

Ref/No/HDFCAMC/SE/2022-23/37

Date – July 22, 2022

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

Dear Sir/Madam,

Sub: Outcome of Board Meeting

Further to our letter number Ref/No/HDFCAMC/SE/2022-23/36 dated July 22, 2022, please find enclosed herewith a copy of investor presentation along with press release on financial results for the quarter ended June 30, 2022.

Kindly take the same on records.

Thanking you,

Yours faithfully,

For **HDFC Asset Management Company Limited**



Sylvia Furtado
Company Secretary

Encl: a/a

Press Release

22nd July, 2022

HDFC AMC net profit for the quarter ended June 30, 2022 at ₹3,142 million, a decrease of 9% over quarter ended June 30, 2021, driven down by fall in other income.

HDFC Asset Management Company Limited (HDFC AMC) declares financial results for the period ended June 30, 2022.

- Amongst India's largest mutual fund managers with QAAUM market share of 11.0% for the quarter ended June 30, 2022.
- Amongst India's largest Actively Managed Equity Mutual Fund managers with QAAUM market share of 11.5% for the quarter ended June 30, 2022.
- One of the most preferred choices of individual investors, with a market share of 12.6% of the individual monthly average AUM for June 2022.
- Profit after tax was ₹3,142 million for the quarter ended June 30, 2022.

Mumbai, 22nd July, 2022: HDFC Asset Management Company Limited today reported its financial performance for the quarter ended June 30, 2022.

CORPORATE HIGHLIGHTS

- QAAUM of ₹4,153 billion for the quarter ended June 30, 2022 compared to ₹4,169 billion for the quarter ended June 30, 2021, 11.0% market share in QAAUM of the mutual fund industry.
- QAAUM in actively managed equity-oriented funds i.e. equity oriented QAAUM excluding index funds stood at ₹1,968 billion for the quarter ended June 30, 2022 with a market share of 11.5%. The AMC is amongst the largest actively managed equity-oriented mutual fund managers in the country.
- The ratio of equity oriented AUM to non-equity oriented closing AUM is 51:49 compared to the industry ratio of 48:52 as on June 30, 2022.
- 3.73 million Systematic transactions with a value of ₹12.8 billion processed during the month of June 2022.
- Over 80,000 empaneled distribution partners across MFDs, National Distributors and Banks, serviced through a total of 228 branches of which 150 are in B-30 locations. The contribution of B-30 locations to our total monthly average AUM is 16.9%.
- As on June 30, 2022, 62.1% of the company's total monthly average AUM is contributed by individual investors compared to 55.1% for the industry.
- Market share of 12.6% of the individual monthly average AUM in the industry, making the company one of the most preferred choices of individual investors.
- Total Live Accounts stood at 10.2 million as on June 30, 2022. Unique customers as identified by PAN or PEKRN now stands at 6.0 million as on June 30, 2022 compared to 35.3 million for the industry, a market share of 17%.

FINANCIAL HIGHLIGHTS FOR THE QUARTER ENDED JUNE 30, 2022

- The Operating Profit for the quarter ended June 30, 2022 was ₹3,737 million as compared to ₹3,652 million for the quarter ended June 30, 2021. This is an increase of 2%.
 - Profit before tax for the quarter ended June 30, 2022 was down by 17% to ₹3,850 million as compared to ₹4,661 million for the quarter ended June 30, 2021.
 - Profit after tax for the quarter ended June 30, 2022 was ₹3,142 million as compared to ₹3,454 million for the quarter ended June 30, 2021, resulting in a decrease of 9%.
-

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:

Mr. Naveen Gogia, Head – Public Relations, HDFC AMC

Email: naveeng@hdfcfund.com



HDFC Asset Management Company Limited

Q1 FY22-23

(For the quarter ended June 30, 2022)

○ HDFC AMC at a glance

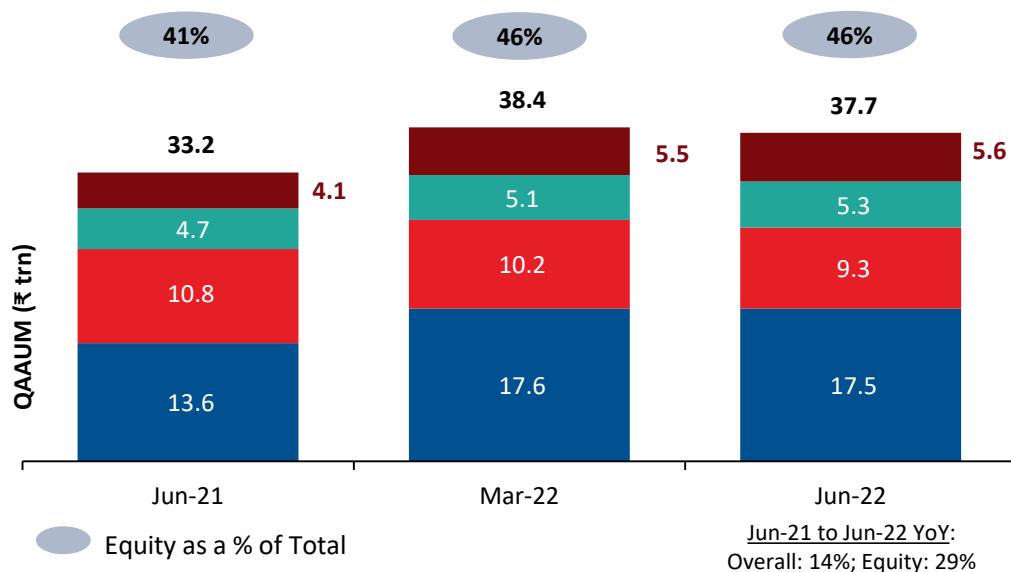


Notes - (1) Data is as of June 30, 2022 / for June 2022/ for the quarter ended June 2022; (2) includes advisory mandates (3) Includes one representative office in Dubai; Source: Internal

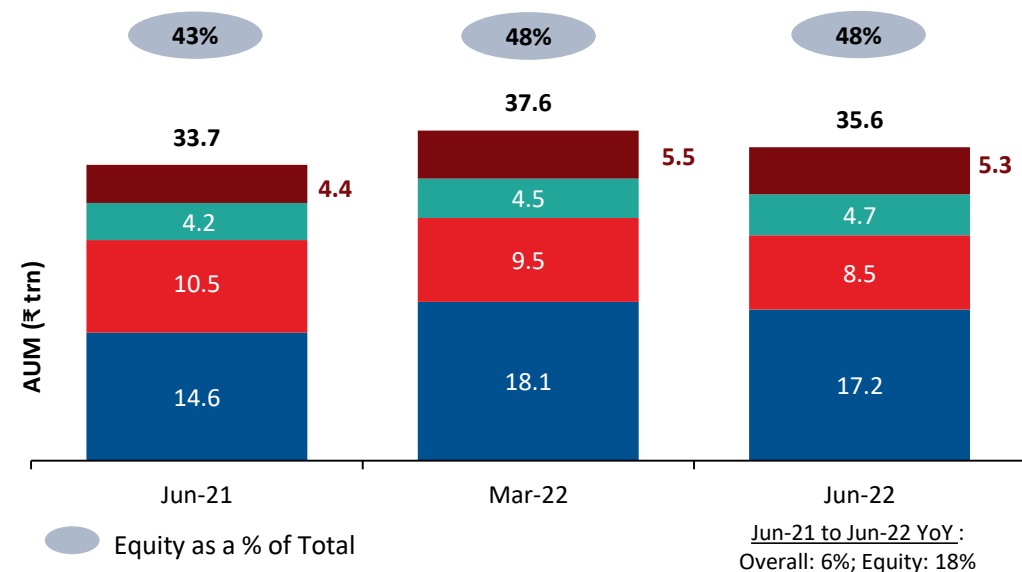
Industry

Industry - AUM and Net Sales

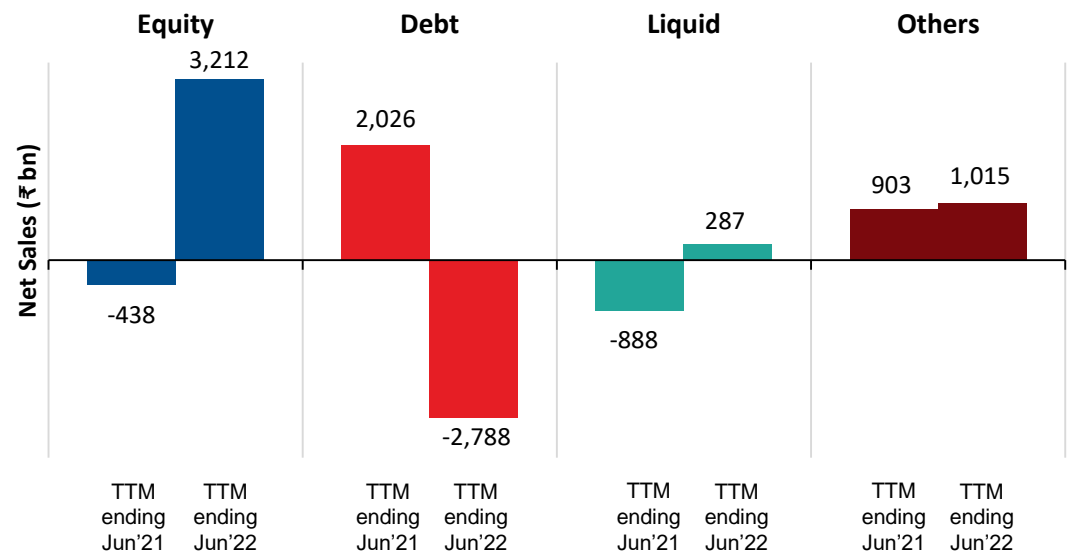
Quarterly Average AUM (QAAUM)



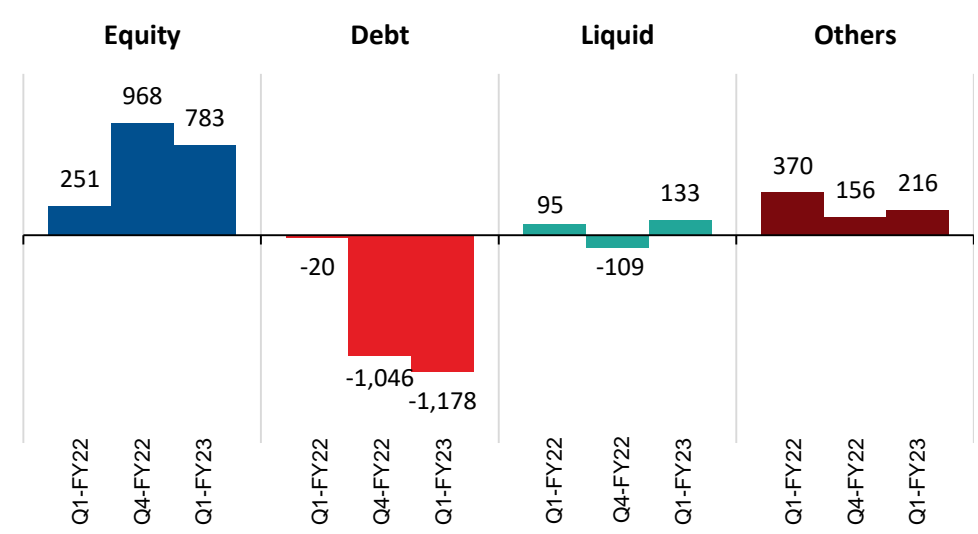
Closing AUM



Yearly net sales



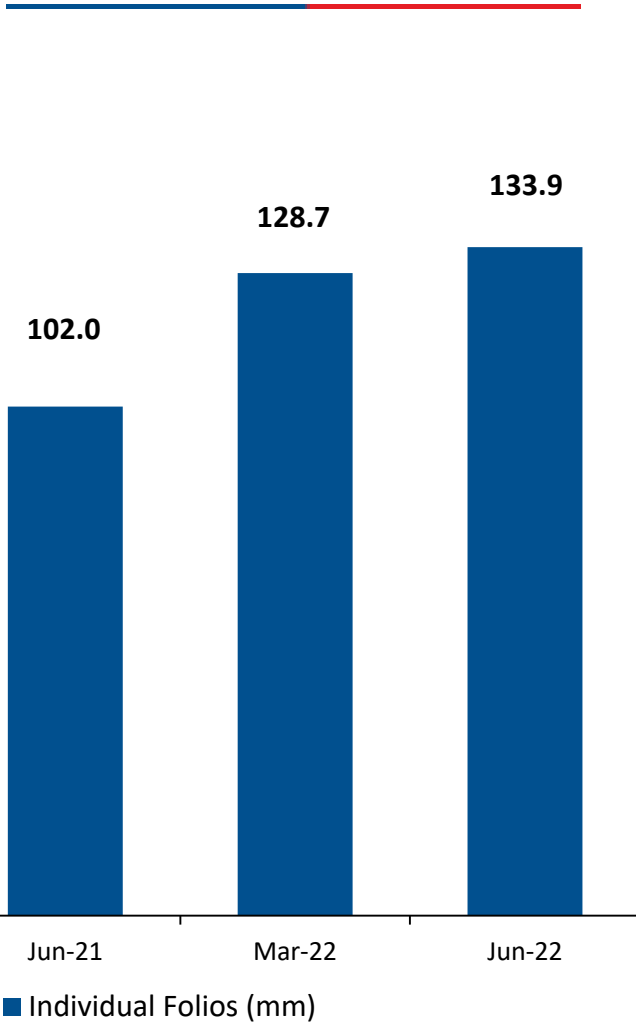
Quarterly net sales



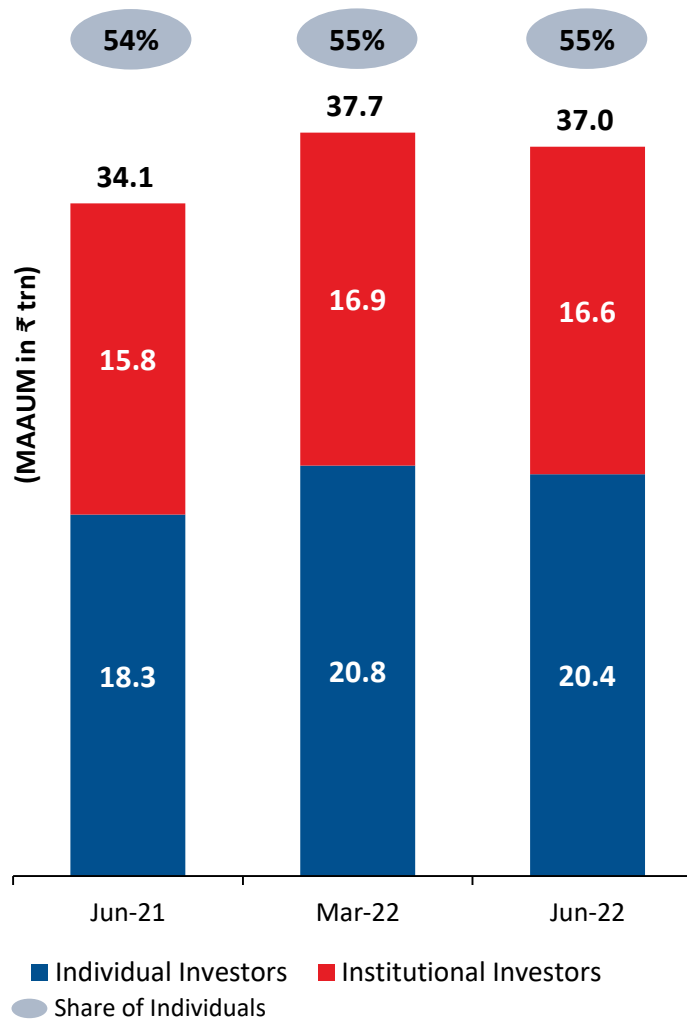
Source: AMFI. AUM excluding FOF – domestic; equity includes equity-oriented hybrid funds; 'Others' includes ETF, Arbitrage and FOF-investing overseas. Money market is classified as Debt

Industry - Individual / Institutional MAAUM, B30

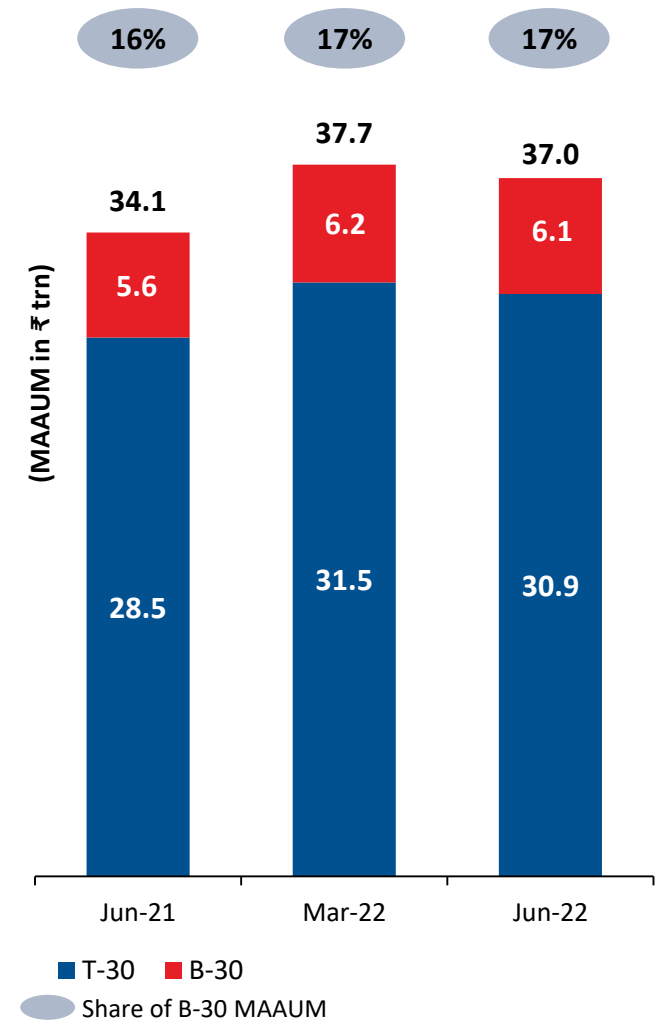
Individual Folios



Overall MAAUM by Investor category



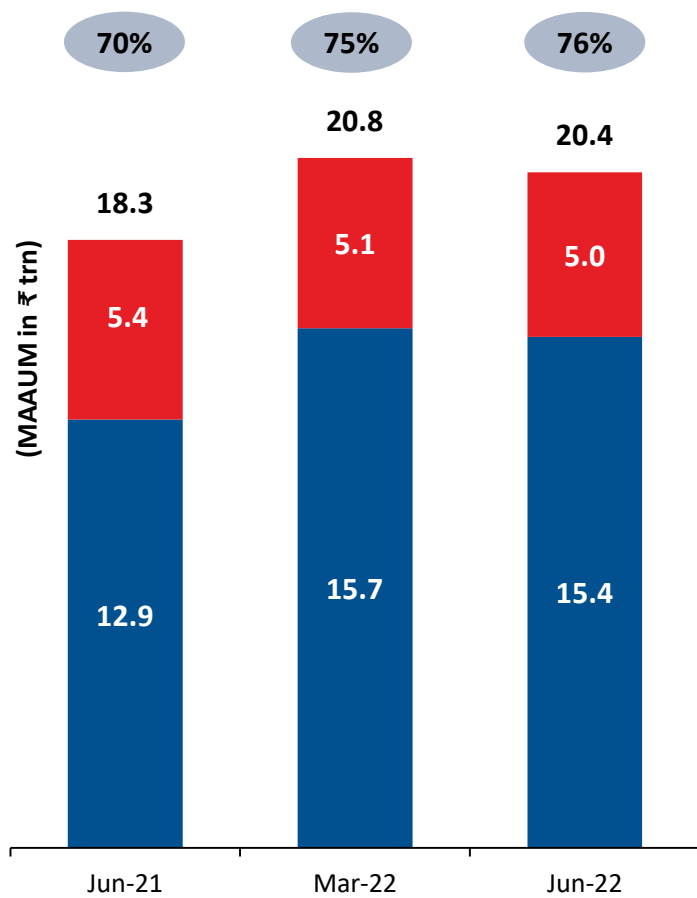
Overall MAAUM by Location



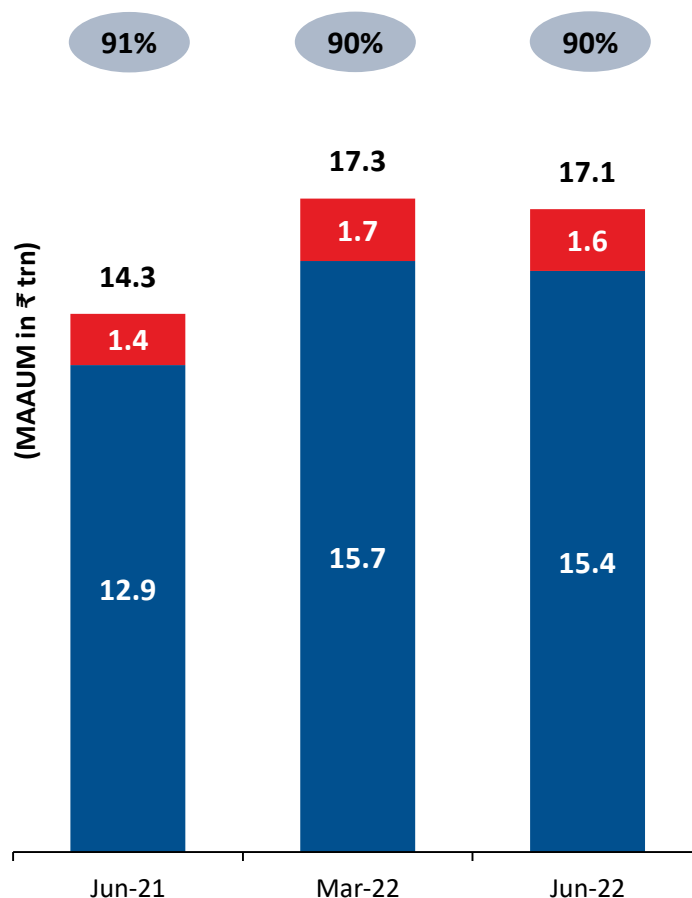
Source: AMFI ; Based on monthly average AUM

Industry - Individual / Institutional MAAUM, B30

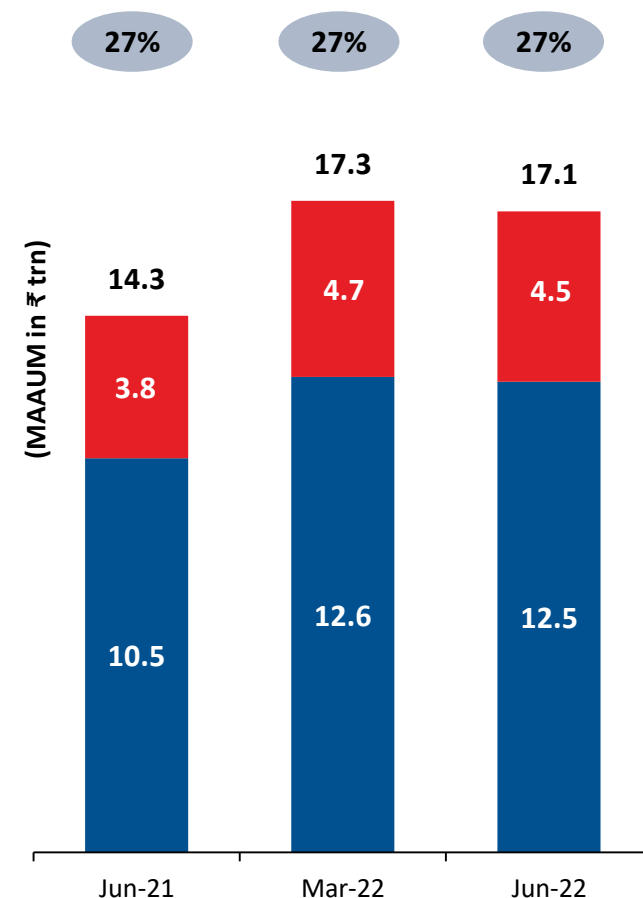
Individual MAAUM by Asset class



Equity MAAUM by Investor category



Equity MAAUM by Location



■ Equity ■ Non Equity

● Share of Equity (%)

■ Individual Investors ■ Institutional Investors

● Share of Individuals

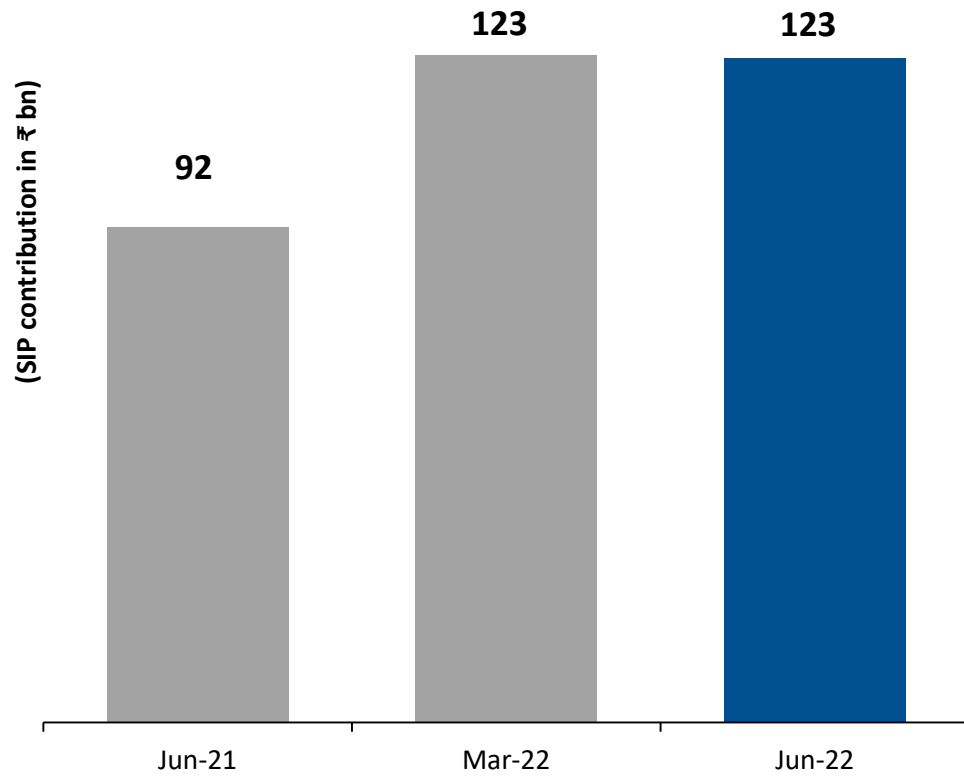
■ T-30 ■ B-30

● Share of B-30 MAAUM

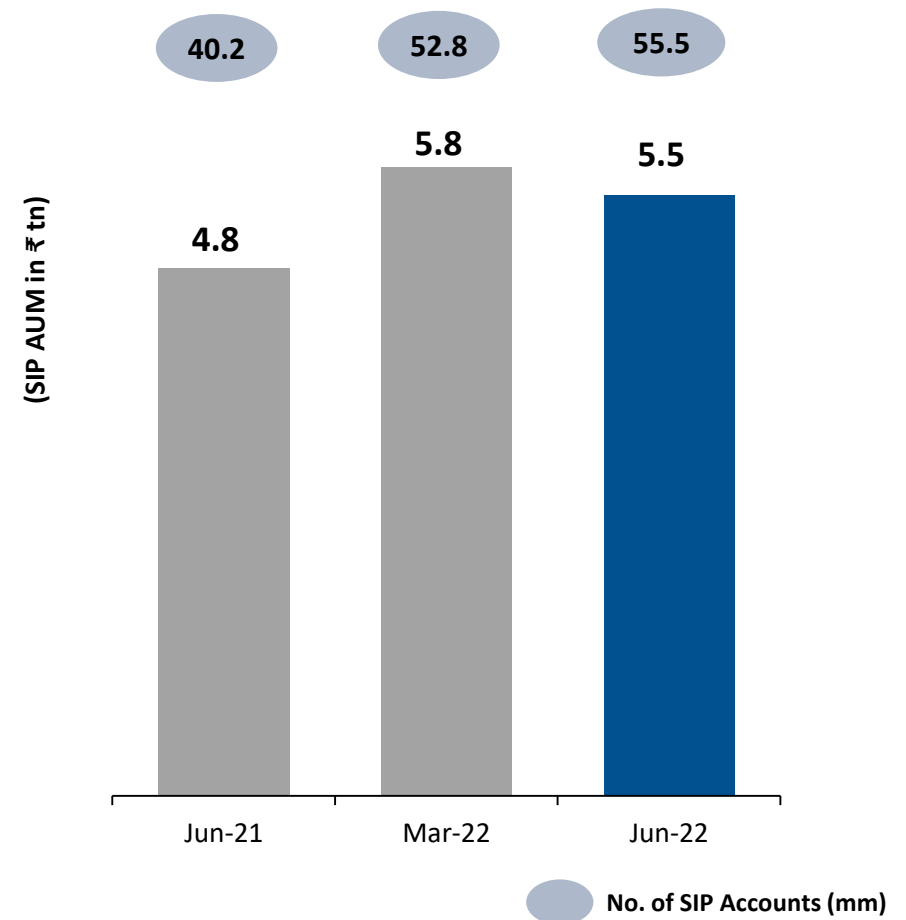
Source: AMFI ; Based on monthly average AUM
 Note: Equity MAAUM excludes arbitrage schemes.

Industry - SIP Flows & AUM

SIP Flows



SIP AUM



Source: AMFI

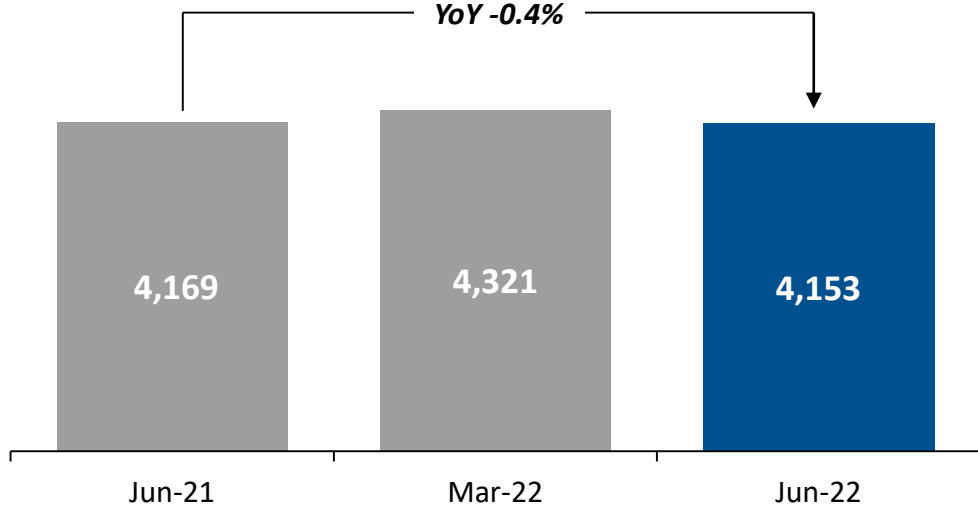
HDFC AMC

○ Total AUM and Market Share

Quarterly Average AUM

₹ billion

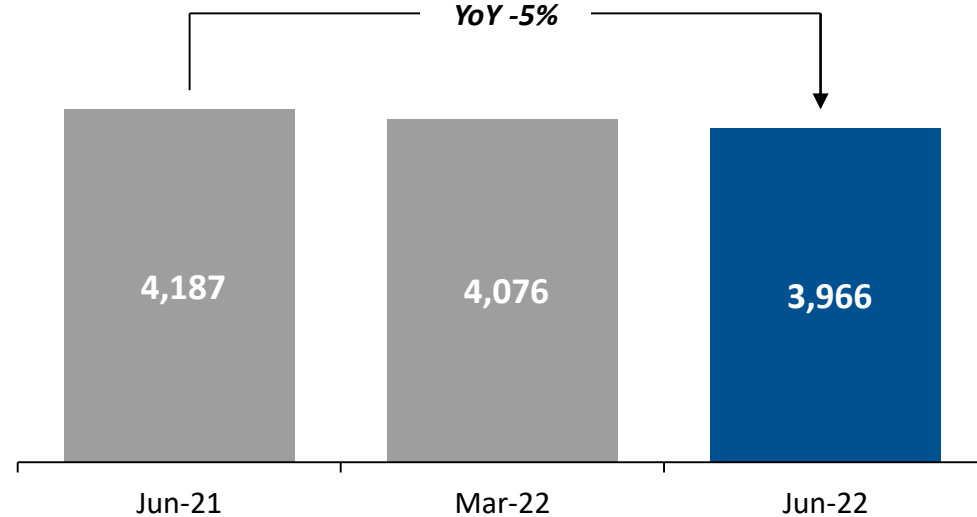
YoY -0.4%



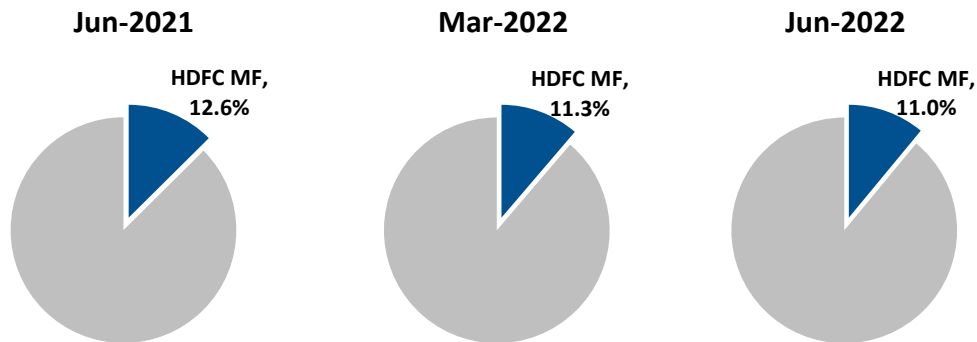
Closing AUM

₹ billion

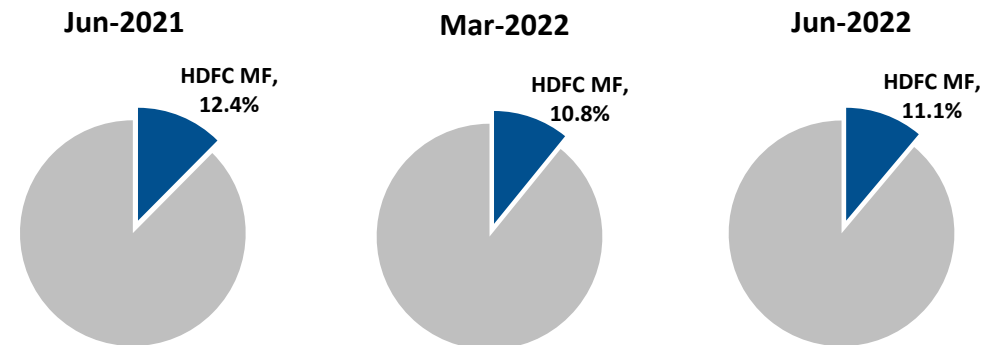
YoY -5%



Market Share - Quarterly Average AUM

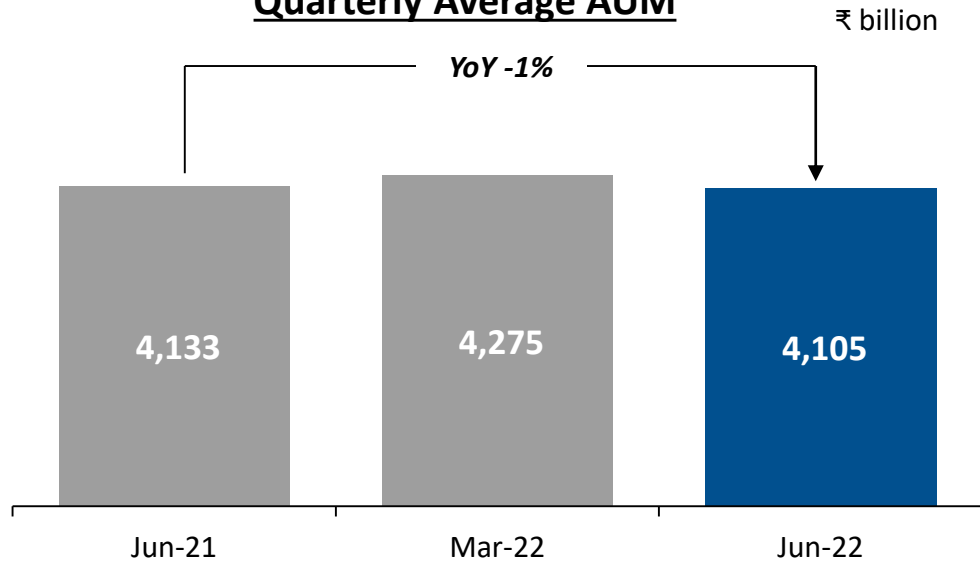


Market Share – Closing AUM

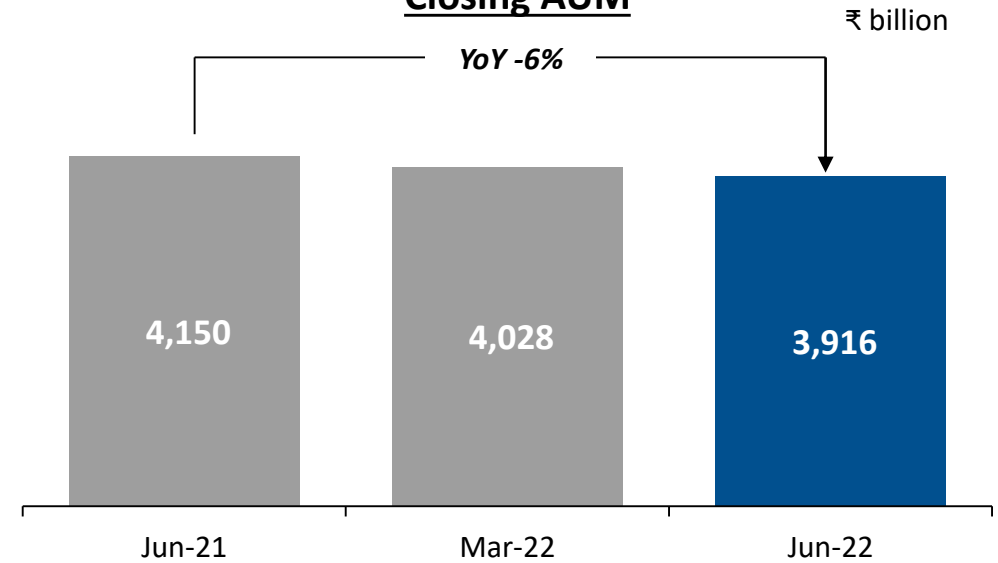


○ Total AUM and Market Share (Ex ETFs)

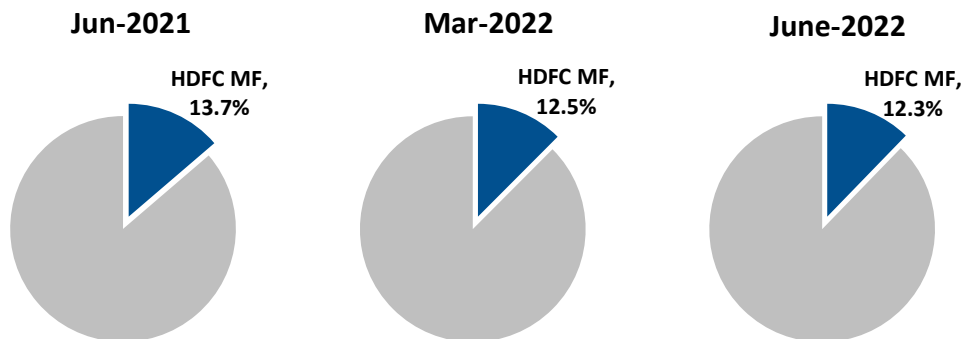
Quarterly Average AUM



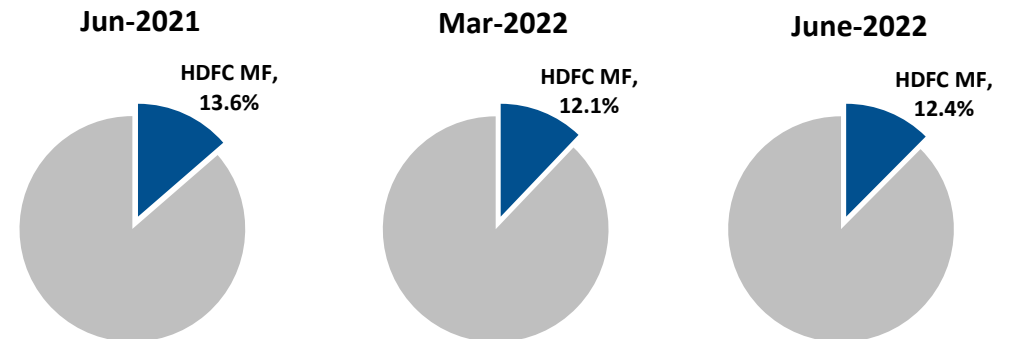
Closing AUM



Market Share - Quarterly Average AUM

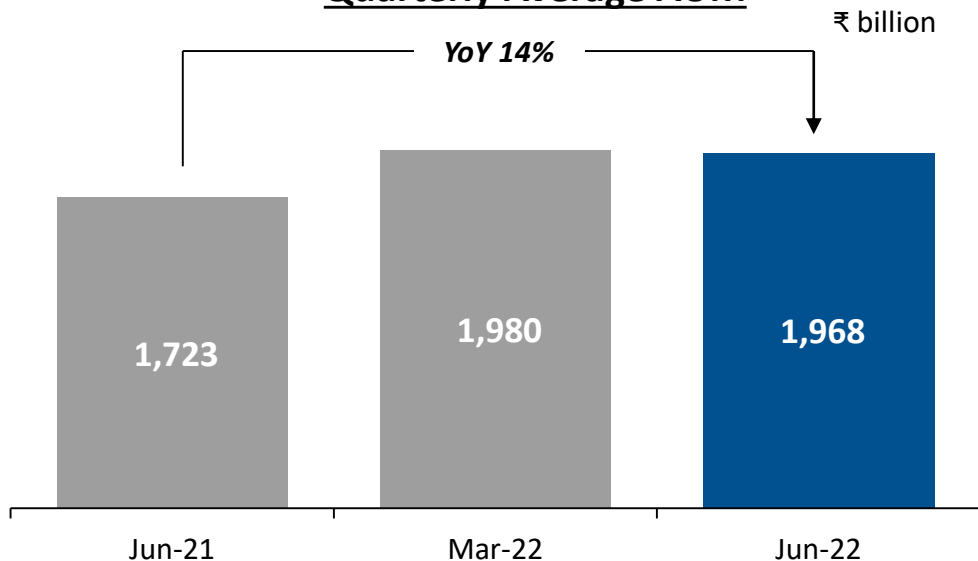


Market Share – Closing AUM

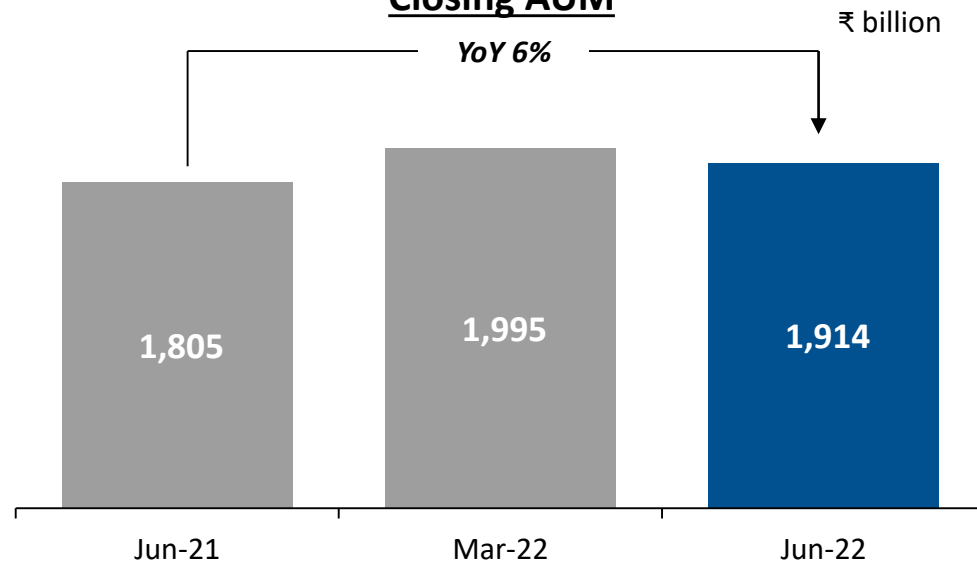


Actively Managed Equity-oriented AUM and Market Share

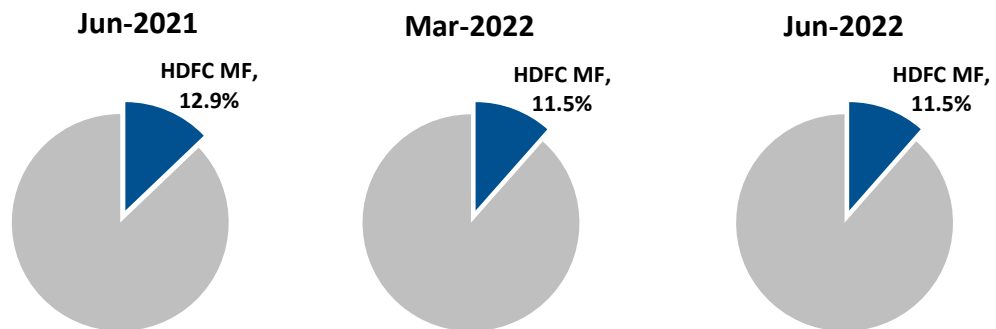
Quarterly Average AUM



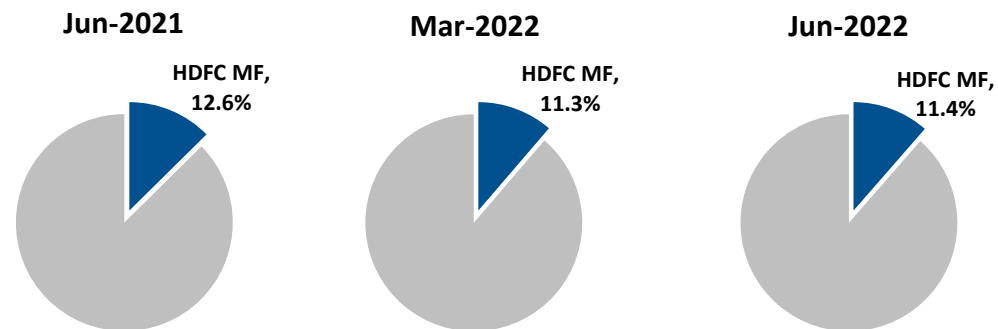
Closing AUM



Market Share - Quarterly Average AUM



Market Share – Closing AUM

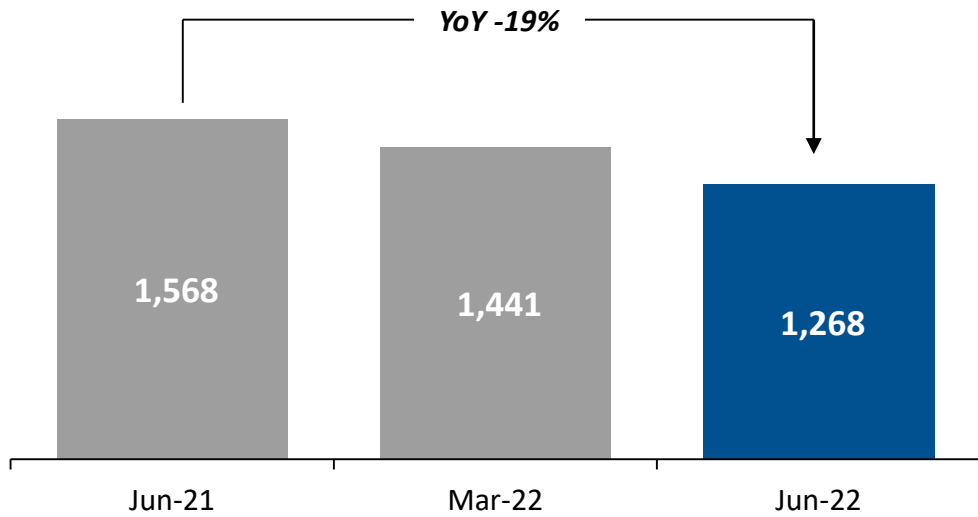


Source: AMFI, Internal
Actively managed equity-oriented AUM excludes index funds from equity-oriented funds.

Debt AUM and Market Share

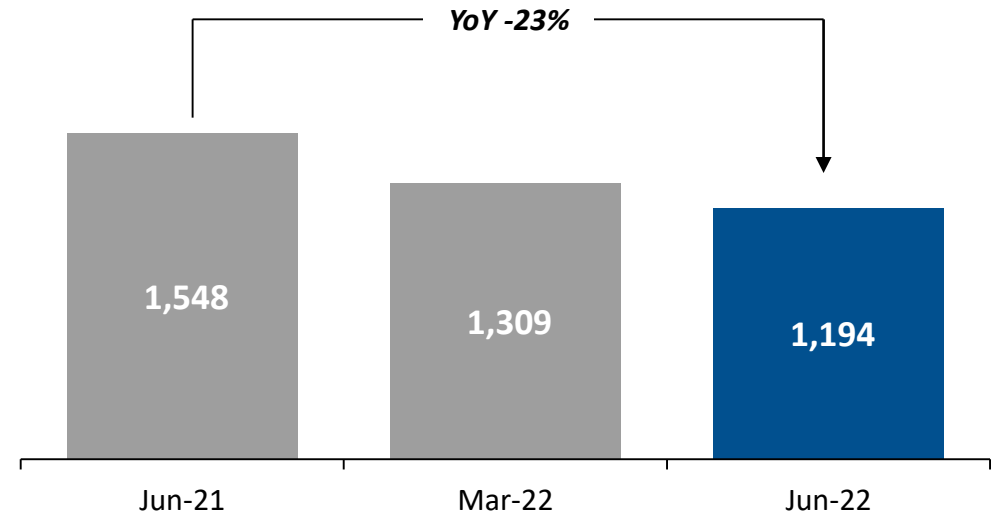
Quarterly Average AUM

₹ billion

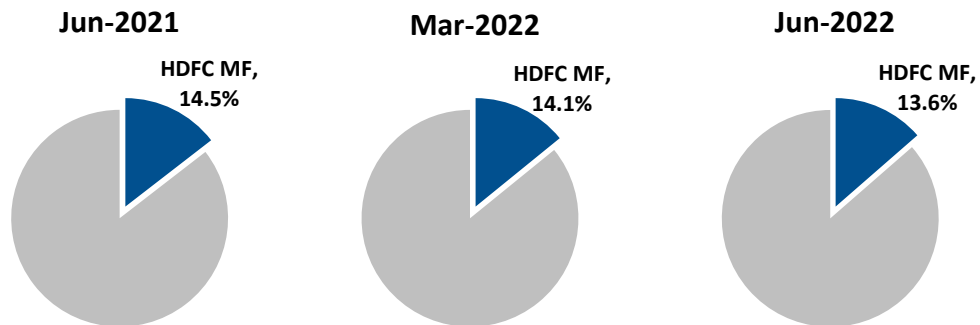


Closing AUM

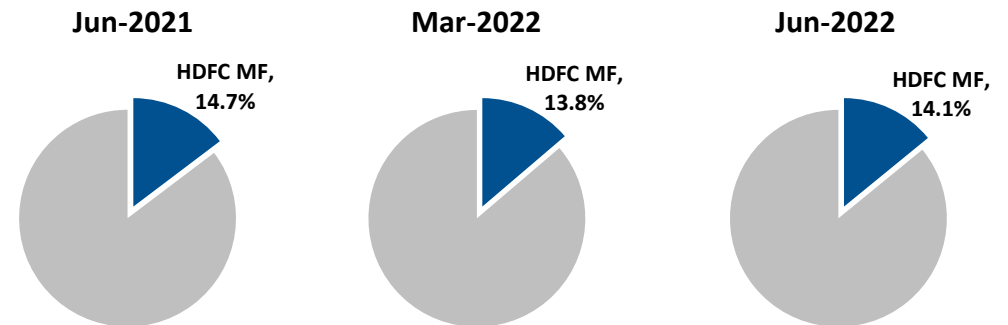
₹ billion



Market Share - Quarterly Average AUM

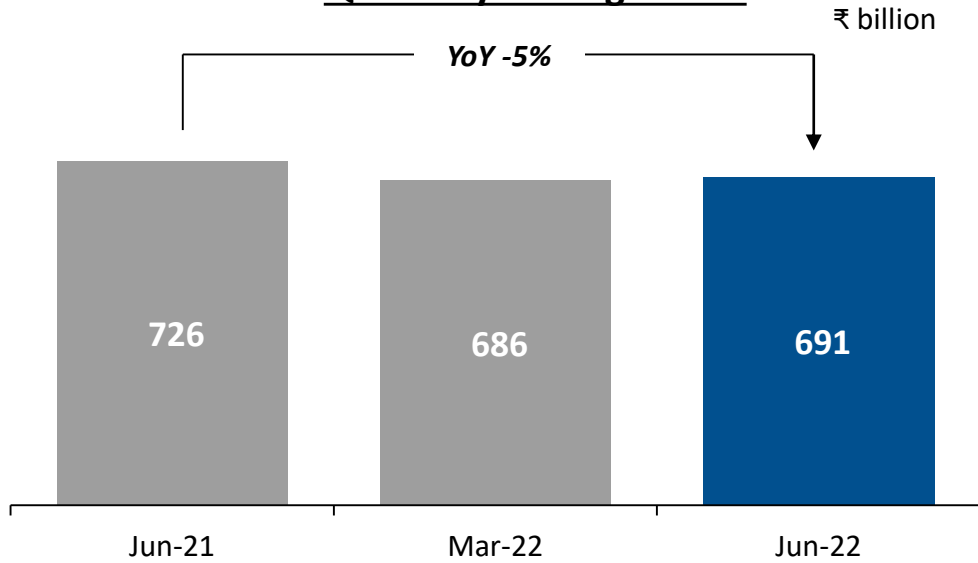


Market Share – Closing AUM

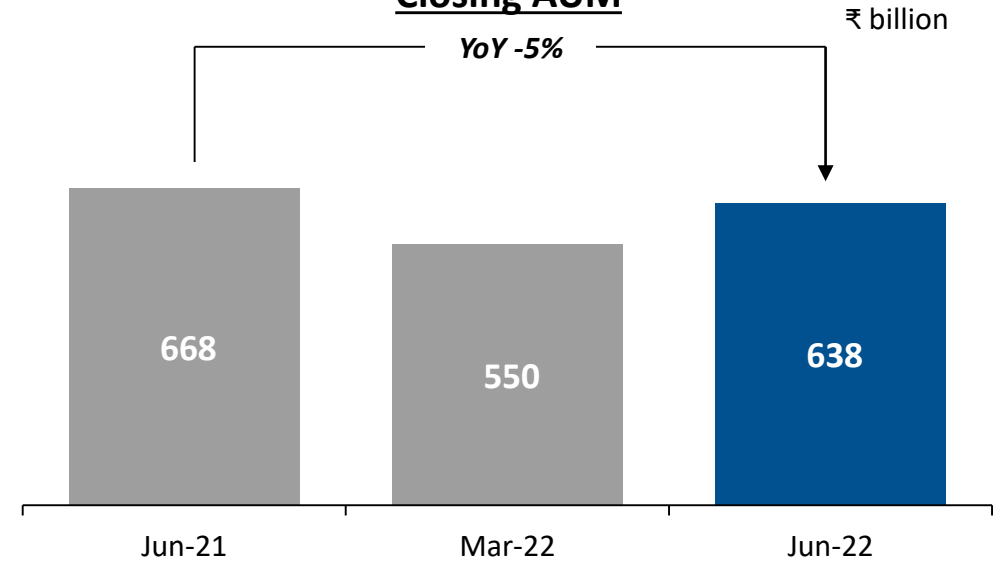


Liquid AUM and Market Share

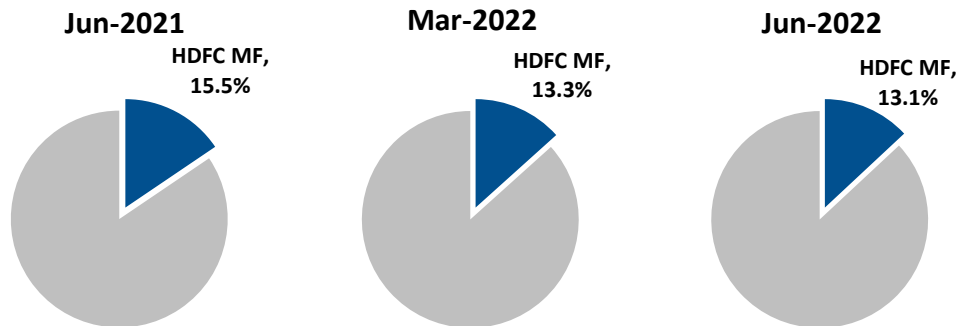
Quarterly Average AUM



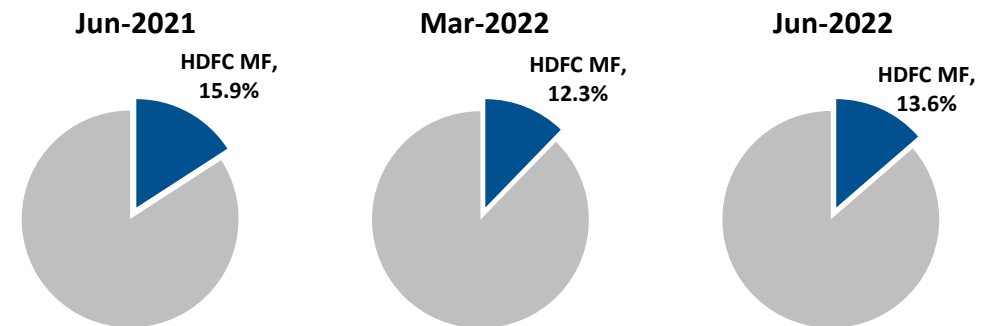
Closing AUM



Market Share - Quarterly Average AUM



Market Share – Closing AUM



Source: AMFI, Internal

Note : Liquid category contains Liquid and Overnight schemes.

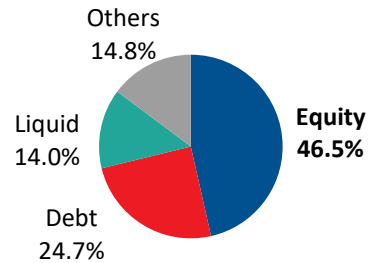
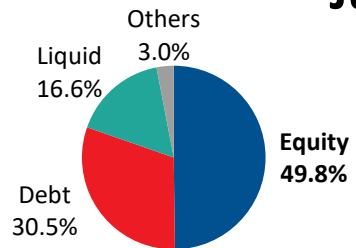
AUM by Segment – HDFC AMC and Industry

Quarterly Average AUM

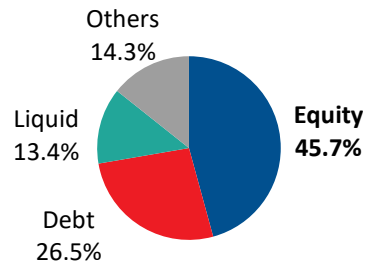
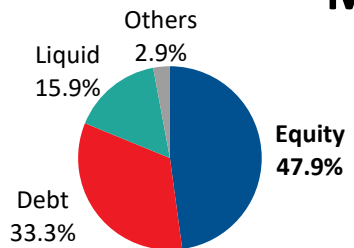
HDFC MF

Industry

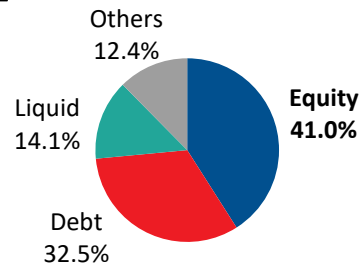
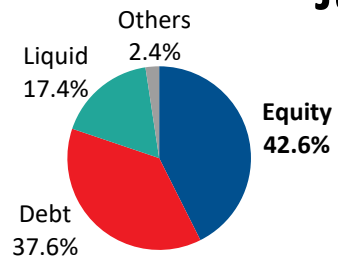
Jun-2022



Mar-2022



Jun-2021

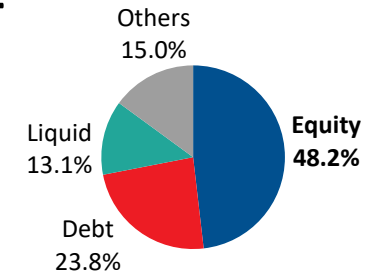
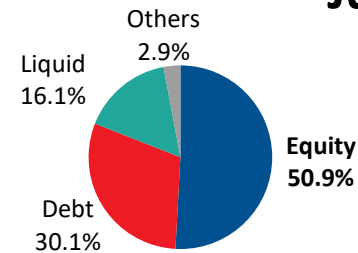


Closing AUM

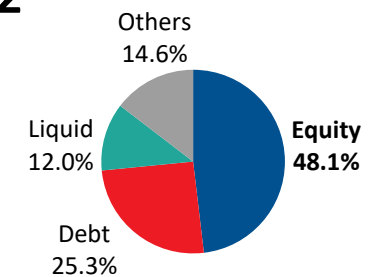
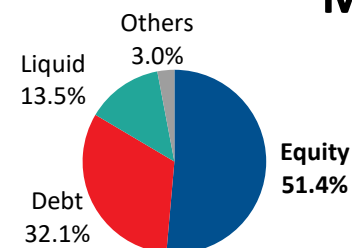
HDFC MF

Industry

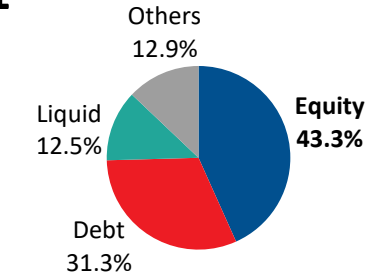
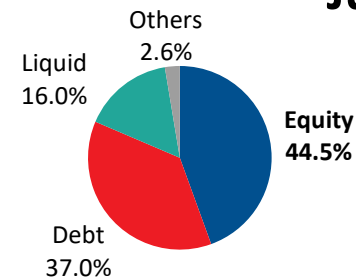
Jun-2022



Mar-2022

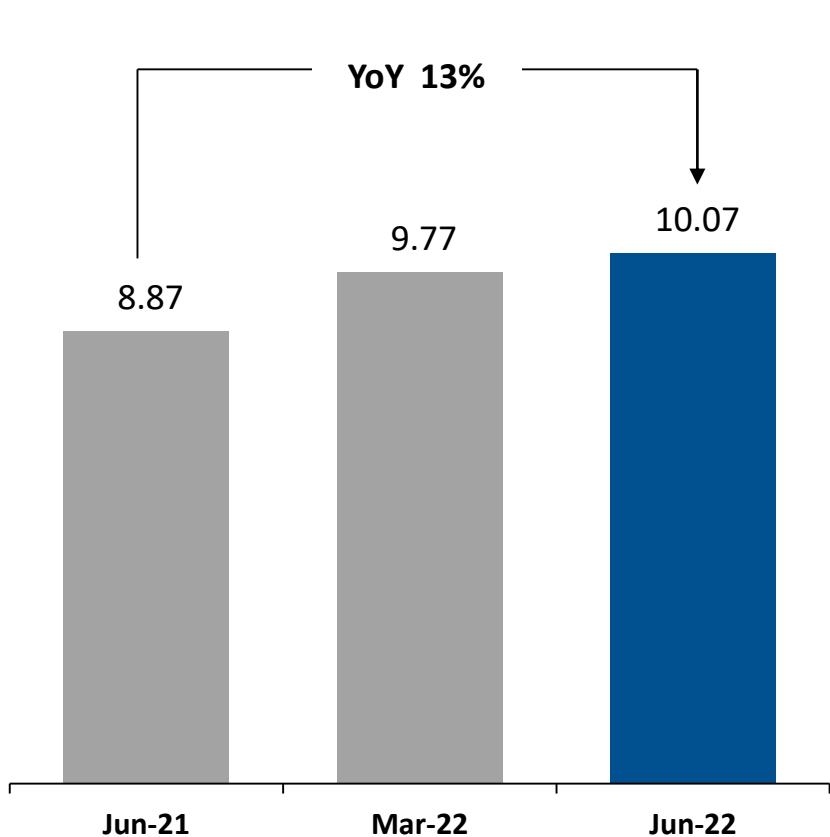


Jun-2021

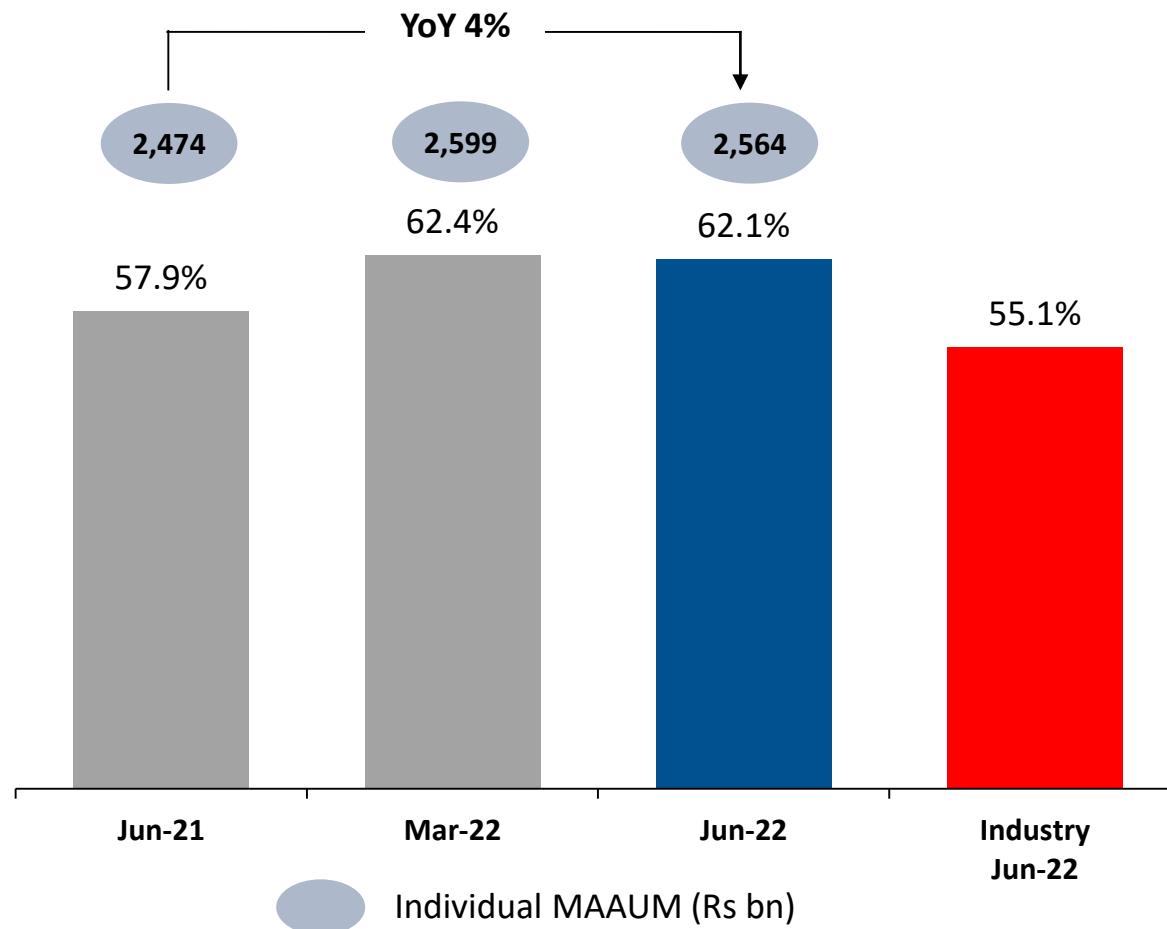


Individual Investors – Accounts & MAAUM

Number of Live Individual Accounts (in millions)



Individual MAAUM % of Total

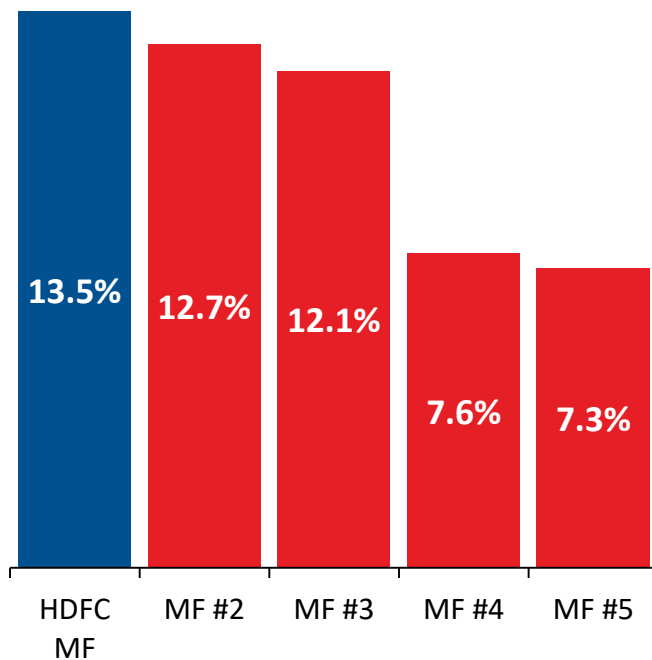


Individual customers prefer equity-oriented schemes and stay invested for longer periods

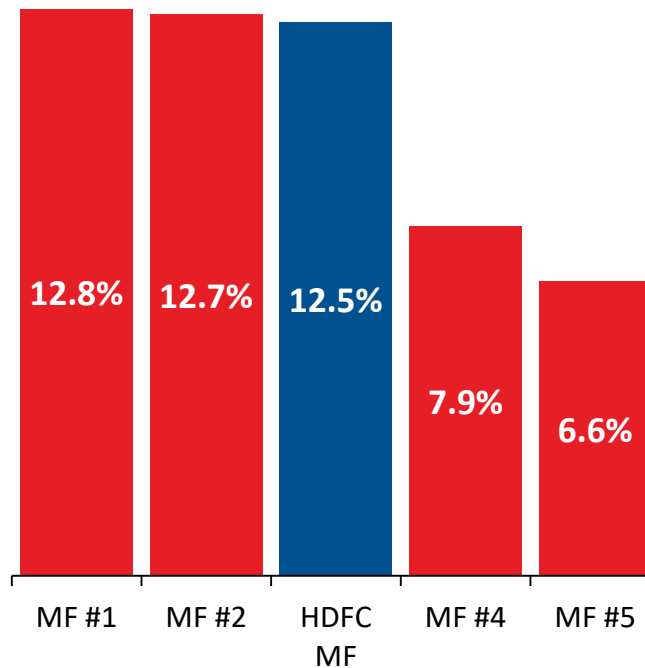
○ Amongst preferred choice of Individual Investors

Individual Assets Market Share

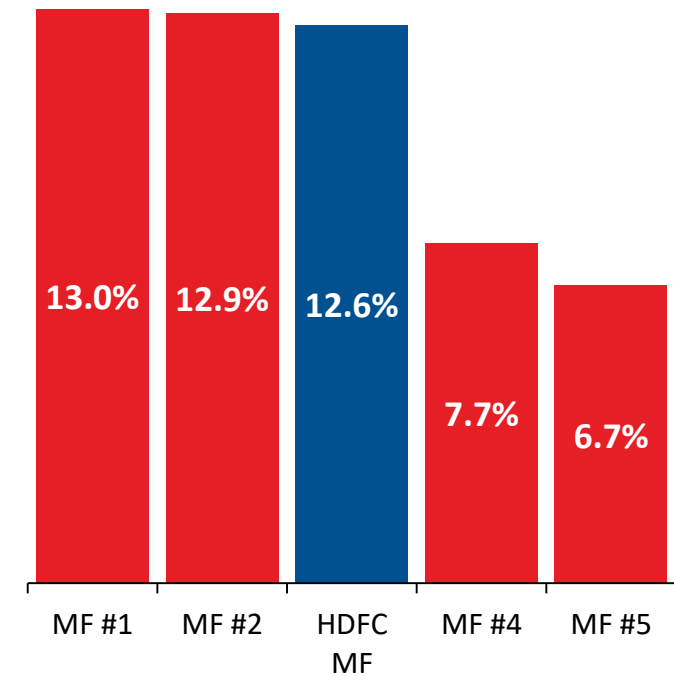
Jun-21



Mar-22

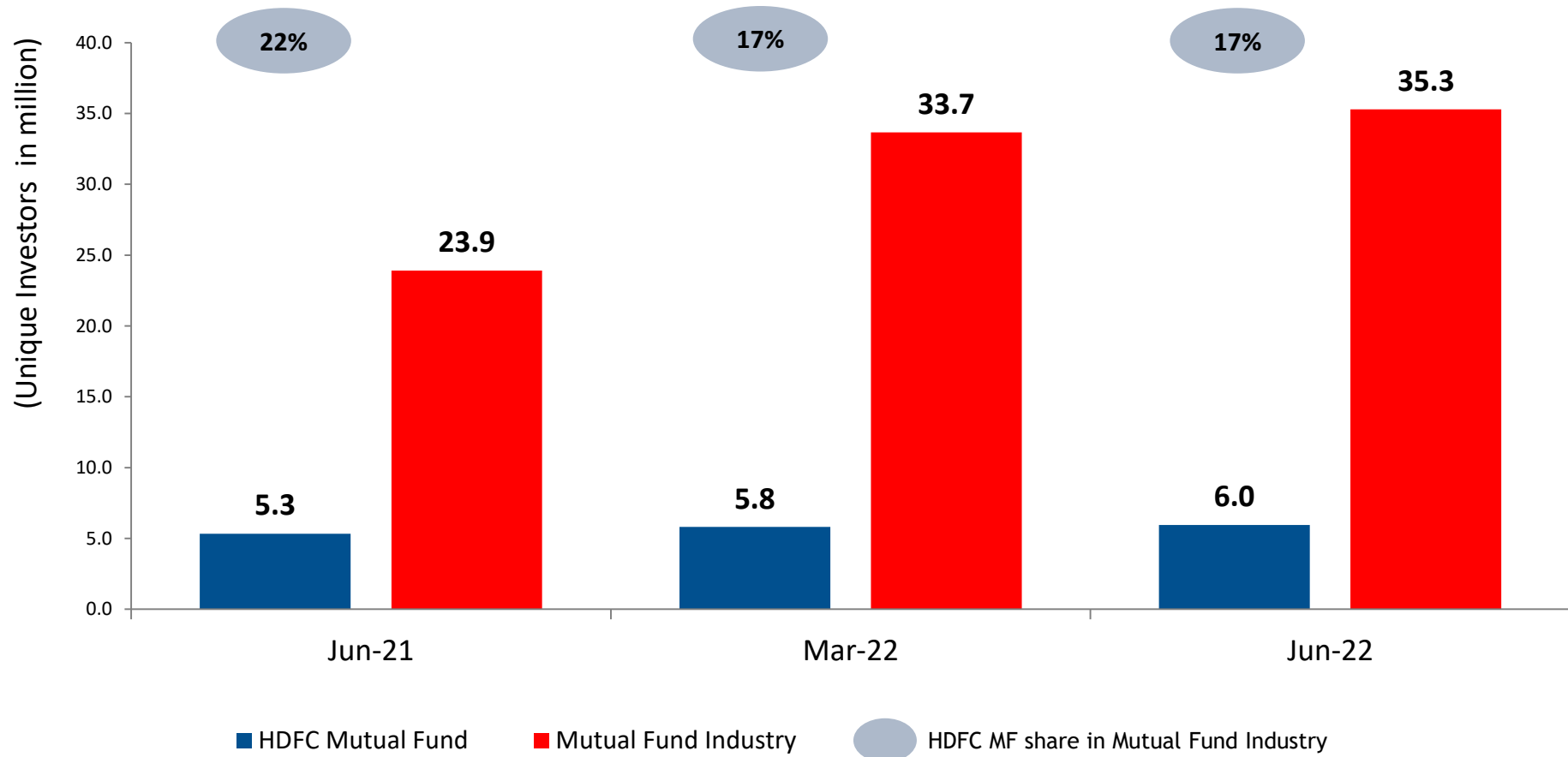


Jun-22

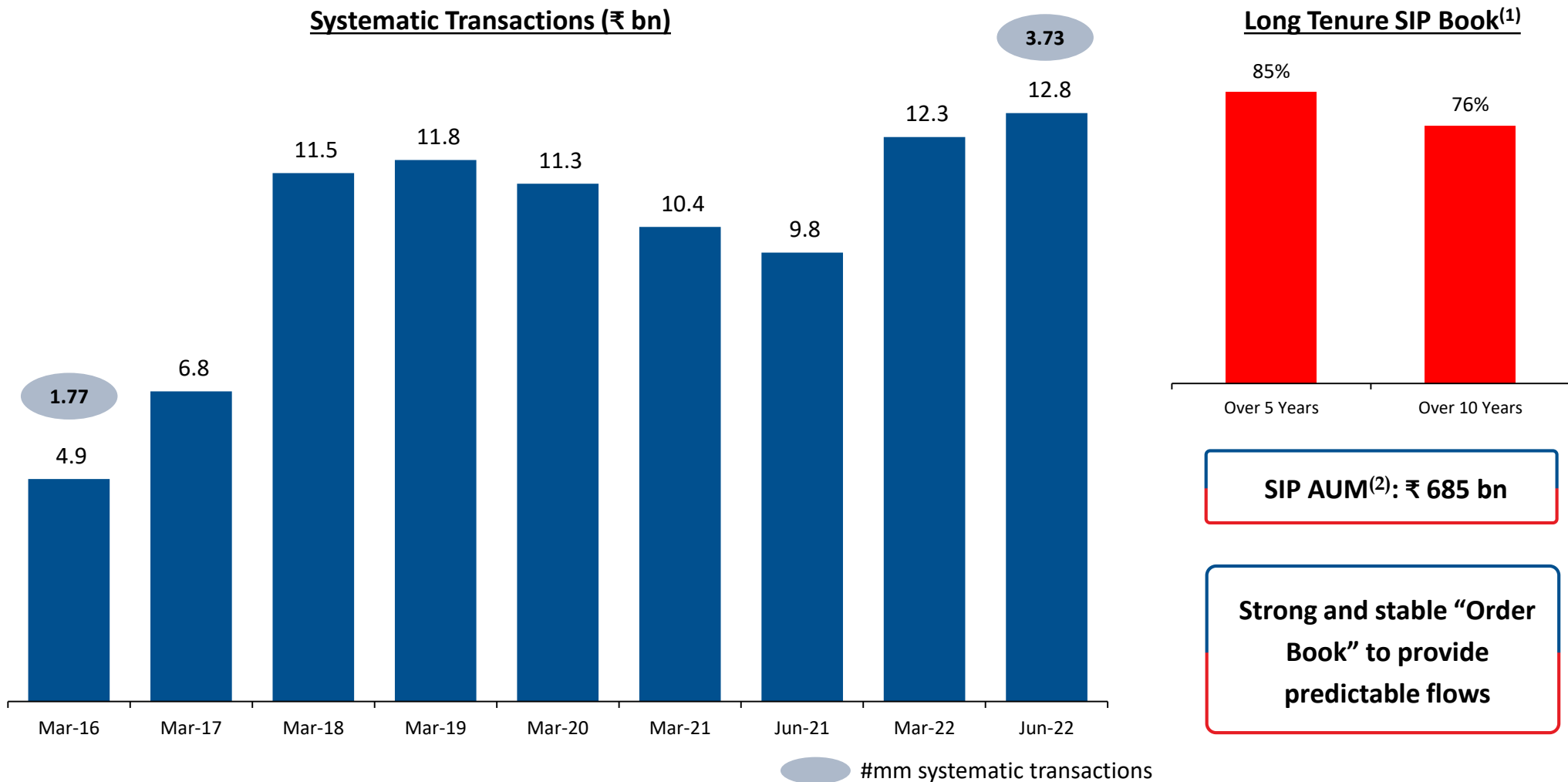


Source: AMFI, based on monthly average AUM

Unique Investors- HDFC AMC vs MF Industry



Inflows Through Systematic Transactions

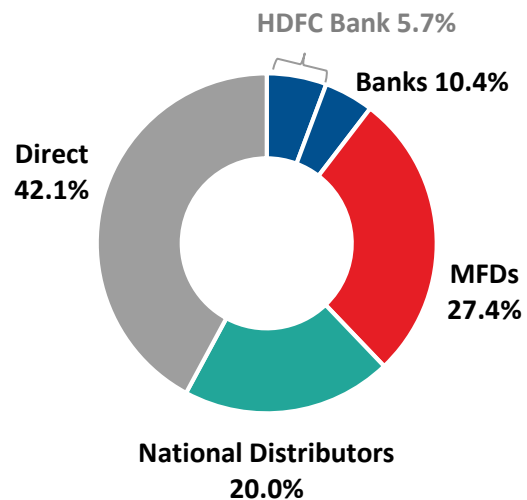


Source: Internal

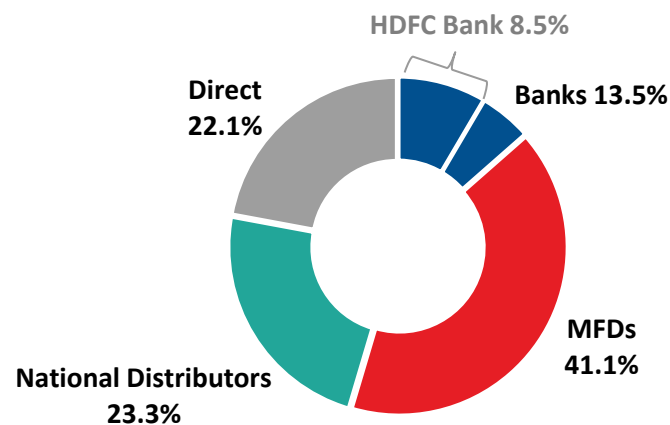
(1) Based on tenure at the time of registration of all live SIPs during June-22 (2) as on 30 June 2022

Well diversified distribution channels

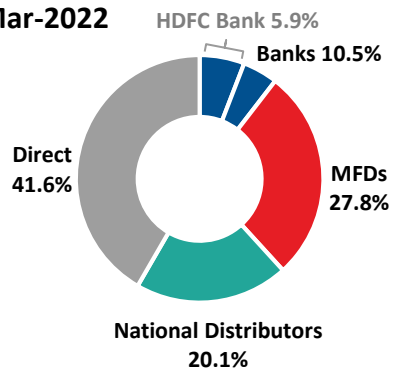
Total AUM (Jun-2022)



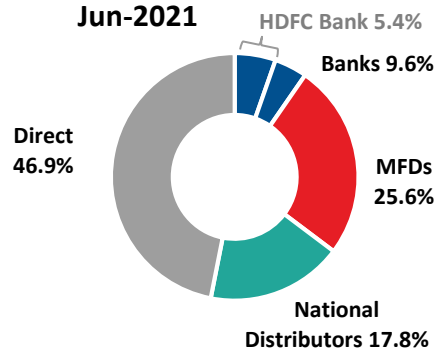
Equity-oriented AUM (Jun-2022)



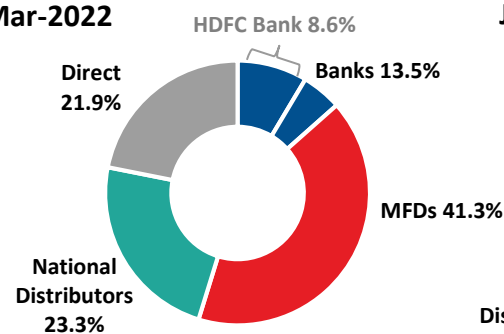
Mar-2022



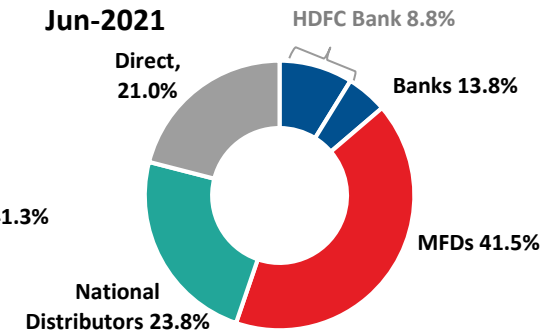
Jun-2021



Mar-2022



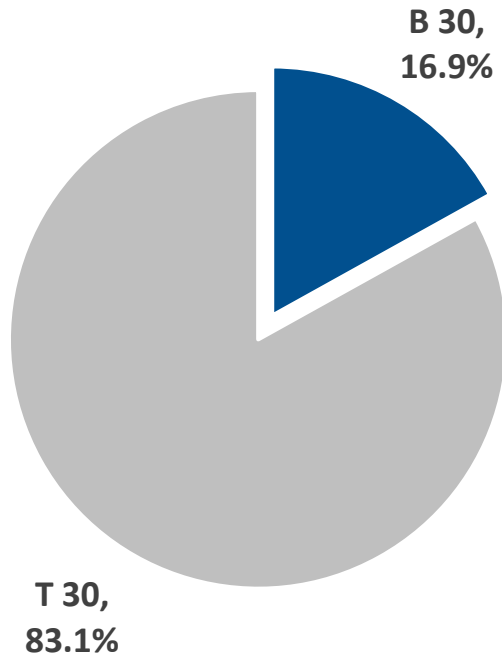
Jun-2021



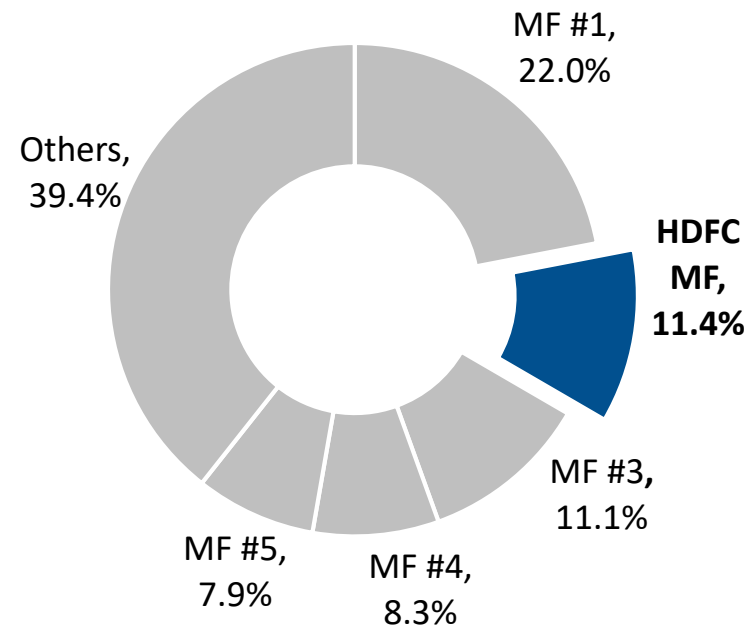
Source: Based on internal classification.

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 ~99% of all pincodes in India

Network of 228 branches with 150 in B-30 cities⁽²⁾

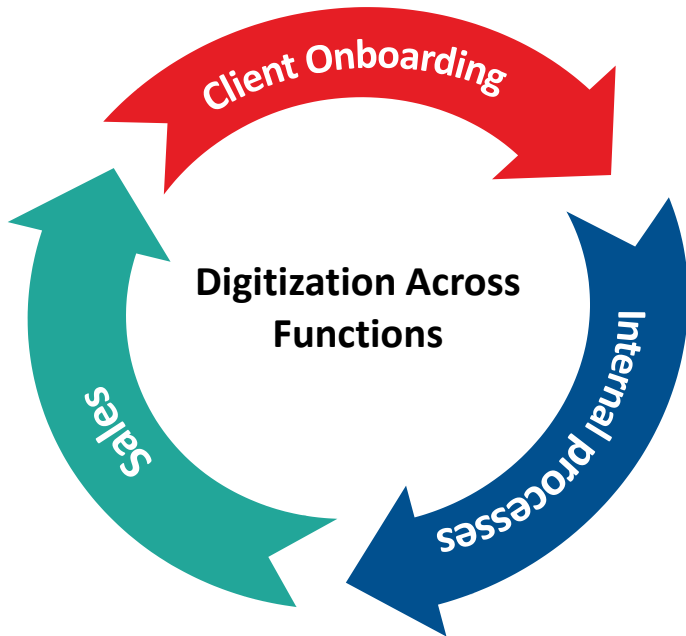
80k+ empaneled distribution partners

(1) Source: AMFI

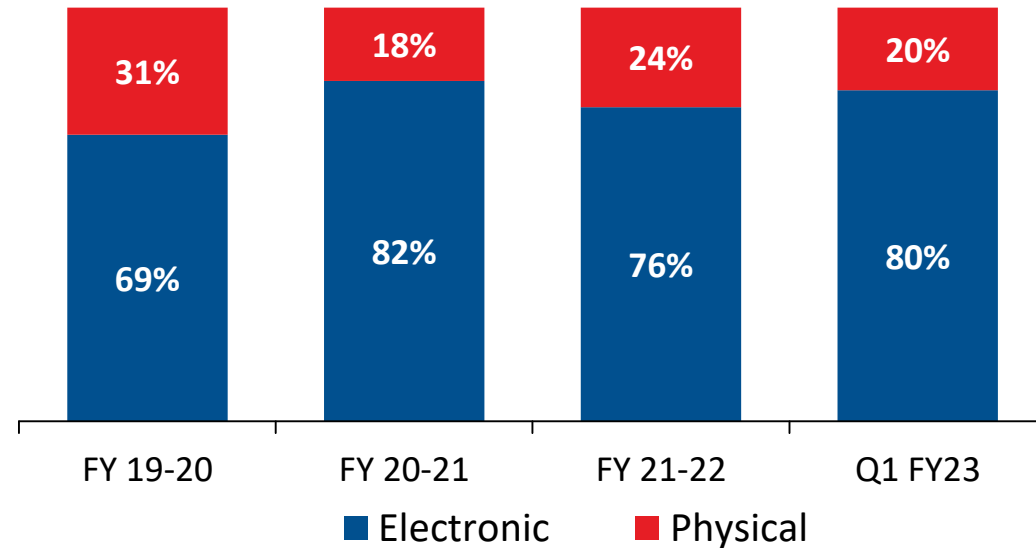
(2) As of June 30, 2022. Includes one representative office in Dubai;

Strong Digital Presence

Supported by Integrated Online Platform



Electronic and Physical Transaction as % of Total Transactions

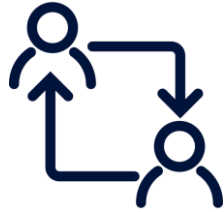


- Strong online presence - dedicated separate digital platforms distribution partners and customers
- FY17 to FY22 CAGR of 31% in electronic transactions, and CAGR of 16% in total transactions
- ~15% of all transactions during FY22 were through HDFC MF Online and mobile application
- ~80 users login in every minute on our portals and ~2 new users on boarded every minute in the last Quarter.⁽¹⁾
- Connecting with a customer every 2 minutes via emails, chats, calls etc. ⁽¹⁾
- Mobile-to-web ratio has increased with every third digital transaction being on mobile. ⁽¹⁾

Source: Internal

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

Digital Initiatives - Enhanced



Switch User service on Investor Mobile app to allow multiple users on the same app



SIP Strengthening – transaction options, retention, renewals



Improved User Journey Drop Management
Doubling conversion rate



Multiple options for MFDs to initiate bulk transactions in one go



Enabled transactions for Non-individual Investors of MFDs



Transact on call for MFDs



Cross sell / up sell campaigns based on Analytical Modelling



Fully Automated Testing Via RPA



One Customer View (CDP – being developed)

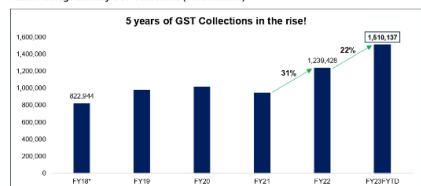
Some of our recent marketing initiatives

Weekend Bytes



Tuesday's Talking Points

HDFC Mutual Fund's Tuesday's Talking Point: On the rise – 5 years of GST Collections!
 July 01, 2022 marked the five-year anniversary since the Goods and Services Tax (GST) was introduced in the country. Before GST, India had several indirect taxes, which posed a challenge in the tax administration. Hence, the Government wanted to unify and centralize the tax on both goods and services in order to reduce the compliance burden on taxpayers and ease the tax administration. By launching GST, the Government envisioned to achieve the objective of 'One Nation, One Tax'. Implementation of GST has also helped in formalization of the economy and increase transparency as the ecosystem disincentivizes entities that are outside the tax net.

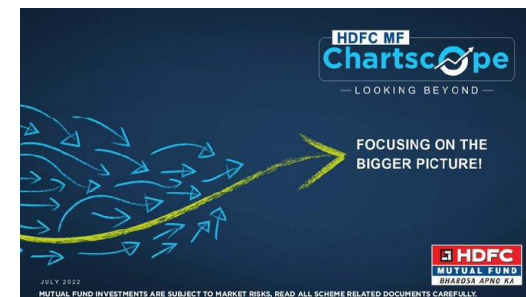


Source: Centre for Monitoring Indian Economy (CMIE), FY18: From July 2017 to March 2018

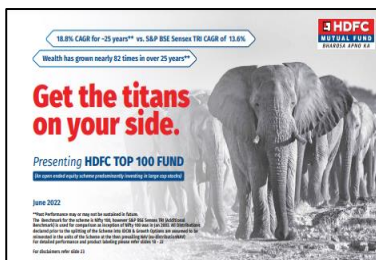
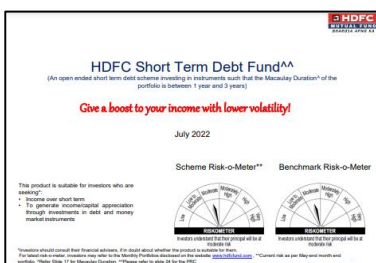
Passive Factsheet



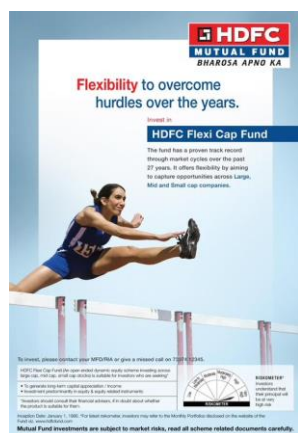
Chartscope



Product Presentations



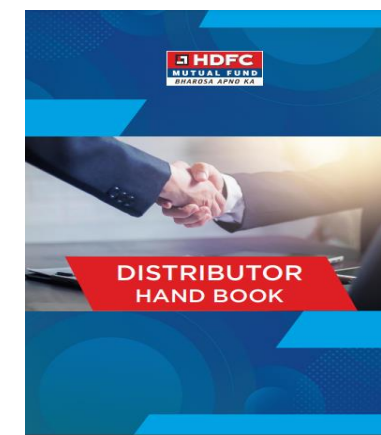
Product Literature



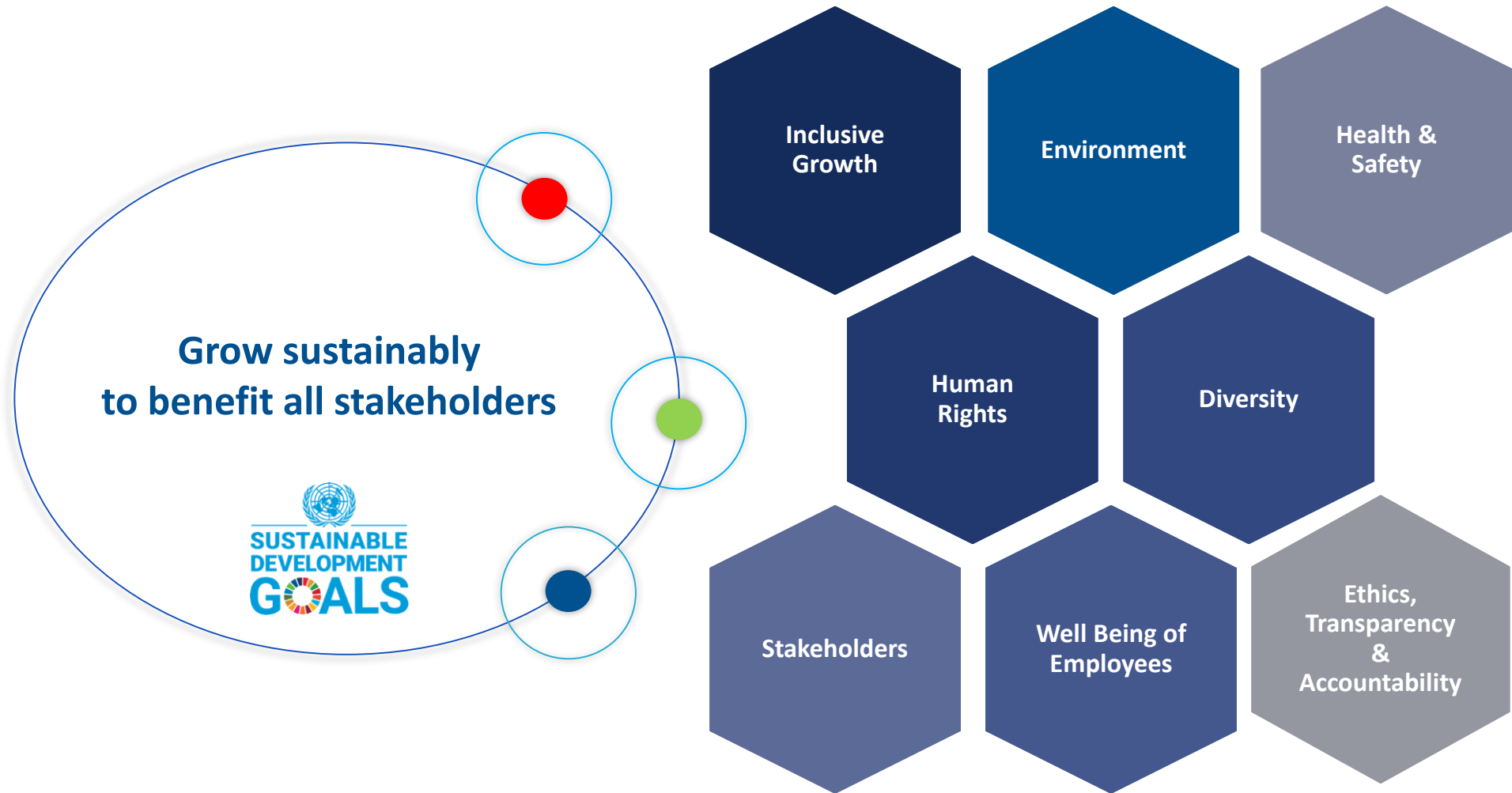
Monthly Musings



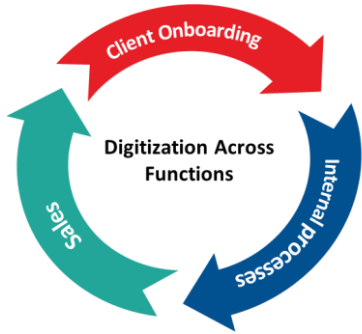
Distributor Hand Book



○ Embedding ESG Principles



○ Caring about Environment



80% transactions are supported by integrated online platform



E-waste processed in an environment friendly manner

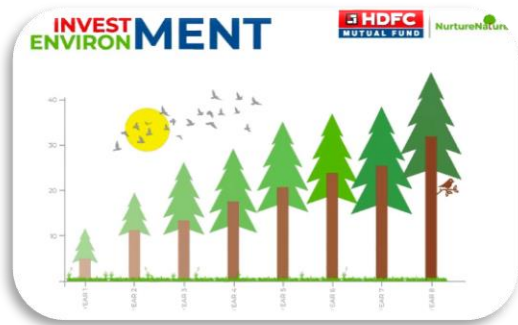


LEED Gold certified head office (since 2014)



Ongoing rejuvenation of pond, urban foresting using Miyawaki technique, biodiversity park and a butterfly park over a **50,000 sq feet** area in the heart of Mumbai

#NutureNature
on the occasion of World Environment Day
 A tree was planted for every equity SIP which was registered for a specific tenure
1500+
 Distribution partners participated in this drive





450+
Investor Awareness Programmes for women #BarniSeAzadi launched on **75th** Independence Day



10,000+
women expressing interest for taking their first step towards financial liberation



1,100+
Cancer patients provided with financial aid through our CSR program#



HDFC Mutual Fund collaborates with **NSE Academy** to increase **financial literacy** amongst students



CSR focus areas:

- ✓ Environment
- ✓ Sports
- ✓ Healthcare
- ✓ Education

Robust Governance practices



50%
of Board of Directors are independent



ISO Certified
information security process and controls



Diverse backgrounds of individual directors play a significant role to guide our business strategy from a varied perspective



6 Ethics workshops for employees in partnership with CFA Institute



36%
of Executive management &
28%
of overall work force are women



Purpose (Mission)

To be the wealth creator for every Indian



Passion (Vision)

To be the most respected asset manager in the world

Pedigree

A highly trusted brand with long term orientation

Platforms

Wide physical network & State-of-the-art digital assets

Processes

Robust Compliance & Risk Management
Use analytical capabilities to deepen relationships

Partnerships

Build on our existing distribution network and further enhance it

Products

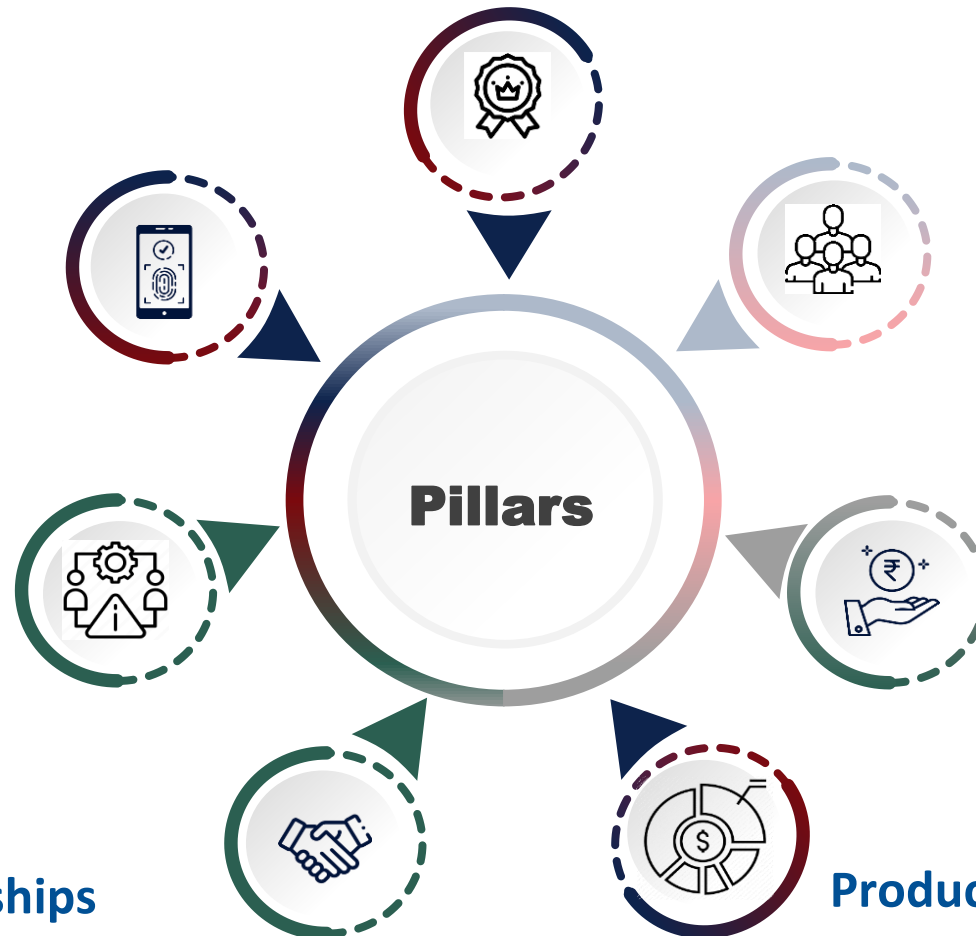
Wide array of Products & solutions

People

Known for setting Industry benchmarks & solid corporate governance practices

Performance

Distinguished track record across economic and market cycles



Financials

Financials Summary – Quarterly Earnings

(₹ mm)

Particulars	Q1 FY23	Q1 FY22	Change
Income			
Revenue from Operations	5,216	5,071	3%
Other Income	113	1,009	-89%
Total Income	5,329	6,080	-12%
Expenses			
Finance Costs	25	22	14%
Fees and Commission Expenses	14	13	8%
Employee Benefit Expenses [#]	780	835	-7%
Depreciation and Amortization Expenses	135	135	0%
Other Expenses [§]	525	414	27%
Total Expenses^{# §}	1,479	1,419	4%
Profit before tax[#]	3,850	4,661	-17%
Tax Expenses	708	1,207	-41%
Profit after tax[#]	3,142	3,454	-9%
Other Comprehensive Income (net of tax)	(7)	(8)	
Total Comprehensive Income	3,135	3,446	-9%

Particulars	Q1 FY23	Q1 FY22	Change
Revenue from Operations	5,216	5,071	3%
Total Expenses ^{# §}	1,479	1,419	4%
Operating Profit from core AM business	3,737	3,652	2%

[#] In Q1 FY23, Employee benefit expenses includes non-cash charge of ₹ 103 mm (Q1 FY22 ₹ 176 mm) towards amortised cost of outstanding Employee Stock options.

[§] The increase in Other expenses is mainly on account of increase in Business promotion expense and Technology Spend.

Financials Summary – Sequential Quarterly Earnings

(₹ mm)

Particulars	Q1 FY23	Q4 FY22	Change
Income			
Revenue from Operations	5,216	5,163	1%
Other Income	113	646	-83%
Total Income	5,329	5,809	-8%
Expenses			
Finance Costs	25	20	25%
Fees and Commission Expenses	14	15	-7%
Employee Benefit Expenses [#]	780	714	9%
Depreciation and Amortization Expenses	135	135	0%
Other Expenses	525	499	5%
Total Expenses[#]	1,479	1,383	7%
Profit before tax[#]	3,850	4,426	-13%
Tax Expenses	708	991	-29%
Profit after tax[#]	3,142	3,435	-9%
Other Comprehensive Income (net of tax)	(7)	10	
Total Comprehensive Income	3,135	3,445	-9%

Particulars	Q1 FY23	Q4 FY22	Change
Revenue from Operations	5,216	5,163	1%
Total Expenses [#]	1,479	1,383	7%
Operating Profit from core AM business	3,737	3,780	-1%

[#] In Q1 FY23, Employee benefit expenses includes non-cash charge of ₹ 103 mm (Q4 FY22 ₹ 117 mm) towards amortised cost of outstanding Employee Stock options.

1. The Nomination and Remuneration Committee (NRC) 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"). NRC had also approved on January 24, 2022, a further grant of 1,82,000 stock options representing 1,82,000 equity shares of ₹ 5 each, at a grant price of ₹ 2,369.40 per equity share (being the market price as defined in the applicable SEBI Regulations), to its eligible employees under ESOS - 2020.

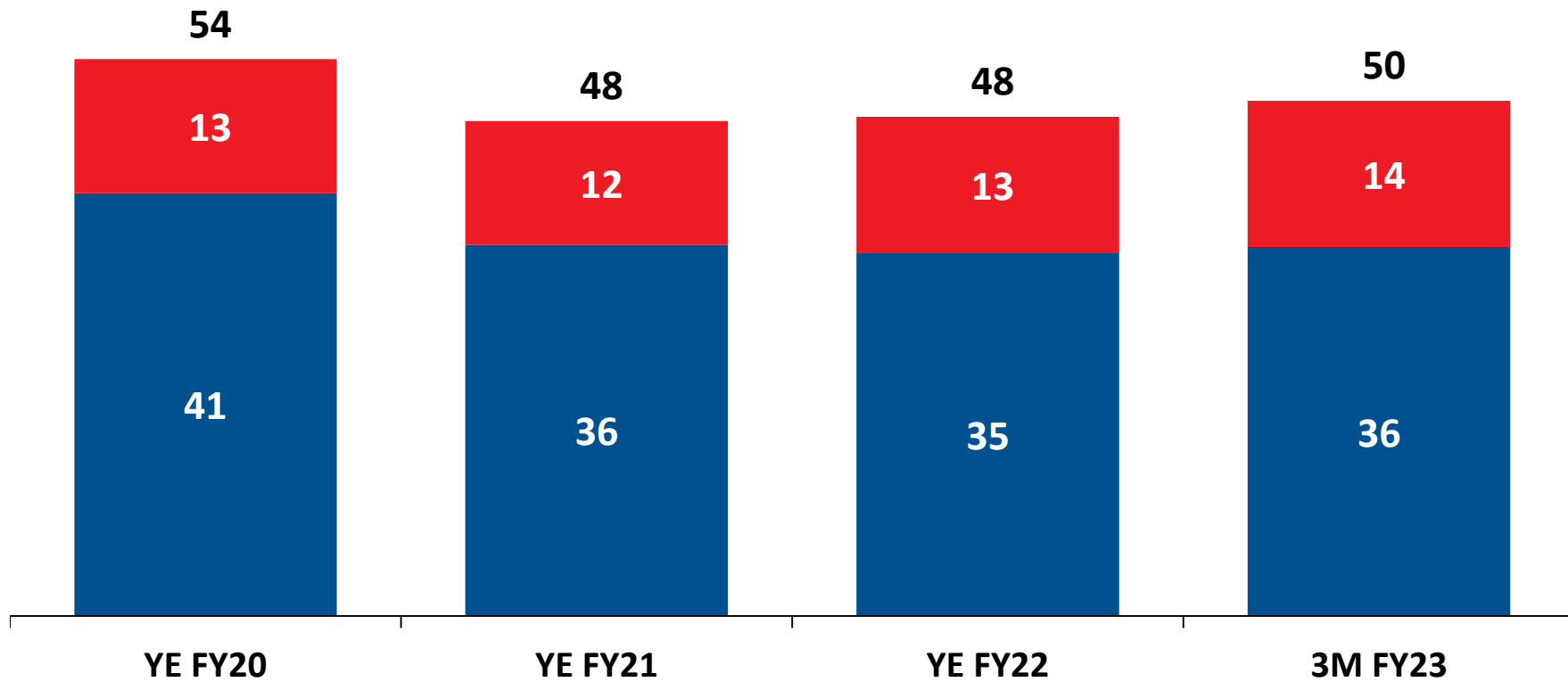
Accounting for equity settled share based payment transaction (ESOPs) at fair value increases the non cash component of Employee Benefits Expenses and is also reflected in Share Options Outstanding Account under Other Equity. This balance of Share Options Outstanding Account is transferred to Securities Premium as and when the stock options are exercised by the employees and subsequent allotment of shares to them. Hence, this charge is neutral to Equity of the Company.

2. A Wholly Owned Subsidiary ('WOS') of the Company namely "HDFC AMC International (IFSC) Limited", located in Gujarat International Finance Tec-City (GIFT City) has been incorporated effective May 27, 2022. The WOS is in the process of capitalisation as at June 30, 2022 and hence no consolidated financial results of the Company have been prepared.

Operating Profit Margin

■ Operating Revenue ■ Operating Expenses ■ Operating Margin

(bps of AAUM)



Statement of Assets and Liabilities

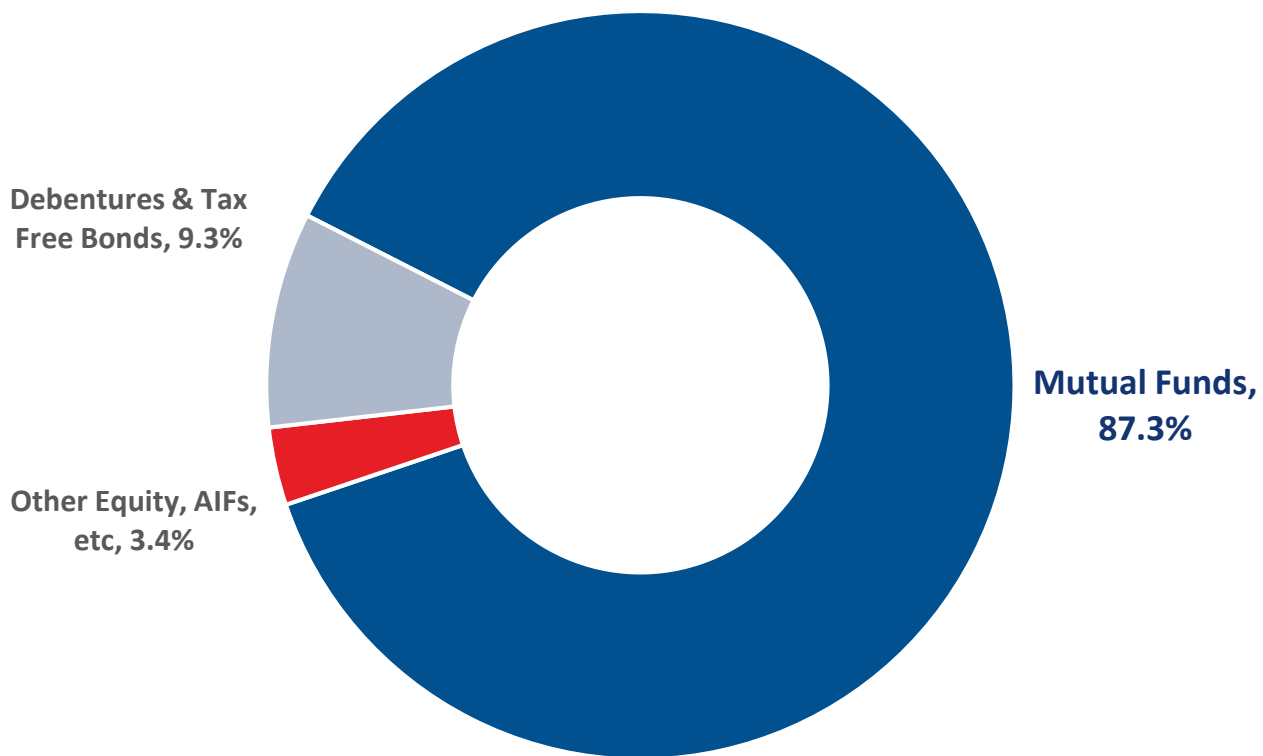
(₹ mm)

Particulars	As at June 30, 2022	As at March 31, 2022
Assets		
Financial Assets	51,441	56,840
Non Financial Assets	2,177	1,964
Total Assets	53,618	58,804
Liabilities And Equity		
Liabilities		
Financial Liabilities	2,007	2,188
Non-Financial Liabilities	2,016	1,315
Equity		
Equity Share Capital	1,067	1,066
Other Equity	48,528	54,235
Total Liabilities And Equity	53,618	58,804

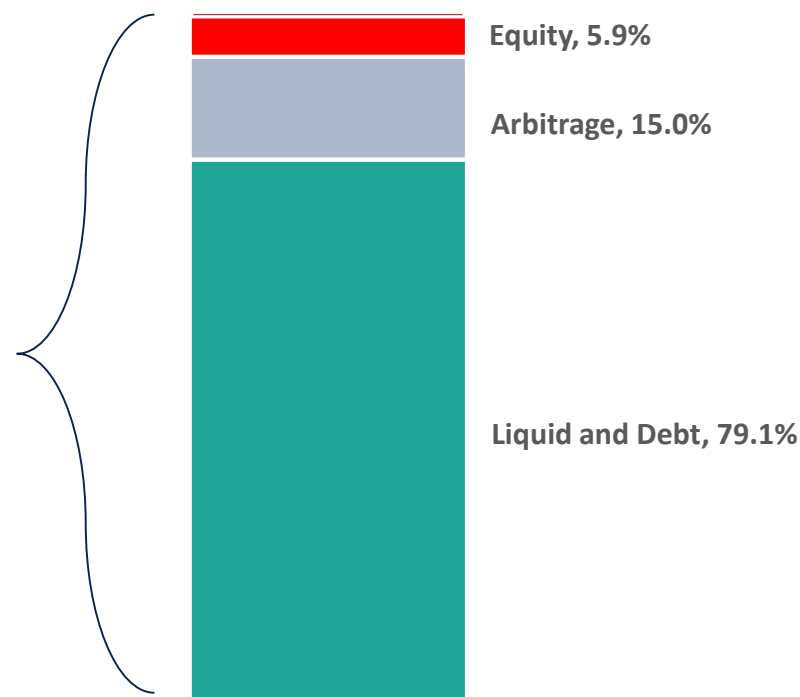
○ Breakup of Investments

Total Investments: ₹ 50,358 million

Breakdown of Total Investments



Breakdown of Mutual Fund Investments



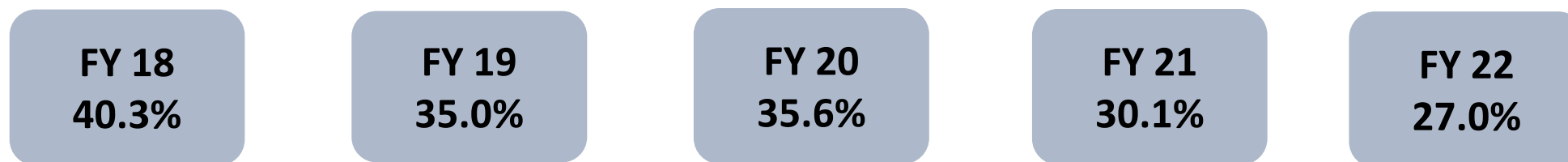
■ Mutual Funds ■ Other Equity, AIFs, etc ■ Debentures & Tax Free Bonds

■ Liquid and Debt ■ Arbitrage ■ Equity

Note: Investments in equity Mutual Funds is as per the regulatory mandate; Data as of June 30, 2022

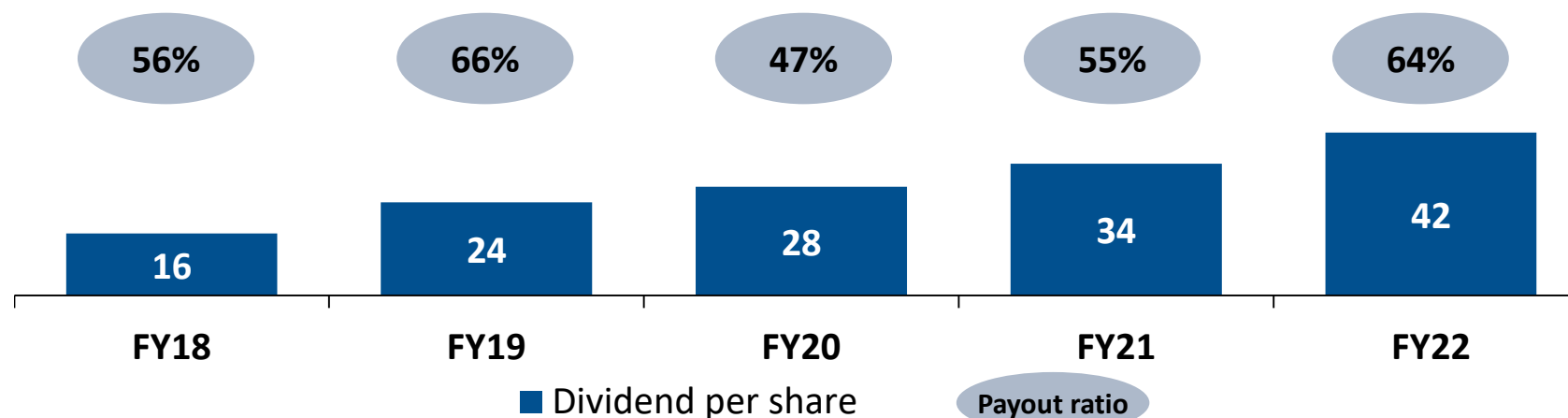
Return On Equity and Dividend Per Share

Return on Equity⁽¹⁾



Return on Equity for FY18 was reported under Previous GAAP. FY19 onwards, it is reported under Ind AS

Dividend Per Share (₹) ⁽²⁾ and Dividend Payout Ratio ⁽³⁾



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

(2) For, FY22, a final dividend of Rs. 42 per equity share was proposed by the board on April 27, 2022 and approved by the shareholders at the Annual General Meeting held on June 29, 2022.

(3) Includes Dividend Distribution Tax for FY18 and FY19

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