27th Annual Report
2025-26

HDFC
ASSET MANAGEMENT COMPANY LIMITED

A BILLION DREAMS.

ONE TRUSTED PARTNER.

India stands at a defining point in its financial evolution. At the heart of this transformation are a billion aspirations. A first-generation investor in a Tier-3 town setting aside a small SIP each month. A young professional building a retirement corpus, decades before retirement. A family dreaming of a child's education, a home, and a future on their own terms. A seasoned investor seeking differentiated opportunities. Ultra High Net Worth Individuals (UHNIs) and family offices preserving and compounding generational wealth. Founders reinvesting after successful exits. Corporate treasuries and institutions deploying strategic capital.

Each story is different. Each aspiration is real.

Rising financial awareness, growing participation in capital markets, and wider adoption of investment products are reshaping the country's investment landscape. More Indians today are looking beyond traditional savings avenues and embracing long-term investing as a pathway to financial progress.

At HDFC AMC, we see this transformation as both an opportunity and a responsibility. Our ambition is to be the one partner investors can trust across every stage of their investment journey, offering a comprehensive suite of investment solutions spanning Mutual Funds, Portfolio Management Services and Alternative Investment Funds, extending our presence and capabilities beyond India to investors and opportunities across the world.

Over the past year, we strengthened our role as a trusted financial partner by expanding our reach, deepening investor engagement, and broadening access to investment solutions across asset classes. Supported by strong investment capabilities, robust risk management practices, a growing digital ecosystem, deeper distribution partnerships, and continued efforts toward investor education, we remain focused on enabling wider participation in India's long-term growth story.

As India's aspirations grow, so does the need for responsible financial guidance and disciplined wealth creation. HDFC AMC remains committed to assisting investors across segments navigate their financial journey with confidence and clarity, guided by our mission "to be the wealth creator for every Indian".

A billion dreams. One trusted partner.

Performance Highlights

Customers

₹8.9 Lakh Crore
Annual Average Assets Under Management

3.02 Crore
Live Accounts

1.67 Crore
Unique Investors

27%
Of Mutual Fund Investors have Chosen Us

Shareholders

₹2,859 Crore
Profit After Tax

₹54
Dividend per Share

81%
Dividend Payout Ratio

Our People

1,713
Employees

800+
Employees Covered under Stock-based Incentive Scheme

29%
Women in the Workforce

79,000+
Training Hours

Great Place To Work. Certified JAN 2026-JAN 2027 INDIA

Network and Reach

280
Offices

1,09,000+
Distribution Partners

Planet and Society

₹42.5 Crore
CSR Spent

97%
Transactions Processed Digitally

NurtureNature
8,000 School bags Made of Recycled Plastic Waste Distributed to Children in Need

~4,500
Investor Education and Awareness Programmes

CONTENTS

Disclaimer

This document may contain statements about expected future events and financials of the Company which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. However, there is no guarantee that the assumptions, predictions, and other forward-looking statements will always prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements, as several factors could cause assumptions, actual future events and results to differ materially from those expressed in such forward-looking statements.

Mutual Fund investments are subject to market risks, read all scheme-related documents carefully.

For detailed Mutual Fund AUM disclosures, please visit: https://www.hdfcfund.com/statutory-disclosure/aum

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Key Terminologies

Key industry metrics and terminology frequently used in the Mutual Fund industry have been simplified in this section.

Assets Under Management (AUM)

It is the total value of all investments managed by the mutual fund. AUM can be at a scheme level or a plan level. For a mutual fund as a whole, AUM represents the value of total investments across all schemes.

Asset Allocation

This refers to the investment strategy that aims to balance risk and rewards by allocating capital between different asset classes such as equity, debt, etc.

Total Expense Ration (TER)

The expense ratio of a mutual fund is calculated by dividing the total expenses the fund has incurred by its AUM. TER comprises the Base Expense Ratio (BER), brokerage cost, transaction costs incurred for the purpose of execution of trades and statutory levies, including GST.

Alpha

Alpha measures the performance of the investment in comparison to a suitable market index. It is a measure of the fund manager's performance.

Systematic Investment Plan (SIP)

A mutual fund gives investors an option of either investing lump sum or through a SIP, breaking the amount into periodic investments over a long period. For example, if an investor wants to invest ₹60,000 annually in a mutual fund scheme, he/she can opt for an SIP of ₹5,000 every month.

Systematic Transfer Plan (STP)

This plan can be used in volatile markets to gradually transfer or switch small amounts of investments at chosen intervals (days/month/quarter) from one scheme to another scheme of a mutual fund.

Systematic Withdrawal Plan (SWP)

Through this facility, the investor receives a pre-determined amount on a periodic basis from the invested scheme. Investors who need regular income often go for this option. The payments are usually given from the scheme's dividend income or capital gain distribution.

Actively Managed Funds

Provide the fund manager the flexibility to choose the investment portfolio within the broad parameters of the investment objective of the scheme.

Passive Funds

Invest on the basis of a specified index; whose performance it seeks to track.

New Fund Offer (NFO)

It refers to the launch of a new Mutual Fund scheme. This is when the scheme is offered to the public for the first time.

Switch

Switch refers to transferring investments from one mutual fund scheme to another within the same fund house.

Net Asset Value (NAV)

It is the price of each unit of a mutual fund scheme. Typically, new mutual fund schemes are priced at ₹10 per unit during the New Fund Offer (NFO) period. Consequently, the NAV will change depending on the performance of the scheme.

About Us

YOUR DREAMS. OUR EXPERTISE.

HDFC Asset Management Company is among India's leading asset management companies. Over the years, we have built a sound foundation based on transparency, effective governance and stakeholder trust. With an extensive range of investment solutions, we are empowering people to advance their financial growth and embark on the journey of wealth creation through disciplined investments.



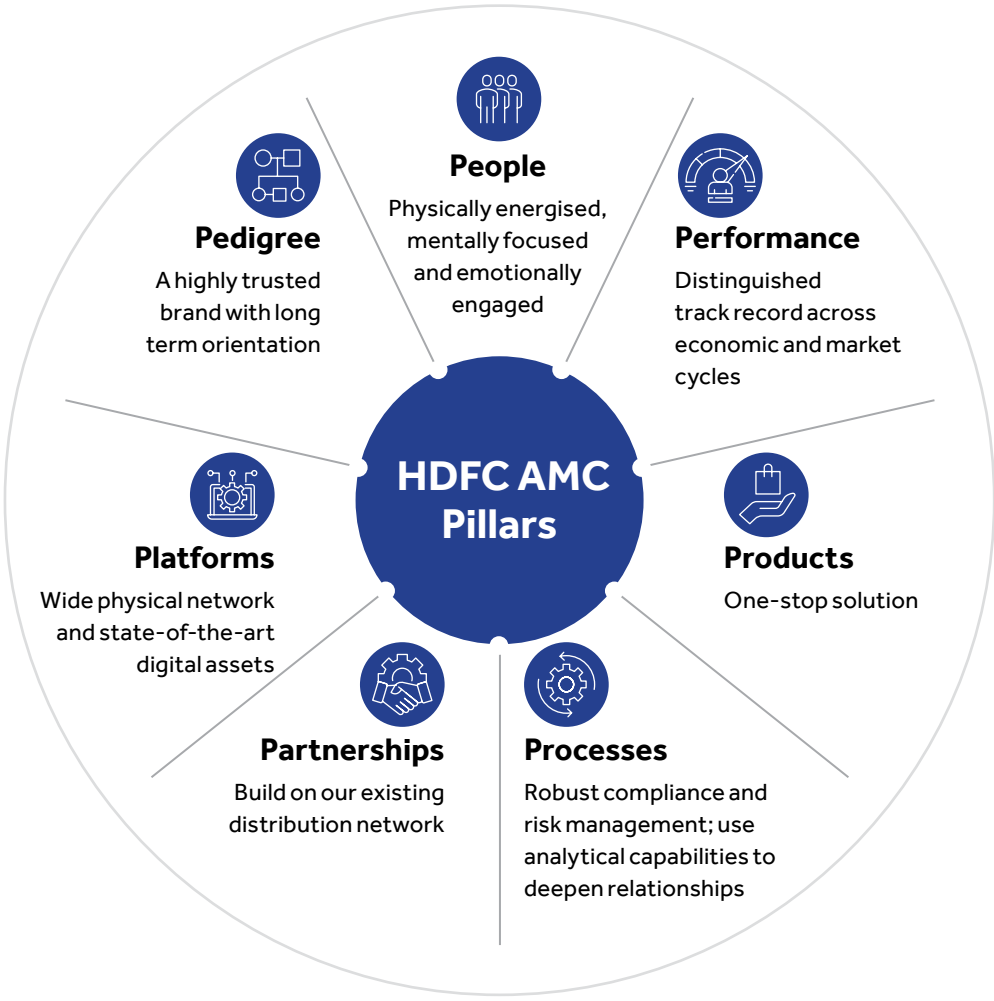
Mission

To be the wealth creator for every Indian



Vision

To be the most respected asset manager in the world



Our Promoter Shareholder

Our promoter shareholder is HDFC Bank, which owns a 52.4% stake (as on March 31, 2026).

HDFC Bank

HDFC Bank is India's largest private sector bank by balance sheet size as on March 31, 2026. It was incorporated in August 1994 by the erstwhile Housing Development Finance Corporation Limited (HDFC Ltd.) which was amongst the first financial institutions in India to receive an 'in-principle' approval from the Reserve Bank of India to set up a bank in the private sector.

Starting as a bank focused on corporates and transaction banking, HDFC Bank evolved into a full-fledged commercial bank covering all segments and products and today is a leader in many of the segments it operates in.

On July 1, 2023, HDFC Ltd. merged with and into HDFC Bank, enabling the Bank to add mortgages to its suite of products. This also brought several marquee financial services institutions, including HDFC Life, HDFC AMC and HDFC Ergo, as subsidiaries under the HDFC Bank Group, in addition to the existing HDFC Securities and HDB Financial Services. Today HDFC Bank is a professionally managed organisation, overseen by an experienced Board of Directors, and does not have an identified promoter.

As of March 31, 2026, the Bank's physical distribution network included 9,689 branches and 21,172 ATMs spread across 4,175 cities and towns. 50% of the Bank's branches are in semi-urban and rural locations.

The Bank's international operations comprise five branches, located in Bahrain, Dubai, Hong Kong and Singapore, and an IFSC Banking Unit in Gujarat International Finance Tec-City. Additionally, it has four representative offices in Abu Dhabi, Dubai, London and Nairobi , respectively.

Our Journey

ONE JOURNEY. COUNTLESS DREAMS.

Over the past two and a half decades, HDFC AMC has built a strong legacy, earning the trust of millions of investors, expanding its offerings and cementing its position among India's leading asset management companies.

1999-2004 Building the Foundation

1999
HDFC AMC was incorporated

2000
HDFC MF was registered with SEBI

Launched 3 NFOs, raising ₹550 Crore

2002
Expanded offerings with launch of Index Funds

2003
Acquired Zurich Mutual Fund schemes

2005-2015 Expanding Scale and Reach

2006
Expanded team to 100 members

2009
Crossed ₹1 Lakh Crore in Assets Under Management (AUM)

2011
Launched HDFC Debt Fund for Cancer Cure

2014
Acquired Morgan Stanley Mutual Fund Schemes

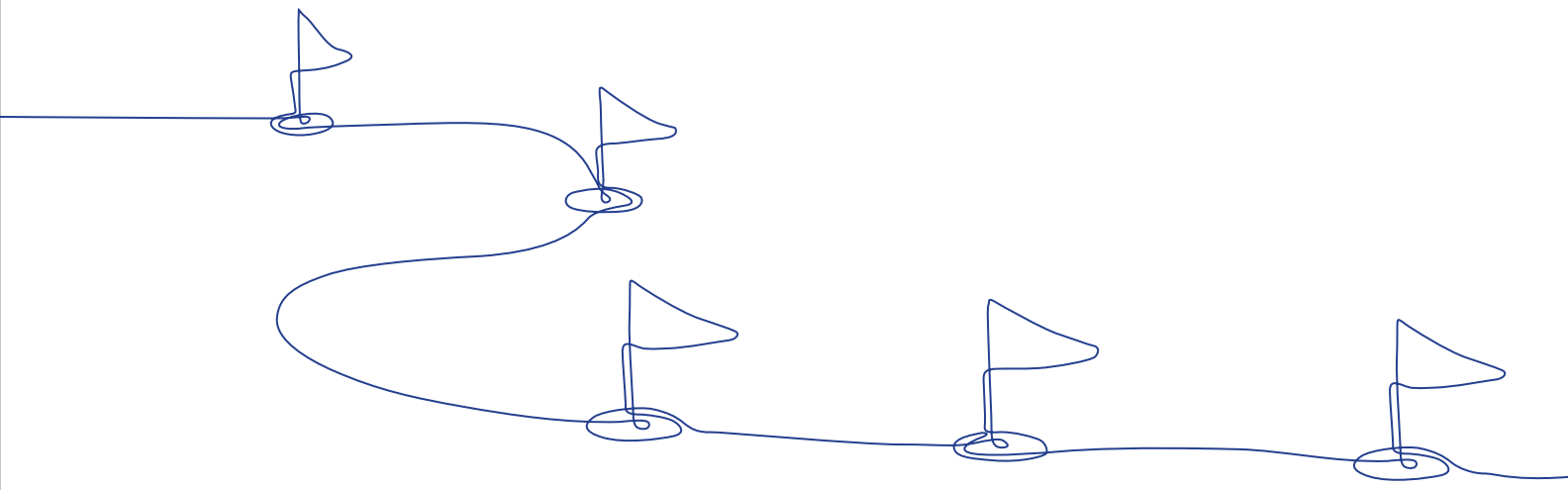
2016-2020 Accelerating Growth

2016
Crossed ₹2 Lakh Crore AUM

2018
Listed on Indian stock exchanges—BSE & NSE

AUM reached ₹3 Lakh Crore

2020
Surpassed ₹4 Lakh Crore AUM mark



2021-2023

Broadening Offerings

2021

Enhanced technology and digital infrastructure to drive scale, security and enrich investor engagement

2022

Forayed into Alternates Business & Incorporated Wholly Owned Subsidiary in GIFT City

2023

Crossed ₹5 Lakh Crore AUM

Became signatory to UN PRI

2024-2025

Strengthening Leadership

2024

Crossed 1 Crore unique investors

100+ products

Opened 24 new offices in a single day

2025

₹7.5 Lakh Crore AUM

Added 25 new offices in a single day, taking our network to 280 offices

2026

Reaching New Heights

- 27% of mutual fund investors have chosen us
- Reached ₹9 Lakh Crore AUM
- Broadened our alternatives platform with the launch of HDFC AMC Structured Credit Fund- I
- Secured marquee fixed income mandates from EPFO and SPFO under the PMS business
- Over 1 Lakh distribution partners

and the journey continues.....

Our Offerings

ONE PLATFORM. BUILT FOR EVERY INVESTOR.

We offer a comprehensive suite of investment solutions spanning equity, fixed income, hybrid and multi-asset solutions across both active and passive strategies. Our offerings extend beyond mutual funds to include portfolio management services and alternative investment funds, catering to the evolving and diverse needs of investors across segments.

Our Platforms

Mutual Funds
Active | Passive

HDFC MUTUAL FUND – BHAROSA APNO KA
Trusted for 20 – INDEX SOLUTIONS

Alternatives
AIF | PMS

HDFC ALTERNATIVES
HDFC PORTFOLIO MANAGEMENT

International Business
WOS in GIFT City

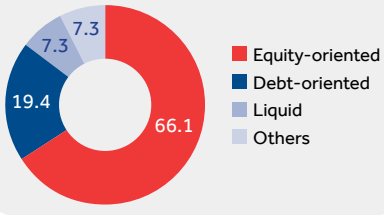
HDFC AMC International (IFSC) Ltd. – HDFC INTERNATIONAL – A subsidiary of HDFC AMC Ltd.

MF Schemes

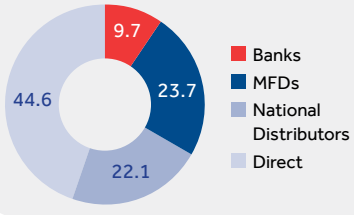
49	32	02	27	110
Equity-oriented	Debt-oriented	Liquid	Others	Total

Equity-oriented includes equity-oriented hybrid and equity-oriented index funds; debt-oriented includes debt-oriented index funds and money market funds. 'Others' includes ETFs, Arbitrage and Fund of Funds.

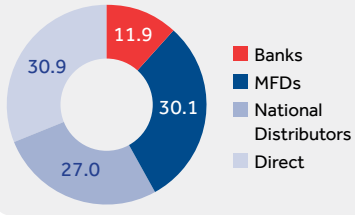
Segment-wise Break-up of Total AUM (%)



Channel-wise Break-up of Total AUM (%)



Channel-wise Break-up of Equity-oriented AUM (%)



As of March 31, 2026

Our offerings are designed to meet the varied needs of a large and diverse customer base, spanning individual investors, institutions and distribution partners. Through this breadth of solutions, we aim to contribute meaningfully to our customers' financial well-being and support the creation of sustainable, long-term wealth.

Mutual Fund Product Suite

Equity

- HDFC Banking & Financial Services Fund
- HDFC Business Cycle Fund
- HDFC Defence Fund
- HDFC Dividend Yield Fund
- HDFC ELSS Taxsaver Fund
- HDFC Flexi Cap Fund
- HDFC Focused Fund
- HDFC Housing Opportunities Fund
- HDFC Infrastructure Fund
- HDFC Large and Mid Cap Fund
- HDFC Large Cap Fund
- HDFC Manufacturing Fund
- HDFC Mid Cap Fund
- HDFC MNC Fund
- HDFC Multi Cap Fund
- HDFC Consumption Fund
- HDFC Pharma and Healthcare Fund
- HDFC Small Cap Fund
- HDFC Technology Fund
- HDFC Transportation and Logistics Fund
- HDFC Value Fund
- HDFC Innovation Fund

Solution Oriented

- HDFC Children's Fund
- HDFC Retirement Savings Fund - Equity Plan
- HDFC Retirement Savings Fund - Hybrid - Debt Plan
- HDFC Retirement Savings Fund - Hybrid - Equity Plan

Fund of Funds

- HDFC Multi-Asset Active FOF
- HDFC Developed World Overseas Equity Passive FOF
- HDFC Gold ETF Fund of Fund
- HDFC Income Plus Arbitrage Active FOF
- HDFC Silver ETF Fund of Fund
- HDFC Diversified Equity All Cap Active FOF
- HDFC Income Plus Arbitrage Omni FOF

Debt

- HDFC Banking and PSU Debt Fund
- HDFC Charity Fund For Cancer Cure
- HDFC Corporate Bond Fund
- HDFC Credit Risk Debt Fund
- HDFC Dynamic Debt Fund
- HDFC Floating Rate Debt Fund
- HDFC Gilt Fund
- HDFC Income Fund
- HDFC Liquid Fund
- HDFC Long Duration Debt Fund
- HDFC Low Duration Fund
- HDFC Medium Term Debt Fund
- HDFC Money Market Fund
- HDFC Overnight Fund
- HDFC Short Term Debt Fund
- HDFC Ultra Short Term Fund
- Fixed Maturity Plans

Hybrid

- HDFC Arbitrage Fund
- HDFC Balanced Advantage Fund
- HDFC Equity Savings Fund
- HDFC Hybrid Debt Fund
- HDFC Hybrid Equity Fund
- HDFC Multi - Asset Allocation Fund

Index

- HDFC BSE 500 Index Fund
- HDFC BSE Sensex Index Fund
- HDFC NIFTY 100 Equal Weight Index Fund
- HDFC NIFTY 100 Index Fund
- HDFC Nifty 50 Index Fund
- HDFC Nifty India Digital Index Fund
- HDFC Nifty LargeMidcap 250 Index Fund
- HDFC NIFTY Midcap 150 Index Fund
- HDFC NIFTY Next 50 Index Fund
- HDFC NIFTY Realty Index Fund
- HDFC NIFTY Smallcap 250 Index Fund
- HDFC Nifty Top 20 Equal Weight Index Fund
- HDFC NIFTY100 Low Volatility 30 Index Fund
- HDFC Nifty100 Quality 30 Index Fund
- HDFC NIFTY200 Momentum 30 Index Fund
- HDFC NIFTY50 Equal Weight Index Fund
- HDFC Nifty500 Multicap 50:25:25 Index Fund
- HDFC NIFTY G- Sec Apr 2029 Index Fund
- HDFC Nifty G- Sec Jun 2027 Index Fund
- HDFC Nifty G-sec Dec 2026 Index Fund
- HDFC Nifty G-Sec July 2031 Index Fund
- HDFC NIFTY G-sec Jun 2036 Index Fund
- HDFC Nifty G-Sec Sep 2032 Index Fund
- HDFC Nifty SDL Oct 2026 Index Fund
- HDFC NIFTY SDL Plus G-Sec Jun 2027 40:60 Index Fund
- HDFC CRISIL-IBX Financial Services 3-6 Months Debt Index Fund
- HDFC BSE India Sector Leaders Index Fund
- HDFC Nifty India Consumption Index Fund
- HDFC CRISIL-IBX Financial Services 9-12 Months Debt Index Fund

ETF

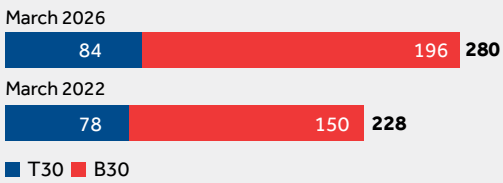
- HDFC BSE 500 ETF
- HDFC BSE SENSEX ETF
- HDFC Gold ETF
- HDFC NIFTY 100 ETF
- HDFC Nifty 1D Rate Liquid ETF - Growth
- HDFC NIFTY 50 ETF
- HDFC NIFTY Bank ETF
- HDFC NIFTY Growth Sectors 15 ETF
- HDFC NIFTY IT ETF
- HDFC NIFTY Midcap 150 ETF
- HDFC NIFTY NEXT 50 ETF
- HDFC NIFTY Private Bank ETF
- HDFC NIFTY PSU BANK ETF
- HDFC NIFTY Smallcap 250 ETF
- HDFC NIFTY100 Low Volatility 30 ETF
- HDFC NIFTY100 Quality 30 ETF
- HDFC NIFTY200 Momentum 30 ETF
- HDFC NIFTY50 Value 20 ETF
- HDFC Silver ETF

Our Presence

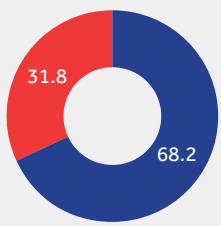
BROADENING REACH. DEEPENING ENGAGEMENT.

Our extensive distribution network continues to be one of the key drivers of growth, enabling us to deepen our presence across the country and strengthen our connect with investors.

Physical Footprint–Offices

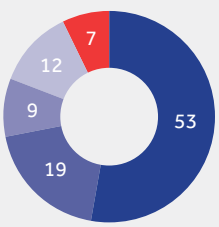


Investor Base Break-up (%)



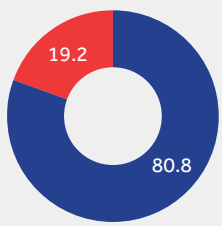
Monthly Average AUM - March 2026

AUM by Geography (%)



% of Total AUM as on March 31, 2026

Geography-wise Break-up (%)



T30 – Top 30 cities in India
B30 – Beyond the top 30 cities in India

Monthly Average AUM - March 2026

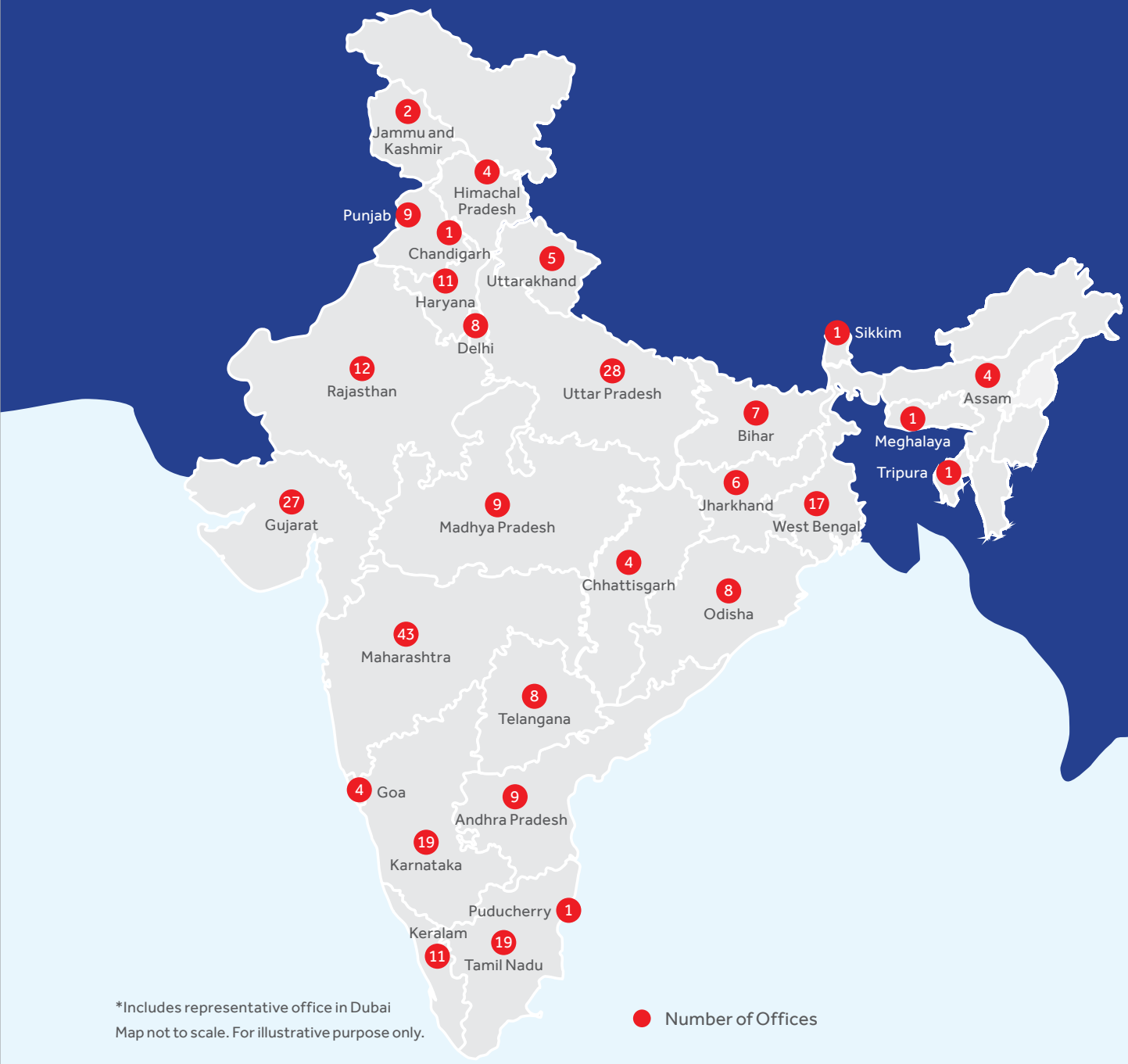
Pan-India Network

280* Offices

~98% PIN codes Serviced across India

1,09,000+ Distribution Partners

1,713 Employees



*Includes representative office in Dubai

Map not to scale. For illustrative purpose only.

Our Investment Philosophy

A DISCIPLINED APPROACH TO WEALTH CREATION

A disciplined, research-led approach guides our investment decisions across asset classes. By combining strong market insight with prudent risk management, we aim to build resilient portfolios that can navigate volatility and create long-term value for investors.

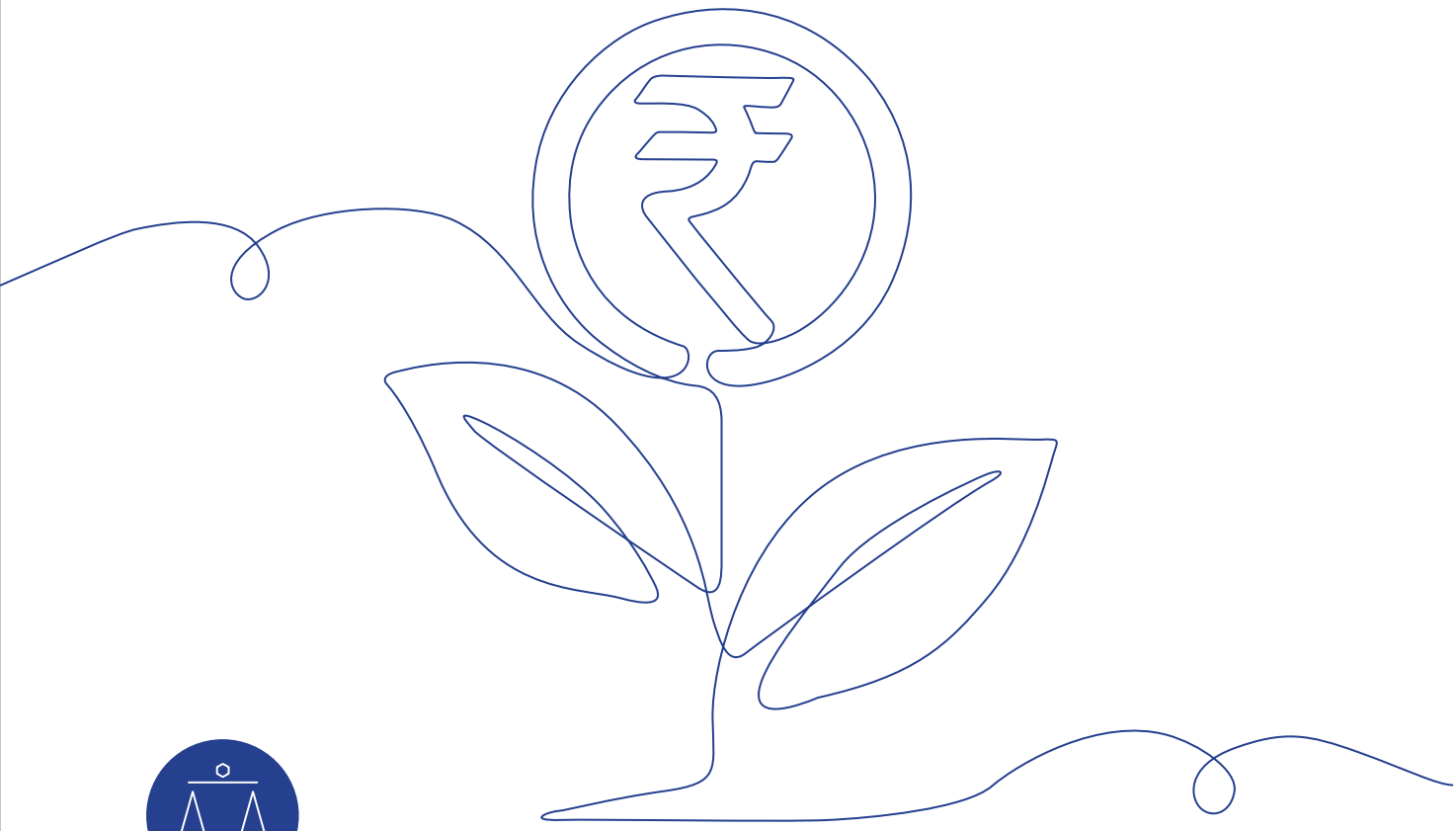
Robust processes, sound governance, and a long-term perspective remain central to the way we invest and manage capital.



Equity Schemes

Equity-oriented schemes constituted 66.1% of our total AUM as of March 31, 2026. Our investments in equities are driven by fundamental research with a medium-to long-term view. Our investment philosophy for equity-oriented schemes is based on the belief that over time, stock prices reflect their intrinsic values. Our research efforts are predominantly bottom-up focused, keeping in mind the economic outlook and macroeconomic conditions. The emphasis is on key drivers and calibrating risks, taking into account both quantitative (growth prospects, key variables, analysis of P&L statements, balance sheets and cash flows, etc.) and qualitative (management quality, corporate governance, track record, competitive advantage, feedback from dealers, customers and experts, etc.) factors. At the same time, we aim to acquire businesses available at reasonable valuations and hold onto them for an extended time frame.

With a view to offering a choice of diversity of styles to our customers and to mitigate business risk, we have built capabilities by adding appropriate resources during the last few years. While we already have products that focus on different market capitalisations, we feel diversity in our investment style and approach will be in the long-term interest of our customers and the business. We will remain firmly focused on fundamentals-led research and will continuously improve our understanding of the investment universe.



Debt Schemes

The investments in fixed-income securities by our debt schemes are guided by our investment philosophy of Safety, Liquidity and Returns (SLR), generally prioritised in that order. Given the limited liquidity of credit markets in India, we believe focus on liquidity, especially in open-ended schemes, is of paramount importance. Our liquid and debt-oriented schemes constituted 26.7% of our total AUM as of March 31, 2026. All investments are made in line with the respective Scheme Information Document (SID) and in permitted instruments such as government securities, non-convertible debentures, corporate bonds, asset-backed securities, money market instruments, etc. Our Credit Risk Assessment framework lays emphasis on the Four C's of Credit—Character of management, Capacity to pay, Collateral pledged to secure debt and Covenants of debt—wherever applicable.

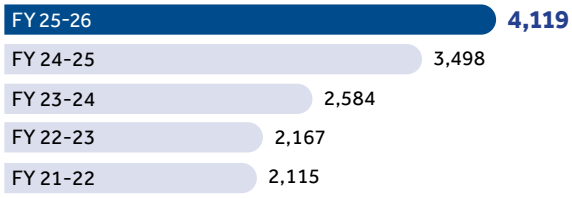
Further, we have an internal framework to determine absolute and relative investment exposure limits for individual credits. This approach, along with a good understanding of credits, has helped us avoid a majority of the stress cases faced by the mutual fund industry over the past decade. Apart from the aforesaid, we aim to add value in fixed income investments by managing the portfolio driven by our medium- to long-term view on interest rates, yield curve, and spreads across tenors, ratings, sectors, and various fixed-income segments (corporate bonds, GSECs, CPs, CDs, etc.).

Performance Snapshot

A HEALTHY GROWTH TRAJECTORY

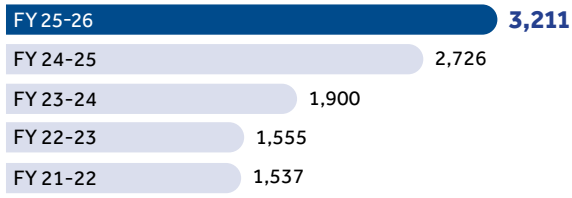
Revenue from Operations (₹ in Crore)

+17.3% 5-year CAGR



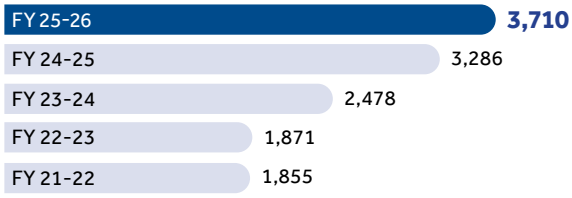
Operating Profit (₹ in Crore)

+18.1% 5-year CAGR



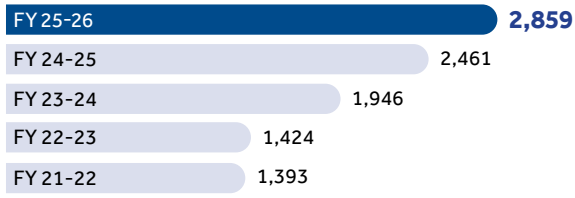
Profit Before Tax (₹ in Crore)

+16.2% 5-year CAGR



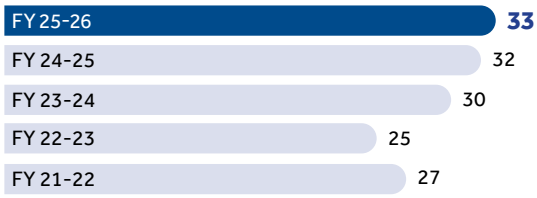
Profit After Tax (₹ in Crore)

+16.6% 5-year CAGR



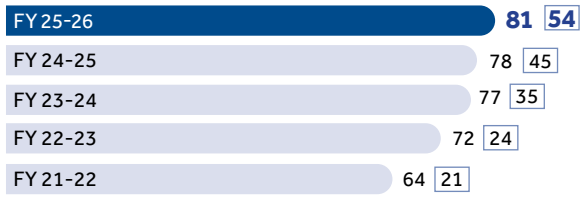
Return on Equity (%)

33



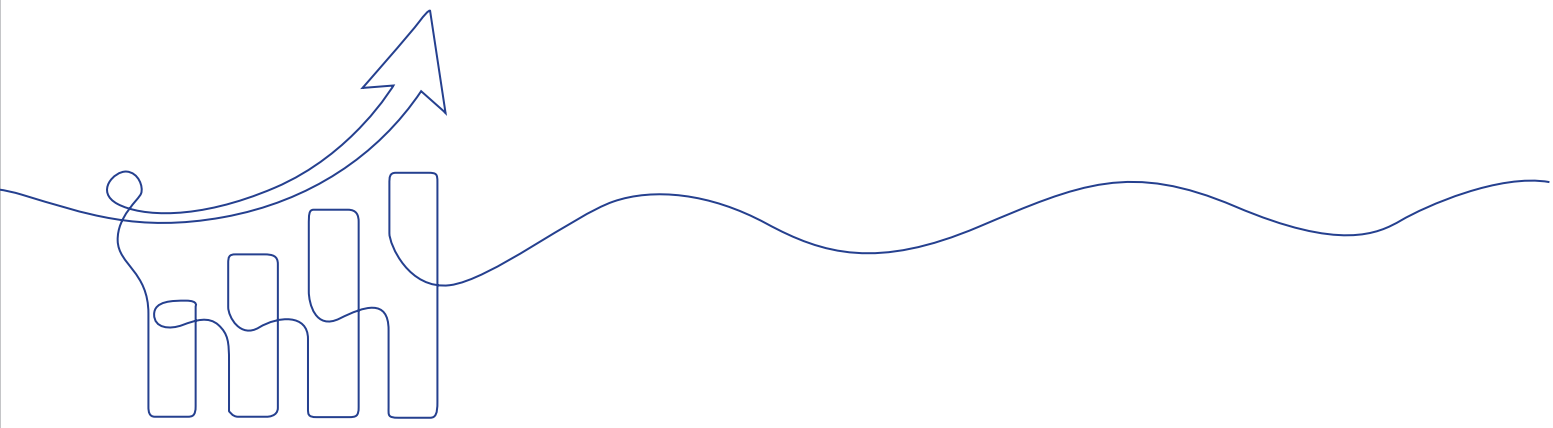
Dividend Payout Ratio (%)

81



Notes:

1. FY 20-21 has been taken as the base year for CAGR calculation. Revenue from Operations, Operating Profit, Profit Before Tax and Profit After Tax in FY 20-21 were ₹1,853 Crore, ₹1,400 Crore, ₹1,749 Crore and ₹1,326 Crore respectively.
2. Final Dividend for FY 25-26 is recommended by the Board of Directors on April 16, 2026 which is subject to shareholders' approval at the ensuing Annual General Meeting.
3. The dividend per share information for the previous years (FY 21-22 to FY 24-25) has been restated to reflect the effect of bonus shares issuance and therefore presented on post-bonus basis. The corresponding dividend per share on pre-bonus basis were ₹90, ₹70, ₹48 and ₹42 for the FY 24-25, FY 23-24, FY 22-23 and FY 21-22 respectively.



Assets Under Management (₹ in Crore)

+16.4% 5-year CAGR

FY 25-26	**8,43,994**
FY 24-25	7,54,453
FY 23-24	6,07,342
FY 22-23	4,36,696
FY 21-22	4,07,553

Active Equity-oriented AUM (₹ in Crore)

+25.8% 5-year CAGR

FY 25-26	**5,21,243**
FY 24-25	4,69,935
FY 23-24	3,75,383
FY 22-23	2,32,233
FY 21-22	1,99,548

Digital Transactions (% of Total Transactions)

97

FY 25-26	**97**
FY 24-25	94
FY 23-24	90
FY 22-23	81
FY 21-22	76

Live Individual Accounts (in Lakh)

+27.7% 5-year CAGR

FY 25-26	**300.9**
FY 24-25	231.7
FY 23-24	162.5
FY 22-23	112.7
FY 21-22	97.7

Systematic Transactions (₹ in Crore)

+36.3% 5-year CAGR

March 2026	**4,875**
March 2025	3,653
March 2024	2,935
March 2023	1,711
March 2022	1,231

Individual's Share in AUM (% of Monthly Average AUM)

68.2

March 2026	**68.2**
March 2025	69.6
March 2024	70.8
March 2023	67.2
March 2022	62.4

Notes:

1. All data is as of March for each year, unless stated otherwise.
2. March 2021 has been taken as the base for CAGR calculation. Assets under management and actively managed equity-oriented AUM in March 2021 were ₹3,95,476 Crore and ₹1,65,381 Crore, respectively.
3. Assets under management (AUM) refers to month-end closing AUM.
4. Actively managed equity-oriented AUM includes all solution-oriented schemes/portfolios and excludes index funds and ETFs.
5. Systematic transactions includes Systematic Investment Plan (SIP) and Systematic Transfer Plan (STP).

CHAIRMAN'S MESSAGE



Dear Shareholders,

Over the course of my professional life, I have had the privilege of witnessing several phases in India's economic evolution. When I began my career, investing in capital markets was a distant consideration for most Indian households. Savings were typically allocated to assets that felt safe and familiar, such as fixed deposits, gold or real estate.

India is gradually transitioning from a culture of saving to one that increasingly embraces investing as a means of participating in the country's growth story. Mutual funds have played a pivotal role in this transformation, offering households a simple, accessible and professionally managed avenue to invest with confidence. This transition is no longer confined to large cities, it is reaching smaller towns and a broader cross-section of households. This widening investor base is strengthening the foundations of our capital markets and building a more inclusive financial culture.

Decades ago, we recognised early that millions of Indian households needed access to housing finance. That conviction, sustained over decades, helped build one of India's most trusted financial conglomerates. We see a similar long-term potential in asset management today. With household participation in capital markets still low, we believe we are well-positioned to deepen our presence and capture this growth opportunity while remaining steadfast in earning investors' trust over the long term.

Changing Global Landscape

The past year unfolded against a complex and shifting global backdrop that tested the resilience of economies, industries and businesses. Geopolitical tensions continued to disrupt energy and food supply chains, introducing sustained volatility across global markets. At the same time, trade relationships are being reshaped as economies recalibrate supply chains in pursuit of resilience. Alongside these geopolitical and macroeconomic shifts, the pace of technological change has accelerated considerably. The rapid adoption of artificial intelligence across industries is emerging as a defining force that is reordering competitive dynamics and reshaping how businesses operate, compete and create value.

India was not immune to this environment, but it demonstrated remarkable resilience within it. The country's fundamentals remained strong, with real GDP growth for FY 25-26 estimated at 7.6%, among the highest for any major economy, anchored by domestic consumption, sustained public investment in infrastructure and the continuing expansion of a digital economy that is improving efficiency and broadening access. The Reserve Bank of India maintained a balanced approach to monetary policy, supporting growth while preserving financial stability.

Financialisation as a Structural Shift

One of the most significant developments in India's financial landscape is the steady financialisation of household savings. Rising incomes, increasing financial awareness, wider distribution networks and the adoption of digital platforms are collectively reshaping how households allocate capital.

During the year, the mutual fund industry crossed an important milestone with assets under management exceeding

₹80 Lakh Crore. Systematic Investment Plans have been central to this growth, with monthly contributions exceeding ₹32,000 Crore in March 2026. By encouraging regular investing and a long-term perspective, SIPs have emerged as an important instrument of financial discipline, enabling investors to participate in markets in a measured and consistent manner.

This behavioural shift among investors is strengthening the depth and stability of India's financial markets and reflects a broader, structural move towards more disciplined long-term participation in capital markets.

Importance of Trust and Transparency

A strong and credible regulatory framework remains fundamental to the development of any financial system. Measures introduced by the Securities and Exchange Board of India, including the new expense ratio framework and enhanced disclosure standards, are important steps towards improving transparency and comparability for investors.

Regulation, when applied consistently and thoughtfully, does more than protect investors. It strengthens confidence in the system as a whole. Trust, once established, becomes a powerful enabler of long-term participation in financial markets. For the asset management industry, maintaining that trust is both a responsibility and a prerequisite for sustained growth.

Stewardship in an Expanding Market

As participation in capital markets expands, the responsibilities of the industry grow in equal measure. A growing number of investors are entering financial markets for the first time. For many of them, mutual funds represent their initial exposure to market-linked investments.

This makes investor education and suitability particularly important. Encouraging participation must always be accompanied by a clear understanding of risks, investment horizons and the importance of patience in long-term investing. Our role, therefore, extends beyond managing portfolios. It includes acting as responsible stewards of the savings entrusted to us.

Opportunities Ahead

India's long-term economic prospects remain strong. The country's demographic strengths, entrepreneurial energy and expanding digital infrastructure together provide a solid foundation for sustained growth.

At the same time, the asset management industry continues to operate well below its long-term potential. Mutual fund penetration remains modest, and industry assets under management are significantly lower as a percentage of GDP compared with developed markets. This indicates that the journey of financialisation is still in its early stages.

As India progresses towards the aspirations it has set for itself in the decades ahead, including the vision of becoming a developed economy by 2047, the role of trusted financial institutions will become increasingly important.

As household savings continue to migrate towards financial assets, asset management companies will play an increasingly vital role in channelling those savings into productive investments, supporting economic growth while helping individuals achieve their long-term financial goals.

Acknowledgements

I would like to thank the regulator, industry body AMFI and all market participants for their continued efforts in strengthening the ecosystem.

I would be remiss if I did not acknowledge the leadership of Navneet Munot, whose steady execution and prudence have held the Company in good stead, particularly in a year of unprecedented volatility. I am also grateful for the guidance and stewardship of all our directors who are integral to the Company's resilience and long-term focus.

To all our employees: we owe you a debt of gratitude for your efforts, commitment to customer centricity and upholding the founding values of our institution.

Our distribution partners across the country play an important role in bringing the benefits of disciplined investing to households across India. Their efforts contribute meaningfully to strengthening the culture of financial planning.

I thank our shareholders for their continued confidence in the Company and our management and our investors for the trust they place in us as stewards of their savings. Every investment entrusted to us carries with it the responsibility of protecting and growing hard-earned savings. It is a responsibility we carry with a deep sense of accountability, discipline and long-term commitment.

Deepak S. Parekh
Chairman

MD AND CEO'S MESSAGE



Dear Shareholders,

Financial year 2025-26 unfolded against a complex and evolving global backdrop. The continuing conflict in West Asia disrupted trade flows and weighed on commodity markets. Tariff pressures added complexity to global supply chains. Equity markets softened during the year, bond yields remained elevated, the rupee experienced increased volatility and precious metals saw sharp spikes followed by heightened volatility.

In this environment, the domestic financial ecosystem demonstrated remarkable resilience. For the mutual fund industry, the year marked an important behavioural inflection. Despite intermittent market volatility and mark-to-market pressures, domestic investors not only remained invested but also capitalised on market movements to increase their equity exposure. Systematic Investment Plan flows remained robust, reinforcing the steady shift from episodic participation to disciplined, long-term wealth creation. The growing maturity of the Indian investor strengthens the foundations of a more stable domestic savings and investment ecosystem, supports long-term capital formation and contributes meaningfully to the country's broader economic development over time.

Delivering Through the Cycle

HDFC AMC delivered strong performance through the year, supported by robust fundamentals and disciplined execution. Our annual average AUM for FY26 stood at ₹8.9 Trillion, reflecting year-on-year growth of 19%. We continued to maintain a strong presence in actively managed equity-oriented funds, with a market share of 13% as on March 31, 2026.

Financial performance was equally encouraging, with total income growing 14% year-on-year to ₹46.2 Billion, while Profit After Tax rose 16% to ₹28.6 Billion.

Our investor base expanded to 16.7 Million unique investors, with 3.5 Million added during the year against an industry addition of 7.2 Million, taking our penetration in the unique investor base to 27%. Over the past three years, we have added 10.1 Million unique investors compared with an industry addition of 23.7 Million, reflecting the trust and confidence that investors continue to place in us. Our SIP AUM crossed ₹2 Trillion, marking a significant milestone and signalling a structural shift towards more consistent and sustained investor participation.

Our funds continue to build on a long track record spanning multiple decades, reinforcing our commitment to consistency and long-term value creation. The track record is a testimony of our time-tested investment philosophy, robust processes and risk management. Our investment philosophy remains anchored in valuation discipline, quality and diversification across sectors and market capitalisations, enabling us to navigate cycles while participating in long-term growth. Risk management for us is not an 'after the fact' activity but deeply ingrained in the entire investment process.

Distribution Strategy

Our distribution strategy is anchored in breadth of reach and balance across channels and is well diversified. We continue to deepen engagement across all channels, including banks, national distributors, mutual fund distributors and the growing fintech ecosystem, resulting in a well-diversified and broad-based distribution franchise. This multi-channel architecture keeps our flows well-diversified and resilient across market conditions.

Digital channels are accelerating this reach. Fintech platforms are emerging as a powerful growth driver, enabling access to younger, digitally native investors and accelerating SIP adoption. This is complemented by our own digital capabilities, with 97% of transactions now executed digitally, enhancing both reach and efficiency.

Our parent, HDFC Bank, remains an important partner in this ecosystem, enabling deeper integration of investment solutions within customer journeys and providing access to a large, high-quality customer base.

At the same time, physical distribution continues to be critical in expanding participation, particularly in underpenetrated markets. We are steadily strengthening our on-ground presence, including in B30 (beyond the top 30) cities, where the opportunity to widen investor participation remains significant. Today, our network comprises 280 offices, including 196 offices in B30 locations, reflecting our continued commitment to improving access and deepening financial inclusion across the country.

Distribution, in our view, is not merely about access but about the quality of experience and trust we build over time. We maintain a strong emphasis on distributor and customer satisfaction that enables us to identify gaps, act on feedback and continuously enhance the quality of engagement. This approach has contributed to a more diversified investor base, broader geographic reach and greater resilience in flows. It aligns closely with our mission, 'To be the wealth creator for every Indian', by making investing more accessible, inclusive and trusted across the country.

Technology, Digital and AI as Strategic Enablers

We are in the midst of a fundamental shift in how financial services are built and delivered. Advances in Artificial Intelligence, cloud-native platforms and real-time data are reshaping how institutions operate, how investors engage and how value is created.

At HDFC Asset Management Company, we are not merely adapting to this shift; we are helping define it. Our ambition is to become the DigitalAI wealth creator for every Indian by embedding technology and intelligence into every aspect of our business.

Across the investor lifecycle, we are reimagining how investors discover, transact and engage with us. Our platforms are intuitive, personalised and digital-first, with a majority of our transactions now executed digitally. At the same time, we are strengthening our partner ecosystem through integrated tools and data-led insights, enabling distributors to serve their clients more effectively.

Artificial intelligence is being embedded across functions as a force multiplier. From enhancing research and investment processes to enabling personalised investor engagement and improving operational efficiency, our focus is on augmenting human judgement rather than replacing it. This allows our teams to operate with greater speed, depth and precision.

Technology, in our view, is not a support function but a strategic differentiator. By building scalable, intelligent and secure platforms, we are creating a long-term advantage that will enable us to serve investors and partners more effectively while positioning us for the next phase of growth.

Building the Next Engine of Growth

While mutual funds remain the foundation of our franchise, we are building a broader, multi-engine platform to meet the evolving needs of investors. Our expansion across Alternative Investment Funds, Portfolio Management Services and International Business is guided by the same principles that define our core business: disciplined execution, strong governance and an unwavering focus on client outcomes. Together, these businesses position us to serve a wider spectrum of institutions, high-net-worth investors and global clients seeking differentiated solutions and long-term partnerships.

Our alternatives platform is emerging as a meaningful growth driver, with a focus on building depth in both private and public markets. Within this, we are developing differentiated capabilities across equity and credit strategies, supported by robust investment processes, strong risk management and institutional-grade product frameworks. Our Category II AIF Fund of Funds provides curated access through a rigorous manager selection framework. Our private credit strategy, with IFC as a partner and anchor investor, focuses on delivering superior risk-adjusted

MD and CEO's Message

returns with a strong emphasis on capital preservation while working with credible promoters.

Our Portfolio Management Services business has crossed ₹100 Billion in AUM, reflecting deepening participation from institutional investors and high-net-worth individuals. We were awarded mandates from EPFO and SPFO, among the most prestigious and competitive opportunities in the industry. Managing a portion of the retirement savings of crores of Indians is both a privilege and a responsibility that we approach with humility, discipline and a deep sense of accountability. It reflects the trust placed in our investment capabilities and governance standards and reinforces our mission 'to be the wealth creator for every Indian'.

International business represents an important strategic pillar in our journey to build an asset management institution aligned with international standards and long-term global capital. It enables us to participate more meaningfully in cross-border flows, extend India's investment opportunity to global investors and strengthen our position within the evolving international financial architecture. Through our wholly owned subsidiary in GIFT City, HDFC AMC International (IFSC) Limited, we are building a platform that connects global capital with Indian opportunities and enables Indian investors to access global markets. I believe that GIFT City is not merely a regulatory construct; it is India's gateway to global capital and a defining step in the country's financial evolution, with the potential to emerge as a leading global financial centre over time. As part of our international business platform, we serve as investment advisors to three funds, further strengthening our presence across global investment platforms.

Across these segments, our direction is clear: to build a comprehensive, future-ready asset management platform that delivers across investment solutions while maintaining the discipline and consistency that define our franchise. We are reinforcing our position as a one-stop platform for investors, providing seamless access to a comprehensive suite of solutions across asset classes, geographies and investor segments.

People: Our Defining Advantage

People remain the cornerstone of our organisation. We strongly believe, for any organisation to thrive, it is important to have people who are physically energised, mentally focused and emotionally engaged. During the year, we continued to invest in learning and capability development across investments, technology, risk, governance, ethics and client engagement. Our learning ecosystem is evolving to build not just expertise, but judgement. Through a combination of in-house programmes, digital platforms and curated initiatives, we are equipping our people to excel in a rapidly changing environment. Our focus remains on enabling our teams to leverage emerging technologies while preserving the primacy of human insight and accountability. These efforts are reflected in over 79,000 employee training hours during the year, underscoring our commitment to depth, rigour and fiduciary responsibility.

We also believe that those who contribute to building the institution should participate in the value it creates. This shapes how we think about ownership, participation and long-term alignment across our teams. It is a culture we are proud of and one that has also been recognisedas a Great Place to Work for the third consecutive year.

Sustainability at HDFC AMC

Sustainability is intrinsic to how we invest, how we govern ourselves and how we serve society.

On the investment side, ESG considerations are embedded in our research, portfolio construction and risk assessment processes. We engage actively with portfolio companies on governance standards, capital allocation discipline, climate risk and material social issues and exercise our voting rights with consistency and accountability. Stewardship of capital is central to our role as long-term owners, and responsible investing is inseparable from delivering durable outcomes for our investors.

On the operational side, we continued to strengthen governance practices and advance our environmental and social priorities. Oversight by the Board level ESG and CSR Committee ensures alignment between sustainability objectives and corporate strategy. We remain focused on transparency, ethical conduct and disciplined risk management, applying the same standards to ourselves that we expect from the companies in which we invest.

Investor education is a critical extension of this responsibility. Through investor awareness programmes, digital platforms, webinars and on-ground outreach, we continue to build financial literacy across diverse segments. Programmes such as 'Barni Se Azadi' and 'SIP Saheli' promote financial independence among women, collectively reaching over two Million participants. Our 'Mission MARS' and 'Campus Connect' initiatives have engaged more than 70,000 students, while 'Bharosa', 'Future-Ready' and 'Mission Samriddhi' extend investor education to the specially-abled, retirees

and members of the armed forces and their families.

Our approach to sustainability is guided by a clear principle: the wealth we help create must be built responsibly, governed with integrity and aligned with long-term outcomes for investors and society. This is reflected in our ESG mission, 'To create sustainable wealth for every stakeholder by focusing on three Ps—People, Planet, and Prosperity'.

India's Long-term Opportunity

India's economic trajectory remains one of the most compelling globally, supported by a young demographic profile, entrepreneurial culture, expanding digital infrastructure and a stable policy environment. These factors are accelerating the financialisation of savings and deepening participation in capital markets.

Despite this progress, mutual fund penetration remains modest, at about 4% of the population and industry AUM at approximately 21% of GDP, compared with over 100% in the mature markets. This gap underscores the scale of the opportunity ahead. As incomes rise and financial awareness improves, savings are steadily shifting from physical assets and traditional instruments towards market-linked investments, creating a multi-decade runway for growth.

India's household savings, largely held in physical assets and bank deposits, provide a strong base for this transition. As per capita income crosses $3,000 and annual household savings approach $1 Trillion, the potential for broader participation and higher investment per investor becomes increasingly evident. The migration of these savings into mutual funds represents a structural opportunity that will unfold over decades.

In Closing

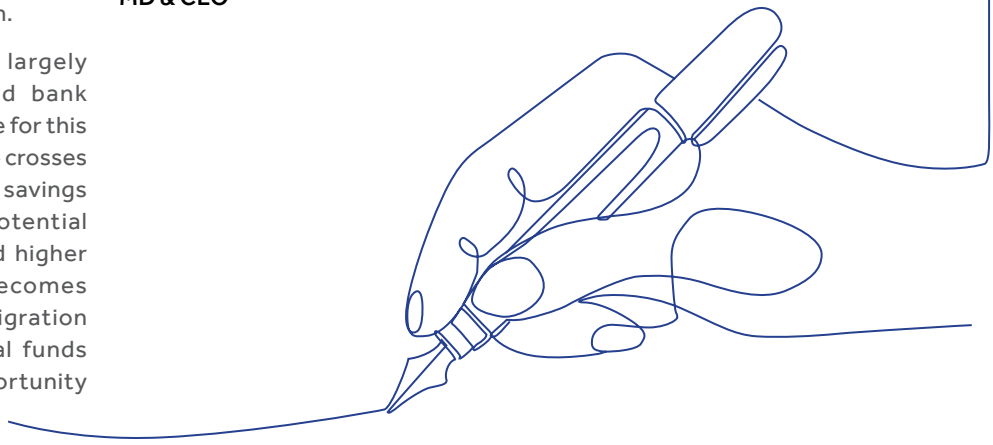
We remain grateful for the trust and support of our shareholders, the confidence placed in us by our investors, the continued partnership of our partners, the guidance of our Board and the dedication of our people. We acknowledge the pivotal role played by the regulator and the Association of Mutual Funds in India (AMFI) in strengthening the ecosystem and enabling the industry's sustained growth.

As we look ahead, our priorities remain unchanged: to deepen our investment management, risk management and product management capabilities, deliver top-tier service and expand our platforms responsibly while upholding the highest standards of fiduciary responsibility.

Long-term success in asset management is built on trust, governance and the ability to evolve responsibly as scale increases. Over the years, we have consciously invested in strengthening HDFC AMC as a future-ready institution with an aspiration to be the most respected asset manager in the world.

Navneet Munot

MD & CEO



Digitisation

SEAMLESSLY DIGITAL, EVERY STEP OF THE WAY

A Digital + AI approach is becoming the operating system of our organisation. It is no longer just a channel but the core that redefined every investor experience, partner relationship and internal workflow. With an AI-first mindset at the centre, we strengthened the capabilities that matter most: speed, trust, intelligence and scale.

Four Pillars

Seamless Digital Journeys with our Investor Platforms

Every touchpoint: Onboarding, payments, servicing—redesigned to reduce friction and meet investors in the interfaces they already trust.

Scaling Digital Distribution with our Partner Platforms

Deeper API integrations, stronger partner-facing capabilities and messaging-led channels that make HDFC AMC the easiest digital partner to grow with.

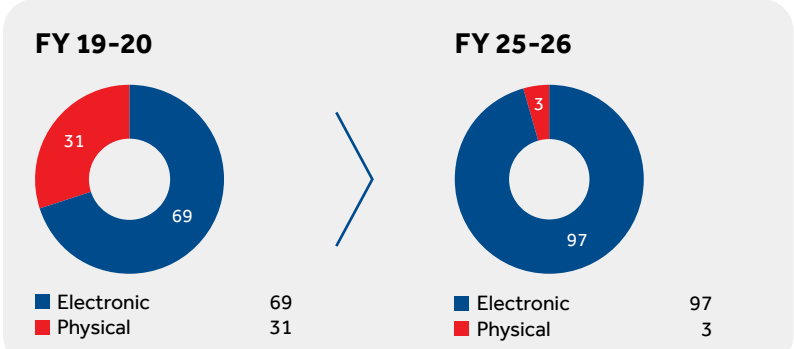
Security and Regulatory Prudence

Cloud hardening, infrastructure governance and secure engineering are embedded at every layer, because trust is non-negotiable.

Step-changing our Digital Experience with AI

AI is woven across every step of the value chain, in research, analytics, operations, marketing, product, service, among others. AI flows through the org as intelligent electricity, making each interaction more intuitive and context aware.

Digital Adoption (in %)



4.5+
Average App Ratings for Investors

23%+
Increase in Registrations on Our Digital Platforms for Investors

42%+
Increase in Digital Transactions per Minute

95%+
Query Resolution within 1 Day

Our Integrated Digital Stack

Our integrated digital stack is designed to deliver tailored experiences through dedicated platforms for investors and distribution partners, making every interaction simpler, faster, and more intuitive.

Investors

- Website
- HDFC Mutual Fund App
- Ask Niva, AI assistant
- Tap2Invest on WhatsApp
- Investor Portal
- One Click Link
- Transact on Call

Partners

- HDFC MFOnline Partners App
- Partners Portal
- One Click Link
- Statement on WhatApp
- Admin Portal
- API Gateway
- Digital Marketing Solutions

Engagement & Support Channels

- Callback Services
- Agent Help Desk
- Journey Management

Foundation Tools

- Customer Data Platform
- Personalisation Tools
- Marketing Automation

Key Initiatives in FY 25-26

Investor Experience

Reinventing how investors discover, transact and stay engaged.

» **Website UI/UX Overhaul**
A cohesive visual identity across all digital assets, consistent, modern and built for conversion.

» **Ask Niva, AI assistant**
An intelligent conversational assistant helping investors understand mutual fund concepts, product suitability and self-serve with confidence.

» **Onboarding, Reimagined for Digital-first Investors**
Upgraded digital onboarding with higher verification success, fewer drop-offs and faster investor activation.

» **Invest Now Journey Optimised**
End-to-end flow redesigned on the website to reduce drop-offs and lift conversion at every step.

» **UPI Autopay Enhanced**
Mandate limit raised to ₹5 Lakh with QR-based mandate creation introduced, making recurring investments simpler and more accessible.

Partner and Distribution

Making HDFC AMC the easiest digital partner to grow with.

» **WhatsApp Account Statement Delivery**
On-demand, secure statement access via WhatsApp, meeting partners and investors where they already are.

» **Know your RM for Partners**
RM details surfaced directly on the partner platform, strengthening relationships and making servicing faster and more personal.

Investor Outreach

BUILDING INFORMED INVESTOR COMMUNITIES

In FY 25–26, we undertook several initiatives to strengthen investor outreach through focused awareness and educational initiatives. We successfully continued 'Zindagi Ke Liye SIP', further reinforcing the importance of long-term investing through SIPs. We also carried forward our flagship #BarniSeAzadi campaign into its 5th edition, deepening conversations around financial independence for women.

Outreach Programme

#ZindagiKeLiyeSIP



FY 25-26 saw the full-scale rollout of Zindagi Ke Liye SIP, a campaign built on a powerful insight: every Indian is already an investor in their time, their relationships, and their dreams. The campaign invited the country to extend that instinct to their financial future through one simple step: an SIP.

Executed as a pan-India 360-degree campaign across digital, print, and OOH mediums, Zindagi Ke Liye SIP delivered strong engagement with widespread visibility across platforms and cities nationwide.

RECOGNITIONS

The campaign was honoured with the IndIAA Award for Creative Excellence in the Banking & Finance category and won Gold at the Datamatixx 2025 Awards for Excellence in Omni-Channel Marketing.





For Women's Day, we launched a heartfelt campaign built around the thoughts "We Learn from Women" and "Invest Like Women." The campaign celebrated the women who shape our lives through their strength, wisdom, resilience, and everyday actions, while drawing a powerful parallel between the way women approach life and the way successful investing works.

Rooted in the insight that women naturally possess qualities such as patience, discipline, long-term thinking, resilience, and emotional intelligence, the campaign highlighted how these very traits make them inherently better investors. Through the film, we acknowledged that there is a lot we can learn from women not just in life, but also in investing.





We launched a simple and easy-to-understand campaign to explain the Multi Cap category by showcasing how it brings together large-cap, mid-cap, and small-cap investments in one fund.

We also launched a pan-India Investor Awareness Campaign for Balanced Advantage Funds, centred around the message "Tune your Equity Debt Mix to Market Conditions", using high-impact print and outdoor media to drive awareness around dynamic equity-debt allocation across market cycles.

The Zindagi Ke Liye SIP theme was adapted across more key moments through the year, including a Mother's Day film, 'Meri Pehli Investor', celebrating mothers as our first nurturers; a Father's Day campaign, 'The Quiet Investor', honouring the silent strength and financial discipline of fathers, much like a consistent SIP; a Diwali film marking new beginnings and the spirit of long-term investing; and outdoor activations on Yoga Day and Rath Yatra. A cricket-themed reel series in collaboration with Sportskeeda, timed with the IPL season, further widened the campaign's reach.

We won the Gold award under the BFSI category at the Kaleido Awards 2026 for BarniSeAzadi x Magh Mela. A total of 18 awards were won at the ABBY Awards 2026 for our BarniSeAzadi x Magh Mela, Invest like a Woman campaigns.

Financial Inclusion at Scale

Eight Programmes, One Mission

In FY 25-26, HDFC Mutual Fund deepened its commitment to investor education across some of India's most underserved communities. Eight structured programmes, each designed for a distinct audience, worked in concert to bring financial awareness to every corner of the country.

1. Barni Se Azadi & SIP Saheli



Now in its fifth year, Barni Se Azadi continued to inspire women across India to move beyond traditional savings and invest in their financial future, touching approximately 25 Lakh women across the country. The year's most significant activation was a grand presence at the Magh Mela in Prayagraj, featuring a giant Barni installation, an AI-powered photo booth, a Diya Floating ceremony, and 79 Nukkad Nataks performed pan-India in January. SIP Saheli, conducted

Investor Outreach

in partnership with Grihshobha, brought on-ground sessions to 10 cities and extended into 100+ beauty parlours, meeting women in spaces where they feel most comfortable.

2. Mission Samriddhi



Launched on Kargil Vijay Diwas, 26 July 2025, Mission Samriddhi is dedicated to the financial education of armed forces personnel and their families. Spanning Army, Navy, and Air Force establishments from Patiala and Ambala to Aizawl and Agra, the initiative reached approximately 14,000 personnel this year. A dedicated missed-call helpline (73581 12345) was also introduced exclusively for armed forces personnel.

3. Bharosa



Bharosa is HDFC Mutual Fund's dedicated investor education initiative for the hearing- and speech-impaired community. Conducted in sign language by trained representatives, the programme reached approximately 1,300 participants this year, reflecting our belief that financial literacy must be truly universal.

4. Mission Mars



A space-themed financial literacy programme for children and youth aged 8-16 years, Mission Mars makes money concepts engaging through storytelling and interactive sessions. The programme reached approximately 39,000 students, with content available in 10 regional languages. On Children's Day, 89 sessions were conducted in a single day (8 November), taking the total to 155 sessions across the year.

5. Campus Connect



In collaboration with the BFSI Sector Skill Council of India, Campus Connect brings investor awareness sessions to college students across India. The initiative reached approximately 33,000 students this year, including a session at the Indian Institute of Technology Kharagpur's Global Entrepreneurship Summit 2026.

6. Future Ready



A financial education programme specifically designed for retirees and individuals approaching retirement, 'Future Ready' was delivered through webinars in partnership with Khyaal and through Outlook Money's '40 After 40' platform. The initiative reached approximately 3,500 participants this year, equipping each with practical, stage-of-life investment guidance.

7. Teachers Turn Investors

Through IAPs held across multiple cities, this initiative engaged approximately 1.2 Lakh teachers in the basics of mutual fund investing. A digital video series in collaboration with Financial Express extended the conversation further, with expert voices encouraging educators to become investors and, in turn, advocates for financial awareness.

8. Wealthcare

Wealthcare is a targeted investor education initiative designed for healthcare professionals. Recognising that healthcare professionals face unique financial planning challenges, the programme brings curated investment awareness sessions to doctors across the country.

Other Social Campaigns

Zindagi Ke 10 Min, SIP Ke Liye



In December 2025, Zindagi Ke Liye SIP extended into one of the year's most talked-about activations: a first-of-its-kind collaboration with Zepto, India's leading 10-minute delivery platform.

The insight was precise: wealth creation takes years, but taking the first step can happen in 10 minutes. Built around Zepto's delivery promise, the campaign put a Mutual Fund Education Kit directly into investors' hands, a vision board containing a compounding box, a goal-based calendar, SIP flipbook, a reflective letter to one's present self, and a simple guide to starting an SIP. A total of 1,00,000 kits were distributed across cities. On Zepto's platform, the experience was extended through a dedicated mutual fund education page, an SIP-based game, a brand film, and outdoor media, making long-term investing tangible and personal.

Jagriti Yatra & SIP Superheroes



HDFC Mutual Fund partnered with Jagriti Yatra, the world's largest entrepreneurial train journey spanning 15 days and 8,000 km across India, to conduct investor awareness sessions for young innovators and changemakers on board. Complementing this, the SIP Superheroes series, in collaboration with The Better India, narrated real stories of individuals whose quiet, consistent actions created large-scale impact, mirroring the power of an SIP. Stories ranged from a woman who built 170 learning centres across tribal Assam to a coach who trained para-athletes to win 1,000+ international medals without any sponsors.

SIP Swiper: Valentine's Day



On Valentine's Day 2026, we launched SIP Swiper, an interactive digital game that brought a playful twist to the idea of long-term commitment. With over 13,000 participants, the activation drove strong engagement while reinforcing the message that a SIP, like love, is best when it lasts.

MoneyEazy

MoneyEazy, launched in December 2025, is an investor education video series that simplifies everyday money concerns through behavioural insights and mutual fund concepts.

SIP Eazy

SIP Eazy, launched in the previous financial year to break down SIP concepts in simple, relatable language, was extended this year with a Hindi version, significantly widening its reach among vernacular audiences across India.

Navratri: Slay the Financial Demons

'Slay the Financial Demons' was a nine-day social campaign during Navratri that connected the spirit of the festival with financial discipline. Each day highlighted a common 'financial demon'—a bad habit or behavioural pitfall—and paired it with a disciplined SIP or mutual fund practice as the weapon to overcome it.

Teachers' Day: #LessonsFromLife

#LessonsFromLife ran as a two-part campaign on Teachers' Day: a UGC-driven vox pop asking audiences, "What has life taught you?", with responses tied back to the values of patience and consistency that define a good investor; alongside a special video featuring Fund Managers, CIO, and MD & CEO Navneet Munot sharing personal lessons from the stock market.

Marketing Initiatives

Nurture Nature 5.0

With over 37K digital SIPs registered under the campaign, approximately ₹40 Lakh was committed towards school bags made from recycled plastic for children in underserved communities. The year also saw the formal inauguration of the Nayanamma Kunta Lake restoration project in Hyderabad, rejuvenated in partnership with Anand Malligavad, popularly known as 'the Lakeman of India'.



The previous edition, Nurture Nature 4.0, was recognised with twelve prestigious awards:

Award Body	Category	Ranking
Excellence in Branding & Marketing	Brand Sustainability Leadership Award	Gold
CSR Good Act	Community Impact Award	Silver
CSR Good Act	Environmental Sustainability Award	Gold
CSR Good Act	Partnerships for Sustainable Development Award	Silver
CSR Good Act	Best Cause Related Communication Campaign	Gold
Excellence in Rural Marketing	Sustainable Rural Development Initiative Award	Gold
ET BrandEquity Digiplus Award	Brand Storytelling & Narrative Marketing	Bronze
ABBY Awards 2026	Public Relations: Sectors–Financial PR	Gold
ABBY Awards 2026	Four awards across various categories	

Brand Initiatives



Laxmi for Laxmi

On 6 March 2026, we celebrated #LaxmiForLaxmi, a day dedicated to the women partners who have shaped the future of investing and inspired financial confidence across communities.

Person of the Year



Our MD & CEO, Navneet Munot, shared his signature annual piece, Person of the Year, this year themed 'A New Age of Energy'. The wide-ranging reflection has become one of the industry's most anticipated reads, offering a sharp and candid lens on the forces shaping the world and the opportunities they present for long-term investors.

Yearbook



Our Yearbook offers a comprehensive perspective on how India is positioned amid an uncertain global environment, with insights into the outlook for equity and fixed-income markets. It serves as a valuable resource for investors and partners navigating the year ahead.

Our ESG Approach

EMBEDDING SUSTAINABILITY

Sustainability is embedded in the way we create long-term value. Guided by our focus on People, Planet and Prosperity, we believe that enduring success stems from generating value not just for our investors, but also for the communities and environment we engage with.

OUR ESG MISSION

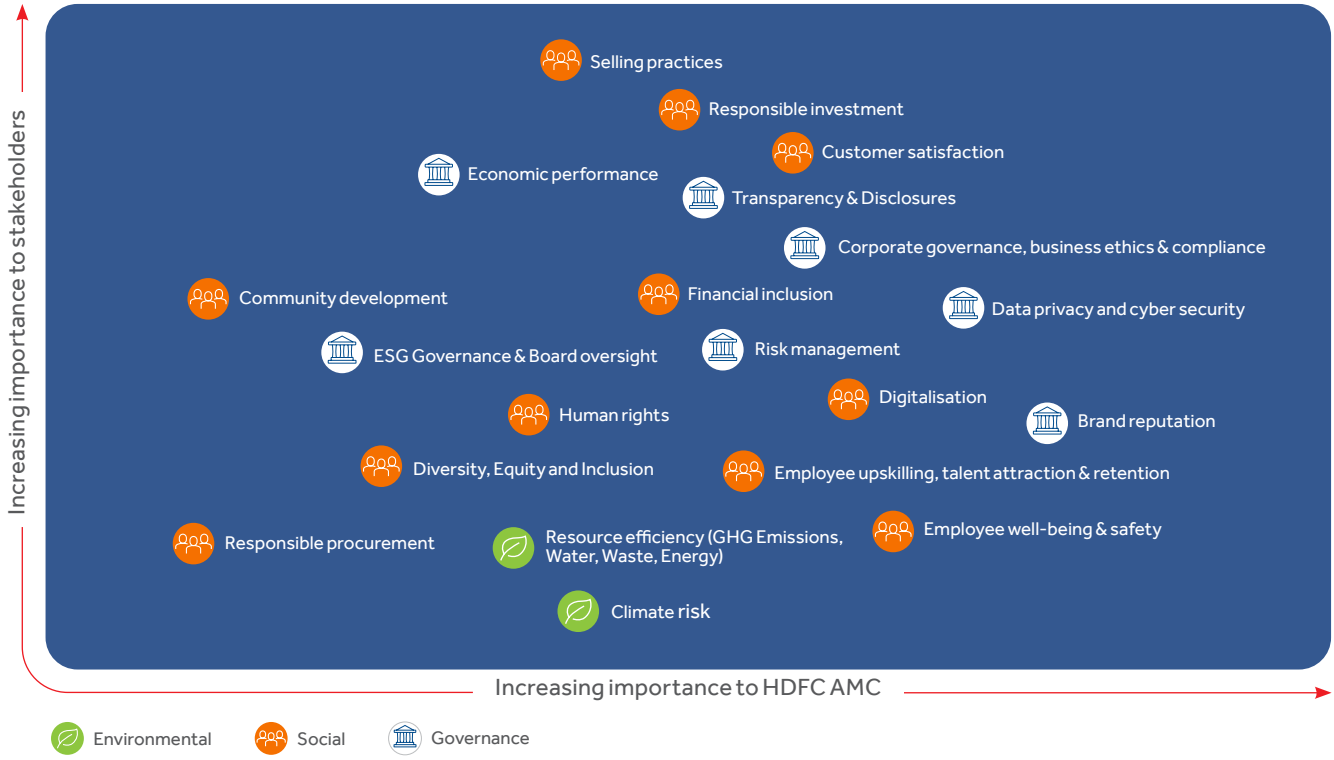
To create sustainable wealth for every stakeholder by focusing on three Ps— People, Planet and Prosperity



Materiality Map

Our ESG materiality map serves as an important framework for identifying and prioritising the sustainability issues most relevant to our business and stakeholders. It enables us to assess the impact of these topics across our operations, communities, and the environment, while helping guide resource allocation and decision-making for long-term value creation.

ESG Materiality Map



Our ESG Approach

Responsible Investing

As a responsible asset manager, it is our fiduciary responsibility to protect our unitholders. We integrate Environmental, Social, and Governance (ESG) considerations into our investment approach to better manage risks, identify long-term opportunities, and support sustainable value creation. We are signatories to the United Nations-supported Principles for Responsible Investment (UN PRI) and Climate Action 100+. We have also adopted the CFA Institute Asset Manager Code, further strengthening our commitment to ethical and transparent investment practices.

Signatory of:

PRI Principles for Responsible Investment

Climate Action 100+ Global Investors Driving Business Transition

CFA Institute Adopted CFA Institute's Asset Manager Code

For responsible investing, we have furthered the definition of ESG to include Engagement, Stewardship, and 'Good to Great' factors.



Engagement

We monitor and actively engage with the investee companies on various topics such as executive compensation, dividend distribution policies, capital allocation, related-party transactions, ESG strategy, etc. The aim of engagement is not only to improve ESG integration to limit risks but also to improve the impact of the organisation's business on the environment and society at large.

Stewardship

We have adopted the stewardship code, in line with regulatory guidance. We view stewardship as a step towards improved corporate governance in the investee companies and improving the interests of investors. Our investment team aims to vote in an informed and pragmatic manner, as we consider shareholder voting to be an important shareholder right and a valuable tool for decision-making.

'Good to Great'

We focus on rational investing by identifying businesses that have the potential to achieve 'Good to Great' corporate transformations and aspire to play the role of an active partner in this journey through highly constructive Engagement and Stewardship.

ENVIRONMENT

We recognise the growing importance of environmental responsibility and are committed to reducing our footprint through conscious resource use, digital enablement, and sustainable business practices.



59,000 sq ft
Sustentation of Kalina Biodiversity Park under our CSR Initiative

Inclusive Sourcing

We are committed to inclusive sourcing initiatives wherever feasible. During FY 25-26, the Company procured laptop bags from the Society for Vocational Rehabilitation of the Retarded and umbrellas from Indian Disabled's Service Co-Op. Society Ltd.

6,500+ kg
E-waste and Battery Waste Processed in an Environment-friendly Manner

NurtureNature

From planting saplings in versions 1.0 and 2.0, to repurposing plastic in 3.0, and reviving lakes through water conservation in 4.0, NurtureNature has marked a meaningful chapter with every edition. In its fifth edition, NurtureNature 5.0 takes the journey forward, with every SIP registration contributing towards school bags for children in need made from recycled plastic waste, reflecting our ongoing commitment to the environment.

8,000
Bags Made of Recycled Plastic Waste Distributed to Children in Need under Nurture Nature 5.0

Digital-first

We accelerated our transition to digital platforms, helping reduce paper use and operational waste while improving efficiency.

97%
Transactions were Executed Digitally in FY 25-26

Our ESG Approach

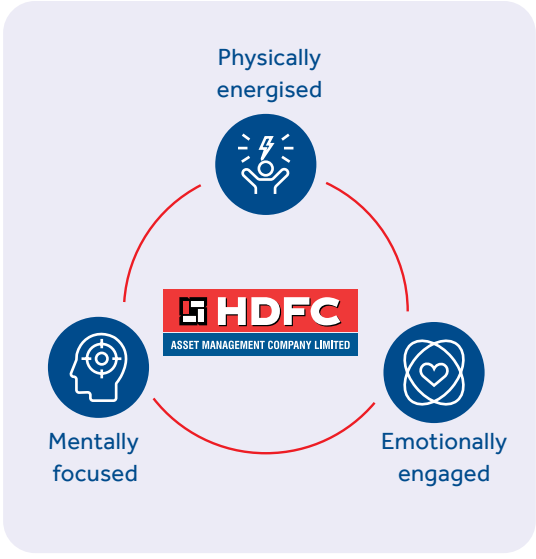
SOCIAL

We strive to build enduring relationships with our key stakeholders, including customers, distributors, shareholders, employees, suppliers, and the wider community, through consistent engagement, trust and a strong presence across the country.

People

Our people are central to our success. We are committed to their growth, well-being, and development by fostering an inclusive and collaborative work environment. By equipping our employees with the right support, opportunities, and resources, we strengthen both individual potential and the long-term resilience of our organisation

90%
of the workforce holds at least one additional certification such as CFA, CFP, NISM or equivalent.



Certified as Great Place to Work



Nurturing Talent

We invest in capability-building initiatives that equip our employees with the skills and knowledge needed to succeed in a dynamic financial landscape and contribute to building a future-ready organisation.

79,000+
Employee Training Hours

Diversity and Inclusion

We are committed to fostering an inclusive workplace where diverse perspectives are respected and every employee is supported with equal opportunities to grow and contribute.

29%
Women in Workforce

Prioritising Employee Well-being

Employee well-being remains an important focus area for us. We undertake various initiatives to support the health, safety and overall well-being of our employees. We provide access to programmes that address physical, emotional and mental wellness, helping employees maintain a balanced and healthy work environment.

Customers

We are focused on delivering a seamless customer experience and fostering long-term relationships built on trust, transparency and integrity. Guided by our promise of 'Bharosa Apno Ka', we work towards understanding the evolving needs of our customers and offering solutions that are aligned with their financial aspirations.

- We offer a comprehensive suite of platforms to facilitate seamless transactions.
- Enhanced Call Centre Services for Senior Citizens and HNI Investors to ensure faster service and reduced Turnaround Times.
- We regularly conduct customer satisfaction surveys to gather feedback and enhance our processes & service delivery.
- Our branch service team are supported by AI-enabled CRM, training modules and also an AI bot, enabling them to respond to customer queries more effectively.
- Sustained process improvements led to a sharp decline in complaints, reinforcing service excellence.

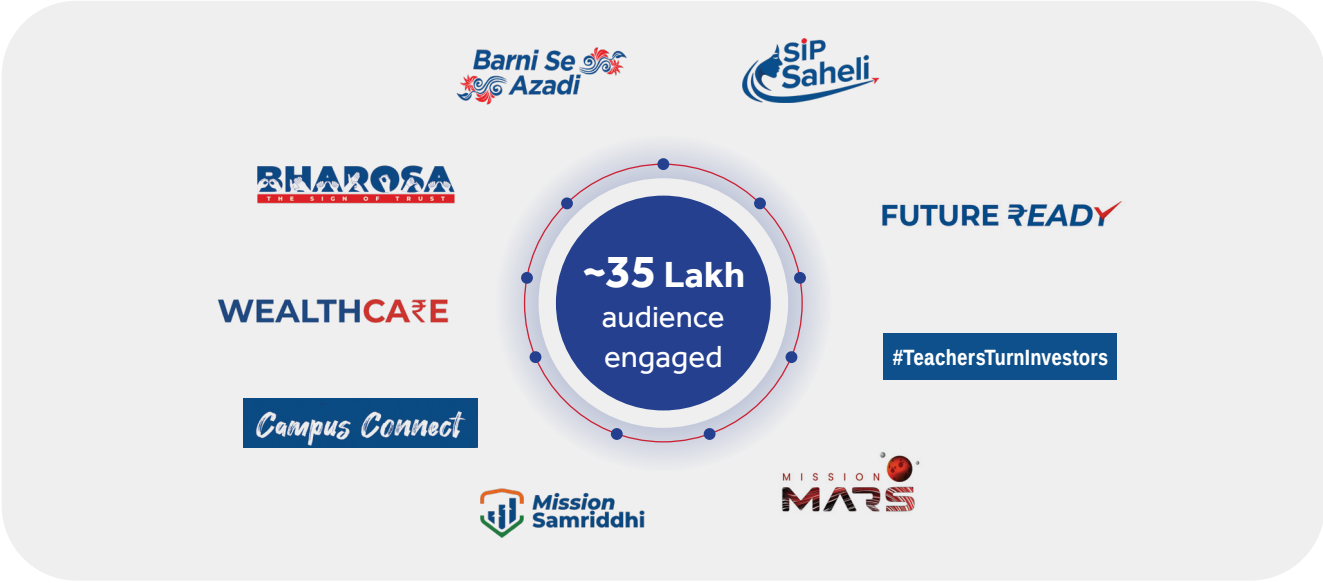
1.67 Crore
Unique Investors

3.02 Crore
Live Accounts

Empowering Investors

We believe that financial awareness plays a vital role in helping individuals make informed decisions and work towards long-term financial well-being. Recognising the challenges posed by limited financial knowledge, we are leveraging our extensive investment expertise to promote financial literacy and encourage informed investing across communities.

~4,500
Investor Education and Awareness Programmes Conducted



Our ESG Approach

Impact Beyond Returns

Our CSR initiatives are focused on health care, education, environmental sustainability and sports development. Through targeted interventions via our CSR projects, we seek to create meaningful impact and strengthen the well-being of the communities we engage with.

Investing with Purpose

The HDFC Charity Fund for Cancer Cure is a unique mutual fund initiative that enables investors to contribute towards a meaningful social cause.

Over the past 15 years, the fund series has made a positive difference in the lives of thousands of cancer patients across India. This initiative continues to be supported through the generous contributions of our investors, and we remain grateful for their continued trust, compassion and philanthropic spirit.

2,900+
Cancer Patients Provided with Financial Aid for Treatment

2,700+
Cancer Patients and Attendants were Provided Affordable Accommodation



~4,000
Children Given Access to Quality Education and Daily Nutritious Meals

GOVERNANCE

Ethics are the foundation of our corporate philosophy and shape the way we approach governance. For us, governance goes beyond compliance and disclosures to include accountability in managing our environmental and social responsibilities.



56%
Independent Directors

1,450
Employees Attended 11 Ethics Workshops

ISO Certifications

ISO 22301:2019 - Business Continuity Management System

ISO/IEC 27001:2022 - Information Security Management System

Our ESG agenda is overseen by the ESG and CSR Committee of the Board, which provides strategic direction and guidance. This is supported by a management-level ESG Task Committee, comprising representatives from across functions, to help embed ESG considerations into our culture, decision-making, and business processes.

Our Board brings together professionals with diverse experience and perspectives, enabling well-rounded discussions and informed decision-making. The collective expertise of the Board strengthens governance practices and supports effective oversight across the organisation. With a balanced composition of Independent Directors and experienced leaders, the Board continues to guide the Company's strategic direction and long-term sustainable growth.

OUR BOARD OF DIRECTORS



Mr. Deepak S. Parekh

Non-Executive Non-Independent Director and Chairman

DIN: 00009078

Mr. Deepak S. Parekh has been a Non-Executive Non-Independent Director and Chairman of the Company since July 4, 2000. He was the Chairman of Housing Development Finance Corporation Limited ('HDFC Ltd') from 1993 to 2023 and was associated with the HDFC Ltd for 45 years.

HDFC Ltd was India's first retail housing finance company that helped turn the dream of owning a home into a reality for millions across the country. Mr. Parekh's astute business acumen and vision not only made HDFC the leader in mortgages but also transformed it into India's leading financial services conglomerate, with a presence in banking, asset management, life insurance, general insurance, property funds, education loans and education.

HDFC Ltd merged into HDFC Bank Limited ('HDFC Bank') with effect from July 1, 2023. This merger has resulted in HDFC Bank being amongst the top 10 banks globally in terms of market capitalisation.

He is a fellow of the Institute of Chartered Accountants, 'England and Wales'. Mr. Parekh is also currently the non-executive chairman of HDFC Capital Advisors Limited, Siemens Limited and Leela Palaces Hotels & Resorts Limited in India and is on the board of the National Investment and Infrastructure Fund (NIIF). Mr. Parekh is also on the international boards of DP World–UAE. He is on the international advisory boards of Warburg Pincus LLC and Fairbridge Capital Private Limited.

The Mayor of London in 2017 named Mr. Parekh as the first of a network of international ambassadors for championing London across the globe.

In addition to being known for his vociferous views seeking standardisation and transparency in the real estate sector, Mr. Parekh played a key role as Special Director on the Satyam Board in 2009 to revive the company and a crucial role during the restructuring of UTI in the late '90s, which helped regain investors' confidence.

Mr. Parekh has always been willing to share his ideas and experience to formulate reform policies across sectors. Mr. Parekh has been a member of various high-powered Economic Groups, Advisory Committees and Task Forces which include infrastructure, housing, financial services, and capital markets.

A man with a mission, Mr. Parekh's philosophy on Corporate Social Responsibility is simple yet profound. He believes that if a company earns, it must also return to society and that companies owe a responsibility not just to shareholders, but also to all its stakeholders.

Government and Industry impressed by Mr. Parekh's performance and sobriety, have honoured him with several awards. Some of the most important ones are; the Padma Bhushan in 2006, the 'Bundesverdienstkreuz' Germany's Cross of the Order of Merit one of the highest distinctions by the Federal Republic of Germany, in 2014, the 'Knight in the Order of the Legion of Honour' one of the highest distinctions by the French Republic, in 2010, and the first international recipient of the Outstanding Achievement Award by the Institute of Chartered Accountants in England and Wales in 2010.



Ms. Renu Sud Karnad

Non-Executive Non-Independent Director

DIN: 00008064

Ms. Renu Sud Karnad has been a Non-Executive Non-Independent Director on the Board of the Company since July 4, 2000. She was the Managing Director of the erstwhile Housing Development Finance Corporation Limited from 2010 till June 30, 2023. From 1st July 2023, she is a Non-Executive and Non-Independent Director on the Board of HDFC Bank Limited.

She holds a Master's degree in Economics from the University of Delhi and a Bachelor's degree in Law from the University of Mumbai. She is a Parvin Fellow at the Woodrow Wilson School of Public and International Affairs, Princeton University, USA. Ms. Karnad has to her credit numerous awards and accolades. Prominent among them is being featured in the list of '25 top non-banking women in finance' by the US Banker magazine, listed by Wall Street Journal Asia as among the 'Top Ten Powerful Women to Watch Out for in Asia', 'Outstanding Woman Business Leader' by CNBC-TV18, and 25 Most Influential Women Professionals in India by India Today.

Ms. Karnad is a Chairperson on the Board of GlaxoSmithKline Pharmaceuticals Limited, PayU Payments Private Limited, HDFC Capital Advisors Limited, HDFC ERGO General Insurance Company Ltd, EIH Limited, Bangalore International Airport Limited and Nudge Lifeskills Foundation.

Our Board of Directors



Mr. V Srinivasa Rangan

Non-Executive Non-Independent Director (Nominee of HDFC Bank Limited, Promoter of the Company)

DIN: 00030248

Mr. V. Srinivasa Rangan is a Non-Executive Non-Independent Director (Nominee of HDFC Bank Limited) on the Board of the Company with effect from January 12, 2024. He is the Executive Director of HDFC Bank Limited ('HDFC Bank') and heads the Human Resources, Corporate Legal, Group Oversight & Secretarial, Investment Banking, Information Security Group, Ethics Function and Fraud & Vigilance functions of HDFC Bank.

He holds a Bachelor's degree in Commerce from University of Delhi and is a Graduate member of the Institute of Cost Accountants of India and an Associate of the Institute of Chartered Accountants of India (ICAI) qualified as a rank holder.

Mr. Rangan was an Executive Director & Chief Financial Officer of Housing Development Finance Corporation Limited prior to its amalgamation with HDFC Bank w.e.f. July 1, 2023, and is an expert in finance, accountancy, audit, economics, corporate governance, legal & regulatory compliance, risk management and strategic thinking. He has vast experience in the housing finance and real estate sectors. Mr. Rangan has worked on international consulting assignments in housing finance in Ghana and the Maldives.

He has been a member of various committees related to financial services, such as the RBI's Committee on Asset Securitisation and Mortgage-backed Securitisation, the Technical Group formed by the National Housing Bank (NHB) for setting up a Secondary Mortgage Market Institution in India, NHB's Working Group on Covered Bonds and the NHB's Working Group on Credit Enhancement Mechanism.

Mr. Rangan was conferred the "Best CFO in the Financial Sector for 2010" by ICAI. He was also honoured with the 'Lifetime Achievement Award' at the sixth edition of the Financial Express CFO Awards 2023.

Mr. Rangan is a Director on the Board of Credila Financial Services Limited.



Ms. Roshni Nadar Malhotra

Independent Director

DIN: 02346621

Ms. Roshni Nadar Malhotra is an Independent Director on the Board of the Company with effect from April 27, 2019. She is the Chairperson of HCL Technologies Limited, a leading global technology company with revenues of 14.7 Billion. She assumed this role in 2020, becoming the first woman to lead a listed Indian IT company. She has played a central role in shaping the company's strategic direction, strengthening governance, and guiding its evolution with a steady focus on resilience, trust, and long-term value.

Ms. Nadar Malhotra is the Managing Trustee of the Shiv Nadar Foundation. Since its inception, the Shiv Nadar Foundation has invested $1.5 Billion in nation-building institutions and driving transformational leadership. Ms. Nadar Malhotra is also the Chairperson and driving force behind VidyaGyan, a leadership academy for the economically underprivileged, meritorious, rural students of Uttar Pradesh, and has been working towards nurturing future leaders from rural India who can be catalysts of change for their communities, villages and the nation at large.

Passionate about wildlife and conservation, Ms. Nadar Malhotra established The Habitats Trust in 2018. The Foundation aims to work towards protecting India's natural habitats and its indigenous species with the core mission of creating and conserving sustainable ecosystems through strategic partnerships and collaborations with all stakeholders at every level.

Ms. Nadar Malhotra is a member of the Dean's Advisory Council at the MIT School of Engineering, USA, and also a member of the Kellogg School of Management Executive Board for Asia. She serves on the board of directors of the US-India Strategic Partnership Forum (USISPF) and is on the global board of directors of The Nature Conservancy (TNC).

In recognition of her outstanding work both in business and in philanthropy, Ms. Nadar Malhotra has received several honours and accolades. France's highest civilian award Chevalier de la Légion d'Honneur (Knight of the Legion of Honour) has been conferred on her in 2024.

In 2023, she was featured for the seventh consecutive year in 'The World's 100 Most Powerful Women' list, compiled and released by Forbes.

Since 2019, she has been producing an episode series on the most endangered wildlife species in India - 'On The Brink'. The episodes on Bats and Gharials have been recipients of two National Film Awards in the category of science & environment. Ms. Nadar Malhotra has also produced a children's film, 'Halkaa', based on the unique journey of a slum child battling the issue of open defecation.

She holds a degree in Communications from Northwestern University and an MBA from the Kellogg School of Management, where she received the Dean's Distinguished Service Award. Her other recognitions include Babson College's Community Changemaker Award (2017) and Kellogg's Schaffner Award (2023).

Our Board of Directors



Mr. Dhruv Kaji
Independent Director
DIN: 00192559

Mr. Dhruv Kaji is an Independent Director on the Board of the Company with effect from October 31, 2018. He was Finance Director of Raymond Limited, Executive Director of Pines worth Holdings Pte. Ltd. (Singapore) and a Director on the Boards of Raymond Apparel Limited, Colorplus Fashions Limited, Hindustan Oil Exploration Company Limited, Balaji Telefilms Limited, Balaji Motion Pictures Limited, Network18 Media & Investments Limited and TV18 Broadcast Limited; he was also on the advisory board of Essar Steel Limited. He is currently an advisor, evaluating and guiding business projects, strategies and organisational development, both in India and abroad.

Mr. Kaji is also on the Board of Ceinsys Tech Limited.



Mr. Jairaj Purandare

Independent Director

DIN: 00159886

Mr. Jairaj Purandare is an Independent Director on the Board of the Company with effect from October 31, 2018. He is a Fellow member of the Institute of Chartered Accountants of India and holds a Bachelor of Science (Hons) from the University of Bombay. He has completed the YPO Presidents Programme from Harvard Business School. Mr. Purandare has over four decades of experience in accounting, tax and business advisory matters. He is the Founder Chairman of JMP Advisors Private Limited, a leading advisory, tax and regulatory services firm, based in Mumbai, India.

Mr. Purandare was Regional Managing Partner, Chairman–Tax and Country Leader–Markets & Industries of Pricewaterhouse Coopers, India. He was earlier Chairman of Ernst & Young India and Country Head of the Tax & Business Advisory practice of Andersen India. He has significant expertise in advising large and multinational clients across various sectors viz. Financial Services, Infrastructure, Power, Telecom, Media, Pharma and Auto sectors.

International Tax Review, in its report World's Leading Tax Advisors, has named Mr. Purandare several times as among the leading Tax Advisors in India.

Mr. Purandare is a regular speaker at seminars in India and abroad and has presented several papers in areas of his expertise, including inbound/ outbound investment structuring, international tax, transfer pricing, M&As, Indian Budget and Economy.

Mr. Purandare is an Independent Director in listed companies viz. Piramal Pharma Limited, CIE Automative India Limited, Indegene Limited and at PayU Payments Private Limited, an unlisted company. He also holds directorship in JMP Advisors Private Limited and is a Designated Partner in JMP & Co LLP.

Mr. Purandare is a steering committee member of the ITSG International Network and is a member of the City of London Advisory Council for India. He is a former member of the National Council of Confederation of Indian Industry (CII) and former Chairman of the Taxation Committee of CII. He has been a member of the Central Direct Taxes Advisory Committee, chaired by the Finance Minister. Mr. Purandare was also the Regional Networks Chair and Finance Chair of YPO Gold and continues to be a member.

Our Board of Directors



Mr. Parag Shah
Independent Director
DIN: 00374944

Mr. Parag Shah is an Independent Director on the Board of the Company with effect from January 22, 2019. He is Founder and Partner of Amara Partners, a mid-market Private Equity fund. Amara Partners provides growth capital to businesses and supports entrepreneurs in strategy, innovation, digitisation, change management, governance and business transformation.

In a career spanning over 25 years, Mr. Shah has held various positions with the Mahindra Group and in his last role, he was a Member of the Group Executive Board. Mr. Shah has extensive experience in building new businesses, turnarounds, joint ventures, mergers & acquisitions and IPOs. He was the Managing Partner of Mahindra Partners, the 1 Bn USD Private Equity and Venture Capital division of the Group that was in charge of diverse businesses like Logistics, Renewable Energy, Retail, Manufacturing (Steel components, Conveyor Systems, Boats), Consulting, Media and Healthcare. He had also set up the Group Silicon Valley office for technology investments and start-up partnerships. Mr. Shah was Chairman of GPMD program, Co-Chairman of the Group Diversity Council, Member of Group Sustainability & an Executive Committee member of various councils of Mahindra Learning University. He was the Group lead for business representation in Israel.

Mr. Shah is a Director on several companies such as Mahindra Accelo, Mahindra Waste to Energy, The Indian and Eastern Engineer Company, Global Chess League (Geneva) & PSL Media and Communication. He is also an Independent Director on the Boards of Lumax Auto Technologies Limited, Thermax Limited and KPIT Technologies Limited.

Mr. Shah holds a BS Degree in Computer Engineering from the Illinois Institute of Technology with special electives in Psychology and Manufacturing Technology. He is also a graduate of the General Management Programme from Harvard Business School.

Mr. Shah has been an Executive Committee Member of the CII National Committee on Private Equity and Venture Capital, FICCI Solar Energy Task Force, CII National Committee on Renewable Energy, CII National Healthcare Council, American Alumni Association in addition to other external associations. He is also an angel investor & is on the Board of Trustees of The IndUS Entrepreneurs (TiE), Mumbai, and J.C. Mahindra Memorial School.

Mr. Shah has been recognised by Economic Times & Spencer Stuart as India's Top 40 Business Leaders under the age of 40. He was also featured by India Today as 'Leaders of Tomorrow' in their anniversary issue.

Mr. Shah is affiliated with various NGO associations such as the Sabarkanta Relief Committee and S&G Charitable Trust. He has also been a Founder Director of 'Executives Without Borders', an NGO based in the USA.



Mr. Sanjay Bhandarkar

Independent Director

DIN: 01260274

Mr. Sanjay Bhandarkar is an Independent Director on the Board of the Company with effect from October 31, 2018. He has over three decades of corporate finance, advisory and investment banking experience in the country. He is also currently an independent non-executive director on the boards of other listed companies; The Tata Power Company Limited, Chemplast Sanmar Limited and Tata Consultancy Services Limited, one unlisted company; Tata Projects Limited, and on the board of the National Investment and Infrastructure Fund Limited as a shareholder nominee. He is also Director on the board of Newage Power Private Limited.

Mr. Bhandarkar is also on the Investment Committee of the South Asia Growth Fund II and III of GEF Capital Partners as an external IC member. He is on the advisory board of 1Crowd, a seed capital stage online investing platform which has also raised a SEBI approved fund for seed stage investing.

Mr. Bhandarkar started his career with ICICI in 1990 and ISec, the joint venture between ICICI and JP Morgan, and then spent two years with Peregrine Capital. He was part of the founding team of Rothschild India in 1998 and played a key role in establishing Rothschild as a well-recognised and respected pure-play advisory investment banking firm in India. He led the Rothschild India business from December 2005 to June 2016, when he stepped down from his full-time role.

Mr. Bhandarkar 's focus at Rothschild was on M&A as well as equity capital market advisory for Indian and international companies. He led the teams that worked closely with the Government of India on the 3G and BWA spectrum auctions, the first e-auctions done in India, and on the restructuring of the Enron and GE-owned Dabhol power project, one of the largest and most complex restructurings to date. Mr. Bhandarkar did B.Com. from the University of Pune and an MBA from XLRI, Jamshedpur, in 1990. He lives in Mumbai.

Our Board of Directors



Mr. Navneet Munot

Managing Director & Chief Executive Officer

DIN: 05247228

Mr. Navneet Munot is the Managing Director & Chief Executive Officer of the Company with effect from February 16, 2021, and has over 30 years of experience in financial markets. HDFC AMC manages over ₹9 Lakh Crore of Mutual Fund assets across equity and fixed income funds and serves over 1.5 Crore individual and institutional investors. Mr. Munot is also the Chairman of HDFC International (IFSC) Limited.

Mr. Munot is on the Board of Association of Mutual Funds in India (AMFI), and has served as its chairman in the past. Mr. Munot is a member of the Board of the National Institute of Securities Markets (NISM), established by SEBI to enhance capacity and quality standards in the securities markets. He is also on the board of the Bombay Chamber of Commerce and Industry, one of the oldest business chambers in India.

A long-standing champion of responsible investing, Mr. Munot chaired SEBI's first Environmental, Social and Governance (ESG) committee in 2022 and has been an advocate for ESG integration in India for over a decade. He was a member of the India-UK Sustainable Finance Forum at FICCI and led its working group on taxonomy.

Mr. Munot is a member of the Governance Committee for the Corporate Debt Market Development Fund (CDMDF), managed by SBI Funds Management. He is a key member of several committees constituted by the International Financial Services Centres Authority (IFSCA). He is also on the Advisory Committee of SEBI's Investor Protection and Education Fund (IPEF). He was a member of the CSR committee at the Indian Merchant Chamber (IMC).

Mr. Munot is a member of the Governance Advisory Council (GAC) of the Indian Cancer Society (ICS), an NGO working since 1962 at the forefront of raising awareness, detecting, curing and supporting cancer patients in India. He is also an advisor to India Karuna Collaborative (IKC), an initiative working to end animal suffering and promote animal welfare.

Mr. Munot was Chairperson of CFA Society India and has contributed to several national and international working groups of CFA Institute.

He holds a Master's degree in Accountancy and Business Statistics and is a rank-holding Chartered Accountant. He is a CFA Charterholder, a CAIA Charterholder, and has completed the Financial Risk Management (FRM) certification from the Global Association of Risk Professionals.

Mr. Munot is a sought-after speaker at leading forums on the economy, financial markets, and leadership. His annual letter, 'Person of the Year', enjoys a wide readership, alongside his many other publications.

LEADERSHIP TEAM



Navneet Munot
Managing Director and Chief Executive Officer



Alok Sheopurkar
Head – Human Resources



Anil Bamboli
Head – Fixed Income



Chirag Setalvad
Head – Equities



Harish Narayanan
Chief Digital and Marketing Officer



Leena Vijayvargiy
Chief Risk Officer



Naozad Sirwalla
Chief Financial Officer



Rajiv Maniar
Head – Sales and Distribution



Sameer Seksaria
Head – Corporate Client Services



Shobhit Mehrotra
Head – New Initiatives - Fixed Income



Simal Kanuga
Head –PMS Sales, New Initiatives, Product Development, International Business and Chief Investor Relations Officer (AMC)



Sonali Chandak
Company Secretary and Head – Legal



Supriya Sapre
Chief Compliance Officer



V Suresh Babu
Head – Operations

INVESTMENT TEAM

People behind Performance

HDFC AMC has built one of the most experienced investment teams in the mutual fund industry with seasoned professionals who bring deep domain expertise, rigorous research capabilities and a long-term investment philosophy to every investment decision.

Several of our funds have a proven track record of navigating multiple market cycles over more than three decades, supporting long-term wealth creation for investors.

Alongside our mutual fund platform, we have purpose-built specialist teams for PMS and AIF, primed and ready to propel these high-conviction business segments into their next phase of growth.

OUR INVESTMENT TEAMS

MF Team

37	661
Professionals*	Years of Experience

*26 professionals with Fund management responsibilities

Alternatives (PMS & AIF)

21	279
Professionals	Years of Experience

TRACK RECORD

~83% of our Equity-oriented AUM has Outperformed the Benchmark on 3 Years*

>99% of our Equity-oriented AUM has Outperformed the Benchmark on 5 Years*

Our investment teams remain our most enduring competitive advantage. Backed by **940 years of experience** across diverse market cycles, they bring not only deep expertise, but also the judgement and perspective that can only be built over time.

*As on March 31,2026.
Investment team data as of May 2026.

Management Discussion and Analysis

A. Macroeconomic Update

Globally, FY 25-26 was a year of intense uncertainty, marked by major geopolitical conflicts and imposition of tough U.S. reciprocal tariffs on economic partners. Together, these developments have clouded the outlook for the global economy in FY27. However, the US economy continued to exhibit exceptionalism despite headwinds from government shutdowns and macro uncertainty caused by tariffs. Growth in US was robust due to AI/tech related capex, but high growth did not translate into job creation as non-farm payroll kept declining. However, as crackdown on illegal immigration reduced the supply of labour as well, the unemployment rate did not increase materially. Europe witnessed a rebound in growth in last 12 months led by the services sector, however future growth remains uncertain due to the fallout from the West Asia war. Ongoing geopolitical tensions and related surge in energy prices continue to pressure manufacturing competitiveness and raise the risks of a general increase in price levels. China, meanwhile, experienced subdued growth over the past year, weighed down by weak domestic demand and a sluggish property sector. However, China's exports continued to show resilience even in the face of US tariffs as exports to rest of the world (ex US) surged last year.

The war in West Asia poses significant risks to the global economy. It is akin to a supply shock, especially for Asia, given its dependence on the zone of conflict for its energy needs. If the conflict gets prolonged, it risks a general increase in price levels and lower output increasing stagflationary risks.

Throughout 2025 and early 2026, a widespread calibrated easing cycle saw major central banks like the U.S. Fed and ECB cut rates by 75-100 bps as the global economy shifted from fighting inflation to supporting growth. Japan was an exception which undertook rate hikes. However, with energy prices rising sharply due to the war in West Asia, globally, central banks may need to reassess their policy stance. Higher energy costs are spilling over into other commodities, increasing the risk of worsening commodity prices and a rebound in overall inflation and lower growth.

Key developments in FY26:

- **Liberation Day tariffs:** On April 2, 2025, U.S. President invoked emergency powers to impose broad reciprocal tariffs, triggering a global market shock and a year of trade volatility. The US Supreme Court in February 2026 ruled the 'Liberation Day' emergency tariffs illegal, forcing the administration to pivot to statutory trade laws.
- **India-Pakistan 2025 conflict:** A four-day military escalation in May 2025 led to the suspension of the Indus Waters Treaty and the closure of regional airspaces before a ceasefire was reached on May 10.
- **NATO's 5% defence spending pivot:** Member nations at the June 2025 Hague Summit agreed to target 5% of GDP for defence, a massive increase driven by prolonged conflict in Ukraine.
- **Bank of Japan Interest rate hikes:** The BOJ signalled a series of rate hikes to stabilise the Yen, ending years of ultra-loose monetary policy and rattling global bond markets.
- **Fed rate cuts:** The Fed resumed rate cuts and cut policy rates by a total of 75bps between September and December 2025.
- **The Israel-U.S.–Iran War:** The conflict has escalated into a direct 'crushing' exchange between the U.S., Israel, and Iran, resulting in the near-total closure of the Strait of Hormuz and a global surge in oil prices.

GDP growth accelerated in 9MFY26: The government in February 2026 released the new GDP series with 2022-23 as base year (from 2011-12 earlier). The government not only changed the base year but also incorporated significant methodological changes in the new series to make GDP measurement more robust and reflective of changes which took place in the past decade. The new GDP series confirms continued growth momentum. India's GDP grew by 7.7% YoY in 9MFY26 (as against 7.1% YoY in 9MFY25). The acceleration was led by sectors such as manufacturing and 'trade, hotels,

transport etc'. Agriculture growth on the other hand decelerated due to high base effect. On the demand side, the growth in 9MFY26 was led by private consumption and investments even as government consumption demand moderated.

YoY change (%)	9MFY25	9MFY26
GDP	7.1	**7.7**
Private Consumption	5.9	**8.7**
Government Consumption	7.4	**5.7**
Gross Capital formation	6.7	**6.3**
Gross Fixed Capital formation	6.5	**7.1**
Exports	7.0	**7.4**
Imports	5.2	**7.3**

YoY change (%)	9MFY25	9MFY26
GVA	7.3	**7.8**
Agriculture, Forestry and Fishing	4.3	**2.5**
Industry	7.6	**9.2**
Manufacturing	8.3	**12.5**
Construction	7.1	**6.9**
Services	8.3	**8.9**
Trade, Hotels, Transport, etc.	6.7	**10.3**
PADO	5.7	**5.2**

Source- MoSPI, CEIC, Ambit Capital research.

Note- PADO: Public Administration and Defence.

Indian economic activity was mixed in March: The high frequency indicators were mixed in March. While vehicle registrations continued to grow at a strong pace, power demand and PMIs for both manufacturing and services decelerated. The PMIs also revealed rising input cost pressure as energy prices continue to climb higher due to the war in West Asia.

Indicators	Units	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26
Retail registration- Auto@									
2W	YoY, %	**2.7**	**7.3**	**52.6**	**(2.6)**	**10.3**	**21.2**	**25.1**	**28.2**
PV		**4.3**	**10.2**	**15.0**	**22.7**	**28.8**	**8.9**	**25.3**	**22.9**
MHCV		**10.7**	**(1.3)**	**(1.2)**	**22.6**	**28.1**	**15.1**	**36.1**	**20.0**
LCV		**8.3**	**2.3**	**27.4**	**21.1**	**25.8**	**5.8**	**31.4**	**19.9**
Tractors		**29.8**	**2.4**	**13.8**	**56.1**	**15.0**	**22.7**	**36.5**	**10.9**
Gross GST collection		**6.5**	**9.5**	**4.6**	**0.7**	**6.1**	**6.2**	**8.1**	**8.8**
Average E-Way bill generated		**22.4**	**21.0**	**8.2**	**27.6**	**23.5**	**15.8**	**18.8**	**NA**
Power demand		**4.3**	**3.2**	**(6.0)**	**(0.8)**	**6.1**	**3.9**	**4.9**	**0.7**
Digital Spending (UPI+IMPS)		**16.8**	**17.4**	**13.1**	**19.7**	**18.2**	**18.7**	**20.6**	**17.4**
Railway Freight Tonnage		**5.5**	**11.8**	**4.6**	**6.9**	**4.9**	**2.7**	**3.7**	**3.1**
Manufacturing PMI^	Index	**59.3**	**57.7**	**59.2**	**56.6**	**55.0**	**55.4**	**56.9**	**53.9**
Services PMI^	Index	**62.9**	**60.9**	**58.9**	**59.8**	**58.0**	**58.5**	**58.1**	**57.5**
Unemployment*	%	**6.4**	**8.6**	**7.5**	**6.5**	**6.9**	**6.9**	**6.7**	**6.6**

Source: www.gstn.org.in, www.icegate.gov.in, CMIE, PIB, RBI, www.vaahan.parivahan.gov.in, https://grid-india.in/en/

^Number >50 reflects expansions and number <50 reflects contraction compared to previous month.

@ - figures are preliminary data and are subject to revision.

*based on CMIE survey

Going forward, the direction and strength of demand will depend on the temporary truce between Iran and US. If it holds, energy supplies may be restored to pre-war levels.

Tax revenue growth in slow lane: As the government cut both personal income tax and GST rates last fiscal, tax revenue growth has been slower and the government might miss the revised revenue targets for FY26. Despite the shortfall in tax revenue, the government is likely to meet the fiscal deficit target in FY26 through a mix of higher non-tax revenue and lower expenditure than budgeted.

INR Billion	11MFY25	11MFY26	YoY growth (%)
Gross tax revenue	32,042	**34,195**	6.7
Direct Tax Collections	17,586	**18,628**	5.9
Indirect Tax collections	13,895	**15,027**	8.1
Less: Share of states & others	11,886	**12,743**	7.2
Net Tax collections	20,156	**21,452**	6.4
Non- tax revenues	4,933	**5,812**	17.8
Total revenue receipts	25,090	**27,264**	8.7
Total Capital receipts	374	**655**	75.4
Total Receipts	25,463	**27,919**	9.6
Total Revenue Expenditure	30,813	**31,153**	1.1
Total Capital Expenditure	8,119	**9,293**	14.5
Total Expenditure	38,932	**40,446**	3.9
Fiscal Deficit	13,469	**12,526**	(7.0)
Fiscal deficit (% of RE)	85.8%	**80.4%**	
Fiscal deficit (% of GDP)	4.2%	**3.6%**	

Source: CMIE

Current account deficit narrows but capital account weakens: India's CAD narrowed in the first 9 months of FY26 due to higher invisibles surplus even as trade deficit widened. However, capital account surplus narrowed significantly due to large FPIs outflows from equities leading to widening of BoP deficit.

USD Billion	9MFY25	9MFY26	YoY growth (%)
Trade (Deficit)/ Surplus	(228)	**(252)**	24.0
Net Oil Imports	(92.1)	**(93.8)**	1.6
Net Gold Imports	(47.3)	**(55.3)**	13.2
NONG net imports	(90.2)	**(84.8)**	8.0
Net Invisibles exports Surplus/(Deficit)	190.9	**221.4**	30.4
Current account deficit	(36.7)	**(30.2)**	(6.4)
% of GDP	1.3%	**1.1%**	
Capital Account Surplus/ (Deficit)	22.2	**0.1**	(22.2)
FDI	0.3	**3.0**	2.4
FII	9.4	**(4.3)**	(13.7)
Trade credits, ECBs, etc.	23.7	**23.0**	20.5
Banking Capital	(0.8)	**1.0**	1.8
Rupee debt service	(0.1)	**(0.1)**	4.0
Others	(10.6)	**(22.6)**	(12.1)
Balance of Payments	(13.8)	**(30.8)**	(17)

Source: CMIE

Retail inflation cools in FY26, likely to rise in FY27: CPI inflation moderated by 250bps in FY26 led by decline in food prices. Ex of precious metals, core inflation too was benign as benefit of GST cuts led to decrease in prices.

YoY, %	FY25	FY26	Change in %
CPI	4.6	**2.1**	(2.5)
Food & beverages	6.8	**0.2**	(6.6)
Electricity, gas and other fuels	1.1	**2.0**	0.9
Housing	2.3	**2.7**	0.4
Transportation	2.4	**1.7**	(0.7)
Core-Core CPI@	3.2	**3.0**	(0.2)

Source: CMIE; @- CPI excluding Food, Fuel & light, Petrol, Diesel, Gold and Silver

CPI inflation is likely is to increase this year due to higher crude oil and other commodity prices, adverse base effect and likelihood of lower monsoon which could lead to higher food inflation.

Commodity prices: While oil price remained largely benign through most of FY26, it spiked in March 2026 following the escalation of the West Asia conflict, with the Strait of Hormuz, a critical choke point accounting for around 34% of global oil trade, remaining shut. Elevated geopolitical uncertainty continued to support gold prices during FY26. Moreover, industrial metals such as copper and aluminium benefitted from increased investments in data centres and the accelerating adoption of electric vehicles. In contrast, steel prices saw only moderate gains, weighed down by Chinese overcapacity and subdued global demand.

	Market price (USD)*	FY25 (%)^	FY26 (%) ^
Brent Crude (per barrel)	118	(14.6)	**58.3**
Gold (per ounce)	4,668	40.1	**49.4**
Steel (per tonne)	480	(10.1)	**3.2**
Zinc (per tonne)	3,220	18.5	**13.5**
Copper (per tonne)	12,160	10.8	**25.7**
Aluminium (per tonne)	3,521	9.7	**39.9**
Lead (per tonne)	1,881	1.9	**(6.0)**

Source: Bloomberg;

*Market prices as on March 31, 2026,

^YoY change

Summary and Conclusion

Global economy faces heightened uncertainty due to in geo-political tensions in west Asia although the 2-week truce between US and Iran offers hope of early resolution of the conflict. If the conflict gets elongated, it can have profound implications for the global economy as not only energy but supply chains for various sectors will get disrupted. Growth in the US so far has held up well and prospects too were bright before the conflict started. This was due to higher AI/tech related capex and expansionary fiscal policy. However, labour markets have remained weak as evidenced by low non-farm payrolls although unemployment rate has not risen sharply as labour supply too has gone down simultaneously due to crackdown on illegal immigration. Growth in China is following a two-speed path where domestic consumption and property markets are in a slow lane, but exports and manufacturing are holding up well.

Before the start of conflict in west Asia, growth in India too had held up well on the back of fiscal (income tax and GST cuts) and monetary (lowering of interest rates) stimulus. High frequency indicators have steadily improved over the last few months with rural demand continuing to hold up well and urban demand too showing signs of uptick. Inflation remains well anchored and though it is expected to rise from here on due to rise in crude oil and other commodity prices and adverse base effect, it is unlikely to increase significantly. RBI has projected an average inflation of 4.6% in FY27.

Looking ahead, the medium-term outlook for the Indian economy seems optimistic. This optimism is driven by policy continuity, benefits from production-linked incentive schemes, opportunities arising from shift in the global supply chain and the likely boost to private consumption due to income tax relief and lower borrowing cost. However, the flare up in geo-political tensions remains a key risk to growth this year.

Debt Market Update

FY26 was a year when major central banks undertook synchronised rate cuts (except Japan which undertook rate hike). Softness in labour markets prompted the Fed to cut rates by 75bps last year. However, yields on the longer end increased despite policy rate cuts. By the end of the year, 10-year Government bond yields were higher by 11bps in US, 27bps in Germany and 75bps in Japan.

10-year Government bond yield in India rose by 46bps during the year ending at 7.04% even as RBI cut rates by 100bps during the year as supply demand mismatch in G-sec and flare up in geopolitical tensions in March led to rise in yields, especially at the longer end. 10-year AAA corporate bond yields also witnessed rise of 58bps during the year and the spread between 10 year AAA and 10 year Gsec widened by 12bps. The table below gives a summary view of the movement of key rates and liquidity:

	FY25	FY26	Change (in bps)
MIBOR Overnight Rate (%)	7.20	**6.98**	(0.22)
3M Gsec yield (%)	6.52	**5.33**	(1.19)
10Yr Benchmark G-Sec Yield^ (%)	6.58	**7.04**	0.46
AAA 10Year Corporate Bond Yields#, & (%)	7.14	**7.72**	0.58
AAA 10Y Corporate bond spread against 10Y benchmark@ (bps)	56	**68**	0.12
Average net liquidity absorbed/infused by RBI* (INR Billion)	(341)	**1,749**	

^-bi-annual yield;

#-annualised yield; & - Average yield of NABARD paper provided by independent valuation agencies has been taken.

@ - Spreads calculated by subtracting non-annualised Gsec yields from annualised corporate bond yields.

*Average net daily liquidity infused/absorbed through Liquidity Adjustment Facility, exports refinance, marginal standing facility and term repos/reverse repos. Source: Bloomberg, RBI

Average net liquidity surplus increased to ~INR1,750bn in FY26, from a deficit of ~INR341bn in FY25 due to various measures taken by the RBI including large OMO purchase of Government of India securities.

In the debt market, FPIs ended the year with net buying of $2.1 Billion in FY25 (FY25 net buy: $16.1 Billion).

Outlook

The US and Iran agreed to a two-week ceasefire which resulted in oil prices declining and fixed income market rallying. Further, RBI's decision to keep the policy rate and stance unchanged in its latest monetary policy with inflation forecast for FY27 up only marginally was considered dovish by the markets. RBI governor's comment on real rates still being high and probability of rates being lower for longer along with only marginal upward revision in inflation forecast for FY27, moderated the rate hike expectations and pulled yields lower. Moreover, RBI's assurance that it will continue to be proactive and pre-emptive in liquidity management and ensure sufficient liquidity also went well from yields perspective.

The medium-term outlook on Indian fixed income market remains favourable, considering:

- Fall in oil prices should ease pressure on CAD and INR and could result in improved capital flows, thus easing pressure on BoP.
- Risk of downside growth due to supply chain disruption along with expectation of inflation remaining within comfortable range, reduces risk of significant rise in policy rates.
- Liquidity is likely to be surplus in the coming few months, in view of constant assurance by the RBI governor to maintain sufficient surplus to meet the real economic needs.
- Supply and demand dynamics for SLR is favourable in view of likely revival of demand from Banks (due to lower SLR holding) and Pension funds. Further, to maintain sufficient liquidity, RBI might be required to conduct open market purchases of Gsec in FY27 as well.

Key risks to the favourable outlook:

- Reescalation of tension in the West Asia conflict resulting in higher oil prices than forecasted
- El Nino conditions in FY27 leading to large deficiency in southwest monsoon and reduced crop production
- Slight risk of fiscal slippage remains as the projected oil price can result in additional fertilizer subsidy and lower revenue due to reduction in excise duty. The possibility of expenditure rationalisation and higher dividend from RBI is likely to cushion impact, to a large extent.

Looking ahead, despite heightened global uncertainty, the medium-term outlook for Indian fixed income remains optimistic, considering that the markets have priced in most of the negatives. Expectation of lower oil prices, ample systemic liquidity and balanced supply-demand dynamics for government securities provide meaningful support. With growth risks tilted modestly to the downside and inflation expected to remain broadly well behaved, the likelihood of aggressive rate hikes appears limited. Key risks to monitor include any escalation in conflict or adverse food price movement due to weak monsoon.

Equity Market Update

Indian equity markets saw broad based decline in returns in FY26. NIFTY 50/BSE Sensex ended year with -5.1%/-7.1% returns respectively (compared to 5.3%/5.1% returns in FY25). Returns of small cap indices also declined while that of mid-caps ended with marginal gain. Key drivers/events during the year which affected equity markets were imposition of tariffs by the US administration across its trading partners leading to heightened trade uncertainty, rapid development in AI and major geopolitical flare ups including the US-Israel-Iran conflict in West Asia towards the end of the fiscal year. Amongst broad sectors, Metals, Auto and Capital goods outperformed but IT, FMCG and Banks underperformed.

Globally most equity indices ended the year with strong gains with Korean, Japanese and US markets outperforming. Below are detailed tables outlining the performance of key domestic and global indices:

% Change in Indices	FY25	FY26
BSE Metal	9.3	**19.4**
BSE Auto	(2.9)	**10.3**
BSE Capital Goods	2.9	**2.4**
BSE Oil & Gas	(9.1)	**1.7**
BSE Power	(1.7)	**1.3**
BSE Healthcare	18.2	**0.9**
BSE Bankex	11.3	**(5.0)**
BSE Fast Moving Consumer Goods	0.7	**(13.7)**
BSE Information Technology	1.3	**(22.7)**
NIFTY Midcap 100	7.5	**1.9**
NIFTY Smallcap 100	5.4	**(5.5)**
NSE Nifty 50 Index	5.3	**(5.1)**
BSE Sensex	5.1	**(7.1)**

% Change	FY25	FY26
KOSPI	(9.7)	**103.6**
Nikkei 225	(11.8)	**43.4**
MSCI Emerging Markets	5.6	**26.9**
NASDAQ Composite	5.6	**24.8**
FTSE 100	7.9	**18.6**
Shanghai Composite	9.7	**16.7**
S&P 500	6.8	**16.3**
Hang Seng	39.8	**7.2**
DAX	19.9	**2.3**
CAC 40	(5.1)	**0.3**

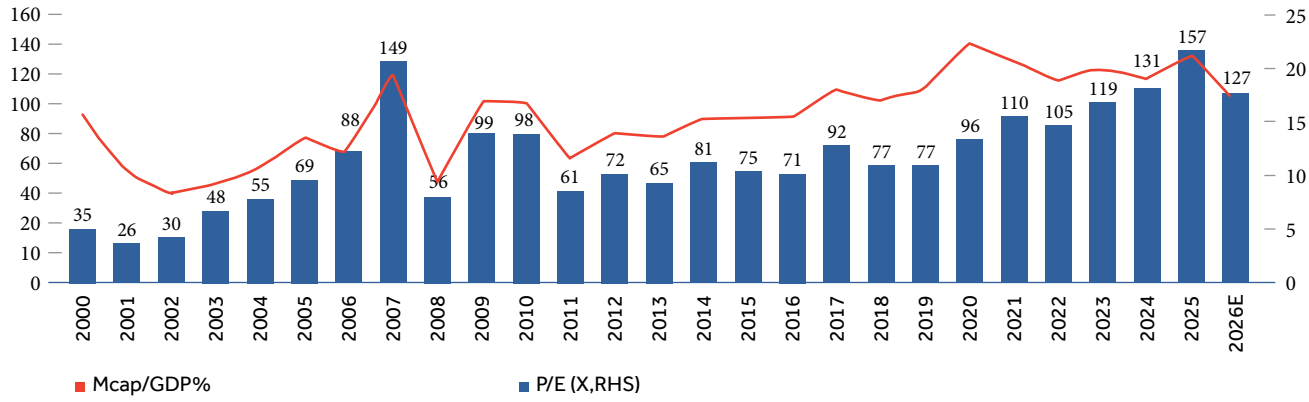
Source: Bloomberg

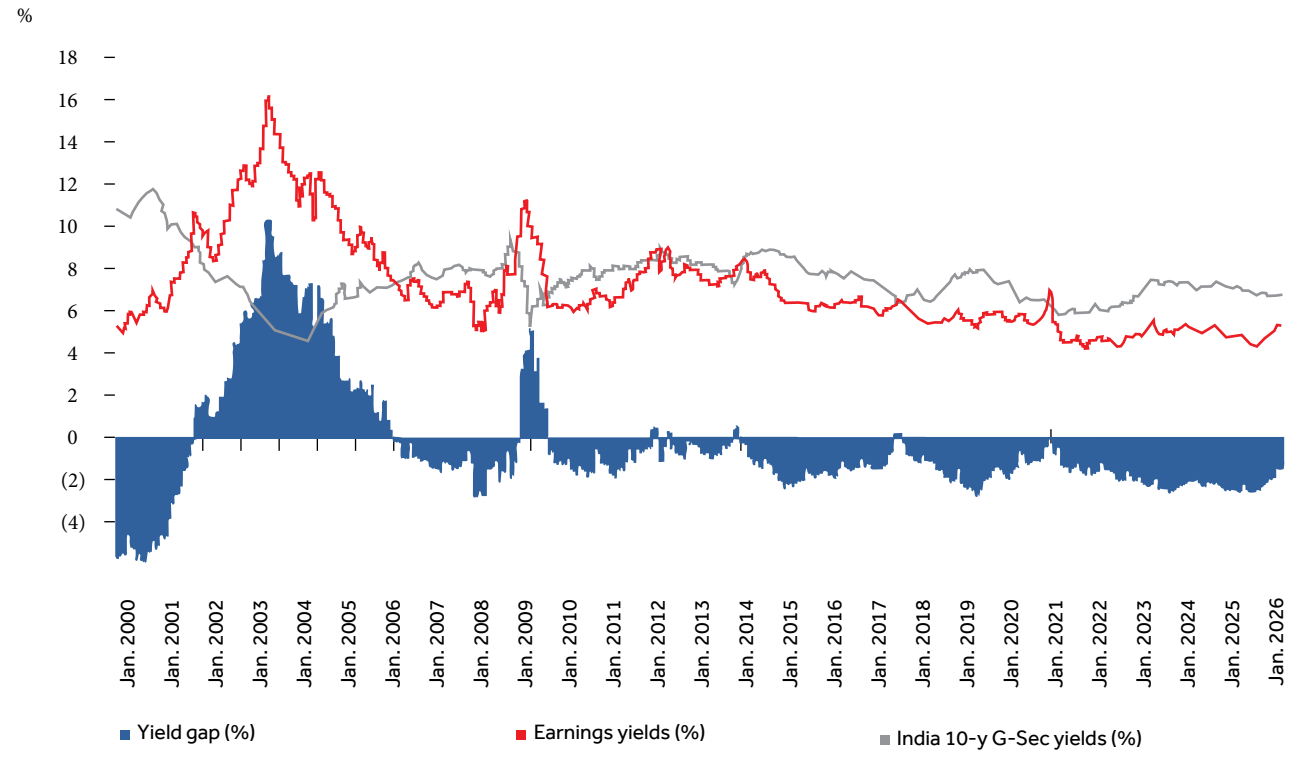
FIIs sold net equities worth $14.2 Billion in March 2026 (February 2026: Net bought $1.7 Billion) and have cumulatively sold equity worth $21.1 Billion in FY26 (FY25: $15.7 Billion).

DIIs bought net equity worth $15.4 Billion in March 2026 (February 2026: $4.2 Billion) and have cumulatively bought $95.7 Billion in FY26 (FY25: $71.7 Billion).

Outlook

As on March 31, 2026, NIFTY 50 Index was trading at ~17x 1 year forward multiple. Further, Market cap-to-GDP stood ~127% (based on CY26 GDP estimates) and the gap between 10Y G-sec yield and 1Y-Forward NIFTY 50 Index earnings yield has narrowed recently [*Earnings yield = 1/ (one year forward P/E)].





Source: Kotak Institutional Equities; For 2025 and 2026, the market cap as on March 31, 2026 is taken and divided by GDP estimates for CY25 and CY26

After the recent fall, 6 out 12 sectors are now trading at a discount to long term average (10 years) and rest 6 are still trading at a premium. (refer to the table below for details):

	12 months forward Price To Earnings		
	31-Mar-26	LTA	Discount/ Premium^
Utilities	16.1	11.6	38
PSU banks@	1.3	1.1	16
Metals	11.6	10.1	15
Cement	36.0	31.4	15
Pharma	27.7	24.5	13
Industrials	30.9	27.5	12
Energy	12.9	12.9	0
Automobiles	19.4	20.7	(6)
Consumer Discretionary	50.1	55.7	(10)
FMCG	32.4	36.6	(11)
Tech	16.4	21.2	(23)
Pvt banks@	1.9	2.5	(26)

Source: Kotak Institutional Equities. Stocks are part of Kotak Institutional Equities universe.

LTA – 10 Years average. Cells in green are sectors which are trading at premium. All figures are calculated based on 12 months forward estimates.

^to Long term (LT) average,

@-Price to Book value.

The global economy today faces unprecedented uncertainty as supply chains get disrupted leading to rise in general increase in prices and lower growth. Given the global uncertainties, the importance of stock selection increases even more.

Over medium to long term, optimism on Indian equities remain, considering key trade deals, attractive domestic growth outlook, healthy corporate profitability and supportive pro-growth policies like income tax and GST relief to consumers and renewed reform momentum. However, near-term risks include risk of elongated conflict in West Asia and cyclical moderation in corporate earnings.

Source for various data points: Bloomberg, NSDL, CMIE, RBI, Kotak Institutional Research, World Bank, Daily valuation provided by ICRA/ CRISIL

Glossary

AE	Advanced Economies
BoE	Bank of England
BoJ	Bank of Japan
BoP	Balance of Payment
bps	Basis points
CAGR	Compound Annual Growth Rate
CMIE	Centre for Monitoring Indian Economy
CPI	Consumer Price Index
CRR	Cash Reserve Ratio
CV	Commercial Vehicle
DIIs	Domestic Institutional Investors
EA	Euro Area
ECB	European Central Bank
FOMC	Federal Open Market Committee
FPI	Foreign Portfolio Investment
GDP	Gross Domestic Product
GFCE	Government Final Consumption Expenditure
GST	Goods and Services Tax
GVA	Gross Value Added
IMD	India Meteorological Department
INR	Indian Rupee
IMF	International Monetary Fund
IMPS	Immediate Payment System
JGB	Japanese Government Bonds
LCV	Light Commercial Vehicle
Mbpd	Million Barrels Per Day
MHCV	Medium and Heavy Commercial Vehicle
MIBOR	Mumbai Interbank Offered Rate
M-o-M	Month on Month
MPC	Monetary Policy Committee
MSP	Minimum Support Prices
NABARD	National Bank for Agriculture and Rural Development
NBFC	Non-banking Financial Company
NFP	Non-farm Payroll
NONG	Non-Oil Non-Gold
NSO	National Statistical Organization
OMO	Open Market Operation
PIB	Press Information Bureau
PLI	Production Linked Incentive
PMI	Purchasing Managers' Index
PPI	Producer Price Index
PSU	Public Sector Undertaking
PV	Passenger Vehicle
RBI	Reserve Bank of India
RE	Revised Estimates
RRR	Reserve Ratio Requirement (for banks in China)
SLR	Statutory Liquidity Ratio
UPI	Unified Payments Interface
US	United States of America
USD	United States dollar
UST	US Treasuries
YoY	Year on Year

Industry environment

Industry snapshot

₹81.5 Lakh Crore
Industry QAAUM (Mar-26)
67.4 Lakh Crore (Mar-25)

₹7.4 Lakh Crore
Net Inflows (FY26)
8.2 Lakh Crore (FY25)

₹32,087 Crore
Monthly SIP (Mar-26)
25,926 Crore (Mar-25)

₹6.14 Crore
Unique Investors (Mar-26)
5.42 Crore (Mar-25)

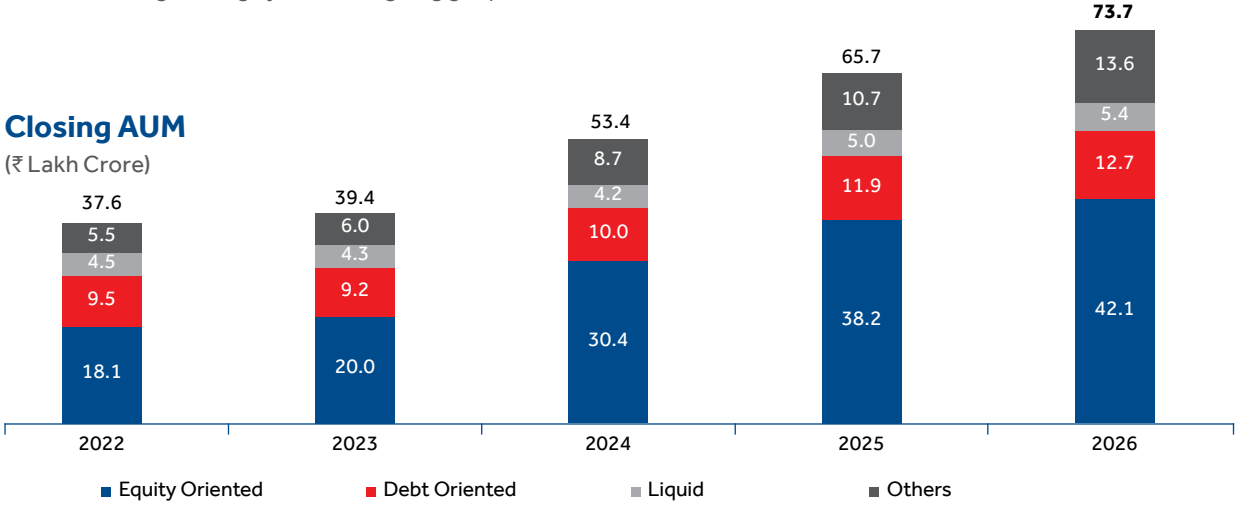
A Decade of Compounding

Over the past decade, the pace of growth in the Indian mutual fund industry has been remarkable. Industry assets expanded from ₹12 Lakh Crore in March 2016 to over ₹80 Lakh Crore during FY 2025-26, a milestone achieved through sustained structural momentum. The expansion reflects deeper penetration, broader investor participation and a durable preference for mutual funds as a long-term investment vehicle.

The industry's AUM has delivered a CAGR of approximately 19% over the past five years, with cumulative net inflows exceeding ₹22.3 Lakh Crore over the same period, driven primarily by active equity-oriented funds.

The momentum continued during FY 2025-26. The industry recorded total net inflows of ₹7.4 Lakh Crore, with equity-oriented funds contributing close to ₹4.9 Lakh Crore and exchange-traded funds attracting about ₹1.8 Lakh Crore, including nearly ₹1 Lakh Crore into Gold and Silver ETFs. Debt-oriented funds and liquid funds recorded net inflows of approximately ₹6,600 Crore and ₹450 Crore respectively.

FY 2025-26 marked the fourteenth consecutive year of positive net inflows for the mutual fund industry. This streak has endured through domestic and global economic and market events over the past decade and a half, including the Eurozone sovereign debt crisis, the taper tantrum, demonetisation, GST implementation, the IL&FS-led liquidity crisis, the COVID-19 pandemic, US interest rate tightening cycle and ongoing geopolitical and trade-related uncertainties.



Source: AMFI. Data as of March 31 each year. Equity AUM data includes equity-oriented index funds and Debt AUM includes debt-oriented index funds.

Folios & Unique Investors

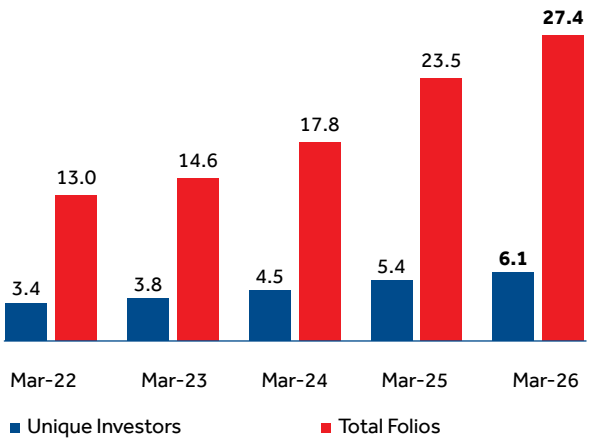
The industry witnessed a broad-based increase in participation during the year. The total number of folios rose to 27.4 Crore as of March 31, 2026, up from 23.5 Crore a year earlier. This growth reflects not only a deeper wallet share from existing investors but also a steady expansion in the investor base. During the year, 72 lakh new unique investors entered mutual funds, taking the total unique investor base to 6.14 Crore.

Retail participation continued to remain strong during the year. Individual investors continue to play a pivotal role in the industry's growth. As of March 2026, they contributed ₹47 Lakh Crore, accounting for about 60% of total monthly average AUM.

Institutional investors accounted for ₹32 Lakh Crore, 40% of monthly average AUM, largely allocated to passive and liquid funds.

MF Industry Folios & Unique Investors

(Crore)



Source: AMFI. Data as of March 31 for each year.

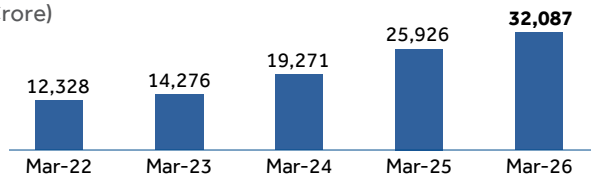
Systematic Investment Plan (SIP)

Systematic Investment Plans have evolved beyond being a product feature and are increasingly becoming a core financial savings mechanism for Indian households. Monthly SIP contributions scaled to ₹32,087 Crore by March 2026, representing a 24% year-on-year increase over ₹25,926 Crore in March 2025.

Monthly SIP inflows increased from ₹8,641 Crore in March 2020 to ₹32,087 Crore in March 2026. This trajectory reflects a combination of rising incomes, digital convenience, improving financial literacy and, importantly, the lived experience of investors who have witnessed wealth creation through SIPs across market cycles, including periods of significant volatility. Total SIP contributions for FY 2025-26 reached ₹3.5 Lakh Crore, compared to ₹2.9 Lakh Crore in FY 2024-25.

MF Monthly SIP Flows

(₹ Crore)



Source: AMFI

B1. Review of Business

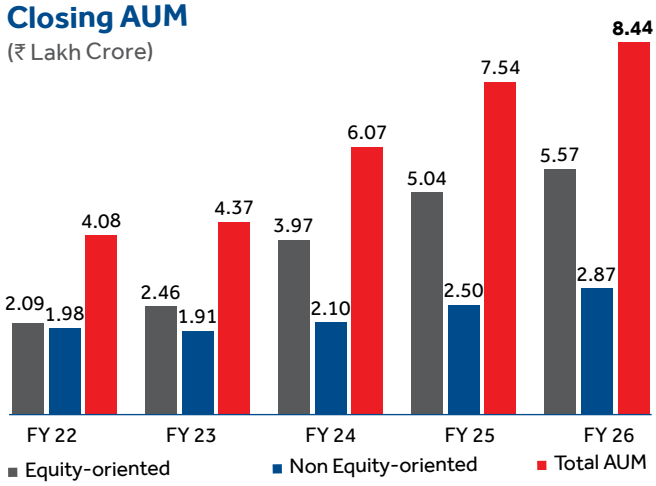
HDFC AMC offers a comprehensive suite of mutual funds, portfolio management services and alternative investment funds across asset classes, including equity, fixed income, hybrid and multi-asset solutions. These offerings are available across active and passive categories, catering to a broad and diverse customer base.

HDFC AMC acts as the investment manager to HDFC Mutual Fund, one of India's leading mutual funds. The Fund's total annual average AUM for FY 2025-26 stood at ₹8.91 Lakh Crore as compared to ₹7.48 Lakh Crore in FY 2024-25, reflecting year-on-year growth of 19%. The growth was supported by sustained investor preference for long-term wealth creation solutions and the strength of the Company's investment franchise. Actively managed equity-oriented assets accounted for 61% of total annual average AUM.

During the year, the Company launched seven new mutual fund schemes across active and passive categories, further broadening its product offering.

Closing AUM

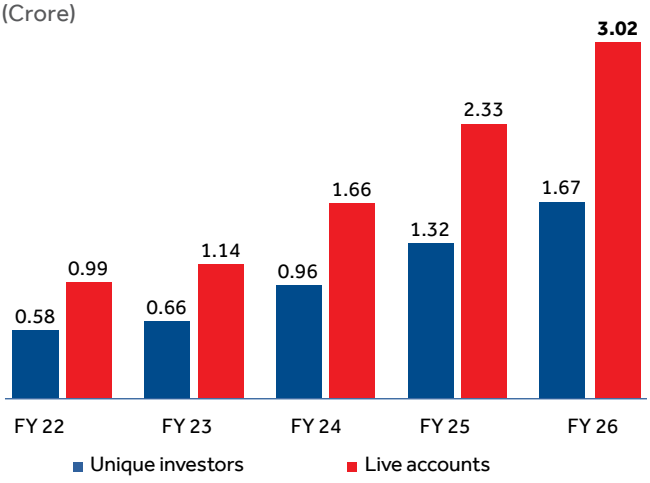
(₹ Lakh Crore)



The Company served over 1.67 Crore unique investors through 3.02 Crore live accounts as on March 31, 2026. Nearly one in four mutual fund investors in India, in terms of unique investors, was associated with HDFC AMC. The Company's distribution footprint comprised 280 offices and a network of over 1,09,000 distribution partners, supported by robust digital capabilities that enabled efficient servicing of investors across geographies and customer segments.

Number of investors and accounts

(Crore)



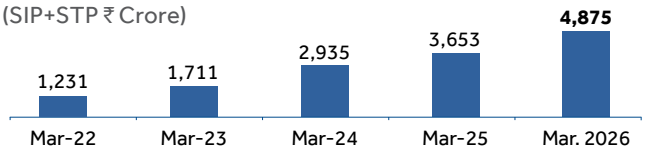
Digital adoption continued to strengthen during the year, with 97% of total transactions executed digitally in FY 2025-26, compared to 81% three years ago and 69% six years ago. The Company continued to invest in technology and digital capabilities during the year, while also expanding the use of artificial intelligence across functions. AI is being leveraged to enhance research and investment processes, enable more personalised investor engagement and improve operational efficiency, while augmenting human judgement with greater speed, depth and precision.

Contribution from B-30 cities (beyond top-30 cities) stood at 19.2% of monthly average AUM.

SIP and STP flows together stood at ₹4,875 Crore for the month of March 2026, representing year-on-year growth of 33% and reinforcing the structural shift towards disciplined and long-term investing.

Systematic Transactions

(SIP+STP ₹ Crore)



The Company offers Portfolio Management Services, Segregated Account Services and Alternative Investment Funds to high net-worth individuals, family offices, corporates, trusts, provident funds and domestic & global institutions. As on March 31, 2026, the Portfolio Management Services business managed assets of about ₹10,600 Crore, while commitments under Alternative Investment Funds exceeded ₹2,500 Crore.

During FY 2025-26, the company announced first close of its private credit fund, with the IFC participating as a partner and anchor investor. During the year, HDFC AMC also secured fixed income mandates from the Employees' Provident Fund Organisation (EPFO) and the Seamen's Provident Fund Organisation (SPFO), further strengthening its institutional franchise and reinforcing confidence in the Company's investment and risk management capabilities.

The Company also operates through its wholly owned subsidiary, HDFC AMC International (IFSC) Limited, based in Gujarat International Finance Tec-City (GIFT City), which offers investment management, advisory and related services to global and offshore investors. During the year, the Company launched two inbound funds, taking the total to five funds. As part of our international business platform, the Company also serves as investment advisor to three funds, further strengthening our presence across global investment platforms.

B2. Financial Performance

Standalone Financial performance review

- Our Company's Total Income has increased by 13.77% to ₹ 4,617.26 Crore in FY 25-26
- Operating Profit (Profit Before Tax less Other income) increased by 17.80% to ₹ 3,211.45 Crore in FY 25-26
- Profit Before Tax (PBT) for FY 25-26 stood at ₹ 3,710.18 Crore and grew by 12.89% over FY 24-25
- Profit After Tax (PAT) for FY 25-26 stood at ₹ 2,859.36 Crore and grew by 16.18% over FY 24-25
- Average Networth increased by 14.15% to ₹ 8,682.62 Crore in FY 25-26
- Return on Average Networth increased from 32.35% in FY 24-25 to 32.93% in FY 25-26

Financial performance with respect to our operations

The financial statements have been prepared and presented on going concern basis and in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act, as amended from time to time.

Indian Accounting Standards (Ind AS) – IFRS Converged Standards

The Company had adopted Ind AS with effect from April 01, 2018.

Material accounting policies used for the preparation of the financial statements are disclosed in Note 3 to the financial statements.

The following table sets forth selected financial information from our Statement of Profit and Loss for FY 25-26 and FY 24-25.

₹ (in Crore)

PARTICULARS	For the year ended March 31, 2026	For the year ended March 31, 2025	% Change
Revenue from Operations	**4,118.53**	3,498.03	17.74
Other Income	**498.73**	560.23	(10.98)
Total Income	**4,617.26**	**4,058.26**	**13.77**
Finance Costs	**13.27**	9.41	41.02
Fees and Commission Expenses	**5.91**	3.86	53.11
Employee Benefits Expenses	**480.88**	388.25	23.86
Depreciation, Amortisation and Impairment	**72.70**	58.41	24.46
Other Expenses	**334.32**	311.89	7.19
Total Expenses	**907.08**	**771.82**	**17.52**
Profit before Tax	**3,710.18**	**3,286.44**	**12.89**
Current Tax	**806.05**	730.17	10.39
Deferred Tax Charge/(Credit)	**44.77**	95.22	(52.98)
Total Tax Expense	**850.82**	**825.39**	**3.08**
Profit after Tax	**2,859.36**	**2,461.05**	**16.18**

Revenue from Operations

Revenue from Operations comprises of investment management fees from Mutual Fund and portfolio management services (PMS), 'Alternative Investment Fund (AIF) and other advisory services' fee.

Investment management fees from Mutual Fund consists of fees from various schemes which invest in different categories of securities like equity, debt etc. In general, fees per unit of AUM from schemes investing in equity securities are substantially higher than schemes investing in debt securities. Within each of these categories of funds, there are variations in the fees per unit of AUM based on factors like fund composition, fund size etc. Hence, the quantum of fees is dependent on the size and composition of the AUM and if there are any changes therein, it leads to higher or lower fees on an overall basis.

The increase in Revenue from Operations from ₹3,498.03 Crore in FY 24-25 to ₹4,118.53 Crore in FY 25-26, was largely due to increase in investment management fee from Mutual Fund by 17.84% from ₹3,481.91 Crore in FY 24-25 to ₹ 4,103.15 Crore in FY 25-26. The said increase was a result of higher total Annual Average AUM which increased by 19.05% in FY 25-26 as compared to FY 24-25. While equity AUM as a percentage of total AUM remained largely unchanged compared to the previous year, total equity AUM increased during the year, leading to higher revenue.

Other Income

Our Other Income largely comprises of income from investments which are generated from retained surpluses. Other Income was ₹498.73 Crore in FY 25-26 as compared to ₹560.23 Crore in FY 24-25.

The variation in Other Income for the year ended March 31, 2026 is mainly attributable to mark-to-market adjustments on mutual fund schemes.

Finance Costs

Finance Costs are on account of accounting treatment prescribed under Ind AS 116 - Leases, where the future lease payments are discounted to its present value and are un-wound subsequently, resulting in finance cost.

Fees and Commission Expenses

Fees and Commission Expenses primarily comprises of commissions paid to distributors for PMS, AIF and advisory business. Our Fees and Commission Expenses increased from ₹3.86 Crore in FY 24-25 to ₹5.91 Crore in FY 25-26.

Employee Benefits Expenses

Our Employee Benefits Expenses increased due to the following reasons:

- An increase in salaries and allowances of employees due to increase in certain emoluments for employees as well as increase in headcount in FY 25-26.
- Under Employees Stock Options and Performance-linked Stock Units Scheme - 2025 ('ESOP & PSU Scheme - 2025'), the Nomination and Remuneration Committee (NRC) of the Board of Directors of the Company had approved the grant of Employees Stock Options Plan (ESOPs) and Performance-linked Stock Units (PSUs) to eligible employees of the Company and its subsidiary. For details of the said grants, please refer Note 24 to the financial statements.

  The total non-cash charge towards the outstanding ESOPs and PSUs has increased from ₹22.49 Crore in FY 24-25 to ₹69.22 Crore in the FY 25-26 and the same is appearing as expense under Share Based Payments to Employees.

  Accounting for equity settled share based payment transaction (ESOPs and PSUs) 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 upon exercise of ESOPs and PSUs and subsequent allotment of shares. Hence, this charge is neutral to Equity of the Company.

- Accordingly, Employee Benefit Expenses increased by 23.86% from ₹388.25 Crore in FY 24-25 to ₹480.88 Crore in FY 25-26. However, excluding the above-mentioned non cash charge towards ESOPs and PSUs, the employee benefit expenses has increased by ₹45.90 Crore i.e. 12.55%.

Depreciation, Amortisation and Impairment

Our Depreciation, Amortisation and Impairment expense increased from ₹58.41 Crore in FY 24-25 to ₹72.70 Crore in FY 25-26, primarily due to higher depreciation charge on Right of Use Assets, Computer Equipments & Improvement of Rented Premises.

Other Expenses

Our Other Expenses increased by 7.19% from ₹311.89 Crore in FY 24-25 to ₹334.32 Crore in FY 25-26 primarily due to increase in 'Corporate Social Responsibility Expense', 'Software Expenses and Allied Services' and 'Outsourced Services Cost'. This rise in expenditure was due to various business, technology and digital initiatives taken by the Company.

- Our Corporate Social Responsibility expense increased from ₹34.59 Crore in FY 24-25 to ₹42.51 Crore in FY 25-26.
- Our Software Expenses and Allied Services cost increased from ₹48.38 Crore in FY 24-25 to ₹52.92 Crore in FY 25-26 due to continuing enhancements on the technology front and digitisation initiatives during the current year.
- Our Outsourced Services Cost increased from ₹33.95 Crore in FY 24-25 to ₹38.33 Crore in FY 25-26 in line with business expansion.
- Though our Advertisement, Publicity and Business Promotion cost increased from ₹46.51 Crore in FY 24-25 to ₹53.48 Crore in FY 25-26, the rise was largely offset by reduction in the spend on New Fund Offer and Mutual Fund Expenses from ₹11.37 Crore in FY 24-25 to ₹5.94 Crore in FY 25-26.

Profit Before Tax

As a result of the factors outlined above, our Profit Before Tax increased by 12.89% to ₹3,710.18 Crore in FY 25-26 from ₹3,286.44 Crore in FY 24-25.

Tax Expenses

Our total Tax Expenses increased by 3.08% to ₹850.82 Crore in FY 25-26 from ₹825.39 Crore in FY 24-25. Our current tax charge increased to ₹806.05 Crore in FY 25-26 from ₹730.17 Crore in FY 24-25. Our deferred tax charge decreased to ₹44.77 Crore in FY 25-26 from ₹95.22 Crore in FY 24-25. The deferred tax charge is mainly on account of movement in fair value gains/losses on investments. Our effective tax rate, including deferred tax was at 22.93% and 25.12% for FY 25-26 and FY 24-25, respectively.

As per Finance (No.2) Act 2024, enacted in August 2024, the rates at which capital gains were taxed had changed and indexation benefit had also been withdrawn while calculating long term capital gains on investments. Consequently, the Deferred Tax Liability recognised by the Company on fair value gains on its investments as on March 31, 2024 had increased by ₹43.67 Crore thereby resulting in an additional charge on the Profit After Tax of the Company for year ended March 31, 2025.

Considering certain assessments orders, the Company has re-assessed its income tax position during the year ended March 31, 2026. As a result of which, the Company has reversed income tax provision for earlier years amounting to ₹45.38 Crore thereby resulting in an additional credit to the Profit After Tax of the Company for year ended March 31, 2026.

Profit After Tax

As a result of the factors outlined above, our Profit After Tax increased by 16.18% to ₹2,859.36 Crore in FY 25-26 from ₹2,461.05 Crore in FY 24-25.

Dividend

Your Directors have recommended a final Dividend of ₹54 per equity share (1080%) of Face Value of ₹5 each for FY 25-26 as compared to ₹45 per equity share (900%) (adjusted for bonus issuance) for FY 24-25. Accordingly, the Dividend payout ratio for FY 25-26 is 80.91%, up from 78.18% for FY 24-25.

Statement of Assets and Liabilities

The following table sets forth selected financial information from our Balance Sheet as at March 31, 2026 and March 31, 2025:

₹ (in Crore)

PARTICULARS	As at March 31, 2026	As at March 31, 2025
Assets		
Financial Assets	**9,624.08**	8,474.40
Non-Financial Assets	**364.31**	279.23
Total Assets	**9,988.39**	**8,753.63**
Liabilities and Equity		
Financial Liabilities	**371.68**	284.20
Non-Financial Liabilities	**385.62**	335.29
Total Liabilities	**757.30**	**619.49**
Total Equity	**9,231.09**	**8,134.14**
Total Liabilities and Equity	**9,988.39**	**8,753.63**

Financial Assets

Financial Assets have increased to ₹9,624.08 Crore in FY 25-26 from ₹8,474.40 Crore in FY 24-25 primarily due to movement in Investments of the Company which grew from ₹8,288.87 Crore in FY 24-25 to ₹9,396.23 Crore in FY 25-26. The increase in Investments is mainly due to net investment in mutual fund schemes and fair value changes.

Non-Financial Assets

Non-Financial Assets have increased to ₹364.31 Crore in FY 25-26 from ₹279.23 Crore in FY 24-25. This increase is primarily due to movement in Property, Plant and Equipment on account of net increase in Right of Use Assets & Improvement of rented premises.

Financial Liabilities

Financial Liabilities have increased to ₹371.68 Crore in FY 25-26 from ₹284.20 Crore in FY 24-25. This increase is primarily due to increase in Lease Liabilities.

Non-Financial Liabilities

Non-Financial Liabilities have increased to ₹385.62 Crore in FY 25-26 from ₹335.29 Crore in FY 24-25. This increase is primarily due to movement in net Deferred Tax balances. A detailed disclosure on movement in net Deferred Tax balance is available in Note 25 (e) to the financial statements.

Total Equity

Total Equity has increased mainly due to higher retained earnings. Retained earnings represents the surplus profits after payment of dividend.

Key Financial Ratios

PARTICULARS	For the year ended March 31, 2026	For the year ended March 31, 2025	% Change
Annual Average AUM (₹ in Crore)	**8,90,551.35**	7,48,070.62	19.05
Profit After Tax as a % of Annual Average AUM	**0.32**	0.33	(2.40)
Debtors Turnover (times)	**28.27**	30.89	(8.48)
Current Ratio (times)	**8.68**	8.03	8.09
Operating Profit Margin (%)	**77.98**	77.94	0.05
Net Profit Margin (%)	**61.93**	60.64	2.13

Note: Inventory Turnover Ratio is not applicable to the Company. Further, Interest Coverage Ratio and Debt Equity Ratio have not been presented as the Company is debt free as at March 31, 2026 and as at March 31, 2025. The finance

costs appearing in the Statement of Profit and Loss is a result of accounting treatment under Ind AS 116 – Leases and accordingly, there is no obligation on the Company to service any interest cost.

Return on Networth (Computed on Average Networth)

₹ (in Crore)

PARTICULARS	For the year ended March 31, 2026	For the year ended March 31, 2025	% Change
Networth at the Beginning of the Year	**8,134.14**	7,079.07	14.90
Networth at the End of the Year	**9,231.09**	8,134.14	13.49
Average Networth	**8,682.62**	**7,606.61**	**14.15**
Profit After Tax	**2,859.36**	**2,461.05**	**16.18**
Return on Average Networth (%)	**32.93**	**32.35**	**1.79**

Return on Average Networth increased from 32.35% in FY 24-25 to 32.93% in FY 25-26. This is due to a higher % change in PAT as compared to % change in Average Networth. PAT has increased mainly due to higher revenue from operations.

Wholly Owned Subsidiary

A Wholly Owned Subsidiary ('WOS') of the Company namely 'HDFC AMC International (IFSC) Limited', located in Gujarat International Finance Tec-City (GIFT City), Gandhinagar, India, had been incorporated effective May 27, 2022 and was capitalised during the financial year 2022-23. The WOS is in the business of providing Investment Manager Services, act as a sponsor/settler for the GIFT AIF Funds and providing discretionary/non - discretionary portfolio management services (PMS) to clients. The consolidated financial statements are also available in this annual report.

B3. Outlook

The Indian mutual fund industry continues to witness sustained structural expansion, with total closing assets under management reaching ₹73.7 Lakh Crore as of March 31, 2026, nearly six times the level a decade ago. This growth reflects a structural shift in household savings away from physical assets such as gold and real estate toward financial instruments. Despite this progress, penetration of market-linked products remains relatively low, indicating significant headroom for future growth as rising incomes and improving financial literacy continue to reshape investment behaviour.

Systematic investment plans remain a central pillar of this growth. Strong and resilient SIP inflows, even during periods of market volatility, highlight a maturing investor base that is increasingly focused on disciplined, long-term wealth creation. This shift is improving the stability and quality of flows, reducing cyclicality and strengthening the foundation of the industry.

Digital innovation and distribution expansion are further accelerating adoption. Fintech platforms, direct channels and seamless onboarding processes have made mutual funds more accessible, particularly in beyond-metro markets. This widening reach is enabling deeper penetration and fostering a more diversified investor base, which in turn enhances the resilience of the overall ecosystem.

A supportive regulatory framework continues to reinforce investor confidence. Ongoing efforts to enhance transparency, governance, and cost efficiency have strengthened trust in mutual funds as an investment avenue. While regulatory changes may create near-term pressures, they contribute to the long-term sustainability and credibility of the industry.

Overall, the industry is well positioned for continued expansion, supported by financialisation of savings, increasing formalisation of the economy and a growing preference for disciplined investing. The next phase of growth will be defined not only by scale but also by deeper investor engagement and the ability to serve a broader and more diverse investor base.

HDFC AMC is well positioned to participate in the industry's long-term growth opportunity. The Company's strong brand, established investment track record, wide distribution reach and growing digital capabilities provide a solid foundation to capture emerging demand. Combined with a disciplined approach and focus on long-term investor outcomes, these strengths position the Company to navigate a competitive environment while continuing to grow.

Strategic Priorities

The Board and Management remain constructive on the long-term growth prospects of the Indian mutual fund industry. The Company's strategic priorities include:

1) Building on our position as a comprehensive investment solutions provider across mutual funds, alternative investments, portfolio management and international offerings.

2) Further deepening distribution reach through an integrated approach spanning physical networks, strategic partnerships and digital platforms.

3) Continuing to advance AI-driven, technology-enabled and data-led capabilities to improve scalability, operational efficiency and decision-making.

4) Reinforcing organisational capabilities through talent development, leadership building and employee retention initiatives.

5) Embedding sustainability and responsible business practices across investment and operational processes.

6) Continuing to leverage the strength of the HDFC brand while remaining agile and adaptable in a dynamic environment.

C. Internal Control Systems and their Adequacy

The Company has instituted adequate internal control systems commensurate with the nature of its business and the size of its operations. This provides a high degree of assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls and compliance with applicable laws and regulations.

The Audit Committee and Risk Management Committee are responsible for overseeing the risk management framework, reviewing the key risks and mitigation strategies, and ensuring the effectiveness of risk management policies and procedures. The Management is also responsible for ensuring that the risk management framework is effectively implemented within all areas of their respective functions.

The Company has appointed an independent professional firm to oversee and carry out an internal audit of its activities. The independent professional firm carries out internal control reviews and provides an independent report to the Audit Committee on the adequacy and effectiveness of risk management and internal controls of the Company. All significant audit observations and follow-up actions thereon are periodically reported to the Audit Committee and closely monitored for effective implementation.

B S R & Co. LLP, the statutory auditors of the Company have audited the standalone and consolidated financial statements included in this annual report and has issued as a part of Auditor's Report, a report on our internal financial controls with reference to the financial statements (as defined in Section 143 of the Companies Act, 2013).

Based on its evaluation, the Audit Committee concluded that, as of March 31, 2026, our internal financial controls were adequate and operating effectively.

D. Information Technology

In FY 25–26, Information Technology continued to play a pivotal role in enabling business growth, operational efficiency and a superior customer experience. Building on the strong technology foundation laid in the previous year, our focus was on scaling enterprise platforms, deepening AI and Generative AI adoption and creating a truly unified, insight-driven engagement ecosystem across Sales, Service and other functions.

A major milestone during the year was the expansion of CRM from a sales-led platform to a comprehensive Service CRM, enabling end-to-end lifecycle management of customer and distributor interactions. The Service CRM now acts as a single system of record, capturing interactions and engagements comprehensively across all touchpoints, including branches, call centre, email, social media and digital channels. This omni-channel integration has significantly improved service consistency, auditability and response times while enhancing customer satisfaction.

To further elevate service quality and productivity, multiple AI-powered capabilities were embedded within the Service CRM. These include an Email Bot for automated reading, classification and response suggestions; a Knowledge Bot to provide instant, policy-aligned answers to service teams; and Service capabilities enhanced with AI to guide agents with next-best actions, contextual prompts and compliance-driven recommendations. Together, these capabilities have reduced manual effort, improved first-contact resolution and ensured consistent service outcomes at scale.

A key strategic initiative was the creation of a unified 360-degree view of Investors and Partners to strengthen, deepen and broaden relationships by consolidating data across transactions, service requests, engagements, preferences and life-stage indicators. This single, trusted view empowers service and sales teams with deeper insights, enabling personalised interactions, proactive issue resolution and more meaningful engagement. The unified view also strengthens governance by providing a holistic and auditable interaction trail.

On the Sales side, the CRM platform was further strengthened with advanced AI- and GenAI-driven capabilities aimed at boosting employee productivity and accelerating business growth. Enhancements included intelligent lead and opportunity prioritisation, and system-generated engagement plans. Performance dashboards provided real-time insights into distributor health, growth opportunities and key ratios, supporting sharper, data-driven conversations and improved wallet share.

Sales capabilities enhanced with AI continued to evolve as a virtual assistant for relationship managers, helping them plan engagements, interpret distributor performance and execute consistent outreach at scale. These capabilities translated into better coverage, higher-quality engagements and improved accountability through clear tracking of planned versus actual interactions.

Infrastructure modernisation and cybersecurity remained critical focus areas to support increased digital adoption and growing data volumes. Investments in secure, scalable cloud platforms, advanced threat detection, enhanced network isolation and resilient architecture ensured high availability, data protection and regulatory compliance. These measures strengthened business continuity while enabling faster rollout of digital and AI-led initiatives.

Over the year, IT has firmly transitioned from a support function to a strategic business enabler. By integrating CRM, AI, ML and GenAI across Sales and Service, and by capturing every customer interaction across channels, we have delivered measurable improvements in productivity, service quality and engagement effectiveness. The robust digital foundation established during the year positions the organisation strongly to drive innovation, deepen customer trust and sustain competitive advantage in the evolving asset management landscape.

E. Compliance

Our Compliance function monitors compliance with regulatory requirements laid down by the Securities and Exchange Board of India (SEBI) with respect to mutual funds, portfolio management services and alternative investment funds activities and other business activities permitted under Regulation 21(b) of SEBI (Mutual Funds) Regulations, 2026 (MF Regulations). The SEBI (Mutual Funds) Regulations, 2026, effective April 1, 2026, streamlined the regulatory framework established since 1996 and reinforced investor protection, transparency, and governance standards.

The Compliance function is a bridge between us and various regulators/industry bodies, such as SEBI, the RBI, the Association of Mutual Funds in India, the Association of Portfolio Managers in India, depositories and stock exchanges. The foundation of our Compliance philosophy lies in the Company's vision and values. The objective of Compliance function is to ensure adherence to applicable regulations and policies, while strengthening the existing culture of compliance and reinforcing the Company's values across the functions.

We have implemented various internal policies and procedures to ensure compliance with regulatory requirements in relation to the above businesses. Our Compliance Manual also lists the regulatory requirements, timelines and the functions responsible for compliance. Employee's Securities Dealing Codes regulate personal investment transactions of employees and that of their dependents. We have also established guidelines for personal dealings for directors of AMC as well as Trustee Company. Policies such as Conflict of Interest Policy, Outsourcing Policy, Policies under Risk Management Framework, Code of Conduct for Prevention of Circulation of Unauthenticated News, Anti-Money Laundering (AML) and KYC policy, and a Social Media Policy also ensure compliance with regulations relevant to our businesses.

Each function ensures compliance with applicable regulations pertaining to its areas of operation. Our Compliance function identifies and communicates applicable SEBI and/or other regulatory requirements to the respective functions to enable updates to relevant policies and procedures. Each function, in turn, incorporates such regulatory changes and guidelines into its internal policies and processes. Accordingly, we have established procedures, policies, codes and manuals for our business activities. These are reviewed and updated periodically. An established confirmation process is followed by each function to periodically confirm compliance with regulatory requirements.

Our compliance team stays updated on all new regulatory requirements and communicates the requirements to the relevant functions with meaningful inputs for implementation. The team also reviews the implementation status by closely coordinating with the respective functions. Additionally, our Compliance team periodically conducts training programmes for employees to enhance awareness and understanding of applicable regulatory guidelines and policies.

We are committed to transparency and have also appointed independent internal auditors to review the activities of each department and function, including the compliance function. They review relevant reports before submission to the Board and the regulators concerned. Periodical SEBI inspections and statutory audits are also conducted to review and assess the compliance status. The Chief Compliance Officer periodically updates our Board and Audit Committee on various compliance matters.

The compliance team also drafts and issues product offer documents, issues notices/addenda related to product documents, reviews marketing materials before dissemination, and ensures timely filing of various reports with the Board, regulators and agencies concerned. It is also responsible for addressing investor grievances. As part of its periodic training initiatives, the compliance team engages with the employee(s) to educate, sensitise and create awareness about their obligations under the Regulations and our Company's codes/policies.

F. Operations

Our Operations are bifurcated into Mutual Fund (MF) Operations and Portfolio Management Services/Alternative Investment (PMS/AIF) Operations.

The MF team is responsible for the Operations of the Mutual Fund which, inter alia, includes investment administration, cash management, treasury support and settlement, fund accounting, portfolio valuation and unit pricing, managing custody & banking relationships, coordination with RTA/other Service Providers, audits and MIS. There is a sustained emphasis on improvisation, automation and review of processes to enhance operational efficiencies. Priority is accorded to cost reduction and scoping/ monitoring of deliverables in respect of services availed from all third parties.

The PMS/AIF Operations team is responsible for maintaining the accounts of the clients under the SEBI PMS, SEBI AIF regulations, as applicable. Its functions include post trade investment support, cash management, treasury and settlement functions, recording of transactions in the books of accounts of the respective clients, valuation of securities in clients' portfolios, providing various reports to the management and liaising with bankers, fund accountants and custodians. In respect of AIF Operations, its function includes oversight of third-party vendors in charge of the Fund Administration, Custody, Banking etc.

The functions of the MF & PMS/AIF are segregated and they have their own discrete teams and systems.

All operational activities are subject to independent audits. Internal auditors perform transactional and risk-based audit, valuation and NAV reviews, apart from undertaking process reviews on a regular basis. Independent auditors carry out the statutory audit as required under the applicable regulations. All applications used in operations are regularly subjected to system reviews/audits. The Audit Committee reviews all the Auditors' Reports with respect to the entire operations.

Mature, robust and scalable systems and processes form the backbone of our operations. There is a keen focus on accuracy, efficiency, controls and minimising operational risks. All systems are regularly upgraded and all processes are re-engineered periodically to ensure a high standard of operational efficiency, regulatory compliance and governance. A comprehensive Business Continuity Plan (BCP) and Disaster Recovery Plan (DRP) is in place for our operations and it is reviewed, tested and updated at a regular frequency. A review is conducted to check the adherence of our service providers to acceptable standards of governance and compliance. Their IT/ BCP/DRP preparedness is also evaluated regularly.

G. Risk Management

Our Company has established a robust and comprehensive Risk Management Framework (RMF) aligned with our business objectives and applicable legal and regulatory requirements. The RMF provides an integrated approach for managing all risks relevant to the Asset Management Company (AMC) and the schemes of HDFC Mutual Fund.

The Company follows the 'three lines of defence' approach to ensure effective risk management. The First Line of Defence comprises business and functional heads, including CXOs, who are responsible for identifying and managing risks within their respective functions. The Second Line of Defence includes independent oversight functions such as Risk Management and Compliance, while the Third Line of Defence is provided by Internal Audit, which offers independent assurance on the effectiveness of the RMF and internal controls.

The Board-approved RMF defines the Company's overall risk management approach and clearly outlines the roles and responsibilities of the Board, Committees, Management, and other stakeholders. Oversight is provided by the Board-level Audit Committee and Risk Management Committee, which review key risks, mitigation strategies, and the effectiveness of risk management policies and practices. Management ensures effective implementation of the RMF across all functions. The Company has a well-defined Delegation of Powers (DoP) framework as an integral part of its RMF. The DoP clearly sets out responsibilities across various levels, ensuring that business decisions are taken in a controlled manner, within approved risk limits, and in alignment with the Company's risk appetite and strategic objectives.

The Company has implemented key risk management tools, which includes Risk Register, Risk and Control Self-Assessment (RCSA), Scenario Analysis, monitoring of Early Warning Signal, and Incident Reporting. The Risk Management Function is well structures covering three verticals Operational Risk, Investment Risk and ESG Risk. It identifies and segregate the risk under two categories namely Scheme Level Risk covering Investment Risk, Liquidity Risk, Credit Risk and Governance Risk and AMC Level Risk covering Operational Risk, Compliance Risk, Legal Risk, Reputation and Conduct Risk, Outsourcing Risk, Talent Risk, Sales and Distribution Risk, Financial Reporting Risk, Tax Risk, Technology Risk and Information Risk and Cyber Risk. Internal Audit conducts periodic reviews and reports on the adequacy and effectiveness of internal controls to the Audit Committee, while the statutory auditors review internal controls over financial reporting within the scope of their audit. Significant audit observations and corrective actions are regularly reviewed and monitored by the Audit Committee.

Cyber security continues to be a strategic enabler of the Company's digital growth and resilience agenda which is monitored by Information Technology & Security Committee

and Risk Management Committee. As technology boundaries continue to evolve, Zero-Trust based security approach has been adopted that continuously validates users, devices, and access across its ecosystem. Artificial Intelligence–enabled security controls are increasingly leveraged to enhance threat intelligence, monitor activities on deep and dark web, and enable predictive and automated responses to emerging cyber risks. A layered defence ecosystem has been implemented and it comprises preventive and detective security controls. These capabilities are complemented by continuous monitoring, behavioural analytics, and adaptive access controls to safeguard sensitive information and critical business processes. The information security management framework is certified under ISO/IEC 27001 and is aligned as per SEBI's guidelines, reaffirming its commitment to global best practices, governance, and continual improvement. As emerging technologies such as cloud, automation, and artificial intelligence reshape business models, we remain focused on building a cyber resilient, intelligence-led security posture that not only protects value but also enables trusted innovation and long-term stakeholder confidence.

H. Insurance

Our insurance policies cover the entire gamut of our operations and endeavours to protect the Company from unexpected exigencies in the future. We have specialised policy for insuring the schemes of HDFC Mutual Fund, HDFC Asset Management Company Limited, including PMS, AIF and advisory/ management services to permitted categories of FPIs under Regulation 21(b) of MF Regulations which, in addition to our Company, also includes our employees, directors and the trustee company of HDFC Mutual Fund. Our insurance policy covers any liability arising out of operations of Registrar and Transfer Agent and Custodians associated with our Mutual Fund business. Furthermore, we have specialised cyber security insurance coverage as well.

I. Intellectual Property

Our Company uses, among others, the name, registered trademark and brand name of 'HDFC' and associated logos in the ordinary course of business including 'HDFC Asset Management Company', 'HDFC Mutual Fund', 'HDFC AMC Portfolio Managers' and 'HDFC AMC AIF'. The trademark 'HDFC' is the registered property of HDFC Bank; and it has granted a non-exclusive license to use its trademark and brand name 'HDFC' to our Company, subject to applicable terms and conditions.

J. Digital Platforms

In FY 25-26, our digital strategy was shaped by an AI-first mindset, reflecting the conviction that AI is the electricity that will power innovation across our platforms: foundational, pervasive and transformative. This perspective informed how we designed experiences, prioritised capabilities and strengthened execution across the organisation. Our agenda during the year was centred on four priorities: reimagining investor journeys, expanding digital distribution, reinforcing the technology backbone, and embedding AI across all workflows.

Seamless digital journeys

Investor journeys were redesigned with a clear objective: to make access, action and service simpler at every critical touchpoint. Across onboarding, payments, transactions and servicing, we refined digital pathways to reduce friction, expand flexibility and improve ease of use. We also extended service into more conversational and messaging-led environments, enabling investors to complete essential tasks through interfaces that feel intuitive, familiar and immediate.

These improvements were underpinned by a broader renewal of our digital platforms, including refreshed mobile applications and a modern web architecture designed for speed, reliability and responsiveness. Besides, we strengthened our product operating model by bringing product, technology and design into a more integrated delivery rhythm, enabling sharper prioritisation and more seamless execution from idea to implementation.

Scaling digital distribution

Our distribution agenda was guided by a simple ambition: to make HDFC AMC a more seamless digital partner for distributors and platform ecosystems. During the year, we strengthened partner-facing onboarding and transaction capabilities, deepened API-led integrations, and expanded servicing support through assisted and messaging channels. These efforts enhanced ease of execution for our partners while extending our reach across the digital environment.

Security and regulatory prudence

Underlying these advances was a technology agenda anchored in trust, resilience and long-term scalability. We strengthened cloud and application security, sharpened infrastructure governance, advanced accessibility and reinforced secure engineering disciplines across the stack. We also began integrating AI more meaningfully into the way technology is built and operated, using AI-assisted development and automation to enhance speed and quality while sustaining rigorous regulatory and control standards.

Step-changing digital experience with AI

AI emerged as a core strategic layer of our digital model in FY 25-26, not as a discrete initiative but as a capability woven across the enterprise. Its application broadened across investment research, marketing, customer servicing, analytics, internal productivity etc, enabling teams to operate with greater intelligence, responsiveness and precision. On the customer front, the introduction of our AI-powered assistant marked a meaningful step towards making our digital interactions more intuitive, conversational and context-aware. At the same time, we continued to strengthen the foundations for responsible AI through secure infrastructure and scalable architecture that can support the next phase of transformation.

K. Human Resource

Our Company has long been recognised as an employer of choice, a reputation reaffirmed by our certification as a Great Place to Work® by the Great Place to Work Institute®. This recognition reflects far more than employee sentiment; it underscores the strength of a culture grounded in trust, integrity, mutual respect and an unwavering commitment to excellence. Our people practices are deeply anchored in our Vision and Mission and guided by enduring values that shape behaviour, decision making and leadership across the organisation. We remain steadfast in our belief that a principled, inclusive and high-performance work environment is fundamental to sustaining long term value for all stakeholders and to upholding the fiduciary responsibilities entrusted to us.

We view our employees as the cornerstone of our competitive advantage and as vital partners in our journey of long term, sustainable growth. As on 31 March 2026, the Company's workforce comprised 1,713 employees, reflecting an organisational scale appropriate to our operations. Importantly, the Company's institutional maturity is driven by tenure, experience and continuity rather than headcount. The average employee tenure stood at approximately 6 years and over 45 employees have been associated with the Company for more than 20 years, evidencing depth of institutional knowledge, continuity of values and stability in execution.

Over the last three years, the Company has witnessed a consistent increase in the proportion of tenured employees, strengthening institutional memory and reinforcing cultural continuity. These employees form the ethical and professional backbone of the organisation, ensuring disciplined decision making, consistency in stakeholder engagement and rigorous adherence to fiduciary responsibilities. Their experience contributes meaningfully to governance effectiveness, risk aware conduct and operational resilience.

This depth of tenure enhances the capability and maturity profile of our talent pool, enabling a balanced blend of seasoned professionals and emerging leaders. Our employees act as ambassadors of the HDFC AMC brand, engaging constructively with investors, distributors, partners and regulators while exemplifying the highest standards of professionalism and ethical conduct. To support this responsibility, we continue to invest in capability building across functional, leadership, compliance, behavioural and digital domains. During FY 25-26, employees collectively undertook approximately 79,000 hours of learning and development. Notably, approximately 90% of the workforce holds at least one additional certification such as CFA, CFP, NISM or equivalent, reinforcing a best-in-class talent pool to advise our investors.

Our approach to talent management is designed to inspire ambition, reward merit and foster ownership. The Company operates a transparent and development-oriented performance management framework aligned to organisational objectives. Compensation and rewards practices are competitive and performance linked, complemented by a robust Rewards and Recognition (R&R) programme that acknowledges sustained high performance. In FY 25-26, over 450 employees were recognised under structured R&R initiatives. Further aligning employee interests with long term value creation, the Company extended Stock-based incentive Scheme to over 800 employees, providing them an opportunity to participate in the organisation's long-term growth.

The Company places strong emphasis on succession planning and leadership continuity, supported by the deliberate development of a robust internal leadership bench. Tenured employees play a critical role in mentoring and developing future leaders, strengthening leadership depth, experience and readiness across key functions and ensuring continuity across critical roles.

Diversity, equity and inclusion remain integral to our culture and people practices. As of 31 March 2026, women represented 29% of the workforce, supported by focused initiatives to enhance representation, including at leadership levels. The Company maintains stringent policies and redressal mechanisms to ensure a safe and dignified workplace, including full compliance with the Prevention of Sexual Harassment at Workplace Act, 2013, reinforced through regular awareness and sensitisation programmes.

Employee well-being and engagement are central to our people philosophy. Structured communication forums, leadership connect initiatives, grievance redressal mechanisms and comprehensive health and wellness

programmes foster openness, collaboration and shared purpose. The Company remains fully compliant with all applicable labour and human resource related statutory requirements, reinforcing a culture of ethical governance, transparency and accountability.

As we look ahead, our commitment to our people remains resolute. By nurturing a values driven culture, strengthening leadership capability and succession, and investing continuously in talent development, HDFC AMC seeks to remain among the most respected employers in the industry, aligned with our Vision 'to be the most respected asset manager in the world' and our Mission 'to be the wealth creator for every Indian'.

L. Investor Outreach

Read more on page 24 of this report.

M. Marketing Initiatives

Read more on page 28 of this report.

N. Customer service

Commitment to service excellence

At HDFC AMC, customer centricity is integral to our operating philosophy. We remain steadfast in our commitment to delivering superior service experiences and strengthening our position as a trusted financial planning partner. Our service strategy is anchored in a deep understanding of evolving investor expectations and is designed to meet the needs of an increasingly informed and discerning customer base.

Recognising that our front-line teams are the primary stewards of our customer experience, we continue to invest meaningfully in their capability development. Our branch network across 280 locations is supported by experienced professionals at the corporate office, ensuring consistency in service delivery and adherence to best practices.

Regional Service Managers play a pivotal role in reinforcing this framework. Through regular branch visits, they provide on-ground support, ensure strategic alignment, address the requirements of mutual fund distributors and facilitate continuous improvement.

At the corporate level, the Client Services team systematically assimilates feedback received from branch interactions into structured training programmes. In addition, our teams are enabled with advanced CRM platforms and AI-powered tools, enhancing responsiveness and delivering meaningful customer engagement across touchpoints.

Operational excellence and strategic partnerships

Our service delivery model is underpinned by robust operational processes and long-standing strategic partnerships. A key element of this framework is our collaboration with Computer Age Management Services (CAMS), our Registrar and Transfer Agent. This partnership strengthens our operational backbone, enables seamless execution of transactions, and ensures reliable support to our distribution partners and investors.

Comprehensive service ecosystem

We offer a well-integrated, multi-channel service ecosystem to ensure accessibility, convenience, and efficiency. In addition to our branch network and 283 CAMS service centres, we operate dedicated call centres, a responsive corporate email channel, and secure digital platforms including our website and mobile application.

Customers and distributors can transact through multiple channels, including distributor mobile applications, stock exchanges, channel partners, MF Utility, MF Central, and digital platforms maintained by mutual fund distributors and advisors. This diversified ecosystem has driven a steady shift towards digital engagement, with digital transactions now constituting the majority of overall transactions.

Measuring and enhancing service quality

Continuous monitoring and improvement remain foundational to our service philosophy. We rigorously track key performance indicators such as turnaround time, repeat complaints, and escalations. Regular root cause analyses are conducted to identify opportunities for process enhancement, with corrective actions implemented in a timely manner to further elevate customer experience.

Proactive engagement and feedback mechanisms

We actively encourage feedback across all interaction points to ensure transparency and responsiveness. Net Promoter Scores (NPS) are collected from investors engaging through branches, call centres and email channels. In addition, detailed satisfaction surveys are conducted for distributors, covering both financial and non-financial transactions.

These insights are periodically reviewed by senior management and translated into actionable initiatives across processes, systems and training programmes. Service Relationship Managers maintain regular engagement with distributors, keeping them informed of regulatory updates and process enhancements, while their feedback continues to meaningfully shape service improvements.

Digital initiatives and continuous improvement

Our dedicated digital team continues to strengthen our digital platforms with a focus on usability, reliability, and scalability. Leveraging customer insights and analytics, we proactively refine processes to pre-empt service issues and enhance overall satisfaction. These initiatives have contributed to a sustained decline in customer complaints, reaffirming our focus on service excellence.

Outcomes and Performance

The combined strength of our people, partnerships, and digital infrastructure has translated into consistently improving service outcomes. The table below highlights the steady reduction in complaints as a percentage of transactions over the years, reflecting the effectiveness of our customer service framework.

Complaints as a Percentage of Transactions

Year	Complaints as a % of transactions
FY 19-20	0.0086
FY 20-21	0.0055
FY 21-22	0.0059
FY 22-23	0.0029
FY 23-24	0.0018
FY 24-25	0.0012
FY 25-26	0.0007

O. Partner Training & Development

Strengthening technical skills

To complement soft skills development, we also placed strong emphasis on Technical, Soft skill and Behaviour finance training throughout FY 25-26. We conducted 209 technical and soft skill training sessions, reaching approximately 13,600 participants, aimed at strengthening advisory capabilities and deepening client engagement across India. These programmes included focused modules on Behavioural Finance, Asset Allocation, Equity and Fixed Income, Financial Planning, History of Markets, Macro Economics and Science of selling, offering practical tools and market insights tailored to real-world advisory needs.

We also expanded our outreach through specialised initiatives such as Next Gen (for new advisors), Power Couple (for distributor families), Fem Power (for women investors). Our NISM certification support led to regulatory readiness and knowledge refresh for over 3,300 distributors, through 78 workshops. These efforts reinforce our commitment to continuous learning and capacity-building across all stakeholders in the mutual fund value chain.

P. Social Initiatives

Read more on page 34 of this report.

Q. Key Risks and Threats

The Company operates in a dynamic and evolving environment and is exposed to strategic, market, investment, regulatory, operational, technological, ESG and reputational risks. These risks are influenced by macroeconomic conditions, capital market volatility, regulatory changes, technological disruption and geopolitical developments. The Company manages these risks through an integrated Risk Management Framework with active oversight by senior management and the Board.

Strategic and Market Risks:

Business growth and performance are affected by economic cycles, investor sentiment and capital market conditions. Market volatility or prolonged uncertainty may impact strategic outcomes. These risks are mitigated through enterprise wide risk assessments, ongoing monitoring of macroeconomic indicators and scenario analysis aligned with business strategy.

Investment Performance Risks:

Investment outcomes are inherently subject to market movements, interest rate cycles and valuation risks. Sustained underperformance may result in investor redemptions affecting assets under management and revenues. The Company addresses these risks through a disciplined investment philosophy, robust research processes, diversification and continuous performance monitoring.

Liquidity, Credit and Concentration Risks:

Market stress or elevated redemptions may impact portfolio liquidity, while credit events or concentration in issuers or sectors may lead to volatility and losses. These risks are managed through defined liquidity thresholds, stress testing, prescribed exposure and concentration limits, and independent monitoring with timely escalation of early warning signals.

Governance and Regulatory Risks:

The evolving regulatory environment exposes the Company to compliance and supervisory risks, while governance lapses or deviations from mandates may lead to unintended risk accumulation. These risks are mitigated through strong governance structures, regulatory change management, compliance frameworks, independent audits and Board level oversight.

Operational, Technology and Cyber Risks:

Operational failures, third party dependencies, cyber threats or technology outages may disrupt operations and affect data integrity and service delivery. The Company mitigates these risks through internal control frameworks, third party risk management, robust IT governance, cybersecurity controls, continuous monitoring and resilient technology infrastructure.

Business Continuity Risks:

External disruptions such as natural disasters or other force majeure events may impact continuity of critical operations. These risks are addressed through comprehensive Business Continuity and Disaster Recovery arrangements, periodic testing and redundant operating capabilities.

ESG and Climate Related Risks:

Environmental, Social and Governance factors, including climate related physical and transition risks, may affect asset valuations, issuer credit quality, portfolio performance and long term sustainability. Social or governance failures at investee entities may also result in financial and reputational impact. These risks are mitigated through integration of ESG considerations into investment and risk assessment processes, monitoring of climate related exposures, alignment with regulatory expectations and strengthened ESG governance and disclosures.

R. Information and Cyber Security

Cyber Security Governance

As digitalisation continues to accelerate, a robust information and cyber security posture is fundamental to ensure secure operations. A structured Cyber Risk Management framework has been established, under which cyber and information security risks, along with mitigation measures, are reviewed periodically by the Information Technology and Security Committee and the Risk Management Committee, with oversight from the Board. Engagement with regulators and supervisory authorities on cyber security matters is maintained, and security practices are aligned with evolving regulatory expectations and to overcome evolving threat landscape.

A cyber resilience framework has been implemented to protect the confidentiality, integrity and availability of information assets and critical systems. This framework is supported by Board approved policies including the Information Security Policy, Cyber Security and Cyber Resilience Policy, and the Information and Cyber Risk Management Framework. The cyber risk management programme focuses on adherence to approved policies, compliance with applicable regulatory requirements including SEBI guidelines, and alignment with recognised industry standards such as ISO/IEC 27001:2022.

Data Protection

Significant emphasis is placed on safeguarding investor and business information entrusted to the organisation. Appropriate administrative, technical and physical safeguards are implemented based on a 'Defence in Depth' approach, including layered access controls, encryption of sensitive information, network and perimeter security controls, secure configuration practices, and continuous system monitoring. Centralised security monitoring capabilities provides 24*7 visibility, enabling timely detection and coordinated response to cyber security threats. These measures are periodically reviewed and enhanced to address evolving risks and changes in the technology landscape.

Security by Design

Cyber security is embedded into the design, development and deployment of technology systems and business processes in accordance with the principle of 'Security by Design'. New systems and changes to existing systems are subject to defined security assessment and review processes. Technology environments undergo periodic security reviews, audits and assessments, including those conducted by independent CERT In empanelled external agencies. Observations from such reviews, audits, incidents and third party assessments are tracked through established governance mechanisms, and corrective actions are implemented in a time bound manner to fortify our systems from threats.

Training and Awareness

Cyber security awareness continues to be a key focus across the organisation. Employees undergo periodic awareness and training programmes covering cyber risks, secure usage of technology systems, AI technology and incident reporting practices, with the objective of fostering a culture of security and shared responsibility. Initiatives are also undertaken to create awareness amongst the investors regarding cyber risks pertaining to cyber frauds and social engineering attacks.

Incident Management

A defined security incident management framework is in place to facilitate timely identification, response, escalation and recovery from information and cyber security incidents. The incident management framework is aligned with the Board approved Cyber Crisis Management Plan clearly outlines roles, responsibilities and escalation procedures. Defined

remediation actions for various cyber-attack scenarios are documented as part of Cyber Crisis Management. Incident response capabilities are periodically tested through drills and simulation exercises. Incidents, where identified, are reviewed through appropriate governance forums, and learnings are used to strengthen controls and response measures. Processes are in place to support regulatory and stakeholder communication, as applicable, in the event of a material cyber security incident.

Supply Chain Risk Management

Recognising the role of external service providers within the operating ecosystem, a supply chain cyber risk management process has been implemented as part of the overall risk management framework. This includes risk based due diligence and assessment of information security controls of vendors, along with contractual requirements aligned with established information security expectations. Cyber risks associated with critical third parties are monitored through defined oversight mechanisms throughout the lifecycle of the engagement.

S. Business Continuity Programme

At HDFC AMC, operational resilience is a fundamental pillar of our long-term value creation. Our commitment to maintaining uninterrupted service for stakeholders is accomplished by a robust Business Continuity Management System (BCMS), wherein the Company is ISO 22301:2019 certified. This certification validates that our resilience strategies meet global best practices for preparedness and response.

Our framework is operationalised through a comprehensive Board approved Business Continuity Policy (BCP) and detailed Functional Recovery Plans, ensuring that every business unit has a clear direction for crisis management. The framework integrates People, Process and Technology, thereby enabling a structured, coordinated, and timely response to operational disruptions. BCP readiness is grounded in rigorous Risk Assessments and a data-driven Business Impact Analysis (BIA). By identifying critical processes, we have established Recovery Time Objectives (RTO) and Recovery Point Objectives (RPO) that align with our risk appetite, service-level commitments and regulatory requirements.

The Company maintains a resilient and secure Disaster Recovery (DR) environment, supported by identified near DR and far DR sites. DR practice also includes maintaining strong backup for critical applications and well defined restoration procedures to meet RTO and RPO requirements. We move beyond theoretical readiness by conducting regular, live DR drills and failover simulations that stress-test our systems in real-world scenarios ensuring our BCP recovery teams remain agile and effective. Employees are regularly sensitised and trained to ensure preparedness and clarity of action during adverse scenarios. The plans are reviewed and updated annually, or more frequently where required, to reflect changes in business, technology or risk landscape.

Directors' Report

Dear Members,

Your Directors take great pleasure in presenting the Twenty-Seventh Annual Report together with the Audited Financial Statements of your Company for the financial year ended March 31, 2026.

Financial Performance

The financial performance of your Company for the financial year ended March 31, 2026 is summarized as below:

₹ (in Crore)

Financial Results	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before Tax	**3,710.18**	3,286.44
Less: Provision for Tax (Net of Deferred Tax)	**850.82**	825.39
Profit after Tax	**2,859.36**	**2,461.05**
Add/(Less): Other Comprehensive Income (Net of Tax)	**(3.37)**	(2.78)
Total Comprehensive Income (A)	**2,855.99**	**2,458.27**
Balance of Retained earnings carried forward from previous year	**6,943.20**	**5,979.94**
Less: Equity Dividend Paid for earlier year	**1,925.19**	-
Less: Interim Equity Dividend Paid for earlier year	**-**	1,495.05
Less: Debt Instruments through Other Comprehensive Income	**(0.07)**	0.07
Less: Other Adjustments	**(0.01)**	(0.11)
Total (B)	**5,018.09**	**4,484.93**
Balance of Retained Earnings Carried to Balance Sheet (A+B)	**7,874.08**	**6,943.20**

For the year ended March 31, 2026, your Company posted a net profit of ₹2,859.36 Crore as against ₹2,461.05 Crore in the previous year. Appropriations from the net profit have been affected as per the summary given above.

For a detailed analysis of the financial performance of your Company for the year under review, refer to report on Management Discussion and Analysis.

Dividend

Your Directors recommend payment of final dividend of ₹54/- per equity share (1080%) of face value of ₹ 5/- each, on the increased paid-up capital post issue of Bonus Shares for the financial year ended March 31, 2026 as against final dividend of ₹90/- per equity share (1800%) of face value of ₹5/- each for the previous year.

The dividend pay-out ratio for the said dividend for the year ended March 31, 2026 is 80.91%.

The Final dividend recommended is in accordance with the parameters and criteria, as set out in the Dividend Distribution Policy which has been approved by the Board of Directors of the Company. During the year, the said Policy was reviewed by the Board of Directors as part of periodic review and was amended inter-alia to include dividend payout range of 60% to 90% of Profits After Tax on Standalone Financials of the Company.

The Dividend Distribution Policy of the Company is placed on the Company's website at https://www.hdfcfund.com/about-us/corporate-governance/code-policy in terms of Regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Management Discussion and Analysis Report, Report of the Directors on Corporate Governance and Business Responsibility and Sustainability Report

Management Discussion and Analysis Report and the Report of the Directors on Corporate Governance form part of this report.

In compliance with Regulation 34(2)(f) of the SEBI Listing Regulations, the Business Responsibility and Sustainability Report ('BRSR') along with the Independent Assurance Statement on the BRSR Core attributes, for the financial year ended March 31, 2026, provided by SGS India Private Limited, forms a part of this Annual Report.

Transfer to Reserves

There is no amount proposed to be transferred to the reserves. For complete details on movement in Reserves and Surplus during the financial year ended March 31, 2026, please refer to the Statement of Changes in Equity included in the financial statements.

Capital Structure

a. Issue of Equity Shares pursuant to exercise of Employees Stock Options

During the year, 4,52,849 equity shares of ₹ 5/- each of the Company were issued and allotted to eligible employees on exercise of Employees Stock Options granted under the Employee Stock Option Scheme – 2020.

b. Bonus issue

Pursuant to the resolution passed by the Members on November 16, 2025 by postal ballot, the Company has allotted 21,41,54,246 fully paid-up Bonus equity shares in the proportion of 1:1 (1 (One) bonus equity share for every 1 (One) existing fully paid-up equity share held by the Members of the Company as on the record date). This bonus issue reflects the Company's strong financial position, robust reserves, and positive growth outlook.

Consequently, the issued, subscribed and paid-up equity share capital increased from ₹1,06,89,65,430/- represented by 21,37,93,086 equity shares of ₹5/- each as on April 1, 2025 to ₹2,14,20,00,905/- represented by 42,84,00,181 equity shares of ₹5/- each as on March 31, 2026.

During the year under review, the Company has not issued any:

a) shares with differential rights as to dividend, voting or otherwise.

b) sweat equity shares.

Issue of Employee Stock Options and Performance-Linked Stock Units

During the financial year under review, your Company has approved and implemented the Employees Stock Options and Performance-linked Stock Units Scheme – 2025 ("ESOP & PSU Scheme – 2025"), pursuant to Shareholders' approval, in accordance with the provisions of the Companies Act, 2013 (the "Act") and the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The Scheme aims to attract, retain and motivate talent and align employee interests with long-term shareholders value creation by enabling the grant of Employees Stock Options and Performance-Linked Stock Units to eligible employees of the Company and its subsidiary(ies), in accordance with the terms of the Scheme. While Options are linked to market price appreciation, vesting of PSUs is subject to achievement of specified performance parameters and other vesting conditions. The Scheme is administered by the Nomination and Remuneration Committee of the Company and incorporates governance features including performance-based vesting, defined grant limits and malus and clawback provisions.

During the year, the Nomination & Remuneration Committee ('NRC') granted 22,93,710 Employees Stock Options ('Options') and 5,30,290 Performance-linked Stock Units ('PSUs') (adjusted pursuant to issue of Bonus equity shares) to the eligible employees of your Company and HDFC AMC International (IFSC) Limited, a wholly owned subsidiary of the Company ('HDFC IFSC') under the ESOP & PSU Scheme – 2025.

Further, based on the NRC's recommendation, the Board at its meeting held on April 17, 2025, decided not to grant the remaining 8,73,719 Options under Employee Stock Option Schemes ('ESOS 2020'). Accordingly, during the FY 2025-26, the ESOS 2020 remained operational only for the purpose of past grants being exercised, lapsed or forfeited, as the case may be.

Post adoption of ESOP & PSU Scheme – 2025 on June 6, 2025, there has been no amendments/material variation to the Scheme, during the year under review. ESOS 2020, remains operational for the purposes of past grants being exercised, lapsed or forfeited, as the case may be with no amendments/ material variation to the Scheme during the year under review. Further, ESOP & PSU Scheme – 2025 and ESOS 2020 are in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ('SBEB Regulations').

The necessary disclosures as required under the SBEB Regulations and Postal Ballot Notice dated April 17, 2025, have been placed on the website of the Company at www.hdfcfund.com. Further, the Certificate required under Regulation 13 of the SBEB Regulations from the Secretarial Auditors of the Company that ESOS – 2020 and ESOP & PSU Scheme – 2025 have been implemented in accordance with the SBEB Regulations will be available at the forthcoming AGM for inspection at the registered office of the Company.

Review of Operations

Assets under Management (AUM) of HDFC Mutual Fund ("HDFC MF") at the close of FY 2025-26 increased by 12% to ₹ 8.44 Lakh Crore as against an AUM of ₹ 7.54 Lakh Crore at the close of FY 2024-25. Total Annual Average AUM for FY 2025-26 was ₹ 8.91 Lakh Crore as against ₹ 7.48 Lakh Crore for FY 2024-25. HDFC MF is one of the largest mutual funds in India in terms of total AUM with a market share of 11.4%, based on closing AUM as on March 31, 2026. The actively managed equity-oriented AUM at the close of FY 2025-26 increased by 11% to ₹ 5.21 Lakh Crore as against ₹ 4.70 Lakh Crore at the close of FY 2024-25. During FY 2025-26, the actively managed equity-oriented funds' annual average AUM increased by 19% to ₹ 5.41 Lakh Crore, constituting 61% of the total annual average AUM.

Your Company managed a total of 3.02 Crore live accounts as on March 31, 2026, predominantly those of individual (retail) unitholders. The Individual monthly average AUM as a percent of total monthly average AUM for March 2026 was 68%.

As on March 31, 2026, your Company has 280 offices and over 1,09,000 distribution partners. Of the 6.14 Crore unique investors in mutual funds in India (as identified by PAN/PEKRN), the Company enjoyed trust of 1.67 Crore investors with a market penetration of 27%. Your Company's offering of systematic transactions further enhances its appeal to individual investors looking to invest periodically in a disciplined and risk-mitigating manner. Your Company processed Systematic Investment Plan (SIP) and Systematic Transfer Plan (STP) transactions aggregating ₹52,609 Crore during FY 2025-26.

The Company offers Portfolio Management, Segregated Account Services and Alternative Investment Funds to High Net-worth individuals, family offices, domestic corporates, trusts, provident funds and domestic & global institutions. As on March 31, 2026, the Portfolio Management Services business managed assets of over ₹10,500 crore, while commitments under Alternative Investment Funds exceeded ₹ 2,500 crore.

Schemes Launched

The following new schemes were launched during the financial year –

1. HDFC CRISIL-IBX Financial Services 3-6 Months Debt Index Fund
2. HDFC Innovation Fund
3. HDFC Diversified Equity All Cap Active FOF
4. HDFC BSE India Sector Leaders Index Fund
5. HDFC Nifty India Consumption Index Fund
6. HDFC Income Plus Arbitrage Omni FOF
7. HDFC CRISIL-IBX Financial Services 9-12 Months Debt Index Fund

Directors and Key Managerial Personnel

Non-Executive Director

In accordance with the provisions of Section 152(6) of the Act, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of the Company, Mr. V. Srinivasa Rangan (DIN: 00030248), Non-Executive Non-Independent Director (Nominee of HDFC Bank Limited, Promoter of the Company), is liable to retire by rotation at the forthcoming Annual General Meeting (AGM) of the Company scheduled to be held on June 24, 2026 and being eligible has offered himself for re-appointment.

Necessary proposal for his re-appointment has been placed for your approval at the forthcoming AGM. Brief profile of Mr. Rangan is disclosed in the Notice convening the AGM of your Company. Your Directors recommend his re-appointment as a Non-Executive Non-Independent Director (Nominee of HDFC Bank Limited) of your Company.

Independent Directors

Mr. Dhruv Kaji, Mr. Jairaj Purandare, Mr. Sanjay Bhandarkar, Mr. Parag Shah and Ms. Roshni Nadar Malhotra, Independent Directors, have submitted declarations stating that they meet the criteria of independence as per the provisions of the Act and SEBI Listing Regulations.

The Independent Directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act, along with the Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. In the opinion of the Board, the Independent Directors fulfil the conditions specified under the Act, the Rules made thereunder and SEBI Listing Regulations and are independent of the management of the Company.

All the directors of the Company have confirmed that they are not disqualified for being appointed as directors pursuant to Section 164 of the Act.

Key Managerial Personnel

In accordance with the provisions of Sections 2(51) and 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, Mr. Navneet Munot, Managing Director & Chief Executive Officer, Mr. Naozad Sirwalla, Chief Financial Officer and Ms. Sonali Chandak, Company Secretary are the Key Managerial Personnel of the Company as on March 31, 2026.

Number of Meetings of the Board and Committees

During the FY 2025-26, 8 (Eight) meetings of the Board of Directors of your Company were held and the details of Board and Committee meetings held are provided in the Report of the Directors on Corporate Governance, which forms part of this report.

Review of Subsidiary Company

Your Company has a Wholly Owned Subsidiary Company namely HDFC AMC International (IFSC) Limited ('HDFC IFSC') which was incorporated on May 27, 2022. HDFC IFSC is registered with International Financial Services Centres Authority ('IFSCA') as a Registered Fund Management Entity – Retail category and carries out fund management activities from Gujarat International Finance Tec-City (GIFT) City.

HDFC IFSC offers a comprehensive suite of Alternative Investment Funds to a diverse clientele, including High-Net-worth Individuals (HNIs), private banks, insurance companies, financial institutions, foreign investors, multilateral organisations, sovereign funds, pension funds global institutional investors, etc. HDFC IFSC works with a diverse set of distribution partners and currently has over 608 empanelled distributors which include mutual fund distributors, national distributors, banks and foreign distributors.

The following Category III open-ended Alternative Investment Funds (AIFs) under the IFSCA (Fund Management) Regulations, 2025, were launched during the financial year by HDFC IFSC:

1. HDFC India Small Cap Fund
2. HDFC India Nifty 50 Fund

With the launch of above new funds, HDFC IFSC has in total 5 Category III open ended AIFs live currently. As per the investment objectives of the above AIFs, the net assets of the said Funds are entirely invested into the respective open-ended schemes of HDFC AMC mutual fund, in India. Further, HDFC IFSC have received approval from IFSCA and is in process of completing the operational requirements for the launch of 2 new funds viz. HDFC India Diversified Equity Fund (i.e. Category III open ended AIF) and HDFC International-Income Fund I (i.e. Category II close ended AIF). In addition to the above products, HDFC IFSC, has evaluated options for product offerings whose primary focus would be on one or more global/non-Indian strategies. Such global strategies can also be offered to resident Indian investors under the Liberalised Remittance Scheme (LRS)/ Overseas Portfolio Investment (OPI) route. These product offerings would be launched as "Retail Funds" under the IFSCA (Fund Management) Regulations, 2025 viz. HDFC International – Global Equity Fund, HDFC International – Developed Markets Equity Fund and HDFC International – Emerging Markets Equity Fund.

HDFC IFSC acts as a Fund Management Entity for the above-mentioned funds and has Assets under Management of $52.83 Million as on March 31, 2026. HDFC IFSC managed a total of 247 active accounts as on March 31, 2026.

Further, the Board of Directors of HDFC IFSC, at its meeting held on April 10, 2026, inter-alia, approved the audited financial statements including the consolidated financial statements of the Company for the financial year ended March 31, 2026, subject to approval of the members of the Company.

In accordance with the provisions of Section 136 of the Companies Act, 2013 ("the Act"), the annual report of the Company, the audited financial statements and the related information of HDFC IFSC are placed on the website of the Company. Shareholders may download the documents referred to above from the Company's website or may write to the Company for the same. Further, the said documents shall also be available for inspection by the shareholders at the registered office of the Company.

Pursuant to Section 129(3) of the Act, a statement containing salient features of the financial statements of HDFC IFSC in the prescribed Form AOC-1 forms part of the financial statements.

Except for the above subsidiary, during the financial year 2025-26 and as of the date of this report, your Company does not have any other subsidiary or an associate company or a joint venture company.

Annual Evaluation

Details of the annual performance evaluation of the Board, its committees and of individual directors are provided in the Report of the Directors on Corporate Governance, which forms part of this report.

Nomination & Remuneration Policy

In terms of the requirements under the Act and SEBI Listing Regulations, your Company has in place a Nomination & Remuneration Policy, inter-alia, detailing the director's appointment, remuneration, criteria for determining qualifications, attributes, independence of a director, malus and clawback provisions applicable in the exceptional circumstances such as fraud that require a financial restatement, reputational harm to the Company or exposing the Company to substantial risk and other matters. The remuneration paid to the Directors, Key Managerial Personnel and Senior Management is as per the Nomination & Remuneration Policy of your Company. The Policy is placed on the Company's website at https://www.hdfcfund.com/about-us/corporate-governance/codes-policies.

Auditors and Auditor's Report

Statutory Auditors

In terms of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, M/s. B S R & Co. LLP, Chartered Accountants (ICAI FRN: 101248W/W-100022) were re-appointed as the Statutory Auditors of your Company for a period of 5 continuous years i.e. from the conclusion of 23rd AGM till the conclusion of 28th AGM of the Company.

The Auditor's Report on the financial statements of the Company for the financial year ended March 31, 2026 forms part of the Annual Report.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/s. Makarand M. Joshi & Co., ('MMJC') Company Secretaries to conduct the Secretarial Audit of your Company for a term of five consecutive financial years commencing from April 1, 2025 till March 31, 2030. The Secretarial Audit Report for FY 2025-26 is annexed herewith as **Annexure I** to this report.

There were no qualifications, reservations or adverse remarks/comments or disclaimer made by the aforesaid Auditors in their audit reports.

The said Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Act.

Internal Auditors

M/s. M P Chitale & Co were appointed as an Internal Auditors of your Company for the financial year 2025-26.

Enterprise Risk Management Policy

Pursuant to Chapter 4 on Risk Management Framework (RMF) for Mutual Funds, of SEBI Master Circular for Mutual Funds dated June 27, 2024, the Company has adopted a Policy of Enterprise Risk Management which was reviewed by the Risk Management Committee and approved by the Board. As part of the policy, the Risk Management function has established policies and procedures, clearly defining the roles and responsibilities of the management, the Board of the Company, and the Board of HDFC Trustee Company Limited.

This policy provides for the RMF designed to systematically identify, assess, monitor and mitigate various business risks. It encompasses robust checks, processes and procedures to identify potential risks across both investment and operational areas of business and minimise their impact through necessary controls within your Company.

The framework is designed to evaluate risks based on likelihood and impact, review of mitigation measures and facilitate regular reporting. The functioning of the RMF is periodically reviewed by the Risk Management Committee and the Audit Committee of the Board at their respective meetings.

The terms of reference of the Risk Management Committee is in line with requirements of the said SEBI circular which includes oversight of enterprise-level risks, including regulatory, compliance, operation and other functional risks of the Company.

Cyber Security

Cyber security continues to be a strategic enabler of the Company's digital growth and resilience agenda which is monitored by Information Technology & Security Committee and Risk Management Committee. As technology boundaries continue to evolve, Zero-Trust based security approach has been adopted that continuously validates users, devices, and access across its ecosystem. Artificial Intelligence–enabled security controls are increasingly leveraged to enhance threat intelligence, monitor activities on deep and dark web, and enable predictive and automated responses to emerging cyber risks. Layered defense ecosystem has been implemented which comprises of preventive and detective

security controls. These capabilities are complemented by continuous monitoring, behavioural analytics, and adaptive access controls to safeguard sensitive information and critical business processes. Information security management framework is certified under ISO/IEC 27001 and is aligned as per SEBI's guidelines, reaffirming its commitment to global best practices, governance, and continual improvement. As emerging technologies such as cloud, automation, and artificial intelligence reshape business models, we remain focused on building a cyber resilient, intelligence led security posture that not only protects value but also enables trusted innovation and long term stakeholder confidence.

Your Directors wish to apprise you of a cyber-security incident that occurred at the Company on May 16, 2026, wherein a communication was received from an anonymous source alleging access to certain portions of the Company's information technology infrastructure. Upon receipt of such communication, the Company immediately initiated its established incident response and containment protocols and engaged an independent specialist firm to undertake a comprehensive assessment of the matter.

As at the date of this Report, the assessment remains ongoing. Based on the preliminary findings available, the incident is not expected to have any impact on the continuity of the Company's business and operations, and no material adverse effect on the Company's operations has been identified.

The Company remains firmly committed to maintaining robust standards of cyber security and data protection and shall implement such additional measures and controls as may be considered necessary, based on the outcome of the aforesaid assessment.

Adequacy of Internal Controls

Your Company has internal control systems which are commensurate with the size and complexity of its operations.

The internal control systems comprise of standardised policies and procedures covering all functional areas aimed at ensuring sound management of operations, reliable financial reporting, safeguarding of assets and prevention and detection of frauds and errors. The Audit Committee of the Board of Directors, at regular intervals and in co-ordination with Internal and Statutory Auditors, review the adequacy of Internal Controls within your Company.

Further, the internal financial controls related to financial statements are found to be adequate and operating effectively and that no material weakness has been noticed during the year under review.

Corporate Social Responsibility

In terms of Section 135 of the Act, your Company has formed an Environmental, Social & Governance and Corporate Social Responsibility ('ESG & CSR') Committee to inter-alia approve activities to be undertaken, expenditure to be incurred and to monitor the performance of the CSR activities of the Company. The said committee also oversees the development and implementation of the Company's ESG framework.

The Committee consists of Mr. Deepak S. Parekh (Chairman), Mr. Parag Shah, Mr. Sanjay Bhandarkar and Mr. Navneet Munot. The Company Secretary acts as the Secretary to the Committee.

The Company undertakes CSR activities through a variety of effective programs. The major thrust of the CSR activities of the Company is in the areas of promoting education and health care. The Company also undertakes CSR activities in the areas of promoting sports and environment sustainability. These activities are in accordance with Schedule VII to the Act.

The Board of Directors and the ESG & CSR Committee review and monitor from time to time all the CSR activities being undertaken by the Company.

The annual report on CSR activities along with the executive summary for Impact Assessment Reports of the applicable projects, in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended, is set out at **Annexure II** to this report.

During the year, the Company has fully spent the required amount towards CSR activities.

The composition of the ESG & CSR Committee, CSR Policy, CSR activities undertaken by the Company and the complete Impact Assessment Reports of the applicable projects are available on the Company's website at https://www.hdfcfund.com/about-us/corporate-profile/csr.

Particulars of Contracts or Arrangements with Related Parties

During the year, your Company has entered into transactions with related parties as defined under Section 2(76) of the Act read with Companies (Specification of Definitions Details) Rules, 2014, SEBI Listing Regulations and applicable Accounting Standards, which were in the ordinary course of business and on arms' length basis and in accordance with the policy on Related Party Transactions of the Company.

The Policy ensures proper approval and reporting of the concerned transactions between the Company and related parties.

The policy on Related Party Transactions is placed on the Company's website at https://www.hdfcfund.com/about-us/corporate-governance/code-policy.

During the year, there was no material transaction with any related parties as per the Related Party Transactions Policy of the Company or any other related party transaction entered into by the Company that requires disclosure in Form AOC 2, hence, it does not form part of this report.

The disclosures pertaining to related party transactions as per the applicable Accounting Standards form part of the notes to the financial statements provided in this Annual Report.

Particulars of Loans, Guarantees or Investments

Details of loans, guarantees and investments, if any, covered under the provisions of Section 186 of the Act are provided in the notes to financial statements.

Deposits

During the year, your Company has not accepted any deposits within the meaning of Sections 73 and 74 of the Act read together with the Companies (Acceptance of Deposits) Rules, 2014.

Unclaimed Dividend on Shares and Transfer of Shares to Investor Education & Protection Fund (IEPF)

As at March 31, 2026, unclaimed dividend amounting to ₹94,14,496/- which has not been claimed by shareholders of the Company and is lying in the respective Unpaid Dividend Accounts of the Company.

Your Company has disclosed the statement containing the names, last known addresses of those shareholders whose dividend is unpaid on the Company's website at www.hdfcfund.com.

The details with respect to transfer of unclaimed dividend and/or shares to the IEPF, forms part of the Corporate Governance Report.

Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on the financial year ended March 31, 2026 is placed on the Company's website at https://www.hdfcfund.com/about-us/financial/annual-reports.

Vigil Mechanism/Whistle Blower Policy

Whistle Blower Policy is in place and details of the same are provided in the Report of the Directors on Corporate Governance, which forms part of this report.

Fraud Monitoring/Prevention

Your Company has in place the 'Policy for Prevention of Frauds', aimed at promoting consistently ethical organisational behaviour by assigning responsibility and enforcement of controls to aid prevention and detection of fraud in the Company. Frauds, if any identified by and/or reported to the Company are investigated for assessment of root cause and relevant corrective steps shall be undertaken including any preventive actions. No material frauds were identified/ reported for the financial year 2025-26.

Particulars Regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information pertaining to the conservation of energy and technology absorption in terms of Section 134(3)(m) of the Act, read with the Companies (Accounts) Rules, 2014 is stated as below:

(a) Conservation of energy and technology absorption

Your Company does not consume high levels of energy and regular efforts are made to adopt appropriate energy conservation measures and technology absorption methods.

(b) Foreign Exchange, earnings and expenditure during the year –

- Foreign exchange (earnings): ₹ 1.47 crore (previous year: ₹ 0.05 crore)
- Foreign exchange (expenditure): ₹ 4.39 crore (previous year: ₹ 4.94 crore)

Particulars of Employees

As on March 31, 2026, your Company has 1,713 employees and for the previous year, your Company had 1,618 employees.

In accordance with the provisions of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and particulars of the employees in terms of remuneration drawn are set out in the annexure to this report. In terms of the provisions of Section 136(1) of the Act, the Directors' Report is being sent to all shareholders of the Company excluding the annexure. Any shareholder interested in obtaining a copy of the annexure may write to the Company.

Further, disclosures on managerial remuneration as required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are appended as **Annexure III**.

Other Disclosures

- There was no change in the nature of the business of the Company.
- There was no revision in the financial statements of the Company.
- During the year, there was no receipt of any remuneration or commission by the MD & CEO of the Company from its Holding Company and Subsidiary Company.
- Disclosure pertaining to maintenance of cost records as specified by the Central Government under sub-section (1) of Section 148 of the Act, is not applicable to your Company.
- There was no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year.
- There was no one-time settlement entered into with any Bank or financial institutions in respect of any loan taken by the Company.
- Details of the Audit Committee of the Board of Directors including its composition are provided in the Report of the Directors on Corporate Governance, which forms part of this report.

Directors' Responsibility Statement

In accordance with the provisions of Section 134(5) of the Act and based on the information provided by the management, your Directors state that:

(i) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(ii) Accounting policies selected were applied consistently. Reasonable and prudent judgements and estimates were made so as to give a true and fair view of the state of affairs of the Company at the end of March 31, 2026 and of the profit of the Company for year ended on that date;

(iii) Proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;

(iv) The annual accounts of the Company have been prepared on a going concern basis;

(v) Internal financial controls have been laid down to be followed by the Company and such internal financial controls are adequate and operating effectively; and

(vi) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Secretarial Standards

Your Company is in compliance with the provisions of the applicable Secretarial Standards issued by the Institute of Company Secretaries of India in terms of the Act.

Prevention of Sexual Harassment Policy and its Reporting

Your Company has framed and implemented a Policy on Sexual Harassment of Women at Workplace aiming at prevention of harassment of employees which lays down the guidelines for identification, reporting and prevention of undesired behaviour. 6(Six) Internal Committees (IC) for different zones were constituted in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 with women employees being a majority and an external member. The Policy, IC Members' details and the penal consequences of violating the said Act/Policy are displayed at all offices/Investor Service Centres and on the intranet of the Company. The regular employee awareness sessions are conducted to generate awareness about the policy, reporting mechanism and prevention of sexual harassment at the workplace.

The details of complaints pertaining to sexual harassment received, disposed and pending, during FY 2025-26 are as follows:

Particulars	No. of complaints
Number of complaints of sexual harassment received during the year	Nil
Number of complaints disposed off during the year	Not Applicable
Number of complaints pending as on March 31, 2026	Nil
Number of cases pending for more than ninety days	Not Applicable

Compliance with Maternity Benefit Act, 1961

The Company is compliant with the applicable provisions of the Maternity Benefit Act, 1961 and has policies, systems and processes in place to ensure ongoing compliance.

Significant/Material orders Passed by the regulators

There are no significant and material orders by any regulator, court, tribunal impacting the going concern status of the Company and its operations in future.

Material Changes and Commitments, if any, affecting the Financial Position of the Company from the Financial Year end till the date of this Report

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2025-26 and the date of this Report.

Acknowledgements

The Directors take this opportunity to thank its investors, shareholders, trustee company, bankers, distributors, key partners, Investor Service Centres and other service providers for their continued support. The Directors would like to convey their gratitude to HDFC Bank Limited, promoter of your Company.

The Directors acknowledge the valuable assistance, support and guidance given by the Securities and Exchange Board of India, Association of Mutual Funds of India, Reserve Bank of India, Ministry of Corporate Affairs, Registrar of Companies, Stock Exchanges and Depositories.

The Directors wish to place on record their appreciation to employees at all levels for their dedication and commitment. The Directors also acknowledge the faith reposed in HDFC Mutual Fund by its investors and look forward to their continued support.

On behalf of the Board of Directors
Deepak S. Parekh
Chairman
(DIN: 00009078)
CIN: L65991MH1999PLC123027

Place: Mumbai
Date: May 21, 2026

Registered Office:
"HDFC House", 2nd Floor, H. T. Parekh Marg
165 - 166, Backbay Reclamation,
Churchgate, Mumbai – 400 020
Tel.: 022 – 6631 6333, Fax: 022 – 66580203

ANNEXURE I

FORM NO. MR 3

SECRETARIAL AUDIT REPORT

for the Financial Year ended March 31, 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
HDFC Asset Management Company Limited
HDFC House, 2nd floor, H. T. Parekh Marg,
165-166, Backbay Reclamation, Churchgate,
Mumbai - 400 020 , Maharashtra

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HDFC Asset Management Company Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Auditor's Responsibility:

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by the Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026 (hereinafter called the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2026 according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment (Foreign Direct Investment and External Commercial Borrowings is not applicable to the Company during the Audit Period);

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not Applicable to the Company during the Audit Period)

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not Applicable to the Company during the Audit Period) and

(h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018. (Not Applicable to the Company during the Audit Period)

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by the Institute of Company Secretaries of India.

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder. ('Listing Regulations')

During the audit period the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards etc. as mentioned above.

We further report that, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following law applicable specifically to the Company:

a) The Securities and Exchange Board of India (Mutual Funds) Regulations, 2026 erstwhile the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and SEBI Master Circular for Mutual Funds;

b) The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012; and

c) The Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive Directors and Independent Directors. During the audit period, no changes took place in the composition of the Board of Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

We further report that during the audit period, the Company has:

a) issued and allotted 4,52,849 equity shares of ₹ 5/- each pursuant to Employee Stock Option Scheme- 2020.

b) obtained shareholder's approval through postal ballot dated June 6, 2025 for the adoption and implementation of Employees Stock Options and Performance linked Stock Units Scheme - 2025 for eligible employees of the Company and its subsidiary/ies.

c) obtained shareholder's approval through postal ballot dated November 16, 2025 for the issuance and allotment of bonus equity shares of ₹ 5/- each in the ratio of 1:1.

For **Makarand M. Joshi & Co.**
Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Cert. No.: 6832/2025

Makarand Joshi
Partner
FCS No. 5533
CP No. 3662
UDIN: F005533H000434929

Date: May 21, 2026
Place: Mumbai

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

'Annexure A'

To,
The Members,
HDFC Asset Management Company Limited
HDFC House, 2nd floor, H. T. Parekh Marg,
165-166, Backbay Reclamation, Churchgate,
Mumbai - 400 020 , Maharashtra

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **Makarand M. Joshi & Co.**
Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Cert. No.: 6832/2025

Makarand Joshi
Partner
FCS No. 5533
CP No. 3662
UDIN: F005533H000434929

Date: May 21, 2026
Place: Mumbai

ANNEXURE II

Annual Report on Corporate Social Responsibility Activities

As prescribed under Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014

1. **Brief outline on CSR Policy of the Company:** The Company carries its Corporate Social Responsibility ('CSR') activities through various implementing agencies. The details of the Company's CSR Initiatives project/programs and activities are provided in this annexure and more particularly specified in the CSR Policy of the Company which is uploaded on its website and can be viewed on https://www.hdfcfund.com/about-us/corporate-profile/csr.

2. **Composition of Environmental, Social and Governance and Corporate Social Responsibility ('ESG & CSR') Committee:**

Sr. No.	Name of Director(s)	Designation/Nature of Directorship	Number of meetings of ESG & CSR Committee held during the year	Number of meetings of ESG & CSR Committee attended during the year
1	Mr. Deepak S. Parekh	Chairman	5	4
2	Mr. Parag Shah	Independent Director	5	5
3	Mr. Navneet Munot	Managing Director and Chief Executive Officer	5	5
4	Mr. Sanjay Bhandarkar	Independent Director	5	5

3. **Provide the web-link(s) where Composition of ESG & CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company:** https://www.hdfcfund.com/about-us/csr

4. **Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:**

In accordance with sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has undertaken Impact Assessment of applicable CSR projects through an independent external agency. The complete Impact Assessment Reports for the applicable projects are available on the Company's website at: https://www.hdfcfund.com/about-us/corporate-profile/csr.

CSR Philosophy and Governance

The Company has, over the years, embedded CSR as an integral component of its value system and organisational culture. The Company's approach to CSR extends beyond statutory compliance and reflects a long-standing commitment to responsible corporate citizenship. Much prior to the enactment of Section 135 of the Companies Act, 2013, HDFC AMC has actively supported initiatives aimed at inclusive and sustainable community development.

The Company undertakes its CSR initiatives in partnership with credible Non - Governmental Organizations (NGOs), community-based organisations, and implementation agencies with demonstrated capabilities, governance standards, and grassroots reach. To ensure effective monitoring, transparent fund utilisation, and strong implementation oversight, HDFC AMC has engaged SoulAce Consulting Private Limited as its administrative and CSR implementation monitoring partner.

HDFC AMC's CSR philosophy is guided by the objective of addressing systemic gaps that hinder social and community development. Accordingly, the Company's CSR portfolio is strategically aligned to interventions in various thematic areas, with strong emphasis on scalability, sustainability, and measurable outcomes.

Brief Impact Assessment Outline

In line with statutory requirements and established best practices, HDFC AMC undertook an independent Impact Assessment of eligible CSR projects implemented during FY 2023–24, with the objective of evaluating program effectiveness, assessing outcome achievement, and deriving insights to inform future CSR strategy and resource allocation.

Accordingly, Renalysis Consultants Private Limited, an independent assessment agency, was engaged to conduct the Impact Assessment during FY 2025–26. The assessments were based on primary surveys, stakeholder interactions, and secondary data review, ensuring objectivity and robustness of findings.

FOCUS AREAS FOR FY 2023–24

During FY 2023–24, HDFC AMC focused its CSR efforts on Healthcare and Education, recognising these themes as foundational pillars for long term and inclusive social development.

HEALTHCARE

1. Indian Cancer Society – Cancer Cure Fund



HDFC AMC supported the **Cancer Cure Fund,** implemented by the **Indian Cancer Society (ICS),** to improve access to timely and quality cancer treatment for underprivileged and low-income patients across India. The initiative addresses critical financial barriers that often delay or disrupt treatment, particularly for patients diagnosed at a curable or early stage.

The program operated through **18 empanelled hospitals across 14 states**, providing pan-India access to cancer care. During FY 2023–24, **2,381 patients** diagnosed with oral, breast, gastrointestinal, hematologic, and other cancers were supported.

- **Programme Budget:** ₹19.37 crore
- **Beneficiaries:** 2,381 patients
- **Geographic Reach:** Pan-India
- **SDG Alignment**

SDG 3 (Good Health & Well-being) – Ensures access to early cancer diagnosis and treatment.

HDFC AMC's Support and Interventions

HDFC AMC partnered with ICS to provide financial assistance for cancer diagnostics and treatment, including MRI, CT and PET scans, biopsies, blood tests, medicines, chemotherapy, and surgical procedures. The program emphasised ease of access and timely approvals to prevent treatment delays.

Key Findings and Impact Highlights

- **Demographics: 40%** of beneficiaries were aged 30–50 years; **61%** were women.
- **Cost Coverage: 66%** of support was directed toward medicines.
- **Process Efficiency: 97%** found the application process easy; **83%** received approvals within four weeks.
- **Outcomes:**
  - **89%** reported reduced financial stress
  - **98%** continued or completed treatment
  - **98%** reported health improvement
  - **5.6** fold improvement in household financial stability

2. AKITF – Indian Cancer Society



HDFC AMC supported the **Dr. Arun Kurkure Initiation and Treatment Fund (AKITF),** implemented by ICS, to enable early cancer diagnosis among economically vulnerable populations. The initiative addresses financial and logistical barriers that often delay diagnosis and treatment.

The program operates through **18 empanelled hospitals**, providing targeted financial support for diagnostic investigations.

- **Programme Budget:** ₹1 crore
- **Beneficiaries:** 696 patients
- **Geographic Reach:** Pan-India
- **SDG Alignment**

SDG 3 (Good Health & Well-being)– Ensures access to early cancer diagnosis and treatment.

HDFC AMC's Support and Interventions

Financial assistance was provided for PET-CT, CT and MRI scans, biopsies, and blood tests to facilitate early detection and timely referrals.

Key Findings and Impact Highlights

- **Demographics: 44%** aged 40–60 years; **62%** women
- **Diagnostics:** Blood tests (59%), CT/MRI (47%); oral cancer screenings (22%)
- **Effectiveness:**
  - **87%** completed screening within one hour
  - **91%** reported convenient screening location and timing
- **Impact:**
  - **73%** reduction in diagnostic costs
  - **97%** followed up on referrals
  - **10** fold increase in awareness of cancer diagnostics

3. The Dharamshala Project – Rotary Club of Bombay



HDFC AMC supported **The Dharamshala Project**, implemented with the **Rotary Club of Bombay**, to address accommodation challenges faced by out-station cancer patients and their attendants undergoing treatment at **Tata Memorial Hospital (TMH)**, Mumbai.

- **Programme Budget:** ₹1.61 crore
- **Beneficiaries:** 690 patients
- **Geographic Reach:** Pan-India
- **SDG Alignment**

SDG 1 (No Poverty) - Reduces catastrophic health expenditure for low-income families.

SDG 3 (Good Health & Well-being) – Ensures access to early cancer diagnosis and treatment.

SDG 10 (Reduced Inequalities) – Supports marginalised communities in accessing essential health services.

HDFC AMC's Support and Interventions

HDFC AMC supported a Dharamshala facility comprising **100 residential units**, equipped with modern amenities and **round-the-clock medical and paramedical support**, ensuring safe and dignified accommodation close to TMH.

Key Findings and Impact Highlights

- **Demographics: 66%** male; majority aged 30+ years
- **Economic Profile: 45%** earned below ₹10,000 per month
- **Outcomes:**
  - **100%** appointment attendance and treatment continuity
  - **89%** reduction in financial stress
  - **81%** reduction in commute-related stress

EDUCATION

4. The Seva Kutir Program – Parivaar Education Society



HDFC AMC supported the **Seva Kutir Programme**, implemented by **Parivaar Education Society (PES)**, to address malnutrition, learning gaps, and attendance challenges among children in remote tribal regions of Madhya Pradesh.

- **Programme Budget:** ₹5.34 crore
- **Beneficiaries:** 11,761 children across 122 Kutirs
- **Geographic Reach:** Sheopur, Khandwa, Anuppur, Vidisha
- **SDG Alignment:**

	SDG 1 (No Poverty) - Reduces catastrophic health expenditure for low-income families.
	SDG 2 (Zero Hunger) - By offering a balanced diet to children, the program directly tackles malnutrition.
	SDG 3 (Good Health & Well-being) – Supports child health and wellbeing through nutrition, hygiene, and well-being interventions.
	SDG 4 (Quality Education) – By enhancing educational and research infrastructure.
	SDG 10 (Reduced Inequalities) – Supports marginalised communities in accessing essential health services.

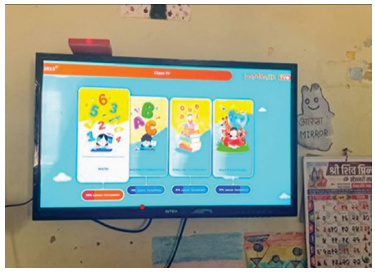
HDFC AMC's Support and Interventions

The program provided **two nutritious meals daily**, structured academic support, reading resources, and value-based learning environments.

Key Findings and Impact Highlights

- **Attendance & Engagement:**
  - **97%** attended both daily sessions
  - **42%** reported zero absenteeism
- **Learning Outcomes:**
  - Over **90%** improvement in Mathematics and Hindi
  - **77%** read more than five books in three months
- **Well-being:**
  - **91%** improvement in oral hygiene
  - **99%** practiced handwashing
  - **99%** reported improved academic confidence

5. Sampark Foundation – Learning Enhancement Programme



HDFC AMC partnered with **Sampark Foundation** to implement the Sampark **Smart Shala Project**, aimed at improving foundational literacy and numeracy in government schools in rural Maharashtra.

- **Programme Budget:** ₹1 crore
- **Primary Beneficiaries:** 5,579 teachers
- **Secondary Beneficiaries:** Over 3.21 lakh students
- **Geographic Reach:** Gadchiroli, Osmanabad, Washim
- **SDG Alignment**



SDG 4 (Quality Education) – By enhancing educational and research infrastructure.



SDG 10 (Reduced Inequalities) – Supports marginalised communities in accessing essential health services.

HDFC AMC's Support and Interventions

The program supported teacher training and deployment of innovative tools, including **Sampark Didi**, workbooks, and activity-based pedagogy.

Key Findings and Impact Highlights

- **Teacher Adoption:**
  - **91%** found training relevant
  - **97%** found Teaching Learning Materials (TLM) kits effective
- **Student Outcomes:**
  - **63%** reported overall academic improvement
  - **74%** improvement in Mathematics
  - **64%** increase in classroom engagement

5. (a) **Average net profit of the Company as per sub-section (5) of Section 135:** ₹21,25,35,50,649/-

(b) **Two percent of average net profit of the Company as per sub-section (5) of Section 135:** ₹42,50,71,013/-

(c) **Surplus arising out of the CSR Projects or programmes or activities of the previous financial years:** NIL

(d) **Amount required to be set-off for the financial year, if any:** NIL

(e) **Total CSR obligation for the financial year [(b)+(c)-(d)]:** ₹42,50,71,013/-

6. (a) **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):** ₹42,16,04,705/-

(b) **Amount spent in Administrative Overheads:** ₹28,12,116/-

(c) **Amount spent on Impact Assessment, if applicable:** ₹6,54,192/-

(d) **Total amount spent for the Financial Year [(a)+(b)+(c)]:** ₹42,50,71,013/-

(e) **CSR amount spent or unspent for the Financial Year:**

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per sub – section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹42,50,71,013*	NIL	NA	NA	NII	NA

*This amount includes: (i) amounts spent for CSR projects (₹42,16,04,705/-); (ii) amount spent as administrative Overheads (₹28,12,116/-); and (iii) amount spent on Impact Assessment (₹6,54,192/-)

(f) **Excess amount for set-off, if any:**

Sr. No.	Particular	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of Section 135	₹42,50,71,013
(ii)	Total amount spent for the Financial Year	₹42,50,71,013
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	NIL

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub- section (6) of Section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub- section (6) of Section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub- section (5) of Section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of Transfer		
1	FY-2022-23	NIL	NIL	NIL	NIL	NIL	NIL	NA
2	FY-2023-24	NIL	NIL	NIL	NIL	NIL	NIL	NA
3	FY-2024-25	NIL	NIL	NIL	NIL	NIL	NIL	NA

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes ☑ No ☒

If Yes, enter the number of Capital assets created/acquired: 3

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/Authority/beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
1	Civil & Structural Work of South and Middle Block	Mumbai-400016	September 24, 2025	₹2,50,00,000	CSR00006969	Bombay Scottish Orphanage Society	Bombay Scottish Orphanage Society, Veer Savarkar Marg, Mahim, Mumbai-400016
2	Civil & Structural Work of the Mother and child care hospital at Vidarbha, Yavatmal	Yavatmal - 445001	January 21, 2026	₹75,00,000	CSR00001048	Sri Sathya Sai Health and Education Trust	303, Tara Apartment, 132 Infantry Road, Bangalore, Karnataka 560001
3	Setting up the Radiotherapy Unit in the Oncology Block Partial contribution towards the procurement of Linear Accelerator Model HALCYON Focus with hyper fight including component parts and standard accessories- Siemens Health care Pvt Ltd	Vrindavan -281121	February 28, 2026	₹9,27,65,111	CSR00006101	Ramakrishna Mission	HQ Building; P.O. Belur Math, Howrah, West Bengal - 711202

9. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of Section 135:**

Not Applicable

Deepak S. Parekh
DIN: 00009078
Chairman of ESG & CSR Committee

Navneet Munot
DIN: 05247228
Managing Director & Chief Executive Officer

ANNEXURE III

Disclosures on Managerial Remuneration

Details of remuneration as required under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided below:

Ratio of remuneration of each director to the median employees' remuneration for FY 2025-26

Name	Designation	Ratio of remuneration to the median employees' remuneration
Mr. Navneet Munot	Managing Director and Chief Executive Officer	84.04:1
Mr. Deepak S. Parekh	Non-Executive - Non Independent Director	5.63:1
Ms. Renu Sud Karnad	Non-Executive - Non Independent Director	4.63:1
Mr. Dhruv Kaji	Non-Executive - Independent Director	6.08:1
Mr. Jairaj Purandare	Non-Executive - Independent Director	5.72:1
Mr. Sanjay Bhandarkar	Non-Executive - Independent Director	5.90:1
Mr. Parag Shah	Non-Executive - Independent Director	4.99:1
Ms. Roshni Nadar Malhotra	Non-Executive - Independent Director	3.54:1
Mr. V. Srinivasa Rangan	Non-Executive (Nominee) Director	-

Notes:

The Company has considered fixed pay and performance bonus/commission for the computation of ratios. Fixed pay includes – salary, allowances, as well as value of perquisites excluding retrial benefits.

Percentage increase in the remuneration of each director and key managerial personnel in FY 2025-26

Key Managerial Personnel

Name	Designation	Increase in Remuneration (%)*
Mr. Navneet Munot	Managing Director and Chief Executive Officer	6.04%
Mr. Naozad Sirwalla	Chief Financial Officer	-3.23%
Ms. Sonali Chandak	Company Secretary	Not Comparable#

*Remuneration accounts for benefits availed and excludes the perquisite value of Employees Stock Options exercised during the Financial year.

#Appointed as Company Secretary & Head-Legal with effect from July 16, 2024.

Non-Executive Directors

There was no change in the sitting fees paid to the Non-Executive Directors for attending meetings of board/committees. The Commission payable to each Non-Executive Director for FY 2025-26 is ₹ 30 Lakh, which is same as last year and this Commission will be paid after the financial statements are approved by the Shareholders at the Annual General Meeting scheduled to be held on June 24, 2026.

Further, details on remuneration for all the directors are provided in Corporate Governance Report which is a part of this Annual Report.

Percentage increase in the median remuneration of employees in FY 2025-26

The percentage increase in the median remuneration of employees in FY 2025-26 was 16.41%.

Number of permanent employees on the rolls of the Company

The Company had 1713 permanent employees as of March 31, 2026.

Average percentile increase already made in salaries of employees other than managerial personnel in last financial year and its comparison with the percentile increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

The average increase in the salaries of all employees for FY 2025-26 was 13.75%. The average increase in remuneration of managerial personnel was 4.34% and non-managerial personnel was 14.16%.

The criteria for remuneration evaluation for all non-managerial personnel is based on an appraisal process which is conducted on semi-annual basis and the remuneration of the managerial personnel is based as per the Nomination & Remuneration Policy. The increase in remuneration is an outcome of a combination of the overall performance of the Company and individual's performance. The Company reiterates that there were no exceptional circumstances which warranted an increase in managerial remuneration which was not justified by the overall performance of the Company.

Affirmation that the remuneration is as per the remuneration policy of the Company

Yes

Business Responsibility & Sustainability Report

Principle 1 103

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable



Principle 2 106

Businesses should provide goods and services in a manner that is sustainable and safe

NurtureNature

Principle 3 108

Businesses should respect and promote the well-being of all employees, including those in their value chains

Great Place To Work. Certified JAN 2026-JAN 2027 INDIA

Principle 4 114

Businesses should respect the interests of and be responsive to all its stakeholders

BHAROSA THE SIGN OF TRUST

Principle 5 116

Businesses should respect and promote human rights



Principle 6 120

Businesses should respect and make efforts to protect and restore the environment



Principle 7 126

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Signatory of:

PRI Principles for Responsible Investment

Principle 8 127

Businesses should promote inclusive growth and equitable development



Principle 9 130

Businesses should engage with and provide value to their consumers in a responsible manner



Section A - General Disclosures

I. Details of the listed entity:

Sr. No.	Particulars	Details
1	Corporate Identity Number (CIN) of the Company	L65991MH1999PLC123027
2	Name of the Listed Entity	HDFC Asset Management Company Limited ('HDFC AMC'/ the Company')
3	Year of Incorporation	1999
4	Registered Office Address	HDFC House, 2nd Floor, H.T. Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai – 400 020
5	Corporate Address	HDFC House, 2nd Floor, H.T. Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai – 400 020
6	E-mail	shareholders.relations@hdfcfund.com
7	Telephone	+91 22 66316333
8	Website	www.hdfcfund.com
9	Financial Year for which reporting is done	FY 2025-26
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) & National Stock Exchange of India Limited (NSE)
11	Paid-up Capital	₹ 214.20 Crore
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Kartik Parekh Joint Assistant Vice President- Investor Relations Telephone no- +91 22 66316333 E-mail id- kartikp@hdfcfund.com
13	Reporting boundary	Disclosures made in this report are on a standalone basis and pertains only to HDFC Asset Management Company Ltd.
14	Name of assessment or assurance provider	SGS India Private Limited
15	Type of assessment or assurance obtained	Reasonable Assurance for BRSR Core attributes

II. Products/Services

16. Details of Business Activities

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover
1.	Financial & Insurance Service	Fund Management Services	99.63
2.	Financial & Insurance Service	Financial Advisory, Brokerage & Consultancy Services	0.37

17. Products/Services sold by the entity

Sr. No.	Product/Service	NIC Code	% of Turnover contributed
1.	The Company offers a wide range of savings and investment products ranging from mutual funds, including both actively managed and passive options, to portfolio management services and alternative investment opportunities catering to the needs of a large and diverse customer base.	66301	100

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated

Location	Number of Plants	Number of Offices	Total
National	NA*	279	279
International#	NA*	1	1

*The Company is into financial services and does not undertake any manufacturing activity

Representative Office in Dubai

19. Markets served by the entity

a. Number of locations

Location	Total
National (No. of States)*	36
International (No. of Countries)	1

*Includes union territories

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Revenue from outside India contributed 0.04% to revenue from operations of FY 2025-26

c. A brief on types of customers

We serve a large and diverse customer base through a wide range of mutual funds, portfolio management services and alternative investment funds that span across multiple asset classes. As on March 31,2026, we have 1.67 crore unique mutual fund customers and serviced 3.02 crore live accounts through our network of 280 offices. Nearly 27% of all mutual fund investors in India have chosen to invest with us, a reflection of the trust we've built and the reach we've established. Our Monthly Average Assets Under Management (MAAUM) for March 2026 reflect a strong contribution from retail investors, with individual investors contributing approximately 68% and institutional investors accounting for the remaining 32%. Geographically, about 81% of our MAAUM comes from the top 30 cities, while 19% is sourced from beyond the top 30 cities.

IV. Employees

20. Details as at March 31, 2026

a. Employees (including differently abled):

Particulars	Total (A)	Male		Female	
		No (B)	% (B/A)	No (C)	% (C/A)
Permanent (D)*	1,713	1,219	71%	494	29%
Other than Permanent (E)	592	362	61%	230	39%
Total employees (D + E)	2,305	1,581	69%	724	31%

*active employees + employees serving notice

The entire workforce of the Company is categorised as 'Employees' and none as 'Workers'. Therefore, the information in BRSR under 'Workers' category is not applicable.

b. Differently abled employees

Particulars	Total (A)	Male		Female	
		No (B)	% (B/A)	No (C)	% (C/A)
Differently Abled Employees					
Permanent (D)	1	0	0%	1	100%
Other than Permanent (E)	0	0	0%	0	0%
Total differently abled employees (D + E)	1	0	0%	1	100%

21. Participation/Inclusion/Representation of women

Particulars	Total (A)	No & % of Females	
		No (B)	% (B/A)
Board of Directors	9	2	22.22%
Key Management Personnel	3	1	33.33%

Note: Details as at March 31, 2026

22. Turnover rate for permanent employees and workers

Particulars	FY 25-26			FY 24-25			FY 23-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	10%	11%	10%	12%	12%	12%	13%	15%	14%

Part V: Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures (As at March 31, 2026)

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held in listed entity
1	HDFC BANK LIMITED	Holding Company	52.37%
2	HDFC AMC International (IFSC) Limited	Wholly Owned Subsidiary ('WOS')	100%

Does the entity indicated at column A above, participate in the Business Responsibility initiatives of the listed entity? (Yes / No)

Business Responsibility initiatives and disclosures made in this report are on a standalone basis and pertains only to HDFC Asset Management Company Ltd.

Part VI: CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover: ₹ 4,119 Crore

(iii) Net worth: ₹ 9,231 Crore

Part VII: Transparency and Disclosures Compliances

25. Complaints/ Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGRBC)

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes / No) (If Yes, then provide web-link for grievance redress policy)	FY 25-26			FY 24-25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	-	-	-	-	-	-	-
Investors (other than shareholders)	-	-	-	-	-	-	-
Shareholders[1]	Yes	4	0	-	7	0	-
Employees and workers[2]	Yes	0	0	-	0	0	-
Customers[3]	Yes	1,561	9	-	2,042	9	-
Distributors (Value Chain Partners)[4]	Yes	3	0	-	1	0	-
Others (Anonymous complaint)*	Yes	1	0	-	1	0	-

1 https://www.hdfcfund.com/information/shareholders-information-and-helpdesk, Shareholders can also write to shareholders.relations@hdfcfund.com

2 Internal polices placed on the intranet and some of the policies guiding company's conduct with its stakeholders on https://www.hdfcfund.com/about-us/governance/codes-policies.

3 https://www.hdfcfund.com/services/contact-us/investor-relationship-officer

3 https://www.hdfcfund.com/information/grievances-redressal-mechanism

3 https://pms.hdfcfund.com/wealthspectrum/portal/sign-in

4 Distributors can write to us at partners@hdfcfund.com or mfonlinefeedback@hdfcfund.com

* Complaint received under the Whistle Blower Policy of the Company

26. Overview of the entity's material responsible business conduct issues

Various material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to the Company's business are as indicated below:

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Responsible Investing	Opportunity/ Risk	As an institutional investor, the Company has a duty to act in the best long-term interests of its customers along with creating value. In this fiduciary role, ESG issues can also impact the performance of investment portfolios.	a. The Company has a robust investment philosophy, efficient risk management and sound governance practices. b. The Company's investment team monitors ESG related factors in investee companies. c. The Company has also adopted a stewardship code in line with the regulatory requirements. d. The Company has become signatory of the United Nations- supported Principles for Responsible Investment and Climate Action 100+. e. The Company has adopted the globally recognised CFA Institute Asset Manager Code.	**Positive:** Embedding ESG considerations in investment decisions reduces portfolio risks. **Negative:** Reputational risks, in case the Company is unable to meet the stakeholder expectations.
2.	Financial Literacy	Opportunity	Indians have predominantly saved money in traditional fixed income instruments/ lockers which may or may not be able to deliver positive inflation adjusted returns or in unregulated instruments which may be high risk to capital.	The Company aims at inculcating a financial saving mindset by encouraging Indians to invest in mutual funds against traditional methods by launching investor awareness campaigns.	**Positive:** a. Enabling wealth creation for every Indian b. Connect with wider audience c. Increase in financial literacy
3.	Data Security & Customer Privacy	Risk	The Company relies heavily on its technology infrastructure. As majority of transactions are processed digitally, it increases cyber/ information security risk.	a. The Company has a strong Information Security and Cyber Risk Management framework wherein cyber risk and its mitigation are monitored by the Information Technology & Security Committee and Risk Management Committee b. The Company sensitises employees, customers and other stake holders on cyber frauds, data privacy and other related concerns. c. Identified personnel are regularly trained and limited access is provided to various members of the team to avoid fraudulent use of critical information.	**Negative:** a. Reputational risks b. Information Security and Cyber risk c. Compliance risk.
4.	Digitisation	Opportunity	The demand for and acceptance of digital transactions is increasing, driven by government initiatives like Digital India, low-cost internet data, widespread smartphone adoption and India's biometric identity card system (AADHAR)	The Company has consistently invested in technology, building a robust digital environment within the organization to minimise reliance on paper-based transactions and communication.	**Positive:** a. Cost efficiencies b. Better customer reach & service through digital operations c. Increased penetration in B30 cities

Section B - Management and Process Disclosures

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred as P1-P9 as given below:

PRINCIPLE 1

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

PRINCIPLE 2

Businesses should provide goods and services in a manner that is sustainable and safe

PRINCIPLE 3

Businesses should respect and promote the well-being of all employees, including those in their value chains

PRINCIPLE 4

Businesses should respect the interests of and be responsive to all its stakeholders

PRINCIPLE 5

Businesses should respect and promote human rights

PRINCIPLE 6

Businesses should respect and make efforts to protect and restore the environment

PRINCIPLE 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

PRINCIPLE 8

Businesses should promote inclusive growth and equitable development

PRINCIPLE 9

Businesses should engage with and provide value to their consumers in a responsible manner

Policy and Management Processes

Disclosure Questions	P1 Ethics & Transparency	P2 Product Responsibility	P3 Well-being of Employees	P4 Responsiveness to Stakeholders	P5 Respect for Human Rights	P6 Environment Protection	P7 Public Policy Advocacy	P8 Inclusive Growth	P9 Customer Engagement
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	No[1]	Yes	Yes
b. Has the policy been approved by the Board? (Yes / No)	Yes (as applicable)								
c. Web-link of the Policies, if available	https://www.hdfcfund.com/about-us/corporate-governance/code-policy Some policies being internal documents are available to the employees through the company's intranet/HRMS								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes (as applicable)								
3. Do the enlisted policies extend to your value chain partners? (Yes / No)	The Company has not mandated any vendors, suppliers, business partners etc. to participate in the BR initiatives of the Company. However, they are encouraged to adopt BR initiatives expected from responsible business entities.								
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle	• IS0 22301:2019 - Business Continuity Management System • ISO/IEC 27001:2022 - Information Security Management System • Signatory of the United Nations-supported Principles for Responsible Investment & Climate Action 100+								

Notes:

[1] The Company may share its expertise to help in the formulation of public policy but it does not directly engage in advocacy activities and hence does not have a specific policy for this purpose. The Company actively engages in investor education programmes for mutual funds in line with AMFI/SEBI guidelines. Further, the Company, through industry bodies, has advocated various governance, administration, economic and educational reforms.

Principle-wise Polices

Principle	Particulars	Policies
P1	Ethics & Transparency	• Whistle Blower Policy • Policy on Conflict of Interest • Social Media Policy • Anti-Bribery & Anti-Corruption Policy • Code of Conduct for Directors & Senior Management Personnel • Code of Conduct & Ethics for Employees • AML/CFT & KYC Policy • Policy on Enterprise Risk Management • Environmental, Social & Governance Policy ('ESG Policy') • Responsible Investment Policy • Nomination & Remuneration Policy • Policy for Determination of Materiality of Events • Policy on Related Party Transactions • Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information • Outsourcing Policy • Voting Policy • Investment Valuation Policy and Procedures • Stewardship Code • Information Security Policy • Policy for prevention of frauds • Other internal policies that elucidate ethical behaviour, transparency and accountability

Principle	Particulars	Policies
P2	Product Responsibility	• ESG Policy
P3	Well-being of Employees	• Policy on Sexual Harassment of Women at Workplace • Whistle Blower Policy • ESG Policy • Nomination & Remuneration Policy • Policy provisions for Safety, Health & Wellbeing*
P4	Responsive to stakeholders, particularly the marginalised	• Corporate Social Responsibility Policy • Voting Policy • Investment Valuation Policy and Procedures • ESG Policy • Stewardship Code • Responsible Investment Policy • Policy on Enterprise Risk Management
P5	Respect for Human Rights	• Policy on Sexual Harassment of Women at Workplace • Whistle Blower Policy • ESG Policy • Responsible Investment Policy • Equal Opportunity Policy • Human Rights Policy • Grievance Redressal mechanism*
P6	Environmental Protection	• Business Continuity Policy • ESG Policy • Responsible Investment Policy • Policy on Enterprise Risk Management
P7	Public Policy Advocacy	The Company may share its expertise to help in the formulation of public policy but it does not directly engage in advocacy activities and hence does not have a specific policy for this purpose. The Company actively engages in investor education programmes for mutual funds in line with AMFI/ SEBI guidelines. Further, the Company, through industry bodies, has advocated various governance, administration, economic and educational reforms.
P8	Inclusive Growth	• Corporate Social Responsibility Policy • ESG Policy
P9	Customer Engagement	• Customer Query & Grievance Redressal Policy • Information Security Policy • ESG Policy • Responsible Investment Policy • Business Continuity Policy • Policy on Enterprise Risk Management • Cyber Security & Cyber Resilience Policy • Social media Policy

*Part of Employee manual

5. Specific commitments, goals and targets set by the entity with defined timelines.

- The Company's mission is to be the wealth creator for every Indian while shaping the savings and investment landscape.
- The Company strives to create positive community impact through corporate social responsibility initiatives and investor awareness programmes that promote financial literacy.
- The Company is committed to reducing its environmental footprint through sustainable practices.
- The Company fosters a workplace culture centred on Diversity, Equity and Inclusion (DE&I), while maintaining a merit-based approach to talent.
- The Company emphasises continuous learning, upskilling and holistic development of employees to support evolving business needs.

6. Performance of the entity against the specific commitments, goals and targets along with reasons in case the same are not met

Spreading Financial Literacy

- The Company conducted about 4,500 Investor Education and Awareness Programmes, engaging an audience of over 35 lakh.
  - More than 22 lakh women were reached through the Barni Se Azadi and SIP Saheli initiatives aimed at encouraging financial independence among women.
  - Over 14,000 armed forces personnel and their families were engaged through Mission Samriddhi, a financial education initiative for the defence community.
  - More than 70,000 students were equipped with financial knowledge through outreach programmes in schools and colleges under Mission Mars and Campus Connect.
  - Retirees and individuals approaching retirement were supported with financial preparedness initiatives under the Future Ready campaign.
  - The Bharosa initiative helped make financial literacy more accessible to specially abled individuals.
- Engaged nearly 4 lakh investors, distribution partners and employees through weekly quizzes on mutual funds, personal finance, market updates, behavioural finance, taxation and investing concepts.

CSR and Volunteering Initiatives

The Company has contributed towards healthcare, education, environment sustainability and sports development through its CSR activities:

- Over 2,900 cancer patients provided with financial aid for their treatment.
- More than 2,700 Cancer patients & attendants were provided affordable accommodation.
- Over 4,000 children given access to quality education & daily nutritious meals.
- More than 600 persons with disabilities were empowered through mobility aids and assistive devices
- Over 600 AYUSH practitioners received emergency response training to reduce under-five child mortality.
- Support was extended to the Ramakrishna Mission Sevashrama for the establishment of a radiotherapy unit within its oncology block to provide comprehensive cancer treatment services.
- The Company organised a Joy of Giving Week, during which employees donated over 4,000 items to a school for underprivileged children, along with volunteering their time to support the initiative.

Energy & Waste management

- Over 6,500 Kgs of e-waste and battery waste were processed in an environmentally friendly manner.
- 97% of transactions were processed digitally.
- Around 8,000 school bags made of recycled plastic waste distributed to children in need under Nurture Nature 5.0.
- As part of its CSR Initiatives towards Environmental Sustainability, the company has supported the development and sustentation of over 59,000 sq.ft. of "Biodiversity Park".
- The Company has deployed timers for signage boards to optimise electricity consumption.
- The Company's Head Office is LEED Gold certified.

Workforce Diversity

- ~ 29% of the Company's permanent work force are women
- ~23% of the leadership team comprise of women

Up-skilling

- Over 79,000 employee training hours clocked in FY 2025-26.
- 11 Ethics workshops were conducted covering over 1450 employees, reinforcing our culture of integrity and ethical conduct.
- Over 700 employees attended the organization-wide session to create awareness on Environmental, Social and Governance (ESG) parameters
- More than 1,700 employees underwent behavioural training sessions covering areas such as Basics of Presentation Skills, Managing Self, Grooming & Etiquettes, Objection Handling, Science of Selling, DISC-Based Coaching, etc.
- Conducted 259 training & awareness sessions covering a wide range of topics for our distribution partners.

- Around 90% of our employees have acquired at least one additional certification such as NISM, CFA, CFP, etc. which reflects our commitment to continuous professional development.
- 311 People trained / interned with us in FY 2025 - 26
- Over 1,500 employees attended training programs on Artificial Intelligence (AI).

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility & sustainability report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

As one of India's leading asset managers, entrusted with the savings and aspirations of Millions of investors, we recognise that long-term value creation must be supported by strong governance, responsible business practices, environmental consciousness and inclusive growth.

At HDFC AMC, our approach is guided by the belief that responsible investing and responsible business conduct reinforce each other. ESG considerations are integrated into our governance framework and overseen by the ESG & CSR Committee of the Board. We continue to align ourselves with globally recognised stewardship and responsible investment frameworks like United Nations-supported Principles for Responsible Investment (UNPRI) and Climate Action 100+. We have also adopted the CFA Institute Asset Manager Code.

Our people remain central to our long-term success. We continue to invest in building a culture that encourages learning, meritocracy and inclusion. During the year, our employees completed over 79,000 training hours across technical, leadership, compliance, behavioural and future-focused capabilities. Women represented 29% of our permanent workforce, reflecting our continued focus on strengthening diversity and inclusion across the organisation. The Company was also recognised as a Great Place to Work for the third consecutive year, reaffirming our commitment to fostering a high-trust and inclusive workplace culture.

Investor education is a critical extension of our responsibility as a financial institution. Through investor awareness programmes, digital platforms, webinars and on-ground outreach, we continue to build financial literacy across diverse segments of society. Investor education initiatives such as *'Barni Se Azadi'* and *'SIP Saheli'* promote financial independence among women and have collectively reached over two Million participants. Similarly, our *'Mission MARS'* and *'Campus Connect'* initiatives have engaged more than 70,000 students, while programmes such as *'Bharosa'*, Future Ready and *'Mission Samriddhi'* extend financial education to the specially abled, retirees and members of the armed forces and their families.

We also continue to focus on reducing the environmental footprint of our operations while supporting broader sustainability initiatives. During FY26, 97% of our transactions were digital, helping improve operational efficiency and reduce paper consumption. Building on our environmental initiatives, we launched the #NurtureNature 5.0 - SIP Campaign aligned with the United Nations' World Environment Day 2025 theme of "Ending Plastic Pollution". Under this initiative, every new digitally registered SIP in eligible schemes during the campaign period contributed towards providing school bags made from recycled plastic waste to children in need. The initiative reflects our effort to create both financial and environmental impact through responsible participation.

While we are encouraged by the progress achieved thus far, we recognise that the journey towards sustainable and inclusive growth is ongoing. With the continued trust and support of our stakeholders, we remain committed to advancing our ESG agenda through a balanced focus on People, Planet and Prosperity, while creating enduring value for all stakeholders.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies)

Name	Mr. Navneet Munot
DIN	05247228
Designation	Managing Director & Chief Executive Officer

9. Does the entity have a specified Committee of the Board/ Director responsible for decision-making on sustainability related issues? (Yes / No). If yes, provide details

Yes, the ESG and CSR Committee of the Board provides guidance, leadership and necessary oversight for ESG initiatives of the Company.

Name	Designation	DIN	Category
Mr. Deepak Parekh	Chairman	00009078	Non-Executive Director
Mr. Navneet Munot	Member	05247228	Managing Director & Chief Executive Officer
Mr. Sanjay Bhandarkar	Member	01260274	Independent Director
Mr. Parag Shah	Member	00374944	Independent Director

10. Details of Review of NGRBCs by the Company

Subject for Review	Review of Principles Undertaken and their Frequency
Performance against above policies and follow up action	Relevant policies of the Company are reviewed periodically or on a need basis. The necessary changes to policies and procedures are implemented accordingly.
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company is in compliance with the extant regulations as applicable.

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes / No). If yes, provide name of the agency

The processes and compliances are subject to audits and inspections as applicable. The policies are reviewed on a periodical basis by the respective departments and updated accordingly. The updated policies with changes recommended by the management are placed before the Board for its approval, as applicable. An internal assessment of the workings of the policies has been carried out as stated above.

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes / No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes / No)									
The entity does not have the financial or/ human and technical resources available for the task (Yes / No)							Note 1		
It is planned to be done in the next financial year (Yes / No)									
Any other reason (please specify)									

Note:

1. The Company may share its expertise to help in the formulation of public policy but it does not directly engage in advocacy activities and hence does not have a specific policy for this purpose. The Company actively engages in investor education programmes for mutual funds in line with AMFI/SEBI guidelines. Further, the Company, through industry bodies, has advocated various governance, administration, economic and educational reforms.

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Total number of training and awareness programmes held	%age of persons in respective category covered by the awareness programmes
Board of Directors	1	Review of the Company's Environmental, Social and Governance initiatives, along with review of BRSR Core indicators.	100%
Key Managerial Personnel	25	ESG Workshop, Prevention of Sexual Harassment, Cyber Security Awareness, BCP Awareness, Ethics, and other training/awareness initiatives on applicable laws and regulations, SEBI orders/guidance, internal policies/codes, and periodic refresher materials covering the Code of Conduct, Voting Policy, Conflict of Interest Policy, Securities Dealing Code(s), Social Media Policy and Unauthenticated News.	100%
Employees other than BOD and KMPs	105	ESG Workshop, Ethics Training, Prevention of Sexual Harassment, Cyber Security & BCP Awareness, Anti-Money Laundering, Stewardship Training, other training/awareness initiatives comprising presentations, calls on applicable laws and regulations, SEBI orders/ guidance, internal policies/codes, and periodic refresher materials covering the Code of Conduct, Conflict of Interest Policy, Securities Dealing Code(s), Social Media Policy and Unauthenticated News.	100%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year.

Monetary					
Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (in ₹)	Brief of the Case	Has an appeal been preferred? (Yes / No)
Penalty/ Fine	NIL				
Settlement					
Compounding fee					

Non-Monetary				
Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes / No)
Imprisonment	NIL			
Punishment				

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
	Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes. Additionally, anti-corruption and anti-bribery guidelines are part of employee manual and code of conduct. The Company is committed to conduct business by following the highest ethical standards. All forms of bribery and corruption are prohibited. The Company conducts its business in adherence to all statutory and regulatory requirements.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Particulars	FY 25-26	FY 24-25
Directors	**NIL**	NIL
KMPs	**NIL**	NIL
Employees	**NIL**	NIL

6. Details of complaints with regard to conflict of interest:

Particulars	FY 25-26		FY 24-25	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	**NIL**	-	NIL	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	**NIL**	-	NIL	-

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions on cases of corruption and conflicts of interest.

NIL

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 25-26	FY 24-25
Number of days of accounts payables*	**36**	34

* Number of days of accounts payable is calculated based on average accounts payable which majorly comprises of unbilled dues.

9. Openness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 25-26	FY 24-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	-	-
	b. Number of trading houses where purchases are made from	-	-
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	-	-
Concentration of Sales	a. Sales to dealers/ distributors as % of total sales	-	-
	b. Number of dealers / distributors to whom sales are made	-	-
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	-	-
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	**9.49%**	8.41%
	b. Sales (Sales to related parties / Total Sales)	-	-
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	-	-
	d. Investments (Investments in related parties / Total Investments made)	**0.36%**	0.41%

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year

Total number of awareness programmes held	Topics/ principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
259	Customer first, spreading financial literacy, other technical & Soft-skills, programs	18,605 participants

2. Does the entity have processes in place to avoid/ manage conflict of interest involving members of the Board/KMPs? (Yes / No) If yes, provide details of the same.

The Company has Conflict of Interest Policy (CoI) policy to avoid conflict of interest involving Board and KMPs. The Company's CoI policy outlines the broad parameters for identifying potential CoI situations. It outlines mitigation steps to manage these situations and aligns with the principles embedded in applicable regulations related to the business activities namely Mutual Fund business, Portfolio Management Services and Alternative Investment Funds business. The policy also integrates established policies, processes and procedures to manage and mitigate conflicts of interest effectively.

Further, pursuant to SEBI Listing Regulations, senior management confirms to the Board of Directors that there were no material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the Company at large.

The Company has Conflict Resolution Committee (CRC), which includes the Managing Director, Chief Compliance Officer, Company Secretary and the respective Head of Departments based on the subject matter of the Conflict of Interest for managing and dealing with CoI situations within the Company.

The Company has also formulated the policy on related party transactions for providing guidelines in relation to identification of related parties, materiality of Related Party Transaction(s) and on dealing with transactions with related party.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Particulars	FY25-26	FY 24-25	Details of improvements in environmental and social impacts
R&D			Refer note below
Capex			

Note: The Company is primarily into financial services, hence the relevance of the above is largely restricted to capital expenditure towards information technology. Capital expenditure incurred towards IT hardware and software (excluding Right to Use assets) was 37.42% of total capital expenditure investments in FY 25-26 vs 52.79% in FY 24-25. The Company intends to continue identifying and acting on opportunities to reduce its impact on the environment.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes / No)

As the Company is in the business of providing a wide range of savings and investment products, consumption of resources is limited to running of operations. The Company follows sustainable sourcing practices wherever feasible, including but not limited to green standard compliant hardware, Environmental Management System ISO 14001:2015 certified data centres, inverter AC's, energy efficient fittings, glass bottles, among others.

2. b. If yes, what percentage of inputs were sourced sustainably?

Refer response to point 2.a.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) Other waste

Given the nature of the business, the Company has limited scope on these parameters, however, the Company realises that there is a pressing need to manage waste in an eco-friendly manner. To achieve these objectives, the Company, encourages reuse/ recycle wherever possible. The Company collaborates with certified e-waste handlers to dispose e-waste in an environmentally friendly manner. The Company has an arrangement to recycle batteries utilized in UPS systems.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

No. The Company does not have any physical products as part of its offerings.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

The primary business activity of the Company is asset management. It is a service-oriented business primarily involved in managing the investment of retail and institutional investors across asset classes and servicing their requirements across the life cycle of their journey with the Company.

The investment life cycle is a sequential process ranging from sourcing clients to onboarding them, providing curated investment solutions and hassle-free customer service to the clients during their journey with us. A brief description of the client life cycle is provided below:

Sourcing:

Clients can invest in our schemes either directly or through the distribution partners. They can transact through the physical mode or through our electronic portal. A client can submit his/her physical applications at multiple touch points like our investor service centres, Registrar and Transfer Agent (RTA) i.e. CAMS branches or to the distribution partners. The Company works with a diverse set of distribution partners and currently has over 1,09,000 empanelled distributors which include mutual fund distributors, national distributors, banks, investment advisers and fintech firms. While we continue to source business across channels, the focus is on driving the adoption of digital platforms.

The Company has witnessed significant growth in electronic transactions vis-à-vis physical paper-based transactions. The Company provides end-to-end digital onboarding solutions for investors and its distributors. The Company has enabled its partners with both tools and educational webinars on digital medium and it also runs extensive education series for its partners on how to build digital presence.

Onboarding:

As a first step to beginning transactions with us, clients have to be KYC compliant. Clients have access to multiple options where they can complete their KYC while providing their investment applications. The Company has tied up with KYC Registration Agencies (KRA) to update and access client KYC information which provides a seamless experience for the customer. The Company uses CKYCR, which is a government authorised registry where it can access as well as update customers KYC records. With Aadhaar based e-KYC service, the Company has provided investors with the option to complete KYC online and start investing directly through digital channels.

Transactions:

The Registrar and Transfer Agent (RTA), CAMS, forms the backbone for transaction processing, assisted by an able front office team at the head office/branches. Investment in cutting-edge technology has enabled increased scale and speed in processing transactions and digital fetch tools help in faster authentication of supporting documentation. Transaction bot and WhatsApp have now been added to provide instant access for transactions.

Service:

The Company supports service requests from clients such as change of bank account details, nominee updating, change of tax status etc. both physically as well as electronically throughout the life cycle of the client. We also proactively send reminders to the clients to update contact details, and conform to changing regulatory requirements like FATCA/CRS, PAN Aadhaar linking etc. from time to time.

Grievance Redressal Mechanism:

As part of the Grievance Redressal Policy, the Company has a Complaint Management Platform to record and redress grievances/feedback from customers, which helps in ensuring standard operating procedures and enhanced service standards. The Corporate Client Service (CCS) team oversees and ensures that customer grievances are addressed in a timely manner and that responses sent are appropriate and meets the requirements of customers.

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

   Not applicable.

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

   Not applicable.

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format.**

   Not applicable, as we do not offer any physical products.

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

   Not Applicable, as the Company do not offer any physical products.

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	Total (A)	Health Insurance		Life/Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities#		Other Benefits*	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)	Number (G)	% (G/A)
Permanent Employees													
Male	1,219	1,219	100%	1,219	100%	NA	NA	1,219	100%	NA	NA	1,219	100%
Female	494	494	100%	494	100%	494	100%	NA	NA	NA	NA	494	100%
Total	**1,713**	**1,713**	**100%**	**1,713**	**100%**	**494**	**100%**	**1,219**	**100%**	**NA**	**NA**	**1,713**	**100%**
Other than Permanent Employees^													
Male	362	362	100%	362	100%	NA	NA	NA	NA	NA	NA	362	100%
Female	230	230	100%	230	100%	230	100%	NA	NA	NA	NA	230	100%
Total	**592**	**592**	**100%**	**592**	**100%**	**230**	**100%**	**NA**	**NA**	**NA**	**NA**	**592**	**100%**

*Includes health check-ups, parents' insurance, fitness programmes amongst other health benefits.

There are no day-care facilities on our premises. However, we can make necessary provisions for those who require such facilities.

^ Wellbeing measures for other than permanent employees are taken care by respective value chain partners.

1. b. Details of measures for the well-being of workers:

Not Applicable

1. c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format

Particulars	FY25-26	FY24-25
Cost incurred on wellbeing measures as a % of total revenue of the company	**0.15%**	0.18%

The disclosure excludes spends relating to other than permanent employees. The wellbeing measures for other than permanent employees are managed by respective value chain partners.

2. Details of retirement benefits for current and previous financial year

Benefits	FY 25-26		FY 24-25	
	No. of employees covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A.)
PF	**100%**	**Y**	100%	Y
Gratuity	**100%**	**N.A.**	100%	N.A.
ESI	**100%**	**N.A.**	100%	N.A.
NPS*	**100%**	**10%***	100%	10%*

* Availed

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Most of our offices are located in commercial premises which are on the ground floor or have elevators and infrastructure for differently abled persons.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, conspicuously displayed at all business locations in accordance with the provisions of the Act.

5. Return to work and retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees	
	Return to Work rate in %	Retention rate in %
Male	100%	90%
Female	87%	63%
Total	**97%**	**82%**

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Particulars	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Employees	Yes
Other than Permanent Employees	

The Company has always followed an open-door policy, wherein any employee irrespective of hierarchy has access to the business heads, HR, Legal & Compliance, senior management or other such members.

The Company has a third-party web-based reporting tool which provides a secure and confidential platform to report genuine concerns and can be accessed by employees, directors or stakeholders for lodging a complaint or expressing genuine concerns.

In addition to that, a Whistle-Blower Policy has been formulated for employees and directors to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Business Conduct and Ethics Policy.

The Company has zero tolerance for sexual harassment at the workplace and is compliant with provisions relating to the constitution of Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company also has various online training modules and awareness programmes which sensitise its employees on such issues.

The Company is committed to redressing every grievance of its employees in a fair and just manner. The Company provides various channels of grievance redressal and safeguards employees against any form of victimisation.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity.

Category	FY 25-26			FY 24-25		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	Employees do not have any representative union or association.					
Male						
Female						

8. Details of training given to employees

Category	FY 25-26					FY 24-25				
	Total (A)	On Health and Safety Measures		On Skill Upgradation		Total (D)	On Health and Safety Measures		On Skill Upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)*	% (E / D)	No. (F)	% (F / D)
Male	1,219	1,219	100%	1,219	100%	1,165	1,155	99.1%	1,163	99.8%
Female	494	492	99.5%	494	100%	453	444	98.0%	453	100%
Total	**1,713**	**1,711**	**99.8%**	**1,713**	**100%**	**1,618**	**1,599**	**98.8%**	**1,616**	**99.9%**

9. Details of performance and career development reviews of employees

Category	FY 25-26			FY 24-25		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	**1,219**	**1,161**	**95.2%**	1,165	1,102	94.6%
Female	**494**	**465**	**94.1%**	453	437	96.5%
Total	**1,713**	**1,626**	**94.9%**	**1,618**	**1,539**	**95.1%**

Note: All eligible employees have undergone the performance appraisal review process.

Remuneration for employees is as per the Nomination & Remuneration Policy of the Company. The criteria for the evaluation of remuneration for all employees is based on an appraisal process which includes a mid-year review and annual appraisal of performance. The increase in remuneration is factored after compensation benchmarking, individual performance and overall company performance.

10. Health and Safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes / No). If yes, the coverage of such system?

Employee well-being continues to be a priority of the Company and the Company takes several initiatives to ensure the health and safety of its employees. The Company has tied up with health care service provider which offers 24x7 online medical consultations for employees and their family members. Employees have access to online fitness programs, weight loss programs, guided meditation courses and self-led healthcare practices. The Company facilitates periodic preventive health checkups and wellbeing assessments for its employees. Regular wellness and wellbeing sessions & webinars covering physical, mental and emotional health are conducted.

Overall workplace hygiene and safety related parameters are included as part of audit. Fire safety audits are conducted across all branches periodically. Periodic trainings on fire safety and fire-fighting equipment are provided along with evacuation drills. The Company has Biometric access control with Face Reader access at HO.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company conducts regular workplace inspections to mitigate any potential hazards including fire safety audits.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes, the company has a portal to report work place accidents. An employee can report a work place accident for self or on behalf of another employee anywhere and anytime through this portal. Basis this reporting, the organization has provisions to make available medical, financial or legal assistance to the employee as required. Any identified work-related hazards are actioned upon immediately.

The organization covers all employees through the Group Mediclaim Policy, which is also a source of reporting unforeseen work-related incidents. The organization extends 24x7 online medical consultation facilities for employees. In an extreme case of a fatality occurring due to a work-related hazard, the organization has covered all employees under life and personal accident insurance.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes / No)

The Company provides facilities like medical consultations and regular health check-ups. The Company has partnered with a health care service provider, which offers 24x7 online medical consultations, fitness and well-being programmes. Additionally, the Company organises regular health check-up for its employees. The Company also provides its employees with group term life and personal accident cover in addition to medical insurance.

Throughout FY 25-26 multiple health and wellness programmes were conducted, covering a broad range of topics like stress management, pain management, yoga, insurance awareness and more.

11. Details of safety related incidents, in the following format:

Safety Incidents/Number	Category	FY 25-26	FY24-25
Lost Time Injury Frequency Rate (LTIFR) (per one Million-person hours worked)	Employees	**1.49**	0.96
Total recordable work-related injuries*	Employees	**5**	3
No. of fatalities	Employees	**0**	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	**0**	0

* Includes incidents occurring during commute to and from the workplace, client or vendor locations.

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

Employee well-being and psychological safety continue to be a priority for the Company. The company has tied up with health care service provider which offers 24x7 online medical consultations for employees and their family members. Employees have access to online fitness programs and weight loss programs. Regular wellness and wellbeing webinars covering physical, mental and emotional health are conducted. The Company also provides its employees with group term life and personal accident cover in addition to medical insurance.

At the time of joining all employees undergo a comprehensive health screening. The organization also organizes regular complimentary health screening for employees.

The Company ensures that the workplace is maintained in a clean and hygienic manner. In fact, maintaining proper hygiene is also documented as part of the responsibilities of each Branch Manager. Fire drills and quality assurance audits are conducted in the office premises to ensure the maintenance of safety standards.

To maintain a safe workplace, the Company has a zero-tolerance policy to any form of harassment. The Company has implemented the following policies and mechanisms to promote a safe workplace:

- Policy on prevention of sexual harassment of women at the workplace (Prevention, Prohibition and Redressal) Act 2013,
- Equal Opportunity Policy framed pursuant to Rights of Persons with Disabilities Act (RPWD)
- Whistle Blower mechanism
- Grievance Redressal mechanism
- Code of Conduct & Ethics for Employees

13. Number of complaints on the following made by employees and workers

Type	FY 25-26			FY 24-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	NIL	NIL	-	NIL	NIL	-
Health & Safety	NIL	NIL	-	NIL	NIL	-

14. Assessments for the year

Type	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

The Company has entered into preventive periodic maintenance contracts which includes firefighting equipment. The Company has also appointed quality assurance auditors.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of Health & Safety practices and working conditions.

Not Applicable.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)

Yes, the Company provides its employees with group term life cover, personal accident cover, future service gratuity in addition to medical insurance. Benefits like provident fund, gratuity, leave encashment etc., are settled on a priority basis. Our terms and conditions of Gratuity are better than those prescribed under the Act. The Company has a policy for mid to junior level staff wherein company extends monetary support to families of deceased employees and employment opportunity to meritorious family members. Additionally, under the Company's Employee Stock Option Scheme, all unvested stock options are fully vested to the Employee's legal nominee or successor in the unfortunate event of death.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company has made it a contractual obligation for its value chain partners to fully deliver on their statutory requirements. The Company has also appointed an independent auditor to audit vendors with respect to compliance with all statutory obligations.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Category	Total no. of affected employees		No. of employees that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 25-26	FY 24-25	FY 25-26	FY 24-25
Employees	-	-	NA	NA

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes / No)

The Company has not undertaken any retrenchment of employees owing to business exigencies or employees not having the requisite skills to do the required job. In line with the spirit of applicable law, as and when such step is required to be taken due to business environment or force majeure circumstances, the Company will actively consider undertaking such activities for outgoing employees. The Company believes in hiring well qualified talent on merit and continuously upskills the work force to align with the changing business environment. In light of this, the need for this transition assistance programmes is not envisaged currently.

The Company supports retiring employees by offering access to counsellors and psychiatrists. Retiring employees have the option to port the Group Mediclaim policy or continue to avail the benefits of the Group Mediclaim Policy by voluntarily paying the premium. Additionally, they receive assistance in claiming all retirement benefits and are provided with financial planning support to help them invest their retirement funds in the most effective manner.

5. Details on assessment of value chain partners:

Type	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	These parameters are currently not assessed.
Working Conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not applicable

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Company believes healthy stakeholder relationships are key to long-term value creation. Any individual, group or institution that adds value to the Company or is, or may be, impacted is identified as a key stakeholder.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Key Stakeholder	Whether identified as Vulnerable & Marginalised Group (Yes / No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	• Website: https://www.hdfcfund.com • Call Center • Mail ID: hello@hdfcfund.com • HDFC MF investor App • WhatsApp • Chat Bot • Customer Surveys • HDFC MF Branches • HDFC MF empanelled distributors.	Ongoing and need based	• Product and scheme information • Service queries • Enhanced Reach • Education and awareness programs • Regulatory updates and compliance • New fund launches
Distribution partners	No	• Websites • Call Center • Mail ID: partners@hdfcfund.com mfonlinefeedback@hdfcfund.com • CONNEKT App • HDFC MF partners App • WhatsApp • Chat Bot • Satisfaction surveys • HDFC MF Branches	Ongoing and need based	• Product and scheme information • Enhanced Reach • Service queries • Trainings and awareness programs • Regulatory updates and compliance • New fund launches
Employees	No	• One-on-One meetings • Emails • CEO town halls • Team meetings • Leadership connect • Engagement surveys	Ongoing and need based	• Rewards and recognition • Sense of ownership and alignment to the vision & mission • Training and career development • Health, safety and wellbeing • Organisational developments • Performance appraisal • Awareness initiatives and engagement
Shareholders	No	Quarterly earnings calls, audio recording of earnings call, investor presentations, Annual General Meeting, intimation to stock exchanges, annual/quarterly financials and investor meetings / conferences, press release, annual reports, email, SMS, newspaper, advertisement, notices, website, transcripts etc.	At least quarterly and need based	To stay abreast of developments in the Company, performance of the Company and the sector. Address concerns/grievances
Regulatory Bodies	No	Emails, one-on-one meetings, conference calls, video conferencing, websites	Need based	Discussions with regard to various approvals, circulars, guidelines, suggestions, amendments, etc
AMFI & other industry bodies	No	Emails, physical meetings, conference calls, video conferencing, websites	Ongoing & Need based	Discussions with regard to various guidelines/investor education and reporting
Communities & Implementing Agencies/ NGOs	Yes	Emails, cadence calls, physical meetings and onsite visits.	At least monthly and Need based	Monitoring, evaluation, governance & implementing the CSR projects and activities

Key Stakeholder	Whether identified as Vulnerable & Marginalised Group (Yes / No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Registrar and Transfer Agent	No	Physical meetings, emails and other digital platforms	Ongoing and need based	Ensure smooth operations and seamless client experience
Vendors, Bankers, Custodians and others in value chain	No	Physical meetings, Digital platforms, emails	Ongoing and need based	Product & Service quality and support, contract commercial and technical terms & conditions, custodial services, statutory compliances
Media	No	Newspaper, advertisement, email, annual reports, website, press release and meetings	Need based	To stay abreast on the developments of the Company

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   The Company encourages constant and proactive engagement with its stakeholders to better communicate its strategies and performance. There are various platforms through which the company provides an opportunity for stakeholders to interact with the Board/Management, viz. Annual General Meeting, quarterly earnings conference calls on financials results, designated e-mail ids. The Company has ESG and CSR Committee of the Board to oversee matters related to, but not limited to, environmental and social topics.

   The Company also has a Stakeholders Relationship and Unit holder Protection Committee of the Board which is broadly responsible for protecting the interests of unit holders of schemes of HDFC Mutual Fund in relation to all products and services offered by the AMC. This committee is responsible for ensuring the adoption of sound market practices in terms of investments, sales, marketing, advertisement, conflict of interest management, grievance redressal and investor awareness. Additionally, the Committee oversees compliance with laws, regulations and other related processes, specifically concerning the operation of the mutual fund business.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Customer complaints, grievances and suggestions are reviewed for a root cause analysis, which also gives an opportunity to the company to improve its services. The Company has identified key ESG focus areas through materiality assessment exercise, conducted in consultation with internal stakeholders.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.**

   As an investment manager committed to inclusive financial empowerment, we actively engage with and support vulnerable and marginalised stakeholder groups, with a special focus on bottom-of-the-pyramid customers and underrepresented segments of society. Through focused initiatives across financial literacy, healthcare support, customer service and community development, we aim to drive meaningful and inclusive progress. Some of the key initiatives undertaken by the Company are outlined below.

   Bharosa - Bharosa is a dedicated investor education initiative for the hearing and speech-impaired community. Conducted in sign language by trained representatives, the programme reflects the Company's commitment to making financial literacy inclusive and accessible to all.

HDFC Cancer Cure Fund - The HDFC Cancer Cure Fund series has, over the past 15 years, positively impacted the lives of thousands of cancer patients across India. This initiative continues to be sustained through the generous contributions of our investors, and we are grateful for their ongoing philanthropy and compassion.

Enhanced Call Centre Services for Senior Citizens - To ensure accessibility and tailored support, our call centre services have been enhanced with specialised assistance for senior citizens. These services include priority access, faster turnaround time and proactive support, backed by specialised training and advanced technology solutions.

CSR Initiatives - A significant portion of our Corporate Social Responsibility efforts are directed towards benefiting marginalised and underserved communities. The details of these initiatives are outlined in our Annual Report. For more information, including our CSR policy and list of projects, please visit: https://www.hdfcfund.com/about-us/corporate-profile/csr.

Through these ongoing efforts, we strive to create meaningful impact and foster inclusive growth across all segments of society.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy (ies) of the Company:

Category	FY 25-26			FY 24-25		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	**1,713**	**1,712**	**99.9%**	1,618	1,618	100%
Other than Permanent	**592**	**588**	**99.3%**	590	590	100%
Total Employees	**2,305**	**2,300**	**99.8%**	**2,208**	**2,208**	**100%**

The Company promotes a culture of fairness and inclusion. It is the policy and practice of the Company to provide equal employment opportunity to all persons. The Company's value system encourages dignity of labour. Its policies and managerial framework ensure that all fundamental and human rights of employees are fully protected.

Policies and processes such as POSH, Whistleblower, Grievance Redressal, Equal Employment Opportunity, Code of Conduct, etc. are in place to safeguard employees' human rights. These policies are clearly defined, communicated electronically and reinforced through regular employee education and training.

2. Details of minimum wages paid to employees and workers:

Category	FY 25-26					FY 24-25				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Permanent	**1,713**	**-**	**-**	**1,713**	**100%**	**1,618**	**-**	**-**	**1,618**	**100%**
Male	**1,219**	**-**	**-**	**1,219**	**100%**	1,165	-	-	1,165	100%
Female	**494**	**-**	**-**	**494**	**100%**	453	-	-	453	100%
Other than Permanent	**592**	**-**	**-**	**592**	**100%**	**590**	**-**	**-**	**590**	**100%**
Male	**362**	**-**	**-**	**362**	**100%**	325	-	-	325	100%
Female	**230**	**-**	**-**	**230**	**100%**	265	-	-	265	100%

3. Details of remuneration/salary/wages

a. Median remuneration/ wages:

Category	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors[@]	5	63,00,000	2	45,00,000
Key Managerial Personnel^	2	5,57,60,970	1	1,50,51,729
Employees other than BoD and KMP*	1,073	11,89,524	409	9,40,652

[@] Directors who received remuneration during the financial year have been considered for computing the median remuneration

^ Includes MD, CFO and CS

* Includes only employees who have worked for the entire 12-month period.

Note: Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall basis at the end of each year and accordingly, have not been considered in the above information. Perquisite value of stock options is excluded.

Gaps in median salary between genders is due to different proportion of men & women across experience levels and grades.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Particulars	FY 25-26	FY24-25
Gross wages paid to females as % of total wages	**20.43%**	21.67%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes / No)

Yes, there are various committees responsible for human rights impacts and issues. The Company has zero tolerance for sexual harassment at workplace and is compliant with provisions relating to the constitution of Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has appointed a Nodal Officer who acts as a single point of contact for human rights issues.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Respect for human rights is a fundamental and core value of the Company. The Company strives to support, protect and promote human rights. The Company has committees & policies to handle grievances and complaints related to human rights issues and the details are placed on the HRMS of the Company. The Company has zero tolerance towards and prohibits all forms of child labour, slavery, forced labour, physical, sexual, psychological or verbal abuse.

6. Number of complaints on the following made by employees and workers:

Particulars	FY 25-26			FY 24-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	**0**	**0**	**-**	0	0	-
Discrimination at Workplace	**0**	**0**	**-**	0	0	-
Child Labour	**0**	**0**	**-**	0	0	-
Forced Labor/Involuntary Labour	**0**	**0**	**-**	0	0	-
Wages	**0**	**0**	**-**	0	0	-
Other Human Rights Related Issues	**0**	**0**	**-**	0	0	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

Particulars	FY25-26	FY24-25
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	**Nil**	Nil
Complaints on POSH as a % of female employees / workers	**-**	-
Complaints on POSH upheld	**-**	-

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company is committed to maintaining safe and harmonious business environment and workplace for everyone, irrespective of the ethnicity, region, sexual orientation, race, caste, gender, disability, work, designation and such other parameters. The Company ensures sensitisation to important social factors like diversity and inclusion, workplace practices and prohibition of economic, racial or physical inequalities. The Company strives to support, protect and promote human rights.

The Company has formed committees and policies to handle grievances and complaints related to human rights issues viz Internal Committee under the Sexual Harassment of Women at Workplace, Whistle Blower Policy, etc and the details are placed on the intranet of the Company.

The Company constituted six Internal Committees for different zones in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 with women employees being a majority and an external member. The Policy, IC Members' details and the penal consequences of violating the said Act/ Policy are displayed at all offices/ branches and on the HRMS of the Company. Regular employee awareness sessions are conducted to generate awareness about the policy, reporting mechanism and prevention of sexual harassment at the workplace. The Company also has a well-defined Whistle Blower policy which ensures confidentiality and protection from any form of retaliation.

9. Do human rights requirements form part of your business agreements and contracts? (Yes / No)

Yes, in certain business agreements and contracts where relevant.

10. Assessments for the year

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100%
Forced Labour/Involuntary Labour	-
Sexual Harassment	100%
Discrimination at workplace	100%
Wages	100%
Others	-

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

No significant risk was identified as an outcome of the above-mentioned assessments/audits.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

The Company creates awareness about the Code of Conduct/policies to sensitise its employees. Employees undergo various training programmes and some of the modules are mandatory for the new recruits which cover guidelines on Prevention of Sexual Harassment (POSH), information security, etc.

The Company strives to support, protect and promote human rights to ensure fair and ethical business & employment practices are followed, for instance 6 (six) Internal Committees (IC) for different zones were constituted in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, with women employees being a majority and an external member. The Policy, IC Members' details and the penal consequences of violating the said Act/ Policy are displayed at all offices/ branches and on the intranet of the Company. The Company provides various channels of grievance redressal and safeguards employees against any form of victimisation.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

Refer response no 8 of essential indicator & 1 of leadership indicator.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Most of our offices are located in commercial premises which are on the ground floor or have elevators and infrastructure for differently abled persons.

4. Details on assessment of value chain partners:

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	These parameters are currently not assessed
Discrimination at Workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Other Human Rights Related Issues	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

Not applicable in view of point no 4.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 25-26	FY 24-25
From renewable sources		
Total electricity consumption in GJ (A)	-	-
Energy fuel consumption in GJ (B)	-	-
Energy consumption through other sources in GJ (C)	-	-
Total energy consumed from renewable sources in GJ (A+B+C)	-	-
From non – renewable sources		
Total electricity consumption in GJ (D)	**15,366**	14,968
Total fuel consumption in GJ (E)	**5,861**	6,222
Energy consumption through other sources in GJ (F)	-	-
Total energy consumed from non – renewable sources in GJ (D+E+F)	**21,227**	**21,190**
Total energy consumed in GJ (A+B+C+D+E+F)	**21,227**	**21,190**
Energy intensity per rupee of turnover (GJ/ ₹ in Cr.) (Total energy consumed/ Revenue from operations)	**5.15**	6.06
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (GJ/ ₹ in Cr.)# (Total energy consumed / Revenue from operations adjusted for PPP)	**104.85**	125.16
Energy intensity in terms of physical output (Energy consumed in GJ/employees)	**9.21**	9.60

#The revenue from operations has been adjusted for PPP based on the PPP conversion factor published by IMF.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. Independent assurance has been carried out by SGS India Private Limited.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not applicable

3. Provide details of the following disclosures related to water:

Parameter	FY25-26	FY24-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	**24,716**	22,305
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**24,716**	22,305
Total volume of water consumption (in kilolitres)	**4,943**	4,461
Water intensity per rupee of turnover (KL / ₹ in crores) (Total water consumption / Revenue from operations)	**1.20**	1.28
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (KL / ₹ in crores)# (Total Water Consumption / Revenue from Operations adjusted for PPP)	**24.42**	26.35
Water intensity in terms of physical output (Water consumed in KL/employees)	**2.19**	2.10

The revenue from operations has been adjusted for PPP based on the PPP conversion factor published by IMF.

All offices of the Company are operated from leased premises. Water data for the Head Office is obtained based on the details provided periodically by lessor to the Company. For other offices, this data is estimated based on the guidelines prescribed by the Central Ground Water Authority (CGWA). Water discharge is considered at 80% of total water withdrawal, following the Central Pollution Control Board (CPCB) database report.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. Independent assurance has been carried out by SGS India Private Limited.

4. Provide the following details related for water discharged:

Parameter	FY 25-26	FY 24-25
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface Water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third parties		
- No treatment	19,773	17,844
- With treatment – please specify level of treatment	-	-
(v) Others		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	19,773	17,844

Water discharge is considered at 80% of total water withdrawal, following the Central Pollution Control Board (CPCB) database report.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. Independent assurance has been carried out by SGS India Private Limited.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

As the Company's usage of water is restricted to human consumption purposes only, the Company has not implemented a mechanism for zero liquid discharge. However, the Company has taken various initiatives to consume water judiciously viz STP (Sewage Treatment Plant) at its head office, sensors taps at its head office, where water consumption is high and aerator taps in most of the offices.

6. Please provide details of air emissions (other than GHG emissions) by the entity

Parameter	Please specify unit	FY 25-26	FY 24-25
NOx	The Company uses DG sets only during power outages and hence the air emissions of pollutants (other than GHGs) are not material.		
Sox			
Particulate Matter (PM)			
Persistent organic pollutants (POP)			
Volatile Organic Compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – please specify			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Not applicable

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity:

Parameter	Unit	FY 25-26	FY 24-25
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	tCO_2e	**421**	441
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF3, if available)	tCO_2e	**3,031**	3,023
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emission/ Revenue from operations)	tCO_2e/₹ in Cr.	**0.84**	0.99
Total Scope 1 and Scope 2 emissions per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emission/ Revenue from operations adjusted for PPP)^	tCO_2e/₹ in Cr.	**17.05**	20.46
Total Scope 1 and Scope 2 emission intensity in terms of physical output (Total Scope 1 and Scope 2 GHG emission /employees)	tCO_2e/Employee	**1.50**	1.57

Breakup of metric tonnes of CO_2 equivalent of Scope1 emissions is as mentioned below:

Parameter	Unit	FY 25-26	FY 24-25
CO_2	tCO_2e	**413**	438
CH_4	tCO_2e	**2**	2
N_2O	tCO_2e	**1**	1
HFC	tCO_2e	**6**	-

Scope 1 emissions have been calculated using the emission factors and GWP published by IPCC and GHG Protcol. Scope 2 emission factor is from the CO_2 Baseline Database for the Indian Power Sector published by the Central Electricity Authority of India (CEA).

Emissions from air-conditioning equipment were estimated for FY2025-26 based on servicing data provided by AMC vendors, standard refrigerant charge assumptions and applicable leakage rates in line with the IPCC 2006 Guidelines. CO_2-equivalent emissions were calculated using IPCC AR6 100-year GWP values.

^The revenue from operations has been adjusted for PPP based on the PPP conversion factor published by IMF.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. Independent assurance has been carried out by SGS India Private Limited.

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

The Company is adopting environmentally sustainable practices by enhancing its digital infrastructure to facilitate electronic transactions, eliminating paper-based reports and forms wherever feasible, promoting recycling and waste reduction across all its premises among other initiatives. Kindly refer to initiatives mentioned in point no. 4 under leadership indicators of this principle.

9. Provide details related to waste management by the entity

Parameter	FY 25-26	FY 24-25
Total waste generated & safely disposed (in metric tonnes)		
Plastic waste (A)	-	-
E – Waste (B)	**0.22**	1.10
Bio – Medical Waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery Waste (E)	**6.54**	4.76
Radioactive Waste (F)	-	-
Other Hazardous Waste. Please specify, if any (G)	-	-
Other Non - Hazardous waste. Please specify, if any. (H) (Break up by composition i.e. by material relevant to the sector)	-	-
Total (A+B+C+D+E+F+G+H)	**6.76**	**5.86**
Waste intensity per rupee of turnover (metric tonnes / ₹ in crores) (Total waste generated / Revenue from Operations)	**0.0016**	0.0017
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (metric tonnes / ₹ in crores) (Total waste generated / Revenue from Operations adjusted for PPP)#	**0.033**	0.035
Waste Intensity in terms of physical output (Waste generated in MT/ employees)	**0.003**	0.003
For each category of waste generated, total waste recovered through recycling, re – using or other recovery operations (in metric tonnes)		
Category of Waste		
(i) Recycled	**6.57**	5.72
(ii) Reused	-	-
(iii) Other recovery operations	-	-
Total	**6.57**	**5.72**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of Waste		
(i) Incineration	**0.13**	0.10
(ii) Landfilling	**0.07**	0.05
(iii) Other disposal operations	-	-
Total	**0.20**	**0.15**

The revenue from operations has been adjusted for PPP based on the PPP conversion factor published by IMF.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. Independent assurance has been carried out by SGS India Private Limited.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company does not use hazardous and toxic chemicals in its products and processes. However, the Company realises that there is a pressing need to manage waste in an eco-friendly manner and accordingly the Company collaborates with certified e-waste handlers to dispose e-waste in an environmentally friendly manner. The Company also has an arrangement to recycle batteries utilized in UPS systems.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required.

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any
The Company does not have any offices in ecologically sensitive areas			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year

Name and brief details of project.	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant web-link
Not Applicable					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances.

Sr. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not applicable				

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres)

Not applicable

2. Please provide details of total Scope 3 emissions and its intensity.

Parameter	Unit	FY 25-26	FY 24-25
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	tCO_2e	**8,660**	9,025
Total Scope 3 emissions per rupee of turnover (Revenue from operations)	tCO_2e / ₹ in crores	**2.10**	2.58

The reported Scope 3 emissions encompass the following GHG Protocol categories:

For Category 1 (Purchased Goods and Services) and Category 2 (Capital Goods), emissions were estimated using the EEIO (Environmentally Extended Input–Output) database, adjusted with appropriate inflation indices to reflect current-year values. This approach ensures a robust, spend-based allocation aligned with economic sector emission intensities.

For Category 3 (Fuel- and Energy-Related Activities Not Included in Scope 1 or 2), emission factors from DEFRA 2025 were applied, and a Transmission & Distribution (T&D) loss factor of 17.56%, based on data published by the Central Electricity Authority (CEA), was incorporated to account for upstream electricity-related emissions.

For Category 5 (Waste Generated in Operations), emission factors from the DEFRA 2025 emission factor database were applied.

For Category 6 (Business Travel), a distance-based calculation methodology was employed using emission factors sourced from DEFRA 2025 and the India GHG Programme.

For Category 7 (Employee Commuting), emissions were estimated based on employee commuting survey responses, applying relevant emission factors from DEFRA 2025, supplemented with assumptions derived from the survey dataset to reflect representative employee travel patterns.

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct and indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

Not applicable

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives:

The Company is into service-oriented business primarily involved in the flow of information and financial transactions and hence the Company's carbon footprint is limited to the consumption of resources such as energy, water and office-related materials. The Company has taken some initiatives as described below in view of the same.

Sr. No.	Initiative undertaken	Details of the initiative (Web-link , if any, may be provided along-with summary)	Outcome of the initiative
1	E-waste	E-waste processed in an eco-friendly manner	200+ kgs of e-waste was processed in an eco-friendly manner
2.	Battery Waste	Recycled batteries utilized in UPS system	6,300+ kgs of battery waste was processed in an environment friendly manner
3.	New applications on cloud unless needed on prem	The Company continues to build and use new applications on our cloud which is energy efficient.	Faster deployment of applications and enhanced performance and efficient use of infrastructure. The applications are powered on as per need. The service provider data center also uses electricity sourced from green energy providers thereby reducing the carbon footprint
4.	Nurture Nature 5.0	Under this initiative, every new digitally registered SIP in eligible schemes during the campaign period contributed towards providing school bags made from recycled plastic waste to children in need.	~8,000 bags made of recycled plastic waste distributed to children in need
5.	Robust digital environment	The Company has consistently invested in technology and built a robust digital environment in the organization	97% of transactions were executed digitally in FY 25-26
6.	Timers for signage boards	Deployment of timers for signage boards	Less Power Consumption
7.	Bio-diversity park	As part of our CSR Initiatives towards Environmental Sustainability, the company supported the development & sustentation of Biodiversity Park	Environmental sustainability

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web-link.

Yes, the Company has devised a disaster recovery and business continuity plan with strategies like utilising branches as alternate sites, remote working and IT disaster recovery site, which are tested on a regular basis.

With our ISO 22301:2019 certified Business Continuity Management System, we prioritise minimising service disruptions and business during any unforeseen adverse events or circumstances. The Programme is designed in accordance with the guidelines issued by regulatory bodies. Further our programme undergoes regular internal, external and regulatory reviews. Oversight over programme is provided by the Information Technology and Security Committee. In addition, employees periodically undergo mandatory business continuity awareness training and sensitisation exercises.

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

   Not applicable.

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

   Not applicable.

8. **How many Green Credits have been generated or procured by the listed entity**

   Nil

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/ associations.**

   The Company is member of six trade and industry chambers/associations.

b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to:**

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Association of Mutual Funds in India (AMFI)	National
2	Bombay Chamber of Commerce and Industry	State
3	Association of Portfolio Managers in India ("APMI")	National
4	Indian Venture and Alternate Capital Association (IVCA)	National
5	United Nations-Supported Principles for Responsible Investment (UNPRI)	International
6	Sahamati	National

In addition to the above, the Company is signatory to Climate Action 100+ and has also adopted the globally recognised CFA Institute Asset Manager Code.

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
No material instances reported		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

Sr. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes / No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others–please specify)	Web-link , if available
1	The Company is the member of Association of Mutual Fund of India ("AMFI"). AMFI is dedicated to developing the Indian mutual fund industry by protecting the interest of investors/ unitholders, creating awareness about mutual funds, recommending and promoting best business practices and code of conduct, etc.	Senior leadership team actively participates in several important committees of AMFI, covering areas like ARN, ETF, Operations and Compliance, Risk, Equity, Valuation, and Technology. Their involvement extends beyond these areas to include initiatives such as promoting financial literacy and enhancing investor awareness Additionally, the Company has been a strong advocate for governance, administration, economic, and educational reforms through its association with AMFI.	Yes	Ongoing & Need based	https://www.amfiindia.com/
2	The Company is the member of Association of Portfolio Managers in India APMI. ("APMI"). APMI strives to protect and promote the interests of the portfolio management industry and its investors, to define and maintain high professional and ethical standards, etc.	Senior leadership team of the Company takes active part in various forums.	Yes	Ongoing and Need based	https://www.apmiindia.org/

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web-link
Not applicable*					

*Social Impact Assessments (SIA) w.r.t. Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Not applicable						

3. Describe the mechanisms to receive and redress grievances of the community

The Company has established grievance redressal mechanisms for key stakeholders. Given the nature of its business operations, there are limited direct community-related grievances. However, the Company contributes to community development through its Corporate Social Responsibility (CSR) initiatives implemented through partner agencies. For applicable CSR projects, independent third-party impact assessments are conducted in line with regulatory requirements, enabling beneficiary feedback and concerns to be captured and addressed in a structured manner.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers

Particulars	FY 25-26	FY 24-25
Directly sourced from MSMEs/ small producers	**17.64%**	15.15%
Directly from within India	**99.47%**	99.55%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 25-26	FY 24-25
Rural	**0.07%**	0.07%
Semi urban	**2.13%**	2.31%
Urban	**16.65%**	17.37%
Metropolitan	**81.15%**	80.25%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above)

Details of negative social impact identified	Corrective action taken
Not applicable in view of Question 1 of Essential Indicators	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies

Sr. No.	State	Aspirational District	Amount spent (In ₹)
1	Madhya Pradesh	Khandwa	1,02,10,490

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes / No)

Given the nature of the Company's business operations, procurement from suppliers comprising marginalised or vulnerable groups is limited. However, the Company continues to support inclusive sourcing initiatives wherever feasible. During FY 2025–26, the Company procured laptop bags from the Society for Vocational Rehabilitation of the Retarded and umbrellas from Indian Disabled's Service Co-Op. Society Ltd.

(b) From which marginalised /vulnerable groups do you procure?

1. Society for the Vocational Rehabilitation of the Retarded (SVRR)
2. Indian Disabled's Service Co-Operative Society Ltd

(c) What percentage of total procurement (by value) does it constitute?

The Company actively works with and encourages small and medium scale enterprises (MSMEs).

For % of materials sourced from MSMEs/small producers, please refer to answer of Q4 - Principle 8, Essential Indicator.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge

Sr. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes / No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the case	Corrective action taken
Not applicable		

6. Details of beneficiaries of CSR Projects

Sr. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1	**CSR Projects for Healthcare** • Indian Cancer Society - Cancer Support – Cancer Cure Fund & Arun Kurkure Initiation & Treatment Fund – Cancer Support • Deepsikha - Cancer Support • Rotary Club of Bombay - Dharamshala Project- Cancer Support • St Jude India Child Care Centres	Cancer Patients & attendants – **22,292**	100%
	• Shree Bhagwan Mahaveer Viklang Sahayata Samiti	People with physical disabilities – **688**	100%
	• Lifeline Foundation	AYUSH practitioners/doctors – **654**	-
2	**CSR Projects for Education** • Parivaar Seva Kutirs in Madhya Pradesh – Overall development & nutrition • Snehalaya- Snehbalgruh Project	Youth, Children and Students – **4,048**	100%
3	**CSR Projects for Sports** Olympic Gold Quest – Training, Coaching, Equipment and Sports Science	Athletes - **94** Para Athletes - **04**	-
4	**CSR Projects for Skilling** Prime Minister's Internship Scheme (PMIS)	Interns - **22**	-

In addition to the above CSR projects, HDFC AMC as part of its CSR Initiatives has supported the following:

- Urban Forest Project towards environmental sustainability by aiding the sustentation of "Biodiversity Park" created using the Akira Miyawaki technique and rejuvenation of waterbody. The project spreads over a 59,000 sq. ft area of the Kalina Campus of the University of Mumbai.
- Bombay Scottish Orphanage Society towards construction of the South and Mid-Block structure of the Mahim School.
- Sports Excellence Trust – towards sports promotion through maintenance and upkeep of the academy at Bangalore.
- The CHILDS Trust – Kanchi Kamakoti Hospital, Chennai towards the renovation of the 32 bed General Ward catering to children from the lowest income group families.
- Ramakrishna Mission Sevashrama towards setting up a Radiotherapy unit within the Oncology block wherein all cancer treatment services will be provided at Vrindavan, Mathura.
- Sri Sathya Sai Health and Education Trust towards building of a mother-and-child-care hospital in the Vidarbha region of Yavatmal, Maharashtra.

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback**

At HDFC AMC, providing excellent service has been the cornerstone of customer centricity. The Company always endeavours to raise those standards that truly reflect the brand. In a world where customers are increasingly better informed, it is imperative that company's frontline service support is agile, well-trained and customer centric. The Company relentlessly educates its staff on these objectives.

Mechanism to receive the Consumer complaints and feedback

As part of our endeavour in offering the very best of products and ensuring high service standards, we believe that our customers should be able to seamlessly contact us to offer their comments on our products/services and also to air their grievances. The Company has put in place a Customer Query & Grievance Redressal Policy and set up processes and technology supported infrastructure to support this function. As part of the policy, the management continuously reviews the grievances to systemically strengthen its processes leading to progressive reduction in complaints. The following are the various avenues for the customer to contact/write to us, depending on their convenience.

E-mail:

Investors can email us at our corporate email id - hello@hdfcfund.com for any queries, complaints or feedback they have. They can also post their grievances/feedback/queries/complaints on the 'Write to Us' link available on the website (https://www.hdfcfund.com/contact-us/get-in-touch). Alternatively, they can also write to the RTA CAMS on enq_h@camsonline.com.

Call centre:

Investors can call us from 9.00 am to 6.00 pm (Monday to Friday) and 9.00 am to 1.00 pm (Saturday) on the toll-free numbers 1800 3010 6767/ 1800 419 7676. Investors calling from abroad can call us on 91 44 33462406.

Escalation:

The Company has a well-defined escalation matrix. Investors can choose to route their query through these escalation levels should they feel that they have not received a satisfactory response at the initial stage.

Following matrix (Link) is available for investor to raise grievances

https://www.hdfcfund.com/information/grievances-redressal-mechanism

Customer feedback:

Customer feedback is primarily captured through the Net Promoter Score (NPS) frameworks across key customer interaction channels, including Branches, Call Centers and Email-based engagements.

Mechanism to respond to consumer complaints:

All queries and complaints received across various touch points are processed through the central Customer Relationship Management application which has a rule-based allotment logic for disseminating the same amongst our branches and central staff who will provide the final response to the customers. There are defined service levels assigned for each type of complaint.

The Company regularly undertakes Root Cause Analysis of the top complaint types with the help of the service team at branches who are supported by the Corporate Client Services (CCS) team at the corporate office. Regional Service Managers (RSMs), who focus on service delivery across various regional offices, conduct periodic visits to branches and engage with the staff and augment support to the branches, besides seeking feedback. The CCS team engages with these RSMs to work on the feedback and also trains them routinely. Service delivery and quality assessment are measured, using multiple parameters like turnaround time, repeat complaints, escalations etc. which are evaluated on a periodic basis to improve and provide seamless delivery.

The Compliance team also oversees redressal of customer grievances.

The Company has put in place a Stakeholders Relationship and Unitholder Protection Committee of the Board which reviews the activities carried out by the Investor Service Centers (ISCs) / branches of the Company and their adherence to service standards, reviews the steps taken by the Company to redress the grievances of the investors and the cases, if any, pending before the Courts/ Forums/ Regulatory Authorities against the Company etc.

It is important that all stakeholders who work towards enhancing customer experience should work in tandem. The RTA, CAMS, forms the backbone of service delivery chain. The Company works closely with CAMS to ensure smooth operations and seamless client experience.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Particulars	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not applicable
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

Particulars	FY 25-26			FY 24-25		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	1,561	9	-	2,042	9	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other	-	-	-	-	-	-

4. Details of instances of product recalls on account of safety issues

Particulars	Number	Reasons for recalls
Voluntary recalls	Not Applicable	
Forced recalls		

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes / No) If available, provide a web-link of the policy.

Yes, the Company has Board approved Information Security Policy, Cyber Security & Cyber Resilience Policy, Cyber Crisis Management Plan, Information Security and Cyber Risk Management Framework and Business Continuity Policy. The Company has a strong Information Security and Cyber Risk Management framework wherein cyber risk and its mitigation are monitored by the Information Technology & Security Committee and Risk Management Committee.

Key areas covered under the cyber risk management include strong adherence to the Board approved Information and Cyber Security policies, compliance with SEBI guidelines and ISO 27001 standards to ensure that the Company is in line with industry best practices. The Company maintains a robust cyber security architecture and has in place a cyber-resilience framework to protect the integrity of data and guard against breaches of privacy. The Company also trains employees on cyber security.

The Company ensures that cyber security controls and practices are embedded into the business process and it follows concept of 'Security by Design'. Enhanced cyber security practices and effective governance have resulted in matured cyber security frameworks. IT assets are reviewed and audited regularly by independent agencies. Systems are subject to intense scrutiny and validations in the systems audit. Proactive measures are taken to ensure that they are adequately protected against external threats.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

NIL

7. **Information relating to data breaches:**

   a. **Number of instances of data breaches**

   b. **Percentage of data breaches involving personally identifiable information of customers**

   c. **Impact, if any, of the data breaches**

   NIL

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available)**

   The information on products & services of the Company is available through various touchpoints as follows:

   - Website: www.hdfcfund.com
   - Company WhatsApp transaction number. 8270682706
   - Company's Mobile applications- HDFC MF Online – Investors, and HDFC MF Online – Partners
   - All leading Fintech Platforms
   - Distributors / RIA
   - MF Central: www.mfcentral.com
   - Call centre @ 1800 3010 6767 / 1800 419 7676
   - HDFC Mutual Fund Branches
   - CAMS Service Centres
   - CAMS investor portal: mycams.camsonline.com

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   The Company complies with all disclosure requirements relating to its products and services, as per AMFI/SEBI guidelines on product labelling within risk and disclosure categories. The Company on a monthly basis provides disclosure of Riskometers' which covers scheme-wise risks and is available on Company's Website. Additionally, the Riskometer is also updated as and when it is warranted by the scheme. An addendum is issued in this case. The Company also has product literatures which has riskometer for various product schemes.

   For the safety of customer, the Company sends communication to educate and advise customers on guarding themselves against financial frauds. The Company has prepared Investor Charter which includes rights and responsibilities of investors, investor grievance redressal mechanism and do's and don'ts for investing in mutual funds, Alternative Investment Funds and availing services of the Portfolio Managers in line with SEBI guidelines and is prominently displayed on the website of the Company.

   As part of the Go Green initiative in Mutual Funds, and providing information to investors in a cost effective yet transparent manner, following steps have been implemented.

   - The Company does not encourage printing of physical account statements at branches and instead request clients / distributors to opt for statements through electronic mode.
   - Customers are able to raise and process most of their service requests electronically with the confirmations also being sent to them electronically.
   - Latest NAVs of all schemes have been prominently disclosed under a separate head on our website and is also provided through SMS & call centre upon request.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   The Company has devised a robust Disaster Recovery (DR) and Business Continuity Plan (BCP) which covers operations of the AMC. Communications on any disruption/ discontinuation of essential services, albeit rare, are intimated to customers through the Company's website and in case of any disruption of services either planned or unplanned related to digital platforms (Website, mobile app etc.) the Company informs the customers with reason for unavailability through alternate channels.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.

The Company has always believed in being transparent with its customers by providing all the relevant details. Product communication is done through SMS, mails and other platforms. The Company also displays the following documents on its website including its social media and digital platforms.

- Fact sheet
- Scheme performance
- Product literature

Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes / No)

Yes, the Company conducts structured surveys to gather feedback from both customers and distributors. Customer feedback is primarily captured through the Net Promoter Score (NPS) framework across key customer interaction channels, including Branches, Call Centers and Email-based engagements. These scores are administered separately for financial and non-financial transactions to ensure more accurate and context-specific insights. The objective of these surveys is to assess customer experience across various processes, transaction journeys, and service touchpoints, as well as to capture suggestions for improvement.

In addition, the Company conducts a Distributor Satisfaction Survey (DSAT) to evaluate distributors' experience with onboarding processes, servicing efficiency, operational support and overall engagement with the Company.

Feedback received from both customers and distributors is systematically analysed, and a dedicated team identifies actionable areas for improvement. Corrective and enhancement initiatives are implemented based on these insights, and progress on key action areas is periodically reviewed by the management to ensure continuous improvement in service quality and stakeholder satisfaction.

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INDEPENDENT ASSURANCE STATEMENT

To,

The Board of Directors,
HDFC Asset Management Company Limited ,
HDFC House, 2nd Floor, H.T. Parekh Marg,
165-166, Backbay Reclamation,
Churchgate, Mumbai 400020

Independent Assurance Statement on Business Responsibility and Sustainability Report (BRSR) Core of HDFC Asset Management Company Limited (the 'Company') for the period April 01, 2025, to March 31, 2026.

Nature of the Assurance

SGS India Private Limited (hereinafter referred to as 'SGS India') was engaged by HDFC Asset Management Company Limited (the 'Company') to conduct an independent assurance of the Company's BRSR Core attributes pertaining to the reporting period of April 1, 2025, to March 31, 2026. SGS India has conducted a Reasonable level of Assurance for BRSR core attributes. This assurance engagement was conducted in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) and ISAE 3410.

Reporting Framework

The Report is prepared with reference to the following:

- BRSR Core (Annexure 17A) as per Master Circular No. HO/49/14/14(7)2025-CFDPOD2/I/3762/2026, "Master circular for compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities", dated January 30, 2026.
- Industry Standard on Reporting of BRSR Core, Circular No.: SEBI/HO/CFD/CFDPoD-1/P/CIR/2024/177 dated Dec 20, 2024.
- Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard

Intended Users of this Assurance Statement

This Assurance Statement is provided with the intention of informing all HDFC Asset Management Company Limited's Stakeholders.

Responsibilities

The information in the report and its presentation are the responsibility of the management of the Company. SGS India has not been involved in the preparation of any of the material information included in the report.

Our responsibility is to express an opinion on the text, data, and statements within the defined scope of assurance, aiming to inform the management of the Company, and in alignment with the agreed terms of reference. We do not accept or assume any responsibility beyond this specific scope. The Statement shall not be used for interpreting the overall performance of the Company, except for the aspects explicitly mentioned within the scope.

Assurance Standard

SGS has conducted a Reasonable level of Assurance w.r.t. BRSR core indicators under 9 ESG Attributes. This engagement was performed in accordance with the International Standard on Assurance Engagement (ISAE) 3000 (Revised) - Assurance Engagements other than Audits or Reviews of Historic Financial Information, and ISAE 3410 - Assurance Engagements on

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Greenhouse Gas Statements, issued by the International Auditing and Standards Board.

Our evidence-gathering procedures were designed to obtain a 'Reasonable' level of assurance, which is a high level of assurance in accordance with ISAE 3000 (Revised). It involves obtaining sufficient appropriate evidence to support the conclusion that the information presented in the report is fairly stated and is free from material misstatements.

Statement of Independence and Competence

The SGS Group of companies is the world leader in inspection, testing and assurance, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirm its independence from HDFC Asset Management Company Limited, being free from bias and conflicts of interest with the organization, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with ISO 26000, ISO 20121, ISO 50001, SA8000, RBA, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification and GHG Validation Lead Auditors and experience on the SRA Assurance.

Scope of Assurance

The assurance process involved assessing the quality, accuracy, and reliability of BRSR Core Indicators (KPIs) within the report for the period April 1, 2025, to March 31, 2026. The reporting scope and boundaries include HDFC Asset Management Company Limited and its regional offices spread across Central, North, East, West and South in the different states of India.

Assurance Methodology

The assurance comprised a combination of desktop review, interaction with the key personnel engaged in the process of developing the report, on-site visits, and remote verification of data. Specifically, SGS India undertook the following activities:

- Assessment of the suitability of the applicable criteria in terms of its comprehensiveness, reliability, and accuracy.
- Interaction with key personnel responsible for collecting, consolidating, and calculating the BRSR core KPIs, and assessing the internal control mechanisms in place to ensure data quality.
- Application of analytical procedures and verification of documents on a sample basis for the compilation and reporting of the KPIs.
- Assessing the aggregation process of data at the Head Office level.
- Critical review of the report regarding the plausibility and consistency of qualitative and quantitative information related to the KPIs.

Limitations

SGS India did not come across any limitation to the agreed scope of the assurance engagement. SGS India verified data on a sample basis; the responsibility for the authenticity of the data entirely lies with the Company. The assurance scope excluded forward-looking statements, product- or service-related information, external information sources, and expert opinions. SGS India has not been involved in the evaluation or assessment of any financial data/performance of the company. Our opinion on financial indicators is based on the third-party audited financial reports of the Company. SGS India does not take any responsibility for the financial data reported in the audited financial reports of the Company.

The assurance scope excludes:

- Disclosures other than those mentioned in the assurance scope.
- Data reviews outside the operational sites as mentioned in the reporting boundary.
- Validation of any data and information other than those presented in "Findings and Conclusions."
- The assurance engagement considers an uncertainty of ±5% based on the materiality threshold for Assumption/ estimation/measurement errors and omissions.

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- The Company's statements that describe the expression of opinion, belief, aspiration, expectation, aim to future intention provided by the Company, and assertions related to Intellectual Property Rights and other competitive issues.
- Mapping of the Report with reporting frameworks other than those mentioned in the Reporting Criteria above.

Findings and Conclusions

BRSR Core Indicators:

Based on the procedures we have performed and the evidence we have obtained, we are satisfied that the information presented by the Company in its report, on the BRSR Core Indicators (as listed below) is complete, accurate, reliable, has been fairly stated in all material respects, and is prepared based on the BRSR reporting guidelines prescribed by Securities and Exchange Board of India (SEBI).

The list of BRSR Core Indicators that were verified within this assurance engagement is given below:

S.No.	BRSR Core Attributes	BRSR Core Indicators
1	Greenhouse gas (GHG) footprint	≈ Total Scope 1 emissions ≈ Total Scope 2 emissions ≈ GHG Emission Intensity (Scope 1 +2)
2	Water footprint	≈ Total water withdrawn ≈ Total water consumption ≈ Water consumption intensity ≈ Water Discharge by destination and levels of Treatment
3	Energy footprint	≈ Total energy consumed ≈ % of energy consumed from renewable sources ≈ Energy intensity
4	Embracing circularity	≈ Plastic waste ≈ E-waste ≈ Bio-Medical Waste ≈ Construction and Demolition Waste ≈ Battery waste ≈ Other hazardous waste ≈ Other non-hazardous waste ≈ Total waste generated ≈ Waste intensity ≈ Total waste recovered through recycling, re-using or other recovery operations ≈ Total waste disposed by nature of disposal method
5	Employee well-being and safety	≈ Spending on measures towards well-being of employees as a % of total revenue from operations of the Company ≈ Details of safety related incidents for employees
6	Enabling gender diversity in business	≈ Gross wages paid to females as % of total wages paid ≈ Complaints on POSH
7	Enabling inclusive development	≈ Input material sourced from MSMEs/ small producers as % of total purchases directly sourced from MSMEs/ small producers and directly from within India ≈ Job creation in smaller towns - Wages paid to people employed in smaller towns as % of total wage cost
8	Fairness in engaging with customers and suppliers	≈ Instances involving loss/breach of data of customers as a percentage of total data breaches or cyber security events ≈ Number of days of accounts payable

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S.No.	BRSR Core Attributes	BRSR Core Indicators
9	Open-ness of business	≈ Concentration of purchases & sales done with trading houses, dealers, and related parties ≈ Loans and advances & investments with related parties

For and on behalf of SGS India Private Limited



Kalpesh Thombare

Technical Reviewer
National Manager – ESG & Sustainability Services, SGS India.

21st May,2026.



Namrata Kamble

Lead Verifier
Sr. Technical Associate - ESG & Sustainability Services, SGS India

Team Member – Dhwani Jain

21st May,2026.

Corporate Governance Report

Philosophy on the Code of Governance

At HDFC AMC, corporate governance stands as the strong architecture that shapes and uplifts our organization. It is not merely a regulatory scaffold; it is also the moral bedrock that sustains trust, fortifies excellence and enables enduring value creation.

While statutes prescribe boundaries, our conviction in *ethics, transparency and accountability* defines the spirit within which those boundaries are honoured. These principles are not ornamental declarations but woven into the very grain of our culture, shaping decisions that are judicious in the present and discerning of the future.

In the ever-evolving business of asset management, we remain anchored to our foundational principles and view ourselves as custodians of stakeholder confidence, with a strong sense of duty to act in their best interests.

Our vision to become the "most respected asset manager in the world" and a mission to be the "wealth creator for every Indian" are not rhetorical ambitions; they are the compass points that define our purpose and direct our progress. Guided by these aspirations, we embedded ethics and governance into every dimension of our strategy, culture, and conduct, while integrating Environmental, Social & Governance (ESG) principles into the core of our operating ethos.

We believe sustainable growth is not a parallel pursuit, but a core obligation. Through disciplined governance and purpose driven leadership, we endeavour to build a legacy defined by integrity, impact and inclusive prosperity.

Our Board of Directors play a pivotal role in this journey. Their stewardship ensures that strategy is tempered by prudence, compliance is upheld without compromise and decisions are guided by ethical conviction. Every plan, policy and oversight are reviewed not just for compliance, but for its contribution to long-term value and trust.

Through this enduring commitment, we continue to shape an organisation where trust is nurtured, performance is principled & the progress is shared.

Board of Directors

The Company's Board comprises a diverse mix of expertise, professional qualifications and rich experience. It comprises nine (9) members as on March 31, 2026, of which eight (8) are Non-Executive Directors including the Chairman and one Executive Director i.e., the Managing Director & Chief Executive Officer. Of the eight (8) Non-Executive Directors, five (5) are Independent Directors. Further, the Company does not have any Directors on the Board with a permanent Board seat.

None of the Directors of your Company are related to each other or are debarred from holding the office of director by SEBI or any other authority. They have also confirmed that they satisfy the fit and proper criteria as prescribed under the applicable regulations. The composition of the Board is in conformity with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Companies Act, 2013 ("the Act") and Rules framed thereunder.

For a brief profile of the Board members, please refer page 38 of this Annual Report. The same are also available of the Company's website at https://www.hdfcfund.com/about-us/our-board-and-trustees.

Directorship and membership on the Board/Board committees of other public companies:

Name of Director(s)	Category of Directorship	As on March 31, 2026				
		*Number of other Directorships	**Number of other Committees		#Other Listed Entities	
			Member	Chairperson	Name of the Company	Category of Directorship
Mr. Deepak S. Parekh	Non-Executive Non-Independent Director and Chairman	4	2	1	1. Siemens Limited	Non-Executive, Non-Independent Director (Chairman)
					2. Leela Palaces Hotels & Resorts Limited	Non-Executive Independent Director (Chairman)
Mr. V. Srinivasa Rangan	Non-Executive Non -Independent Director (Nominee of HDFC Bank Limited, Promoter of the Company)	2	3	-	1. HDFC Bank Limited	Executive Director
					2. Credila Financial Services Limited	Non-Executive Nominee Director
Ms. Renu Sud Karnad	Non-Executive - Non-Independent Director	6	7	2	1. HDFC Bank Limited	Non-Executive - Non-Independent Director
					2. GlaxoSmithKline Pharmaceuticals Limited	Non-Executive - Non-Independent Director (Chairperson)
					3. EIH Limited	Non-Executive - Independent Director
Mr. Dhruv Kaji	Non-Executive - Independent Director	1	1	0	Ceinsys Tech Limited	Non-Executive - Independent Director
Mr. Jairaj Purandare	Non-Executive - Independent Director	3	5	4	1. Piramal Pharma Limited	Non-Executive - Independent Director
					2. Indegene Limited	Non-Executive - Independent Director
					3. CIE Automotive India Limited	Non-Executive - Independent Director
Mr. Sanjay Bhandarkar	Non-Executive - Independent Director	5	5	3	1. The Tata Power Company Limited	Non-Executive - Independent Director
					2. Chemplast Sanmar Limited	Non-Executive - Independent Director
					3. Tata Consultancy Services Limited	Non-Executive - Independent Director
					4. Tata Projects Limited	Non-Executive - Independent Director
Mr. Parag Shah	Non-Executive - Independent Director	5	3	-	1. Lumax Auto Technologies Limited	Non-Executive - Independent Director
					2. Thermax Limited	Non-Executive - Independent Director
					3. KPIT Technologies Limited	Non-Executive - Independent Director
Ms. Roshni Nadar Malhotra	Non-Executive Independent Director	1	1	-	HCL Technologies Limited	Non-Executive - Non-Independent Director (Chairperson)
Mr. Navneet Munot	Executive Director - Managing Director & Chief Executive Officer ("MD & CEO")	1	-	-	-	-

*Excludes directorship in Private Limited Companies, Foreign Companies and Section 8 Companies. Also excludes directorship in the Company.

**Membership and Chairpersonship in Audit Committee and Stakeholders Relationship Committee in all public limited companies (whether listed or not) have been considered. Also, excludes chairpersonship and membership in the Company.

#Other listed entities also include high value debt listed entities.

Skills/Expertise/Competence of the Board of Directors

The Board identified, inter-alia, the following core skills/expertise/competencies to ensure the Board's effective composition to discharge its responsibilities and duties required to govern your Company and also be compliant with the applicable regulations.

Name of the Director(s)	Qualification	Field of Specialisation
Mr. Deepak S. Parekh	Fellow of the Institute of Chartered Accountants (England and Wales)	• International Expertise/Strategic Planning • Risk Management Expertise • Financial Expertise • Marketing Expertise • Operational Expertise • Industry Expertise • Regulatory Expertise • Mergers and Acquisitions
Ms. Renu Sud Karnad	Master's degree in Economics from University of Delhi; Bachelor's degree in Law from the University of Mumbai; Parvin Fellow – Woodrow Wilson School of International Affairs, Princeton University, USA	• Risk Management Expertise • Financial Expertise • Legal Expertise • Industry Expertise
Mr. V. Srinivasa Rangan	Bachelor's degree in Commerce from University of Delhi; Associate of the Institute of Chartered Accountants of India; Graduate member of the Institute of Cost Accountants of India	• Risk Management Expertise • Financial Expertise • Legal Expertise • Regulatory Expertise • Strategic Planning • Technology Expertise
Mr. Dhruv Kaji	Bachelor's degree in Commerce from University of Mumbai; Associate Member of the Institute of Chartered Accountants of India	• International Expertise/Strategic Planning • Financial Expertise • Operational Expertise • Mergers and Acquisitions
Mr. Jairaj Purandare	B. Sc. (Hons), University of Mumbai; Fellow Member of the Institute of Chartered Accountants of India; completed the YPO Presidents Programme from Harvard Business School	• International Expertise/Strategic Planning • Financial Expertise • Operational Expertise • Industry Expertise • Regulatory Expertise
Mr. Sanjay Bhandarkar	B. Com., University of Pune; MBA, XLRI Jamshedpur	• Technology/Digital Media Expertise • Risk Management Expertise • Financial Expertise • Regulatory Expertise
Mr. Parag Shah	Bachelor's degree in Science (Computer Engineering) from the Illinois Institute of Technology with special electives in Psychology and Manufacturing Technology; Graduate of the General Management Programme of the Harvard Business School	• International Expertise/Strategic Planning • Technology/Digital Media Expertise • Financial Expertise • Industry Expertise • Mergers and Acquisitions
Ms. Roshni Nadar Malhotra	Undergraduate degree in Communications from Northwestern University; MBA from the Kellogg School of Management	• International Expertise/Strategic Planning • Financial Expertise • Marketing Expertise • Technology Expertise
Mr. Navneet Munot	Master's degree in Accountancy and Business Statistics; Rank-holding Chartered Accountant; Charterholder of Chartered Financial Analyst and Chartered Alternative Investment Analyst; and Financial Risk Management (FRM) certification from the Global Association of Risk Professionals	• International Expertise/Strategic Planning • Risk Management Expertise • Financial Expertise • Marketing Expertise • Legal Expertise • Operational Expertise • Technology Expertise

Responsibilities

Your Company has a well-defined framework that enables the Board to provide strategic direction and effective oversight of the Management. The Board also ensures that your Company's existing corporate governance practices are enhanced by incorporating values of fair business practices, transparency for promoting a culture of corporate and social responsibility.

To focus on crucial issues, various Committees are constituted under the supervision of the Board with specific delegated responsibilities. The Board believes that the corporate governance practices adopted by your Company empowers the executive to effectively manage the Company's affairs. The decision-making powers entrusted to the executive management with proper oversight and guidance by the Board enables the Company to achieve its vision, stakeholder aspirations and societal expectations. Codes and policies mandated as per the applicable laws have been implemented in spirit and letter by the Company.

Independent Directors

Independent Directors are appointed/re-appointed based on the recommendation of the Nomination & Remuneration Committee (NRC) and approval of the Board. As required under the Listing Regulations, for every appointment of Independent Director, the NRC evaluates the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, the NRC identifies the candidate for appointment as an Independent Director. Re-appointments are made based on evaluation of their contributions.

All the Independent Directors have confirmed that they meet the criteria as mentioned under Listing Regulations and Section 149 of the Act. The maximum tenure of Independent Directors is in accordance with the Act and other applicable Regulations.

Based on the declarations received from the Independent Directors, the Board is of the opinion that, all the Independent Directors fulfil the conditions specified in the Act, Listing Regulations and are independent of the Management.

Meeting of Independent Directors

Independent Directors are mandated to hold at least one meeting in a financial year, where Non-Independent Directors and members of the management are not present. In such meetings, the Independent Directors review the performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company taking into account the views of Executive/Non-Executive Directors. They also assess the quality, quantity and timeliness of flow of information between your Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

During FY 2025-26, the Independent Directors met once on March 30, 2026.

Familiarisation Programme

As part of the Familiarisation Programme, the Directors of the Company are updated on regular basis with changes in the Mutual Fund/Alternative Investment Funds/Portfolio Management Services industry, regulatory developments and different business practices adopted in the industry.

During the year, various programmes were conducted which included the updates on SEBI (Mutual Funds) Regulations, 2026, and SEBI Master Circular applicable from April 1, 2026, highlighting key regulatory changes and their implications for the Company, the Company's Digital and AI-led transformation strategies/projects/initiatives/applications at the Strategy Meeting held on May 23, 2025. Further, the session on Harnessing Artificial Intelligence ("AI") for a Secure Digital Future was conducted to build awareness on AI, its benefits, and associated risks particularly data privacy and cybersecurity and approaches for managing and mitigating such risks, updates were provided on National Financial Reporting Authority circular dated January 7, 2026 on effective two way communication between Statutory Auditors and Those Charged with Governance, Industry Standards on "Minimum information to be provided to the Audit Committee and Shareholders for seeking prior approval of Related Party Transactions, amendments to the SEBI (Prohibition of Insider Trading) Regulations extending automated trading window closures to Immediate Relatives of Designated Persons in connection with the declaration of financial results, the Company's Environmental, Social, and Governance (ESG) initiatives demonstrating its commitment to responsible and sustainable practices through a range of impactful programmes. Further, periodic presentations were made by the internal as well as external experts to familiarise the Directors (including Independent Directors) of key changes in regulations, rules, laws & guidelines applicable to the Company from time to time and compliances thereof impacting the Company or functioning, roles and responsibilities of Board/Committee members.

An overview of the familiarisation programme during the year is available on your Company's website at https://www.hdfcfund.com/about-us/corporate-governance/code-policy

Particulars of Senior Management Personnel as on March 31, 2026 (including the changes therein) as per Regulation 16(1)(d) of Listing Regulations are as follows:

Sr. No.	Name of SMP(s)	Designation	Changes if any, during the year
1.	Mr. Alok Sheopurkar	Head – Human Resources	-
2.	Mr. V Suresh Babu	Head – Operations	-
3.	Mr. Simal Kanuga	Head – PMS Sales, New Initiatives, Product Development and International Business and Chief Investor Relations Officer	-
4.	Ms. Supriya Sapre	Chief Compliance Officer	-
5.	Mr. Sameer Seksaria	Head – Corporate Client Services	-
6.	Mr. Naozad Sirwalla	Chief Financial Officer (CFO)	-
7.	Mr. Shobhit Mehrotra	Head – New Initiatives - Fixed Income	Re-designated as Head – New Initiatives – Fixed Income w.e.f. March 16, 2026 and ceased as Head – Fixed Income w.e.f. March 7, 2026 due to superannuation
8.	Mr. Chirag Setalvad	Head – Equities	-
9.	Dr. Leena Vijayvargiy	Chief Risk Officer	-
10.	Mr. Krantikumar Sherkhane	Chief Information Security Officer (CISO)	-
11.	Mr. Rajiv Maniar	Head – Sales & Distribution	-
12.	Ms. Sonali Chandak	Company Secretary & Head – Legal	-
13.	Mr. Harish Narayanan	Chief Digital and Marketing Officer	-
14.	Mr. Anil Bamboli	Head – Fixed Income	Appointed as Head – Fixed Income w.e.f. March 7, 2026

Board meetings

The meetings of the Board of Directors and its Committees are normally held at your Company's Registered Office in Mumbai. Video conferencing facilities are made available to conduct such meetings in case physical presence is not possible.

The Chairman ensures that the meeting is conducted in such way that the business for which it was convened is properly attended to, and that all those entitled to may express their views and that the decisions taken by the meeting adequately reflect the views of the meeting as a whole. He summarises the discussions to ensure that members are in agreement with the Board's view on the issues discussed.

At the Board/Committee meetings, MD & CEO and Senior Management, who are invited to those meetings, make presentations on various matters including the financial results, operations related issues, risk management, the economic and regulatory changes.

The minutes of all meetings of all the Committees of the Board of Directors; and of the Subsidiary Company are placed before the Board.

During the FY 2025-26, eight (8) Board meetings were held i.e. on April 17, 2025; May 23, 2025; June 16, 2025; July 17, 2025; October 15, 2025; December 3, 2025, January 14, 2026 and March 30, 2026.

Attendance at the eight (8) Board meetings held during the FY 2025-26 and at the last AGM

Name of the Director(s)	Number of Board meetings		Attendance at the 26th AGM
	Held during tenure	Attended	
Mr. Deepak S. Parekh (Chairman)	8	8	Yes
Mr. V. Srinivasa Rangan	8	7	Yes
Ms. Renu Sud Karnad	8	8	Yes
Mr. Dhruv Kaji	8	8	Yes
Mr. Jairaj Purandare	8	8	Yes
Mr. Sanjay Bhandarkar	8	8	Yes
Mr. Parag Shah	8	8	Yes
Ms. Roshni Nadar Malhotra	8	7	Yes
Mr. Navneet Munot	8	8	Yes

To enable better and more focused attention on the affairs of the Company, the Board delegates particular matters to committees of the Board set up for the purpose. The composition and functioning of these Board committees is in compliance with the applicable provisions of the Act and Listing Regulations.

There have been no instances where the Board has not accepted any recommendation of any Committee of the Board which is mandatorily required, during the financial year.

Audit Committee

The Audit Committee consists of four (4) Non-Executive Directors of which three (3) are Independent Directors, who are well-versed with accounting, financial matters and corporate laws. The Chairman of the Audit Committee was also present at the last AGM of the Company.

During the FY 2025-26, thirteen (13) Audit Committee meetings were held i.e. on April 16, 2025; April 17, 2025; May 23, 2025; June 16, 2025; July 16, 2025; July 17, 2025; October 14, 2025; October 15, 2025; two meetings on December 03, 2025; January 13, 2026; January 14, 2026 and March 30, 2026.

Audit Committee Composition and attendance of members at the thirteen (13) meetings held during the FY 2025-26

Name of the Director(s)	Number of meeting(s)	
	Held during tenure	Attended
Mr. Dhruv Kaji (Chairman)	13	12
Mr. Jairaj Purandare	13	13
Mr. Sanjay Bhandarkar	13	13
Mr. V. Srinivasa Rangan	13	12

The Company Secretary acts as the Secretary to the Audit Committee. The Committee invites MD & CEO, Chief Financial Officer, Head – Corporate Client Services, Head – Operations, Chief Compliance Officer, other executives of the Company as it considers appropriate; and representatives of the Statutory Auditors and Internal auditors to attend the meetings of the Committee.

The terms of reference for the Audit Committee broadly includes:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements and the auditors' report thereon, before submission to the Board for approval, with particular reference to:
    a) matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013
    b) changes, if any, in accounting policies and practices and reasons for the same
    c) major accounting entries involving estimates based on the exercise of judgement by management
    d) significant adjustments made in the financial statements arising out of audit findings
    e) compliance with listing and other legal requirements relating to financial statements
    f) disclosure of any related party transactions
    g) modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the Company with related parties.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing with management, performance of statutory and internal auditors, and adequacy of the internal control systems.
13. To formulate the scope, functioning, periodicity and methodology for conducting the internal audit in consultation with the Internal Auditor.
14. Discussion with internal auditors any significant findings and follow up there on.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. Reviewing the functioning of the Whistle Blower Mechanism.
19. Approval of appointment of Chief Financial Officer.
20. Reviewing the compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively.
21. Review, approve, recommend, as applicable, financial reporting process, accounting policy issues for the Schemes including any proposed changes to the accounting policies and practice with respect to transactions with related parties of HDFC Mutual Fund, etc.
22. Review the audit opinion issued by the statutory auditors.
23. Consider and recommend adoption of financial statements including half yearly unaudited financial results prepared for the Scheme.
24. Review the system of internal controls and the audit processes for the Mutual Fund operations, including observations, rectifications if suggested by internal/ external auditors are acted on.
25. Review of the internal auditors' reports, recommend and forward observations to the Trustee board.
26. Recommending for approval, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditor of the Mutual Fund, Internal Auditor of the Mutual Fund, etc. and the fixation of fees for audit and any other services rendered by the Statutory Auditors with respect to the Mutual Fund including the scope of the Internal audit.
27. Reviewing the Internal Audit Reports of the Schemes of Mutual Fund (including Internal Audit Report of critical activities outsourced by the AMC such as Custodian, Fund Accounting, the Registrar and Transfer Agent activity, etc.).
28. Reviewing the findings of any internal investigations by the AMC/internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature or issues highlighted or referred through whistle blower complaints, etc.
29. Reviewing Regulatory Inspection Reports.
30. Reviewing implementation status of all outstanding action points arising out of Internal Audit Reports, Statutory Audit Reports, Systems Audit Reports, Inspection Reports etc.
31. Reviewing the adequacy of the internal control systems, including defining metrics for measuring internal controls, seeking comments of the internal auditors about Internal Control Systems, etc. and the steps taken towards improving the effectiveness of internal control system including through automation.
32. Interacting with the statutory and internal auditors of the Mutual Fund, at least once annually without engagement of management of the AMC. Besides the mandatory requirement specified, such interactions may be held whenever felt necessary by the Independent Directors of the Audit Committee.
33. Evaluating various internal control measures in terms of applicable SEBI (Mutual Funds) Regulations, 1996 and various circulars issued thereunder.
34. Reviewing periodic report on compliance with applicable laws and regulations pertaining to the Mutual Fund operation, including the details of non-compliance along with the corrective actions, as applicable.
35. Reviewing the Annual Compliance Report in relation to the "Policy on Prohibition of Insider Trading" of the AMC for Mutual Fund.
36. Assess that the AMC has been managing the mutual fund schemes independently of other activities and have taken adequate steps to ensure that the interest of investors of one scheme are not being compromised with those of any other scheme or of other activities of the asset management company.
37. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholder; and
38. Any other matters/authorities/responsibilities/powers assigned as per the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Mutual Funds) Regulations, 1996 and Rules/ circulars issued thereunder, as amended from time to time.

Nomination & Remuneration Committee

During the FY 2025-26, seven (7) Nomination & Remuneration Committee meetings were held i.e. on April 17, 2025; May 23, 2025; June 20, 2025; July 17, 2025, October 15, 2025; January 14, 2026 and March 30, 2026.

Nomination & Remuneration Committee Composition and attendance of members at the seven (7) meetings held during the FY 2025-26

Name of the Director(s)	Number of meeting(s)	
	Held during tenure	Attended
Mr. Jairaj Purandare (Chairman)	7	7
Mr. Deepak S. Parekh	7	7
Mr. Dhruv Kaji	7	7
Mr. Parag Shah	7	7

The Company Secretary acts as the Secretary to the Committee.

The broad terms of reference of the Nomination & Remuneration Committee includes:

1. Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and carry out evaluation of every Director's performance.
2. Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
3. Formulate criteria for evaluation of performance of Independent Directors and the Board of Directors.
4. Devise a policy on diversity of Board of Directors.
5. Review and recommend compensation payable to the Managing Director/Whole Time Directors of the Company including any variation therein from time to time and administer the Company's stock option plans subject to the applicable law.
6. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
7. To recommend to the Board, all remuneration, in whatever form, payable to senior management.
8. Any other matters/authorities/responsibilities/powers assigned as per Companies Act 2013, Rules made thereunder and Listing Regulations, as amended from time to time.

Remuneration of Directors

Nomination & Remuneration Policy

The Nomination & Remuneration Policy, including the criteria for remunerating Non-Executive Directors is recommended by the Nomination & Remuneration Committee and approved by the Board. The objective of the policy is to lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management, Key Managerial positions and to determine their remuneration. The Nomination & Remuneration Policy can be accessed on your Company's website https://www.hdfcfund.com/about-us/corporate-governance/code-policy

Non-Executive Directors

The remuneration paid to Non-Executive Directors consists of sitting fees and commission. Further, the expenses for participation in the Board and other meetings are reimbursed to the Directors. Further, in accordance with Regulation 27(1) read with Part E of Schedule II of Listing Regulations, the Company reimburses the Chairman the expenses incurred by him towards the fuel and car maintenance for his services offered for official purposes to the Company. No stock options are granted to Non-Executive and Independent Directors. There were no other pecuniary relationships or transactions of Non-Executive Director vis à-vis the Company.

Details of the remuneration and shareholding of Directors of the Company for the FY 2025-26 are as follows:

Name of Director	Salary (in ₹)^	Perquisites (in ₹)	Sitting fees (in ₹)	Commission (in ₹) *	Total (in ₹)	Shareholding
Mr. Deepak S. Parekh	-	-	32,00,000	30,00,000	62,00,000	4,48,046
Ms. Renu Sud Karnad	-	-	21,00,000	30,00,000	51,00,000	3,36,640
Mr. Dhruv Kaji	-	-	37,00,000	30,00,000	67,00,000	-
Mr. Jairaj Purandare	-	-	33,00,000	30,00,000	63,00,000	-
Mr. Sanjay Bhandarkar	-	-	35,00,000	30,00,000	65,00,000	-
Mr. Parag Shah	-	-	25,00,000	30,00,000	55,00,000	-
Ms. Roshni Nadar Malhotra	-	-	9,00,000	30,00,000	39,00,000	-
Mr. V. Srinivasa Rangan	-	-	-	-	-	614
#Mr. Navneet Munot	5,28,47,000	3,55,925	-	5,74,34,300	11,06,37,225	61,800

Notes:

*The Commission for the financial year ended March 31, 2026, will be paid to Non-Executive and Independent Directors, subject to deduction of tax, after adoption of financial statements at the upcoming AGM of the Company scheduled to be held on June 24, 2026.

^Salary includes contribution to Provident Fund made by the Company.

#Remuneration accounts for benefits availed and excludes the perquisite value of Employees Stock Options exercised during the Financial year.

Managing Director & Chief Executive Officer

The break-up of the pay scale, commission and quantum of perquisites including, employer's contribution to provident fund, gratuity, club fees, etc., is decided and approved by the Board on the recommendations of the NRC and is within the overall remuneration approved by the shareholders. Stock Options are granted to the MD & CEO of the Company as approved by the NRC. The annual increment of MD & CEO is linked to his performance and is decided and approved by the Board on the recommendations of the NRC. Terms of the service, the notice period and other terms are as per the terms of agreement entered into by him with the Company.

Evaluation of the Board and Directors

During the year, the Board carried out an annual evaluation of its own performance, performance of the Board committees and individual directors pursuant to the provisions of the Act and Listing Regulations. The Board on the recommendations of the NRC approved the criteria for annual evaluation which were broadly based on the Guidance Note on Board Evaluation issued by the SEBI vide its Master Circular dated January 30, 2026.

Each board member was required to fill the board evaluation questionnaire online and the questionnaire were divided into different sections viz. Evaluation of Non-Executive/ Independent Directors; Evaluation of Board as a whole; Evaluation of Board Committees; Evaluation of Chairman and Evaluation of Executive Director.

Evaluation criteria for Individual Directors/Board/Committees were based on the parameters like Directors' attendance, participation and ability to contribute at the meeting, structure and diversity on the Board, and its functioning, experience of Board members and their understanding of roles and responsibilities, quality of decision making of the Board and its effectiveness, etc.

The responses received from the Directors with respect to the Board evaluation questionnaire were reviewed, discussed at separate meeting of Independent Directors, NRC and also the Board, and the suggestions provided by the directors were noted. Performance of the committees was evaluated on the basis of their effectiveness in carrying out their respective mandates. The Chairman's performance evaluation was carried out by Independent Directors at a separate meeting.

All the directors participated in the Board evaluation and review exercise including the peer evaluations excluding the director being evaluated.

The overall feedback received as a part of Board evaluation survey for FY 2025-26, on the performance of individual Directors, Chairman, Managing Director & CEO, Board and its Committees was positive, noting effectiveness of the Board in fulfilling its functions relating to areas like strategic decisions, regular meetings, thorough discussions, quality of agenda, comprehensive minutes recording, appropriately managing stakeholders' interest and continuing to uphold corporate governance standards.

Further, the suggestions of the Directors under the Board evaluation process included a) annually convene two joint meeting between AMC Board & Trustee Board to discuss areas of common interest/responsibilities including reviewing fund performance for Equity, Fixed Income, Portfolio Management Services (PMS) and Alternatives and b) update on strategy for future – International, PMS, Alternatives, Artificial Intelligence & digitalisation and succession planning.

During the year, the Company took adequate steps to implement observations arising from the Board evaluation exercise for FY 2024-25.

The Board noted the evaluation results and were satisfied with the overall engagement and effectiveness of the Board and its various Committees.

Stakeholders Relationship and Unit Holder Protection Committee

During the FY 2025-26, four (4) Stakeholders Relationship and Unit Holder Protection Committee meetings were held i.e. on April 17, 2025; July 17, 2025; October 15, 2025; and January 14, 2026.

Stakeholders Relationship and Unit Holder Protection Committee Composition and attendance of members at the four (4) meetings held during the FY 2025-26

Name of the Director(s)	Number of meeting(s)	
	Held during tenure	Attended
Mr. Sanjay Bhandarkar (Chairman)	4	4
Mr. Deepak S. Parekh	4	4
Mr. Dhruv Kaji	4	4
Mr. Jairaj Purandare	4	4
Mr. Parag Shah	4	4
Ms. Renu Sud Karnad	4	4

The broad terms of reference of the Stakeholders Relationship and Unit Holder Protection Committee include:

1. To review inactive folios, unclaimed amounts of dividend and redemptions and measures taken by the Company to reduce the quantum of such unclaimed amounts.
2. To review of, transfer, transmission, nomination process and adherence to service standards adopted with respect to various services adopted by the Company being rendered by the RTA of HDFC Mutual Fund.
3. Review of measures taken for ensuring timely receipt of dividend and redemption proceeds, annual reports, and other regulatory communications/disclosures.
4. To review other activities carried out by the Company under Regulation 24(b) of MF Regulations and its impact on the unit holders.
5. To review of all investors/scheme compensation to ensure they are fair and appropriate and review instances of market abuse by employees of the Company.
6. To recommend policy on utilisation of investor education and awareness funds.
7. To review of various investor education and awareness steps taken by the Company including effective utilisation of the funds in relation to the above on periodic basis.
8. To review of measures taken by the Company for exit options, voting and obtaining consents as prescribed under the MF Regulations.
9. To review of complaints/grievances handling mechanism including reported instances of mis selling and frauds, if any. Analyse the root cause of investor complaints, identify market conduct, issues and advise the management appropriately about rectifying systemic issues, if any.
10. To review of unit holder complaints and grievances with ageing of outstanding complaints on a periodical basis.
11. To review measures and steps taken to reduce unit holder complaints.
12. To review the various compliance issues relating to protection of the interests of the unit holders.
13. To ensure that the Company adopts a standard operating procedure for its processes including timeframe for processing and confirmation of financial and non-financial transactions, treats unit holders fairly and equally and there is no preferential treatment given to different classes of investors.
14. To ensure compliances with applicable laws with respect to resolving, reporting and disclosures of complaints and grievances.
15. To ensure timeliness and adequacy of disclosures of material information to the investors.
16. To ensure that all conflicts are adequately managed and/or disclosed as per the conflict-of-interest policy.
17. To ensure that the Company has approved internal policy for measurement of various parameters (such as cases of investor compensation, investor complaints, fraud incidents impacting any investor/scheme, consistent underperformance of any scheme, number of incidents where the agreed Turn Around Time (TAT) has exceeded with respect to investor related transactions such as redemptions/redressal of investor complaints/non-financial transactions, etc., system issues/incidents/BCP events impacting investors, data privacy/cyber security incidents impacting investors) through appropriate UP metrics.

18. To approve the UP metrics along with the targeted level/ benchmark for each parameter, where possible.
19. To review the reports generated with respect to the Unitholder Protection metrics at least once in a half year.
20. To brief board of directors of the Company on the proceedings of the meeting and minutes of the meeting also be placed before the board of directors of Trustee Company.
21. To report its findings to the board of directors of Company along with recommendations for action.
22. To recommend relating to protection of interest of investors as well as monitor its implementation.
23. To review the steps taken by the Company to redress the grievances of the mutual fund investors and the cases, if any, pending before the Courts/Forums/Regulatory Authorities against the Company/Mutual Funds.
24. To review the activities carried out by the investor service centres of the Company and their adherence to service standards.
25. To consider and resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates and general meetings, etc.
26. To review the measures taken for effective exercise of voting rights by shareholders.
27. To review adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent with respect to shares of the Company.
28. To review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
29. To carry out any other roles and responsibilities as mandated by the Board of Directors from time to time and/or enforced by any statutory authority including any modification or amendment as may be applicable.

Compliance Officer

The Board has appointed Ms. Sonali Chandak, Company Secretary & Head – Legal, as the Compliance Officer of the Company, as required under the Listing Regulations and the Nodal Officer to ensure compliance with the IEPF rules.

Details of shareholders' complaints received and redressed during FY 2025-26 are as follows:

At the beginning of the year	Received during the year	Resolved during the year	At the end of the year
0	4	4	0

Environmental, Social and Governance and Corporate Social Responsibility Committee

During the FY 2025-26, five (5) Environmental, Social and Governance and Corporate Social Responsibility Committee ("ESG & CSR Committee") meetings were held i.e. on April 17, 2025; May 23, 2025; September 22, 2025; October 15, 2025; and January 14, 2026.

ESG & CSR Committee Composition and attendance of members at the five (5) meetings held during the FY 2025-26

Name of the Director(s)	Number of meeting(s)	
	Held during tenure	Attended
Mr. Deepak S. Parekh (Chairman)	5	4
Mr. Parag Shah	5	5
Mr. Sanjay Bhandarkar	5	5
Mr. Navneet Munot	5	5

The ESG & CSR Committee is responsible for formulating the Corporate Social Responsibility Policy, recommending the amount of expenditure to be incurred on CSR activities, and reviewing and approving projects/programmes to be supported by your Company. The ESG & CSR Committee in addition to the above also oversee the development and implementation of the Company's Environmental, Social & Governance framework.

The broad terms of reference of the ESG & CSR Committee includes:

1. Overseeing the development and implementation of the Company's ESG framework.
2. Overseeing compliance with applicable ESG regulatory requirements and other disclosures.
3. Strengthening the ESG disclosures / practices in order to effectively demonstrate Company's ESG commitment to stakeholders.
4. Formulate and recommend to the Board, a Corporate Social Responsibility Policy as per the norms prescribed in the Companies Act 2013 and rules made thereto and review the same periodically.
5. Approve and recommend to the Board, an annual action plan in pursuance of its CSR policy and also alterations /

modifications, if any, to the same based on reasonable justification to that effect.

6. Recommend the amount of expenditure to be incurred on the activities and implementation schedules including multi-year / ongoing projects referred to in clause (5) in case if not already included in the Annual Action Plan.
7. Review and approve monitoring mechanism for implementation of the CSR projects, programmes or activities undertaken by the Company by partnering with NGOs/Trusts/ Organizations, Companies, etc.
8. Approve the process/procedures to be adhered for undertaking CSR activities /projects.
9. Any other requirements as mandated under the Companies Act, 2013 and Rules issued thereto.
10. To carry out any other roles and responsibilities as mandated by the Board from time to time and / or enforced by any statutory authority including any modification or amendment as may be applicable.

For details of CSR activities, refer to the Directors' Report.

Risk Management Committee

The Company has constituted the Risk Management Committee in line with the Listing Regulations and Risk Management Framework circular issued by SEBI. The Committee looks into various areas of risk management as specified in the aforesaid circular and internal controls pertaining to Mutual Fund and the Company.

The Company had re-constituted the Risk Management Committee by inducting Mr. Dhruv Kaji, an Independent Director of the Company and the Chairman of the Audit Committee, as a member of the Committee w.e.f. March 30, 2026.

During the FY 2025-26, four (4) Risk Management Committee meetings were held i.e. on April 17, 2025; July 17, 2025; October 15, 2025; and January 14, 2026.

Risk Management Committee Composition and attendance of members at the four (4) meetings held during the FY 2025-26

Name of the Director(s)	Number of meeting(s)	
	Held during tenure	Attended
Mr. Deepak S. Parekh (Chairman)	4	4
Ms. Renu Sud Karnad	4	4
Mr. Sanjay Bhandarkar	4	4
Mr. V. Srinivasa Rangan	4	4
Mr. Dhruv Kaji*	0	0

* Appointed as a member w.e.f. March 30, 2026.

The broad terms of reference of the Risk Management Committee includes:

1. Review and approve various mandatory risk management policies and framework both at AMC and scheme level, including but not limited to such as:
   a) Risk Management Policy,
   b) Investment policy,
   c) Credit risk policy,
   d) Liquidity risk policy,
   e) Operational risk management policy (including Incident reporting and escalation matrix),
   f) Outsourcing policy,
   g) Cyber security and information security policy,
   h) Business Continuity and Disaster Recovery Plan,
   i) Such other policies as may be prescribed by SEBI from time to time

   Any modifications to the policies approved by the Executive Risk Management Committee ("ERMC") shall be reviewed by the RMC of the AMC.
2. To review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any) including any other officer(s) to be appointed from time to time.
3. Review and approve the risk appetite, risk metric and tolerance limits for AMC and schemes.
4. Periodically review the risk appetite and risk metrics against actual risk of the AMC and scheme.
5. Review breaches to risk appetite and risk matrix/ thresholds and approve the action plan for remediation.
6. Define mechanism for risk reporting on a quarterly basis by ERMC to the BRMC of the AMC.
7. Annually review and approve changes to the roles and responsibilities and Delegation of Power ("DoP") as placed by the ERMC.
8. Periodically review material breaches in the code of conduct.
9. Monitor and review the resolution, strategies as recommended by the management and ERMC for the existing and emerging risks identified by them.
10. Review exceptions to key risks, if any, such as:
    - Results of stress testing (investment, credit and liquidity risks)
    - Outliers identified during "Early Warning Signals" review

- Material alerts generated through the liquidity risks model at scheme level
- Material deviations, issues and corrective actions as a result of periodic RCSA review.

11. Report on outsourced vendor review and risks emanating from them along with the remediation plans.
12. Review and recommend the level and type of insurance cover against first and third party losses arising from errors and omissions.
13. Review evaluation of the loss/near miss incidents and fraud risk reports submitted by the ERMC.
14. Review major findings and corrective actions approved by CEO and CRO on various risks.
15. Formulate and approve a methodology for annual evaluation of the RMF, either through an auditor or by way of self-assessment.
16. Review the findings and action plan on the annual RMF compliance review.
17. Approve Terms of Reference for Executive Risk Management Committee (ERMC).
18. Delegate matters to CEO or the Executive Risk Management Committee, as required.
19. Review any other material deviations or exceptions and matters of concerns identified by the management/ ERMC/previous BRMC meeting(s) along with action plans.
20. To implement the Risk Management framework for the Company as and when mandated under the SEBI (Mutual Fund) Regulations, 1996 or any other applicable provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.
21. To review the Cyber security risk and business continuity plan of the Company.
22. Ensure and comply with such other matters specified by the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 read with various amendments and clarifications issued by SEBI from time to time and SEBI Risk Management Circular dated September 27, 2021, as may be amended from time to time.
23. Ensure and comply with such other matters specified by the SEBI (Mutual Funds) Regulations, 1996 or SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 or Companies Act, 2013, read with various amendments and clarifications issued by the said authorities, from time to time.

Technology Committee

In view of the increasing importance of technology in Company's operations and to oversee various technology related matters and ensuring its alignment with the business strategy, during the year the Company has constituted the Technology Committee. During the FY 2025-26, one (1) Technology Committee meeting was held i.e. on January 14, 2026.

Technology Committee Composition and attendance of members at one (1) meeting held during the FY 2025-26

Name of the Director(s)	Number of meeting(s)	
	Held during tenure	Attended
Ms. Roshni Nadar Malhotra (Chairperson)	1	1
Mr. V. Srinivasa Rangan	1	1
Mr. Navneet Munot	1	1

The broad terms of reference of the Technology Committee includes:

1. To review technology from a future readiness perspective;
2. To review key IT initiatives and their alignment with Business strategy;
3. To oversee IT investments towards the Company's growth and ascertain the availability of resources for managing IT risks;
4. To explore new opportunities for digitalisation, review emerging trends, and provide direction for implementation, and
5. Any other roles and responsibilities as mandated by the Board from time to time.

Investment Committee

The Company has constituted the Investment Committee to consider and approve investment proposals of the Company.

During the FY 2025-26, five (5) Investment Committee meetings were held i.e. on April 17, 2025, June 16, 2025, July 17, 2025, October 15, 2025 and January 14, 2026.

Investment Committee Composition and attendance of members at five (5) meetings held during the FY 2025-26

Name of the Director(s)	Number of meeting(s)	
	Held during tenure	Attended
Mr. Deepak S. Parekh (Chairman)	5	5
Ms. Renu Sud Karnad	5	5
Mr. Dhruv Kaji	5	5
Mr. V. Srinivasa Rangan	5	4
Mr. Navneet Munot	5	5

The broad terms of reference of the Investment Committee includes:

1. give any loan(s) to any person or other body corporate; and/or
2. give any guarantee(s) or provide security(ies) (including in the nature of indemnity(ies)) in connection with a loan to any other body corporate or person; and/or
3. make investment (by way of subscription, purchase or otherwise) in the securities of any other body corporate as per the limits approved by the Board; and/or,
4. To carry out any other roles and responsibilities as authorised by the Board of Directors from time to time.

Share Allotment Committee

The Company has constituted the Share Allotment Committee for approving the allotment of equity shares of the Company, redressing any share allotment/related matters and to take all such steps and to do all such acts or things as may be necessary in that connection. During the year, the Committee had passed nine (9) resolutions through circulation.

General Body Meetings

The Company held its last three (3) Annual General Meetings as under

Nature of Meeting(s)	Date	Time (IST)	Venue	Special Resolution(s) passed
26th General Meeting	June 25, 2025	3.00 p.m.	Through Video Conferencing/ Other Audio-Visual means	Re-appointment of Mr. Deepak S. Parekh as Non-Executive Non-Independent Director and Chairman of the Company
25th General Meeting	July 25, 2024	3.00 p.m.	Through Video Conferencing/ Other Audio-Visual means	• Amendments to Articles of Association of the Company • Approval for extending the benefit and coverage of Employees Stock Option Scheme - 2020 of the Company to the eligible employees of HDFC AMC International (IFSC) Limited, a Wholly Owned Subsidiary of the Company • Approval of special rights available to HDFC Bank Limited
24th General Meeting	June 26, 2023	3.00 p.m.	Through Video Conferencing/ Other Audio-Visual means	Re-appointment of Mr. Dhruv Kaji, Mr. Jairaj Purandare, Mr. Sanjay Bhandarkar, Mr. Parag Shah, Ms. Roshni Nadar Malhotra as Independent Directors of the Company

Postal Ballot

Pursuant to the provisions of Section 110 read with Section 108 and all other applicable provisions, if any, of the Act read with Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Listing Regulations, Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, guidelines prescribed by the Ministry of Corporate Affairs (the "MCA"), Government of India, for holding general meetings/conducting postal ballot process through electronic voting (remote e-voting) and any other applicable laws and regulations, the approval of the Members for below mentioned resolutions were obtained by means of Postal Ballot through e-voting:

Particulars	Postal Ballot Notice dated April 17, 2025	Postal Ballot Notice dated October 15, 2025
Resolution(s)	1. Approval of the Employees Stock Options and Performance linked Stock Units Scheme - 2025 for grant of Employee Stock Options and Performance- linked Stock Units to eligible employees of the Company; and 2. Approval of the Employees Stock Options and Performance - linked Stock Units Scheme - 2025 for grant of Employee Stock Options and Performance-linked Stock Units to eligible employees of Subsidiary/ies of the Company	Approval for the Issue of Bonus Shares
e-voting	KFin Technologies Limited (KFintech)	
Scrutiniser	The Board of Directors had appointed Rauthan & Associates Company Secretaries LLP, as the Scrutiniser, for conducting the Postal Ballot process and e-voting in a fair and transparent manner.	
Cut-off Date	Friday, May 2, 2025	Wednesday, October 15, 2025
Dispatch Date of Notice	Wednesday, May 7, 2025	Friday, October 17, 2025
E-voting period	Commenced on Thursday, May 8, 2025 at 9:00 A.M. (IST) and ended on Friday, June 6, 2025 at 5:00 P.M. (IST)	Commenced on Saturday, October 18, 2025 at 9:00 A.M. (IST) and ended on Sunday, November 16, 2025 at 5:00 P.M. (IST)

The Postal Ballot(s) were conducted by the scrutinizer and reports were submitted to Ms. Sonali Chandak, Company Secretary & Head – Legal of the Company. The results of the voting conducted through Postal Ballots are as under:

Particulars	% of votes in favour	% of votes against
Resolution(s) passed through Postal Ballot dated April 17, 2025		
Approval of the Employees Stock Options and Performance-linked Stock Units Scheme - 2025 for grant of Employee Stock Options and Performance-linked Stock Units to eligible employees of the Company.	98.7500%	1.2500%
Approval of the Employees Stock Options and Performance-linked Stock Units Scheme - 2025 for grant of Employee Stock Options and Performance-linked Stock Units to eligible employees of Subsidiary/ies of the Company.	99.0882%	0.9118%
Resolution passed through Postal Ballot dated October 15, 2025		
Approval for the Issue of Bonus Shares	97.5082%	2.4918%

Accordingly, the Resolutions as set out in the Postal Ballot Notices dated April 17, 2025 and October 15, 2025, respectively were passed with requisite majority on June 6, 2025 and November 16, 2025, respectively. Please refer to notices of Postal Ballot at https://www.hdfcfund.com/about-us/financial-information/annual-reports. The details of the voting results of Postal Ballots in terms of the provisions of Regulation 44(3) of the Listing Regulations and the Scrutiniser's Report were submitted to the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited on June 6, 2025 and November 16, 2025, respectively and are also available on the website of the Company.

Further, from the financial year ended March 31, 2026 till the date of this report, no special resolution is proposed to be conducted through postal ballot.

Means of Communication

Quarterly/Half-yearly/Annual Results: The Quarterly Results of your Company are published in the Business Standard, a National English daily with a wide circulation and the Navshakti (Marathi) newspaper. The said newspaper clippings also include a Quick Response code and the web link to access complete financial results. The results are also available on the website of the Company at www.hdfcfund.com.

News Releases and Presentations: News releases are first sent to the Stock Exchanges before their release to media for wider dissemination. Presentation made to Investors/ Analysts, Media, Institutional Investors, etc. are available on the Stock Exchanges where the shares of the Company are listed (BSE and NSE) as well as on the Company's website at www.hdfcfund.com.

Website: The Company's website contains a separate section, AMC Shareholder where the latest shareholder information is available. It contains comprehensive information which is of interest to the shareholders including the financial results, Annual Reports, information disclosed to Stock Exchange, policies of the Company, etc.

Annual Report: The Annual Report containing Notice of Annual General Meeting, Audited Annual Accounts, Directors' Report, Corporate Governance Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management Discussion and Analysis (MDA) Report, Business Responsibility and Sustainability Report (BRSR) and Reasonable Assurance of BRSR Core form part of the Annual Report. The Annual Report is also available on the Company's website at www.hdfcfund.com.

NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre: The NSE and the BSE have developed web-based applications, NEAPS and BSE Listing Centre for corporates to electronically file compliances such as financial results, shareholding pattern, corporate governance report, etc.

SEBI Complaints Redress System (SCORES): Shareholders complaints are also processed through a centralised web-based complaint redressal system, SCORES. This system enables the Company to have a centralised database of the complaints and upload online action taken reports. Investors can also view the current status of and actions taken on their complaints.

Online Dispute Resolution Portal (ODR Portal):

SEBI vide its Master Circular dated February 6, 2026 has provided an online dispute redressal forum/portal for redressing the unresolved queries of the shareholder(s).

Pursuant to above-mentioned master circular, post exhausting the option to resolve their grievances with the RTA/Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (https://smartodr.in/login) and the same can also be accessed through the Company's website https://www.hdfcfund.com/contactus/stakeholders-information-and-helpdesk.

Web-based Query Redressal System: Members may utilise the facility extended by the Registrar and Share Transfer Agent for redressal of queries, by visiting https://ris.kfintech.com/clientservices/isc and clicking on 'Post a Query' option for query registration through an identity registration process. Investors can submit their query provided on the above website, that would generate the query registration number. For accessing the status/response to the query submitted, the query registration number can be used at the option 'VIEW REPLY' after 24 hours. Investors can continue to put an additional query, if any, relating to the grievance till they get a satisfactory reply.

Communication related to Dividend and updating of records: The Company issued various reminder letters to the shareholders whose dividend is outstanding; KYC details are not updated and those whose shares and dividend are liable to be transferred to Investor Education and Protection Fund Authority and had also participated in 100-days nationwide campaign titled "Saksham Niveshak" Campaign.

Disclosures

Related Party Transactions

During the FY 2025-26, the Company has not entered into any materially significant related party transaction that may have potential conflict with the interest of the Company at large. Transactions with related parties are disclosed in notes to financial statements.

Related Party Transactions Policy ensures proper approval and reporting of the concerned transactions between the Company and related parties. The Policy can be accessed at https://www.hdfcfund.com/about-us/corporate-governance/code-policy

Non-compliance/Penalties/Strictures Imposed

No penalties or strictures were imposed on the Company by the stock exchange(s) or SEBI or any statutory authority on any matter related to the capital markets during the last three years.

The Company in its capacity as Investment Manager to HDFC Mutual Fund or Alternative Investment Funds or as Portfolio Manager for Portfolio Management Services may receive from SEBI, observation letters, in the regular course of its business activities as also pursuant to regulatory inspections and/or statutory reporting from time to time.

During the financial year 2025-26, the Company has placed letters received from SEBI before the Audit Committee and Board of Directors along with the action taken reports,

wherever applicable and the same has been submitted to SEBI. Further, none of these letters have resulted in any regulatory action by SEBI against the Company, such as issuance of show cause notices or imposition of fines or penalties or any other action like suspension, debarment, disqualification, closure of operations or any sanctions etc and did not have any material adverse impact on financials, operations or other activities of the Company.

Whistle Blower Policy/Vigil Mechanism

This Policy has been formulated for Directors, employees and stakeholders to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Business Conduct and Ethics Policy. The Company has adopted a third-party web-based reporting tool which provides a secure and confidential platform to report genuine concerns and can be accessed by all employees/Directors/ stakeholders for lodging a complaint or expressing genuine concerns.

During the year, no person was denied access to the Audit Committee for expressing their concerns or reporting grievances under the Whistle Blower Policy and/or vigil mechanism.

The Policy is available at https://www.hdfcfund.com/about-us/corporate-governance/code-policy

Code for Prevention of Insider Trading

AMC Share Dealing Code ("Code") provides a framework which deals with the internal procedures and conduct in dealing with the securities of the Company. The Code has been formulated in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 and amendments thereto. Pursuant to the above, the Company has put in place adequate and effective system of internal controls to ensure compliance.

Compliance with Mandatory and adoption of Non-Mandatory Requirements

Your Company has complied with all the mandatory corporate governance requirements under the Listing Regulations. Specifically, your Company confirms compliance with Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations.

M/s. Makarand M. Joshi & Co., Practicing Company Secretaries, have certified that your Company has complied with the mandatory requirements as stipulated under the Listing Regulations. The certificate forms part of this Report.

Your Company has also obtained a certificate from M/s. Makarand M. Joshi & Co, Practicing Company Secretaries, confirming that none of the Directors on the Board of your Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI/ Ministry of Corporate Affairs or any such statutory authority. The said certificate also forms part of this Report.

Your Company has fulfilled the following non-mandatory requirements as prescribed in Part E of Schedule II and Regulation 27(1) of Listing Regulations:

Modified Opinion(s) in Audit Report

Your Company's financial statements for FY 2025-26 have unmodified audit opinions.

Separate posts of Chairperson and the Managing Director or the Chief Executive Officer

Your Company has appointed separate persons to the post of the Chairperson and the Managing Director.

Reporting of Internal Auditor

The Internal Auditors of the Company report directly to the Audit Committee.

Material Subsidiary

In accordance with Regulation 16(1)(c) of the Listing Regulations, your Company has formulated Policy for determining Material Subsidiary which is available at https://www.hdfcfund.com/about-us/corporate-governance/code-policy.

Your Company has a wholly owned subsidiary company viz. "HDFC AMC International (IFSC) Limited" which was incorporated on May 27, 2022. However, presently the said subsidiary is not a material subsidiary.

Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

As such, your Company is not exposed to any commodity price or material foreign exchange risk and hence the disclosure under Clause 9(n) of Part C of Schedule V of the Listing Regulations, in terms of the format prescribed vide SEBI Master Circular dated January 30, 2026 is not applicable.

Details of Funds raised through preferential allotment or qualified institutions placement

During the FY 2025-26, the Company has not raised any funds through preferential allotment or qualified institutions placement.

Fees Paid to Statutory Auditor

Details of fees paid to the Statutory Auditor, M/s. B S R & Co. LLP, Chartered Accountants and all entities in the network firm/network entity, of which the Statutory Auditor is a part, for all services taken by your Company and its subsidiary, on a consolidated basis, during FY 2025-26 are as under:

(₹ in Crore)

Particulars	Amount
Audit Fees	0.44
Tax audit fee	0.05
Reimbursement of Expenses	0.08
Limited Review Fees	0.30
Group Audit and Reviews	0.44
Other Services	0.02
Total	**1.33**

Notes:

- The above amounts include amounts accrued as payable at the year end.
- The above details have been compiled based on the list of entities provided by the statutory auditors.

Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company has zero tolerance for sexual harassment at workplace and is compliant with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH).

The status of complaints received during the year pertaining to sexual harassment are as follows:

(a) number of complaints of sexual harassment received - Nil

(b) number of complaints disposed of - NA

(c) number of cases pending for more than ninety days – NA

Loans and advances

The Company and its subsidiary have not given any Loans and advances in the nature of loan to firms/companies in which directors are interested.

Code of Conduct

Your Company has adopted a Code of Conduct for all employees including the members of the Board and Senior Management Personnel. All members of the Board and Senior Management Personnel have affirmed compliance with the said Code of Conduct for FY 2025-26.

The declaration to this effect signed by Mr. Navneet Munot, MD & CEO of the Company forms part of this Report.

MD & CEO/CFO Certification

Necessary certification has been issued by Mr. Navneet Munot, MD & CEO and Mr. Naozad Sirwalla, CFO to the Board in terms of Regulation 17 read with Part B of Schedule II of the Listing Regulations. A copy of this certificate forms part of this Report.

Demat Suspense Account/Unclaimed Suspense Account

The details of equity shares held in 'Suspense Escrow Demat Account' of your Company are as follows:

Sr. No.	Particulars	Suspense Escrow Demat Account	
		No. of Members	No. of Equity Shares
1.	Aggregate number of Members and the outstanding equity shares at the beginning of the FY 2025-26	0	0
2.	Aggregate number of Members and equity shares transferred during the FY 2025-26.	17	4,984
3.	Number of Members who approached the Company for transfer of equity shares during the FY 2025-26.	5	73
4.	Number of Members to whom equity shares were transferred and number of equity shares transferred during the FY 2025-26.	5	73
5.	Aggregate number of Members and outstanding equity shares lying at the end of FY 2025-26.	12	4,911

General Shareholder Information:

27th Annual General Meeting

Day/Date	: Wednesday, June 24, 2026
Time	: 11:00 am (IST)
Venue	: Annual General Meeting through Video Conferencing/Other Audio Visual Means (VC/OAVM facility) [Deemed Venue for Meeting: Registered Office: "HDFC House", 2nd Floor, H.T. Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai-400 020]
Financial Year	: April 1, 2025 to March 31, 2026

Dividend Distribution Policy

The Company ensures that an appropriate balance is maintained between adequately rewarding the shareholders and ensuring that adequate financial resources are available to fuel the growth aspirations of the Company. Company's Dividend Distribution Policy specifies the parameters that will be considered when declaring/recommending dividends and the circumstances under which shareholders can or cannot expect a dividend. The Policy is available on the website of the Company at https://www.hdfcfund.com/about-us/corporate-governance/code-policy

Dividend Payment Date

The Board of Directors at its meeting held on April 16, 2026 has recommended dividend of ₹ 54/- per equity share of ₹ 5/- each for the financial year 2025-26, subject to approval by shareholders. Further, if dividend approved by the shareholders, will be paid within the prescribed period of 30 days from the date of the forthcoming AGM.

Unclaimed Dividend

Pursuant to Sections 124, 125 and other applicable provisions, if any, of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (hereinafter referred to as "IEPF Rules") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the dividend amount remaining unclaimed or unpaid for a period of seven years from the date of transfer to the Unpaid Dividend Account is required to be transferred to the Investor Education and Protection Fund ("IEPF") maintained by the Central Government.

Further, all the shares in respect of which dividend has remained unclaimed/unpaid for a period of seven consecutive years or more from the date of transfer to the unpaid dividend account shall be transferred to the demat account of the IEPF Authority.

In the interest of the shareholders, the Company sends periodic reminders to the shareholders to claim their dividend/shares in order to avoid transfer to IEFP Authority. Notices in this regard are also published in the newspapers and thereafter the unclaimed shares/dividend is transferred to IEPF Authority. The details of unclaimed dividends/equity shares transferred to IEPF are as follows:

Year	Dividend	Date of declaration of dividend	Date of Payment	Due date of transfer to IEPF Authority
2018-19	Interim Dividend FY 2018-19	February 26, 2019	March 12, 2019	March 30, 2026

Accordingly, your Company on April 10, 2026 had transferred ₹ 3,71,784.00/- to IEPF.

Further details of unclaimed dividend and shares transferred to IEPF are available on the website of the Company https://www.hdfcfund.com/about-us/corporate-governance/dividend. Further, the shareholders' whose dividend and/or shares have been transferred to IEPF, can claim the same after following the procedure prescribed by the Ministry of Corporate Affairs which is available on the IEPF website i.e. www.iepf.gov.in.

During the year, the Company undertook the following initiatives to reduce the quantum of overall unclaimed dividends:

- Reminders were sent to the concerned shareholders through email, letters and SMS to claim their dividend and update KYC. Further, periodic calls were made to the top fifty shareholders by value; and
- Directly credited the unclaimed dividend to the shareholders' accounts, who had updated their bank details with the Company/depositories.

The details regarding unclaimed dividend(s) along with the due date(s) for transfer to IEPF are given below:

Financial Year	Date of payment	Last date to claim from the Company prior to transfer to IEPF
Final dividend 2018-19	July 17, 2019	August 18, 2026
Dividend 2019-20	July 24, 2020	August 26, 2027
Dividend 2020-21	July 17, 2021	August 18, 2028
Dividend 2021-22	June 30, 2022	July 31, 2029
Dividend 2022-23	June 27, 2023	July 27, 2030
Interim Dividend 2023-24	June 26, 2024	July 09, 2031
Final Dividend 2024-25	June 30, 2025	July 28, 2032

E-voting Period

Starts: Saturday, June 20, 2026 at 9.00 am (IST)

Ends: Tuesday, June 23, 2026 till 5.00 pm (IST)

Cut-off date for e-voting: Wednesday, June 17, 2026. Shareholders holding shares as on cut-off date shall be eligible to vote either through remote e-voting or during the AGM.

Listing Details

Name of Stock Exchange	Stock Code
BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.	541729
National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot No. C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.	HDFCAMC

ISIN for Depositories – INE127D01025

The Company has paid listing fees at both the exchanges and has complied with the listing requirements.

The Equity Shares of the Company were not suspended from trading anytime during the FY 2025-26.

Registrar and Transfer Agent (RTA):
KFin Technologies Limited

Selenium Tower B, Plot 31-32,
Financial District, Nanakramguda,
Serilingampally Mandal,
Hyderabad – 500 032, Telangana.
Website: https://www.kfintech.com and/or
https://ris.kfintech.com/
E-mail: einward.ris@kfintech.com
Toll Free No.: 1800-309-4001

For any assistance regarding dematerialisation of shares, share transfers, transmissions, change of address, registration of e-mail id, non-receipt of dividend or any other query relating to shares, please write to our RTA at aforesaid address.

Members are requested to note that, as an ongoing endeavour to enhance Investor experience and leverage new technology, our registrar and transfer agents, KFIN Technologies Limited have been continuously developing new applications. Here is a list of applications that has been developed for our shareholders.

Shareholders Support Centre: A webpage accessible via any browser enabled system. Shareholders can use a host of services like Post a Query, raise a service request, Track the status of their DEMAT and REMAT request, Dividend status, Interest and Redemption status, Upload exemption forms (TDS), Download all ISR and other related forms.

URL: https://ris.kfintech.com/clientservices/isc/default.aspx

e-Sign Facility: Common and simplified norms for processing shareholders' service requests by RTAs and norms for furnishing PAN, KYC details and Nomination requires that eSign option be provided to shareholders for raising service

requests. KFIN Technologies Limited is the only RTA which has enabled the option and can be accessed via the link below.

https://ris.kfintech.com/clientservices/isr/isr1.aspx

KYC Status: Shareholders can access the KYC status of their folio. The webpage has been created to ensure that shareholders have the requisite information regarding their folios.

URL: https://ris.kfintech.com/clientservices/isc/kycqry.aspx

KPRISM: A mobile application as well as a webpage which allows users to access Folio details, Interest and Dividend status, FAQs, ISR Forms and full suite of other investor services.

URL: https://kprism.kfintech.com/signin.aspx.

The e-mail ID, **shareholders.relations@hdfcfund.com**, has been created for redressal of investor complaints and the same is disclosed on the Company's website.

Share Transfer System

The Company's share transfer and related operations is operated through its Registrar and Share Transfer Agent (RTA) – KFin Technologies Limited.

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialised form.

Shareholders may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in dematerialised form only and for processing service requests viz. issue of duplicate securities certificate, claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition, the shareholders holding shares in physical form, are required to make service requests by submitting a duly filled and signed prescribed Form ISR – 4, the format of which is available on the Company's website under the link at https://www.hdfcfund.com/information/forms-physical-shareholders.

In view of above, the Shareholders holding equity shares of the Company in physical form are requested to kindly get their equity shares converted into demat/electronic form to get inherent benefits of dematerialisation and also considering that physical transfer of equity shares/issuance of equity shares in physical form have been disallowed by SEBI.

Norms for updation of Know Your Customer (KYC) details for shares held in physical form

SEBI has through relevant circulars issued in this regard mandated all shareholders holding shares in physical form to furnish PAN (compulsorily linked with Aadhaar), nomination, contact details, bank account details and specimen signature to RTA.

Presently, the Company has only 1 (one) shareholder holding 2 (two) shares in physical form and whose KYC details are updated in the records of Registrar and Share Transfer Agent of the Company.

Category wise Shareholding pattern as on March 31, 2026

Category of Shareholders	Number of Shares	% of Total Shares
Promoter	224359660	52.37
Individuals (includes HUFs)	32166344	7.51
FIIs/QFIs/FPIs	104761042	24.45
Mutual Funds	36170718	8.44
Insurance Companies	12340402	2.88
Pension Funds	12348620	2.88
Financial institutions/Banks	241735	0.06
Bodies corporate	2852531	0.67
NRIs/foreign nationals	1571834	0.37
Directors & their Relatives	848280	0.20
Clearing members	7133	0.00
Alternative Investment Funds	703111	0.16
NBFC	2384	0.00
Trusts	26387	0.01
Total	**428400181**	**100.00**

Distribution of Shareholding as on March 31, 2026

Sr. No.	Category (Shares)	No. of Holders	% to Holders	No. of Shares	% to Equity
1	1 - 5000	434649	99.73	26587739	6.21
2	5001 - 10000	319	0.07	2295952	0.54
3	10001 - 20000	268	0.06	3839742	0.90
4	20001 - 30000	105	0.02	2645076	0.62
5	30001 - 40000	70	0.02	2445252	0.57
6	40001 - 50000	50	0.01	2264284	0.53
7	50001 - 100000	129	0.03	9086042	2.12
8	100001 - 200000	100	0.02	14299060	3.34
9	200001 and above	125	0.03	364937034	85.19
	TOTAL:	**435815**	**100.00**	**428400181**	**100.00**

Dematerialisation of Shares and Liquidity as on March 31, 2026

₹ (in Crore)

Particulars of Equity Holding	Equity Shares of ₹ 5/- each	
	Number	% of Total
Dematerialised form		
NSDL	41,21,92,919	96.22
CDSL	1,62,07,260	3.78
Sub-total	**42,84,00,179**	**100**
Physical form	2	0
Total	**42,84,00,181**	**100**

Outstanding Global Depository Receipts (GDRs)/ American Depository Receipts (ADRs)/Warrants or any convertible instruments:

There are no outstanding GDRs/ADRs/Warrants or any convertible instruments as on March 31, 2026.

Plant Locations

The Company is engaged in the business of financial services and has no such plants; however, we serve our customers and distribution partners in over 200 cities through our network of 280 Investor Service Centres (ISCs).

Address for Correspondence with the Company

HDFC Asset Management Company Limited
CIN: L65991MH1999PLC123027
Registered Address: "HDFC House", 2nd Floor,
H. T. Parekh Marg, 165-166, Backbay Reclamation,
Churchgate, Mumbai – 400020.
Tel.: 022 – 66316333 Fax: 022 – 66580203
Website: www.hdfcfund.com
E-mail: shareholders.relations@hdfcfund.com

List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilisation of funds, whether in India or abroad – **Not Applicable**

Declaration by the Managing Director & Chief Executive Officer

[Regulation 34(3) read with Schedule V (Part D) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To the Members of
HDFC Asset Management Company Limited

I, Navneet Munot, Managing Director & Chief Executive Officer of HDFC Asset Management Company Limited, hereby confirm that all the members of the Board of Directors and Senior Management have affirmed compliance with the Code of Conduct of the Board of Directors and Senior Management of the Company.

Navneet Munot
Managing Director & Chief Executive Officer

Place: Mumbai
Date: April 16, 2026

MD / CFO Certificate

The Board of Directors
HDFC Asset Management Company Limited
HDFC House, H. T. Parekh Marg,
165-166 Backbay Reclamation,
Churchgate, Mumbai 400020.

Sub: Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir(s)/ Madam(s),

This is to confirm and certify that –

1. We have reviewed financial statements (including the consolidated financial statements) and the cash flow statement for the year ended March 31, 2026 and that:
    i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
    ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. To the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit committee
    i. Significant changes in internal control over financial reporting during the year;
    ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
    iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Naozad Sirwalla
Chief Financial Officer

Navneet Munot
Managing Director & Chief Executive Officer

Date: April 16, 2026
Place: Mumbai

Corporate Governance Compliance Certificate

To,
The Members,
HDFC Asset Management Company Limited
HDFC House, 2nd floor, H. T. Parekh Marg,
165-166, Backbay Reclamation, Churchgate,
Mumbai- 400020, Maharashtra

We have examined the compliance of conditions of Corporate Governance by **HDFC Asset Management Company Limited** ("the Company") for the year ended on March 31, 2026, as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["Listing Regulations"].

In our opinion and to the best of our information and according to the explanations given to us, and representations made by the management, we certify that the Company, to the extent applicable, has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of Listing Regulations.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Makarand M. Joshi & Co.**
Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Cert. No.: 6832/2025

Makarand Joshi
Partner
FCS No. 5533
CP No. 3662
UDIN: F005533H000435041

Date: May 21, 2026
Place: Mumbai

Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34 (3) and Schedule V Para C clause (10) (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
HDFC Asset Management Company Limited,
HDFC House,2nd Floor, H.T Parekh Marg, Backbay Reclamation,
Churchgate, Mumbai Maharashtra, India, 400020

We have examined the relevant disclosures provided by the Directors (as enlisted in Table A) to having **CIN L65991MH1999PLC123027** and having registered office at HDFC House, 2nd Floor, H.T Parekh Marg, Backbay Reclamation, Churchgate, Mumbai, Maharashtra, India, 400020, (hereinafter referred to as **'the Company'**) for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para C clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 164 of the Companies Act, 2013.

In our opinion and to the best of our information, based on (i) Documents available on the website of the Ministry of Corporate Affairs (MCA) (ii) Verification of Directors Identification Number (DIN) status on the website of the MCA, and (iii) Disclosures provided by the Directors to the Company, we hereby certify that none of the Directors on the Board of the Company (as enlisted in Table A) have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Reserve Bank of India or any such other statutory authority as on March 31, 2026.

Table A

Sr. No.	Name of the Directors	DIN	Date of appointment in Company
1.	Mr. Navneet Munot	05247228	16/02/2021
2.	Ms. Roshni Nadar Malhotra	02346621	27/04/2019
3.	Mr. Dhruv Subodh Kaji	00192559	31/10/2018
4.	Mr. Jairaj Manohar Purandare	00159886	31/10/2018
5.	Mr. Sanjay Bhandarkar	01260274	31/10/2018
6.	Mr. Deepak Shantilal Parekh	00009078	04/07/2000
7.	Ms. Renu Sud Karnad	00008064	04/07/2000
8.	Mr. Parag Chandulal Shah	00374944	22/01/2019
9.	Mr. V Srinivasa Rangan	00030248	12/01/2024

For **Makarand M. Joshi & Co.**
Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Cert. No.: 6832/2025

Makarand Joshi
Partner
FCS No.: 5533
CP No.: 3662
UDIN: F005533H000437206

Date: May 21, 2026
Place: Mumbai

Independent Auditor's Report

To the Members of HDFC Asset Management Company Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of HDFC Asset Management Company Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2026, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter - Revenue from Investment Management fees

See Note 3.5 and 19 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
Investment Management Fee is a significant account balance in the Standalone Statement of Profit and Loss. Investment management fees from the Mutual fund consists of fees from various schemes which invest in different categories of securities in the market like Equity, Debt etc. We have identified revenue from investment management fees as a key audit matter since: i. There are inherent risks in computation of investment management fees due to the manual input of approved fee rates into the system. Investment management fees is a percentage of the assets under management ('AUM') managed by the Company. AUM is calculated by the system on a daily basis for each scheme.	In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: **Testing of Design and Operating Effectiveness of controls:** i. Understood and evaluated the design and implementation of authorisation controls and other key controls relating to recognition of investment management fee; ii. Test checked the operating effectiveness of authorisation controls, and other key controls over recognition of investment management fee. **Substantive tests:** iii. Evaluated the appropriateness of revenue recognition in respect of investment management fee income and related accounting policy based on the requirements of Ind AS 115; iv. Obtained and tested arithmetical accuracy of investment management fee calculations and reconciled investment management fee to amounts included in standalone financial statements for completeness of income recognition;

The key audit matter	How the matter was addressed in our audit
ii. Multiple schemes of HDFC Mutual Fund require effective monitoring over key financial terms and conditions being captured and applied accurately. Any discrepancy in such computations could result in misstatement of investment management fee recognised in the Standalone financial statements.	v. Test checked that investment management fee rates were approved by authorised personnel before being manually entered in the system; vi. Obtained and read the investment management fee certification reports, issued by the statutory auditors of mutual fund schemes for such work and reconciled the certified amounts with the accounting records; vii. Test checked the investment management fee invoices and reconciled with the accounting records; viii. Test checked the receipts of money of Investment Management fee income in the bank statements; ix. Evaluated the adequacy of disclosures relating to the investment management fee earned by the Company.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors as on 1 April 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

   f. the matters relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above.

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has disclosed the impact of pending litigations as at 31 March 2026 on its financial position in its standalone financial statements - Refer Note 30 (a) to the standalone financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

d (i) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 37(vi) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 37(vi) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 33 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. Based on our examination which included test checks, the Company has used accounting softwares for maintaining its books of account which along with access management tools, as applicable has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

Varun Kothari
Partner
Membership No.: 115089
ICAI UDIN: 26115089SBTRUJ7629

Place: Mumbai
Date: 16 April 2026

Annexure A to the Independent Auditor's Report

on the Standalone Financial Statements of HDFC Asset Management Company Limited for the year ended 31 March 2026

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified every year. In accordance with this programme, all property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company is a service company, primarily rendering asset management services. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits from Banks and financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments in companies and other parties in respect of which the requisite information is as below. The Company has not made any investments in firms and limited liability partnership.

(a) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity. Accordingly, provisions of clauses 3(iii)(a)(c)(d)(e) and (f) of the Order are not applicable to the Company.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year and the terms and conditions on which these are made during the year are not prejudicial to the interest of the Company.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013

("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Income-Tax, or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Income-Tax or Cess or other statutory dues were in arrears as at 31 March 2026 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax and Income-Tax which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	2,705,330	A.Y. - 2008-2009	High court of Bombay
Income Tax Act, 1961	Income Tax	869,200	A.Y. - 2009-2010	Commissioner of Income Tax Appeal
Income Tax Act, 1961	Income Tax	741,820	A.Y. - 2010-2011	Deputy Commissioner of Income Tax Appeal
Income Tax Act, 1961	Income Tax	15,169,450	A.Y. - 2012-2013	Commissioner of Income Tax Appeal
Income Tax Act, 1961	Income Tax	17,138,730	A.Y. - 2013-2014	Commissioner of Income Tax Appeal
Income Tax Act, 1961	Income Tax	2,518,810	A.Y. - 2014-2015	Commissioner of Income Tax Appeal
Income Tax Act, 1961	Income Tax	184,837	A.Y. - 2016-2017	Commissioner of Income Tax Appeal
Income Tax Act, 1961	Income Tax	32,381,480	A.Y. - 2017-2018	Commissioner of Income Tax Appeal
Income Tax Act, 1961	Income Tax	46,023,913	A.Y. - 2018-2019	Commissioner of Income Tax Appeal
Income Tax Act, 1961	Income Tax	62,918,150	A.Y. - 2022-2023	Commissioner of Income Tax Appeal
CGST Act, 2017 (Delhi State)	Goods and Service Tax	1,781,964	F.Y. - 2017-18	Appellate Authority of GST
CGST Act, 2017 (Assam State)	Goods and Service Tax	241,384	F.Y. - 2018-19	Appellate Authority of GST
CGST Act, 2017 (Tamil Nadu)	Goods and Service Tax	3,083,810	F.Y. - 2021-22	Appellate Authority of GST

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that no funds have been raised by the Company during the year. Accordingly, clause 3(ix)(d) of the Order is not applicable.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in Annual report is expected to be made available to us after the date of this auditor's report.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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

Varun Kothari
Partner
Membership No.: 115089
ICAI UDIN: 26115089SBTRUJ7629

Place: Mumbai
Date: 16 April 2026

Annexure B to the Independent Auditor's Report

on the standalone financial statements of HDFC Asset Management Company Limited for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of HDFC Asset Management Company Limited ("the Company") as of 31 March 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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

Varun Kothari
Partner
Membership No.: 115089
ICAI UDIN: 26115089SBTRUJ7629

Place: Mumbai
Date: 16 April 2026

Standalone Balance Sheet

as at March 31, 2026

₹ (in Crore)

Particulars		Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS				
I	**FINANCIAL ASSETS**			
a	Cash and Cash Equivalents	4	**10.97**	11.58
b	Bank Balance other than (a) above	5	**13.20**	1.17
c	Receivables			
	Trade Receivables	6	**158.20**	133.18
d	Investments	7	**9,396.23**	8,288.87
e	Other Financial Assets	8	**45.48**	39.60
	Sub-total - Financial Assets		**9,624.08**	**8,474.40**
II	**NON-FINANCIAL ASSETS**			
a	Current Tax Assets (net)		**44.14**	32.55
b	Property, Plant and Equipment	9	**256.22**	181.39
c	Intangible Assets Under Development	10	**1.72**	0.37
d	Goodwill	9	**6.04**	6.04
e	Other Intangible Assets	9	**5.69**	9.58
f	Other Non-Financial Assets	11	**50.50**	49.30
	Sub-total - Non-Financial Assets		**364.31**	**279.23**
TOTAL ASSETS			**9,988.39**	**8,753.63**
LIABILITIES AND EQUITY				
LIABILITIES				
I	**FINANCIAL LIABILITIES**			
a	**Payables**			
	Trade Payables			
	(i) Total Outstanding Dues of Micro Enterprises and Small Enterprises	12	**2.26**	1.73
	(ii) Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises	12	**43.35**	37.83
b	**Other Financial Liabilities**	13	**326.07**	244.64
	Sub-total - Financial Liabilities		**371.68**	**284.20**
II	**NON-FINANCIAL LIABILITIES**			
a	Current Tax Liabilities (net)		**16.23**	19.72
b	Provisions	14	**25.33**	20.68
c	Deferred Tax Liabilities (net)	15	**255.55**	210.80
d	Other Non-Financial Liabilities	16	**88.51**	84.09
	Sub-total - Non-Financial Liabilities		**385.62**	**335.29**
TOTAL LIABILITIES			**757.30**	**619.49**
III	**EQUITY**			
a	Equity Share Capital	17	**214.20**	106.90
b	Other Equity	18	**9,016.89**	8,027.24
	Sub-total - Equity		**9,231.09**	**8,134.14**
TOTAL LIABILITIES AND EQUITY			**9,988.39**	**8,753.63**

See summary of material accounting policies and accompanying notes which form an integral part of the standalone financial statements

As per our report attached of even date

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

Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

Varun Kothari

Partner
Membership No: 115089
Mumbai, April 16, 2026

For and on behalf of the Board of Directors

Deepak S. Parekh

Chairman
(DIN: 00009078)

Naozad Sirwalla

Chief Financial Officer

Navneet Munot

Managing Director & Chief Executive Officer
(DIN: 05247228)

Sonali Chandak

Company Secretary
(ACS: 18108)

Standalone Statement of Profit and Loss

for the year ended March 31, 2026

₹ (in Crore except per equity share data)

Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
REVENUE FROM OPERATIONS			
Asset Management Services	19	**4,118.53**	3,498.03
OTHER INCOME	20	**498.73**	560.23
TOTAL INCOME		**4,617.26**	**4,058.26**
EXPENSES			
Finance Costs	28	**13.27**	9.41
Fees and Commission Expenses		**5.91**	3.86
Employee Benefits Expenses	21	**480.88**	388.25
Depreciation, Amortisation and Impairment	9	**72.70**	58.41
Other Expenses	22	**334.32**	311.89
TOTAL EXPENSES		**907.08**	**771.82**
PROFIT BEFORE TAX		**3,710.18**	**3,286.44**
TAX EXPENSE			
Current Tax	25	**806.05**	730.17
Deferred Tax Charge / (Credit)	25	**44.77**	95.22
TOTAL TAX EXPENSE		**850.82**	**825.39**
PROFIT AFTER TAX		**2,859.36**	**2,461.05**
OTHER COMPREHENSIVE INCOME			
A (i) Items that will not be reclassified to profit or loss			
- Remeasurement gain / (loss) of the defined benefit plans		**(4.41)**	(3.81)
(ii) Income tax relating to items that will not be reclassified to profit or loss			
- Tax on Remeasurement of the defined benefit plans		**1.11**	0.96
Subtotal (A)		**(3.30)**	**(2.85)**
B (i) Items that will be reclassified to profit or loss			
- Fair value changes in debt instruments through Other Comprehensive Income (OCI)		**(0.37)**	0.09
- Fair value changes in debt instruments through OCI reclassified to profit or loss		**0.28**	-
(ii) Income tax relating to items that will be reclassified to profit or loss			
- Tax on Fair value changes in debt instruments through OCI		**0.42**	(0.02)
- Tax on Fair value changes in debt instruments through OCI reclassified to profit or loss		**(0.40)**	-
Subtotal (B)		**(0.07)**	**0.07**
TOTAL OTHER COMPREHENSIVE INCOME (A+B)		**(3.37)**	**(2.78)**
TOTAL COMPREHENSIVE INCOME		**2,855.99**	**2,458.27**
Earnings Per Equity Share (Face Value ₹ 5) (see note 27)			
- Basic		**66.80**	57.60
- Diluted		**66.53**	57.40

See summary of material accounting policies and accompanying notes which form an integral part of the standalone financial statements

As per our report attached of even date

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

Chartered Accountants

ICAI Firm Registration No. 101248W/W-100022

Varun Kothari

Partner

Membership No: 115089

Mumbai, April 16, 2026

For and on behalf of the Board of Directors

Deepak S. Parekh

Chairman

(DIN: 00009078)

Naozad Sirwalla

Chief Financial Officer

Navneet Munot

Managing Director & Chief Executive Officer

(DIN: 05247228)

Sonali Chandak

Company Secretary

(ACS: 18108)

Standalone Statement of Changes in Equity

for the year ended March 31, 2026

A. EQUITY SHARE CAPITAL

₹ (in Crore)

Particulars	Balance at the beginning of the year	Changes in equity share capital during the year*	Balance at the end of the year
Equity Shares of ₹ 5 each (March 31, 2025: ₹ 5 each), fully paid up			
As at March 31, 2025	106.74	0.16	**106.90**
As at March 31, 2026	**106.90**	**107.30**	**214.20**

*Includes movement on account of issue of bonus shares during the year ended March 31, 2026 [see note 17(a)]

B. OTHER EQUITY

₹ (in Crore)

Particulars	Share Application Money - Pending allotment	Reserves and Surplus					Debt instruments through Other Comprehensive Income	Total
		Capital Redemption Reserve	Securities Premium	General Reserve	Share Options Outstanding Account	Retained Earnings		
Opening balance as at April 01, 2024	**-**	**52.41**	**607.17**	**174.97**	**157.84**	**5,979.94**	**-**	**6,972.33**
Profit for the year	-	-	-	-	-	2,461.05	-	2,461.05
Other Comprehensive Income - Remeasurement gain / (loss) of the defined benefit plans (net of tax)	-	-	-	-	-	(2.85)	-	(2.85)
Other Comprehensive Income - Fair value changes in debt instruments through OCI (net of tax)	-	-	-	-	-	-	0.07	0.07
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**2,458.20**	**0.07**	**2,458.27**
Interim Equity Dividend Paid (see note 33)	-	-	-	-	-	(1,495.05)	-	(1,495.05)
Transfer from Share Options Outstanding Account to Securities Premium (towards options exercised)	-	-	22.41	-	(22.41)	-	-	-
Transfer from Share Options Outstanding Account to Retained Earnings (towards options lapsed after vesting)	-	-	-	-	(0.11)	0.11	-	-
Additions during the year	69.33	-	69.16	-	22.52	-	-	161.01
Utilised during the year	(69.32)	-	-	-	-	-	-	(69.32)
Changes during the year	**0.01**	**-**	**91.57**	**-**	**(0.00)**	**963.26**	**0.07**	**1,054.91**
Closing balance as at March 31, 2025	**0.01**	**52.41**	**698.74**	**174.97**	**157.84**	**6,943.20**	**0.07**	**8,027.24**
Opening balance as at April 01, 2025	**0.01**	**52.41**	**698.74**	**174.97**	**157.84**	**6,943.20**	**0.07**	**8,027.24**
Profit for the year	**-**	**-**	**-**	**-**	**-**	**2,859.36**	**-**	**2,859.36**
Other Comprehensive Income - Remeasurement gain / (loss) of the defined benefit plans (net of tax)	**-**	**-**	**-**	**-**	**-**	**(3.30)**	**-**	**(3.30)**
Other Comprehensive Income - Fair value changes in debt instruments through OCI (net of tax)	**-**	**-**	**-**	**-**	**-**	**-**	**0.05**	**0.05**
Other Comprehensive Income - Fair value changes in debt instruments through OCI reclassified to profit or loss (net of tax)	**-**	**-**	**-**	**-**	**-**	**-**	**(0.12)**	**(0.12)**
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**2,856.06**	**(0.07)**	**2,855.99**
Final Equity Dividend Paid (see note 33)	**-**	**-**	**-**	**-**	**-**	**(1,925.19)**	**-**	**(1,925.19)**
Amount utilised for Bonus issue [see note 17(a)]	**-**	**(52.41)**	**(54.67)**	**-**	**-**	**-**	**-**	**(107.08)**
Transaction costs relating to Bonus issue	**-**	**-**	**(0.81)**	**-**	**-**	**-**	**-**	**(0.81)**
Transfer from Share Options Outstanding Account to Securities Premium (towards options exercised)	**-**	**-**	**31.27**	**-**	**(31.27)**	**-**	**-**	**-**
Transfer from Share Options Outstanding Account to Retained Earnings (towards options lapsed after vesting)	**-**	**-**	**-**	**-**	**(0.01)**	**0.01**	**-**	**-**
Additions during the year	**97.54**	**-**	**97.30**	**-**	**69.43**	**-**	**-**	**264.27**
Utilised during the year	**(97.53)**	**-**	**-**	**-**	**-**	**-**	**-**	**(97.53)**
Changes during the year	**0.01**	**(52.41)**	**73.09**	**-**	**38.15**	**930.88**	**(0.07)**	**989.65**
Closing balance as at March 31, 2026	**0.02**	**-**	**771.83**	**174.97**	**195.99**	**7,874.08**	**-**	**9,016.89**

See summary of material accounting policies and accompanying notes which form an integral part of the standalone financial statements

As per our report attached of even date

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

Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

Varun Kothari

Partner
Membership No: 115089
Mumbai, April 16, 2026

For and on behalf of the Board of Directors

Deepak S. Parekh

Chairman
(DIN: 00009078)

Naozad Sirwalla

Chief Financial Officer

Navneet Munot

Managing Director & Chief Executive Officer
(DIN: 05247228)

Sonali Chandak

Company Secretary
(ACS: 18108)

Standalone Statement of Cash Flows

for the year ended March 31, 2026

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax*	**3,710.18**	**3,286.44**
Add / (Less): Adjustments for		
Depreciation, Amortisation and Impairment	**72.70**	58.41
Finance Costs	**13.27**	9.41
Share Based Payments to Employees	**69.22**	22.49
(Profit) / Loss on Sale of Investments (net)	**(45.93)**	(32.66)
Fair Value (Gain) / Loss on Investments (net)	**(406.90)**	(496.19)
(Gain) / Loss on foreign currency transactions and translations (net)	**(0.01)**	(0.00)
(Gain) / Loss on Derecognition of Property, Plant and Equipment (net)	**(0.33)**	(0.08)
Investment Income from Financial Instruments	**(35.75)**	(18.22)
Other Interest Income	**(4.97)**	(3.11)
Operating Profit before working capital changes	**3,371.48**	**2,826.49**
Adjustments for:		
(Increase) / Decrease in Trade Receivables	**(25.01)**	(39.91)
(Increase) / Decrease in Other Financial Assets	**(13.53)**	(1.23)
(Increase) / Decrease in Other Non-Financial Assets	**(3.58)**	(1.06)
Increase / (Decrease) in Trade Payables	**6.06**	0.78
Increase / (Decrease) in Other Financial Liabilities	**10.03**	19.01
Increase / (Decrease) in Provisions	**4.65**	4.30
Increase / (Decrease) in Other Non-Financial Liabilities	**0.01**	(14.42)
Cash generated from / (used in) operations	**3,350.11**	**2,793.96**
Income Tax Paid (net of refunds)	**(820.02)**	(717.26)
Net cash from / (used in) operating activities (A)	**2,530.09**	**2,076.70**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipment and Other Intangible Assets	**(22.60)**	(44.76)
Proceeds from Sale of Property, Plant and Equipment	**0.36**	0.10
Purchase of Investments	**(5,478.23)**	(4,025.98)
Proceeds from Sale of Investments	**4,825.63**	3,449.96
Dividend Received	**1.08**	0.78
Interest Received	**40.69**	19.64
Investments in Fixed Deposits	**(12.10)**	-
Proceeds from Fixed Deposits	**0.17**	-
Net cash from / (used in) investing activities (B)	**(645.00)**	**(600.26)**

Standalone Statement of Cash Flows

for the year ended March 31, 2026

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issuance of Share Capital	**97.53**	69.32
Share Application Money - Pending allotment	**0.01**	0.01
Transaction costs relating to Bonus issue	**(0.81)**	-
Principal Element of Lease Payments	**(43.97)**	(39.94)
Interest Element of Lease Payments	**(13.27)**	(9.41)
Interim Equity Dividend Paid (see note 33)	**-**	(1,495.05)
Final Equity Dividend Paid (see note 33)	**(1,925.19)**	-
Net cash from / (used in) financing activities (C)	**(1,885.70)**	**(1,475.07)**
Net Increase / (Decrease) in Cash and Cash Equivalents (A + B + C)	**(0.61)**	**1.37**
Cash and Cash Equivalents at the beginning of the year	**11.58**	**10.21**
Exchange differences on translation of foreign currency cash and cash equivalents	**0.00**	(0.00)
Cash and Cash Equivalents at the end of the year	**10.97**	**11.58**
Cash and cash equivalents comprising of:		
Balance with banks	**10.97**	11.58
Total	**10.97**	**11.58**
*Amount spent towards Corporate Social Responsibility expense as per Section 135(5) of the Companies Act, 2013 (see note 32)	**42.51**	34.59

Note: The above Standalone Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

See summary of material accounting policies and accompanying notes which form an integral part of the standalone financial statements

As per our report attached of even date

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

Chartered Accountants

ICAI Firm Registration No. 101248W/W-100022

Varun Kothari

Partner

Membership No: 115089

Mumbai, April 16, 2026

For and on behalf of the Board of Directors

Deepak S. Parekh

Chairman

(DIN: 00009078)

Naozad Sirwalla

Chief Financial Officer

Navneet Munot

Managing Director & Chief Executive Officer

(DIN: 05247228)

Sonali Chandak

Company Secretary

(ACS: 18108)

Notes to Standalone Financial Statements

for the year ended March 31, 2026

1. Company overview

HDFC Asset Management Company Limited ('the Company') is a Public Limited Company domiciled in India and its registered office is situated at HDFC House, 2nd Floor, H.T Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai - 400 020. The Company has been incorporated under the Companies Act, 1956 on December 10, 1999 and was approved to act as the Asset Management Company for HDFC Mutual Fund by Securities and Exchange Board of India (SEBI) vide its letter dated July 3, 2000. HDFC Trustee Company Limited ('the Trustee') has appointed the Company to act as the investment manager of HDFC Mutual Fund.

The Company is also registered under the SEBI (Portfolio Managers) Regulations, 1993 and provides Portfolio Management Services. Further, the Company acts as an Investment Manager to HDFC AMC AIF-II and HDFC AMC Structured Credit AIF–I, trusts registered with SEBI as a Category II Alternative Investment Fund under the SEBI (Alternative Investment Funds) Regulations, 2012.

As at March 31, 2026, HDFC Bank Limited ('HDFC Bank' or 'Holding Company') owned 52.37% of the Company's equity share capital.

The equity shares of the Company have been listed on National Stock Exchange of India Limited and BSE Limited since August 06, 2018.

2. Basis of preparation and recent accounting developments

2.1 Basis of preparation

a) Statement of compliance

These standalone financial statements have been prepared and presented on going concern basis and comply, in all material aspects, with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act, as amended from time to time.

The standalone financial statements were approved for issue by the Company's Board of Directors on April 16, 2026, subject to the approval of the shareholders at the ensuing Annual General Meeting.

Details of the Company's material accounting policies are included in Note 3.

b) Presentation of standalone financial statements

The Company presents its standalone balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date and more than 12 months after the reporting date is presented in Note 36.

c) Functional and presentation currency

Indian Rupee (₹) is the currency of the primary economic environment in which the Company operates and hence it is the functional currency of the Company. Accordingly, the management has determined that standalone financial statements should be presented in Indian Rupees (₹).

d) Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign currency denominated monetary assets and liabilities are remeasured into the functional currency at the exchange rate prevailing on the reporting date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in Standalone Statement of Profit or Loss. Non-monetary items that are measured in terms of historical cost in foreign currency are not re-translated.

e) Rounding Off

All amounts have been rounded-off to the nearest Crore upto two decimal places, unless otherwise indicated.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

f) Basis of measurement

The standalone financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial instruments (as explained in the accounting policies below)	Fair value
Net defined benefit asset/ (liability)	Fair value of plan assets less present value of defined benefit obligations
Equity settled share based payments	Fair value of the stock options and Performance-linked Stock Units granted as on the grant date

g) Use of estimates and judgements

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent liabilities.

The management believes that these estimates are prudent and reasonable and are based upon the management's best knowledge of current events and actions as on the reporting date. Actual results could differ from these estimates and differences between actual results and estimates are recognised in the periods in which the results / actions are known or materialise. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties

Information about critical judgements, assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

- Note 3.3 (A) (iii) and 9 – estimates of useful lives and residual value of property, plant and equipment, and other intangible assets;
- Note 7 – impairment of investments in subsidiary;
- Note 9, 10 and 11 – impairment test of non-financial assets: key assumptions underlying recoverable amounts including the recoverability of expenditure on intangible assets;
- Note 13 – determination of lease term and discount rate for lease liabilities;
- Note 14 and 23 – measurement of defined benefit obligations and other long-term employee benefits: key actuarial assumptions;
- Note 24 – share based payments;
- Note 25 – Provision for current tax and recognition of deferred tax assets;
- Note 30 – recognition and measurement of provisions and contingencies; key assumptions about the likelihood and magnitude of an outflow of resources, if any;
- Note 35 – financial instruments – fair values, risk management and impairment of financial assets;

h) Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. Measurement of fair values includes determining appropriate valuation techniques.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell an asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

Valuation models that employ significant unobservable inputs require a higher degree of judgement and estimation in the determination of fair value. Judgement and estimation are usually required for selection of the appropriate valuation methodology, determination of expected future cash flows on the financial instrument being valued, determination of probability of counterparty default and selection of appropriate discount rates.

The management regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 24 - share based payment
- Note 35 - financial instruments – fair values, risk management and impairment of financial assets.

2.2 Recent Accounting Developments:

Standards issued / amended but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification on accounting standards which would have been applicable to the Company from April 01, 2026.

3. Material Accounting Policies

3.1 Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

3.2 Financial instruments

(i) Recognition and initial measurement of financial assets and financial liabilities

All financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument. Trade receivables are initially recognised when they are originated.

All the financial assets and financial liabilities are initially measured at fair value. A financial asset or financial liability which is not recognised at Fair Value Through Profit or Loss, is initially measured at fair value plus or minus transaction costs that are directly attributable to its acquisition or issue. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Standalone Statement of Profit and Loss. Trade receivables that do not contain a significant financing component are initially measured at transaction price.

(ii) Classification, Subsequent measurement, gains and losses of financial assets (other than investments in subsidiary)

Classification:

On initial recognition, a financial asset is classified as measured at:

- Amortised Cost;
- Fair Value Through Other Comprehensive Income (FVOCI) – Debt investment;
- FVOCI – Equity investment; or
- Fair Value Through Profit or Loss (FVTPL)

Notes to Standalone Financial Statements

for the year ended March 31, 2026

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as measured at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as measured at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

However, on initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in Other Comprehensive Income (OCI) (designated as measured at FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset as measured at FVTPL that otherwise meets the requirements to be measured at amortised cost or at FVOCI, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Assessment whether contractual cash flows are solely payments of principal and interest (SPPI)

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets.

Subsequent measurement and gains and losses:

Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment losses are recognised in the Standalone Statement of Profit and Loss. Any gain or loss on derecognition is recognised in the Standalone Statement of Profit and Loss.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment losses are recognised in the Standalone Statement of Profit and Loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the Standalone Statement of Profit and Loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in the Standalone Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to Standalone Statement of Profit and Loss.
Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, any interest or dividend income, are recognised and are presented separately in the Standalone Statement of Profit and Loss

(iii) Classification, subsequent measurement, gains and losses of financial liabilities

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument.

Transaction costs directly attributable to an equity transaction are recognised as a deduction from equity, net of any tax effects.

Financial liabilities are classified as measured at amortised cost or FVTPL. A Financial Liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are subsequently measured at fair value and net gains and losses, including any interest expense, are recognised in Standalone Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the Standalone Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in the Standalone Statement of Profit and Loss.

(iv) Derecognition of financial assets and financial liabilities

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its standalone balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

(v) Impairment of financial assets

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not classified as FVTPL or equity investments at FVOCI. Expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk or the assets have become credit impaired from initial recognition in which case, those are measured at lifetime ECL. 12-month ECL are the portion of expected credit losses that result from default events that are possible within 12 months after reporting date (or a shorter period if the expected life of the instrument is less than 12 months) and Lifetime ECL are the expected credit losses that result from all possible default events over the expected life of a

Notes to Standalone Financial Statements

for the year ended March 31, 2026

financial instrument. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Standalone Statement of Profit and Loss. The Company considers a financial asset to be in default when credit obligations to the Company are unlikely to be fulfilled in full, without recourse by the Company to actions such as realising security, if any.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows which the Company expects to receive). Expected credit losses are discounted at the effective interest rate of the financial asset.

Presentation of allowance for expected credit losses in the standalone balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charged to Standalone Statement of Profit and Loss and is recognised in OCI.

Write off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the counter party does not have assets or sources of income that could generate cash flows to repay the amounts. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(vi) Off-setting financial instruments

Financial assets and financial liabilities are offset and the net amount is presented in the standalone balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

3.3 (A) Property, plant and equipment

(i) Recognition and measurement

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Items of property, plant and equipment are subsequently measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises of its purchase price (after deducting trade discounts and rebates) including import duties and non-refundable taxes, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

(iii) Depreciation

Depreciation on property, plant and equipment is provided on straight-line basis as per the estimated useful life and in the manner prescribed in Schedule II of the Companies Act, 2013 except for certain assets.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

Following is the summary of useful lives of the assets as per management's estimate and as required by the Companies Act, 2013 except assets individually costing less than Rupees five thousand which are fully depreciated in the year of purchase / acquisition, considering their low value.

Class of property, plant and equipment	Useful Life (no. of years)	
	As per the Companies Act, 2013	As per management's estimate
Buildings*	60	50
Computer Equipment:		
Server and Network*	6	4
Others	3	3
Furniture and Fixtures*	10	7
Electrical Installations*	10	7
Office Equipment	5	5
Vehicles*	8	5
Improvement of Rented Premises	Not specified	Over the lease term or 5 years, whichever is less

*Based on technical advice, management is of the opinion that the useful lives of these assets reflect the period over which they are expected to be used.

Depreciation method, useful lives and residual values, if any are reviewed at each financial year end and adjusted on prospective basis, if required.

Depreciation on additions / disposals is provided on a pro- rata basis i.e. from / upto the date on which asset is ready for its intended use / disposed off.

(iv) Derecognition

The cost and related accumulated depreciation are eliminated from the standalone financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the Standalone Statement of Profit and Loss.

(B) Goodwill

Goodwill was generated on acquisition of rights to operate, administer and manage the schemes of erstwhile Morgan Stanley Mutual Fund. Goodwill is not amortised but is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses, if any.

(C) Other intangible assets

(i) Recognition and measurement

Other intangible assets including computer software are measured at cost and recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. Such other intangible assets are subsequently measured at cost less accumulated amortisation and accumulated impairment losses, if any.

Cost of an intangible asset comprises of its purchase price (after deducting trade discounts and rebates) including import duties and non-refundable taxes and any directly attributable cost for preparing the asset for its intended use.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates and the cost of the asset can be measured reliably. All other expenditure is recognised in the Standalone Statement of Profit and Loss as incurred.

(iii) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in the Standalone Statement of Profit and Loss. Computer Software is being amortised over a period of 3 years on pro-rata basis i.e. from / upto the date on which asset is ready for its intended use / disposed off.

Amortisation method, useful lives and residual values, if any are reviewed at each financial year end and adjusted on prospective basis, if required.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

(iv) Derecognition

Intangible assets are derecognised on disposal or when no future economic benefits are expected to arise from its continuous use, and the resultant gains or losses are recognised in the Standalone Statement of Profit and Loss.

(D) Intangible assets under development

The intangible assets under development includes cost of intangible assets that are not ready for their intended use on the date of balance sheet less accumulated impairment losses, if any.

3.4 Impairment of non-financial assets

The Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or goodwill is the higher of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to it.

An impairment loss is recognised if the carrying amount of an asset or goodwill exceeds its estimated recoverable amount. Impairment losses are recognised in the Standalone Statement of Profit and Loss.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversal of impairment loss is recognised as income in the Standalone Statement of Profit and Loss.

3.5 Revenue recognition

(i) Rendering of services

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115 - Revenue from Contracts with Customers, to determine when to recognise revenue and at what amount.

Revenue is measured based on the transaction price specified in the contract with a customer that is allocated to that performance obligation. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised services to a customer, excluding amounts collected on behalf of third parties. The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both. Revenue from contracts with customers is recognised when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur.

If the consideration promised in a contract includes a variable amount, then Company estimates the non-constrained amount of consideration to which it will be entitled in exchange for rendering the promised services to a customer. The amount of consideration can vary because of discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, or other similar items. The promised consideration can also vary if an entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event. The estimated amount of variable consideration is re-assessed at the end of each reporting period.

Nature of services

The Company principally generates revenue by providing asset management services to Mutual fund, Alternative Investment Fund (AIF) and other clients.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

Services	Nature, timing of satisfaction of performance obligations and significant payment terms
Investment Management Services to mutual fund	The Company has been appointed as the investment manager to HDFC Mutual Fund. The Company receives investment management fees from the mutual fund which is charged as a percent of the Assets Under Management (AUM) and is recognised on accrual basis. The maximum amount of management fee that can be charged is subject to applicable SEBI regulations. The contract includes a single performance obligation (series of distinct services) that is satisfied over time and the investment management fees earned are considered as variable consideration. Invoices becomes payable when the bills are issued to the customer.
Portfolio Management Services, Advisory Services and Investment Management Services to AIFs	The Company provides portfolio management services and advisory services to its clients wherein a separate agreement is entered into with each client. The Company earns management fees which is generally charged as a percent of the Assets Under Management (AUM) and is recognised on accrual basis. The Company, in certain instances also has a right to charge performance fee to the clients if the portfolio achieves a particular level of performance as mentioned in the agreement with the client, to the extent permissible under applicable regulations. Generally, no upfront fee is charged to the clients. The Company has also been appointed as the investment manager to HDFC AMC AIF-II and HDFC AMC Structured Credit AIF–I. The Company is entitled for management fee as per the terms of Investment Management Agreement and any other fees as agreed and is recognised on accrual basis. These contracts include a single performance obligation (series of distinct services) that is satisfied over time and the management fees and / or the performance fees earned are considered as variable consideration. Invoices becomes payable when the bills are issued to the customer.

(ii) Recognition of dividend income, interest income or expense, gains and losses from financial instruments

Dividend income is recognised in the Standalone Statement of Profit and Loss on the date on which the Company's right to receive dividend is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of dividend can be measured reliably.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the financial asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the credit-impaired financial asset (i.e. the gross carrying amount less the allowance for expected credit losses). If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Interest income / expense on financial instruments at FVTPL is not included in fair value changes but presented separately.

The realised gains / losses from financial instruments at FVTPL and Debt instruments at FVOCI represents the difference between the carrying amount of a financial instrument at the beginning of the reporting period, or the transaction price if it was purchased in the current reporting period, and its settlement price.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

The unrealised gains / losses represents the difference between the carrying amount of a financial instrument at the beginning of the period, or the transaction price if it was purchased in the current reporting period, and its carrying amount at the end of the reporting period.

3.6 New Fund Offer (NFO) expenses & Commission

NFO expenses on the launch of mutual fund schemes are borne by the Company and recognised in the Standalone Statement of Profit and Loss as and when incurred.

Pursuant to circulars issued by SEBI in this regard, with effect from October 22, 2018, all the scheme expenses including commission on mutual fund schemes, subject to certain permitted exceptions, are being borne by the respective schemes.

Any commission, other than for mutual fund schemes, paid by the Company in line with the applicable regulations is amortised over the contractual period.

3.7 Employee benefits

(i) Short-term employee benefits

Short-term employee benefits are employee benefits that are expected to be settled wholly before 12 months after the end of the reporting period in which the employees render the related service. Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Share-based payment transactions

a) with respect to employees of the Company:

The Schemes for Employees Stock Options ('ESOP(s)') and Performance-linked Stock Units ('PSU(s)') provide for the grant of ESOPs or PSUs or combination of both to acquire equity shares of the Company to its eligible employees. The period of vesting and period of exercise are as specified within the respective schemes. The fair value at grant date of equity settled share-based payment arrangements granted to employees is recognised as an employee benefit expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the ESOPs and/or PSUs. The amount recognised as expense is based on the estimate of the number of ESOPs and/or PSUs for which the related service and non-market performance conditions, as applicable are expected to be met, such that the amount ultimately recognised as an expense is based on the number of ESOPs and/or PSUs that do meet the related service and non-market performance conditions, as applicable at the vesting date. At the end of each reporting period, the Company revisits its estimate of the number of ESOPs and/or PSUs expected to vest. Such compensation cost is amortised over the vesting period of the respective tranches of such grant.

b) with respect to employees of the Subsidiary:

The Schemes for Employee Stock Options ('ESOP') and Performance-linked Stock Units ('PSU') provides for the grant of ESOPs or PSUs or combination of both to acquire equity shares of the Company to the eligible employees of its subsidiary. The period of vesting and period of exercise are as specified within the respective schemes. The fair value at grant date of the equity settled share-based payment arrangements is recognised as a capital contribution ('deemed investment') to the subsidiary, with a corresponding increase in equity, over the period that the subsidiary's employees unconditionally become entitled to the ESOPs and/or PSUs. The amount recognised as deemed investment is based on the estimate of the number of ESOPs and/or PSUs for which the related service and non-market performance conditions, as applicable are expected to be met, such that the amount ultimately recognised as a deemed investment is based on the number of ESOPs and/or PSUs that do meet the related service and non-market performance conditions, as applicable at the vesting date. At the end of each reporting period, the Company revisits its estimate of the number of ESOPs and/or PSUs expected to vest. Such deemed

Notes to Standalone Financial Statements

for the year ended March 31, 2026

investment is recognised over the vesting period of the respective tranches of such grant.

(iii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into an account with a separate entity and has no legal or constructive obligation to pay further amounts. The Company makes specified periodic contributions to the credit of the employees' account with the Employees' Provident Fund Organisation. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Standalone Statement of Profit and Loss in the periods during which the related services are rendered by employees.

National Pension System (NPS)

NPS is a defined contribution plan. In case employee opts for NPS, the Company contributes certain percentage of basic salary plus dearness pay, if any, of the eligible employees' salary to the NPS. The Company recognises such contribution as an expense as and when incurred.

(iv) Defined benefit plans

Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of the defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of the defined benefit obligation is performed periodically by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other Comprehensive Income. The Company determines the net interest expense / income on the net defined benefit liability / asset for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability / asset, taking into account any changes in the net defined benefit liability / asset during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Standalone Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in the Standalone Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(v) Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits, which are not expected to be settled wholly before 12 months after the end of the reporting period in which the employees render the related services, is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured periodically on the basis of an independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised as profit or loss in the period in which they arise.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

3.8 Provisions (other than for employee benefits), contingent liabilities, contingent assets and commitments

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Where the effect of the time value of money is material, the provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a reliable estimate of the amount cannot be made.

A contingent asset is not recognised but disclosed in the standalone financial statements where an inflow of economic benefit is probable.

Commitments includes the amount of purchase order (net of advances) issued to counterparties for supplying / development of assets and amounts pertaining to investments which have been committed but not called for.

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each balance sheet date.

3.9 Leases

The Company assesses whether the contract is, or contains, a lease at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Company leases its office premises. The Company recognises Right-of-Use (ROU) and lease liabilities for these leases i.e. these leases are on-balance sheet. The Company has elected not to apply the requirements of Ind AS 116 - Leases to short-term leases i.e. leases of all assets that have a lease term of 12 months or less and to low value leases i.e. leases for which the underlying asset is of low value. For these short-term and low value leases, the Company recognises the lease payments as an expense on a straight-line basis over the term of the lease.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date and is discounted using the Company's incremental borrowing rate. Since the Company does not have any debts, the Company's incremental borrowing rate has been determined based on the risk-free rate which is adjusted for the financial spread based on the credit spread of the Holding Company.

Certain leases include lease and non-lease components, which are accounted for as one single lease component. Occupancy lease agreements, in addition to contractual rent payments, generally include additional payments for certain costs incurred by the landlord, such as maintenance expenses and utilities. To the extent these are fixed or determinable, they are included as part of the lease payments used to measure the lease liability.

The lease liability is measured at amortised cost using the effective interest method.

The ROU asset is initially measured at cost, which comprises of the amount of initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date, less any lease incentives received; plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located. The right-of-use asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The ROU assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

Lease term is determined as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain.

The lease liability is remeasured when there is a change in one of the following:

- the Company's estimate of the amount expected to be payable under a residual value guarantee, or
- the Company's assessment of whether it will exercise a purchase, extension, or termination option or
- if there is a modification in the lease.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the ROU asset, or is recorded in the Standalone Statement of Profit and Loss if the carrying amount of the ROU asset has been reduced to nil.

As a lessor:

When the Company is the lessor, the lease is classified as either a finance lease or an operating lease. A finance lease is a lease which confers substantially all the risks and rewards of the leased assets on the lessee. An operating lease is a lease where substantially all of the risks and rewards of the leased asset remain with the lessor.

At the commencement date, the Company recognises assets held under a finance lease in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease. Finance lease income is allocated to lease term so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

3.10 Income tax

Income tax comprises of current and deferred tax. It is recognised in the Standalone Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in Other Comprehensive Income.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits, if any.

Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination, that affects neither accounting nor taxable profit or loss at the time of the transaction and at the time of the transaction, does not give rise to equal taxable and deductible temporary differences;
- temporary differences related to investment in subsidiary where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is other convincing evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

3.11 Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM's function is to allocate the resources of the Company and assess the performance of the operating segments of the Company.

3.12 Earnings per share (EPS)

The basic earnings per share is computed by dividing profit after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the reporting period.

The diluted earnings per share is computed by dividing profit after tax attributable to the equity shareholders adjusted for the effects of all dilutive potential ordinary shares by the weighted average number of equity shares outstanding plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares. Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also weighted average number of equity shares which would have been issued on the conversion of all dilutive potential shares, unless they are anti-dilutive.

The outstanding number of equity shares and dilutive potential equity shares are adjusted retrospectively for all periods presented for any bonus shares issued including for changes effected prior to the approval of the standalone financial statements by the Board of Directors.

3.13 Investments in Subsidiary

Investments in subsidiary are carried at cost less accumulated impairment losses, if any in standalone financial statements. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of such investments, the difference between net disposal proceeds and the carrying amount are recognised in the Standalone Statement of Profit and Loss.

3.14 Dividends on equity shares

The Company recognises a liability to make cash distributions to equity shareholders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders except in case of interim dividends which is approved by Board of Directors. A corresponding amount is recognised directly in equity.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

Note 4 CASH AND CASH EQUIVALENTS

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with Banks	10.97	11.58
Total	**10.97**	**11.58**

Note 5 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Other Bank Balances		
- Fixed Deposit with Bank (security against bank guarantee)	12.26	-
- Fixed Deposit with Bank (Others)	-	0.17
Earmarked Balances with Banks		
- Unclaimed Equity Dividend	0.94	0.99
- Withheld Brokerage	0.00	0.01
Total	**13.20**	**1.17**

Note 6 TRADE RECEIVABLES*

(Considered good - Unsecured)

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Investment Management Fee Receivable - Mutual fund	150.61	127.79
Portfolio Management Fee, 'AIF and Other Advisory Services' Fee Receivable	7.59	5.39
Total	**158.20**	**133.18**

TRADE RECEIVABLES AGEING

(Undisputed Trade receivables – considered good)

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Unbilled dues (A)	**134.41**	**129.03**
Outstanding for following periods from due date of payment		
Less than 6 months	23.45	4.13
6 months -1 year	0.25	0.01
1-2 years	0.08	-
2-3 years	-	-
More than 3 years	0.01	0.01
Total Outstanding (B)	**23.79**	**4.15**
Total (A+B)	**158.20**	**133.18**

*No debts are due from directors or other officers or any of them either severally or jointly with any other person. No debts are due from firms, Limited Liability Partnerships or private companies in which any director is a partner or a director or a member.

Note 7 INVESTMENTS

₹ (in Crore)

Sr. No	Particulars	As at March 31, 2026					As at March 31, 2025				
		At Amortised Cost	At Fair Value Through Other Comprehensive Income	At Fair Value Through Profit or Loss	At Cost	Total	At Amortised Cost	At Fair Value Through Other Comprehensive Income	At Fair Value Through Profit or Loss	At Cost	Total
		(1)	(2)	(3)	(4)	(5=1+2+3+4)	(1)	(2)	(3)	(4)	(5=1+2+3+4)
1	Mutual Funds	-	-	8,574.53	-	8,574.53	-	-	7,507.56	-	7,507.56
2	Debt Securities	234.47	-	3.70	-	238.17	261.45	100.74	8.39	-	370.58
3	Equity Instruments	-	-	24.22	-	24.22	-	-	24.40	-	24.40
4	Alternative Investment Funds	-	-	525.07	-	525.07	-	-	345.66	-	345.66
5	Venture Capital Fund	-	-	-	-	-	-	-	6.64	-	6.64
6	Subsidiary-Equity Shares*$	-	-	-	34.24	34.24	-	-	-	34.03	34.03
	Total Gross Investments (A)	**234.47**	**-**	**9,127.52**	**34.24**	**9,396.23**	**261.45**	**100.74**	**7,892.65**	**34.03**	**8,288.87**
7	(i) Investments outside India	-	-	-	-	-	-	-	-	-	-
8	(ii) Investments in India	234.47	-	9,127.52	34.24	9,396.23	261.45	100.74	7,892.65	34.03	8,288.87
	Total (B)	**234.47**	**-**	**9,127.52**	**34.24**	**9,396.23**	**261.45**	**100.74**	**7,892.65**	**34.03**	**8,288.87**
9	Less: Allowance for Impairment (C)	-	-	-	-	-	-	-	-	-	-
Total Net Investments (D = A - C)		**234.47**	**-**	**9,127.52**	**34.24**	**9,396.23**	**261.45**	**100.74**	**7,892.65**	**34.03**	**8,288.87**

*A Wholly Owned Subsidiary ('WOS') of the Company namely 'HDFC AMC International (IFSC) Limited', with its principal place of business located in Gujarat International Finance Tec-City (GIFT City), Gandhinagar, India, had been incorporated effective May 27, 2022.

$Includes cost of ESOPs and PSUs granted to the eligible employees of WOS amounting to ₹0.24 Crore (Previous Year ₹0.03 Crore).

Note 8 OTHER FINANCIAL ASSETS

(Considered good - Unsecured)

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Interest accrued on Instruments measured at Amortised cost	**4.06**	5.31
Security Deposits	**20.86**	17.70
Receivable against sale of Investment	**-**	4.75
Finance Lease Receivable	**17.00**	9.43
Others	**3.56**	2.41
Total	**45.48**	**39.60**

Note 9 PROPERTY, PLANT AND EQUIPMENT, GOODWILL AND OTHER INTANGIBLE ASSETS

₹ (in Crore)

Particulars	Gross Block				Depreciation / Amortisation				Net Block
	As at April 01, 2025	Additions	Deductions	As at March 31, 2026	As at April 01, 2025	For the year	Deductions	As at March 31, 2026	As at March 31, 2026
Property, Plant and Equipment									
Buildings									
Freehold	4.34	-	-	4.34	0.80	0.10	-	0.90	3.44
Right of Use Assets	236.53	129.77	55.93	310.37	103.65	48.49	46.19	105.95	204.42
Furniture & Fixtures	4.49	0.78	0.35	4.92	2.90	0.58	0.35	3.13	1.79
Vehicles	0.50	0.84	0.49	0.85	0.48	0.14	0.49	0.13	0.72
Office Equipments	17.20	3.88	1.68	19.40	7.53	3.13	1.68	8.98	10.42
Computer Equipments	42.78	7.14	0.19	49.73	26.18	8.92	0.17	34.93	14.80
Electrical Installations	0.34	-	-	0.34	0.34	-	-	0.34	-
Improvement of Rented Premises	28.38	9.28	2.95	34.71	11.29	5.74	2.95	14.08	20.63
Total (I)	334.56	151.69	61.59	424.66	153.17	67.10	51.83	168.44	256.22
Goodwill and Other Intangible Assets									
Goodwill	6.04	-	-	6.04	-	-	-	-	6.04
Computer Softwares (Externally acquired)	38.02	1.71	-	39.73	28.44	5.60	-	34.04	5.69
Total (II)	44.06	1.71	-	45.77	28.44	5.60	-	34.04	11.73
Grand Total (I+II)	378.62	153.40	61.59	470.43	181.61	72.70	51.83	202.48	267.95

Notes to Standalone Financial Statements

for the year ended March 31, 2026

₹ (in Crore)

Particulars	Gross Block				Depreciation / Amortisation				Net Block
	As at April 01, 2024	Additions	Deductions	As at March 31, 2025	As at April 01, 2024	For the year	Deductions	As at March 31, 2025	As at March 31, 2025
Property, Plant and Equipment									
Buildings									
Freehold	4.34	-	-	4.34	0.70	0.10	-	0.80	3.54
Right of Use Assets	217.83	68.21	49.51	236.53	105.41	41.13	42.89	103.65	132.88
Furniture & Fixtures	3.83	0.96	0.30	4.49	2.48	0.71	0.29	2.90	1.59
Vehicles	0.50	-	-	0.50	0.37	0.11	-	0.48	0.02
Office Equipments	12.61	6.45	1.86	17.20	7.13	2.25	1.85	7.53	9.67
Computer Equipments	26.75	16.85	0.82	42.78	21.33	5.67	0.82	26.18	16.60
Electrical Installations	0.34	-	-	0.34	0.34	-	-	0.34	-
Improvement of Rented Premises	22.08	12.68	6.38	28.38	14.18	3.49	6.38	11.29	17.09
Total (I)	**288.28**	**105.15**	**58.87**	**334.56**	**151.94**	**53.46**	**52.23**	**153.17**	**181.39**
Goodwill and Other Intangible Assets									
Goodwill	6.04	-	-	6.04	-	-	-	-	6.04
Computer Softwares (Externally acquired)	32.41	5.61	-	38.02	23.49	4.95	-	28.44	9.58
Total (II)	**38.45**	**5.61**	**-**	**44.06**	**23.49**	**4.95**	**-**	**28.44**	**15.62**
Grand Total (I+II)	**326.73**	**110.76**	**58.87**	**378.62**	**175.43**	**58.41**	**52.23**	**181.61**	**197.01**

Impairment testing

The Goodwill relates to acquisition of rights to operate, administer and manage schemes of the erstwhile Morgan Stanley Mutual Fund. The recoverable amount is the management fee income based on the present value of the future cash flows expected to be derived from the asset (value in use). Management fee income is assumed to be generated at a constant rate and is discounted using a pre-tax discount rate of 5.58% (Previous Year 6.64%) based on one year Government security (G-sec) yield.

An analysis of sensitivity of the computation to a change in key parameters based on reasonably probable assumptions did not identify any probable scenarios in which the recoverable amount would decrease below the carrying amount of goodwill. Consequently, no impairment is required.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

Note 10 INTANGIBLE ASSETS UNDER DEVELOPMENT

For the year ended March 31, 2026

₹ (in Crore)

Particulars	As at April 01, 2025	Additions	Capitalisation	As at March 31, 2026
Intangible assets under development (Externally acquired)	0.37	1.98	0.63	1.72
Total	**0.37**	**1.98**	**0.63**	**1.72**

Intangible assets under development ageing schedule

₹ (in Crore)

Intangible assets under development	As at March 31, 2026				
	Amount in Intangible asset under development for a period of				Total
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1.72	-	-	-	1.72
Projects temporarily suspended	-	-	-	-	-
Total	**1.72**	**-**	**-**	**-**	**1.72**

There are no Intangible assets under development as at March 31, 2026, whose completion is overdue or has exceeded its cost compared to its original plan.

For the year ended March 31, 2025

₹ (in Crore)

Particulars	As at April 01, 2024	Additions	Capitalisation	As at March 31, 2025
Intangible assets under development (Externally acquired)	0.87	2.97	3.47	0.37
Total	**0.87**	**2.97**	**3.47**	**0.37**

Intangible assets under development ageing schedule

₹ (in Crore)

Intangible assets under development	As at March 31, 2025				
	Amount in Intangible asset under development for a period of				Total
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.37	-	-	-	0.37
Projects temporarily suspended	-	-	-	-	-
Total	**0.37**	**-**	**-**	**-**	**0.37**

There are no Intangible assets under development as at March 31, 2025, whose completion is overdue or has exceeded its cost compared to its original plan.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

Note 11 OTHER NON-FINANCIAL ASSETS

(Considered good - Unsecured)

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Capital Advances	**0.33**	2.71
Prepaid Expenses	**30.37**	19.35
Goods & Services Tax Credit Receivable	**16.09**	21.97
Other Advances	**3.71**	5.27
Total	**50.50**	**49.30**

Note 12 TRADE PAYABLES

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Total Outstanding dues of Micro Enterprises and Small Enterprises	**2.26**	1.73
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	**43.35**	37.83
Total	**45.61**	**39.56**

TRADE PAYABLES AGEING

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
MSME - Undisputed, Unbilled dues (A)	**2.26**	**1.73**
Others - Undisputed		
Unbilled dues (B)	**43.35**	37.83
Outstanding for following periods from due date of payment		
Less than 1 year	**-**	0.00
Total (C)	**-**	**0.00**
Total Others - Undisputed (D) = (B+C)	**43.35**	**37.83**
Total (A+D)	**45.61**	**39.56**

Note 13 OTHER FINANCIAL LIABILITIES

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Employee Benefits	**102.11**	91.49
Other Dues	**7.99**	8.58
Unclaimed Equity Dividend	**0.94**	0.99
Lease Liabilities	**215.03**	143.58
Total	**326.07**	**244.64**

Notes to Standalone Financial Statements

for the year ended March 31, 2026

Note 14 PROVISIONS

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for Employee Benefits (Compensated absences & Leave encashment)	**25.33**	20.68
Total	**25.33**	**20.68**

Note 15 DEFERRED TAX LIABILITIES (net) (see note 25)

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred Tax Asset	**(84.42)**	(60.78)
Deferred Tax Liability	**339.97**	271.58
Total	**255.55**	**210.80**

Note 16 OTHER NON-FINANCIAL LIABILITIES

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory Dues	**78.75**	75.80
Employee Benefits	**9.76**	8.29
Total	**88.51**	**84.09**

Note 17 SHARE CAPITAL

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised		
60,00,00,000 Equity Shares of ₹5 each (Previous Year: 60,00,00,000 Equity Shares of ₹5 each)	**300.00**	300.00
5,00,00,000 Redeemable, Cumulative Non-Convertible Preference Shares of ₹10 each (Previous Year: 5,00,00,000 Redeemable, Cumulative Non-Convertible Preference Shares of ₹10 each)	**50.00**	50.00
Total	**350.00**	**350.00**
Issued, Subscribed and Paid up		
42,84,00,181 Equity Shares of ₹5 each (Previous Year: 21,37,93,086 Equity Shares of ₹5 each), fully paid up	**214.20**	106.90
	214.20	**106.90**

Notes to Standalone Financial Statements

for the year ended March 31, 2026

a) Movement in Equity Share Capital during the year:

₹ (in Crore)

Particulars	March 31, 2026		March 31, 2025	
	No. of Equity Shares	Share Capital	No. of Equity Shares	Share Capital
Shares outstanding at the beginning of the year (face value of ₹5 each)	**21,37,93,086**	**106.90**	21,34,84,000	106.74
Add: Shares issued during the year (face value of ₹5 each)	**4,52,849**	**0.22**	3,09,086	0.16
Add: Issue of fully paid up Bonus shares (face value of ₹5 each) (see note below)	**21,41,54,246**	**107.08**	-	-
Shares outstanding at the end of the year (face value of ₹5 each)	**42,84,00,181**	**214.20**	21,37,93,086	106.90

Note: During the year ended March 31, 2026, the shareholders of the Company have approved, through postal ballot, the issuance of fully paid up bonus shares, in the proportion of 1:1 i.e. 1 (One) fully paid up bonus equity share for every 1 (One) existing fully paid up equity share to the shareholders of the Company as on the Record Date i.e. November 26, 2025. Accordingly, the Company has allotted 21,41,54,246 equity shares of ₹5 each as fully paid up bonus shares on November 27, 2025 by capitalisation of Capital Redemption Reserve Account and Securities Premium Account.

b) Terms / Rights attached to Equity Shares

1. The Company had issued only one class of equity shares referred to as equity share having face value of ₹10 each which was sub-divided to ₹5 each w.e.f. February 13, 2018. Each holder of equity shares is entitled to one vote per share.
2. The holders of equity shares are entitled to dividends, if any, proposed by the board of directors and approved by the Shareholders at the Annual General Meeting, except in case of interim dividends which is approved by board of directors.
3. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of preferential amount. However, no such preferential amount exists currently. The distribution will be in proportion to the number of equity shares held by the Shareholders.

c) Details of Holding Company and Shareholders holding more than 5 percent Share Capital of the Company:

Name of the Shareholder	As at March 31, 2026		As at March 31, 2025	
	No. of Equity Shares (Face Value ₹ 5)	% of Share Capital	No. of Equity Shares (Face Value ₹ 5)	% of Share Capital
HDFC Bank Limited (Holding Company)	**22,43,59,660**	**52.37**	11,21,79,830	52.47

d) 58,77,875 equity shares of ₹5 each (Previous Year: 20,18,029 equity shares of ₹5 each) are reserved for issuance towards outstanding ESOPs and PSUs. See note 24 for terms and amounts.

e) No equity shares were bought back during the period of five years immediately preceding the reporting date (Previous Year: Nil).

f) No shares were allotted as fully paid up 'pursuant to any contract without payment being received in cash' during the period of five years immediately preceding the reporting date (Previous Year: Nil).

g) 21,41,54,246 equity shares of ₹5 each were issued as fully paid up bonus shares during the year. Other than aforementioned, no bonus shares were issued during the period of five years immediately preceding the reporting date (Previous Year: Nil).

Notes to Standalone Financial Statements

for the year ended March 31, 2026

h) Details of shareholding of Promoters:

Promoter name	As at March 31, 2026			As at March 31, 2025			As at April 01, 2024
	No. of Equity Shares (Face Value ₹ 5)*	% of total Shares	% Change during the year#*	No. of Equity Shares (Face Value ₹ 5)	% of total Shares	% Change during the year#	No. of Equity Shares (Face Value ₹ 5)
HDFC Bank Limited (Holding Company)	**22,43,59,660**	**52.37**	**100.00**	11,21,79,830	52.47	-	11,21,79,830

#Computed vis-à-vis number of shares held by the same entity

*The '% Change during the year' is on account of 11,21,79,830 equity shares of ₹5 each issued as fully paid up bonus shares during the year which does not result in change in the shareholding pattern of the promoters.

i) For information on Capital management - see note 34.

Note 18 OTHER EQUITY

Nature and purpose of reserves

Share application pending allotment

Until the shares are allotted, the amount received is shown under the Share Application Money Pending Allotment.

Capital redemption reserve

Whenever there is a buy-back or redemption of share capital, the nominal value of the capital is transferred to a reserve called Capital Redemption Reserve so as to retain the capital. The reserve can be utilised only for issuance of fully paid bonus shares in accordance with the provisions of the Companies Act, 2013.

Securities premium

Securities Premium is used to record the premium (amount received in excess of face value of equity shares) on issue of shares. The reserve can be utilised only for limited purposes such as issuance of fully paid bonus shares in accordance with the provisions of the Companies Act, 2013. The securities premium also includes amount transferred from Share options outstanding account upon exercise of ESOPs or PSUs by eligible employees and subsequent allotment of shares to them.

General reserve

Pursuant to the provisions of Companies Act,1956, the Company had transferred a portion of its net profit before declaring dividend, to general reserve. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

Share options outstanding account

The grant date fair value of equity-settled share-based payment transactions with eligible employees are recognised in the Standalone Statement of Profit and Loss with the corresponding credit to this account over the vesting period. The amounts recorded in Share options outstanding account are transferred to securities premium upon exercise of ESOPs or PSUs and subsequent allotment of shares. The amount pertaining to ESOPs and PSUs not exercised within the exercise period is transferred to Retained earnings.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

Retained earnings

Retained earnings are the profits that a company has earned to date, less any dividends or other distributions paid to the Shareholders, net of utilisation as permitted under applicable regulations.

Debt instruments through Other Comprehensive Income

This comprises the changes in the fair value of debt instruments recognised in Other Comprehensive Income and accumulated within equity. The Company transfers the amounts from such component of equity to Standalone Statement of Profit and Loss when the relevant debt instruments are derecognised.

Refer 'Other Equity' section in 'Standalone Statement of Changes in Equity' for movement in reserves and surplus during the year.

Note 19 ASSET MANAGEMENT SERVICES

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Investment Management Fee - Mutual fund	**4,103.15**	3,481.91
Portfolio Management Fee, 'AIF and Other Advisory Services' Fee	**15.38**	16.12
Total	**4,118.53**	**3,498.03**

Note 20 OTHER INCOME

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Income from Investments		
Interest Income from Investments		
- On Financial Assets measured at Amortised Cost	**15.60**	16.79
- On Debt instruments measured at Fair Value Through Other Comprehensive Income	**18.17**	0.65
- On Financial Assets measured at Fair Value Through Profit or Loss	**1.18**	-
Interest on deposit with Banks		
- On Financial Assets measured at Amortised Cost	**0.18**	0.01
Net gain on Financial Instruments		
- On Debt instruments measured at Fair Value Through Other Comprehensive Income	**-**	-
- On Financial Assets measured at Fair Value Through Profit or Loss	**453.18**	531.17
Dividend Income from Investments		
- On Financial Assets measured at Fair Value Through Profit or Loss	**1.08**	0.78
Total Income from Investments (A)	**489.39**	**549.40**
Others		
Net gain / (loss) on derecognition of Property, Plant and Equipment	**0.33**	0.08
Other Interest Income	**3.49**	2.18
Miscellaneous Income	**5.52**	8.57
Total Others (B)	**9.34**	**10.83**
Total (A+B)	**498.73**	**560.23**

Notes to Standalone Financial Statements

for the year ended March 31, 2026

Note 21 EMPLOYEE BENEFITS EXPENSES

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, Allowances and Bonus	**382.73**	339.82
Contribution to Provident and Other Funds	**17.33**	15.60
Share Based Payments to Employees*	**69.22**	22.49
Staff Welfare and Training Expenses	**11.60**	10.34
Total	**480.88**	**388.25**

*Accounting for equity settled share based payment transactions (ESOPs and PSUs) 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 ESOPs or PSUs are exercised and subsequent allotment of shares. Hence, this charge is neutral to Equity of the Company.

Note 22 OTHER EXPENSES

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
New Fund Offer and Mutual Fund Expenses	**5.94**	11.37
Advertisement, Publicity and Business Promotion	**53.48**	46.51
Rent	**0.32**	1.52
Rates and Taxes	**0.83**	0.46
Electricity Charges	**6.67**	6.37
Office Cleaning and Security Cost	**25.72**	23.04
Repair and Maintenance	**7.33**	8.11
Communication Expenses	**7.52**	9.04
Printing, Stationery and Courier	**5.73**	6.01
Directors' Sitting Fees, Commission, allowances and expenses	**4.02**	3.52
Auditors Remuneration:		
Audit Fee	**0.39**	0.37
Limited Reviews	**0.25**	0.24
Group Audit and Reviews	**0.37**	0.33
Tax Audit Fee	**0.05**	0.05
Reimbursement of Expenses	**0.07**	0.05
Other Services	**0.02**	0.04
	1.15	**1.08**
Legal and Professional Fees	**16.44**	13.66
Insurance Expenses	**8.45**	8.52
Travel and Conveyance	**11.97**	10.10
Subscription and Membership Fees	**11.29**	11.01
Outsourced Services Cost	**38.33**	33.95
Donations	**0.07**	0.06
Loss on Foreign Exchange Translation (net)	**0.08**	0.05
Corporate Social Responsibility expense as per Section 135 (5) of the Companies Act, 2013 (see note 32)	**42.51**	34.59
Trademark Licence Fees	**15.88**	13.17
Software Expenses and Allied Services	**52.92**	48.38
KYC Expenses related to Mutual Fund Investors	**12.32**	15.33
Net loss on derecognition of debt instruments measured at Fair Value Through Other Comprehensive Income - reclassified to profit or loss	**0.28**	-
Miscellaneous Expenses	**5.07**	6.04
Total	**334.32**	**311.89**

Notes to Standalone Financial Statements

for the year ended March 31, 2026

Note 23 Employee Benefits

a) Defined Contribution Plan

The Company has recognised the following amounts in the Standalone Statement of Profit and Loss, which are included under Contributions to Provident and Other Funds:

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Employer's contribution to Provident Fund	**9.66**	9.27
Employer's contribution to National Pension System	**2.30**	1.84

b) Defined Benefit Plan - Gratuity

In accordance with the applicable Indian laws, the Company has a defined benefit plan which provides for gratuity payments. The plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment, which requires contributions to be made to a separately administered fund.

The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

The amounts are based on the respective employee's last drawn salary and the years of employment with the Company. Liabilities in respect of the gratuity plan are determined by an actuarial valuation, based upon which the Company makes annual contributions to the plan. The plan is funded with a life insurance company in the form of a qualifying insurance policy.

The following tables summaries the components of net employee benefit expense recognised in the Standalone Statement of Profit and Loss, the funded status and amounts recognised in Standalone Balance Sheet.

(i) Changes in Present Value of the Defined Benefit Obligation

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Obligation as at beginning of the year	**49.72**	42.58
Current service cost	**4.80**	4.06
Interest cost	**3.29**	3.03
Benefits paid	**(2.52)**	(4.71)
Actuarial (gains) / losses on obligation - due to change in demographic assumptions	**-**	-
Actuarial (gains) / losses on obligation - due to change in financial assumptions	**(2.00)**	1.58
Actuarial (gains) / losses on obligation - due to experience adjustments	**4.70**	3.18
Obligation as at the end of the year	**57.99**	49.72

Notes to Standalone Financial Statements

for the year ended March 31, 2026

(ii) Change in the Fair Value of Plan Assets

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Fair Value of Plan Assets at the beginning of the year	41.43	36.67
Expected return on plan assets	2.74	2.61
Contributions by the Employer	8.29	5.91
Benefit Paid from the Fund	(2.52)	(4.71)
Actuarial gain / (loss) on plan assets	(1.71)	0.95
Fair Value of Plan Assets at the end of the year	48.23	41.43

(iii) Actual Return on Plan Assets

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Expected return on Plan Assets	2.74	2.61
Actuarial gain / (loss) on Plan Assets	(1.71)	0.95
Actual Return on Plan Assets	1.03	3.56

(iv) Amount recognised in the Standalone Balance Sheet

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Present Value of defined benefit obligation	(57.99)	(49.72)
Fair Value of Plan Assets	48.23	41.43
Funded status [surplus / (deficit)]	(9.76)	(8.29)
Net (Liability) / Asset recognised in the Standalone Balance Sheet	(9.76)	(8.29)

(v) Expenses recognised in the Standalone Statement of Profit and Loss

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current service cost	4.80	4.06
Interest Cost	3.29	3.03
Expected Return on Plan Assets	(2.74)	(2.61)
Expenses recognised in the Standalone Statement of Profit and Loss	5.35	4.48

(vi) Expenses recognised in Standalone Other Comprehensive Income (OCI)

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Actuarial (gains) / losses on Obligation	2.70	4.76
Actuarial (gains) / losses on Plan Assets	1.71	(0.95)
Net (income) / expense for the year recognised in Standalone OCI	4.41	3.81

Notes to Standalone Financial Statements

for the year ended March 31, 2026

(vii) Amount recognised in the Standalone Balance Sheet

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Liability at the end of the year	**57.99**	49.72
Fair Value of Plan Assets at the end of the year	**(48.23)**	(41.43)
Amount recognised in the Standalone Balance Sheet as Liability	**9.76**	8.29

(viii) Balance sheet reconciliation

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Net Liability as at the beginning of the year	**8.29**	5.91
Expenses recognised in the Standalone Statement of Profit and Loss	**5.35**	4.48
Expenses / (Income) recognised in Standalone OCI	**4.41**	3.81
Contributions by the Employer	**(8.29)**	(5.91)
Net Liability / (Asset) recognised in Standalone Balance Sheet	**9.76**	8.29

(ix) Investment Pattern

Particulars	% Invested	
	As at March 31, 2026	As at March 31, 2025
Insurer managed funds:		
Money Market Instruments, Public Deposits and Net Current Assets	**6.27**	6.37
Debentures / Bonds	**66.51**	36.42
Government Securities	**27.22**	57.21

(x) Actuarial Assumptions

Particulars	As at March 31, 2026	As at March 31, 2025
Expected Return on Plan Assets	**7.23%**	6.65%
Rate of Discounting	**7.23%**	6.65%
Rate of Salary Increase	**6.50%**	6.50%
Rate of Employee Turnover	**For service 4 years and below 19.02% p.a. For service 5 years and above 9.34% p.a.**	For service 4 years and below 19.02% p.a. For service 5 years and above 9.34% p.a.
Mortality Rate During Employment	**Indian Assured Lives Mortality 2012-14 (Urban)**	Indian Assured Lives Mortality 2012-14 (Urban)

(xi) The Company generally makes annual contributions to the plan based on the actuarial valuation of 'amount recognised in the Standalone Balance Sheet as Liability at the year end'.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

(xii) The expected contributions to the plan for the next annual reporting period

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
The expected contributions to the plan for the next annual reporting period	**11.73**	3.87

(xiii) Maturity Analysis of the benefit payments

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Projected benefits payable in future years from the date of reporting		
1st Following year	**6.87**	5.65
2nd Following year	**6.55**	4.62
3rd Following year	**7.02**	5.57
4th Following year	**5.82**	5.68
5th Following year	**4.90**	4.64
Sum of years 6 to 10	**27.32**	21.56
Sum of years 11 and above	**38.85**	33.79

The Weighted average duration of the defined benefit obligation is 7 years (March 31, 2025: 8 years)

(xiv) Sensitivity Analysis

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Defined Benefit Obligation on Current Assumptions	**57.99**	49.72
Delta Effect of +1% Change in Rate of Discounting	**(3.16)**	(2.86)
Delta Effect of -1% Change in Rate of Discounting	**3.53**	3.21
Delta Effect of +1% Change in Rate of Salary Increase	**3.52**	3.18
Delta Effect of -1% Change in Rate of Salary Increase	**(3.20)**	(2.88)
Delta Effect of +1% Change in Rate of Employee Turnover	**0.03**	(0.07)
Delta Effect of -1% Change in Rate of Employee Turnover	**(0.04)**	0.07

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the Defined Benefit Obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

Furthermore, in presenting the above sensitivity analysis, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the Defined Benefit Obligation as recognised in the Standalone Balance Sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Risks associated with Defined Benefit Plan:

(i) Interest Rate Risk

A fall in the discount rate which is linked to the G.Sec. rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

(ii) Salary Risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

(iii) Investment Risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities and other debt instruments.

(iv) Asset Liability Matching (ALM) Risk

The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

(v) Mortality Risk

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

(vi) Concentration Risk

Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very low as insurance companies have to follow stringent regulatory guidelines which mitigate risk.

During the year, there were no plan amendments, curtailments and settlements.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

Note 24 Share based payments

Accounting for Employee Share Based Payments

All the below said ESOPs and PSUs have been granted under the Employees Stock Options and Performance-linked Stock Units Scheme-2025 ('ESOP & PSU Scheme 2025') of the Company. Each ESOP and PSU represents one equity share of ₹5/- each. The said ESOPs have been granted at the market price as defined in SEBI (Share Based Employees Benefits) Regulations, 2014. Accordingly, the ESOPs have been granted at the latest available closing price of the shares of the Company on National Stock Exchange of India Limited on the trading day immediately preceding the date on which Grant of ESOPs was approved by the Nomination & Remuneration Committee of the Board of Directors of the Company ('Nomination & Remuneration Committee'). The PSUs have been granted at the face value of ₹5/- each as approved by the Nomination & Remuneration Committee.

Grant Date	Type	Quantity	Exercise price (₹)	Trading day immediately preceding the grant date	Granted to
March 30, 2026	ESOPs	85,100	2,313.90	March 27, 2026	Eligible employees of the Company
March 30, 2026	PSUs	29,200	5.00	NA	
January 14, 2026	ESOPs	41,250	2,485.70	January 13, 2026	
January 14, 2026	PSUs	17,450	5.00	NA	
October 15, 2025	ESOPs	19,730	5,594.00	October 14, 2025	
October 15, 2025	PSUs	7,570	5.00	NA	
July 17, 2025	ESOPs	17,160	5,353.50	July 16, 2025	
July 17, 2025	PSUs	6,040	5.00	NA	
June 20, 2025	ESOPs	10,46,790	4,877.50	June 19, 2025	Eligible employees of the Company and WOS
June 20, 2025	PSUs	2,28,210	5.00	NA	

In terms of ESOP & PSU Scheme 2025, the above ESOPs shall vest in four tranches. These tranches consisting of 10%, 20%, 30% and 40% of the ESOPs granted shall vest on the completion of the 1st, 2nd, 3rd and 4th year respectively from the date of the grant. Any fractional residue shall be settled in the 4th tranche. Further the vesting of ESOPs shall also be dependent on the achievement of the employee's own performance parameters (as defined in ESOP & PSU Scheme 2025) over the vesting period. The ESOPs can be exercised over a period of four years from the date of respective vesting.

In terms of ESOP & PSU Scheme 2025, the above PSUs shall vest in two tranches. These tranches consisting of 30% and 70% of the PSUs granted shall vest on the completion of the 3rd and 4th year respectively from the date of the grant. Any fractional residue shall be settled in the 2nd tranche. Further the vesting of PSUs shall also be dependent on the achievement of the Company level and employee's own performance parameters (as defined in ESOP & PSU Scheme 2025) over the vesting period, wherein Nomination & Remuneration Committee shall determine the extent of fulfilment of the vesting conditions. The PSUs can be exercised over a period of one year from the date of respective vesting.

All the below said ESOPs have been granted under the Employees Stock Option Scheme 2020 ('ESOS 2020') of the Company. Each ESOP represents one equity share of ₹5/- each. The said ESOPs have been granted at the market price as defined in SEBI (Share Based Employees Benefits) Regulations, 2014. Accordingly, the ESOPs have been granted at the latest available closing price of the shares of the Company on National Stock Exchange of India Limited on the trading day immediately preceding the date on which Grant of ESOPs was approved by the Nomination & Remuneration Committee.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

Grant Date	Type	Quantity	Exercise price (₹)	Trading day immediately preceding the grant date	Granted to
January 14, 2025	ESOPs	7,500	3,834.55	January 13, 2025	Eligible employees of the Company and WOS
June 07, 2024		72,000	3,760.50	June 06, 2024	Eligible employees of the Company
April 10, 2024		18,000	3,703.90	April 09, 2024	
January 10, 2024		38,800	3,415.25	January 09, 2024	
April 25, 2023		10,50,000	1,780.90	April 24, 2023	
July 21, 2022		50,000	1,921.70	July 20, 2022	
January 24, 2022		1,82,000	2,369.40	January 21, 2022	
February 22, 2021		11,45,000	2,934.25	February 19, 2021	

In terms of ESOS 2020, the ESOPs shall vest in three tranches. Each of these tranches consisting of 1/3 of the ESOPs granted shall vest on the completion of the 1st, 2nd and 3rd year respectively from the date of the grant. Any fractional residue shall be settled in the 3rd tranche. The ESOPs can be exercised over a period of five years from the date of respective vesting.

Pursuant to the terms of respective Schemes for ESOPs and/or PSUs, in case of a corporate action like bonus issue, rights issue, buyback of shares, stock split of shares, etc., the number of ESOPs and/or PSUs outstanding as at the date of the corporate action and the exercise price under all the relevant Schemes for ESOPs and/or PSUs shall be adjusted in a manner such that total value of the ESOPs and/or PSUs remains the same after the corporate action. Accordingly, the Nomination and Remuneration Committee of the Company has resolved, vide its circular resolution passed on November 25, 2025, to make appropriate adjustments to the existing number and exercise price of the outstanding ESOPs and PSUs pursuant to the issuance of bonus shares [see note 17(a)].

Comparison of exercise price per ESOP and PSU granted before the corporate action:

Name of the Series / Grant	Type	Pre corporate action	Post corporate action
ESOP & PSU Scheme 2025 (Grant Date October 15, 2025)	ESOPs	5,594.00	2,797.00
ESOP & PSU Scheme 2025 (Grant Date October 15, 2025)	PSUs	5.00	5.00
ESOP & PSU Scheme 2025 (Grant Date July 17, 2025)	ESOPs	5,353.50	2,676.75
ESOP & PSU Scheme 2025 (Grant Date July 17, 2025)	PSUs	5.00	5.00
ESOP & PSU Scheme 2025 (Grant Date June 20, 2025)	ESOPs	4,877.50	2,438.75
ESOP & PSU Scheme 2025 (Grant Date June 20, 2025)	PSUs	5.00	5.00
ESOS 2020 (Grant Date January 14, 2025)	ESOPs	3,834.55	1,917.28
ESOS 2020 (Grant Date June 07, 2024)	ESOPs	3,760.50	1,880.25
ESOS 2020 (Grant Date April 10, 2024)	ESOPs	3,703.90	1,851.95
ESOS 2020 (Grant Date January 10, 2024)	ESOPs	3,415.25	1,707.63
ESOS 2020 (Grant Date April 25, 2023)	ESOPs	1,780.90	890.45
ESOS 2020 (Grant Date July 21, 2022)	ESOPs	1,921.70	960.85
ESOS 2020 (Grant Date January 24, 2022)	ESOPs	2,369.40	1,184.70
ESOS 2020 (Grant Date February 22, 2021)	ESOPs	2,934.25	1,467.13

No modifications were made in the terms and conditions of ESOS 2020 and ESOP & PSU Scheme 2025 during the year.

The number of ESOPs vested during the year were 7,00,040 (Previous Year 4,04,518)

Notes to Standalone Financial Statements

for the year ended March 31, 2026

For the year ended March 31, 2026

Particulars	Type	Outstanding at the beginning of the year*	Granted during the year*	Exercised during the year*	Forfeited during the year*	Expired during the year*	Addition due to Bonus issue* [see note 17(a)]	Outstanding at the end of the year*	Exercisable at the end of the year*	For ESOPs and PSUs outstanding at the end of the year	
										Exercise price per ESOP / PSU (₹)	Weighted average remaining contractual life (no. of years)
ESOP & PSU Scheme 2025 (Grant Date March 30, 2026)	ESOPs	Nil	85,100	Nil	Nil	Nil	Nil	85,100	Nil	2,313.90	7.00
ESOP & PSU Scheme 2025 (Grant Date March 30, 2026)	PSUs	Nil	29,200	Nil	Nil	Nil	Nil	29,200	Nil	5.00	4.70
ESOP & PSU Scheme 2025 (Grant Date January 14, 2026)	ESOPs	Nil	41,250	Nil	Nil	Nil	Nil	41,250	Nil	2,485.70	6.80
ESOP & PSU Scheme 2025 (Grant Date January 14, 2026)	PSUs	Nil	17,450	Nil	Nil	Nil	Nil	17,450	Nil	5.00	4.49
ESOP & PSU Scheme 2025 (Grant Date October 15, 2025)	ESOPs	Nil	19,730	Nil	Nil	Nil	19,730	39,460	Nil	2,797.00	6.55
ESOP & PSU Scheme 2025 (Grant Date October 15, 2025)	PSUs	Nil	7,570	Nil	Nil	Nil	7,570	15,140	Nil	5.00	4.25
ESOP & PSU Scheme 2025 (Grant Date July 17, 2025)	ESOPs	Nil	17,160	Nil	Nil	Nil	17,160	34,320	Nil	2,676.75	6.30
ESOP & PSU Scheme 2025 (Grant Date July 17, 2025)	PSUs	Nil	6,040	Nil	Nil	Nil	6,040	12,080	Nil	5.00	4.00
ESOP & PSU Scheme 2025 (Grant Date June 20, 2025)	ESOPs	Nil	10,46,790	Nil	80,400	Nil	10,32,490	19,98,880	Nil	2,438.75	6.23
ESOP & PSU Scheme 2025 (Grant Date June 20, 2025)	PSUs	Nil	2,28,210	Nil	24,605	Nil	2,21,615	4,25,220	Nil	5.00	3.92
ESOS 2020 (Grant Date January 14, 2025)	ESOPs	7,500	Nil	666	Nil	Nil	7,500	14,334	4,334	1,917.28	5.84
ESOS 2020 (Grant Date June 07, 2024)	ESOPs	72,000	Nil	13,334	Nil	Nil	72,000	1,30,666	34,666	1,880.25	5.29
ESOS 2020 (Grant Date April 10, 2024)	ESOPs	18,000	Nil	2,500	Nil	Nil	15,500	31,000	7,000	1,851.95	5.19
ESOS 2020 (Grant Date January 10, 2024)	ESOPs	30,550	Nil	6,551	Nil	Nil	26,533	50,532	30,164	1,707.63	4.94
ESOS 2020 (Grant Date April 25, 2023)	ESOPs	7,59,647	Nil	1,87,832	29,103	Nil	6,13,799	11,56,511	6,06,137	890.45	4.33
ESOS 2020 (Grant Date July 21, 2022)	ESOPs	36,666	Nil	6,666	Nil	Nil	30,000	60,000	60,000	960.85	3.31
ESOS 2020 (Grant Date January 24, 2022)	ESOPs	1,28,666	Nil	66,666	Nil	Nil	62,000	1,24,000	1,24,000	1,184.70	3.09
ESOS 2020 (Grant Date February 22, 2021)	ESOPs	9,65,000	Nil	1,68,634	Nil	Nil	8,16,366	16,12,732	16,12,732	1,467.13	2.06

Notes to Standalone Financial Statements

for the year ended March 31, 2026

For the year ended March 31, 2025

Particulars	Type	Outstanding at the beginning of the year*	Granted during the year*	Exercised during the year*	Forfeited during the year*	Expired during the year*	Outstanding at the end of the year*	Exercisable at the end of the year*	For ESOPs outstanding at the end of the year	
									Exercise price per ESOP (₹)	Weighted average remaining contractual life (no. of years)
ESOS 2020 (Grant Date January 14, 2025)	ESOPs	Nil	7,500	Nil	Nil	Nil	7,500	Nil	3,834.55	6.80
ESOS 2020 (Grant Date June 07, 2024)	ESOPs	Nil	72,000	Nil	Nil	Nil	72,000	Nil	3,760.50	6.19
ESOS 2020 (Grant Date April 10, 2024)	ESOPs	Nil	18,000	Nil	Nil	Nil	18,000	Nil	3,703.90	6.03
ESOS 2020 (Grant Date January 10, 2024)	ESOPs	38,800	Nil	Nil	8,250	Nil	30,550	10,183	3,415.25	5.78
ESOS 2020 (Grant Date April 25, 2023)	ESOPs	9,80,400	Nil	1,52,418	68,335	Nil	7,59,647	1,71,851	1,780.90	5.23
ESOS 2020 (Grant Date July 21, 2022)	ESOPs	50,000	Nil	13,334	Nil	Nil	36,666	20,000	1,921.70	4.49
ESOS 2020 (Grant Date January 24, 2022)	ESOPs	1,82,000	Nil	43,334	10,000	Nil	1,28,666	1,28,666	2,369.40	3.95
ESOS 2020 (Grant Date February 22, 2021)	ESOPs	10,65,000	Nil	1,00,000	Nil	Nil	9,65,000	9,65,000	2,934.25	2.90

*Since all the ESOPs and PSUs were granted at the same exercise price under the respective Grant, the weighted average exercise price per ESOP / PSU for all these groups under the respective Grant is the same.

Total expense arising from equity settled share based payment transactions for the ESOPs and PSUs granted to the eligible employees of the Company, amounting to ₹69.22 Crore (Previous Year ₹22.49 Crore) has been charged to Standalone Statement of Profit and Loss. Further, the cost of ESOPs and PSUs granted to the eligible employees of WOS, amounting to ₹0.21 Crore (Previous Year ₹0.03 Crore) is recognised as a capital contribution to the subsidiary.

The weighted average share price for ESOPs exercised during the year under various Grants was ₹2,619.46 (Previous Year: ₹4,122.11). The price for the current year is arrived at after considering the impact of corporate action for options exercised before the corporate action.

Fair value methodology

The fair value of ESOPs and PSUs used to compute net income and earnings per equity share has been estimated on the date of grant using Black-Scholes model.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

The key assumptions used in Black-Scholes model for calculating fair value under ESOS 2020 and ESOP & PSU Scheme 2025 as on the date of grant were:

Particulars	Type	Risk-free interest rate	Expected average life	Expected volatility	Dividend yield	Fair value per ESOP / PSU (₹)	Fair value per ESOP / PSU after corporate action (₹)
ESOP & PSU Scheme 2025 (Grant Date March 30, 2026)	ESOPs	6.08% - 6.51% p.a.	3.0 - 6.0 Years	29.23% - 30.70%	2.01% p.a.	710.87	NA
ESOP & PSU Scheme 2025 (Grant Date March 30, 2026)	PSUs	6.17% - 6.32% p.a.	3.5 - 4.5 Years	29.75% - 29.76%	2.01% p.a.	2,123.19	NA
ESOP & PSU Scheme 2025 (Grant Date January 14, 2026)	ESOPs	5.82% - 6.24% p.a.	3.0 - 6.0 Years	29.00% - 31.05%	2.01% p.a.	759.30	NA
ESOP & PSU Scheme 2025 (Grant Date January 14, 2026)	PSUs	5.89% - 6.04% p.a.	3.5 - 4.5 Years	29.27% - 29.48%	2.01% p.a.	2,281.07	NA
ESOP & PSU Scheme 2025 (Grant Date October 15, 2025)	ESOPs	5.69% - 6.05% p.a.	3.0 - 6.0 Years	29.15% - 31.92%	2.01% p.a.	1,705.62	852.81
ESOP & PSU Scheme 2025 (Grant Date October 15, 2025)	PSUs	5.76% - 5.88% p.a.	3.5 - 4.5 Years	29.09% - 29.93%	2.01% p.a.	5,138.32	2,569.16
ESOP & PSU Scheme 2025 (Grant Date July 17, 2025)	ESOPs	5.62% - 5.92% p.a.	3.0 - 6.0 Years	29.24% - 32.86%	2.01% p.a.	1,639.03	819.52
ESOP & PSU Scheme 2025 (Grant Date July 17, 2025)	PSUs	5.68% - 5.78% p.a.	3.5 - 4.5 Years	29.58% - 30.85%	2.01% p.a.	4,917.23	2,458.62
ESOP & PSU Scheme 2025 (Grant Date June 20, 2025)	ESOPs	5.62% - 5.90% p.a.	3.0 - 6.0 Years	29.20% - 32.95%	2.01% p.a.	1,492.25	746.13
ESOP & PSU Scheme 2025 (Grant Date June 20, 2025)	PSUs	5.67% - 5.76% p.a.	3.5 - 4.5 Years	29.63% - 30.80%	2.01% p.a.	4,479.67	2,239.84
ESOS 2020 (Grant Date January 14, 2025)	ESOPs	6.49% - 6.51% p.a.	3.5 - 5.5 Years	28.85% - 32.92%	2.16% p.a.	1,133.03	566.52
ESOS 2020 (Grant Date June 07, 2024)	ESOPs	6.68% - 6.70% p.a.	3.5 - 5.5 Years	29.79% - 32.76%	1.75% p.a.	1,201.01	600.51
ESOS 2020 (Grant Date April 10, 2024)	ESOPs	6.77% - 6.80% p.a.	3.5 - 5.5 Years	27.89% - 31.93%	1.75% p.a.	1,162.11	581.06
ESOS 2020 (Grant Date January 10, 2024)	ESOPs	6.78% - 6.82% p.a.	3.5 - 5.5 Years	27.75% - 33.03%	1.75% p.a.	1,084.43	542.22
ESOS 2020 (Grant Date April 25, 2023)	ESOPs	6.66% - 6.76% p.a.	3.5 - 5.5 Years	34.00% - 34.54%	2.48% p.a.	557.31	278.66
ESOS 2020 (Grant Date July 21, 2022)	ESOPs	6.74% - 6.96% p.a.	3.5 - 5.5 Years	34.68% - 36.41%	1.18% p.a.	699.71	349.86
ESOS 2020 (Grant Date January 24, 2022)	ESOPs	5.34% - 5.98% p.a.	3.5 - 5.5 Years	33.91% - 35.52%	0.92% p.a.	826.26	413.13
ESOS 2020 (Grant Date February 22, 2021)	ESOPs	5.04% - 5.66% p.a.	3.5 - 5.5 Years	36.10% - 37.08%	0.84% p.a.	1,053.40	526.70

Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black - Scholes Model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time.

Expected volatility is based on trading history of the Company's share price. However, as on the respective dates of grant in case of ESOS 2020, wherever the trading history of the Company and/or its comparable company(s) listed on the Stock exchange were less than the life of the ESOP, Nifty Financial Services Index was also considered for deriving the volatility.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

Note 25 Tax expense

Components of Income Tax Expense

(a) Amounts recognised in the Standalone Statement of Profit and Loss

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current Tax		
Current income tax expense	**851.87**	730.17
Adjustments related to prior years#	**(45.82)**	-
	806.05	**730.17**
Deferred Tax Charge / (Credit)		
Origination and reversal of temporary differences*	**44.77**	95.22
	44.77	**95.22**
Income Tax expense for the year	**850.82**	**825.39**

(b) Tax on amounts recognised in Standalone Other Comprehensive Income

₹ (in Crore)

Particulars	Tax (expense) / benefit	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Remeasurement of the defined benefit plans	**1.11**	0.96
Fair value changes in debt instruments through Other Comprehensive Income (OCI)	**0.42**	(0.02)
Fair value changes in debt instruments through OCI reclassified to profit or loss	**(0.40)**	-
Total	**1.13**	**0.94**

(c) Reconciliation of Effective Tax Rate

₹ (in Crore)

Reconciliation between the statutory Income tax rate applicable to the Company and the effective Income tax rate of the Company	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before tax	**3,710.18**	3,286.44
Company's domestic tax rate	**25.17%**	25.17%
Tax using the Company's domestic tax rate	**933.78**	827.13
Tax effect of / on:		
Net expenses that are not deductible in determining taxable profit	**13.24**	14.38
Items which are taxed at different rates*	**(46.54)**	(12.01)
Incomes which are exempt from tax	**(3.93)**	(4.23)
Adjustments related to prior years#	**(45.82)**	-
Others	**0.09**	0.12
Total	**(82.96)**	**(1.74)**
Income Tax expense for the year	**850.82**	**825.39**

*As per Finance (No.2) Act 2024, enacted in August 2024, the rates at which capital gains were taxed had changed and indexation benefit had also been withdrawn while calculating long term capital gains on investments. Consequently, the Deferred Tax Liability recognised by the Company on fair value gains on its investments as on March 31, 2024 had increased by ₹43.67 Crore thereby resulting in an additional charge on the Profit After Tax of the Company for year ended March 31, 2025.

#Considering recent assessments orders, the Company has re-assessed its income tax position during the year ended March 31, 2026. As a result of which, the Company has reversed income tax provision for earlier years amounting to ₹45.38 Crore thereby resulting in an additional credit to the Profit After Tax of the Company for year ended March 31, 2026. The said amount is included in 'Adjustments related to prior years' above.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

(d) Effective Tax Rate

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Effective Tax Rate (%)	**22.93**	25.12

(e) Significant components and movement in deferred tax assets and liabilities:

₹ (in Crore)

Particulars	As at April 01, 2025	Charge / (Credit) recognised in Profit and Loss	Charge / (Credit) recognised in OCI	As at March 31, 2026
Deferred Tax Assets				
- Property, Plant and Equipment & Other Intangible Assets (excluding ROU)	**11.50**	**(4.15)**	**-**	**15.65**
- Lease Liabilities	**36.13**	**(17.98)**	**-**	**54.11**
- Employee Benefits	**10.99**	**(0.89)**	**-**	**11.88**
- Others	**2.16**	**(0.62)**	**-**	**2.78**
Total Deferred Tax Assets	**60.78**	**(23.64)**	**-**	**84.42**
Deferred Tax Liabilities				
- Right of Use Asset (ROU)	**33.45**	**18.00**	**-**	**51.45**
- Prepaid Employee Benefits	**0.50**	**0.94**	**-**	**1.44**
- Fair value gains / losses and impairment on Investments	**234.59**	**46.38**	**(0.02)**	**280.95**
- Others	**3.04**	**3.09**	**-**	**6.13**
Total Deferred Tax Liabilities	**271.58**	**68.41**	**(0.02)**	**339.97**
Net Deferred Tax Assets / (Liabilities)	**(210.80)**	**44.77**	**(0.02)**	**(255.55)**

₹ (in Crore)

Particulars	As at April 01, 2024	Charge / (Credit) recognised in Profit and Loss	Charge / (Credit) recognised in OCI	As at March 31, 2025
Deferred Tax Assets				
- Property, Plant and Equipment & Other Intangible Assets (excluding ROU)	11.83	0.33	-	11.50
- Lease Liabilities	31.44	(4.69)	-	36.13
- Employee Benefits	4.12	(6.87)	-	10.99
- Others	1.81	(0.35)	-	2.16
Total Deferred Tax Assets	**49.20**	**(11.58)**	**-**	**60.78**
Deferred Tax Liabilities				
- Right of Use Asset (ROU)	28.30	5.15	-	33.45
- Prepaid Employee Benefits	0.24	0.26	-	0.50
- Fair value gains / losses and impairment on Investments	133.12	101.45	0.02	234.59
- Others	3.10	(0.06)	-	3.04
Total Deferred Tax Liabilities	**164.76**	**106.80**	**0.02**	**271.58**
Net Deferred Tax Assets / (Liabilities)	**(115.56)**	**95.22**	**0.02**	**(210.80)**

Notes:

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Management judgement is required in determining provision for income tax, deferred tax assets and liabilities and recoverability of deferred tax assets. The recoverability of deferred tax assets is based on estimates of taxable income and the period over which deferred tax assets will be recovered. Any changes in future taxable income would impact the recoverability of deferred tax assets.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

Note 26 Related Party Transactions

As per the Indian Accounting Standard on 'Related Party Disclosures' (Ind AS 24), the related parties of the Company with whom there have been transactions during the current / previous year, are as follows:

Sr. No.	Relationship	Name of the Parties
1	Holding Company	HDFC Bank Limited
2	Subsidiary Company	HDFC AMC International (IFSC) Limited
3	Fellow Subsidiaries	HDFC Trustee Company Limited HDFC Life Insurance Company Limited HDFC ERGO General Insurance Company Limited HDFC Securities Limited
4	Other Related Parties	HDFC Asset Management Company Limited Employees' Group Gratuity Assurance Scheme (post-employment benefit plan of the Company)
5	Key Management Personnel (KMP)	Deepak S Parekh Navneet Munot Dhruv Kaji Jairaj Purandare Sanjay Bhandarkar Parag Shah Renu S Karnad Roshni Nadar Malhotra V Srinivasa Rangan
6	Key Management Personnel of Holding Company (except covered in Sr No. 5)	Keki Mistry Kaizad Maneck Bharucha Bhavesh Zaveri
7	Close Family Members of Company's Key Management Personnel and Holding Company's Key Management Personnel	Smita Deepak Parekh Aditya Deepak Parekh Harsha Shantilal Parekh Siddharth Deepak Parekh Bharat Karnad Ashok Sud V Jayam S Anuradha Abinaya Rangan Niharika B Zaveri Mahesh Babu Ramamurthy Devesh Bhanwala

All the transactions with related parties are on arm's length basis. The terms and conditions of these transactions were no more favourable than those available, or those which might reasonably be expected to be available, in similar transactions with non-related parties on an arm's length basis. None of the balances are secured and the settlement of the same will be done in the form of cash or by providing / receiving services as applicable, in the ordinary course of business. The nature and volume of transactions of the Company during the current / previous year with the above related parties were as follows:

Notes to Standalone Financial Statements

for the year ended March 31, 2026

(a) Details of transactions

₹ (in Crore)

Particulars	Holding Company		Subsidiary Company		Fellow Subsidiaries		Other Related Parties	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
EXPENSE								
Lease Rent	**13.81**	12.11	**-**	-	**-**	-	**-**	-
Bank Charges	**0.01**	0.00	**-**	-	**-**	-	**-**	-
Fees and Commission	**3.77**	2.14	**-**	-	**0.30**	0.31	**-**	-
Administration & Other Expenses	**2.62**	2.37	**-**	-	**-**	-	**-**	-
Insurance Premium	**-**	-	**-**	-	**4.58**	4.75	**-**	-
Trademark Licence Fees	**15.88**	13.17	**-**	-	**-**	-	**-**	-
Custodian Charges	**0.03**	0.06	**-**	-	**-**	-	**-**	-
OTHER TRANSACTIONS								
Equity Dividend	**1,009.62**	785.26	**-**	-	**-**	-	**-**	-
Contribution towards Gratuity Fund	**-**	-	**-**	-	**-**	-	**8.29**	5.91
Reimbursement of Expenses incurred by the Company	**-**	-	**0.16**	-	**-**	-	**-**	-
Recovery of Trademark Licence Fees paid by the Company to Holding Company	**-**	-	**0.01**	0.00	**-**	-	**-**	-
Trademark Licence Fees paid by the Company to Holding Company on behalf of WOS	**0.01**	0.00	**-**	-	**-**	-	**-**	-
Capital contribution on account of grant of ESOPs and PSUs	**-**	-	**0.21**	0.03	**-**	-	**-**	-
ASSET								
Bank Balances	**11.85**	12.45	**-**	-	**-**	-	**-**	-
Advance for Expenses	**-**	-	**-**	-	**2.42**	2.72	**-**	-
Account Receivable	**-**	-	**-**	0.00	**-**	-	**-**	-
Prepaid Commission	**1.66**	1.37	**-**	-	**2.21**	2.48	**-**	-
Prepaid Insurance Premium	**-**	-	**-**	-	**0.05**	0.04	**-**	-
Security Deposit	**4.32**	0.47	**-**	-	**-**	-	**-**	-
Investment in subsidiary	**-**	-	**34.24**	34.03	**-**	-	**-**	-
LIABILITY								
Account Payable	**2.81**	3.13	**-**	-	**0.02**	0.02	**-**	-

Note:

The Company provides the necessary operating and secretarial services, etc. to HDFC Trustee Company Limited to meet the operating and compliance requirements of the company in line with SEBI (Mutual Funds) Regulations, 1996. The Company does not charge any amount in line with practice followed by the mutual fund industry.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

(b) Details of remuneration to Company's KMPs

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(A) Managing Director & Chief Executive Officer		
Short term employee benefits	**10.86**	9.00
Post employment benefits	**0.43**	0.37
Other long term benefits	**0.11**	0.12
Share based payment	**3.99**	1.13
Other benefits	**0.06**	0.07
Total (A)	**15.45**	**10.69**
(B) Other Directors		
Directors Sitting Fees	**1.92**	1.42
Commission to Non Executive Directors*	**2.10**	2.10
Other benefits	**0.07**	-
Total (B)	**4.09**	**3.52**
Total Remuneration (A+B)	**19.54**	**14.21**

*Commission is approved by the Board of Directors within the limit as approved by the shareholders of the Company and will be paid post adoption of annual accounts by the shareholders.

(c) Details of dividend paid to Company's KMPs

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Dividend on Equity Shares	**3.73**	2.90

(d) Details of dividend paid to close family members of Company's KMPs, Holding Company's KMPs and close family members of Holding Company's KMPs

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Dividend on Equity Shares	**0.94**	0.73

Notes to Standalone Financial Statements

for the year ended March 31, 2026

Note 27 Earnings Per Share

Basic earnings per share (EPS) is calculated by dividing the profit after tax for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the profit after tax for the year attributable to equity shareholders of the Company adjusted for the effects of all dilutive potential ordinary shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares. There is no effect of dilutive potential ordinary shares on profit after tax for the year attributable to equity shareholders of the Company.

The relevant details as described above are as follows:

₹ (in Crore except equity share data)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit after tax for the year (numerator for calculating Basic and Diluted EPS)	**2,859.36**	2,461.05
Weighted Average equity shares outstanding during the year*	**42,80,39,582**	42,72,69,632

Following is the reconciliation between basic and diluted earnings per equity share:

₹

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Nominal value per share	**5.00**	5.00
Basic earnings per share*	**66.80**	57.60
Effect of potential equity shares for ESOPs and PSUs (per share)*	**(0.27)**	(0.20)
Diluted earnings per share*	**66.53**	57.40

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Weighted average number of equity shares used in computing basic earnings per equity share*	**42,80,39,582**	42,72,69,632
Effect of potential equity shares for outstanding ESOPs and PSUs*	**17,41,392**	15,31,778
Weighted average number of equity shares used in computing diluted earnings per equity share*	**42,97,80,974**	42,88,01,410
Weighted average number of anti dilutive ESOPs and PSUs not considered in computing diluted earnings per equity share*	**1,58,588**	11,786

*The earnings per share and number of shares outstanding for the year ended March 31, 2025, have been proportionately adjusted to reflect the effect of bonus share issuance [see note 17(a)].

Notes to Standalone Financial Statements

for the year ended March 31, 2026

Note 28 Leases

A. The Company has entered into leasing arrangements for premises. Majority of the leases are cancellable by the Company. Right of Use assets have been included under the line 'Property, Plant and Equipment' and Lease liabilities have been included under 'Other Financial Liabilities' in the Standalone Balance Sheet.

(i) Amounts recognised in the Standalone Balance sheet

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Right of Use assets (net) (Property, Plant and Equipment)	**204.42**	132.88
(b) Lease liabilities		
Current	**46.34**	31.29
Non-current	**168.69**	112.29
Total Lease liabilities	**215.03**	**143.58**

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(c) Additions to the Right of Use assets	**129.77**	68.21

(ii) Amounts recognised in the Standalone Statement of Profit and Loss

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Depreciation charge for Right of Use assets	**48.49**	41.13
(b) Interest expense (included in finance costs)	**13.27**	9.41
(c) Expense relating to short-term leases	**0.32**	1.52

(iii) Cash Flows

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
The total cash outflow of leases	**57.24**	49.35

(iv) Future Commitments

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Future undiscounted lease payments to which leases is not yet commenced	**4.61**	36.51

Notes to Standalone Financial Statements

for the year ended March 31, 2026

(v) Maturity analysis of undiscounted lease liabilities

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Before 3 months	**15.40**	10.97
3 – 6 months	**15.14**	10.34
6 – 12 months	**29.01**	19.28
1 – 3 years	**93.22**	61.59
3 – 5 years	**50.18**	36.96
Above 5 years	**57.82**	36.88
Total	**260.77**	**176.02**

(vi) All the future cash flows to which the lessee is potentially exposed are reflected in the measurement of lease liabilities.

(vii) The Company currently does not have any sale and lease back transactions.

B. Finance Lease

(i) The Company has provided vehicles to certain employees which have been treated as finance leases.

₹ (in Crore)

Quantitative Disclosures	For the year ended March 31, 2026	For the year ended March 31, 2025
Selling profit / (loss)	**(0.06)**	(0.02)
Finance income on the net investment in the lease	**1.19**	0.85
Lease income relating to variable lease payments not included in the measurement of the net investment in the lease	**-**	-

(ii) Significant changes in the carrying amount of the net investment in the lease

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Lease receivables as at the beginning of the year	**9.43**	9.45
Add: Finance income on the net investment in the lease	**1.19**	0.85
Add: New leases entered during the year	**13.22**	4.08
Less: Lease payments received during the year	**6.84**	4.95
Lease receivables as at the end of the year	**17.00**	**9.43**

Notes to Standalone Financial Statements

for the year ended March 31, 2026

(iii) The following table sets out a maturity analysis of lease receivables:

₹ (in Crore)

Maturity Analysis of the Lease payments Receivables	As at March 31, 2026	As at March 31, 2025
	Minimum Lease payments receivables	
Less than one year	**6.19**	4.63
One to two years	**5.20**	3.35
Two to three years	**3.74**	2.07
Three to four years	**3.26**	0.48
Four to five years	**1.55**	-
More than five years	**-**	-
Total undiscounted lease payments receivable	**19.94**	**10.53**
Less: unearned finance income	**2.94**	1.10
Present value of lease receivables*	**17.00**	**9.43**

*Present value of lease receivables represent the Current Future Outstanding Principal

(iv) Risk Management Framework for finance leases

The table represents categories of collaterals available against the finance lease exposures:

₹ (in Crore)

Particulars	Collateral available	As at March 31, 2026	As at March 31, 2025
Finance lease receivables	Hypothecation of the underlying car financed	**17.00**	9.43

The Company has framed Car Policy to provide use of the Company owned car for the commute from residence to workplace, for the discharge of their official functions and for personal use to certain selected employees of the Company. As per the Car Policy of the Company, the car is registered in the name of the Company and will remain the property of the Company till it is duly transferred to employee in accordance with the Car Policy and after recovery of all lease receivables. In case of separation of employee from the Company, outstanding lease receivables are recovered/adjusted from employee's full and final settlement in accordance with the Car Policy.

Note 29 Segment Information

(a) Description of segments and principal activities

The Company is in the business of providing asset management services to mutual funds & alternative investment funds and portfolio management & advisory services to clients. The Company's financial statements are largely reflective of the asset management business and accordingly, there are no separate reportable segments as per Ind AS 108, Operating Segment.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM's function is to allocate the resources of the entity and assess the performance of the operating segment of the Company.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

(b) Segment Revenue

The amount of its revenue from external customers broken down by location of the customers is shown in the table below:

₹ (in Crore)

Revenue	For the year ended March 31, 2026	For the year ended March 31, 2025
Within India	**4,117.06**	3,497.99
Outside India	**1.47**	0.04
Total	**4,118.53**	**3,498.03**

(c) All assets of the Company are domiciled in India.

(d) Information about revenue from major customers

There is only one customer contributing in excess of 10% of the total revenue of the Company. The amounts for the same are as follows:

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from HDFC Mutual Fund	**4,103.15**	3,481.91

Note 30 Contingent Liabilities and Commitments

₹ (in Crore)

Particulars			As at March 31, 2026	As at March 31, 2025
(a)	Contingent liabilities:			
	-	Claims against the Company not acknowledged as debt:		
		(i) Disputed Income Tax demand	**18.07**	7.54
		(ii) Disputed Goods and Services Tax demand	**0.51**	0.20
		(iii) Other matters*	**0.34**	-
(b)	Commitments:			
	(i)	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	**12.57**	5.68
	(ii)	Uncalled liability on shares and other investments partly paid	**456.90**	321.62

*One of the investors had filed a claim against six entities including the Company before the Adjudicating Authority, Bhopal under the IT Act, 2000; and involves alleged forgery and redemption by the employee of the distributor which is a party to the case. All Parties defended the claim through appropriate representation before the forum.

The Adjudicating Authority has passed an Order on December 4, 2025 in which the Company is required to pay ₹0.34 Crore to the investor. The other parties are also required to pay varying amounts to the investor. Upon perusal of the order, the Company believes that it has valid grounds and legal case to appeal the said Order; and has taken necessary steps in this regard including obtaining a Stay on the said Order by filing an appeal before the Appellate Authority and depositing the said amount with the Authority.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

Note 31 Trade Payables

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMEDA) which came into force from October 02, 2006, certain disclosures are required to be made relating to Micro and Small enterprises. On the basis of the information and records available with the management, the following disclosures are made for the amounts due to the Micro and Small enterprises, which have registered with the competent authorities.

₹ (in Crore)

Particulars		As at March 31, 2026	As at March 31, 2025
(i)	Principal amount remaining unpaid to any supplier as at the year end	**2.26**	1.73
(ii)	Interest due thereon	**Nil**	Nil
(iii)	Amount of interest paid by the Company in terms of section 16 of the MSMEDA, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	**Nil**	Nil
(iv)	Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMEDA	**Nil**	Nil
(v)	Amount of interest accrued and remaining unpaid at the end of the accounting year	**Nil**	Nil

Dues to Micro and Small Enterprises have been determined on the basis of information collected by the Company.

Note 32 Corporate Social Responsibility (CSR) Expense

The gross amount required to be spent by the Company during the year towards Corporate Social Responsibility as per Section 135(5) of the Companies Act, 2013 is as follows:

₹ (in Crore)

	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(i)	Gross amount required to be spent by the Company during the year	**42.51**	34.59
(ii)	Amount approved by the Board to be spent during the year	**42.51**	34.59

(iii) **Amount spent**

₹ (in Crore)

	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
	Amount spent during the year on creation / acquisition of any capital asset	**12.53**	3.02
	Amount spent during the year on purposes other than creation / acquisition of any capital asset*	**29.98**	31.57
	Total	**42.51**	**34.59**

*This also includes the amount for Administrative overheads and Impact assessment.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

(iv) Details of CSR Activities for the financial year ended March 31, 2026

Details of Other than Ongoing CSR Projects

Organisation / Project	Purpose
Indian Cancer Society – Cancer Cure Fund	To promote healthcare by providing financial aid for treatment of underprivileged and low-income patients diagnosed with any curable/ early detected cancers through the empanelled hospitals.
Indian Cancer Society – AKITF	To promote healthcare by providing financial aid to underprivileged and low-income patients who are unable to afford the initial costs of diagnosis and/or treatment for cancer through the empanelled hospitals.
Dharamshala Project	To promote healthcare by providing support to the Dharamshala Project for affordable accommodation to outstation cancer patients of TATA Memorial Hospital and their families.
St. Jude India Childcare Centres	To promote healthcare towards accommodation, nutrition, transportation and emotional well-being to cancer affected families whose children are undergoing treatment in Mumbai.
Deepsikha	To promote healthcare by providing financial aid towards operation of buses for cancer patients.
The CHILDS Trust (Kanchi Kamakoti Childs Trust Hospital)	To promote healthcare by providing financial aid towards setting up of infrastructure for paediatric care services.
Shree Bhagwan Mahaveer Viklang Sahayata Samiti	To promote healthcare towards provide mobility aids/appliances to physically challenged persons in Ahmedabad/Jaipur centres.
Ramakrishna Mission Sevashrama (Charitable Hospital)	To promote healthcare by providing support with setting up a Radiotherapy Unit with a dedicated Oncology block wherein all cancer treatment services will provided at the Unit.
Sri Satya Sai Health and Education trust	To promote healthcare by providing financial aid in setting up of a unique Hospital building in the Vidarbha region of Yavatmal.
Lifeline Foundation	To promote healthcare by providing training of 500 AYUSH practitioners starting current year in addressing child mortalities under the age of 5 years.
Urban Nature Habitat (Urban Forest Project)	To promote environmental sustainability and ecological balance through Urban Forest using Akira Miyawaki technique and rejuvenating the water body part of the project site.
Foundation for Promotion of Sports and Games (Olympic Gold Quest)	To promote Olympic and Paralympic sports by providing financial support for coaching sporting equipment for athletes.
Sports Excellence Trust	To promote sports by providing financial support towards the maintenance, repairs and upkeep of the academy.
Snehalaya	To promote education by promoting redirecting children to mainstream education and supporting 100 children in Shelter Home with skill building opportunities.
Parivaar Education Society	To eradicate malnutrition and promote education for children by establishing Seva Kutirs in the villages of Madhya Pradesh The Funds would be utilised towards the operation of 51 Seva Kutirs.
The Bombay Scottish Orphanage Society	To promote education by providing financial aids for construction of Bombay Scottish school building at Mahim, Mumbai.
PM Internship stipend	To provide internship opportunity for youth to gain exposure to real business environment, and employability skills.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

(v) Details of CSR Activities for the financial year ended March 31, 2025

Details of Other than Ongoing CSR Projects

Organisation / Project	Purpose
Indian Cancer Society – Cancer Cure Fund	To promote healthcare by providing financial aid for treatment of underprivileged and low-income patients diagnosed with any curable/ early detected cancers through the empanelled hospitals.
Indian Cancer Society – AKITF	To promote healthcare by providing financial aid to underprivileged and low-income patients who are unable to afford the initial costs of diagnosis and or treatment for cancer through the empanelled hospitals.
Dharamshala Project	To promote healthcare by providing support to the Dharamshala Project for affordable accommodation to out-station cancer patients of TATA Memorial Hospital and their families.
Akshaya Patra Foundation	To promote education and eradication of malnutrition by providing mid-day meals to the Government school children and thereby eradicate class-room hunger and malnutrition.
St. Jude's India	"Home away from Home" for families whose children are undergoing treatment for cancer in major cities of India.
Udhavum Ullangal Public Charitable Trust	To promote healthcare by providing financial aids for construction of Nellai Cancer Hospital in Tamil Nadu.
King George V Memorial Trust	To promote healthcare by providing financial aids to purchase of an ambulance for Palliative Care Centre.
Deepsikha	To promote healthcare by providing financial aid towards operations of buses for cancer patients.
Parivaar Education Society	To eradicate malnutrition and promote education for children by establishing Seva Kutirs in the villages of Madhya Pradesh. The Funds would be utilised towards the operation of 85 Seva Kutirs.
Ashoka University	To promote education by providing support towards infrastructure.
Bombay Scottish Orphanage Society	To promote education by providing financial aids for construction of Bombay Scottish school building at Mahim.
Snehalaya	To promote education by supporting providing financial aid for educational of underprivileged children.
Catalysts for Social Action	To promote education by providing comprehensive support, focusing on physical, emotional, personal, and spiritual well-being, and learning of children.
Urban Forest Project (Biodiversity Park)	To promote environmental sustainability and ecological balance through Urban Forest using Akira Miyawaki technique and rejuvenating the water body part of the project site.
Olympic Gold Quest	To promote Olympic and Paralympic sports by providing financial support for coaching & sporting equipment for athletes.
Prime Minister's Internship Scheme	To provide internship opportunity for youth to gain exposure to real life business environment and employability skills.

Notes to Standalone Financial Statements

for the year ended March 31, 2026

(vi) Contribution for CSR

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening Balance:		
- With Company	-	-
- In Separate CSR Unspent A/c	-	-
Amount Transferred in Separate CSR Unspent A/c during the year		
- From balance with the Company	-	-
- To Separate CSR Unspent A/c	-	-
Amount required to be spent during the year as per Section 135(5) of the Companies Act, 2013	42.51	34.59
Amount spent during the year:		
- From Company's bank A/c	42.51	34.59
- From Separate CSR Unspent A/c	-	-
Closing Balance:		
- With Company	-	-
- In Separate CSR Unspent A/c	-	-

(vii) Excess amount spent

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening Balance	-	-
Amount required to be spent during the year	42.51	34.59
Amount spent during the year	42.51	34.59
Closing Balance	-	-

Note 33 Dividend Paid and Proposed

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Dividends on equity shares declared and paid during the year:		
Final dividend		
Paid for the earlier financial year	1,925.19	-
Dividend per share for the earlier financial year (₹)	90.00[$]	-
Interim dividend*		
Paid for the earlier financial year	-	1,495.05
Dividend per share for the earlier financial year (₹)	-	70.00[$]
Total dividend paid	**1,925.19**	**1,495.05**
Dividend on Equity Shares proposed by the Board of Directors for approval at Annual General Meeting (not recognised as a liability at the respective year end)		
Final dividend for the same financial year	2,313.36	1,924.14
Dividend per share for the same financial year (₹)	54.00	90.00[$]

*During the year ended March 31, 2025, the Company had declared and paid an interim dividend of ₹70 per equity share (face value of ₹5 each) (pre-bonus) for the year ended March 31, 2024 as approved by its Board of Directors at the meeting held on June 07, 2024 instead of the final dividend as proposed earlier on April 19, 2024. The same has also been confirmed by the Shareholders of the Company at the Annual General Meeting held on July 25, 2024.

[$]The per share data is on pre-bonus basis [see note 17(a)].

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Note 34 Capital Management

Equity share capital and other equity are considered for the purpose of Company's capital management. The Company manages its capital in a manner which enables it to safeguard its ability to continue as a going concern and to optimise returns to the Shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investors', creditors' and market confidence. The funding requirements are met through operating cash flows and other equity. The management monitors the return on capital and the board of directors monitors the level of dividends paid to shareholders of the Company. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure. As of March 31, 2026 and March 31, 2025, the Company has only one class of equity shares and has no debt. In the absence of any debt, the monitoring of debt equity ratio may not be appropriate for the Company. As of March 31, 2026 the Equity Share Capital is ₹214.20 Crore (Previous Year: ₹106.90 Crore) and Other Equity is ₹9,016.89 Crore (Previous Year: ₹8,027.24 Crore). Certain minimum networth requirements for the business have been laid down by SEBI. The same is monitored on regular basis and have been complied with.

Note 35 Financial Instruments

A. Classification and Fair Values of Financial Assets & Liabilities

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

₹ (in Crore)

Particulars	Carrying Amount				Fair Value			
As at March 31, 2026	FVTPL	FVOCI	Amortised Cost	Total Carrying amount	Level 1	Level 2	Level 3	Total
Financial Assets								
Investments in:#								
Mutual Funds	8,574.53	-	-	8,574.53	8,392.88	181.65	-	8,574.53
Debt Securities	3.70	-	234.47	238.17	-	239.53	3.70	243.23
Equity Instruments	24.22	-	-	24.22	-	-	24.22	24.22
Alternative Investment Funds	525.07	-	-	525.07	-	39.42	485.65	525.07
Trade Receivables*	-	-	158.20	158.20				158.20
Cash and Cash Equivalents*	-	-	10.97	10.97				10.97
Other Bank Balances*	-	-	13.20	13.20				13.20
Other Financial Assets*	-	-	45.48	45.48				45.48
Total	9,127.52	-	462.32	9,589.84	8,392.88	460.60	513.57	9,594.90
Financial Liabilities								
Trade Payables*	-	-	45.61	45.61				45.61
Other Financial Liabilities								
Lease Liabilities	-	-	215.03	215.03	-	214.40	-	214.40
Others*	-	-	111.04	111.04				111.04
Total Other Financial Liabilities	-	-	326.07	326.07	-	214.40	-	325.44
Total	-	-	371.68	371.68	-	214.40	-	371.05

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for the year ended March 31, 2026

₹ (in Crore)

Particulars	Carrying Amount				Fair Value			
As at March 31, 2025	FVTPL	FVOCI	Amortised Cost	Total Carrying amount	Level 1	Level 2	Level 3	Total
Financial Assets								
Investments in:#								
Mutual Funds	7,507.56	-	-	7,507.56	7,322.68	184.88	-	7,507.56
Debt Securities	8.39	100.74	261.45	370.58	-	373.71	8.39	382.10
Equity Instruments	24.40	-	-	24.40	-	-	24.40	24.40
Alternative Investment Funds	345.66	-	-	345.66	-	37.42	308.24	345.66
Venture Capital Fund	6.64	-	-	6.64	-	-	6.64	6.64
Trade Receivables*	-	-	133.18	133.18				133.18
Cash and Cash Equivalents*	-	-	11.58	11.58				11.58
Other Bank Balances*	-	-	1.17	1.17				1.17
Other Financial Assets*	-	-	39.60	39.60				39.60
Total	**7,892.65**	**100.74**	**446.98**	**8,440.37**	**7,322.68**	**596.01**	**347.67**	**8,451.89**
Financial Liabilities								
Trade Payables*	-	-	39.56	39.56				39.56
Other Financial Liabilities								
Lease Liabilities	-	-	143.58	143.58	-	145.53	-	145.53
Others*	-	-	101.06	101.06				101.06
Total Other Financial Liabilities	**-**	**-**	**244.64**	**244.64**	**-**	**145.53**	**-**	**246.59**
Total	**-**	**-**	**284.20**	**284.20**	**-**	**145.53**	**-**	**286.15**

#Investment in subsidiary which are carried at cost have not been included above.

*Fair value of cash and cash equivalents, other bank balances, trade receivables, other financial assets, trade payables and other financial liabilities (excluding lease liabilities) approximate their carrying amounts largely due to current maturities of these instruments. Accordingly, fair value hierarchy for these financial instruments have not been presented above.

For the purpose of disclosure, quoted price is considered as the fair value of financial assets that are measured at amortised cost. However, they are shown under level 2 in the fair value hierarchy as they are thinly traded.

B. Fair value hierarchy

The fair value of financial assets or financial liabilities is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities and lowest priority to unobservable inputs.

The hierarchy used is as follows:

Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Investment in open ended Mutual Funds are included in Level 1.

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for the year ended March 31, 2026

Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). Lease liabilities and Investment in close ended Mutual Funds, Alternative Investment Fund and Debt Securities that are not traded in active market are included in Level 2.

Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. Investment in unlisted Debt Securities, unlisted Equity Instruments, Alternative Investment Funds and Venture Capital Fund are included in Level 3.

C. Valuation techniques used to determine fair value

Financial instrument	Valuation technique
Mutual Funds	Net Asset Value (NAV) declared by the mutual fund at which units are issued or redeemed / quoted price
Debt Securities	Discounted cash flow based on present value of the expected future economic benefit / quoted price
Equity Instruments	Underlying Asset Approach / Discounted cash flow based on present value of the expected future economic benefit
Alternative Investment Funds and Venture Capital Fund	Net Asset Value (NAV) provided by issuer fund which is arrived based on valuation from independent valuer for unlisted portfolio companies, quoted price of listed portfolio companies and price of recent investments
Lease Liabilities	Discounted cash flows based on present value of expected payments, discounted using a risk-adjusted discount rate

In order to assess Level 3 valuations as per Company's investment policy, the management reviews the performance of the investee companies (including unlisted portfolio companies of venture capital fund and alternative investment funds) on a regular basis by tracking their latest available information, valuation report of independent valuers, recent transaction results, investor reports etc. which are considered in valuation process.

The finance department of the Company includes the team that performs the valuation of financial assets and liabilities required for financial reporting purposes, including level 3 fair value. The team is supervised by the Chief Financial Officer (CFO) of the Company. Discussions of valuation processes and results are held between the valuation team and the senior management at least once every three months which is in line with the Company's quarterly reporting periods.

D. Valuation inputs and relationship to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurement.

As at March 31, 2026

Financial Instrument	Significant unobservable inputs	Probability weights / range	Sensitivity of input to fair value measurement
Debt Securities	Valuation Factor	10% - 20%	A 10% increase in the valuation factor would decrease the carrying value of investment by ₹0.37 Crore. A 10% decrease in the valuation factor would increase the carrying value of investment by ₹0.37 Crore.
Equity Instruments	Valuation Factor	10% - 20%	A 10% increase in the valuation factor would decrease the carrying value of investment by ₹2.42 Crore. A 10% decrease in the valuation factor would increase the carrying value of investment by ₹2.42 Crore.
Alternative Investment Funds	Net Asset Value (NAV)	0.90x -1.10x	A 10% increase in the NAV would increase the carrying value of investment by ₹48.57 Crore. A 10% decrease in the NAV would decrease the carrying value of investment by ₹48.57 Crore.

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As at March 31, 2025

Financial Instrument	Significant unobservable inputs	Probability weights / range	Sensitivity of input to fair value measurement
Debt Securities	Valuation Factor	10% - 20%	A 10% increase in the valuation factor would decrease the carrying value of investment by ₹0.84 Crore. A 10% decrease in the valuation factor would increase the carrying value of investment by ₹0.84 Crore.
Equity Instruments	Valuation Factor	10% - 20%	A 10% increase in the valuation factor would decrease the carrying value of investment by ₹2.44 Crore. A 10% decrease in the valuation factor would increase the carrying value of investment by ₹2.44 Crore.
Alternative Investment Funds	Net Asset Value (NAV)	0.90x -1.10x	A 10% increase in the NAV would increase the carrying value of investment by ₹30.83 Crore. A 10% decrease in the NAV would decrease the carrying value of investment by ₹30.83 Crore.
Venture Capital Fund	Net Asset Value (NAV)	0.90x -1.10x	A 10% increase in the NAV would increase the carrying value of investment by ₹0.66 Crore. A 10% decrease in the NAV would decrease the carrying value of investment by ₹0.66 Crore.

E. Fair value measurement using significant unobservable inputs (level 3)

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values:

₹ (in Crore)

Particulars	Debt Securities	Equity Instruments	Alternative Investment Funds	Venture Capital Fund	Total
Balance as at April 01, 2024	**8.22**	**24.27**	**171.29**	**5.33**	**209.11**
Net gain / (losses) on Financial Instruments recognised in Other Income:					
- Realised	-	-	1.42	-	1.42
- Unrealised	0.17	0.13	2.89	1.31	4.50
Purchases of Financial Instruments	-	-	147.98	-	147.98
Sales of Financial Instruments	-	-	(15.34)	-	(15.34)
Balance as at March 31, 2025	**8.39**	**24.40**	**308.24**	**6.64**	**347.67**
Net gain / (losses) on Financial Instruments recognised in Other Income:					
- Realised	**-**	**-**	**9.20**	**-**	**9.20**
- Unrealised	**(4.69)**	**(0.18)**	**29.36**	**-**	**24.49**
Change in nature of instrument	**-**	**-**	**6.64**	**(6.64)**	**-**
Purchases of Financial Instruments	**-**	**-**	**165.81**	**-**	**165.81**
Sales of Financial Instruments	**-**	**-**	**(33.60)**	**-**	**(33.60)**
Balance as at March 31, 2026	**3.70**	**24.22**	**485.65**	**-**	**513.57**

F. Financial Risk Management

Risk management is an integral part of the business practices of the Company. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance. The financial risks are managed in accordance with the Company's policy on enterprise risk management which has been approved by its Board of Directors. The Company's Board of Directors has ultimate responsibility for monitoring the risk profile of the Company. The purpose of risk management is to identify potential problems before they occur, so that risk-handling activities may be planned and invoked as needed to manage adverse impacts on achieving objectives.

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The Audit Committee of the Company reviews the development and implementation of the policy on enterprise risk management of the Company on periodic basis. The Audit Committee provides guidance on the risk management activities, review the results of the risk management process and reports to the Board of Directors on the status of the risk management initiatives.

The Company has exposure to the following risks arising from Financial Instruments:

Risk	Exposure arising from
Credit Risk	Cash and cash equivalents, other bank balances, trade receivables, other financial assets measured at amortised cost, and debt securities measured at FVOCI
Liquidity Risk	Financial liabilities
Market Risk - Foreign Exchange	Recognised financial assets not denominated in ₹
Market Risk - Interest Rate	Investments in debt securities and fixed deposits with bank
Market Risk - Price	Investments in equity securities, units of mutual funds, debt securities measured at FVTPL, venture capital fund, alternative investment funds and debt securities measured at FVOCI

i. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's trade receivables, cash and cash equivalents, other bank balances, other financial assets measured at amortised cost and debt securities measured at FVOCI.

Exposure to credit risk is mitigated through regular monitoring of collections, counterparty's creditworthiness and diversification in exposure.

Exposure to credit risk

The carrying amount of financial assets represents maximum amount of credit exposure. The maximum exposure to credit risk is as per the table below, it being total of carrying amount of cash and cash equivalent, other bank balances, trade receivables, other financial assets measured at amortised cost and debt securities measured at FVOCI.

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Maximum exposure to credit risk	**462.32**	547.63

Expected Credit Loss (ECL) on Financial Assets

The Company continuously monitors all financial assets subject to ECLs. In order to determine whether an instrument is subject to 12 month ECL (12mECL) or life time ECL (LTECL), the Company assesses whether there has been a significant increase in credit risk or the asset has become credit impaired since initial recognition. The Company applies following quantitative and qualitative criteria to assess whether there is significant increase in credit risk or the asset has been credit impaired:

- Historical trend of collection from counterparty
- Company's contractual rights with respect to recovery of dues from counterparty
- Credit rating of counterparty and any relevant information available in public domain

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ECL is a probability weighted estimate of credit losses. It is measured as the present value of cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with contract and the cash flows that the Company expects to receive).

The Company has four types of financial assets that are subject to the expected credit loss:

- Trade receivables and other financial assets
- Cash and cash equivalents and other bank balances
- Investment in debt securities measured at amortised cost
- Investment in debt securities measured at FVOCI

Trade Receivables and Other Financial Assets

Exposures to customers' outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Historical trends of collection from counterparties on timely basis reflects low level of credit risk. As the Company has a contractual right to such receivables as well as control over preponderant amount of such funds due from customers, the Company does not estimate any credit risk in relation to such receivables. Further, management believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour.

The Company has placed security deposit with lessors for premises leased by the Company. The Company does not perceive any significant decline in credit risk profile of the lessors where the amount of security deposit is material and hence expected probability of default is low.

Cash and Cash Equivalents and Other Bank Balances

The Company holds cash and cash equivalents and other bank balances as per note 4 and 5. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be high.

Investment in Debt Securities measured at amortised cost

The Company has made investments in tax free bonds. Funds are invested after taking into account parameters like safety, liquidity and post tax returns etc. The Company avoids concentration of credit risk by spreading them over several counterparties with good credit rating profile and sound financial position. The Company's exposure and credit ratings of its counterparties are monitored on an ongoing basis. Accordingly, the expected probability of default is low.

Investment in Debt Securities measured at FVOCI

The Company has made investments in non-convertible debentures. Funds are invested after taking into account parameters like liquidity, credit rating, safety and sound financial position of the counterparties. The Company's exposure and credit ratings of its counterparties are monitored on an ongoing basis. Accordingly, the expected probability of default is low.

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ii. Liquidity Risk

Liquidity risk is defined as the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Company might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Company on acceptable terms.

To limit this risk, management has adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a regular basis. The Company has developed internal control processes for managing liquidity risk.

The Company maintains a portfolio of highly marketable and diverse assets that are assumed to be easily liquidated in the event of an unforeseen interruption in cash flow. The Company assesses the liquidity position under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Company.

Exposure to Liquidity Risk

The table below analyses the Company's financial liabilities into relevant maturity pattern based on their contractual maturities for all financial liabilities.

₹ (in Crore)

As at March 31, 2026	Carrying amount	Contractual Cash Flows		
		Total	1 year or less	More than 1 year
Financial Liabilities				
Trade Payables	**45.61**	**45.61**	**45.61**	**-**
Lease Liabilities (remaining contractual maturities)	**215.03**	**260.77**	**59.55**	**201.22**
Other Financial Liabilities (excluding Lease Liabilities)	**111.04**	**111.04**	**111.04**	**-**
Total	**371.68**	**417.42**	**216.20**	**201.22**

₹ (in Crore)

As at March 31, 2025	Carrying amount	Contractual Cash Flows		
		Total	1 year or less	More than 1 year
Financial Liabilities				
Trade Payables	39.56	39.56	39.56	-
Lease Liabilities (remaining contractual maturities)	143.58	176.02	40.59	135.43
Other Financial Liabilities (excluding Lease Liabilities)	101.06	101.06	101.06	-
Total	**284.20**	**316.64**	**181.21**	**135.43**

Notes to Standalone Financial Statements

for the year ended March 31, 2026

iii. Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows related to financial instrument that may result from adverse changes in market rates and prices (such as foreign exchange rates, interest rates, other prices). The Company is exposed to market risk primarily related to currency risk, interest rate risk and price risk.

Currency Risk

The Company has insignificant amount of foreign currency denominated assets. Accordingly, the exposure to currency risk is insignificant.

Interest Rate Risk

The Company's investments and fixed deposits are primarily in fixed rate interest instruments. Accordingly, the exposure to interest rate risk is also insignificant.

Price Risk

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices and related market variables including interest rate for investments in debt oriented mutual funds and debt securities, whether caused by factors specific to an individual investment, its issuer or the market. The Company's exposure to price risk arises from investments in equity securities, debt securities, units of mutual funds, venture capital fund and alternative investment funds which are classified as financial assets at FVTPL and debt securities classified at FVOCI. The exposure to the said instruments is as follows:

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Exposure to price risk	**9,127.52**	7,993.39

To manage its price risk from investments in equity securities, debt securities, units of mutual funds, venture capital fund and alternative investment funds, the Company diversifies its portfolio.

Sensitivity Analysis

The table below sets out the effect on profit or loss and equity due to reasonable possible weakening / strengthening in prices by 5%:

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Financial assets measured at FVTPL:		
Effect on Profit and Loss and Equity		
5% increase in the prices	**456.38**	394.63
5% decrease in the prices	**(456.38)**	(394.63)
Debt securities measured at FVOCI:		
Effect on Equity		
5% increase in the prices	**-**	5.04
5% decrease in the prices	**-**	(5.04)

Notes to Standalone Financial Statements

for the year ended March 31, 2026

Note 36 Maturity Analysis of Assets and Liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

₹ (in Crore)

Particulars	As at March 31, 2026			As at March 31, 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial Assets						
Cash and Cash Equivalents	**10.97**	**-**	**10.97**	11.58	-	11.58
Bank Balance other than above	**1.10**	**12.10**	**13.20**	1.17	-	1.17
Receivables						
Trade Receivables	**158.20**	**-**	**158.20**	133.18	-	133.18
Investments	**2,481.88**	**6,914.35**	**9,396.23**	2,033.70	6,255.17	8,288.87
Other Financial Assets	**16.57**	**28.91**	**45.48**	20.49	19.11	39.60
Sub total - Financial Assets	**2,668.72**	**6,955.36**	**9,624.08**	**2,200.12**	**6,274.28**	**8,474.40**
Non-Financial Assets						
Current Tax Assets (net)	**-**	**44.14**	**44.14**	-	32.55	32.55
Property, Plant and Equipment	**-**	**256.22**	**256.22**	-	181.39	181.39
Intangible Assets Under Development	**-**	**1.72**	**1.72**	-	0.37	0.37
Goodwill	**-**	**6.04**	**6.04**	-	6.04	6.04
Other Intangible Assets	**-**	**5.69**	**5.69**	-	9.58	9.58
Other Non-Financial Assets	**32.38**	**18.12**	**50.50**	35.38	13.92	49.30
Sub total - Non-Financial Assets	**32.38**	**331.93**	**364.31**	**35.38**	**243.85**	**279.23**
Total Assets	**2,701.10**	**7,287.29**	**9,988.39**	**2,235.50**	**6,518.13**	**8,753.63**
LIABILITIES						
Financial Liabilities						
Payables						
Trade payables						
(i) Total Outstanding Dues of Micro Enterprises and Small Enterprises	**2.26**	**-**	**2.26**	1.73	-	1.73
(ii) Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	**43.35**	**-**	**43.35**	37.83	-	37.83
Other Financial Liabilities	**157.38**	**168.69**	**326.07**	132.35	112.29	244.64
Sub total - Financial Liabilities	**202.99**	**168.69**	**371.68**	**171.91**	**112.29**	**284.20**
Non-Financial Liabilities						
Current Tax Liabilities (net)	**16.23**	**-**	**16.23**	19.72	-	19.72
Provisions	**3.55**	**21.78**	**25.33**	2.78	17.90	20.68
Deferred Tax Liabilities (net)	**-**	**255.55**	**255.55**	-	210.80	210.80
Other Non-Financial Liabilities	**88.51**	**-**	**88.51**	84.09	-	84.09
Sub total - Non-Financial Liabilities	**108.29**	**277.33**	**385.62**	**106.59**	**228.70**	**335.29**
Total Liabilities	**311.28**	**446.02**	**757.30**	**278.50**	**340.99**	**619.49**

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for the year ended March 31, 2026

Note 37 Statutory disclosure required as per Schedule III Division III of the Companies Act, 2013

(i) Analytical Ratios

Ratios		₹ (in Crore) Numerator	Denominator	March 31, 2026	% Variance
(a)	Capital to risk-weighted assets ratio (CRAR)*		Not Applicable		
(b)	Tier I CRAR*		Not Applicable		
(c)	Tier II CRAR*		Not Applicable		
(d)	Liquidity Coverage Ratio (no. of times) [Total Financial Assets (within 12 months) / Total Liabilities (within 12 months)] This has increased as Financial asset balances and specifically, investments which are maturing within 12 months from the reporting date including new purchases, have changed.	2,668.72	311.28	8.57	8.53

Ratios		₹ (in Crore) Numerator	Denominator	March 31, 2025	% Variance
(a)	Capital to risk-weighted assets ratio (CRAR)*		Not Applicable		
(b)	Tier I CRAR*		Not Applicable		
(c)	Tier II CRAR*		Not Applicable		
(d)	Liquidity Coverage Ratio (no. of times) [Total Financial Assets (within 12 months) / Total Liabilities (within 12 months)] This has increased as Financial asset balances and specifically, investments which are maturing within 12 months from the reporting date including new purchases, have changed.	2,200.12	278.50	7.90	18.79

*__Note:__ Since the Company is not in lending business, it does not have any credit exposure. Hence, these ratios are not applicable to the Company.

(ii) Relationship with Struck off Companies

The transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 are disclosed below:

Sr No.	Name of struck off company	Nature of transactions with struck off company	As at March 31, 2026			As at March 31, 2025		
			Transaction during the year	Balance outstanding	Relationship with the struck off company	Transaction during the year	Balance outstanding	Relationship with the struck off company
1	Vitalink Wealth Advisory Services Private Limited	Shares held by struck off company (no.)	-	26	None	-	13	None
		Dividend paid during the year (₹)	1,170	-	None	910	-	None
2	Manbhawani Investment Limited	Shares held by struck off company (no.)	-	776	None	-	258	None
		Dividend paid during the year (₹)	34,920	-	None	-	-	None
3	Durga Processors Private Limited	Shares held by struck off company (no.)	-	192	None	-	48	None
		Dividend paid during the year (₹)	8,640	-	None	-	-	None
4	DSS Enterprises Private Limited	Shares held by struck off company (no.)	-	302	None	-	-	None
		Dividend paid during the year (₹)	13,590	-	None	-	-	None
5	Manavta Holdings Limited	Shares held by struck off company (no.)	-	592	None	-	-	None
		Dividend paid during the year (₹)	26,640	-	None	-	-	None
6	Narayan	Shares held by struck off company (no.)	-	18	None	-	-	None
7	Betex India Limited	Shares held by struck off company (no.)	-	420	None	-	-	None

Notes to Standalone Financial Statements

for the year ended March 31, 2026

(iii) The Company is in compliance with number of layers of companies, as prescribed under clause (87) of Section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(iv) The Company does not have any transactions which were not recorded in the books of accounts, but offered as income during the year in the income tax assessment.

(v) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(vi) No funds have been advanced/loaned/invested (from borrowed funds or from share premium or from any other sources / kind of funds) by the Company to any other person(s) or entity(ies), including foreign entities (Intermediaries), with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

No funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding (whether recorded in writing or otherwise) that the Company shall (i) directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 38

The Government of India had notified the implementation of 4 New Labour Codes (NLC) effective November 21, 2025, by consolidating and rationalising several existing labour laws. Based on management evaluation, the Company's existing employee benefit policies are more beneficial than the statutory requirements under the NLC. Consequently, the implementation of the NLC has no material financial impact on the Company, and the said benefits continues to be recognised in accordance with the Company's policy and applicable Indian Accounting Standards. Further, upon notification of the relevant rules by the appropriate authorities, the same will be reviewed for the impact, if any.

As per our report attached of even date

For **B S R & Co. LLP**
Chartered Accountants
Mumbai, April 16, 2026

Varun Kothari
Partner
Membership No: 115089
Mumbai: April 16, 2026

For and on behalf of the Board of Directors

Deepak S. Parekh
Chairman
(DIN: 00009078)

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

Naozad Sirwalla
Chief Financial Officer

Sonali Chandak
Company Secretary
(ACS: 18108)

FORM AOC - 1

(Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiary

in ₹ crore, except % of shareholding

Sr no.	Particulars	
1	Name of the subsidiary	HDFC AMC International (IFSC) Limited
2	The date since when subsidiary was acquired	May 27, 2022
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	April 01, 2025 to March 31, 2026
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INR
5	Share capital	34.00
6	Reserves and surplus	(2.16)
7	Total assets	37.28
8	Total Liabilities	5.44
9	Investments	-
10	Turnover *	3.63
11	Profit / (Loss) before taxation	(1.05)
12	Provision for taxation	0.27
13	Profit / (Loss) after taxation	(1.32)
14	Proposed Dividend	-
15	Extent of shareholding (%)	100%

* Turnover consists of Revenue from operations

For and on behalf of the Board of Directors

Deepak S. Parekh
Chairman
(DIN: 00009078)

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

Naozad Sirwalla
Chief Financial Officer

Sonali Chandak
Company Secretary
(ACS: 18108)

Mumbai, April 16, 2026

Independent Auditor's Report

To the Members of HDFC Asset Management Company Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of HDFC Asset Management Company Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at March 31 2026, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2026, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter - Revenue from Investment Management fees
See Note 3.5 and 19 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
Investment Management Fee is a significant account balance in the Consolidated Statement of Profit and Loss. Investment management fees from the Mutual fund consists of fees from various schemes which invest in different categories of securities in the market like Equity, Debt etc. We have identified revenue from investment management fees as a key audit matter since: i. There are inherent risks in computation of investment management fees due to the manual input of approved fee rates into the system. Investment management fees is a percentage of the assets under management ('AUM') managed by the Holding Company. AUM is calculated by the system on a daily basis for each scheme.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: **Testing of Design and Operating Effectiveness of controls:** i. Understood and evaluated the design and implementation of authorisation controls and other key controls relating to recognition of investment management fee; ii. Test checked the operating effectiveness of authorisation controls, and other key controls over recognition of investment management fee.

The key audit matter	How the matter was addressed in our audit
ii. Multiple schemes of HDFC Mutual Fund require effective monitoring over key financial terms and conditions being captured and applied accurately. Any discrepancy in such computations could result in misstatement of investment management fee recognised in the consolidated financial statements.	**Substantive tests:** iii. Evaluated the appropriateness of revenue recognition in respect of investment management fee income and related accounting policy based on the requirements of Ind AS 115; iv. Obtained and tested arithmetical accuracy of investment management fee calculations and reconciled investment management fee to amounts included in consolidated financial statements for completeness of income recognition; v. Test checked that investment management fee rates were approved by authorised personnel before being manually entered in the system; vi. Obtained and read the investment management fee certification reports, issued by the statutory auditors of mutual fund schemes for such work and reconciled the certified amounts with the accounting records; vii. Test checked the investment management fee invoices and reconciled with the accounting records; viii. Test checked the receipts of money of Investment Management fee income in the bank statements; ix. Evaluated the adequacy of disclosures relating to the investment management fee earned by the Holding Company.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting

records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Holding Company and such other entity included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

   c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors of the Holding Company as on 1 April 2026 taken on record by the Board of Directors of the Holding Company and its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

   f. The matters relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above.

   g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2026 on the consolidated financial position of the Group. Refer Note 30(a) to the consolidated financial statements.

   b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2026.

   c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company and no amounts were required to be transferred to the Investor Education and Protection Fund by the subsidiary company incorporated in India during the year ended 31 March 2026

d (i) The management of the Holding Company and its subsidiary company incorporated in India whose financial statements have been audited under the Act has represented that, to the best of their knowledge and belief, as disclosed in the Note 36(v) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or subsidiary company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or subsidiary company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management of the Holding Company and its subsidiary company incorporated in India whose financial statements have been audited under the Act has represented that, to the best of their knowledge and belief, as disclosed in the Note 36(v) to the consolidated financial statements, no funds have been received by the Holding Company or subsidiary company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or subsidiary company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the Holding Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 31 to the consolidated financial statements, the Board of Directors of the Holding Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. Based on our examination which included test checks the Holding company and its subsidiary company have used accounting softwares for maintaining its books of account which along with access management tools, as applicable, have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Holding Company and its subsidiary as per the statutory requirements for record retention.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company and its subsidiary company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Varun Kothari
Partner
Membership No.: 115089
ICAI UDIN: 26115089OSHEDH8772

Place: Mumbai
Date: 16 April 2026

Annexure A to the Independent Auditor's Report

on the Consolidated Financial Statements of HDFC Asset Management Company Limited for the year ended 31 March 2026

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the companies incorporated in India and included in the consolidated financial statements.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Varun Kothari
Partner
Membership No.: 115089
ICAI UDIN: 26115089OSHEDH8772

Place: Mumbai
Date: 16 April 2026

Annexure B to the Independent Auditor's Report

on the Consolidated Financial Statements of HDFC Asset Management Company Limited for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of - sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of HDFC Asset Management Company Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2026, we have audited the internal financial controls with reference to financial statements of the Holding Company and such company incorporated in India under the Act which is its subsidiary company, as of that date.

In our opinion, the Holding Company and such company incorporated in India which is its subsidiary company, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Varun Kothari
Partner
Membership No.: 115089
ICAI UDIN:26115089OSHEDH8772

Place: Mumbai
Date: 16 April 2026

Consolidated Balance Sheet

as at March 31, 2026

₹ (in Crore)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS			
I FINANCIAL ASSETS			
a Cash and Cash Equivalents	4	**11.58**	12.13
b Bank Balance other than (a) above	5	**43.16**	29.67
c Receivables			
Trade Receivables	6	**158.58**	133.66
d Investments	7	**9,361.99**	8,254.84
e Other Financial Assets	8	**45.71**	39.61
Sub-total - Financial Assets		**9,621.02**	**8,469.91**
II NON-FINANCIAL ASSETS			
a Current Tax Assets (net)		**44.49**	32.77
b Property, Plant and Equipment	9	**260.88**	182.64
c Intangible Assets Under Development	10	**1.72**	0.37
d Goodwill	9	**6.04**	6.04
e Other Intangible Assets	9	**5.72**	9.61
f Other Non-Financial Assets	11	**51.57**	49.32
Sub-total - Non-Financial Assets		**370.42**	**280.75**
TOTAL ASSETS		**9,991.44**	**8,750.66**
LIABILITIES AND EQUITY			
LIABILITIES			
I FINANCIAL LIABILITIES			
a Payables			
Trade Payables			
(i) Total Outstanding Dues of Micro Enterprises and Small Enterprises	12	**2.34**	1.74
(ii) Total Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises	12	**45.07**	38.31
b Other Financial Liabilities	13	**329.45**	245.19
Sub-total - Financial Liabilities		**376.86**	**285.24**
II NON-FINANCIAL LIABILITIES			
a Current Tax Liabilities (net)		**16.23**	19.72
b Provisions	14	**25.45**	20.76
c Deferred Tax Liabilities (net)	15	**255.55**	210.80
d Other Non-Financial Liabilities	16	**88.64**	84.15
Sub-total - Non-Financial Liabilities		**385.87**	**335.43**
TOTAL LIABILITIES		**762.73**	**620.67**
III EQUITY			
a Equity Share Capital	17	**214.20**	106.90
b Other Equity	18	**9,014.51**	8,023.09
Equity attributable to owners of the Parent Company		**9,228.71**	**8,129.99**
Non-controlling interest		**-**	**-**
Sub-total - Equity		**9,228.71**	**8,129.99**
TOTAL LIABILITIES AND EQUITY		**9,991.44**	**8,750.66**

See summary of material accounting policies and accompanying notes which form an integral part of the consolidated financial statements

As per our report attached of even date

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

Varun Kothari
Partner
Membership No. 115089

Mumbai, April 16, 2026

For and on behalf of the Board of Directors

Deepak S. Parekh
Chairman
(DIN: 00009078)

Naozad Sirwalla
Chief Financial Officer

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

Sonali Chandak
Company Secretary
(ACS: 18108)

Consolidated Statement of Profit and Loss

for the year ended March 31, 2026

₹ (in Crore except per equity share data)

Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
REVENUE FROM OPERATIONS			
Asset Management Services	19	**4,122.16**	3,498.44
OTHER INCOME	20	**500.04**	561.66
TOTAL INCOME		**4,622.20**	**4,060.10**
EXPENSES			
Finance Costs	28	**13.32**	9.41
Fees and Commission Expenses		**8.16**	4.06
Employee Benefits Expenses	21	**482.13**	389.35
Depreciation, Amortisation and Impairment	9	**72.90**	58.54
Other Expenses	22	**336.54**	313.16
TOTAL EXPENSES		**913.05**	**774.52**
PROFIT BEFORE TAX		**3,709.15**	**3,285.58**
TAX EXPENSE			
Current Tax	25	**806.32**	730.17
Deferred Tax Charge/(Credit)	25	**44.77**	95.22
TOTAL TAX EXPENSE		**851.09**	**825.39**
PROFIT AFTER TAX		**2,858.06**	**2,460.19**
OTHER COMPREHENSIVE INCOME			
A (i) Items that will not be reclassified to profit or loss			
- Remeasurement gain/(loss) of the defined benefit plans		**(4.42)**	(3.82)
(ii) Income tax relating to items that will not be reclassified to profit or loss			
- Tax on Remeasurement of the defined benefit plans		**1.11**	0.96
Subtotal (A)		**(3.31)**	**(2.86)**
B (i) Items that will be reclassified to profit or loss			
- Exchange differences on translating the financial statements of a subsidiary		**3.08**	0.78
- Fair value changes in debt instruments through Other Comprehensive Income (OCI)		**(0.37)**	0.09
- Fair value changes in debt instruments through OCI reclassified to profit or loss		**0.28**	-
(ii) Income tax relating to items that will be reclassified to profit or loss			
- Tax on Fair value changes in debt instruments through OCI		**0.42**	(0.02)
- Tax on Fair value changes in debt instruments through OCI reclassified to profit or loss		**(0.40)**	-
Subtotal (B)		**3.01**	**0.85**
TOTAL OTHER COMPREHENSIVE INCOME (A+B)		**(0.30)**	**(2.01)**
TOTAL COMPREHENSIVE INCOME		**2,857.76**	**2,458.18**
PROFIT ATTRIBUTABLE TO:			
Owners of the Parent Company		**2,858.06**	2,460.19
Non-controlling interest		**-**	-
OTHER COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Owners of the Parent Company		**(0.30)**	(2.01)
Non-controlling interest		**-**	-
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Owners of the Parent Company		**2,857.76**	2,458.18
Non-controlling interest		**-**	-
Earnings Per Equity Share (Face Value ₹ 5) (see note 27)			
- Basic		**66.77**	57.58
- Diluted		**66.50**	57.38

See summary of material accounting policies and accompanying notes which form an integral part of the consolidated financial statements

As per our report attached of even date

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

Varun Kothari
Partner
Membership No. 115089

Mumbai, April 16, 2026

For and on behalf of the Board of Directors

Deepak S. Parekh
Chairman
(DIN: 00009078)

Naozad Sirwalla
Chief Financial Officer

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

Sonali Chandak
Company Secretary
(ACS: 18108)

Consolidated Statement of Changes in Equity

for the year ended March 31, 2026

A. EQUITY SHARE CAPITAL

₹ (in Crore)

Particulars	Balance at the beginning of the year	Changes in equity share capital during the year*	Balance at the end of the year
Equity Shares of ₹ 5 each (March 31, 2025: ₹ 5 each), fully paid up			
As at March 31, 2025	106.74	0.16	**106.90**
As at March 31, 2026	**106.90**	**107.30**	**214.20**

*Includes movement on account of issue of bonus shares during the year ended March 31, 2026 [see note 17(a)].

B. OTHER EQUITY

₹ (in Crore)

Particulars	Share Application Money - Pending allotment	Reserves and Surplus					Items of OCI		Total	Attributable to owners of the Parent Company	Attributable to Non-controlling interest
		Capital Redemption Reserve	Securities Premium	General Reserve	Share Options Outstanding Account	Retained Earnings	Debt instruments through Other Comprehensive Income	Currency Translation Reserve			
Opening balance as at April 01, 2024	**-**	**52.41**	**607.17**	**174.97**	**157.84**	**5,976.19**	**-**	**(0.31)**	**6,968.27**	**6,968.27**	**-**
Profit for the year	-	-	-	-	-	2,460.19	-	-	**2,460.19**	**2,460.19**	-
Other Comprehensive Income - Remeasurement gain/(loss) of the defined benefit plans (net of tax)	-	-	-	-	-	(2.86)	-	-	(2.86)	(2.86)	-
Other Comprehensive Income - Fair value changes in debt instruments through OCI (net of tax)	-	-	-	-	-	-	0.07	-	0.07	0.07	-
Other Comprehensive Income - Exchange differences on translating the financial statements of a subsidiary (net of tax)	-	-	-	-	-	-	-	0.78	0.78	0.78	-
Total Comprehensive Income for the year	**-**	**-**	**-**	**-**	**-**	**2,457.33**	**0.07**	**0.78**	**2,458.18**	**2,458.18**	**-**
Interim Equity Dividend Paid (see note 31)	-	-	-	-	-	(1,495.05)	-	-	(1,495.05)	(1,495.05)	-
Transfer from Share Options Outstanding Account to Securities Premium (towards options exercised)	-	-	22.41	-	(22.41)	-	-	-	-	-	-
Transfer from Share Options Outstanding Account to Retained Earnings (towards options lapsed after vesting)	-	-	-	-	(0.11)	0.11	-	-	-	-	-
Additions during the year	69.33	-	69.16	-	22.52	-	-	-	161.01	161.01	-
Utilised during the year	(69.32)	-	-	-	-	-	-	-	(69.32)	(69.32)	-
Changes during the year	**0.01**	**-**	**91.57**	**-**	**(0.00)**	**962.39**	**0.07**	**0.78**	**1,054.82**	**1,054.82**	**-**
Closing balance as at March 31, 2025	**0.01**	**52.41**	**698.74**	**174.97**	**157.84**	**6,938.58**	**0.07**	**0.47**	**8,023.09**	**8,023.09**	**-**

Consolidated Statement of Changes in Equity

for the year ended March 31, 2026

₹ (in Crore)

Particulars	Share Application Money - Pending allotment	Reserves and Surplus					Items of OCI		Total	Attributable to owners of the Parent Company	Attributable to Non-controlling interest
		Capital Redemption Reserve	Securities Premium	General Reserve	Share Options Outstanding Account	Retained Earnings	Debt instruments through Other Comprehensive Income	Currency Translation Reserve			
Opening balance as at April 01, 2025	**0.01**	**52.41**	**698.74**	**174.97**	**157.84**	**6,938.58**	**0.07**	**0.47**	**8,023.09**	**8,023.09**	**-**
Profit for the year	-	-	-	-	-	2,858.06	-	-	2,858.06	2,858.06	-
Other Comprehensive Income - Remeasurement gain/(loss) of the defined benefit plans (net of tax)	-	-	-	-	-	(3.31)	-	-	(3.31)	(3.31)	-
Other Comprehensive Income - Fair value changes in debt instruments through OCI (net of tax)	-	-	-	-	-	-	0.05	-	0.05	0.05	-
Other Comprehensive Income - Fair value changes in debt instruments through OCI reclassified to profit or loss (net of tax)	-	-	-	-	-	-	(0.12)	-	(0.12)	(0.12)	-
Other Comprehensive Income - Exchange differences on translating the financial statements of a subsidiary (net of tax)	-	-	-	-	-	-	-	3.08	3.08	3.08	-
Total Comprehensive Income for the year	-	-	-	-	-	2,854.75	(0.07)	3.08	2,857.76	2,857.76	-
Final Equity Dividend Paid (see note 31)	-	-	-	-	-	(1,925.19)	-	-	(1,925.19)	(1,925.19)	-
Amount utilised for Bonus issue [see note 17(a)]	-	(52.41)	(54.67)	-	-	-	-	-	(107.08)	(107.08)	-
Transaction costs relating to Bonus issue	-	-	(0.81)	-	-	-	-	-	(0.81)	(0.81)	-
Transfer from Share Options Outstanding Account to Securities Premium (towards options exercised)	-	-	31.27	-	(31.27)	-	-	-	-	-	-
Transfer from Share Options Outstanding Account to Retained Earnings (towards options lapsed after vesting)	-	-	-	-	(0.01)	0.01	-	-	-	-	-
Additions during the year	97.54	-	97.30	-	69.43	-	-	-	264.27	264.27	-
Utilised during the year	(97.53)	-	-	-	-	-	-	-	(97.53)	(97.53)	-
Changes during the year	**0.01**	**(52.41)**	**73.09**	**-**	**38.15**	**929.57**	**(0.07)**	**3.08**	**991.42**	**991.42**	**-**
Closing balance as at March 31, 2026	**0.02**	**-**	**771.83**	**174.97**	**195.99**	**7,868.15**	**-**	**3.55**	**9,014.51**	**9,014.51**	**-**

See summary of material accounting policies and accompanying notes which form an integral part of the consolidated financial statements

As per our report attached of even date

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

Varun Kothari
Partner
Membership No. 115089

Mumbai, April 16, 2026

For and on behalf of the Board of Directors

Deepak S. Parekh
Chairman
(DIN: 00009078)

Naozad Sirwalla
Chief Financial Officer

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

Sonali Chandak
Company Secretary
(ACS: 18108)

Consolidated Statement of Cash Flows

for the year ended March 31, 2026

₹ (in Crore)

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit Before Tax*	**3,709.15**	**3,285.58**
	Add/(Less): Adjustments for		
	Depreciation, Amortisation and Impairment	**72.90**	58.54
	Finance Costs	**13.32**	9.41
	Share Based Payments to Employees	**69.43**	22.52
	(Profit)/Loss on Sale of Investments (net)	**(45.93)**	(32.66)
	Fair Value (Gain)/Loss on Investments (net)	**(406.90)**	(496.19)
	(Gain)/Loss on foreign currency transactions and translations (net)	**(0.14)**	0.01
	(Gain)/Loss on Derecognition of Property, Plant and Equipment (net)	**(0.33)**	(0.08)
	Investment Income from Financial Instruments	**(35.75)**	(18.22)
	Other Interest Income	**(5.95)**	(4.49)
	Operating Profit before working capital changes	**3,369.80**	**2,824.42**
	Adjustments for:		
	(Increase)/Decrease in Trade Receivables	**(24.87)**	(40.38)
	(Increase)/Decrease in Other Financial Assets	**(13.82)**	(1.23)
	(Increase)/Decrease in Other Non-Financial Assets	**(4.55)**	(1.05)
	Increase/(Decrease) in Trade Payables	**7.23**	1.09
	Increase/(Decrease) in Other Financial Liabilities	**9.64**	19.46
	Increase/(Decrease) in Provisions	**4.68**	4.33
	Increase/(Decrease) in Other Non-Financial Liabilities	**0.07**	(14.44)
	Cash generated from/(used in) operations	**3,348.18**	**2,792.20**
	Income Tax Paid (net of refunds)	**(820.37)**	(717.40)
	Net cash from/(used in) operating activities (A)	**2,527.81**	**2,074.80**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Property, Plant and Equipment and Other Intangible Assets	**(22.62)**	(44.79)
	Proceeds from Sale of Property, Plant and Equipment	**0.36**	0.10
	Purchase of Investments	**(5,478.23)**	(4,025.98)
	Proceeds from Sale of Investments	**4,825.63**	3,449.96
	Dividend Received	**1.08**	0.78
	Interest Received	**41.43**	21.16
	Investments in Fixed Deposits	**(47.32)**	(55.11)
	Proceeds from Fixed Deposits	**36.52**	55.83
	Net cash from/(used in) investing activities (B)	**(643.15)**	**(598.05)**

Consolidated Statement of Cash Flows

for the year ended March 31, 2026

₹ (in Crore)

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from Issuance of Share Capital	**97.53**	69.32
	Share Application Money - Pending allotment	**0.01**	0.01
	Transaction costs relating to Bonus issue	**(0.81)**	-
	Principal Element of Lease Payments	**(44.00)**	(39.94)
	Interest Element of Lease Payments	**(13.32)**	(9.41)
	Interim Equity Dividend Paid (see note 31)	**-**	(1,495.05)
	Final Equity Dividend Paid (see note 31)	**(1,925.19)**	-
	Net cash from/(used in) financing activities (C)	**(1,885.78)**	**(1,475.07)**
	Net Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)	**(1.12)**	**1.68**
	Cash and Cash Equivalents at the beginning of the year	**12.13**	**10.33**
	Exchange differences on translation of foreign currency cash and cash equivalents	**0.57**	0.12
	Cash and Cash Equivalents at the end of the year	**11.58**	**12.13**
	Cash and cash equivalents comprising of:		
	Balance with banks	**11.58**	12.13
	Total	**11.58**	**12.13**
	*Amount spent towards Corporate Social Responsibility expense as per Section 135(5) of the Companies Act, 2013	**42.51**	34.59

Note: The above Consolidated Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

See summary of material accounting policies and accompanying notes which form an integral part of the consolidated financial statements

As per our report attached of even date

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

Varun Kothari
Partner
Membership No. 115089
Mumbai, April 16, 2026

For and on behalf of the Board of Directors

Deepak S. Parekh
Chairman
(DIN: 00009078)

Naozad Sirwalla
Chief Financial Officer

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

Sonali Chandak
Company Secretary
(ACS: 18108)

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

1. Group overview

HDFC Asset Management Company Limited ('the Company') is a Public Limited Company domiciled in India and its registered office is situated at HDFC House, 2nd Floor, H.T Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai - 400 020. The Company has been incorporated under the Companies Act, 1956 on December 10, 1999 and was approved to act as the Asset Management Company for HDFC Mutual Fund by Securities and Exchange Board of India (SEBI) vide its letter dated July 3, 2000. HDFC Trustee Company Limited ('the Trustee') has appointed the Company to act as the investment manager of HDFC Mutual Fund.

The Company is also registered under the SEBI (Portfolio Managers) Regulations, 1993 and provides Portfolio Management Services. Further, the Company acts as an Investment Manager to HDFC AMC AIF-II and HDFC AMC Structured Credit AIF–I, trusts registered with SEBI as a Category II Alternative Investment Fund under the SEBI (Alternative Investment Funds) Regulations, 2012.

As at March 31, 2026, HDFC Bank Limited ('HDFC Bank' or 'Holding Company'), owned 52.37% of the Company's equity share capital.

A Wholly Owned Subsidiary ('WOS') of the Company namely 'HDFC AMC International (IFSC) Limited', located in Gujarat International Finance Tec-City (GIFT City), Gandhinagar, India, had been incorporated effective May 27, 2022.

The Company, together with its subsidiary, is hereinafter referred to as 'the Group'.

The equity shares of the Company have been listed on National Stock Exchange of India Limited and BSE Limited since August 06, 2018.

2. Basis of preparation and recent accounting developments

2.1 Basis of preparation

a) Statement of compliance

These consolidated financial statements have been prepared and presented on going concern basis and comply in all material aspects, with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013, (the 'Act') and other relevant provisions of the Act, as amended from time to time.

The consolidated financial statements were approved for issue by the Company's Board of Directors on April 16, 2026, subject to the approval of the shareholders at the ensuing Annual General Meeting.

Details of the Group's material accounting policies are included in Note 3.

b) Presentation of consolidated financial statements

The Group presents its consolidated balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date and more than 12 months after the reporting date is presented in Note 34.

c) Functional and presentation currency

Indian Rupee (₹) is the currency of the primary economic environment in which the Company operates and hence it is the functional currency of the Company. Accordingly, the management has determined that consolidated financial statements should be presented in Indian Rupees (₹).

d) Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign currency denominated monetary assets and liabilities are remeasured into the functional currency at the exchange rate prevailing on the reporting date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in Consolidated Statement of Profit and Loss. Non-monetary items that are measured in terms of historical cost in foreign currency are not re-translated.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Translation of financial statements of a subsidiary having functional currency other than Indian Rupee (₹) is carried out in accordance with Indian Accounting Standard (Ind AS) 21 'The Effects of Changes in Foreign Exchange Rates'. For consolidation, the assets and liabilities of the subsidiary are translated into Indian Rupee (₹) using the rate of exchange prevailing at the reporting date and its Statement of Profit and Loss is translated using an average rate to translate income and expense items. The exchange differences arising from the translation of financial statements of subsidiary having functional currency other than the Indian Rupee (₹) is recognised in Other Comprehensive Income (OCI) and is presented within other equity as currency translation reserve. Such exchange differences recognised in currency translation reserve within other equity are not reclassified to the Consolidated Statement of Profit and Loss until the disposal of the Company's interest in subsidiary.

e) Rounding Off

All amounts have been rounded-off to the nearest Crore upto two decimal places, unless otherwise indicated.

f) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial instruments (as explained in the accounting policies below)	Fair value
Net defined benefit asset/ (liability)	Fair value of plan assets less present value of defined benefit obligations
Equity settled share based payments	Fair value of the stock options and Performance-linked Stock Units granted as on the grant date

g) Use of estimates and judgements

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of group's accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent liabilities.

The management believes that these estimates are prudent and reasonable and are based upon the management's best knowledge of current events and actions as on the reporting date. Actual results could differ from these estimates and differences between actual results and estimates are recognised in the periods in which the results/ actions are known or materialise. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties

Information about critical judgements, assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

- Note 3.3 (A) (iii) and 9 – estimates of useful lives and residual value of property, plant and equipment, and other intangible assets;
- Note 9, 10 and 11 – impairment test of non-financial assets: key assumptions underlying recoverable amounts including the recoverability of expenditure on intangible assets;
- Note 13 - determination of lease term and discount rate for lease liabilities;
- Note 14 and 23 – measurement of defined benefit obligations and other long-term employee benefits: key actuarial assumptions;
- Note 24 – share based payments;

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

- Note 25 – Provision for current tax and recognition of deferred tax assets;
- Note 30 – recognition and measurement of provisions and contingencies; key assumptions about the likelihood and magnitude of an outflow of resources, if any;
- Note 33 – financial instruments – fair values, risk management and impairment of financial assets.

h) Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. Measurement of fair values includes determining appropriate valuation techniques.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell an asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

Valuation models that employ significant unobservable inputs require a higher degree of judgement and estimation in the determination of fair value. Judgement and estimation are usually required for selection of the appropriate valuation methodology, determination of expected future cash flows on the financial instrument being valued, determination of probability of counterparty default and selection of appropriate discount rates.

The management regularly reviews significant unobservable inputs and valuation adjustments.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 24 - share based payment;
- Note 33 - financial instruments – fair values, risk management and impairment of financial assets

i) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary together referred to as 'the Group' as at and for the year ended March 31, 2026.

A subsidiary is an entity which is controlled by the Company. The Company controls an investee if and only if the Company has all the following elements of control:

(a) has power over the investee;

(b) has exposure, or rights, to variable returns from its involvement with the investee; and

(c) has the ability to use its power over the investee to affect the amount of the Company's returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee.
- Rights arising from other contractual arrangements.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

- The Company's voting rights and potential voting rights.
- The size of the Company's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Company gains control until the date the Company ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of the subsidiary used for the purpose of consolidation are at the same reporting date as that of the Company, i.e., year ended on March 31, 2026.

Consolidation Procedure

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Company with those of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the Company's investment in a subsidiary and the Company's portion of equity in the subsidiary.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of OCI are attributed to the equity holders of the Company and to the non-controlling interests (if any), even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiary to bring its accounting policies in line with the Company's accounting policies. All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

If the Company loses control over a subsidiary, it:

- derecognises the assets (including goodwill, if any) and liabilities of the subsidiary.
- derecognises the carrying amount of any non-controlling interests.
- derecognises the cumulative translation differences recorded in equity.
- recognises the fair value of the consideration received.
- recognises the fair value of any investment retained.
- recognises any surplus or deficit in profit or loss.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

- reclassifies the Company's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Company had directly disposed of the related assets or liabilities.

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction.

The financial statements of HDFC AMC International (IFSC) Limited have been consolidated as per Ind AS 110 - Consolidated Financial Statements.

2.2 Recent Accounting Developments:

Standards issued/amended but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification on accounting standards which would have been applicable to the Group from April 01, 2026.

3. Material Accounting Policies

3.1 Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

3.2 Financial instruments

(i) Recognition and initial measurement of financial assets and financial liabilities

All financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument. Trade receivables are initially recognised when they are originated.

All the financial assets and financial liabilities are initially measured at fair value. A financial asset or financial liability which is not recognised at Fair Value Through Profit or Loss, is initially measured at fair value plus or minus transaction costs that are directly attributable to its acquisition or issue. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Consolidated Statement of Profit and Loss. Trade receivables that do not contain a significant financing component are initially measured at transaction price.

(ii) Classification, Subsequent measurement, gains and losses of financial assets

Classification:

On initial recognition, a financial asset is classified as measured at

- Amortised Cost;
- Fair Value Through Other Comprehensive Income (FVOCI) – Debt investment;
- FVOCI – Equity investment; or
- Fair Value Through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as measured at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as measured at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

However, on initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in Other Comprehensive Income (OCI) (designated as measured at FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset as measured at FVTPL that otherwise meets the requirements to be measured at amortised cost or at FVOCI, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Assessment whether contractual cash flows are solely payments of principal and interest (SPPI)

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets.

Subsequent measurement and gains and losses:

Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment losses are recognised in the Consolidated Statement of Profit and Loss. Any gain or loss on derecognition is recognised in the Consolidated Statement of Profit and Loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment losses are recognised in the Consolidated Statement of Profit and Loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the Consolidated Statement of Profit and Loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in the Consolidated Statement of Profit and Loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to Consolidated Statement of Profit and Loss.
Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, any interest or dividend income, are recognised and are presented separately in the Consolidated Statement of Profit and Loss.

(iii) Classification, subsequent measurement, gains and losses of financial liabilities

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument.

Transaction costs directly attributable to an equity transaction are recognised as a deduction from equity, net of any tax effects.

Financial liabilities are classified as measured at amortised cost or FVTPL. A Financial Liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL

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for the year ended March 31, 2026

are subsequently measured at fair value and net gains and losses, including any interest expense, are recognised in Consolidated Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the Consolidated Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in the Consolidated Statement of Profit and Loss.

(iv) Derecognition of financial assets and financial liabilities

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its consolidated balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

(v) Impairment of financial assets

The Group recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not classified as FVTPL or equity investments at FVOCI. Expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk or the assets have become credit impaired from initial recognition in which case, those are measured at lifetime ECL. 12-month ECL are the portion of expected credit losses that result from default events that are possible within 12 months after reporting date (or a shorter period if the expected life of the instrument is less than 12 months) and Lifetime ECL are the expected credit losses that result from all possible default events over the expected life of a financial instrument. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the Consolidated Statement of Profit and Loss. The Group considers a financial asset to be in default when credit obligations to the Group are unlikely to be fulfilled in full, without recourse by the Group to actions such as realising security, if any.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows which the Group expects to receive). Expected credit losses are discounted at the effective interest rate of the financial asset.

Presentation of allowance for expected credit losses in the consolidated balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charged to Consolidated Statement of Profit and Loss and is recognised in OCI.

Write off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the counter party does not have assets or sources of income that could generate cash flows to repay the amounts. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

(vi) Off-setting financial instruments

Financial assets and financial liabilities are offset and the net amount is presented in the consolidated balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

3.3 (A) Property, plant and equipment

(i) Recognition and measurement

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Items of property, plant and equipment are subsequently measured at cost, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises of its purchase price (after deducting trade discounts and rebates) including import duties and non-refundable taxes, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

(iii) Depreciation

Depreciation on property, plant and equipment is provided on straight-line basis as per the estimated useful life and in the manner prescribed in Schedule II of the Companies Act, 2013 except for certain assets.

Following is the summary of useful lives of the assets as per management's estimate and as required by the Companies Act, 2013 except assets individually costing less than Rupees five thousand which are fully depreciated in the year of purchase/ acquisition, considering their low value.

Class of property, plant and equipment	Useful Life (no.of years)	
	As per the Companies Act, 2013	As per management's estimate
Buildings*	60	50 to 60
Computer Equipment:		
Server and Network*	6	4
Others	3	3
Furniture and Fixtures*	10	7
Electrical Installations*	10	7
Office Equipment	5	5
Vehicles*	8	5
Improvement of Rented Premises	Not specified	Over the lease term or 5 years, whichever is less

*Based on technical advice, management is of the opinion that the useful lives of these assets reflect the period over which they are expected to be used.

Depreciation method, useful lives and residual values, if any are reviewed at each financial year end and adjusted on prospective basis, if required.

Depreciation on additions/disposals is provided on a pro- rata basis i.e. from/upto the date on which asset is ready for its intended use/disposed off.

(iv) Derecognition

The cost and related accumulated depreciation are eliminated from the consolidated financial statements upon sale or retirement of the asset and the resultant gains or losses are recognised in the Consolidated Statement of Profit and Loss.

(B) Goodwill

Goodwill was generated on acquisition of rights to operate, administer and manage the schemes of erstwhile Morgan Stanley Mutual Fund. Goodwill is not amortised but is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses, if any.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

(C) Other intangible assets

(i) Recognition and measurement

Other intangible assets including computer software are measured at cost and recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group and the cost of the asset can be measured reliably. Such other intangible assets are subsequently measured at cost less accumulated amortisation and accumulated impairment losses, if any.

Cost of an intangible asset comprises of its purchase price (after deducting trade discounts and rebates) including import duties and non-refundable taxes and any directly attributable cost for preparing the asset for its intended use.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates and the cost of the asset can be measured reliably. All other expenditure is recognised in the Consolidated Statement of Profit and Loss as incurred.

(iii) Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in the Consolidated Statement of Profit and Loss. Computer Software is being amortised over a period of 3 years, on pro-rata basis i.e. from/upto the date on which asset is ready for its intended use/disposed off.

Amortisation method, useful lives and residual values, if any are reviewed at each financial year end and adjusted on prospective basis, if required.

(iv) Derecognition

Intangible assets are derecognised on disposal or when no future economic benefits are expected to arise from its continuous use, and the resultant gains or losses are recognised in the Consolidated Statement of Profit and Loss.

(D) Intangible assets under development

The intangible assets under development includes cost of intangible assets that are not ready for their intended use on the date of balance sheet less accumulated impairment losses, if any.

3.4 Impairment of non-financial assets

The Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or goodwill is the higher of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to it.

An impairment loss is recognised if the carrying amount of an asset or goodwill exceeds its estimated recoverable amount. Impairment losses are recognised in the Consolidated Statement of Profit and Loss.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversal of impairment loss is recognised as income in the Consolidated Statement of Profit and Loss.

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3.5 Revenue recognition

(i) Rendering of services

The Group recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115 - Revenue from Contracts with Customers, to determine when to recognise revenue and at what amount.

Revenue is measured based on the transaction price specified in the contract with a customer that is allocated to that performance obligation. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised services to a customer, excluding amounts collected on behalf of third parties. The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both. Revenue from contracts with customers is recognised when services are provided and it is highly probable that a significant reversal of revenue is not expected to occur.

If the consideration promised in a contract includes a variable amount, then Group estimates the non-constrained amount of consideration to which it will be entitled in exchange for rendering the promised services to a customer. The amount of consideration can vary because of discounts, rebates, refunds, credits, price concessions, incentives, performance bonuses, or other similar items. The promised consideration can also vary if an entitlement to the consideration is contingent on the occurrence or non-occurrence of a future event. The estimated amount of variable consideration is re-assessed at the end of each reporting period.

Nature of services

The Group principally generates revenue by providing asset management services to Mutual fund, Alternative Investment Fund (AIF) and other clients.

Services	Nature, timing of satisfaction of performance obligations and significant payment terms
Investment Management Services to mutual fund	The Company has been appointed as the investment manager to HDFC Mutual Fund. The Company receives investment management fees from the mutual fund which is charged as a percent of the Assets Under Management (AUM) and is recognised on accrual basis. The maximum amount of management fee that can be charged is subject to applicable SEBI regulations. The contract includes a single performance obligation (series of distinct services) that is satisfied over time and the investment management fees earned are considered as variable consideration. Invoices becomes payable when the bills are issued to the customer.
Portfolio Management Services, Advisory Services and Investment Management Services to AIFs	The Company provides portfolio management services and advisory services to its clients wherein a separate agreement is entered into with each client. The Company earns management fees which is generally charged as a percent of the Assets Under Management (AUM) and is recognised on accrual basis. The Company, in certain instances also has a right to charge performance fee to the clients if the portfolio achieves a particular level of performance as mentioned in the agreement with the client, to the extent permissible under applicable regulations. Generally, no upfront fee is charged to the clients. The Group has also been appointed as the investment manager to HDFC AMC AIF-II, HDFC AMC Structured Credit AIF–I and certain AIFs located in GIFT City. The Group is entitled for management fee as per the terms of Investment Management Agreement and any other fees as agreed and is recognised on accrual basis. These contracts include a single performance obligation (series of distinct services) that is satisfied over time and the management fees and/or the performance fees earned are considered as variable consideration. Invoices becomes payable when the bills are issued to the customer.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

(ii) Recognition of dividend income, interest income or expense, gains and losses from financial instruments

Dividend income is recognised in the Consolidated Statement of Profit and Loss on the date on which the Group's right to receive dividend is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of dividend can be measured reliably.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the financial asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the credit-impaired financial asset (i.e. the gross carrying amount less the allowance for expected credit losses). If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Interest income/expense on financial instruments at FVTPL is not included in fair value changes but presented separately.

The realised gains/losses from financial instruments at FVTPL and Debt instruments at FVOCI represents the difference between the carrying amount of a financial instrument at the beginning of the reporting period, or the transaction price if it was purchased in the current reporting period, and its settlement price.

The unrealised gains/losses represents the difference between the carrying amount of a financial instrument at the beginning of the period, or the transaction price if it was purchased in the current reporting period, and its carrying amount at the end of the reporting period.

3.6 New Fund Offer (NFO) expenses & Commission

NFO expenses on the launch of mutual fund schemes are borne by the Company and recognised in the Consolidated Statement of Profit and Loss as and when incurred.

Pursuant to circulars issued by SEBI in this regard, with effect from October 22, 2018, all the scheme expenses including commission on mutual fund schemes, subject to certain permitted exceptions, are being borne by the respective schemes.

Any commission, other than for mutual fund schemes, paid by the Group in line with the applicable regulations is amortised over the contractual period.

3.7 Employee benefits

(i) Short-term employee benefits

Short-term employee benefits are employee benefits that are expected to be settled wholly before 12 months after the end of the reporting period in which the employees render the related service. Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Share-based payment transactions

The Schemes for Employee Stock Options ('ESOP(s)') and Performance-linked Stock Units ('PSU(s)') provide for the grant of ESOPs or PSUs or combination of both to acquire equity shares of the Company to its eligible employees as well as the eligible employees of its WOS. The period of vesting and period of exercise are as specified within the

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respective schemes. The fair value at grant date of equity settled share-based payment arrangements granted to employees is recognised as an employee benefit expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the ESOPs and/or PSUs. The amount recognised as expense is based on the estimate of the number of ESOPs and/or PSUs for which the related service and non-market performance conditions, as applicable are expected to be met, such that the amount ultimately recognised as an expense is based on the number of ESOPs and/or PSUs that do meet the related service and non-market performance conditions, as applicable at the vesting date. At the end of each reporting period, the Group revisits its estimate of the number of ESOPs and/or PSUs expected to vest. Such compensation cost is amortised over the vesting period of the respective tranches of such grant.

(iii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into an account with a separate entity and has no legal or constructive obligation to pay further amounts. The Group makes specified periodic contributions to the credit of the employees' account with the Employees' Provident Fund Organisation. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Consolidated Statement of Profit and Loss in the periods during which the related services are rendered by employees.

National Pension System (NPS)

NPS is a defined contribution plan. In case employee opts for NPS, the Group contributes certain percentage of basic salary plus dearness pay, if any, of the eligible employees' salary to the NPS. The Group recognises such contribution as an expense as and when incurred.

(iv) Defined benefit plans

Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of the defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of the defined benefit obligation is performed periodically by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in Other Comprehensive Income. The Group determines the net interest expense/income on the net defined benefit liability/asset for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability/asset, taking into account any changes in the net defined benefit liability/asset during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Consolidated Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in the Consolidated Statement of Profit and Loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

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(v) Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits other than post-employment benefits, which are not expected to be settled wholly before 12 months after the end of the reporting period in which the employees render the related services, is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured periodically on the basis of an independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised as profit or loss in the period in which they arise.

3.8 Provisions (other than for employee benefits), contingent liabilities, contingent assets and commitments

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Where the effect of the time value of money is material, the provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a reliable estimate of the amount cannot be made.

A contingent asset is not recognised but disclosed in the consolidated financial statements where an inflow of economic benefit is probable.

Commitments includes the amount of purchase order (net of advance) issued to counterparties for supplying/ development of assets and amounts pertaining to investments which have been committed but not called for.

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each balance sheet date.

3.9 Leases

The Group assesses whether the contract is, or contains, a lease at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Group leases its office premises. The Group recognises Right-of-Use (ROU) and lease liabilities for these leases i.e. these leases are on-balance sheet. The Group has elected not to apply the requirements of Ind AS 116 - Leases to short-term leases i.e. leases of all assets that have a lease term of 12 months or less and to low value leases i.e. leases for which the underlying asset is of low value. For these short-term and low value leases, the Group recognises the lease payments as an expense on a straight-line basis over the term of the lease.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date and is discounted using the Group's incremental borrowing rate. Since the Group does not have any debts, the Group's incremental borrowing rate has been determined based on the risk-free rate which is adjusted for the financial spread based on the credit spread of the Holding Company.

Certain leases include lease and non-lease components, which are accounted for as one single lease component. Occupancy lease agreements, in addition to contractual rent payments, generally include additional payments for certain costs incurred by the landlord, such as maintenance expenses and utilities. To the extent these are fixed or determinable, they are included as part of the lease payments used to measure the lease liability.

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The lease liability is measured at amortised cost using the effective interest method.

The ROU asset is initially measured at cost, which comprises of the amount of initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date, less any lease incentives received; plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located. The right-of-use asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The ROU assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term.

Lease term is determined as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain

The lease liability is remeasured when there is a change in one of the following:

- the Group's estimate of the amount expected to be payable under a residual value guarantee, or
- the Group's assessment of whether it will exercise a purchase, extension, or termination option or
- if there is a modification in the lease.

When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the ROU asset, or is recorded in the Consolidated Statement of Profit and Loss if the carrying amount of the ROU asset has been reduced to nil.

As a lessor:

When the Group is the lessor, the lease is classified as either a finance lease or an operating lease. A finance lease is a lease which confers substantially all the risks and rewards of the leased assets on the lessee. An operating lease is a lease where substantially all of the risks and rewards of the leased asset remain with the lessor.

At the commencement date, the Group recognises assets held under a finance lease in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease. Finance lease income is allocated to lease term so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

3.10 Income tax

Income tax comprises of current and deferred tax. It is recognised in the Consolidated Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in Other Comprehensive Income.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits, if any.

Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination, that affects

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neither accounting nor taxable profit or loss at the time of the transaction and at the time of the transaction, does not give rise to equal taxable and deductible temporary differences;

- temporary differences related to investment in subsidiary where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is other convincing evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

3.11 Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM's function is to allocate the resources of the Group and assess the performance of the operating segments of the Group.

3.12 Earnings per share (EPS)

The basic earnings per share is computed by dividing profit after tax attributable to the equity shareholders by the weighted average number of equity shares outstanding during the reporting period.

The diluted earnings per share is computed by dividing profit after tax attributable to the equity shareholders adjusted for the effects of all dilutive potential ordinary shares by the weighted average number of equity shares outstanding plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares. Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also weighted average number of equity shares which would have been issued on the conversion of all dilutive potential shares, unless they are anti-dilutive.

The outstanding number of equity shares and dilutive potential equity shares are adjusted retrospectively for all periods presented for any bonus shares issued including for changes effected prior to the approval of the consolidated financial statements by the Board of Directors.

3.13 Dividends on equity shares

The Company recognises a liability to make cash distributions to equity shareholders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders except in case of interim dividends which is approved by Board of Directors. A corresponding amount is recognised directly in equity.

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Note 4 CASH AND CASH EQUIVALENTS

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with Banks	11.58	12.13
Total	**11.58**	**12.13**

Note 5 BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Other Bank Balances		
- Fixed Deposit with Bank (security against bank guarantee)	12.26	-
- Fixed Deposit with Bank (Others)	29.96	28.67
Earmarked Balances with Banks		
- Unclaimed Equity Dividend	0.94	0.99
- Withheld Brokerage	0.00	0.01
Total	**43.16**	**29.67**

Note 6 TRADE RECEIVABLES*

(Considered good - Unsecured)

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Investment Management Fee Receivable - Mutual fund	150.61	127.79
Portfolio Management Fee, 'AIF and Other Advisory Services' Fee Receivable	7.97	5.87
Total	**158.58**	**133.66**

TRADE RECEIVABLES AGEING

(Undisputed Trade receivables – considered good)

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Unbilled dues (A)	**134.79**	**129.51**
Outstanding for following periods from due date of payment		
Less than 6 months	23.45	4.13
6 months -1 year	0.25	0.01
1-2 years	0.08	-
2-3 years	-	-
More than 3 years	0.01	0.01
Total Outstanding (B)	**23.79**	**4.15**
Total (A+B)	**158.58**	**133.66**

*No debts are due from directors or other officers or any of them either severally or jointly with any other person. No debts are due from firms, Limited Liability Partnerships or private companies in which any director is a partner or a director or a member.

Note 7 INVESTMENTS

₹ (in Crore)

Sr. No	Particulars	As at March 31, 2026				As at March 31, 2025			
		At Amortised Cost	At Fair Value Through Other Comprehensive Income	At Fair Value Through Profit or Loss	Total	At Amortised Cost	At Fair Value Through Other Comprehensive Income	At Fair Value Through Profit or Loss	Total
		(1)	(2)	(3)	(4=1+2+3)	(1)	(2)	(3)	(4=1+2+3)
1	Mutual Funds	-	-	8,574.53	8,574.53	-	-	7,507.56	7,507.56
2	Debt Securities	234.47	-	3.70	238.17	261.45	100.74	8.39	370.58
3	Equity Instruments	-	-	24.22	24.22	-	-	24.40	24.40
4	Alternative Investment Funds	-	-	525.07	525.07	-	-	345.66	345.66
5	Venture Capital Fund	-	-	-	-	-	-	6.64	6.64
	Total Gross Investments (A)	**234.47**	**-**	**9,127.52**	**9,361.99**	**261.45**	**100.74**	**7,892.65**	**8,254.84**
6	(i) Investments outside India	-	-	-	-	-	-	-	-
7	(ii) Investments in India	234.47	-	9,127.52	9,361.99	261.45	100.74	7,892.65	8,254.84
	Total (B)	**234.47**	**-**	**9,127.52**	**9,361.99**	**261.45**	**100.74**	**7,892.65**	**8,254.84**
8	Less: Allowance for Impairment (C)	-	-	-	-	-	-	-	-
Total Net Investments (D = A - C)		**234.47**	**-**	**9,127.52**	**9,361.99**	**261.45**	**100.74**	**7,892.65**	**8,254.84**

Note 8 OTHER FINANCIAL ASSETS

(Considered good - Unsecured)

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Interest accrued on Instruments measured at Amortised cost	**4.06**	5.31
Security Deposits	**20.94**	17.71
Receivable against sale of Investment	**-**	4.75
Finance Lease Receivable	**17.00**	9.43
Others	**3.71**	2.41
Total	**45.71**	**39.61**

Note 9 PROPERTY, PLANT AND EQUIPMENT, GOODWILL AND OTHER INTANGIBLE ASSETS

₹ (in Crore)

Particulars	Gross Block					Depreciation/Amortisation					Net Block
	As at April 01, 2025	Additions	Deductions	Foreign Exchange Translation Difference	As at March 31, 2026	As at April 01, 2025	For the year	Deductions	Foreign Exchange Translation Difference	As at March 31, 2026	As at March 31, 2026
Property, Plant and Equipment											
Buildings											
Freehold	4.34	-	-	-	4.34	0.80	0.10	-	-	0.90	3.44
Right of Use Assets	237.49	133.04	55.93	0.27	314.87	103.68	48.57	46.19	0.01	106.07	208.80
Furniture & Fixtures	4.51	0.78	0.35	0.00	4.94	2.91	0.58	0.35	0.00	3.14	1.80
Vehicles	0.50	0.84	0.49	-	0.85	0.48	0.14	0.49	-	0.13	0.72
Office Equipments	17.30	3.88	1.68	0.01	19.51	7.56	3.16	1.68	0.01	9.05	10.46
Computer Equipments	42.82	7.18	0.19	0.01	49.82	26.20	8.93	0.17	0.00	34.96	14.86
Electrical Installations	0.34	-	-	-	0.34	0.34	-	-	-	0.34	-
Improvement of Rented Premises	28.70	9.28	2.95	0.03	35.06	11.39	5.80	2.95	0.02	14.26	20.80
Total (I)	336.00	155.00	61.59	0.32	429.73	153.36	67.28	51.83	0.04	168.85	260.88
Goodwill and Other Intangible Assets											
Goodwill	6.04	-	-	-	6.04	-	-	-	-	-	6.04
Computer Softwares (Externally acquired)	38.06	1.72	-	0.01	39.79	28.45	5.62	-	0.00	34.07	5.72
Total (II)	44.10	1.72	-	0.01	45.83	28.45	5.62	-	0.00	34.07	11.76
Grand Total (I+II)	380.10	156.72	61.59	0.33	475.56	181.81	72.90	51.83	0.04	202.92	272.64

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

₹ (in Crore)

Particulars	Gross Block					Depreciation/Amortisation					Net Block
	As at April 01, 2024	Additions	Deductions	Foreign Exchange Translation Difference	As at March 31, 2025	As at April 01, 2024	For the year	Deductions	Foreign Exchange Translation Difference	As at March 31, 2025	As at March 31, 2025
Property, Plant and Equipment											
Buildings											
Freehold	4.34	-	-	-	4.34	0.70	0.10	-	-	0.80	3.54
Right of Use Assets	218.77	68.21	49.51	0.02	237.49	105.42	41.15	42.89	0.00	103.68	133.81
Furniture & Fixtures	3.85	0.96	0.30	0.00	4.51	2.48	0.72	0.29	0.00	2.91	1.60
Vehicles	0.50	-	-	-	0.50	0.37	0.11	-	-	0.48	0.02
Office Equipments	12.71	6.45	1.86	0.00	17.30	7.14	2.27	1.85	0.00	7.56	9.74
Computer Equipments	26.79	16.85	0.82	0.00	42.82	21.34	5.68	0.82	0.00	26.20	16.62
Electrical Installations	0.34	-	-	-	0.34	0.34	-	-	-	0.34	-
Improvement of Rented Premises	22.39	12.68	6.38	0.01	28.70	14.22	3.55	6.38	0.00	11.39	17.31
Total (I)	**289.69**	**105.15**	**58.87**	**0.03**	**336.00**	**152.01**	**53.58**	**52.23**	**0.00**	**153.36**	**182.64**
Goodwill and Other Intangible Assets											
Goodwill	6.04	-	-	-	6.04	-	-	-	-	-	6.04
Computer Softwares (Externally acquired)	32.41	5.65	-	0.00	38.06	23.49	4.96	-	0.00	28.45	9.61
Total (II)	**38.45**	**5.65**	**-**	**0.00**	**44.10**	**23.49**	**4.96**	**-**	**0.00**	**28.45**	**15.65**
Grand Total (I+II)	**328.14**	**110.80**	**58.87**	**0.03**	**380.10**	**175.50**	**58.54**	**52.23**	**0.00**	**181.81**	**198.29**

Impairment testing

The Goodwill relates to acquisition of rights to operate, administer and manage schemes of the erstwhile Morgan Stanley Mutual Fund. The recoverable amount is the management fee income based on the present value of the future cash flows expected to be derived from the asset (value in use). Management fee income is assumed to be generated at a constant rate and is discounted using a pre-tax discount rate of 5.58% (Previous Year 6.64%) based on one year Government security (G-sec) yield.

An analysis of sensitivity of the computation to a change in key parameters based on reasonably probable assumptions did not identify any probable scenarios in which the recoverable amount would decrease below the carrying amount of goodwill. Consequently, no impairment is required.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Note 10 INTANGIBLE ASSETS UNDER DEVELOPMENT

For the year ended March 31, 2026

₹ (in Crore)

Particulars	As at April 01, 2025	Additions	Capitalisation	As at March 31, 2026
Intangible assets under development (Externally acquired)	0.37	1.98	0.63	1.72
Total	**0.37**	**1.98**	**0.63**	**1.72**

Intangible assets under development ageing schedule

₹ (in Crore)

Intangible assets under development	As at March 31, 2026				
Particulars	Amount in Intangible asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1.72	-	-	-	1.72
Projects temporarily suspended	-	-	-	-	-
Total	**1.72**	**-**	**-**	**-**	**1.72**

There are no Intangible assets under development as at March 31, 2026, whose completion is overdue or has exceeded its cost compared to its original plan.

For the year ended March 31, 2025

₹ (in Crore)

Particulars	As at April 01, 2024	Additions	Capitalisation	As at April 01, 2025
Intangible assets under development (Externally acquired)	0.87	2.97	3.47	0.37
Total	**0.87**	**2.97**	**3.47**	**0.37**

Intangible assets under development ageing schedule

₹ (in Crore)

Intangible assets under development	As at March 31, 2025				
Particulars	Amount in Intangible asset under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.37	-	-	-	0.37
Projects temporarily suspended	-	-	-	-	-
Total	**0.37**	**-**	**-**	**-**	**0.37**

There are no Intangible assets under development as at March 31, 2025, whose completion is overdue or has exceeded its cost compared to its original plan.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Note 11 OTHER NON-FINANCIAL ASSETS

(Considered good - Unsecured)

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Capital Advances	**0.68**	2.71
Prepaid Expenses	**31.08**	19.37
Goods & Services Tax Credit Receivable	**16.09**	21.97
Other Advances	**3.72**	5.27
Total	**51.57**	**49.32**

Note 12 TRADE PAYABLES

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Total Outstanding dues of Micro Enterprises and Small Enterprises (MSME)	**2.34**	1.74
Total Outstanding dues of creditors other than Micro Enterprises and Small Enterprises	**45.07**	38.31
Total	**47.41**	**40.05**

TRADE PAYABLES AGEING

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
MSME - Undisputed, Unbilled dues (A)	**2.34**	**1.74**
Others - Undisputed		
Unbilled dues (B)	**45.07**	38.31
Outstanding for following periods from due date of payment		
Less than 1 year	**-**	0.00
Total (C)	**-**	**0.00**
Total Others - Undisputed (D) = (B+C)	**45.07**	38.31
Total (A+D)	**47.41**	**40.05**

Note 13 OTHER FINANCIAL LIABILITIES

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Employee Benefits	**102.27**	91.65
Other Dues	**8.04**	8.97
Unclaimed Equity Dividend	**0.94**	0.99
Lease Liabilities	**218.20**	143.58
Total	**329.45**	**245.19**

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Note 14 PROVISIONS

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for Employee Benefits (primarily Compensated absences & Leave encashment)	25.45	20.76
Total	**25.45**	**20.76**

Note 15 DEFERRED TAX LIABILITIES (net) (see note 25)

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred Tax Asset	(84.42)	(60.78)
Deferred Tax Liability	339.97	271.58
Total	**255.55**	**210.80**

Note 16 OTHER NON-FINANCIAL LIABILITIES

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory Dues	78.88	75.86
Employee Benefits	9.76	8.29
Total	**88.64**	**84.15**

Note 17 SHARE CAPITAL

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised		
60,00,00,000 Equity Shares of ₹5 each (Previous Year: 60,00,00,000 Equity Shares of ₹5 each)	300.00	300.00
5,00,00,000 Redeemable, Cumulative Non-Convertible Preference Shares of ₹10 each (Previous Year: 5,00,00,000 Redeemable, Cumulative Non-Convertible Preference Shares of ₹10 each)	50.00	50.00
Total	**350.00**	**350.00**
Issued, Subscribed and Paid up		
42,84,00,181 Equity Shares of ₹5 each (Previous Year: 21,37,93,086 Equity Shares of ₹5 each), fully paid up	214.20	106.90
	214.20	**106.90**

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

a) Movement in Equity Share Capital during the year:

₹ (in Crore)

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Equity Shares	Share Capital	No. of Equity Shares	Share Capital
Shares outstanding at the beginning of the year (face value of ₹5 each)	**21,37,93,086**	**106.90**	21,34,84,000	106.74
Add: Shares issued during the year (face value of ₹5 each)	**4,52,849**	**0.22**	3,09,086	0.16
Add: Issue of fully paid up Bonus shares (face value of ₹5 each) (see note below)	**21,41,54,246**	**107.08**	-	-
Shares outstanding at the end of the year (face value of ₹5 each)	**42,84,00,181**	**214.20**	**21,37,93,086**	**106.90**

Note: During the year ended March 31, 2026, the shareholders of the Company have approved, through postal ballot, the issuance of fully paid up bonus shares, in the proportion of 1:1 i.e. 1 (One) fully paid up bonus equity share for every 1 (One) existing fully paid up equity share to the shareholders of the Company as on the Record Date i.e. November 26, 2025. Accordingly, the Company has allotted 21,41,54,246 equity shares of ₹5 each as fully paid up bonus shares on November 27, 2025 by capitalisation of Capital Redemption Reserve Account and Securities Premium Account.

b) Terms/Rights attached to Equity Shares

1. The Company had issued only one class of equity shares referred to as equity share having face value of ₹10 each which was sub-divided to ₹5 each w.e.f. February 13, 2018. Each holder of equity shares is entitled to one vote per share.
2. The holders of equity shares are entitled to dividends, if any, proposed by the board of directors and approved by the Shareholders at the Annual General Meeting, except in case of interim dividends which is approved by board of directors.
3. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of preferential amount. However, no such preferential amount exists currently. The distribution will be in proportion to the number of equity shares held by the Shareholders.

c) Details of Holding Company and Shareholders holding more than 5 percent Share Capital of the Company:

Name of the Shareholder	As at March 31, 2026		As at March 31, 2025	
	No. of Equity Shares (Face Value ₹ 5)	% of Share Capital	No. of Equity Shares (Face Value ₹ 5)	% of Share Capital
HDFC Bank Limited (Holding Company)	**22,43,59,660**	**52.37**	11,21,79,830	52.47

d) 58,77,875 equity shares of ₹5 each (Previous Year: 20,18,029 equity shares of ₹5 each) are reserved for issuance towards outstanding ESOPs and PSUs. See note 24 for terms and amounts.

e) No equity shares were bought back during the period of five years immediately preceding the reporting date (Previous Year: Nil).

f) No shares were allotted as fully paid up 'pursuant to any contract without payment being received in cash' during the period of five years immediately preceding the reporting date (Previous Year: Nil).

g) 21,41,54,246 equity shares of ₹5 each were issued as fully paid up bonus shares during the year. Other than aforementioned, no bonus shares were issued during the period of five years immediately preceding the reporting date (Previous Year: Nil).

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

h) Details of shareholding of Promoters:

Particulars	As at March 31, 2026			As at March 31, 2025			As at April 01, 2024
	No. of Equity Shares (Face Value ₹ 5)*	% of total Shares	% Change during the year#**	No. of Equity Shares (Face Value ₹ 5)	% of total Shares	% Change during the year#	No. of Equity Shares (Face Value ₹ 5)
HDFC Bank Limited (Holding Company)	**22,43,59,660**	**52.37**	**100.00**	**11,21,79,830**	**52.47**	**-**	**11,21,79,830**

#Computed vis-à-vis number of shares held by the same entity.

*The '% Change during the year' is on account of 11,21,79,830 equity shares of ₹5 each issued as fully paid up bonus shares during the year which does not result in change in the shareholding pattern of the promoters.

i) For information on Capital management - see note 32.

Note 18 OTHER EQUITY

Nature and purpose of reserves

Share application pending allotment

Until the shares are allotted, the amount received is shown under the Share Application Money Pending Allotment.

Capital redemption reserve

Whenever there is a buy-back or redemption of share capital, the nominal value of the capital is transferred to a reserve called Capital Redemption Reserve so as to retain the capital. The reserve can be utilised only for issuance of fully paid bonus shares in accordance with the provisions of the Companies Act, 2013.

Securities premium

Securities Premium is used to record the premium (amount received in excess of face value of equity shares) on issue of shares. The reserve can be utilised only for limited purposes such as issuance of fully paid bonus shares in accordance with the provisions of the Companies Act, 2013. The securities premium also includes amount transferred from Share options outstanding account upon exercise of ESOPs or PSUs by eligible employees and subsequent allotment of shares to them.

General reserve

Pursuant to the provisions of Companies Act,1956, the Company had transferred a portion of its net profit before declaring dividend, to general reserve. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

Share options outstanding account

The grant date fair value of equity-settled share-based payment transactions with eligible employees are recognised in the Consolidated Statement of Profit and Loss with the corresponding credit to this account over the vesting period. The amounts recorded in Share options outstanding account are transferred to securities premium upon exercise of ESOPs or PSUs and subsequent allotment of shares. The amount pertaining to ESOPs and PSUs not exercised within the exercise period is transferred to Retained earnings.

Retained earnings

Retained earnings are the profits that the Group has earned to date, less any dividends or other distributions paid to the Shareholders, net of utilisation as permitted under applicable regulations.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Debt instruments through Other Comprehensive Income

This comprises the changes in the fair value of debt instruments recognised in Other Comprehensive Income and accumulated within equity. The Group transfers the amounts from such component of equity to Consolidated Statement of Profit and Loss when the relevant debt instruments are derecognised.

Currency Translation Reserve

The exchange differences arising from the translation of financial statements of subsidiary having functional currency other than the Indian Rupee (₹) is recognised in other comprehensive income and is presented within other equity as currency translation reserve.

Refer 'Other Equity' section in 'Consolidated Statement of Changes in Equity' for movement in reserves and surplus during the year.

Note 19 ASSET MANAGEMENT SERVICES

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Investment Management Fee - Mutual fund	**4,103.15**	3,481.91
Portfolio Management Fee, 'AIF and Other Advisory Services' Fee	**19.01**	16.53
Total	**4,122.16**	**3,498.44**

Note 20 OTHER INCOME

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Income from Investments		
Interest Income from Investments		
- On Financial Assets measured at Amortised Cost	**15.60**	16.79
- On Debt instruments measured at Fair Value Through Other Comprehensive Income	**18.17**	0.65
- On Financial Assets measured at Fair Value Through Profit or Loss	**1.18**	-
Interest on deposit with Banks		
- On Financial Assets measured at Amortised Cost	**1.41**	1.44
Net gain on Financial Instruments		
- On Debt instruments measured at Fair Value Through Other Comprehensive Income	**-**	-
- On Financial Assets measured at Fair Value Through Profit or Loss	**453.18**	531.17
Dividend Income from Investments		
- On Financial Assets measured at Fair Value Through Profit or Loss	**1.08**	0.78
Total Income from Investments (A)	**490.62**	**550.83**
Others		
Net gain/(loss) on derecognition of Property, Plant and Equipment	**0.33**	0.08
Net gain/(loss) on Foreign Exchange Transactions	**0.05**	-
Other Interest Income	**3.51**	2.18
Miscellaneous Income	**5.53**	8.57
Total Others (B)	**9.42**	**10.83**
Total (A+B)	**500.04**	**561.66**

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Note 21 EMPLOYEE BENEFITS EXPENSES

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, Allowances and Bonus	**383.74**	340.87
Contribution to Provident and Other Funds	**17.35**	15.62
Share Based Payments to Employees*	**69.43**	22.52
Staff Welfare and Training Expenses	**11.61**	10.34
Total	**482.13**	**389.35**

*Accounting for equity settled share based payment transactions (ESOPs and PSUs) 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 ESOPs or PSUs are exercised and subsequent allotment of shares. Hence, this charge is neutral to Equity of the Group.

Note 22 OTHER EXPENSES

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
New Fund Offer and Mutual Fund Expenses	**6.78**	11.52
Advertisement, Publicity and Business Promotion	**53.48**	46.51
Rent	**0.32**	1.52
Rates and Taxes	**0.83**	0.46
Electricity Charges	**6.67**	6.38
Office Cleaning and Security Cost	**25.75**	23.07
Repair and Maintenance	**7.36**	8.14
Communication Expenses	**7.54**	9.07
Printing, Stationery and Courier	**5.74**	6.01
Directors' Sitting Fees, Commission, allowances and expenses	**4.06**	3.57
Auditors Remuneration:		
Audit Fee	**0.44**	0.42
Limited Reviews	**0.30**	0.29
Group Audit and Reviews	**0.44**	0.39
Tax Audit Fee	**0.05**	0.05
Reimbursement of Expenses	**0.08**	0.07
Other Services	**0.02**	0.04
	1.33	**1.26**
Legal and Professional Fees	**17.53**	14.43
Insurance Expenses	**8.45**	8.52
Travel and Conveyance	**11.99**	10.12
Subscription and Membership Fees	**11.29**	11.01
Outsourced Services Cost	**38.34**	33.96
Donations	**0.07**	0.06
Loss on Foreign Exchange Translation (net)	**-**	0.05
Corporate Social Responsibility expense as per Section 135 (5) of the Companies Act, 2013	**42.51**	34.59
Trademark Licence Fees	**15.89**	13.17
Software Expenses and Allied Services	**52.93**	48.39
KYC Expenses related to Mutual Fund Investors	**12.32**	15.33
Net loss on derecognition of debt instruments measured at Fair Value Through Other Comprehensive Income - reclassified to profit or loss	**0.28**	-
Miscellaneous Expenses	**5.08**	6.02
Total	**336.54**	**313.16**

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Note 23 Employee Benefits

a) Defined Contribution Plan

The Group has recognised the following amounts in the Consolidated Statement of Profit and Loss, which are included under Contributions to Provident and Other Funds:

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Employer's contribution to Provident Fund	**9.68**	9.29
Employer's contribution to National Pension System	**2.30**	1.84

b) Defined Benefit Plan - Gratuity

In accordance with the applicable Indian laws, the Group has a defined benefit plan which provides for gratuity payments. The plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment, which requires contributions to be made to a separately administered fund except for the subsidiary whose gratuity plan is unfunded.

The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

The amounts are based on the respective employee's last drawn salary and the years of employment with the Group. Liabilities in respect of the gratuity plan are determined by an actuarial valuation, based upon which the Company makes annual contributions to the plan. The plan is funded with a life insurance company in the form of a qualifying insurance policy.

The following tables summaries the components of net employee benefit expense recognised in the Consolidated Statement of Profit and Loss, the funded status and amounts recognised in Consolidated Balance Sheet.

(i) Changes in Present Value of the Defined Benefit Obligation

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Obligation as at beginning of the year	**49.75**	42.60
Current service cost	**4.81**	4.07
Interest cost	**3.30**	3.03
Benefits paid	**(2.52)**	(4.71)
Actuarial (gains)/losses on obligation - due to change in demographic assumptions	**-**	-
Actuarial (gains)/losses on obligation - due to change in financial assumptions	**(2.00)**	1.58
Actuarial (gains)/losses on obligation - due to experience adjustments	**4.71**	3.18
Obligation as at the end of the year	**58.05**	49.75

Note - The above table excludes foreign currency translation reserve effect of ₹0.00 Crore (Previous Year: ₹0.00 Crore)

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

(ii) Change in the Fair Value of Plan Assets

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Fair Value of Plan Assets at the beginning of the year	41.43	36.67
Expected return on plan assets	2.74	2.61
Contributions by the Employer	8.29	5.91
Benefit Paid from the Fund	(2.52)	(4.71)
Actuarial gain/(loss) on plan assets	(1.71)	0.95
Fair Value of Plan Assets at the end of the year	48.23	41.43

(iii) Actual Return on Plan Assets

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Expected return on Plan Assets	2.74	2.61
Actuarial gain/(loss) on Plan Assets	(1.71)	0.95
Actual Return on Plan Assets	1.03	3.56

(iv) Amount recognised in the Consolidated Balance Sheet

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Present Value of defined benefit obligation	(58.05)	(49.75)
Fair Value of Plan Assets	48.23	41.43
Funded status [surplus/(deficit)]	(9.82)	(8.32)
Net (Liability)/Asset recognised in the Consolidated Balance Sheet	(9.82)	(8.32)

(v) Expenses recognised in the Consolidated Statement of Profit and Loss

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current service cost	4.81	4.07
Interest Cost	3.30	3.03
Expected Return on Plan Assets	(2.74)	(2.61)
Expenses recognised in the Consolidated Statement of Profit and Loss	5.37	4.49

Note - The above table excludes foreign currency translation reserve effect of ₹0.00 Crore (Previous Year: ₹0.00 Crore)

(vi) Expenses recognised in Consolidated Other Comprehensive Income (OCI)

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Actuarial (gains)/losses on Obligation	2.71	4.76
Actuarial (gains)/losses on Plan Assets	1.71	(0.95)
Net (income)/expense for the year recognised in Consolidated OCI	4.42	3.81

Note - The above table excludes foreign currency translation reserve effect of ₹0.00 Crore (Previous Year: ₹0.00 Crore)

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

(vii) Amount recognised in the Consolidated Balance Sheet

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Liability at the end of the year	**58.05**	49.75
Fair Value of Plan Assets at the end of the year	**(48.23)**	(41.43)
Amount recognised in the Consolidated Balance Sheet as Liability	**9.82**	8.32

(viii) Balance sheet reconciliation

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Net Liability as at the beginning of the year	**8.32**	5.93
Expenses recognised in the Consolidated Statement of Profit and Loss	**5.37**	4.49
Expenses/(Income) recognised in Consolidated OCI	**4.42**	3.81
Contributions by the Employer	**(8.29)**	(5.91)
Net Liability/(Asset) recognised in Consolidated Balance Sheet	**9.82**	8.32

Note - The above table excludes foreign currency translation reserve effect of ₹0.00 Crore (Previous Year: ₹0.00 Crore)

(ix) Investment Pattern

Particulars	% Invested	
	As at March 31, 2026	As at March 31, 2025
Insurer managed funds:		
Money Market Instruments, Public Deposits and Net Current Assets	**6.27**	6.37
Debentures/Bonds	**66.51**	36.42
Government Securities	**27.22**	57.21

(x) Actuarial Assumptions

Particulars	As at March 31, 2026	As at March 31, 2025
Expected Return on Plan Assets	**7.23%**	6.65%
Rate of Discounting	**7.23%**	6.65%
Rate of Salary Increase	**6.50%**	6.50%
Rate of Employee Turnover	**For service 4 years and below 19.02% p.a. For service 5 years and above 9.34% p.a.**	For service 4 years and below 19.02% p.a. For service 5 years and above 9.34% p.a.
Mortality Rate During Employment	**Indian Assured Lives Mortality 2012-14 (Urban)**	Indian Assured Lives Mortality 2012-14 (Urban)

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

(xi) The Group generally makes annual contributions to the plan (except for the subsidiary where the plan is unfunded) based on the actuarial valuation of 'amount recognised in the Consolidated Balance Sheet as Liability at the year end'.

(xii) The expected contributions to the plan for the next annual reporting period

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
The expected contributions to the plan for the next annual reporting period	**11.73**	3.87

(xiii) Maturity Analysis of the benefit payments

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Projected benefits payable in future years from the date of reporting		
1st Following year	**6.87**	5.65
2nd Following year	**6.55**	4.62
3rd Following year	**7.02**	5.58
4th Following year	**5.83**	5.68
5th Following year	**4.90**	4.64
Sum of years 6 to 10	**27.34**	21.58
Sum of years 11 and above	**38.93**	33.84

The Weighted average duration of the defined benefit obligation is 7 years (March 31, 2025: 8 years)

(xiv) Sensitivity Analysis

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Defined Benefit Obligation on Current Assumptions	**58.05**	49.75
Delta Effect of +1% Change in Rate of Discounting	**(3.16)**	(2.86)
Delta Effect of -1% Change in Rate of Discounting	**3.54**	3.21
Delta Effect of +1% Change in Rate of Salary Increase	**3.53**	3.19
Delta Effect of -1% Change in Rate of Salary Increase	**(3.20)**	(2.89)
Delta Effect of +1% Change in Rate of Employee Turnover	**0.03**	(0.07)
Delta Effect of -1% Change in Rate of Employee Turnover	**(0.04)**	0.07

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the Defined Benefit Obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Furthermore, in presenting the above sensitivity analysis, the present value of the Defined Benefit Obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the Defined Benefit Obligation as recognised in the Consolidated Balance Sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Risks associated with Defined Benefit Plan:

(i) Interest Rate Risk

A fall in the discount rate which is linked to the G.Sec. rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

(ii) Salary Risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

(iii) Investment Risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities and other debt instruments.

(iv) Asset Liability Matching (ALM) Risk

The plan faces the ALM risk as to the matching cash flow. Since the Company's plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk. The subsidiary manages pay-out based on pay as you go basis from its own funds.

(v) Mortality Risk

Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

(vi) Concentration Risk

Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very low as insurance companies have to follow stringent regulatory guidelines which mitigate risk.

During the year, there were no plan amendments, curtailments and settlements.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Note 24 Share based payments

Accounting for Employee Share Based Payments

All the below said ESOPs and PSUs have been granted under the Employees Stock Options and Performance-linked Stock Units Scheme-2025 ('ESOP & PSU Scheme 2025') of the Company. Each ESOP and PSU represents one equity share of ₹5/- each. The said ESOPs have been granted at the market price as defined in SEBI (Share Based Employees Benefits) Regulations, 2014. Accordingly, the ESOPs have been granted at the latest available closing price of the shares of the Company on National Stock Exchange of India Limited on the trading day immediately preceding the date on which Grant of ESOPs was approved by the Nomination & Remuneration Committee of the Board of Directors of the Company ('Nomination & Remuneration Committee'). The PSUs have been granted at the face value of ₹5/- each as approved by the Nomination & Remuneration Committee.

Grant Date	Type	Quantity	Exercise price (₹)	Trading day immediately preceding the grant date	Granted to
March 30, 2026	ESOPs	85,100	2,313.90	March 27, 2026	Eligible employees of the Company
March 30, 2026	PSUs	29,200	5.00	NA	
January 14, 2026	ESOPs	41,250	2,485.70	January 13, 2026	
January 14, 2026	PSUs	17,450	5.00	NA	
October 15, 2025	ESOPs	19,730	5,594.00	October 14, 2025	
October 15, 2025	PSUs	7,570	5.00	NA	
July 17, 2025	ESOPs	17,160	5,353.50	July 16, 2025	
July 17, 2025	PSUs	6,040	5.00	NA	
June 20, 2025	ESOPs	10,46,790	4,877.50	June 19, 2025	Eligible employees of the Company and WOS
June 20, 2025	PSUs	2,28,210	5.00	NA	

In terms of ESOP & PSU Scheme 2025, the above ESOPs shall vest in four tranches. These tranches consisting of 10%, 20%, 30% and 40% of the ESOPs granted shall vest on the completion of the 1st, 2nd, 3rd and 4th year respectively from the date of the grant. Any fractional residue shall be settled in the 4th tranche. Further the vesting of ESOPs shall also be dependent on the achievement of the employee's own performance parameters (as defined in ESOP & PSU Scheme 2025) over the vesting period. The ESOPs can be exercised over a period of four years from the date of respective vesting.

In terms of ESOP & PSU Scheme 2025, the above PSUs shall vest in two tranches. These tranches consisting of 30% and 70% of the PSUs granted shall vest on the completion of the 3rd and 4th year respectively from the date of the grant. Any fractional residue shall be settled in the 2nd tranche. Further the vesting of PSUs shall also be dependent on the achievement of the Company level and employee's own performance parameters (as defined in ESOP & PSU Scheme 2025) over the vesting period, wherein Nomination & Remuneration Committee shall determine the extent of fulfilment of the vesting conditions. The PSUs can be exercised over a period of one year from the date of respective vesting.

All the below said ESOPs have been granted under the Employees Stock Option Scheme 2020 ('ESOS 2020') of the Company. Each ESOP represents one equity share of ₹5/- each. The said ESOPs have been granted at the market price as defined in SEBI (Share Based Employees Benefits) Regulations, 2014. Accordingly, the ESOPs have been granted at the latest available closing price of the shares of the Company on National Stock Exchange of India Limited on the trading day immediately preceding the date on which Grant of ESOPs was approved by the Nomination & Remuneration Committee.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Grant Date	Type	Quantity	Exercise price (₹)	Trading day immediately preceding the grant date	Granted to
January 14, 2025	ESOPs	7,500	3,834.55	January 13, 2025	Eligible employees of the Company and WOS
June 07, 2024		72,000	3,760.50	June 06, 2024	Eligible employees of the Company
April 10, 2024		18,000	3,703.90	April 09, 2024	
January 10, 2024		38,800	3,415.25	January 09, 2024	
April 25, 2023		10,50,000	1,780.90	April 24, 2023	
July 21, 2022		50,000	1,921.70	July 20, 2022	
January 24, 2022		1,82,000	2,369.40	January 21, 2022	
February 22, 2021		11,45,000	2,934.25	February 19, 2021	

In terms of ESOS 2020, the ESOPs shall vest in three tranches. Each of these tranches consisting of 1/3 of the ESOPs granted shall vest on the completion of the 1st, 2nd and 3rd year respectively from the date of the grant. Any fractional residue shall be settled in the 3rd tranche. The ESOPs can be exercised over a period of five years from the date of respective vesting.

Pursuant to the terms of respective Schemes for ESOPs and/or PSUs, in case of a corporate action like bonus issue, rights issue, buyback of shares, stock split of shares, etc., the number of ESOPs and/or PSUs outstanding as at the date of the corporate action and the exercise price under all the relevant Schemes for ESOPs and/or PSUs shall be adjusted in a manner such that total value of the ESOPs and/or PSUs remains the same after the corporate action. Accordingly, the Nomination and Remuneration Committee of the Company has resolved, vide its circular resolution passed on November 25, 2025, to make appropriate adjustments to the existing number and exercise price of the outstanding ESOPs and PSUs pursuant to the issuance of bonus shares [see note 17(a)].

Comparison of exercise price per ESOP and PSU granted before the corporate action:

Name of the Series/Grant	Type	Pre corporate action	Post corporate action
ESOP & PSU Scheme 2025 (Grant Date October 15, 2025)	ESOPs	5,594.00	2,797.00
ESOP & PSU Scheme 2025 (Grant Date October 15, 2025)	PSUs	5.00	5.00
ESOP & PSU Scheme 2025 (Grant Date July 17, 2025)	ESOPs	5,353.50	2,676.75
ESOP & PSU Scheme 2025 (Grant Date July 17, 2025)	PSUs	5.00	5.00
ESOP & PSU Scheme 2025 (Grant Date June 20, 2025)	ESOPs	4,877.50	2,438.75
ESOP & PSU Scheme 2025 (Grant Date June 20, 2025)	PSUs	5.00	5.00
ESOS 2020 (Grant Date January 14, 2025)	ESOPs	3,834.55	1,917.28
ESOS 2020 (Grant Date June 07, 2024)	ESOPs	3,760.50	1,880.25
ESOS 2020 (Grant Date April 10, 2024)	ESOPs	3,703.90	1,851.95
ESOS 2020 (Grant Date January 10, 2024)	ESOPs	3,415.25	1,707.63
ESOS 2020 (Grant Date April 25, 2023)	ESOPs	1,780.90	890.45
ESOS 2020 (Grant Date July 21, 2022)	ESOPs	1,921.70	960.85
ESOS 2020 (Grant Date January 24, 2022)	ESOPs	2,369.40	1,184.70
ESOS 2020 (Grant Date February 22, 2021)	ESOPs	2,934.25	1,467.13

No modifications were made in the terms and conditions of ESOS 2020 and ESOP & PSU Scheme 2025 during the year.

The number of ESOPs vested during the year were 7,00,040 (Previous Year 4,04,518)

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

For the year ended March 31, 2026

Particulars	Type	Outstanding at the beginning of the year*	Granted during the year*	Exercised during the year*	Forfeited during the year*	Expired during the year*	Addition due to Bonus issue*[see note 17(a)]	Outstanding at the end of the year*	Exercisable at the end of the year*	For ESOPs and PSUs outstanding at the end of the year	
										Exercise price per ESOP/ PSU (₹)	Weighted average remaining contractual life (no. of years)
ESOP & PSU Scheme 2025 (Grant Date March 30, 2026)	ESOPs	Nil	85,100	Nil	Nil	Nil	Nil	85,100	Nil	2,313.90	7.00
ESOP & PSU Scheme 2025 (Grant Date March 30, 2026)	PSUs	Nil	29,200	Nil	Nil	Nil	Nil	29,200	Nil	5.00	4.70
ESOP & PSU Scheme 2025 (Grant Date January 14, 2026)	ESOPs	Nil	41,250	Nil	Nil	Nil	Nil	41,250	Nil	2,485.70	6.80
ESOP & PSU Scheme 2025 (Grant Date January 14, 2026)	PSUs	Nil	17,450	Nil	Nil	Nil	Nil	17,450	Nil	5.00	4.49
ESOP & PSU Scheme 2025 (Grant Date October 15, 2025)	ESOPs	Nil	19,730	Nil	Nil	Nil	19,730	39,460	Nil	2,797.00	6.55
ESOP & PSU Scheme 2025 (Grant Date October 15, 2025)	PSUs	Nil	7,570	Nil	Nil	Nil	7,570	15,140	Nil	5.00	4.25
ESOP & PSU Scheme 2025 (Grant Date July 17, 2025)	ESOPs	Nil	17,160	Nil	Nil	Nil	17,160	34,320	Nil	2,676.75	6.30
ESOP & PSU Scheme 2025 (Grant Date July 17, 2025)	PSUs	Nil	6,040	Nil	Nil	Nil	6,040	12,080	Nil	5.00	4.00
ESOP & PSU Scheme 2025 (Grant Date June 20, 2025)	ESOPs	Nil	10,46,790	Nil	80,400	Nil	10,32,490	19,98,880	Nil	2,438.75	6.23
ESOP & PSU Scheme 2025 (Grant Date June 20, 2025)	PSUs	Nil	2,28,210	Nil	24,605	Nil	2,21,615	4,25,220	Nil	5.00	3.92
ESOS 2020 (Grant Date January 14, 2025)	ESOPs	7,500	Nil	666	Nil	Nil	7,500	14,334	4,334	1,917.28	5.84
ESOS 2020 (Grant Date June 07, 2024)	ESOPs	72,000	Nil	13,334	Nil	Nil	72,000	1,30,666	34,666	1,880.25	5.29
ESOS 2020 (Grant Date April 10, 2024)	ESOPs	18,000	Nil	2,500	Nil	Nil	15,500	31,000	7,000	1,851.95	5.19
ESOS 2020 (Grant Date January 10, 2024)	ESOPs	30,550	Nil	6,551	Nil	Nil	26,533	50,532	30,164	1,707.63	4.94
ESOS 2020 (Grant Date April 25, 2023)	ESOPs	7,59,647	Nil	1,87,832	29,103	Nil	6,13,799	11,56,511	6,06,137	890.45	4.33
ESOS 2020 (Grant Date July 21, 2022)	ESOPs	36,666	Nil	6,666	Nil	Nil	30,000	60,000	60,000	960.85	3.31
ESOS 2020 (Grant Date January 24, 2022)	ESOPs	1,28,666	Nil	66,666	Nil	Nil	62,000	1,24,000	1,24,000	1,184.70	3.09
ESOS 2020 (Grant Date February 22, 2021)	ESOPs	9,65,000	Nil	1,68,634	Nil	Nil	8,16,366	16,12,732	16,12,732	1,467.13	2.06

Notes to Consolidated Financial Statements

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For the year ended March 31, 2025

Particulars	Type	Outstanding at the beginning of the year*	Granted during the year*	Exercised during the year*	Forfeited during the year*	Expired during the year*	Outstanding at the end of the year*	Exercisable at the end of the year*	For ESOPs outstanding at the end of the year	
									Exercise price per ESOP(₹)	Weighted average remaining contractual life (no. of years)
ESOS 2020 (Grant Date January 14, 2025)	ESOPs	Nil	7,500	Nil	Nil	Nil	7,500	Nil	3,834.55	6.80
ESOS 2020 (Grant Date June 07, 2024)	ESOPs	Nil	72,000	Nil	Nil	Nil	72,000	Nil	3,760.50	6.19
ESOS 2020 (Grant Date April 10, 2024)	ESOPs	Nil	18,000	Nil	Nil	Nil	18,000	Nil	3,703.90	6.03
ESOS 2020 (Grant Date January 10, 2024)	ESOPs	38,800	Nil	Nil	8,250	Nil	30,550	10,183	3,415.25	5.78
ESOS 2020 (Grant Date April 25, 2023)	ESOPs	9,80,400	Nil	1,52,418	68,335	Nil	7,59,647	1,71,851	1,780.90	5.23
ESOS 2020 (Grant Date July 21, 2022)	ESOPs	50,000	Nil	13,334	Nil	Nil	36,666	20,000	1,921.70	4.49
ESOS 2020 (Grant Date January 24, 2022)	ESOPs	1,82,000	Nil	43,334	10,000	Nil	1,28,666	1,28,666	2,369.40	3.95
ESOS 2020 (Grant Date February 22, 2021)	ESOPs	10,65,000	Nil	1,00,000	Nil	Nil	9,65,000	9,65,000	2,934.25	2.90

*Since all the ESOPs and PSUs were granted at the same exercise price under the respective Grant, the weighted average exercise price per ESOP/PSU for all these groups under the respective Grant is the same.

Total expense arising from equity settled share based payment transactions for the ESOPs and PSUs granted to the eligible employees of the Company and WOS has been charged to Consolidated Statement of Profit and Loss.

₹ (in Crore)

Expense recognised for employee services received during the year	March 31, 2026	March 31, 2025
Expense arising from equity settled share based payment transactions	**69.43**	22.52
Other Adjustments (Impact on account of foreign exchange translation difference)	**(0.00)**	(0.00)
Total expense arising from share based payment transactions recognised in Consolidated Statement of Profit and Loss	**69.43**	22.52

The weighted average share price for ESOPs exercised during the year under various Grants was ₹ 2,619.46 (Previous Year: ₹ 4,122.11). The price for the current year is arrived at after considering the impact of corporate action for options exercised before the corporate action.

Fair value methodology

The fair value of ESOPs and PSUs used to compute net income and earnings per equity share has been estimated on the date of grant using Black-Scholes model.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

The key assumptions used in Black-Scholes model for calculating fair value under ESOS 2020 and ESOP & PSU Scheme 2025 as on the date of grant were:

Particulars	Type	Risk-free interest rate	Expected average life	Expected volatility	Dividend yield	Fair value per ESOP/ PSU (₹)	Fair value per ESOP/PSU after corporate action (₹)
ESOP & PSU Scheme 2025 (Grant Date March 30, 2026)	ESOPs	6.08% - 6.51% p.a.	3.0 - 6.0 Years	29.23% - 30.70%	2.01% p.a.	710.87	NA
ESOP & PSU Scheme 2025 (Grant Date March 30, 2026)	PSUs	6.17% - 6.32% p.a.	3.5 - 4.5 Years	29.75% - 29.76%	2.01% p.a.	2,123.19	NA
ESOP & PSU Scheme 2025 (Grant Date January 14, 2026)	ESOPs	5.82% - 6.24% p.a.	3.0 - 6.0 Years	29.00% - 31.05%	2.01% p.a.	759.30	NA
ESOP & PSU Scheme 2025 (Grant Date January 14, 2026)	PSUs	5.89% - 6.04% p.a.	3.5 - 4.5 Years	29.27% - 29.48%	2.01% p.a.	2,281.07	NA
ESOP & PSU Scheme 2025 (Grant Date October 15, 2025)	ESOPs	5.69% - 6.05% p.a.	3.0 - 6.0 Years	29.15% - 31.92%	2.01% p.a.	1,705.62	852.81
ESOP & PSU Scheme 2025 (Grant Date October 15, 2025)	PSUs	5.76% - 5.88% p.a.	3.5 - 4.5 Years	29.09% - 29.93%	2.01% p.a.	5,138.32	2,569.16
ESOP & PSU Scheme 2025 (Grant Date July 17, 2025)	ESOPs	5.62% - 5.92% p.a.	3.0 - 6.0 Years	29.24% - 32.86%	2.01% p.a.	1,639.03	819.52
ESOP & PSU Scheme 2025 (Grant Date July 17, 2025)	PSUs	5.68% - 5.78% p.a.	3.5 - 4.5 Years	29.58% - 30.85%	2.01% p.a.	4,917.23	2,458.62
ESOP & PSU Scheme 2025 (Grant Date June 20, 2025)	ESOPs	5.62% - 5.90% p.a.	3.0 - 6.0 Years	29.20% - 32.95%	2.01% p.a.	1,492.25	746.13
ESOP & PSU Scheme 2025 (Grant Date June 20, 2025)	PSUs	5.67% - 5.76% p.a.	3.5 - 4.5 Years	29.63% - 30.80%	2.01% p.a.	4,479.67	2,239.84
ESOS 2020 (Grant Date January 14, 2025)	ESOPs	6.49% - 6.51% p.a.	3.5 - 5.5 Years	28.85% - 32.92%	2.16% p.a.	1,133.03	566.52
ESOS 2020 (Grant Date June 07, 2024)	ESOPs	6.68% - 6.70% p.a.	3.5 - 5.5 Years	29.79% - 32.76%	1.75% p.a.	1,201.01	600.51
ESOS 2020 (Grant Date April 10, 2024)	ESOPs	6.77% - 6.80% p.a.	3.5 - 5.5 Years	27.89% - 31.93%	1.75% p.a.	1,162.11	581.06
ESOS 2020 (Grant Date January 10, 2024)	ESOPs	6.78% - 6.82% p.a.	3.5 - 5.5 Years	27.75% - 33.03%	1.75% p.a.	1,084.43	542.22
ESOS 2020 (Grant Date April 25, 2023)	ESOPs	6.66% - 6.76% p.a.	3.5 - 5.5 Years	34.00% - 34.54%	2.48% p.a.	557.31	278.66
ESOS 2020 (Grant Date July 21, 2022)	ESOPs	6.74% - 6.96% p.a.	3.5 - 5.5 Years	34.68% - 36.41%	1.18% p.a.	699.71	349.86
ESOS 2020 (Grant Date January 24, 2022)	ESOPs	5.34% - 5.98% p.a.	3.5 - 5.5 Years	33.91% - 35.52%	0.92% p.a.	826.26	413.13
ESOS 2020 (Grant Date February 22, 2021)	ESOPs	5.04% - 5.66% p.a.	3.5 - 5.5 Years	36.10% - 37.08%	0.84% p.a.	1,053.40	526.70

Volatility is a measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black - Scholes Model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time.

Expected volatility is based on trading history of the Company's share price. However, as on the respective dates of grant in case of ESOS 2020, wherever the trading history of the Company and/or its comparable company(s) listed on the Stock exchange were less than the life of the ESOP, Nifty Financial Services Index was also considered for deriving the volatility.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Note 25 Tax expense

Components of Income Tax Expense

(a) Amounts recognised in the Consolidated Statement of Profit and Loss

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current Tax		
Current income tax expense	**852.14**	730.17
Adjustments related to prior years#	**(45.82)**	-
	806.32	**730.17**
Deferred Tax Charge/(Credit)		
Origination and reversal of temporary differences*	**44.77**	95.22
	44.77	**95.22**
Income Tax expense for the year	**851.09**	**825.39**

(b) Tax on amounts recognised in Consolidated Other Comprehensive Income

₹ (in Crore)

Particulars	Tax (expense)/benefit	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Remeasurement of the defined benefit plans	**1.11**	0.96
Fair value changes in debt instruments through Other Comprehensive Income (OCI)	**0.42**	(0.02)
Fair value changes in debt instruments through OCI reclassified to profit or loss	**(0.40)**	-
Total	**1.13**	**0.94**

(c) Reconciliation of Effective Tax Rate

₹ (in Crore)

Reconciliation between the statutory Income tax rate and the effective Income tax rate	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit before tax	**3,709.15**	3,285.58
Company's domestic tax rate	**25.17%**	25.17%
Tax using the domestic tax rate	**933.52**	826.91
Tax effect of/on:		
Net expenses that are not deductible in determining taxable profit	**13.24**	14.38
Items which are taxed at different rates*	**(46.54)**	(12.01)
Incomes which are exempt from tax	**(3.93)**	(4.23)
Loss of subsidiary	**0.26**	0.22
Adjustments related to prior years#	**(45.82)**	-
Items not allowed to be set off against brought forward business losses	**0.27**	-
Others	**0.09**	0.12
Total	**(82.43)**	**(1.52)**
Income Tax expense for the year	**851.09**	**825.39**

*As per Finance (No.2) Act 2024, enacted in August 2024, the rates at which capital gains were taxed had changed and indexation benefit had also been withdrawn while calculating long term capital gains on investments. Consequently, the Deferred Tax Liability recognised by the Group on fair value gains on its investments as on March 31, 2024 had increased by ₹43.67 Crore thereby resulting in an additional charge on the Profit After Tax of the Group for year ended March 31, 2025.

#Considering recent assessments orders, the Company has re-assessed its income tax position during the year ended March 31, 2026. As a result of which, the Company has reversed income tax provision for earlier years amounting to ₹45.38 Crore thereby resulting in an additional credit to the Profit After Tax of the Group for year ended March 31, 2026. The said amount is included in 'Adjustments related to prior years' above.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

(d) Effective Tax Rate

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Effective Tax Rate (%)	**22.95**	25.12

(e) Significant components and movement in deferred tax assets and liabilities:

₹ (in Crore)

Particulars	As at April 01, 2025	Charge/(Credit) recognised in Profit and Loss	Charge/(Credit) recognised in OCI	As at March 31, 2026
Deferred Tax Assets				
- Property, Plant and Equipment & Other Intangible Assets (excluding ROU)	**11.50**	**(4.15)**	**-**	**15.65**
- Lease Liabilities	**36.13**	**(17.98)**	**-**	**54.11**
- Employee Benefits	**10.99**	**(0.89)**	**-**	**11.88**
- Others	**2.16**	**(0.62)**	**-**	**2.78**
Total Deferred Tax Assets	**60.78**	**(23.64)**	**-**	**84.42**
Deferred Tax Liabilities				
- Right of Use Asset (ROU)	**33.45**	**18.00**	**-**	**51.45**
- Prepaid Employee Benefits	**0.50**	**0.94**	**-**	**1.44**
- Fair value gains/losses and impairment on Investments	**234.59**	**46.38**	**(0.02)**	**280.95**
- Others	**3.04**	**3.09**	**-**	**6.13**
Total Deferred Tax Liabilities	**271.58**	**68.41**	**(0.02)**	**339.97**
Net Deferred Tax Assets/(Liabilities)	**(210.80)**	**44.77**	**(0.02)**	**(255.55)**

₹ (in Crore)

Particulars	As at April 01, 2024	Charge/(Credit) recognised in Profit and Loss	Charge/(Credit) recognised in OCI	As at March 31, 2025
Deferred Tax Assets				
- Property, Plant and Equipment & Other Intangible Assets (excluding ROU)	11.83	0.33	-	11.50
- Lease Liabilities	31.44	(4.69)	-	36.13
- Employee Benefits	4.12	(6.87)	-	10.99
- Others	1.81	(0.35)	-	2.16
Total Deferred Tax Assets	**49.20**	**(11.58)**	**-**	**60.78**
Deferred Tax Liabilities				
- Right of Use Asset (ROU)	28.30	5.15	-	33.45
- Prepaid Employee Benefits	0.24	0.26	-	0.50
- Fair value gains/losses and impairment on Investments	133.12	101.45	0.02	234.59
- Others	3.10	(0.06)	-	3.04
Total Deferred Tax Liabilities	**164.76**	**106.80**	**0.02**	**271.58**
Net Deferred Tax Assets/(Liabilities)	**(115.56)**	**95.22**	**0.02**	**(210.80)**

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

The Group has not recognised deferred tax assets in respect of carried forward tax losses and unabsorbed depreciation of the subsidiary as the same may lapse in subsequent years as follows:

	₹ (in Crore)	
As at March 31, 2026	**Amount**	**Expiry**
Tax Losses	**2.06**	**Within 0 - 2 years**

	₹ (in Crore)	
As at March 31, 2025	**Amount**	**Expiry**
Tax Losses	3.00	Within 0 - 3 years
Unabsorbed depreciation	0.08	Unlimited

Notes:

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Management judgement is required in determining provision for income tax, deferred tax assets and liabilities and recoverability of deferred tax assets. The recoverability of deferred tax assets is based on estimates of taxable income and the period over which deferred tax assets will be recovered. Any changes in future taxable income would impact the recoverability of deferred tax assets.

Note 26 Related Party Transactions

As per the Indian Accounting Standard on 'Related Party Disclosures' (Ind AS 24), the related parties of the Group with whom there have been transactions during the current/previous year, are as follows:

Sr. No	Relationship	Name of the Parties
1	Holding Company	HDFC Bank Limited
2	Fellow Subsidiaries	HDFC Trustee Company Limited HDFC Life Insurance Company Limited HDFC ERGO General Insurance Company Limited HDFC Securities Limited
3	Other Related Parties	HDFC Asset Management Company Limited Employees' Group Gratuity Assurance Scheme (post-employment benefit plan of the Company)
4	Key Management Personnel (KMP) of Company	Deepak S Parekh Navneet Munot Dhruv Kaji Jairaj Purandare Sanjay Bhandarkar Parag Shah Renu S Karnad Roshni Nadar Malhotra V Srinivasa Rangan
5	Key Management Personnel of Holding Company (except covered in Sr No. 4)	Keki Mistry Kaizad Maneck Bharucha Bhavesh Zaveri

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Sr. No	Relationship	Name of the Parties
6	Close Family Members of Company's Key Management Personnel and Holding Company's Key Management Personnel	Smita Deepak Parekh Aditya Deepak Parekh Harsha Shantilal Parekh Siddharth Deepak Parekh Bharat Karnad Ashok Sud V Jayam S Anuradha Abinaya Rangan Niharika B Zaveri Mahesh Babu Ramamurthy Devesh Bhanwala

All the transactions with related parties are on arm's length basis. The terms and conditions of these transactions were no more favourable than those available, or those which might reasonably be expected to be available, in similar transactions with non-related parties on an arm's length basis. None of the balances are secured and the settlement of the same will be done in the form of cash or by providing/receiving services as applicable, in the ordinary course of business. The nature and volume of transactions of the Group during the current/previous year with the above related parties were as follows:

(a) Details of transactions

₹ (in Crore)

Particulars	Holding Company		Fellow Subsidiaries		Other Related Parties	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
INCOME						
Interest on Deposits	**1.23**	1.43	**-**	-	**-**	-
EXPENSE						
Lease Rent	**13.81**	12.11	**-**	-	**-**	-
Bank Charges	**0.01**	0.00	**-**	-	**-**	-
Fees and Commission	**3.85**	2.15	**0.30**	0.31	**-**	-
Administration & Other Expenses	**2.62**	2.37	**-**	-	**-**	-
Insurance Premium	**-**	-	**4.58**	4.75	**-**	-
Trademark Licence Fees	**15.89**	13.17	**-**	-	**-**	-
Custodian Charges	**0.03**	0.06	**-**	-	**-**	-
OTHER TRANSACTIONS						
Equity Dividend	**1,009.62**	785.26	**-**	-	**-**	-
Contribution towards Gratuity Fund	**-**	-	**-**	-	**8.29**	5.91
ASSET						
Bank Balances	**12.46**	13.00	**-**	-	**-**	-
Fixed Deposits	**29.58**	28.37	**-**	-	**-**	-
Interest accrued on Fixed Deposit	**0.38**	0.13	**-**	-	**-**	-
Advance for Expenses	**-**	-	**2.42**	2.72	**-**	-
Prepaid Commission	**1.66**	1.37	**2.21**	2.48	**-**	-
Prepaid Insurance Premium	**-**	-	**0.05**	0.04	**-**	-
Security Deposit	**4.32**	0.47	**-**	-	**-**	-
LIABILITY						
Account Payable	**2.84**	3.14	**0.02**	0.02	**-**	-

Note:

The Company provides the necessary operating and secretarial services, etc. to HDFC Trustee Company Limited to meet the operating and compliance requirements of the Company in line with SEBI (Mutual Funds) Regulations, 1996. The Company does not charge any amount in line with practice followed by the mutual fund industry.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

(b) Details of remuneration to Company's KMPs

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(A) Managing Director & Chief Executive Officer		
Short term employee benefits	**10.86**	9.00
Post employment benefits	**0.43**	0.37
Other long term benefits	**0.11**	0.12
Share based payment	**3.99**	1.13
Other benefits	**0.06**	0.07
Total (A)	**15.45**	**10.69**
(B) Other Directors		
Directors Sitting Fees	**1.92**	1.42
Commission to Non Executive Directors*	**2.10**	2.10
Other benefits	**0.07**	-
Total (B)	**4.09**	**3.52**
Total Remuneration (A+B)	**19.54**	**14.21**

*Commission is approved by the Board of Directors within the limit as approved by the shareholders of the Company and will be paid post adoption of annual accounts by the shareholders.

(c) Details of dividend paid to Company's KMPs

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Dividend on Equity Shares	**3.73**	2.90

(d) Details of dividend paid to close family members of Company's KMPs, Holding Company's KMPs and close family members of Holding Company's KMPs

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Dividend on Equity Shares	**0.94**	0.73

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Note 27 Earnings Per Share

Basic earnings per share (EPS) is calculated by dividing the profit after tax for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the profit after tax for the year attributable to equity shareholders of the Company adjusted for the effects of all dilutive potential ordinary shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares. There is no effect of dilutive potential ordinary shares on profit after tax for the year attributable to equity shareholders of the Company.

The relevant details as described above are as follows:

₹ (in Crore except equity share data)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit after tax for the year (numerator for calculating Basic and Diluted EPS)	**2,858.06**	2,460.19
Weighted Average equity shares outstanding during the year*	**42,80,39,582**	42,72,69,632

Following is the reconciliation between basic and diluted earnings per equity share:

₹

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Nominal value per share	**5.00**	5.00
Basic earnings per share*	**66.77**	57.58
Effect of potential equity shares for ESOPs and PSUs (per share)*	**(0.27)**	(0.20)
Diluted earnings per share*	**66.50**	57.38

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Weighted average number of equity shares used in computing basic earnings per equity share*	**42,80,39,582**	42,72,69,632
Effect of potential equity shares for outstanding ESOPs and PSUs*	**17,41,392**	15,31,778
Weighted average number of equity shares used in computing diluted earnings per equity share*	**42,97,80,974**	42,88,01,410
Weighted average number of anti dilutive ESOPs and PSUs not considered in computing diluted earnings per equity share*	**1,58,588**	11,786

*The earnings per share and number of shares outstanding for the year ended March 31, 2025, have been proportionately adjusted to reflect the effect of bonus share issuance [see note 17(a)].

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Note 28 Leases

A. The Group has entered into leasing arrangements for premises. Majority of the leases are cancellable by the Group. Right of Use assets have been included under the line 'Property, Plant and Equipment' and Lease liabilities have been included under 'Other Financial Liabilities' in the Consolidated Balance Sheet.

(i) Amounts recognised in the Consolidated Balance sheet

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Right of Use assets (net) (Property, Plant and Equipment)	**208.80**	133.81
(b) Lease liabilities		
Current	**46.45**	31.29
Non-current	**171.75**	112.29
Total Lease liabilities	**218.20**	**143.58**

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(c) Additions to the Right of Use assets	**133.04**	68.21

(ii) Amounts recognised in the Consolidated Statement of Profit and Loss

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Depreciation charge for Right of Use assets	**48.57**	41.15
(b) Interest expense (included in finance costs)	**13.32**	9.41
(c) Expense relating to short-term leases	**0.32**	1.52

(iii) Cash Flows

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
The total cash outflow of leases	**57.32**	49.35

(iv) Future Commitments

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Future undiscounted lease payments to which leases is not yet commenced	**4.61**	36.51

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

(v) Maturity analysis of undiscounted lease liabilities

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Before 3 months	**15.48**	10.97
3 – 6 months	**15.22**	10.34
6 – 12 months	**29.17**	19.28
1 – 3 years	**93.90**	61.59
3 – 5 years	**50.92**	36.96
Above 5 years	**60.76**	36.88
Total	**265.45**	**176.02**

(vi) All the future cash flows to which the lessee is potentially exposed are reflected in the measurement of lease liabilities.

(vii) The Group currently does not have any sale and lease back transactions.

B. Finance Lease

(i) The Company has provided vehicles to certain employees which have been treated as finance leases.

₹ (in Crore)

Quantitative Disclosures	For the year ended March 31, 2026	For the year ended March 31, 2025
Selling profit/(loss)	**(0.06)**	(0.02)
Finance income on the net investment in the lease	**1.19**	0.85
Lease income relating to variable lease payments not included in the measurement of the net investment in the lease	**-**	-

(ii) Significant changes in the carrying amount of the net investment in the lease

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Lease receivables as at the beginning of the year	**9.43**	9.45
Add: Finance income on the net investment in the lease	**1.19**	0.85
Add: New leases entered during the year	**13.22**	4.08
Less: Lease payments received during the year	**6.84**	4.95
Lease receivables as at the end of the year	**17.00**	**9.43**

(iii) The following table sets out a maturity analysis of lease receivables:

₹ (in Crore)

Maturity Analysis of the Lease payments Receivables	As at March 31, 2026	As at March 31, 2025
	Minimum Lease payments receivables	
Less than one year	**6.19**	4.63
One to two years	**5.20**	3.35
Two to three years	**3.74**	2.07
Three to four years	**3.26**	0.48
Four to five years	**1.55**	-
More than five years	**-**	-
Total undiscounted lease payments receivable	**19.94**	**10.53**
Less: unearned finance income	**2.94**	1.10
Present value of lease receivables*	**17.00**	**9.43**

*Present value of lease receivables represent the Current Future Outstanding Principal

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

(iv) Risk Management Framework for finance leases

The table represents categories of collaterals available against the finance lease exposures:

₹ (in Crore)

Particulars	Collateral available	As at March 31, 2026	As at March 31, 2025
Finance lease receivables	Hypothecation of the underlying car financed	**17.00**	9.43

The Company has framed Car Policy to provide use of the Company owned car for the commute from residence to workplace, for the discharge of their official functions and for personal use to certain selected employees of the Company. As per the Car Policy of the Company, the car is registered in the name of the Company and will remain the property of the Company till it is duly transferred to employee in accordance with the Car Policy and after recovery of all lease receivables. In case of separation of employee from the Company, outstanding lease receivables are recovered/adjusted from employee's full and final settlement in accordance with the Car Policy.

Note 29 Segment Information

(a) Description of segments and principal activities

The Group is in the business of providing asset management services to mutual funds & alternative investment funds and portfolio management & advisory services to clients. The Group's financial statements are largely reflective of the asset management business and accordingly, there are no separate reportable segments as per Ind AS 108, Operating Segment.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM's function is to allocate the resources of the entity and assess the performance of the operating segment of the Group.

(b) Segment Revenue

The amount of its revenue from external customers broken down by location of the customers is shown in the table below:

₹ (in Crore)

Revenue	For the year ended March 31, 2026	For the year ended March 31, 2025
Within India	**4,120.69**	3,498.40
Outside India	**1.47**	0.04
Total	**4,122.16**	**3,498.44**

(c) All assets of the Group are domiciled in India.

(d) Information about revenue from major customers

There is only one customer contributing in excess of 10% of the total revenue of the Group. The amounts for the same are as follows:

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from HDFC Mutual Fund	**4,103.15**	3,481.91

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Note 30 Contingent Liabilities and Commitments

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Contingent liabilities:		
- Claims against the Group not acknowledged as debt:		
(i) Disputed Income Tax demand	**18.07**	7.54
(ii) Disputed Goods and Services Tax demand	**0.51**	0.20
(iii) Other matters*	**0.34**	-
(b) Commitments:		
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	**13.50**	5.68
(ii) Uncalled liability on shares and other investments partly paid	**456.90**	321.62

*One of the investors had filed a claim against six entities including the Company before the Adjudicating Authority, Bhopal under the IT Act, 2000; and involves alleged forgery and redemption by the employee of the distributor which is a party to the case. All Parties defended the claim through appropriate representation before the forum.

The Adjudicating Authority has passed an Order on December 4, 2025 in which the Company is required to pay ₹0.34 Crore to the investor. The other parties are also required to pay varying amounts to the investor. Upon perusal of the order, the Company believes that it has valid grounds and legal case to appeal the said Order; and has taken necessary steps in this regard including obtaining a Stay on the said Order by filing an appeal before the Appellate Authority and depositing the said amount with the Authority.

Note 31 Dividend Paid and Proposed

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Dividends on equity shares declared and paid during the year:		
Final dividend		
Paid for the earlier financial year	**1,925.19**	-
Dividend per share for the earlier financial year (₹)	**90.00$**	-
Interim dividend*		
Paid for the earlier financial year	**-**	1,495.05
Dividend per share for the earlier financial year (₹)	**-**	70.00$
Total dividend paid	**1,925.19**	**1,495.05**
Dividend on Equity Shares proposed by the Board of Directors for approval at Annual General Meeting (not recognised as a liability at the respective year end)		
Final dividend for the same financial year	**2,313.36**	1,924.14
Dividend per share for the same financial year (₹)	**54.00**	90.00$

*During the year ended March 31, 2025, the Company had declared and paid an interim dividend of ₹70 per equity share (face value of ₹5 each) (pre-bonus) for the year ended March 31, 2024 as approved by its Board of Directors at the meeting held on June 07, 2024 instead of the final dividend as proposed earlier on April 19, 2024. The same has also been confirmed by the Shareholders of the Company at the Annual General Meeting held on July 25, 2024.

$The per share data is on pre-bonus basis [see note 17(a)].

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Note 32 Capital Management

Equity share capital and other equity are considered for the purpose of Company's capital management. The Company manages its capital in a manner which enables it to safeguard its ability to continue as a going concern and to optimise returns to the Shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investors', creditors' and market confidence. The funding requirements are met through operating cash flows and other equity. The management monitors the return on capital and the board of directors monitors the level of dividends paid to shareholders of the Company. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure. As of March 31, 2026 and March 31, 2025, the Company has only one class of equity shares and has no debt. In the absence of any debt, the monitoring of debt equity ratio may not be appropriate for the Group. As of March 31, 2026 the Equity Share Capital is ₹214.20 Crore (Previous Year: ₹106.90 Crore) and Other Equity is ₹9,014.51 Crore (Previous Year: ₹8,023.09 Crore). Certain minimum networth requirements for the business have been laid down by SEBI (for the Company) and by International Financial Services Centres Authority (for WOS), as applicable. The same is monitored on regular basis and have been complied with.

Note 33 Financial Instruments

A. Classification and Fair Values of Financial Assets & Liabilities

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

₹ (in Crore)

Particulars	Carrying Amount				Fair Value			
As at March 31, 2026	FVTPL	FVOCI	Amortised Cost	Total Carrying amount	Level 1	Level 2	Level 3	Total
Financial Assets								
Investments in:								
Mutual Funds	8,574.53	-	-	8,574.53	8,392.88	181.65	-	8,574.53
Debt Securities	3.70	-	234.47	238.17	-	239.53	3.70	243.23
Equity Instruments	24.22	-	-	24.22	-	-	24.22	24.22
Alternative Investment Funds	525.07	-	-	525.07	-	39.42	485.65	525.07
Trade Receivables*	-	-	158.58	158.58				158.58
Cash and Cash Equivalents*	-	-	11.58	11.58				11.58
Other Bank Balances*	-	-	43.16	43.16				43.16
Other Financial Assets*	-	-	45.71	45.71				45.71
Total	9,127.52	-	493.50	9,621.02	8,392.88	460.60	513.57	9,626.08
Financial Liabilities								
Trade Payables*	-	-	47.41	47.41				47.41
Other Financial Liabilities								
Lease Liabilities	-	-	218.20	218.20	-	217.51	-	217.51
Others*	-	-	111.25	111.25				111.25
Total Other Financial Liabilities	-	-	329.45	329.45	-	217.51	-	328.76
Total	-	-	376.86	376.86	-	217.51	-	376.17

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

₹ (in Crore)

Particulars	Carrying Amount				Fair Value			
As at March 31, 2025	FVTPL	FVOCI	Amortised Cost	Total Carrying amount	Level 1	Level 2	Level 3	Total
Financial Assets								
Investments in:								
Mutual Funds	7,507.56	-	-	7,507.56	7,322.68	184.88	-	7,507.56
Debt Securities	8.39	100.74	261.45	370.58	-	373.71	8.39	382.10
Equity Instruments	24.40	-	-	24.40	-	-	24.40	24.40
Alternative Investment Funds	345.66	-	-	345.66	-	37.42	308.24	345.66
Venture Capital Fund	6.64	-	-	6.64	-	-	6.64	6.64
Trade Receivables*	-	-	133.66	133.66				133.66
Cash and Cash Equivalents*	-	-	12.13	12.13				12.13
Other Bank Balances*	-	-	29.67	29.67				29.67
Other Financial Assets*	-	-	39.61	39.61				39.61
Total	**7,892.65**	**100.74**	**476.52**	**8,469.91**	**7,322.68**	**596.01**	**347.67**	**8,481.43**
				-				
Financial Liabilities								
Trade Payables*	-	-	40.05	40.05				40.05
Other Financial Liabilities								
Lease Liabilities	-	-	143.58	143.58	-	145.53	-	145.53
Others*	-	-	101.61	101.61				101.61
Total Other Financial Liabilities	**-**	**-**	**245.19**	**245.19**	**-**	**145.53**	**-**	**247.14**
Total	**-**	**-**	**285.24**	**285.24**	**-**	**145.53**	**-**	**287.19**

*Fair value of cash and cash equivalents, other bank balances, trade receivables, other financial assets, trade payables and other financial liabilities (excluding lease liabilities) approximate their carrying amounts largely due to current maturities of these instruments. Accordingly, fair value hierarchy for these financial instruments have not been presented above.

For the purpose of disclosure, quoted price is considered as the fair value of financial assets that are measured at amortised cost. However, they are shown under level 2 in the fair value hierarchy as they are thinly traded.

B. Fair value hierarchy

The fair value of financial assets or financial liabilities is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities and lowest priority to unobservable inputs.

The hierarchy used is as follows:

Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Investment in open ended Mutual Funds are included in Level 1.

Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices). Lease liabilities and Investment in close ended Mutual Funds, Alternative Investment Fund and Debt Securities that are not traded in active market are included in Level 2.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. Investment in unlisted Debt Securities, unlisted Equity Instruments, Alternative Investment Funds and Venture Capital Fund are included in Level 3.

C. Valuation techniques used to determine fair value

Financial instrument	Valuation technique
Mutual Funds	Net Asset Value (NAV) declared by the mutual fund at which units are issued or redeemed/quoted price
Debt Securities	Discounted cash flow based on present value of the expected future economic benefit/quoted price
Equity Instruments	Underlying Asset Approach/Discounted cash flow based on present value of the expected future economic benefit
Alternative Investment Funds and Venture Capital Fund	Net Asset Value (NAV) provided by issuer fund which is arrived at based on valuation from independent valuer for unlisted portfolio companies, quoted price of listed portfolio companies and price of recent investments
Lease Liabilities	Discounted cash flows based on present value of expected payments, discounted using a risk-adjusted discount rate

In order to assess Level 3 valuations as per Investment policy, the management reviews the performance of the investee companies (including unlisted portfolio companies of venture capital fund and alternative investment funds) on a regular basis by tracking their latest available information, valuation report of independent valuers, recent transaction results, investor reports etc. which are considered in valuation process.

The finance department of the Company includes the team that performs the valuation of financial assets and liabilities required for financial reporting purposes, including level 3 fair value. The team is supervised by the Chief Financial Officer (CFO) of the Company. Discussions of valuation processes and results are held between the valuation team and the senior management at least once every three months which is in line with the Company's quarterly reporting periods.

D. Valuation inputs and relationship to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurement.

As at March 31, 2026

Financial Instrument	Significant unobservable inputs	Probability weights/ range	Sensitivity of input to fair value measurement
Debt Securities	Valuation Factor	10% - 20%	A 10% increase in the valuation factor would decrease the carrying value of investment by ₹ 0.37 Crore. A 10% decrease in the valuation factor would increase the carrying value of investment by ₹ 0.37 Crore.
Equity Instruments	Valuation Factor	10% - 20%	A 10% increase in the valuation factor would decrease the carrying value of investment by ₹ 2.42 Crore. A 10% decrease in the valuation factor would increase the carrying value of investment by ₹ 2.42 Crore.
Alternative Investment Funds	Net Asset Value (NAV)	0.90x -1.10x	A 10% increase in the NAV would increase the carrying value of investment by ₹ 48.57 Crore. A 10% decrease in the NAV would decrease the carrying value of investment by ₹ 48.57 Crore.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

As at March 31, 2025

Financial Instrument	Significant unobservable inputs	Probability weights/ range	Sensitivity of input to fair value measurement
Debt Securities	Valuation Factor	10% - 20%	A 10% increase in the valuation factor would decrease the carrying value of investment by ₹0.84 Crore. A 10% decrease in the valuation factor would increase the carrying value of investment by ₹ 0.84 Crore.
Equity Instruments	Valuation Factor	10% - 20%	A 10% increase in the valuation factor would decrease the carrying value of investment by ₹2.44 Crore. A 10% decrease in the valuation factor would increase the carrying value of investment by ₹2.44 Crore.
Alternative Investment Funds	Net Asset Value (NAV)	0.90x -1.10x	A 10% increase in the NAV would increase the carrying value of investment by ₹30.83 Crore. A 10% decrease in the NAV would decrease the carrying value of investment by ₹30.83 Crore.
Venture Capital Fund	Net Asset Value (NAV)	0.90x -1.10x	A 10% increase in the NAV would increase the carrying value of investment by ₹0.66 Crore. A 10% decrease in the NAV would decrease the carrying value of investment by ₹0.66 Crore.

E. Fair value measurement using significant unobservable inputs (level 3)

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values:

₹ (in Crore)

Particulars	Debt Securities	Equity Instruments	Alternative Investment Funds	Venture Capital Fund	Total
Balance as at April 01, 2024	**8.22**	**24.27**	**171.29**	**5.33**	**209.11**
Net gain/(losses) on Financial Instruments recognised in Other Income:					
- Realised	-	-	1.42	-	1.42
- Unrealised	0.17	0.13	2.89	1.31	4.50
Purchases of Financial Instruments	-	-	147.98	-	147.98
Sales of Financial Instruments	-	-	(15.34)	-	(15.34)
Balance as at March 31, 2025	**8.39**	**24.40**	**308.24**	**6.64**	**347.67**
Net gain/(losses) on Financial Instruments recognised in Other Income:					
- Realised	-	-	9.20	-	9.20
- Unrealised	(4.69)	(0.18)	29.36	-	24.49
Change in nature of instrument	-	-	6.64	(6.64)	-
Purchases of Financial Instruments	-	-	165.81	-	165.81
Sales of Financial Instruments	-	-	(33.60)	-	(33.60)
Balance as at March 31, 2026	**3.70**	**24.22**	**485.65**	**-**	**513.57**

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

F. Financial Risk Management

Risk management is an integral part of the business practices of the Group. The Group's primary focus is to foresee the unpredictability of financial markets and seek to minimise potential adverse effects on its financial performance. The financial risks are managed in accordance with the policy on enterprise risk management which has been approved by the Board of Directors. The Company's Board of Directors has ultimate responsibility for monitoring the risk profile of the Company. The purpose of risk management is to identify potential problems before they occur, so that risk-handling activities may be planned and invoked as needed to manage adverse impacts on achieving objectives.

The Audit Committee of the Company reviews the development and implementation of the policy on enterprise risk management of the Company on periodic basis. The Audit Committee provides guidance on the risk management activities, review the results of the risk management process and reports to the Board of Directors on the status of the risk management initiatives.

The Group has exposure to the following risks arising from Financial Instruments:

Risk	Exposure arising from
Credit Risk	Cash and cash equivalents, other bank balances, trade receivables, other financial assets measured at amortised cost, and debt securities measured at FVOCI
Liquidity Risk	Financial liabilities
Market Risk - Foreign Exchange	Recognised financial assets not denominated in ₹
Market Risk - Interest Rate	Investments in debt securities and fixed deposits with bank
Market Risk - Price	Investments in equity securities, units of mutual funds, debt securities measured at FVTPL, venture capital fund, alternative investment funds and debt securities measured at FVOCI

i. Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's trade receivables, cash and cash equivalents, other bank balances, other financial assets measured at amortised cost and debt securities measured at FVOCI.

Exposure to credit risk is mitigated through regular monitoring of collections, counterparty's creditworthiness and diversification in exposure.

Exposure to credit risk

The carrying amount of financial assets represents maximum amount of credit exposure. The maximum exposure to credit risk is as per the table below, it being total of carrying amount of cash and cash equivalent, other bank balances, trade receivables, other financial assets measured at amortised cost and debt securities measured at FVOCI.

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Maximum exposure to credit risk	**493.50**	577.17

Expected Credit Loss (ECL) on Financial Assets

The Group continuously monitors all financial assets subject to ECLs. In order to determine whether an instrument is subject to 12 month ECL (12mECL) or life time ECL (LTECL), the Group assesses whether there has been a significant increase in credit risk or the asset has become credit impaired since initial recognition. The Group applies following quantitative and qualitative criteria to assess whether there is significant increase in credit risk or the asset has been credit impaired:

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

- Historical trend of collection from counterparty
- Group's contractual rights with respect to recovery of dues from counterparty
- Credit rating of counterparty and any relevant information available in public domain

ECL is a probability weighted estimate of credit losses. It is measured as the present value of cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with contract and the cash flows that the Group expects to receive).

The Group has four types of financial assets that are subject to the expected credit loss:

- Trade receivables and other financial assets
- Cash and cash equivalents and other bank balances
- Investment in debt securities measured at amortised cost
- Investment in debt securities measured at FVOCI

Trade Receivables and Other Financial Assets

Exposures to customers' outstanding at the end of each reporting period are reviewed by the Group to determine incurred and expected credit losses. Historical trends of collection from counterparties on timely basis reflects low level of credit risk. As the Group has a contractual right to such receivables as well as control over preponderant amount of such funds due from customers, the Group does not estimate any credit risk in relation to such receivables. Further, management believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour.

The Group has placed security deposit with lessors for premises leased by the Group. The Group does not perceive any significant decline in credit risk profile of the lessors where the amount of security deposit is material and hence expected probability of default is low.

Cash and Cash Equivalents and Other Bank Balances

The Group holds cash and cash equivalents and other bank balances as per note 4 and 5. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be high.

Investment in Debt Securities measured at amortised cost

The Group has made investments in tax free bonds. Funds are invested after taking into account parameters like safety, liquidity and post tax returns etc. The Group avoids concentration of credit risk by spreading them over several counterparties with good credit rating profile and sound financial position. The Group's exposure and credit ratings of its counterparties are monitored on an ongoing basis. Accordingly, the expected probability of default is low.

Investment in Debt Securities measured at FVOCI

The Group has made investments in non-convertible debentures. Funds are invested after taking into account parameters like liquidity, credit rating, safety and sound financial position of the counterparties. The Group's exposure and credit ratings of its counterparties are monitored on an ongoing basis. Accordingly, the expected probability of default is low.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

ii. Liquidity Risk

Liquidity risk is defined as the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the Group might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances. Such scenarios could occur when funding needed for illiquid asset positions is not available to the Group on acceptable terms.

To limit this risk, management has adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a regular basis. The Group has developed internal control processes for managing liquidity risk.

The Group maintains a portfolio of highly marketable and diverse assets that are assumed to be easily liquidated in the event of an unforeseen interruption in cash flow. The Group assesses the liquidity position under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Group.

Exposure to Liquidity Risk

The table below analyses the Group's financial liabilities into relevant maturity pattern based on their contractual maturities for all financial liabilities.

₹ (in Crore)

As at March 31, 2026	Carrying amount	Contractual Cash Flows		
		Total	1 year or less	More than 1 year
Financial Liabilities				
Trade Payables	**47.41**	**47.41**	**47.41**	**-**
Lease Liabilities (remaining contractual maturities)	**218.20**	**265.45**	**59.87**	**205.58**
Other Financial Liabilities (excluding Lease Liabilities)	**111.25**	**111.25**	**111.25**	**-**
Total	**376.86**	**424.11**	**218.53**	**205.58**

₹ (in Crore)

As at March 31, 2025	Carrying amount	Contractual Cash Flows		
		Total	1 year or less	More than 1 year
Financial Liabilities				
Trade Payables	40.05	40.05	40.05	-
Lease Liabilities (remaining contractual maturities)	143.58	176.02	40.59	135.43
Other Financial Liabilities (excluding Lease Liabilities)	101.61	101.61	101.61	-
Total	**285.24**	**317.68**	**182.25**	**135.43**

iii. Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows related to financial instrument that may result from adverse changes in market rates and prices (such as foreign exchange rates, interest rates, other prices). The Group is exposed to market risk primarily related to currency risk, interest rate risk and price risk.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Currency Risk

The Group has insignificant amount of foreign currency denominated assets. Accordingly, the exposure to currency risk is insignificant.

Interest Rate Risk

The Group's investments and fixed deposits are primarily in fixed rate interest instruments. Accordingly, the exposure to interest rate risk is also insignificant.

Price Risk

Price risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market prices and related market variables including interest rate for investments in debt oriented mutual funds and debt securities, whether caused by factors specific to an individual investment, its issuer or the market. The Group's exposure to price risk arises from investments in equity securities, debt securities, units of mutual funds, venture capital fund and alternative investment funds which are classified as financial assets at FVTPL and debt securities classified at FVOCI. The exposure to the said instruments is as follows:

₹ (in Crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Exposure to price risk	**9,127.52**	7,993.39

To manage its price risk from investments in equity securities, debt securities, units of mutual funds, venture capital fund and alternative investment funds, the Group diversifies its portfolio.

Sensitivity Analysis

The table below sets out the effect on profit or loss and equity due to reasonable possible weakening/strengthening in prices by 5%:

₹ (in Crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Financial assets measured at FVTPL:		
Effect on Profit and Loss and Equity		
5% increase in the prices	**456.38**	394.63
5% decrease in the prices	**(456.38)**	(394.63)
Debt securities measured at FVOCI:		
Effect on Equity		
5% increase in the prices	**-**	5.04
5% decrease in the prices	**-**	(5.04)

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Note 34 Maturity Analysis of Assets and Liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

₹ (in Crore)

Particulars	As at March 31, 2026			As at March 31, 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
ASSETS						
Financial Assets						
Cash and Cash Equivalents	**11.58**	**-**	**11.58**	12.13	-	12.13
Bank Balance other than above	**31.06**	**12.10**	**43.16**	29.67	-	29.67
Receivables						
Trade Receivables	**158.58**	**-**	**158.58**	133.66	-	133.66
Investments	**2,481.88**	**6,880.11**	**9,361.99**	2,033.70	6,221.14	8,254.84
Other Financial Assets	**16.72**	**28.99**	**45.71**	20.49	19.12	39.61
Sub-total - Financial Assets	**2,699.82**	**6,921.20**	**9,621.02**	**2,229.65**	**6,240.26**	**8,469.91**
Non-Financial Assets						
Current Tax Assets (net)	**-**	**44.49**	**44.49**	-	32.77	32.77
Property, Plant and Equipment	**-**	**260.88**	**260.88**	-	182.64	182.64
Intangible Assets Under Development	**-**	**1.72**	**1.72**	-	0.37	0.37
Goodwill	**-**	**6.04**	**6.04**	-	6.04	6.04
Other Intangible Assets	**-**	**5.72**	**5.72**	-	9.61	9.61
Other Non-Financial Assets	**33.44**	**18.13**	**51.57**	35.40	13.92	49.32
Sub-total - Non-Financial Assets	**33.44**	**336.98**	**370.42**	**35.40**	**245.35**	**280.75**
Total Assets	**2,733.26**	**7,258.18**	**9,991.44**	**2,265.05**	**6,485.61**	**8,750.66**
LIABILITIES						
Financial Liabilities						
Payables						
Trade payables						
(i) Total Outstanding Dues of Micro Enterprises and Small Enterprises	**2.34**	**-**	**2.34**	1.74	-	1.74
(ii) Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	**45.07**	**-**	**45.07**	38.31	-	38.31
Other Financial Liabilities	**157.71**	**171.74**	**329.45**	132.90	112.29	245.19
Sub-total - Financial Liabilities	**205.12**	**171.74**	**376.86**	**172.95**	**112.29**	**285.24**
Non-Financial Liabilities						
Current Tax Liabilities (net)	**16.23**	**-**	**16.23**	19.72	-	19.72
Provisions	**3.56**	**21.89**	**25.45**	2.79	17.97	20.76
Deferred Tax Liabilities (net)	**-**	**255.55**	**255.55**	-	210.80	210.80
Other Non-Financial Liabilities	**88.64**	**-**	**88.64**	84.15	-	84.15
Sub-total - Non-Financial Liabilities	**108.43**	**277.44**	**385.87**	**106.66**	**228.77**	**335.43**
Total Liabilities	**313.55**	**449.18**	**762.73**	**279.61**	**341.06**	**620.67**

Note 35 Additional Information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

₹ (in Crore)

Name of the entity in the Group	March 31, 2026							
	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
HDFC Asset Management Company Limited	99.66	9,196.88	100.05	2,859.36	1,123.33	(3.37)	99.94	2,855.99
Indian Subsidiary								
HDFC AMC International (IFSC) Limited	0.34	31.83	(0.05)	(1.30)	(1,023.33)	3.07	0.06	1.77
Non-controlling interest in subsidiary	-	-	-	-	-	-	-	-
Total	**100.00**	**9,228.71**	**100.00**	**2,858.06**	**100.00**	**(0.30)**	**100.00**	**2,857.76**

₹ (in Crore)

Name of the entity in the Group	March 31, 2025							
	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
HDFC Asset Management Company Limited	99.63	8,100.11	100.03	2,461.05	138.31	(2.78)	100.00	2,458.27
Indian Subsidiary								
HDFC AMC International (IFSC) Limited	0.37	29.88	(0.03)	(0.86)	(38.31)	0.77	(0.00)	(0.09)
Non-controlling interest in subsidiary	-	-	-	-	-	-	-	-
Total	**100.00**	**8,129.99**	**100.00**	**2,460.19**	**100.00**	**(2.01)**	**100.00**	**2,458.18**

Notes to Consolidated Financial Statements

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Note 36 Statutory disclosure required as per Schedule III Division III of the Companies Act, 2013

(i) Relationship with Struck off Companies

The transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 are disclosed below:

Sr No.	Name of struck off company	Nature of transactions with struck off company	As at March 31, 2026			As at March 31, 2025		
			Transaction during the year	Balance outstanding	Relationship with the struck off company	Transaction during the year	Balance outstanding	Relationship with the struck off company
1	Vitalink Wealth Advisory Services Private Limited	Shares held by struck off company (no.)	-	26	None	-	13	None
		Dividend paid during the year (₹)	1,170	-	None	910	-	None
2	Manbhawani Investment Limited	Shares held by struck off company (no.)	-	776	None	-	258	None
		Dividend paid during the year (₹)	34,920	-	None	-	-	None
3	Durga Processors Private Limited	Shares held by struck off company (no.)	-	192	None	-	48	None
		Dividend paid during the year (₹)	8,640	-	None	-	-	None
4	DSS Enterprises Private Limited	Shares held by struck off company (no.)	-	302	None	-	-	None
		Dividend paid during the year (₹)	13,590	-	None	-	-	None
5	Manavta Holdings Limited	Shares held by struck off company (no.)	-	592	None	-	-	None
		Dividend paid during the year (₹)	26,640	-	None	-	-	None
6	Narayan	Shares held by struck off company (no.)	-	18	None	-	-	None
7	Betex India Limited	Shares held by struck off company (no.)	-	420	None	-	-	None

(ii) The Group is in compliance with number of layers of companies, as prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(iii) The Group does not have any transactions which were not recorded in the books of accounts, but offered as income during the year in the income tax assessment.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

(iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) No funds have been advanced/loaned/invested (from borrowed funds or from share premium or from any other sources/ kind of funds) by the Group to any other person(s) or entity(ies), including foreign entities (Intermediaries), with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

No funds have been received by the Group from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding (whether recorded in writing or otherwise) that the Group shall (i) directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Note 37

The Government of India had notified the implementation of 4 New Labour Codes (NLC) effective November 21, 2025, by consolidating and rationalising several existing labour laws. Based on management evaluation, the Group's existing employee benefit policies are more beneficial than the statutory requirements under the NLC. Consequently, the implementation of the NLC has no material financial impact on the Group, and the said benefits continues to be recognised in accordance with the Group's policy and applicable Indian Accounting Standards. Further, upon notification of the relevant rules by the appropriate authorities, the same will be reviewed for the impact, if any.

As per our report attached of even date

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

Varun Kothari
Partner
Membership No. 115089

Mumbai, April 16, 2026

For and on behalf of the Board of Directors

Deepak S. Parekh
Chairman
(DIN: 00009078)

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

Naozad Sirwalla
Chief Financial Officer

Sonali Chandak
Company Secretary
(ACS: 18108)

NOTES



HDFC Asset Management Company Limited

CIN: L65991MH1999PLC123027

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