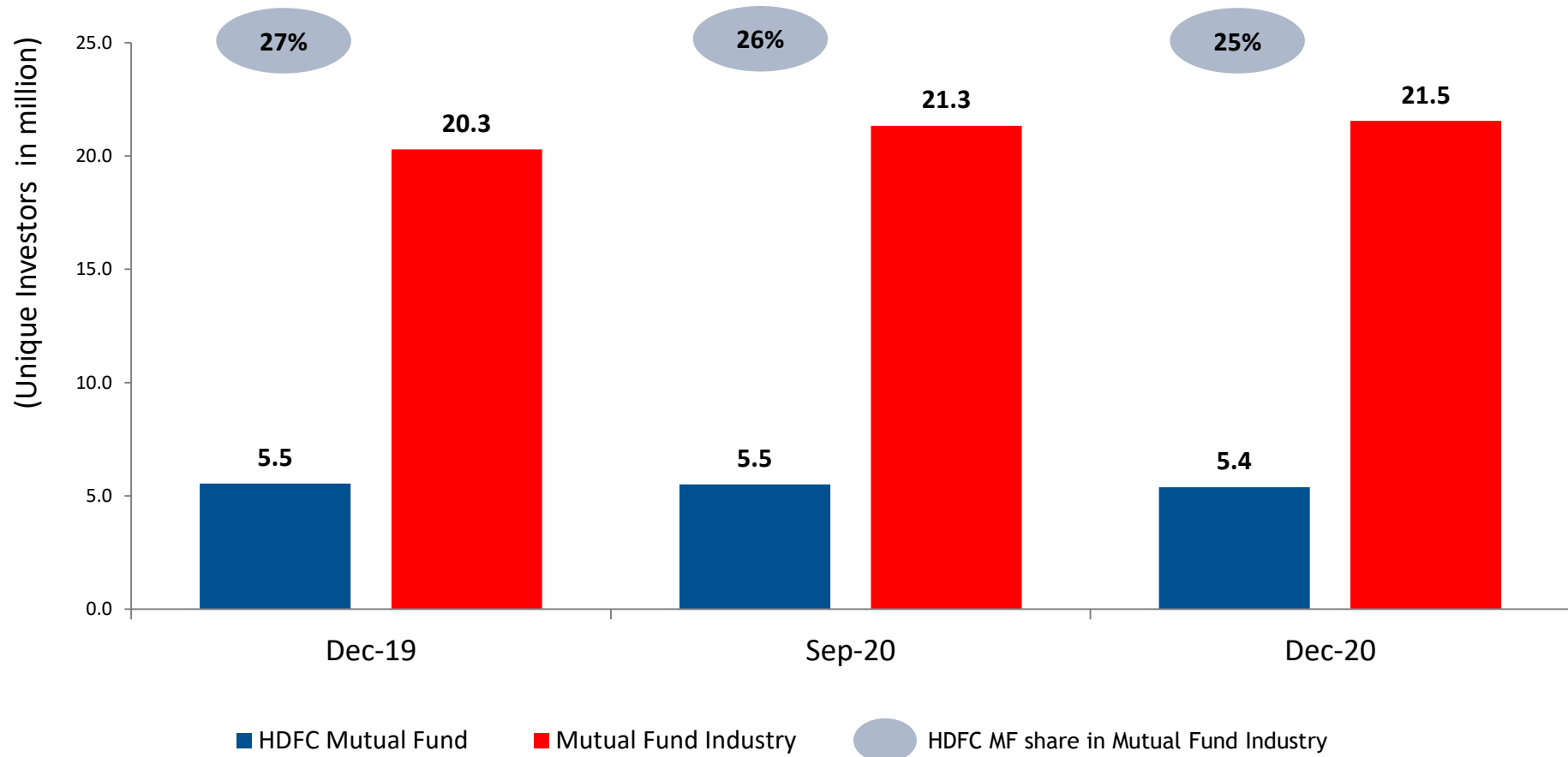


Dec-19



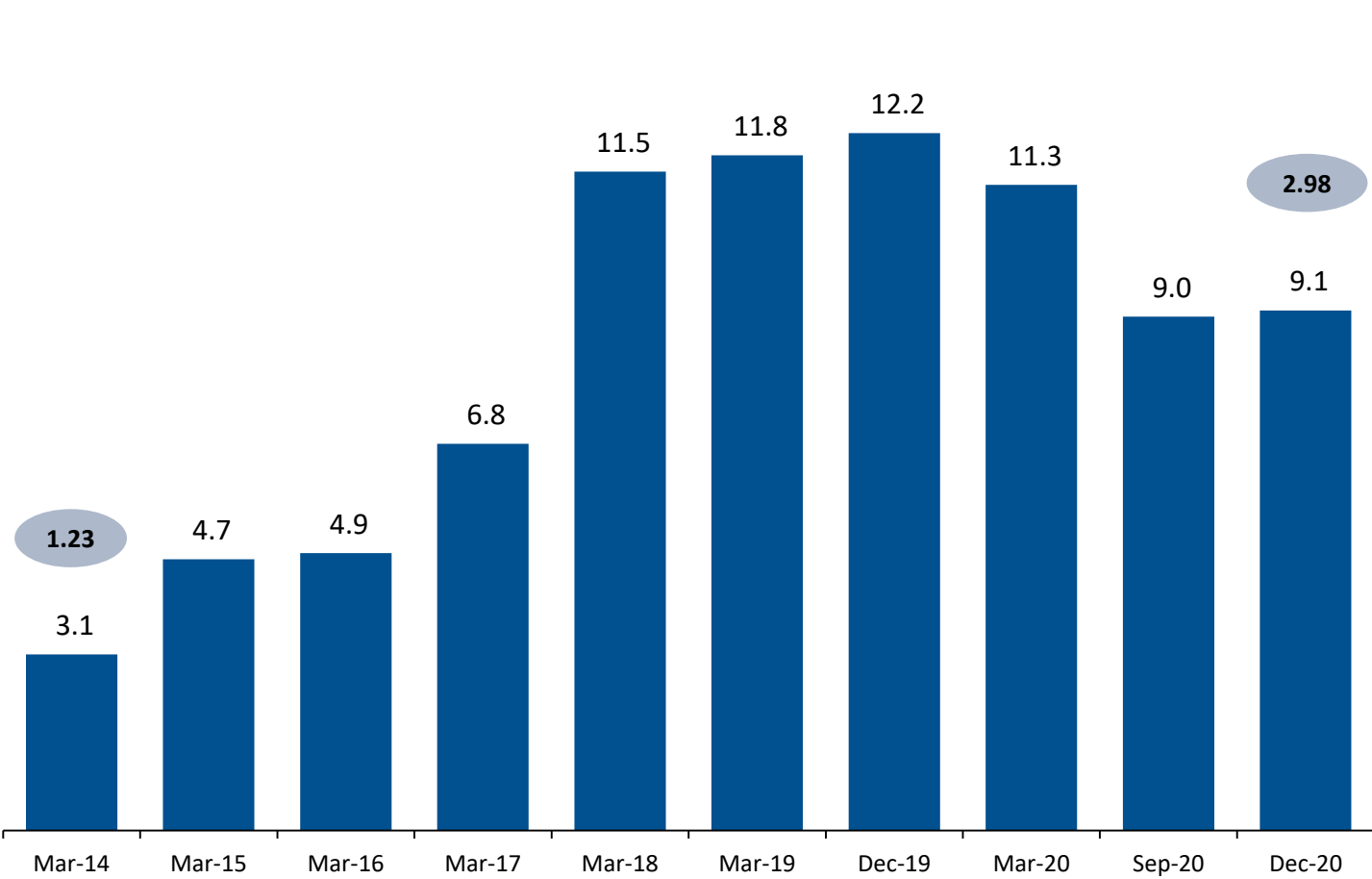
Source: AMFI, based on monthly average AUM

Unique Investors- HDFC AMC vs MF Industry

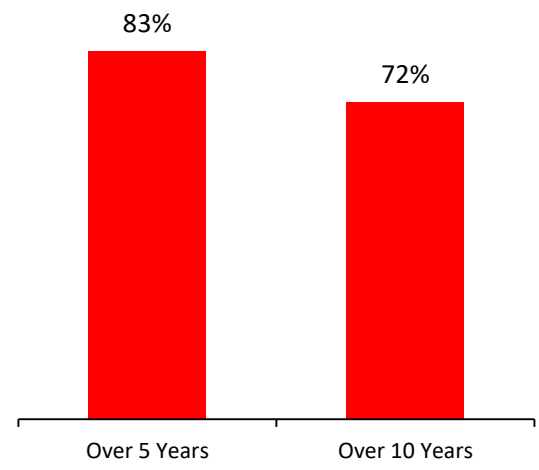


Inflows Through Systematic Transactions

Systematic Transactions (₹ bn)



Long Tenure SIP Book⁽¹⁾



SIP AUM⁽²⁾: ₹ 532 bn

Strong and stable "Order Book" to provide predictable flows

#mm systematic transactions

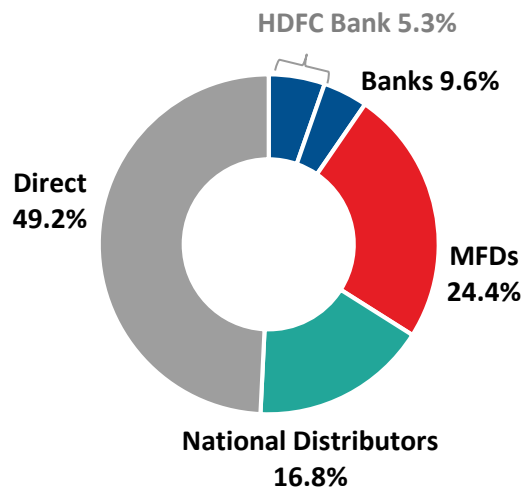
Source: Internal

(1) Based on tenure at the time of registration of all live SIPs during Dec-20 (2) as on 31st December 2020

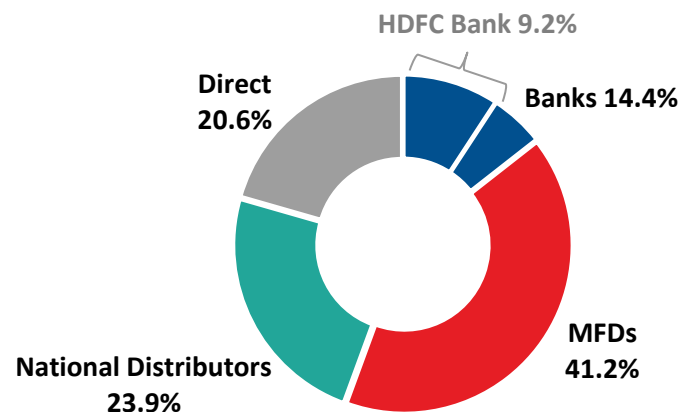
Multi-channel Distribution Network

Well diversified distribution channels

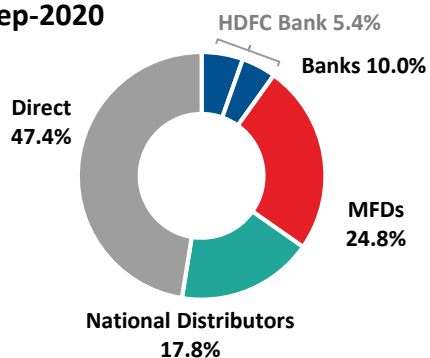
Total AUM (Dec-2020)



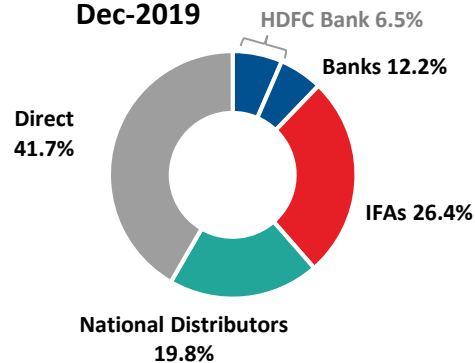
Equity-oriented AUM (Dec-2020)



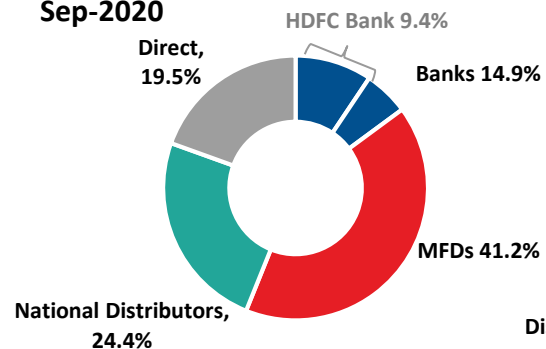
Sep-2020



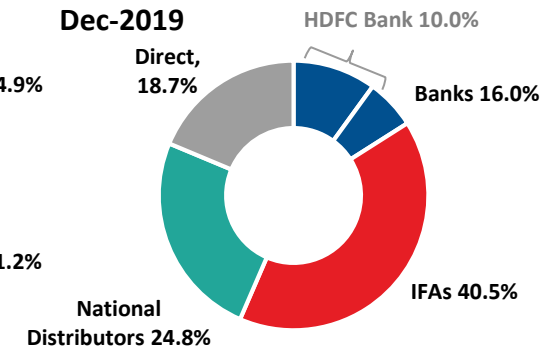
Dec-2019



Sep-2020



Dec-2019



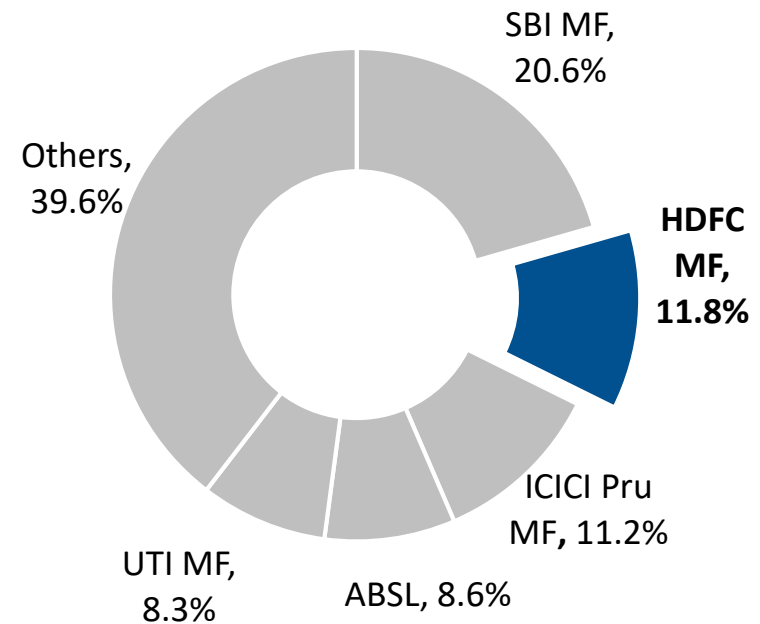
Source: Based on internal classification.

Note: Mutual Fund Distributors (MFDs) erstwhile known as Independent Financial Advisers (IFAs)

Total MAAUM by T30 and B30 cities



#2 Player in B-30 Markets



We serve customers across 98% of all pincodes in India

Network of 224 branches with 146 in B-30 cities⁽²⁾

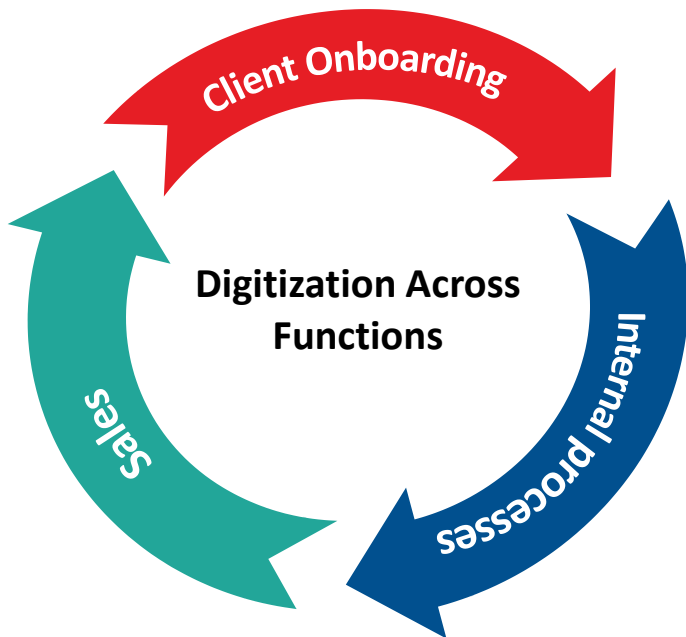
65k+ empaneled distribution partners

(1) Source: AMFI

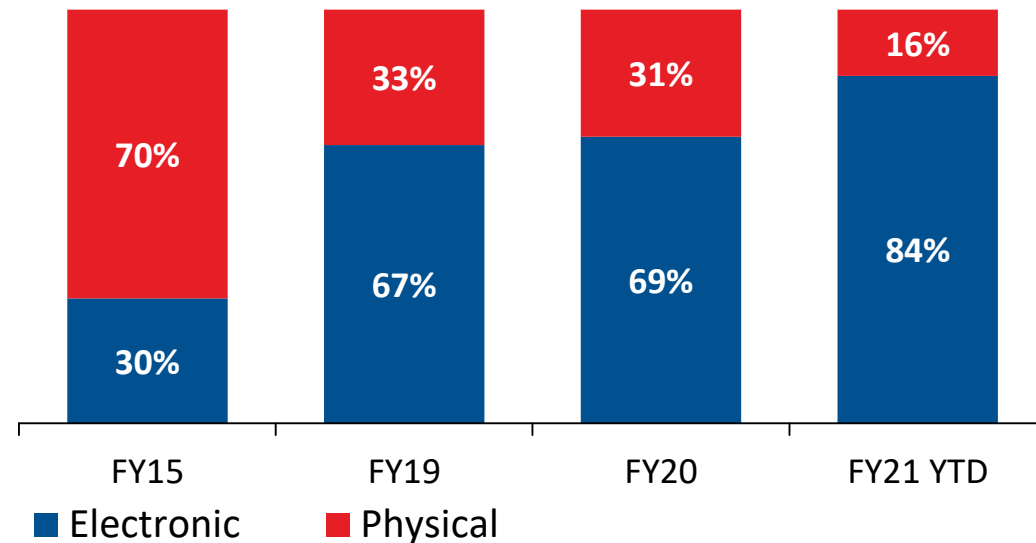
(2) As of December 31, 2020. Includes one representative office in Dubai;

Strong Digital Presence

Supported by Integrated Online Platform



Electronic and Physical Transaction as % of Total Transactions



- Strong online presence - dedicated separate digital platforms distribution partners and customers
- FY15 to FY20 CAGR of 36% in electronic transactions, and CAGR of 15% in total transactions
- 18% of all transactions during FY21TD were through HDFC MF Online and mobile application
- 50k+ logins per day on MF online and 40+ new user registrations every hour.⁽¹⁾
- Connecting with a customer every 2 minutes via emails, chats, calls etc⁽¹⁾
- Greater than 550 Non Financial transaction requests generated every day .⁽¹⁾

Source: Internal

⁽¹⁾Assuming 22 working days a month. This includes for both Partner and Investor.



WhatsApp for Investors for easy transactions, statements and more

hdfcfund.com

Investors & Partners: Quick links for easy online transactions, website landing page assisting with digital transactions etc.



WhatsApp for Distributors for easy transactions link generation, statements and more



Facility for internal employees to create transactions on behalf of partners



Digital Marketing Education Series for MFDs & personalized websites



End to End Digital Solution for KYC investors: Onboard, Transact and Interact



eOTM: Online eOTM registration for hassle free transacting



Missed Call Service: Missed call to receive a call back for Digital queries



Schedule Transactions Enable investors to schedule their transactions in advance and receive alerts to transact

10,000 + Partner Coverage

90,000 + total participants

120+ programmes organized

33 YouTube Videos & 22K views on our channels

Financials

Financials Summary – Nine Months Earnings

(₹ mm)

Particulars	9ME FY21	9ME FY20	Change
Income			
Revenue from Operations	13,496	15,271	-12%
Other Income	3,066	1,667	84%
Total Income	16,562	16,938	-2%
Expenses			
Finance Costs	66	68	-3%
Fees and Commission Expenses	41	193	-79%
Employee Benefit Expenses	1,629	1,716	-5%
Depreciation and Amortization Expenses	418	370	13%
Other Expenses	1,148	1,357	-15%
Total Expenses	3,302	3,704	-11%
Profit before tax	13,260	13,234	0%
Tax Expenses	3,163	3,109	2%
Profit after tax	10,097	10,125	0%
Other Comprehensive Income (net of tax)	(24)	(36)	
Total Comprehensive Income	10,073	10,089	0%

Particulars	9ME FY21	9ME FY20	Change
Revenue from Operations	13,496	15,271	-12%
Total Expenses	3,302	3,704	-11%
Operating Profit from core AM business	10,194	11,567	-12%

Financials Summary – Quarterly Earnings

(₹ mm)

Particulars	Q3 FY21	Q3 FY20	Change
Income			
Revenue from Operations	4,819	5,247	-8%
Other Income	1,131	673	68%
Total Income	5,950	5,920	1%
Expenses			
Finance Costs	22	22	0%
Fees and Commission Expenses	14	71	-80%
Employee Benefit Expenses	568	571	-1%
Depreciation and Amortization Expenses	140	127	10%
Other Expenses	378	469	-19%
Total Expenses	1,122	1,260	-11%
Profit before tax	4,828	4,660	4%
Tax Expenses	1,134	1,135	0%
Profit after tax	3,694	3,525	5%
Other Comprehensive Income (net of tax)	(26)	4	
Total Comprehensive Income	3,668	3,529	4%

Particulars	Q3 FY21	Q3 FY20	Change
Revenue from Operations	4,819	5,247	-8%
Total Expenses	1,122	1,260	-11%
Operating Profit from core AM business	3,697	3,987	-7%

Financials Summary – Sequential Quarterly Earnings

	(₹ mm)		
Particulars	Q3 FY21	Q2 FY21	Change
Income			
Revenue from Operations	4,819	4,562	6%
Other Income	1,131	1,137	-1%
Total Income	5,950	5,699	4%
Expenses			
Finance Costs	22	22	0%
Fees and Commission Expenses	14	13	8%
Employee Benefit Expenses	568	535	6%
Depreciation and Amortization Expenses	140	141	-1%
Other Expenses	378	360	5%
Total Expenses	1,122	1,071	5%
Profit before tax	4,828	4,628	4%
Tax Expenses	1,134	1,249	-9%
Profit after tax	3,694	3,379	9%
Other Comprehensive Income (net of tax)	(26)	7	
Total Comprehensive Income	3,668	3,386	8%

Particulars	Q3 FY21	Q2 FY21	Change
Revenue from Operations	4,819	4,562	6%
Total Expenses	1,122	1,071	5%
Operating Profit from core AM business	3,697	3,491	6%

1. The Covid 19 pandemic and consequent lockdown earlier impacted a whole range of economic activities adversely. The phase wise opening up initiated in the quarter ended June 30, 2020 has led to a recovery in varied measures across different sectors of the economy, industries and businesses. This recovery, which is driven by incremental easing of restrictions has been strengthening since then.

It is expected that economic activity will continue to improve as the residual restrictions are eased and the country gradually moves towards normalcy in all spheres of life. While the slowing of the spread of infections as well as the approval of vaccines and their impending rollout are positive developments, the situation will still have to be closely monitored till the pandemic is put to rest.

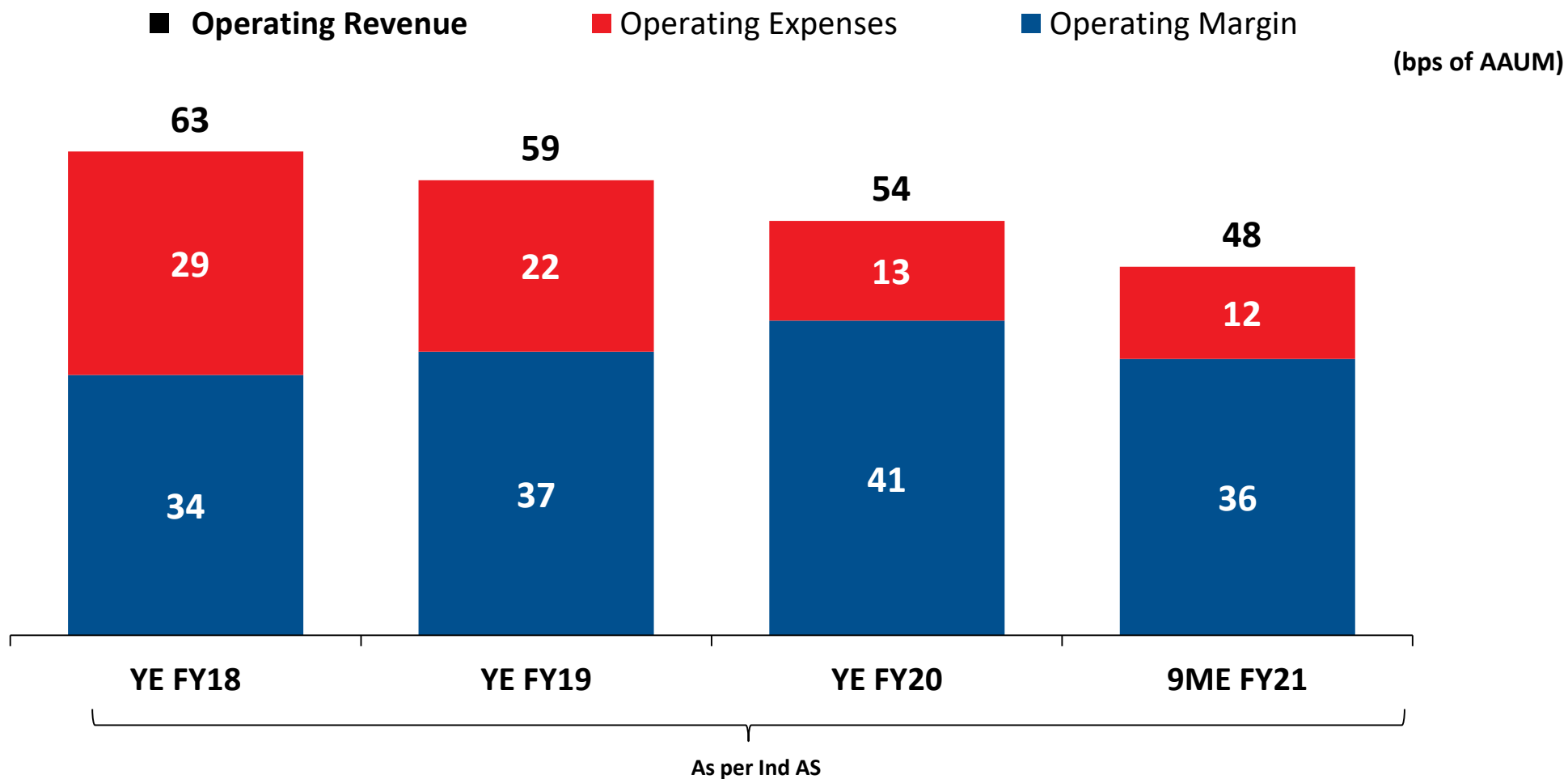
The Company has assessed the impact of the pandemic on its operations and its assets including the value of its investments and trade receivables as at December 31, 2020. The management does not, at this juncture, believe that the impact on the value of the Company's assets is likely to be material. 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 do have an impact on the operations of the Company. Since the situation is still uncertain and it seems likely that there may be some impact on the economy, its effect on the operations of the Company may be, to some extent, 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 December 31, 2020, there has been no material change in the controls or processes followed in the preparation of the financial results.

2. The Company holds certain Non Convertible Debentures (NCDs) that are secured by a pledge of listed equity shares. These NCDs are classified as financial assets at fair value through profit and loss. Hence, any changes in their fair value on the reporting date is reflected as a part of 'Other Income'.

On fair valuation of the said NCDs as at December 31, 2020, the unrealized gain recognized in the results for the nine months ended December 31, 2020 stands at ₹764.74 mm which includes ₹649.21 mm for the half year ended September 30, 2020. The carrying value of these NCDs as at December 31, 2020 is ₹1,014.58 mm. The value of the collateral as at December 31, 2020 is ₹1,127.31 mm.

Operating Profit Margin



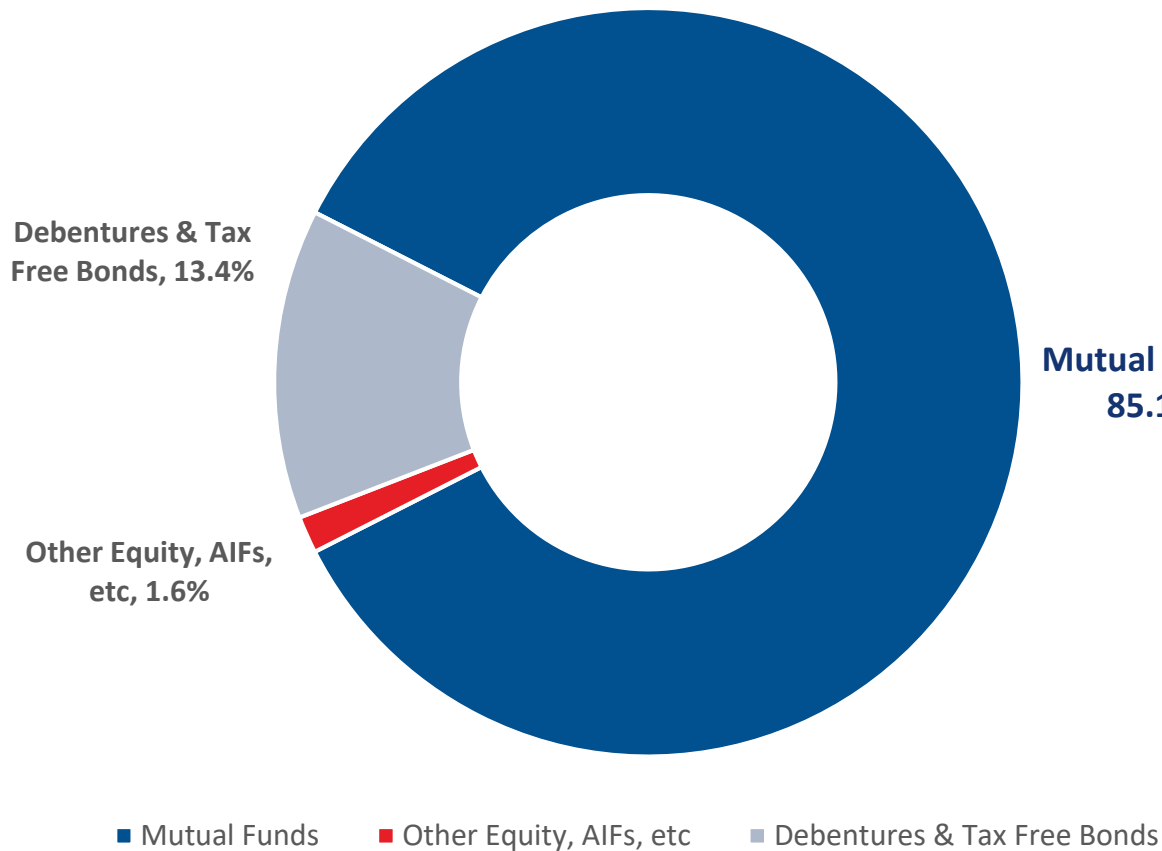
Operating margin (bps of AAUM) in FY 21 for Q1, Q2 and Q3 are 34, 37 and 38 respectively.

Based on internal computations

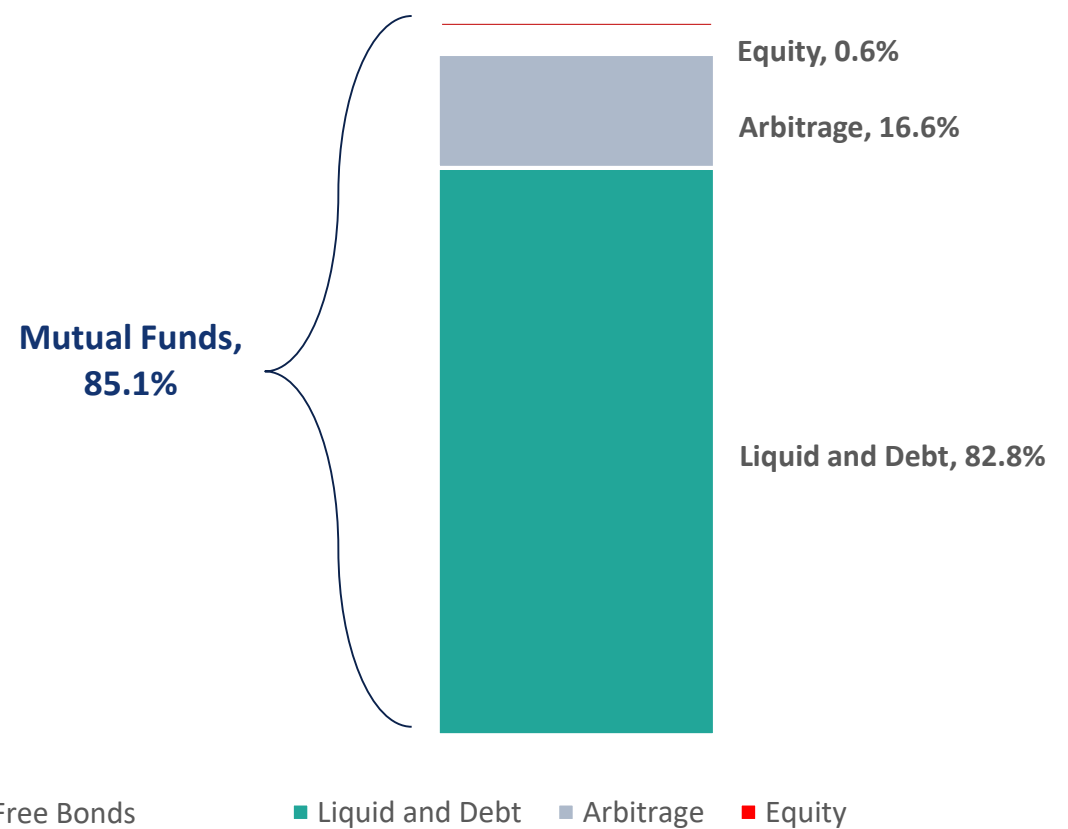
○ Breakup of Investments

Total Investments: ₹ 43,706 million

Breakdown of Total Investments

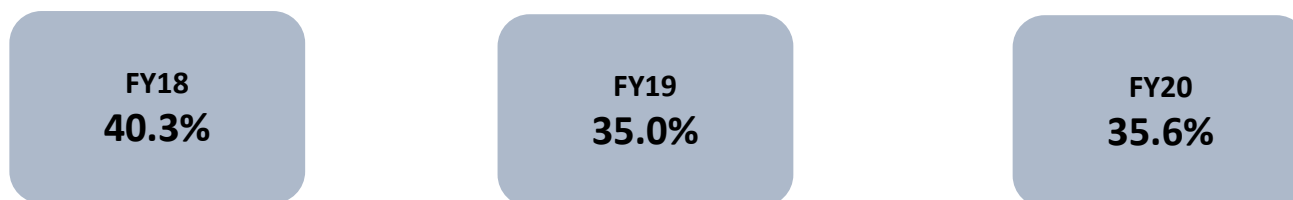


Breakdown of Mutual Fund Investments



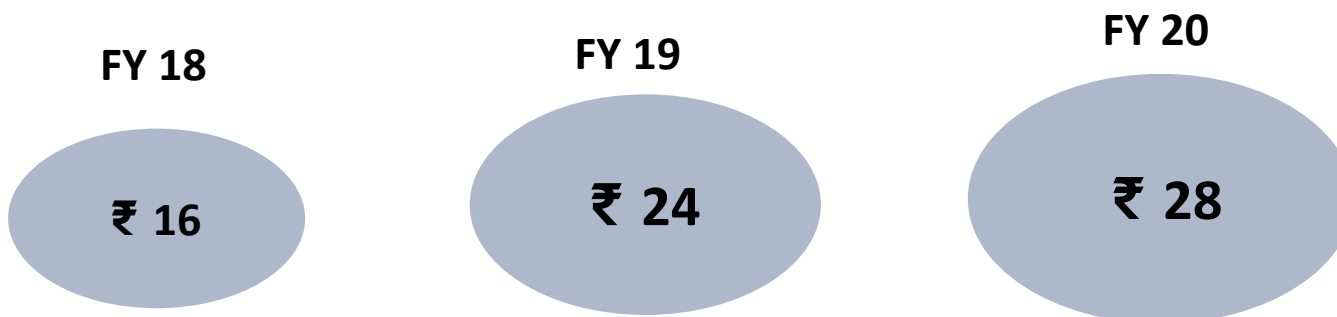
Return On Equity and Dividend Per Share

Return on Equity⁽¹⁾



Return on Equity has reduced in FY 19 due to substantial increase in average networth
 Return on Equity of FY18 was under Previous GAAP whereas for FY19 onwards, it is under Ind AS

Dividend Per Share



(1) Calculated as Profit After Tax divided by average Net Worth

Thank You



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Definitions

AUM refers to Assets Under Management as on end of any given month/period

MAAUM refers to a given month’s average Assets Under Management

QAAUM refers to a given quarter’s average Assets Under Management

AAAUM refers to a given year’s average Assets Under Management

Unless otherwise stated, the above definitions are used for Mutual Fund Assets under management

Press Release

20 January, 2021

HDFC AMC net profit for the quarter ended December 2020 at ₹3,694 million, a year on year increase of 5%. Total AUM as of December 31, 2020 at ₹4,068 billion, a year on year increase of 10%.

HDFC Asset Management Company Limited (HDFC AMC) declares financial results for the period ended December 31, 2020.

- One of India's largest mutual fund manager with AUM market share of 13.1% as on December 31, 2020.
- India's largest Actively Managed Equity Mutual Fund AUM, with market share at 13.4% as on December 31, 2020.
- Most preferred choice of individual investors, with a market share of 13.8% of the individual monthly average AUM as of December 2020.
- Profit after tax growth of 5% for the quarter ended December 31, 2020, as against the quarter ended December 31, 2019. Profit after tax growth of 9% for the quarter ended December 31, 2020, as against the quarter ended September 30, 2020.

Mumbai, 20 January, 2021: HDFC Asset Management Company Limited today reported its financial performance for the quarter ended December 31, 2020.

CORPORATE HIGHLIGHTS

- AUM of ₹4,068 billion as of December 31, 2020 compared to ₹3,689 billion as on December 31, 2019, an increase of 10%. 13.1% market share in AUM of the mutual fund industry.
- AUM in actively managed equity-oriented funds i.e. equity oriented AUM excluding index funds stood at ₹1,605 billion as on December 31, 2020 with a market share of 13.4%. The AMC is the largest actively managed equity-oriented mutual fund manager in the country.
- The ratio of equity oriented AUM and non-equity oriented AUM is 40:60 compared to the industry ratio of 39:61.
- 2.98 million Systematic transactions with a value of ₹9.1 billion processed during the month of December 2020.
- Over 65,000 empaneled distribution partners across MFDs, National Distributors and Banks, serviced through a total of 224 branches of which 146 are in B-30 locations. The contribution of B-30 locations to our total monthly average AUM is 14.4%.
- As of December 31, 2020, 55% of the company's total monthly average AUM is contributed by individual investors compared to 52% for the industry.
- Market share of 13.8% of the individual monthly average AUM in the industry, making the company the most preferred choice of individual investors.
- Total Live Accounts stood at 9.1 million as on December 31, 2020. Unique customers as identified by PAN or PEKRN now stands at 5.4 million as on December 31, 2020 compared to 21.5 million for the industry.

FINANCIAL HIGHLIGHTS FOR THE QUARTER ENDED DECEMBER 31, 2020

Our financial performance in the initial period of this financial year had suffered due to the effects of the Covid-19 pandemic on the markets. While there continues to be some uncertainty regarding how the Covid-19 pandemic will ultimately pan out, markets have been upbeat and our financial performance this quarter has improved further. This is evident from sequential improvement in our profit parameters and even in our operating margin which has gone up from 34 bps in the quarter ended June 30, 2020 to 37 bps in the quarter ended September 30, 2020 and now stands at 38 bps for the quarter ended December 31, 2020.

While we usually compare numbers with similar quarters of the previous year, given the Covid -19 re-set, we believe that sequential comparisons are also equally pertinent and hence have provided both.

- The Operating Profit of the company for the quarter ended December 31, 2020 was ₹3,697 million. While this is 7% lower than the operating profit of ₹3,987 million for the quarter ended December 31, 2019, it is 6% higher than the operating profit of ₹3,491 million for the quarter ended September 30, 2020 which is the trailing quarter.
- Profit before tax for the quarter ended December 31, 2020 was ₹4,828 million. This is up by about 4% over both the Profit before tax of ₹4,660 million for the quarter ended December 31, 2019, and the Profit before tax of ₹4,628 million for the quarter ended September 30, 2020 which is the trailing quarter.
- Profit after tax for the quarter ended December 31, 2020 was ₹3,694 million. This is 5% higher than the Profit after tax of ₹3,525 million for the quarter ended December 31, 2019, and 9% higher than the Profit after tax of ₹3,379 million for the quarter ended September 30, 2020 which is the trailing quarter.

FINANCIAL HIGHLIGHTS FOR THE NINE MONTHS ENDED DECEMBER 31, 2020

- The Operating Profit for the nine months ended December 31, 2020 was ₹10,194 million as compared to ₹11,567 million for the nine months ended December 31, 2019. This is a decrease of 12%.
- Profit before tax for the nine months ended December 31, 2020 was ₹13,260 million as compared to ₹13,234 million for the nine months ended December 31, 2019 which is almost stable.

Profit after tax for the nine months ended December 31, 2020 was also steady at ₹10,097 million as compared to ₹10,125 million for the nine months ended December 31, 2019

About HDFC AMC

HDFC Asset Management Company Limited (HDFC AMC) is Investment Manager to HDFC Mutual Fund, one of the largest mutual fund in the country. It was incorporated under the Companies Act, 1956, on 10th December 1999 and was approved to act as an Asset Management Company for HDFC Mutual Fund by SEBI on 3rd July 2000. It has other SEBI licenses viz. PMS / AIF.

HDFC AMC has a diversified asset class mix across Equity and Fixed Income/Others. It also has a countrywide network of branches along with a diversified distribution network comprising Banks, Independent Financial Advisors and National Distributors.

For any media queries, contact:

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