



**HDFC**

VALUE CREATION BEYOND BUSINESS

---

INTEGRATED REPORT 2019-20



WITH YOU, RIGHT THROUGH



“ Our values are what have held us in good stead over the years. Our ethics, prudence, and strong fundamentals have made us the choice of customers year after year. ”



# Contents

---

<b>Introduction</b> .....	<b>2</b>
<b>HDFC at a Glance</b> .....	<b>4</b>
<b>Value Creation at the Group Level</b> .....	<b>8</b>
Financial Capital .....	<b>15</b>
Human Capital .....	<b>18</b>
Social & Relationship Capital .....	<b>27</b>
Manufactured Capital .....	<b>36</b>
Intellectual Capital .....	<b>41</b>
Natural Capital .....	<b>45</b>
<b>Response to COVID-19</b> .....	<b>54</b>
<b>CSR Projects Undertaken Mapped Against the United Nations Sustainable Development Goals</b> .....	<b>55</b>

Note: 1 crore = 10 million, 1 lac = 100,000



# Introduction

---

The significance of adhering to sustainable practices cannot be over emphasised. The past few months of unprecedented circumstances has clearly shown that organisations will need to prepare, anticipate and adapt to disruptions. At HDFC, we have prided ourselves for being constantly innovative and adapting to changing circumstances. Over the years, we have been able to overcome challenges and volatility through a mix of conservatism, prudence and dynamism; all whilst keeping our core values unchanged.

Our focus is to ensure that we deliver a seamless customer experience. Through an increased number of physical offices, digital initiatives and value-added services, we constantly seek to enhance the entire process for a customer buying a home. We recognise that the purchase of a house is the single largest investment that a person makes in his or her lifetime.

HDFC has consistently built long-term value by focusing on building strong relations with its stakeholders including borrowers, channel partners, depositors, agents and shareholders. We believe that financial performance is enhanced through better employee engagement and stakeholder satisfaction.

HDFC's endeavour is to increase home ownership in India. The organisation was established with that intention and continues to be steadfast in its objective after 43 years. An example is the Indian government's thrust on affordable housing which has seen fruition through the increased number of beneficiaries under the Credit Linked Subsidy Scheme (CLSS). The scheme is a component of the Pradhan Mantri Awas Yojana, the government's flagship "Housing for All" agenda. The scheme is well aligned with HDFC's focus on affordable housing and financial inclusion. HDFC has nearly 200,000 beneficiaries under the CLSS, which is the highest by any financial institution in the country.

During FY20, 36% of home loans approved in volume terms and 18% in value terms have been to customers from the Economically Weaker Section (EWS) and Low-Income Groups (LIG). We believe that the increased focus on Environmental, Social and Governance (ESG) will further strengthen our commitment towards building a sustainable ecosystem for housing in India.

On our loan portfolio side, we have adopted a refreshed Policy for Responsible Lending & Environmental & Social Risks and have initiated a new MIS platform to map and monitor our green loan portfolio.

We recognise the importance of climate change and are aware of the long-term risks associated with homes built in coastal areas and that rising sea levels and greater incidences of flooding may leave these houses to extreme vulnerability. We have been monitoring urbanisation trends and demographic changes that are taking place in India. During the year, through our Corporate Social Responsibility (CSR) initiatives, we have supported the rebuilding of disaster resilient houses and long-term rehabilitation of distressed families belonging to weaker socio-economic groups. These families were not directly our customers, but we do know that it is important to support our ecosystem. It was a gratifying experience for our employees to have worked closely with these families in rebuilding their homes, brick-by-brick.

HDFC believes that transparency and consistency in communication with our stakeholders is key to good governance. The core competencies that each board member brings are directly linked to the overall strategy of the Corporation. These directors act in the best interest of the Corporation and stakeholders by demonstrating the right mix of independence, professional objectivity, constructive guidance and healthy scepticism.

The unfolding of the human tragedy caused by the COVID-19 pandemic has been overwhelming. At HDFC, the health and safety of our employees remains a priority. As Work from Home (WFH) took precedence during the crisis, we are striving to attain higher operational efficiencies in this new working environment, whilst at the same time ensuring that we focus on the health and safety of all our stakeholders.

During the lockdown, we created a cross functional team, 'HDFC Digi-Future' to brainstorm and create a roadmap that focuses not just on future business processes, but also on wider aspects pertaining to the Corporation. This is a work-in-progress, but this investment will bring in long-term benefits, including cost efficiencies and marks an exciting journey as we recalibrate and prepare for the future. We are of the opinion that the results of this initiative will have a significant positive impact on HDFC's sustainability agenda.

Despite the present challenges, we continue to engage closely with our customers, through our increased digitalisation footprint. While capitalising on the efficiencies that digitalisation brings in, we remain conscious that we will not lose our human interface and empathy with our customers. This we believe is our key differentiator.

The HDFC group made a commitment of ₹ 150 crore to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM-CARES) – a fund which is aimed at strengthening the fight against the pandemic. Further, through our CSR initiatives, we have supported vulnerable communities affected by COVID-19 in 13 states across India. Our support covers healthcare equipment, medical supplies and food relief in rural/tribal locations, transit camps, slums, informal settlements, charitable hospitals, police and homes for the elderly. Our employees too, contributed to the relief support from their salaries.

The purpose of our Integrated Report is to present our performance of financial and non-financial parameters, including ESG factors. These factors including the United Nations Sustainable Development Goals (SDGs) are being increasingly used as a yardstick to assess a company's performance. We believe that integrating organisational strategy with social objectives is vital as there is growing evidence of a positive correlation between a strong ESG profile and sustained long-term value creation. Our focus on ESG parameters is best reflected in our core values imbibed in all spheres and activities of HDFC.

We recommend this report be read in conjunction with all the components of the Annual Report 2019-20 – Financial Statements, Directors' Report, Report on Corporate Governance, Management Discussion & Analysis Report, Report on Corporate Social Responsibility, Business Responsibility Report and Report on Shareholders' Information.

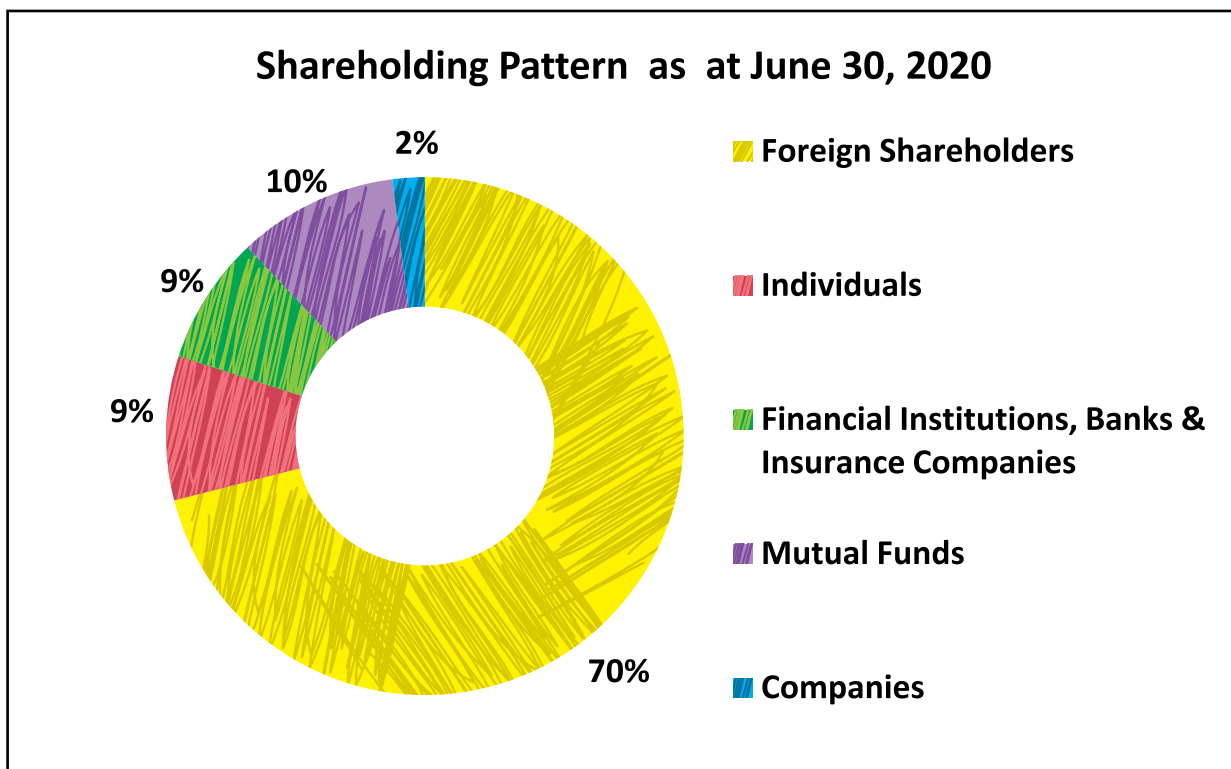
In sum, this is a short narrative of what we do at HDFC each day.



## HDFC at a Glance

HDFC was incorporated in 1977 as India's first retail mortgage finance company. Over the years, it has evolved as a financial conglomerate with interests beyond mortgages. HDFC has a unique structure of being both, an operating company and a holding company. HDFC is a mortgage finance company and is also the holding company for investments in its subsidiary and associate companies.

As at June 30, 2020, 70% of HDFC's equity shares were held by foreign investors, 19% by domestic institutional investors, 9% by individuals and 2% by companies. The market capitalisation of HDFC as at June 30, 2020 stood at US\$ 40 billion.



# Key Strategies

## Business

- Maintain its position as a leading housing finance institution
- Develop close relationships with individual households and enhance its customer relationships
- Transform ideas for sustainable housing finance into viable and creative solutions
- Grow through diversification by leveraging its client base



## Financial

- Grow the loan book in a prudent and sustainable manner
- Endeavour to create and maximise long-term shareholder value
- Maintain a strong emphasis on asset quality and provisioning
- Minimise the cost to income ratio

## Intangibles

- Adapt to change
- Work culture driven on the principles of kindness, fairness, efficiency and effectiveness
- Build a corporate reputation of trust and quality customer service
- Actively engage with shareholders, investors and other stakeholders
- Demonstrate risk management capabilities
- Contribute meaningfully to social causes in the areas of *inter alia* health, education and skilling
- Sensitivity towards environmental and sustainability related issues
- Accord highest priority to governance



# Key Driving Factors

---

**C**ULTURE

Honesty, transparency and integrity in all spheres of activity

**C**REDIBILITY

Mindful of reputational risk

**C**APITAL

To have adequate capital buffers and stay committed to long-term value creation

**C**OMMUNICATION

Committed to transparency with all stakeholders at all times

**C**REDIT RATING

AAA rating for 25 consecutive years

**C**OMPLIANCE

Adherence & respectful of regulations

**C**USTOMER SERVICE

Our key differentiator

**C**REDIT & COLLECTIONS

Backbone of asset quality

**C**OMPETITION

Focus on staying ahead of the curve

**C**SR

Commitment to a positive societal impact





CIRCLE OF CARE



WITH YOU, RIGHT THROUGH



Key Companies in the HDFC Group

# Value Creation at the Group Level

While HDFC and its group companies share strong synergies, each entity operates independently with their own employees and independent boards. The key underlying commonality is the sharing of the 'HDFC brand'. It is on the basis of pure trust and a shared belief of rendering quality customer service that the HDFC brand has been entrusted in the hands of each of our group companies.

Under the HDFC umbrella, we have a combined customer base of approximately 14.8 crore, served by 2.7 lac employees with a reach of over 23,600 offices, outlets, ATMs and touch points. Listed companies within the HDFC group had a combined market capitalisation of ~US\$ 139 billion as at June 30, 2020.

## Snapshot of Key Companies in the HDFC Group as at March 31, 2020

	Year of Incorporation	HDFC's Shareholding <sup>5</sup> (%)	Shareholders <sup>1</sup> (Nos)	Market Capitalisation <sup>5</sup> (US\$ bn)	Employees (Nos)	Reach (Nos)	Total Assets/AUM (₹ bn)
<b>HDFC</b>	1977	-	4,75,106	40	3,095	379	5,241
<b>HDFC Bank</b>	1994	21.2	13,49,474	77	2,28,612 <sup>2</sup>	22,047 <sup>2</sup>	15,305
<b>HDFC Life Insurance</b>	2000	50.1	5,30,777	15	20,257	421	1,272 <sup>3</sup>
<b>HDFC Asset Management</b>	1999	52.7	4,27,921	7	1,194	221	3,698 <sup>3</sup>
<b>HDFC Ergo General Insurance</b>	2002	50.5	-	-	3,899	129	115 <sup>3</sup>
<b>HDFC Ergo Health Insurance</b>	2007	51.2	-	-	3,929	194	21 <sup>3</sup>
<b>HDFC Credila</b>	2006	100.0	-	-	258	22	70
<b>HDFC Property Funds<sup>4</sup></b>	2005 / 2015	100.0	-	-	37	-	168 <sup>3</sup>
<b>HDFC Sales</b>	2004	100.0	-	-	11,409	206	2

<sup>1</sup>Listed entities

<sup>2</sup>Includes subsidiaries of respective companies

<sup>3</sup>Assets Under Management

<sup>4</sup>Includes HDFC Property Ventures & HDFC Capital Advisors


<sup>5</sup>As at June 30, 2020

Exchange rate: US\$ 1 at ₹ 75.57

# Our Strategy To Sustainability


## Our Inputs

## Value Creation Across Stakeholders




**Financial Capital**

- Strong balance sheet
- Shareholders' Funds
- Diverse funding profile



**Human Capital**

- Professionally qualified staff
- Skilled and experienced teams



**Social & Relationship Capital**

- Facilitate home ownership across income segments & geography
- Customer and Community Engagement




**Manufactured Capital**

- Physical Infrastructure: 585 Offices
- Hub and spoke model, processing hubs, call centres, back office processing units
- Digital Platforms



**Intellectual Capital**

- Organisational culture and values
- Brand synonymous with trust & quality service
- Home grown technology platforms



**Natural Capital**

- Natural resources consumed by the organisation

### Strong Internal Processes

TRUST



Financial Performance

### OUR CORE VALUES LIE AT THE HEART OF OUR BUSINESS

INTEGRITY



Customer Engagement

TRANSPARENCY



Ethics & Values

### Highly Experienced Teams

*“Our greatest intangible capital is our principles based corporate culture - built on the basis of fairness, kindness, efficiency and effectiveness. We try to imbibe this in all spheres of our work.”*

#### ROBUST FINANCIAL PERFORMANCE

- Shareholders funds: ₹ 86,158 crore
- Market cap: US\$ 40 bn\*
- Well capitalised; Capital Adequacy at 17.6%
- Low opex and cost-income ratio
- Prudent lending practices
- Highest credit rating

#### CUSTOMERS

- Customers enjoy professional service, along with trust and transparency
- Take comfort from HDFC's thorough due diligence

#### EMPLOYEES

- Offers equal opportunities
- Focus on inclusion & diversity
- Employee engagement, training and development
- Health and safety

#### SHAREHOLDERS

- High level of corporate governance
- Long term value creation
- Consistent payment of dividends

#### COMMUNITY

- Over 7.7 mn housing units financed since inception
- Home loans to low and middle income groups
- Funding construction of affordable housing
- Engaging in CSR activities over the last 30 years

#### ENVIRONMENT

- Advocate of green building norms and practices
- Lending policies evaluate environmental risks
- Employee sensitisation on environmental impact
- Supporting sustainability programmes

\*As on June 30, 2020

\*US\$ 1 = ₹ 75.57

# Stakeholder Engagement

---

We have always maintained that a constant and proactive engagement with our key stakeholders enables the Corporation to better communicate its strategies and performance. A continuous engagement helps align expectations, thereby enabling the Corporation to better serve its stakeholders.

## Shareholders & Investors



We communicate with shareholders and investors through various ways including quarterly financial disclosures, investor presentations, annual reports and other disclosures made by the Corporation from time to time. Interactions through one-on-one meetings, conference calls, HDFC Access Day, investor conferences and non-deal road shows help investors understand the Corporation better. In turn, engaging with investors regularly enables us to get useful feedback, which serve as inputs for corporate strategy and governance practices. During the year, the Corporation had interactions with approximately 1,200 fund managers and analysts representing over 400 institutions/funds/brokerage houses. The Corporation participated in over 20 domestic and international investor conferences and non-deal road shows.

We value feedback from our employees as they are the ones interacting directly with our customers. Hence their inputs are invaluable in designing our products, services and formulating various policies. We believe in an open-door policy for all employees. This enables better communication, teamwork and transparency within the organisation. As per our Code of Conduct, employees are obligated to report any known or suspected violations of the code, corporate policies or regulations.

## Employees



## Customers



The best assurance of the quality of our customer service comes from the feedback we receive from both, our deposit and home loan customers. Customer service remains our key differentiator and we are constantly striving to create new products and services to meet the changing requirements and needs of our customers. The positive feedback from our customer surveys undertaken at various process stages have been encouraging for our frontline staff, but it also serves as key learnings to help us improve and raise our benchmark. Our customers have responded well to our new online initiatives and have appreciated our turnaround time, especially given the immense challenges being faced due to COVID-19.

## Channel Partners and Key Partners



Our channel partners source home loans for us. They are our feet on the street. HDFC Sales Private Limited, HDFC Bank and third party Direct Selling Agents (DSAs) source home loans. We invest a great deal of time and effort in training our DSAs to ensure that the application is fit for processing. This helps reduce our turnaround time. While our DSAs source loans for us, all the credit, legal and technical appraisals are done in-house by HDFC. All our DSAs are mandated to follow the Model Code of Conduct as approved by the board and stipulated by regulations. We regularly seek feedback from our DSAs.

Our key partners (deposit agents) source deposits for us. We have over 24,000 active key partners. We organise special training programmes for them where they get to interact with our senior management. The objective of these meetings is to keep them abreast of the latest developments of the Corporation. During the year, 16 key partner meetings were conducted which was attended by the top performing key partners. Key partners also provide us feedback which helps us in improving our products and processes to serve our depositors more effectively. We have introduced the Online Deposit System which was very well received by our depositors and key partners. We conducted a series of training workshops for key partners through webinar and conference calls.

Our key partners have shown their appreciation with the easy and seamless process for both, deposit acceptance and renewals.

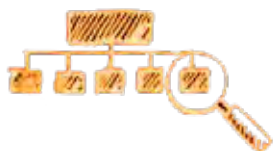
We engage in various interactions with our regulators and stand committed in providing timely and accurate information as and when required. Our senior management commits significant time to meet with our regulators. This enables us to understand their focus areas and concerns and in turn, our inputs are used to apprise the regulators of the market scenario and practices in our business.

As HDFC is the promoter of its subsidiary and associate companies, our senior management also interacts with other key regulators in the financial sector, especially in the context of financial conglomerate reporting.

## Regulators



## Research Analysts



We interact with a number of members from the investment community. We regularly engage with over 40 research analysts from various brokerage houses that cover HDFC. This entails one-on-one/group meetings and/or conference calls. We provide detailed information of the quarterly financial results in an excel format to enable research analysts to easily analyse the financials and work on their own financial models in a time bound manner. In addition, we provide various reports, investor presentations and other official releases and regulatory filings which are placed on our website and/or disclosed to the stock exchanges.

We recognise that our role as a responsible corporate citizen entails much more than providing finance for our customers' housing and real estate requirements. While our core focus remains housing, we also believe that communities benefit through high quality, affordable education. Towards this goal, we continue to work on building our footprint in education through The HDFC School. Currently, we have The HDFC School in three locations – Gurugram, Pune and Bengaluru.

We engage with various non-government organisations (NGOs), focusing on diverse social issues. Our efforts towards corporate social responsibility are largely channelled through the H T Parekh Foundation. We also address immediate relief needs such as disaster and health emergencies. We encourage our employees to jointly participate with the Corporation in some of its philanthropic partnerships and support to various social causes.

We have supported the government, NGOs, hospitals and the vulnerable sections of society during the pandemic. Further details are elucidated elsewhere in this report.

## Communities & Non-Governmental Organisations



# At a Glance: The Year in Numbers

## Financial Highlights

₹ crore

Performance for the Year: Consolidated		
	FY 2020	FY 2019
Total Assets	7,29,815	6,60,875
Total Equity	1,33,836	1,17,979
Gross Income	1,01,796	96,195
Net Profit Attributable to the Corporation	21,435	16,232

Financials: Standalone		
	FY 2020	FY 2019
<b>Loans Under Management</b>	<b>5,16,773</b>	<b>4,61,913</b>
Individuals	3,91,618	3,43,420
Non-Individuals	1,25,155	1,18,493
<b>Borrowings</b>	<b>4,19,102</b>	<b>3,66,214</b>
Term Loans	1,04,909	77,548
Bonds & Securities	1,81,869	1,83,067
Deposits	1,32,324	1,05,599
Shareholders' Funds	86,158	77,355
Gross Income	58,763	43,378
Profit Before Sale of Investments, Fair Value Changes, Dividend and Provision for Loan Losses	12,541	11,159
Reported Profit Before Tax	20,351	13,119
Reported Profit After Tax	17,770	9,633

Key Ratios (%)		
	FY 2020	FY 2019
Cost to Income <sup>1</sup>	9.0	8.9
Interest Coverage (times)	1.4	1.4
Debt: Equity (times)	4.9	4.7
Capital Adequacy (%)	17.6	19.1
Post tax Return on Average Assets <sup>2</sup>	2.0	2.1

Investors' Information		
Market Capitalisation (US\$ bn)	40*	45
Dividend Per Share (₹)	21	21
Book Value Per share (₹)	497	449

\*As at June 30, 2020

<sup>1</sup>Excludes expenses on employee stock option scheme and corporate social responsibility.<sup>2</sup>Adjusted for profit on sale of strategic investments.

## Non-Financial Highlights

Human Capital		
	FY 2020	FY 2019
Number of Employees	3,095	2,840
Retention Rate (%)	96	96
Average Age of Employees (years)	35	36
Profit Per Employee <sup>2</sup> (₹ cr)	3.0	3.1
Assets Per Employee (₹ cr)	163	156

<sup>2</sup>Adjusted for profit on sale of strategic investments.

Social & Relationship Capital		
	FY 2020	FY 2019
Cumulative number of housing units financed (mn)	7.7	7.0
Spend on Corporate Social Responsibility (₹ cr)	212	174

Manufactured Capital		
	FY 2020	FY 2019
Number of Offices (Inclusive of HDFC Sales offices)	585	546
Service Delivery Model	Phygital model – a matrix of platforms using a mix of physical and digital for all our customer related services.	
Digitalisation Initiatives	<p><b>‘HDFC Customer Connect’</b> – A one-stop convergence platform for all customer requests</p> <p>Digital leads, online facilities for loan and deposit customers on the website, &lt;<a href="http://www.hdfc.com">www.hdfc.com</a>&gt;, mobile apps, missed call service, e-mails &lt;<a href="mailto:customer.service@hdfc.com">customer.service@hdfc.com</a>&gt; analytics, blogs, social media, bots, IVR.</p> <p>The website has been designed keeping in mind customer’s preferences for local languages as well. Our website is now available in English, Hindi, Marathi, Tamil, Telugu, Malayalam and Kannada.</p>	

Intellectual Capital	
HDFC Brand	<p>The objective of being digitally enabled is to empower our customers to engage with our brand anytime, anywhere.</p> <p>Constant endeavours towards brand awareness, lead generation campaigns for prospective customers and educative campaigns for existing customers. HDFC has also run a ‘Stay Home, Stay Safe’ digital campaign in support of healthcare workers and other COVID warriors.</p>





# FINANCIAL CAPITAL

As a housing finance company, 'financial capital' by default ranks amongst the most important capitals. Finance is the equivalent of the 'raw material' for the Corporation.

## Key Financial Objectives and Performance Outcome in FY2020

### Grow the loan book in a prudent and sustainable manner, keeping in mind the prevailing environment

The growth in total loan book on an Assets Under Management basis for the year ended March 31, 2020 stood at 12%. The individual loan book grew 14%. The growth in the individual loan book, after adding back loans sold in the preceding 12 months was 21%. The growth in the total loan book after adding back loans sold was 17%. The growth in loan book during the year was entirely organic.

### Endeavour to create long-term shareholder value

The endeavour of the Corporation is to create long-term shareholder value. HDFC has consistently been ranked among the top 10 wealth creators in India. The book value per share as at March 31, 2020 stood at ₹ 497 (Previous year: ₹ 449). The Return on Equity for the year ended March 31, 2020 stood at 21.7%.

### Diversified funding profile

The Corporation continues to maintain a diversified funding mix which has held HDFC in good stead. Of the total borrowings, as at March 31, 2020, deposits accounted for 32% of total borrowings, term loans 21%, debentures & securities 43% and external commercial borrowings 4%.

In a risk averse environment, HDFC has once again been a beneficiary in the 'flight to safety'. This has been most visible in the robust growth in our deposits during the year, which reflects the immense trust and confidence by both, retail and corporate depositors in the organisation.

### Maintenance of adequate provisioning buffers

The Corporation has always been prudent in its provisioning norms. In accordance with National Housing Bank (NHB) norms, the gross non-performing loans outstanding amounted to ₹ 8,908 crore as at March 31, 2020, constituting 1.99% of the loan portfolio.

As per the prudential norms prescribed by NHB, the Corporation is required to carry a provision of ₹ 4,198 crore. The actual provisions carried by the Corporation stood at ₹ 10,988 crore. Thus, the Corporation has more than adequate buffers to meet unforeseen contingencies. These buffers have always been made from a position of strength.

### Minimise the cost to income ratio

The Corporation aims to have a cost income ratio of under 10%. A reflection of operational efficiency is best depicted in the cost to income ratio which stood at 9% for the year ended March 31, 2020. This is amongst the lowest ratios in the financial sector.

### Cross References:

Standalone and Consolidated Financial Statements FY20

Directors' Report and Management Discussion and Analysis Report

Website: Investor Relations Section - [www.hdfc.com](http://www.hdfc.com)

# Glimpses of HDFC





---

# Human Capital

As is the case with any services driven organisation, our people are our most valuable asset. Since inception, HDFC has emphasised on the importance of inculcating honesty, transparency, integrity and accountability in all spheres of work. These attributes define our work culture.

As far as recruitments are concerned, we generally prefer freshers, who come with ‘no baggage’ and are willing to learn and grow within the organisation. Yet, we remain conscious in recognising that there are several new and emerging skill sets required in a large organisation like ours. Thus, we need to constantly evaluate and address these skill gaps. This requires concerted efforts to search for the right talent and identify individuals who can seamlessly fit within the HDFC culture.

## Organisation Structure



## Human Capital Data Points

### Employee Strength

As at March 31, 2020, the Corporation had 3,095 permanent employees. The average age of employees is 35 years. The retention rate is 96%.

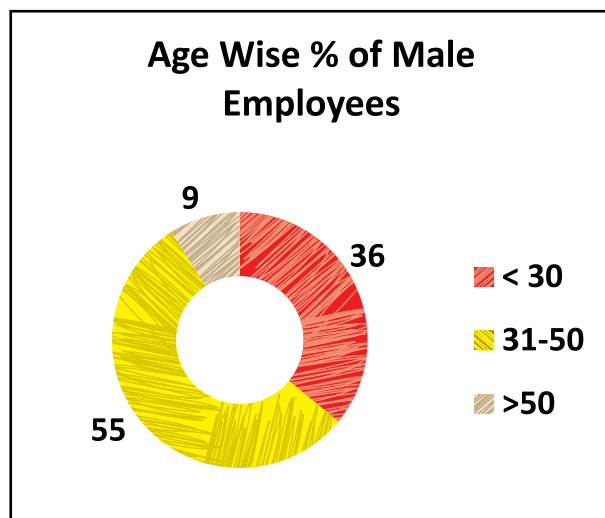
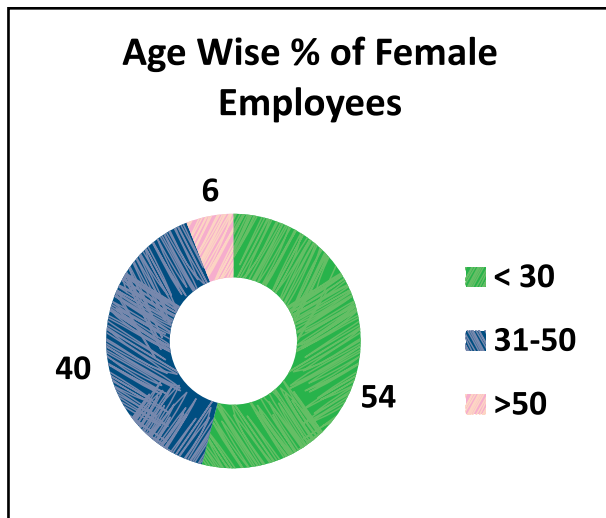
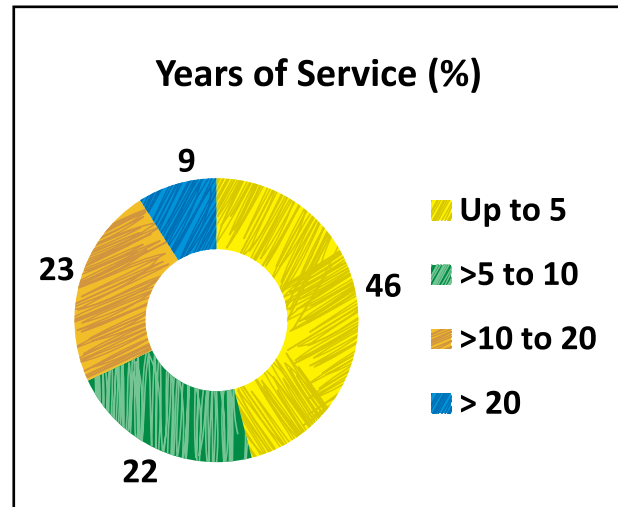
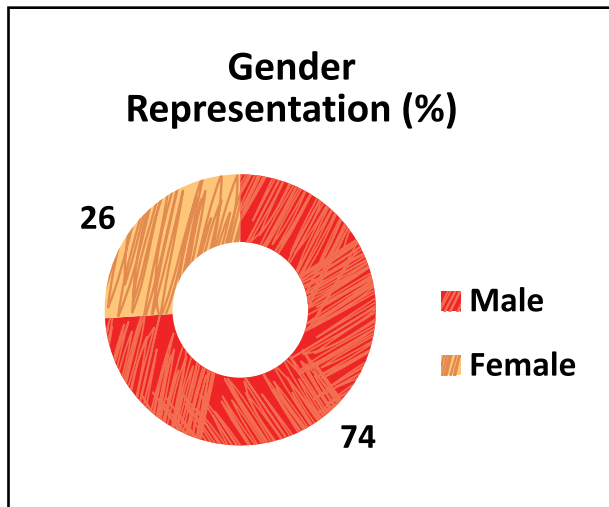
### Role-wise Employee Distribution

Level	Number of Employees
Associates	1,227
Middle Management	1,671
Senior Management	156
Top Management	41
Total	3,095

## Geography-wise Employee Distribution

North	South	East	West	Overseas	Total
828	904	208	1,150	5	3,095

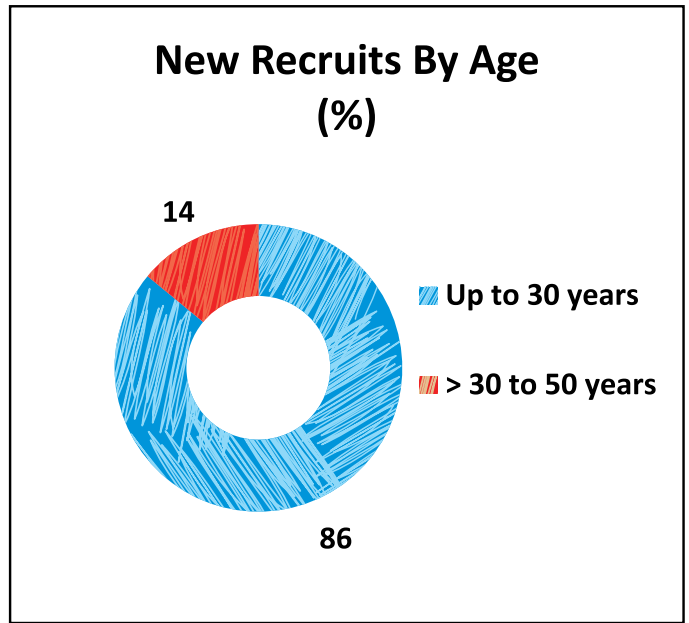
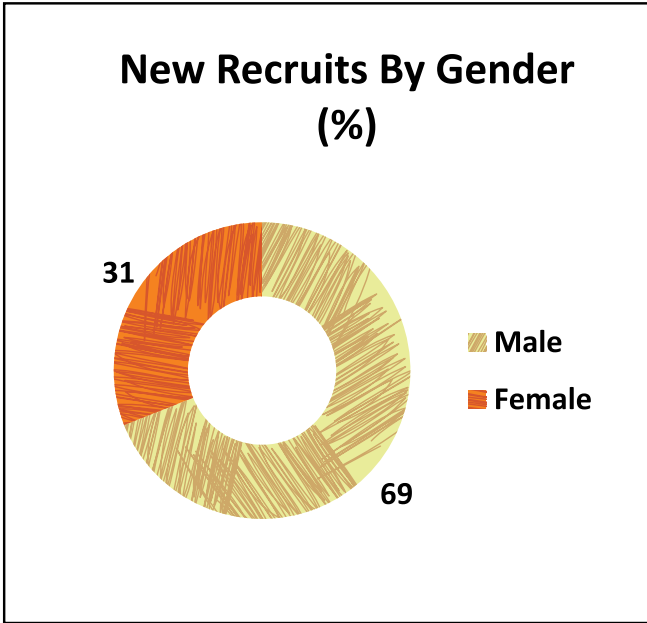
## Other Employee Details



**New Recruits**

This entails permanent new employees who have joined HDFC during the period April 1, 2019 to March 31, 2020.

Recruitments are based on meritocracy. HDFC upholds the principles of a gender inclusive environment and equal opportunities at the workplace.



**Employee Training**

We have a dedicated vertical to ensure that employees are sufficiently trained in functional and behavioural skills to ensure high standards of service to internal and external stakeholders. Training is based on the identified needs, competency or job specific knowledge gaps, skills and attitudes as identified jointly by the employee, department and branch heads and the human resources department. We also use customer feedback which often acts a base to identify learning and development needs.

Internal Training Programmes	
Orientation Programme for New Recruits	Tool Box Training Mentoring Programme
Induction – HDFC Service & You for New Recruits	Soft Skills Programme for Call Centres
Credit Risk Management School for New Recruits	Mindfulness Programme
Tool Box Training	Retention Programme
Train The Trainer Programme	Leadership Skills Programme
Interviewing Skills Programme	Communication Skills Programme
Advanced Excel	Time & Stress Management

HDFC Aspire: Our E-Learning Courses	
Overview of Credit Appraisals	Who Moved My Interest Rates?
Lending Products	Information & Cyber Security Awareness
Code of Conduct & IT Policy & E-mail Security	Prevention of Sexual Harassment at the Workplace
Business Development	The KYC Quiz (Training on anti-corruption and anti-money laundering)

Staff members are nominated for self-development and leadership programmes to enhance their effectiveness. On-the-job training, job rotation or internal, external or international trainings are offered to employees to upgrade their competencies.

### Zest to Serve: Customer Service Workshop

We have a customised programme, 'Zest to Serve', to re-ignite the mind-set of serving with a smile and from the heart. This is a customer service workshop designed with the objective of revisiting our roots and reinforcing service standards set at inception as it was felt this could be one of the key differentiators in today's times.

The emphasis is creating a connect with a home loan customer, rather than the process being merely transactional. Customer service has to be viewed as a business need which requires all employees to have a mind-set of serving. Several employees have been trained under this programme with the objective of sensitising them to ensure a better tomorrow.

## Employee Productivity

	FY 2020	FY 2019
Number of Permanent Employees	3,095	2,840
Total Number of Outlets	379	358
Profit Per Employee* (₹ cr)	3.0	3.1
Assets Per Employee (₹ cr)	163	156
Spend on Staff Training & Welfare (₹ cr)	31	26
Total Training Man-days per Employee (Days)	7.75	7.07

\*After adjusting for sale of strategic investments

### Work Life Balance

Our human resources department ensures that our employees maintain a judicious balance between work and personal life. Work hours and productivity are closely monitored. We also have a dedicated team within the human resources department that works on employee engagement programmes and assesses the needs of our workforce.

To promote a work-life balance and ensure employees spend quality time with their family and friends in the middle of the week, HDFC practices "Thank God, It's Wednesday" which encourages all employees to leave office by 6 pm every Wednesday. As a measure to conserve electricity usage as well, the air-conditioning and lighting is switched off early to ensure that employees do not sit late in office (of course, barring certain work exigencies!).



## Employee Well-Being

Financial^	Health	Employee Engagement
Employee Stock Options have always been granted to each and every employee in the organisation	Health insurance for employees and immediate family: domiciliary & hospitalisation	Employee engagement programmes to ensure bonding outside of the workplace
Education allowance for employees' children	Health camps arranged in office premises	Friday Club: Entails short duration recreational activities on a monthly basis to ensure a congenial and happy work environment.
Staff loans at concessional rates	Sponsor employees for sporting events	
Digital based reimbursements	Sensitisation of work life balance	Work from Home employee engagement programmes: Friday Club Activities, soft skill online training, sharing of lockdown memory videos
Travel & vehicle allowance	Creche facility	
Relocation allowance	Maternity / Paternity leave # Take the Stairs campaign to encourage employees to use the stairs rather than elevators	
	Back to Work: Staff Handbook; Return to work safely post the lockdown due to COVID-19	

*^ Allowances are grade related*

### Training on Code of Conduct and Ethics & Anti-Corruption

We recognise that building and sustaining a value driven organisation requires a demonstrative effect with the tone being set at the top, but it is equally important that the values and culture percolates to every level within the organisation.

In order to ensure that our employees are sensitised to all the requirements of the Corporation's comprehensive Code of Conduct, the human resources department periodically reiterates and highlights various key aspects of the Code of Conduct through a combination of group meetings and e-communication. Employees are also expected to provide confirmations that they have understood and have imbibed the principles of the Code of Conduct in all spheres of work-related activities. Employees are also tested on anti-money laundering, anti-corruption and KYC guidelines to assess and ensure there is an understanding of the extant regulations.

## Job Rotation and Succession Planning

The objective of our job rotation policy is to enable our employees to enhance their knowledge, develop new skills and have a broader understanding of various functions across the Corporation. This ensures a well-balanced career development path. Job rotation aids in creating a stronger talent pipeline which in turn helps in succession planning as there is a larger pool of multi-skilled employees.

In the case of the regional business heads, branch heads and department heads, we recognise that succession planning is a continuous process rather than a one-time event. We have in place a systematic mechanism to identify high performers and groom them to take on higher responsibilities thereby mitigating vacancy, readiness and transition risks.

## Open-Door Policy

We have always believed in the importance of an open-door policy and this helps our employees to address grievances and concerns at an early stage. There are various mechanisms in place for recording and redressing complaints raised by employees. Each new employee is also assigned a mentor to guide and help them. The human resources department monitors the effectiveness of the mentorship programme.

## Employee Well-Being

We are committed to providing a respectful, inclusive, equal opportunity and gender sensitive work environment. We also emphasise on the importance of maintaining a safe and healthy workplace for all our employees and third-party employees who work on our premises.

We constantly assess our health, safety and environmental performance across all our offices. Select employees have undergone fire-fighting training sessions and periodic fire drills and audits are conducted in our office premises to ensure maintenance of safety standards. HDFC has conducted a workshop on Cardio Pulmonary Resuscitation (CPR) where participants were trained to attend to emergencies in case of a heart attack, cardiac arrest or stroke, till such time as medical personnel takes over.

## Creating Sustainability Awareness

During the year, we enhanced awareness and sought feedback on employees' perceptions on sustainability by carrying out an organisation-wide survey. The survey aimed to fulfil three objectives (i) creating awareness on sustainability, (ii) employee's assessment on how they rate HDFC's ESG pillars and (iii) which pillar should HDFC prioritise and how employees could further their contribution. Responses from the survey entailed employees stating that their greatest contribution to HDFC's ESG goals were continuing to adhere to ethical business practices and upholding the core values of HDFC. Housing for All was viewed as HDFC's key ESG priority. Other suggestions included innovations on digitalisation, greater involvement by HDFC staff in social causes, saving energy at offices and launching new financial literacy campaigns for customers.

## Key Takeaways from the Sustainability Survey



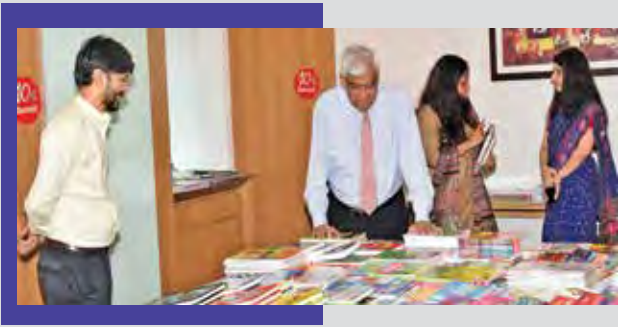
### **COVID-19: Health & Safety of Employees and Visitors**

HDFC prioritised the safety of its employees. In view of the recent COVID-19 pandemic, the Corporation took necessary precautions at our offices, which included sanitisation of all our office premises, removal of biometric scanners, installation of thermal scanners, daily communication updates, restricted movements in common areas, closure of recreational facilities and avoidance of large gatherings. The Corporation adhered to all the government directives and issued travel and health advisories to its employees and advised all its employees to work from home during the lockdown to ensure employee safety whilst ensuring business continuity.

The Corporation prepared a handbook, 'Back to Office', providing tips on the do's and don'ts to equip and shield employees on resumption of work in offices, post the lockdown. HDFC is following guidelines issued by the central/state/local authorities as may be applicable. The office infrastructure and set-up is adjusted to meet social distancing norms and a database is maintained on the branches opened, staff attendance, record of visitors and the purpose of the visit.

Detailed guidelines are sent to customers who intend to visit our offices. With most services being available online, efforts are being made to minimise visits of customers to our offices, keeping safety of all in mind, unless it is absolutely essential.

# Kaleidoscope - HDFC





---

## Social & Relationship Capital

## Customer Capital

Housing is a basic necessity and we believe in enabling more Indians to become homeowners. Housing plays a critical role socially and has multiplier effects on an economy, given its strong backward and forward linkages with various industries. The housing and real estate sector in India is also the second largest employment generator in the country.

Customers form the core of our business. We remain driven by continuously finding ways to enhance the quality of customer service. In a competitive housing finance market, the key differentiator is the quality of customer service rendered.

## Customer Profile

As at March 31, 2020, 76% of assets under management were individual loans and 24% were to non-individual loans, comprising loans to corporates, construction finance and commercial lease rental discounting.

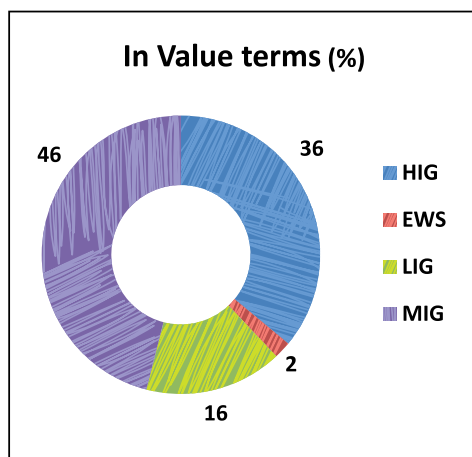
We continued to widen our efforts to reach out to customers across all income segments and also expanded our reach through rural housing loans, loans to self-employed customers and those belonging to the informal sector.

Individual Loans	FY 2020
Average Loan Size	₹ 27 lac
Average Loan to Value Ratio	70% (at origination)
Average Loan Term	12 years
Average Age of Customer	39 years

## Serving All Income Segments

HDFC strives to maintain a judicious mix of lending to all income segments. We believe in cash-flow based lending and not asset-backed lending practices. During the year, in volume terms 46% of our loans approved were to the middle-income group, 16% to the low-income group, 36% to the high-income group and 2% to the economically weaker sections.

### Housing Loan Approvals to Customers Based on Income Slabs in FY20

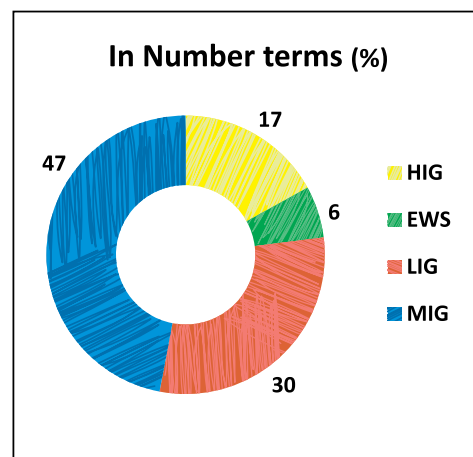


#### Economically Weaker Section:

Up to ₹ 3 lac p.a

#### Middle Income Group:

Above ₹ 6 lac to ₹ 18 lac p.a.



#### Low Income Group:

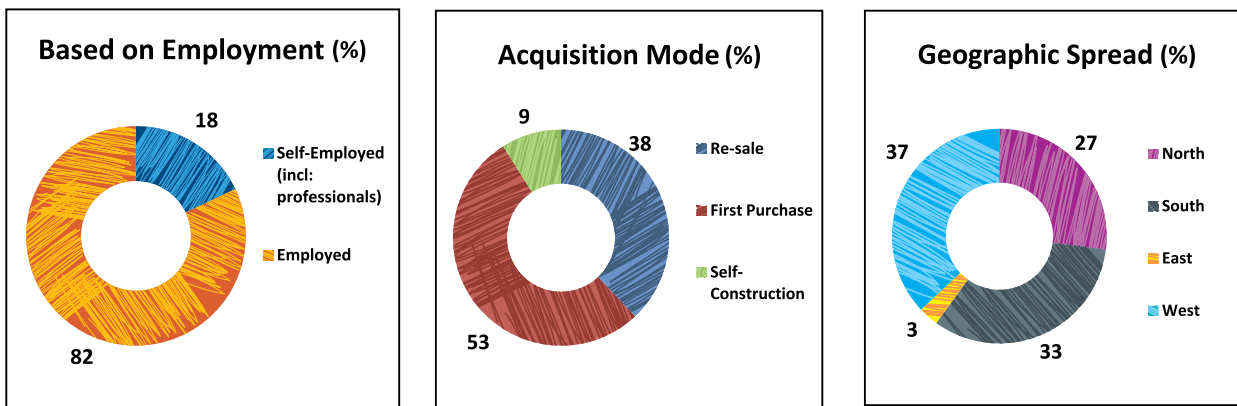
Above ₹ 3 lac to ₹ 6 lac p.a.

#### High Income Group:

Above ₹ 18 lac p.a.

As at March 31, 2020, the average home loan amount of our customers was ₹ 10.3 lac for economically weaker section and ₹ 17.7 lac for low income group customers. We approved over 9,640 loans monthly to the economically weaker sections and the low-income groups.

**Individual Loans – Based on Value of Approvals**



**Loans to Women**

In order to encourage more women to become homeowners, the Corporation has a product for women home buyers called ‘Women Power’ where the woman has to be the first holder of the property. In FY20, of the total loans approved, 40% were to women customers. These loans ensure that women’s property rights are recognised and protected as their names are registered on their respective properties.

**Credit Linked Subsidy Scheme – Working Together with the Government to Promote Homeownership**

The Honourable Prime Minister of India envisaged 'Housing for All by 2022' coinciding with the nation completing 75 years of independence. To achieve this objective, the government has undertaken various initiatives both, at the centre as well as state level to provide housing to citizens of India.

Various incentives are being provided to beneficiaries under these schemes to promote the mission. The Credit Linked Subsidy Scheme (CLSS) is one of the verticals under the Pradhan Mantri Awas Yojana (PMAY) – Urban.

The government’s thrust on affordable housing has seen fruition through the increased number of beneficiaries under the CLSS. The CLSS has been the catalyst in deepening our endeavours towards affordable housing. We have spread awareness by educating our customers about the benefits of the schemes through seminars and one-on-one counselling at our offices across the country. We also created an in-house training model to train our employees, channel employees and developers, which enabled us to take this scheme to a wider audience.

**CLSS Training – At HDFC**



## Beneficiaries under the Credit Linked Subsidy Scheme (CLSS)

---





We have remained amongst the top institutions in terms of beneficiaries who have availed the CLSS scheme. HDFC became the first institution to cross one lac beneficiaries under the CLSS. As at June 30, 2020, HDFC has the largest number of home loan customers who have availed benefits under CLSS.

HDFC was awarded the best performing primary lending institution under CLSS for EWS/LIG under the Pradhan Mantri Awas Yojana (Urban). The award was given to HDFC by the Honourable Prime Minister, Mr. Narendra Modi in presence of ministers and other dignitaries.

In 2019, HDFC was also conferred an award by the Honorable Minister of State for Housing and Urban Affairs (Independent Charge), Mr. Hardeep Singh Puri for our contribution to the middle-income category under the CLSS.

### CLSS at HDFC

	EWS/ LIG	MIG (1&2)
Total number of beneficiaries	1,11,938	74,356
Subsidy amount (₹ in crore)	2,641	1,566
Average subsidy per beneficiary (₹ in lac)	2.36	2.11
Total loan approvals (₹ in crore)	17,647	22,871
Average age of the borrower (years)	34	36

As at June 30, 2020

### Supporting the Underserved and Other Social Interventions

We have always believed that we need to support underserved sections of society. We were amongst the early equity investors in microfinance in India. Presently, our support to the microfinance and micro, small and medium enterprises (MSME) sectors are through a combination of equity investments and funding lines for on-lending to these sectors.

We have also supported social initiative projects such as education buildings, senior citizen housing, hospitals and hostel accommodation for students and young working people across various income segments.

### Responsible Lending Practices

Our consumer charter is enshrined in our Fair Practices Code. In addition, as per the regulatory requirements we also need to get the customer's consent on 'Most Important Terms and Conditions' of the loan.

We ensure that our lending policies do not discriminate in extending products and services to any persons on grounds of disability. We adhere to the guidelines provided by the NHB on loan facilities to visually impaired persons. We also maintain a copy of Most Important Terms and Conditions (MITC) in Braille, to cater to the special needs of visually impaired customers.

In our non-individual lending, HDFC ensures that at the time of appraisal of loans, the environmental and social (E&S) risks are assessed. We ensure that our lending is a) responsible and environmentally sustainable, b) socially acceptable with adherence to basic human rights and c) economically viable during the tenor of the loan.

As part of our 'Policy on Responsible Lending and Environmental and Social Risks', we do not fund controversial activities and/or provide loans where the end use is towards:

- Production and distribution of pornographic materials;
- Manufacturing, marketing or dealing in banned drugs, narcotics and other chemicals of concern;
- Standalone manufacture and marketing of tobacco;
- Production or trade in alcoholic beverages (excluding beer and wine);
- Dealing in banned wildlife related products;
- Production/trade in weapons & ammunitions;
- Production/trade in radioactive materials;
- Production or trade in unbonded asbestos fibres;
- Gambling, casinos and equivalent enterprises;
- Polluting industries, unless the unit has explicit clearance from pollution control authorities and has installed effluent treatment plants;
- Any other activity deemed as illegal or construed as being harmful to the environment and/or society.

*Note: The above is not exhaustive, but an illustrative list.*

## Customer Grievances

To effectively deal with customer grievances, we have in place a sophisticated system to record, monitor and redress grievances/feedback received from customers. This in turn helps us maintain higher service standards. In FY20, the Corporation upgraded the complaints management technology platform to facilitate greater efficiency and timely redressal of complaints.

HDFC has in place a Corporate Whistleblower Initiative (CWI) portal, a third party web-based reporting initiative which provides a secure and confidential platform to report genuine concerns including concerns about unethical behaviour, actual or suspected fraud or violation of HDFC's Code of Conduct or ethics policy.

During the year, we received a total of 25,446 complaints/queries from our home loan customers and depositors representing 0.61% of our total customer and deposit base. 24 complaints/queries were pending as at March 31, 2020. The number of pending cases were higher compared to the previous year due to the national lockdown announced in March 2020 to prevent the spread of COVID-19. 5 complaints were pending as on May 25, 2020.

The nature of the complaints/queries largely entailed procedural issues during the home loan process or deposits, interest rates, on CLSS and routine follow up queries.

During the year, we received 4 investor complaints and all the complaints were resolved to the satisfaction of shareholders. There were no investor complaints pending as at March 31, 2020.

There has been a significant improvement in the turnaround time of complaints and queries owing to the intensified efforts of our 'customer engagement' teams across the Corporation.

*(Please refer to the Business Responsibility Report 2019-20 for further details).*

## Customer Privacy

We strongly understand the obligations we have towards preserving the financial and personal information of all our customers. We continue to strengthen our operational risk management framework and ensure the stability and security of our information technology platforms.

We have an information privacy policy which forms a part of the information security policy of the Corporation. For our website users, our privacy policy is published on our website.

During the year, we have had no instances of any breach of customer privacy.

## Outsourced Services and Suppliers

We engage outsourced staff for various services including staff from HDFC Sales Private Limited, staff for our call centres and staff that help with the upkeep and maintenance of office premises. We also engage with various suppliers for our business and office related requirements.

All our outsourced staff and suppliers are selected after using rigorous internal selection criteria.

Our outsourced staff members are expected to abide by our code of conduct. They are in compliance with labour laws, human rights and other local regulations in our dealings with our outsourced services.

## Corporate Social Responsibility & Community Engagement

The philosophy of our Founder, Mr. H. T. Parekh was to actively engage with the wider community and in particular, with the less fortunate. This sensitisation since inception has led us to be mindful of our community engagements. We created a 'Shelter Assistance Reserve' to support worthwhile social projects and communities in 1987, our tenth year of operations. Today, a large part of our community engagements are channelled through the H T Parekh Foundation.

HDFC's CSR objective is not bound by geography. The CSR projects are both, in rural settlements as well as in urban areas and involve a diverse mix of communities. We partner with organisations that have the ability to scale up, whilst maintaining their quality and the ability to deliver transformational results on the ground.

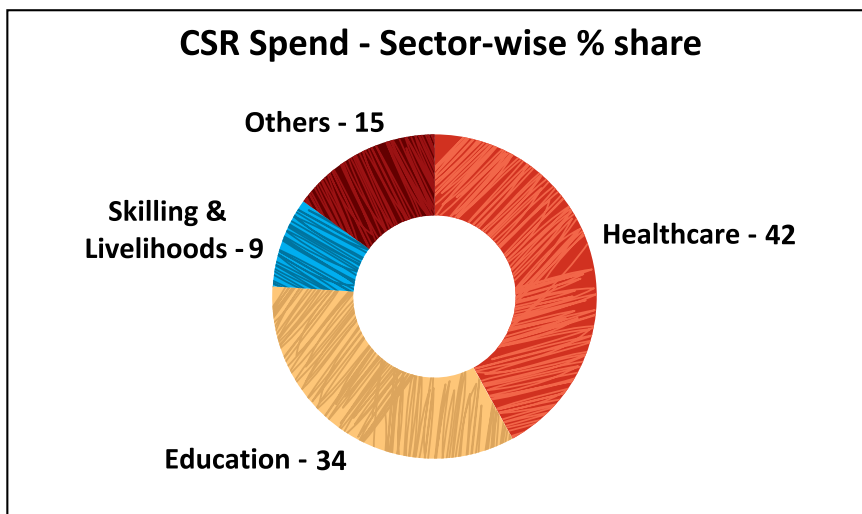
During the year, we promoted inclusive growth by supporting and focusing primarily on three social sector areas – Healthcare (including Water and Sanitation), Education and Skilling & Livelihoods.

**Healthcare** formed 42% of the total CSR expenditure during the year. The main interventions have been towards providing quality and affordable healthcare to the most marginalised.

**Education** projects constituted 34% of HDFC's CSR expenditure during the year. The Education partnerships have focused on collaborating with institutions at various levels to foster improved learning outcomes in children.

**Skilling & Livelihoods** projects have focused on thematic areas like Women and Persons with Disabilities (PwD). The sector constituted 9% of the CSR expenditure during the year.

**Other Sectors:** This entails community development, special projects, environmental sustainability, promotion of sports, support of athletes and para-athletes, heritage project, amongst others. These sectors contributed to 15% of the CSR expenditure during the year.



### **Disaster Relief Housing Project**

During the year, HDFC completed the project involving re-building of homes in Kerala that were severely damaged due to the devastating floods in August 2018. Several people were affected due to the floods, North Paravur in Ernakulam district and Kuttanad in Alleppey district being the two worst affected regions. HDFC had supported the construction of 75 disaster resilient houses for families belonging to the lower socio-economic groups, in the worst affected villages of two blocks of Ernakulam District and 1 block of Alleppey District. The objective of the project was to support the most distressed families that needed long-term rehabilitation; hence the focus was on single women households, senior citizens and families having persons with disabilities.

The project was implemented through two local partners in consultation with our HDFC branches in Kerala, local communities, technical consultants and the panchayat (local governance at villages) administration. All the houses were handed over to the families in December 2019.

The HDFC team in Kerala conducted monthly visits to ensure timely completion of the project. Each constructed house is 420 square feet and has a toilet, kitchen, concrete roofing, living room and two bedrooms. To make these homes disaster resilient, various technical aspects were taken into consideration such as raising the plinth by a total of 5 feet to prevent rainwater from coming into the house, setting the foundation bed at 3 feet width to keep it sturdy and aluminium sun shades were put up on the doors and windows of the houses.

### **Sustainable Development Goals**

Through our CSR initiatives we have touched upon twelve Sustainable Development Goals of the seventeen goals prescribed by the United Nations. Refer to Annex 1 attached in this report which maps our CSR projects against the Sustainable Development Goals.

For further details, kindly refer to Corporate Social Responsibility Activities in the Annual Report 2019-20.

### **Other References:**

*Report of Directors on Corporate Governance  
Business Responsibility Report 2019-20*



*HDFC being awarded as best performing primary lending institution under CLSS for EWS / LIG under PMAY (Urban) by the Honourable Prime Minister of India, Mr. Narendra Modi*

### **Our CSR Footprint**



*Our Chairman with local communities at the inauguration of the disaster resilient homes in Kerala*



---

# Manufactured Capital

Manufactured capital essentially entails our tangible infrastructure like physical assets and also includes information technology related assets wherein these platforms enable value creation for all our business activities.

## Physical Infrastructure

As at March 31, 2020, we had 379 offices of our own and 206 offices of our wholly owned subsidiary, HDFC Sales Private Limited. Thus, we have a physical reach across 585 locations. Some of our offices are owned premises while most are leased premises.

Our offices follow a fairly standardised physical layout and are designed keeping the customer in mind. We try to ensure that our offices are conveniently located for customers and that they are well maintained with energy efficient lighting and equipped with energy saving/energy star devices.

We follow a hub and spoke model to optimise efficiencies. Most of our offices are small format offices, staffed by few individuals who act as the interface for our customers. The loans are processed at their respective processing hubs, spread over 30 locations across India. The hubs in turn have specialised clusters – for instance, salaried, self-employed, non-resident Indian loans, online applications, amongst several others. This hub and spoke model enables faster turnaround time.

## Digital Infrastructure

A large part of our low-cost operating structure is attributable to our strong technology-based platforms, particularly for our home loan and deposit customers.

Information Technology (IT) is the backbone of all functions within the Corporation and thus the IT team plays a crucial role in the overall functioning of the organisation. Our team of IT professionals is responsible for delivering and maintaining all applications, networks and IT infrastructure, including IT security and providing end user support.

As per our Corporation's Asset Management Policy, our IT assets are classified into three key components – software assets, hardware assets and information assets. Our software assets are a combination of both, home grown and licensed technologies.

## Bridging IT and Business Operations

Since inception, it has been our constant endeavour to automate several operating processes which has enabled us to gain scale and efficiency.

We have a core team, referred as the IT-User Support Group (IT-USG), which acts as the bridge between the IT and business operations teams. The members of the IT-USG group have a combination of skills of being technology savvy and a strong understanding of business operations as well.

The IT-USG team members test the IT systems for logic, processes and ease of usage and are also responsible for data hygiene. Another key role played by the IT-USG is to assist in training the frontline staff to use the systems efficiently. This in turn helps us serve our customers in a more efficient manner.

## Cyber Risk and Data Protection

Protection of our IT infrastructure from cyber security risks calls for increased vigilance and risk mitigation measures. The Corporation has a board constituted IT Strategy Committee. The Information Security Policy and Cyber Security Framework ensures protection of data from endpoints to the periphery. In addition to the board appointed IT Strategy Committee, we also have an Information Security Steering Committee whose responsibility is to govern and protect information assets from various cyber threats and ensure procedures and practices are in line with the Information Security and Cyber Security Policy of the Corporation.

We have also engaged with external consultants to independently review our information security and cyber security framework, procedures and policies.

Vulnerability assessments and penetration testing are carried out periodically along with red teaming activities to check the strength of the current cyber security landscape and keep improving it. The IT team also regularly ensures awareness and sensitisation of various aspects of IT security to all our employees.

Our IT staff members periodically undergo training on cyber security and data protection. Our total IT spend for the year ended March 31, 2020 stood at ₹ 36 crore compared to ₹ 31 crore in the previous year.

## Business Continuity and Disaster Recovery

Our Business Continuity and Disaster Recovery policy is designed with the objective of ensuring that there is an implementable, resilient business continuity strategy and framework in place to ensure necessary continuation of business during a disaster and that there be minimal disruption of critical operations.

We recognise that merely having a business continuity management plan (BCP) does not tantamount to preparedness and therefore this is not viewed as a one-time effort, but needs continuous sensitisation amongst key identified emergency response teams and function response teams, along with other relevant stakeholders. This entails periodic BCP drills, tests and exercises, especially in the context of the disaster recovery site's capability in managing technology disaster at the primary data site. Other efforts include awareness drives, training and reviews for improvements. This initiative is overseen by the head of the Business Continuity Management Committee of the Corporation.

Owing to the lockdown in March 2020, the Corporation had to *en masse* shift to a format of working from home. The greatest challenge was ensuring that first our frontline would be connected so as to ensure no disruption in customer service.

The Chief Information Technology Officer of the Corporation supported by the IT department sends out advisories to all employees on cyber security precautions.

IT resources like laptops, PCs, mail on mobile and access to applications through the virtual private network (VPN) were made available to employees on priority basis. Hardware capacity was increased for servers to enable applications to be securely accessed from home.

The IT engineers provided helpline facilities for all employees facing any IT issues and timelines in resolving such issues were closely monitored. IT teams were kept on high alert to ensure that systems were safe from any hacking attempts.

Cyber security threats were thwarted through a specific device binding with the employee's domain identity, making sure that only a legitimate device is getting access to the Corporation's system. Additionally, advanced threat protection has been implemented, strengthening anti-virus / anti-malware features in the devices at home.

## IT Infrastructure – recalibrated to facilitate work from home/ anywhere

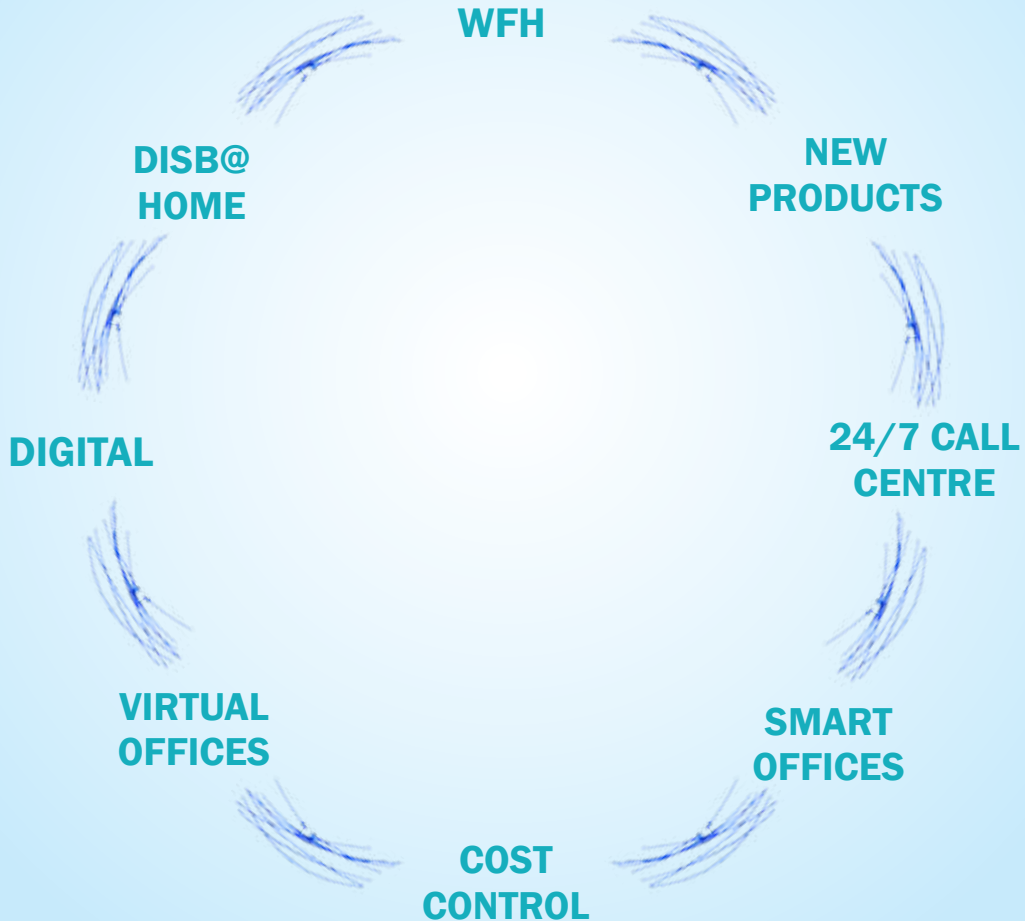


**Adaptability  
& Innovation  
at Work**

The COVID-19 pandemic and the sudden lockdown tested the Corporation’s agility and ability to adapt to sudden unforeseen changes. While there were several challenges at hand, it was an opportunity to re-think and re-strategise many processes.

Whilst needing to move away intermittently from our physical offices, the Corporation ensured seamless transition to the new way of working, which also resulted in innovation, enhanced digital experience for customers and overall efficiencies.

## The Emerging Remote Work Environment



**HDFC HOME LOANS**  
apni jagah banane

**APPLY ONLINE FOR A DREAM HOME LOAN**

ATTRACTIVE INTEREST RATES  
QUICK PROCESSING  
TRUST OF HDFC

FOLLOW THESE 3 SIMPLE STEPS TO

**APPLY ONLINE**

- Register
- Upload Documents
- Pay Fees

\*TAC Apply

*Phygital – The way forward*





---

# Intellectual Capital

## Values

HDFC was built on the founding values of kindness, fairness, efficiency and effectiveness. Our daily endeavour is to remain true to these values in every sphere of activity that we undertake. We believe that our value and culture is our strongest capital.

## Brand Value

We have not ascribed a value to our brand. However, we believe we derive immense value as our brand name is perceived as being synonymous with trust and quality customer service. All our group companies have in good faith, been entrusted with the 'HDFC' brand.

The HDFC group has emerged as a diverse conglomerate with a footprint across banking, securities, life insurance, non-life insurance, pension funds, asset management, property funds, affordable housing, non-bank financial companies, education finance and schools.

As an organisation, HDFC is unique – it is both, a mortgage finance company and the holding company for investments in its subsidiary and associate companies.

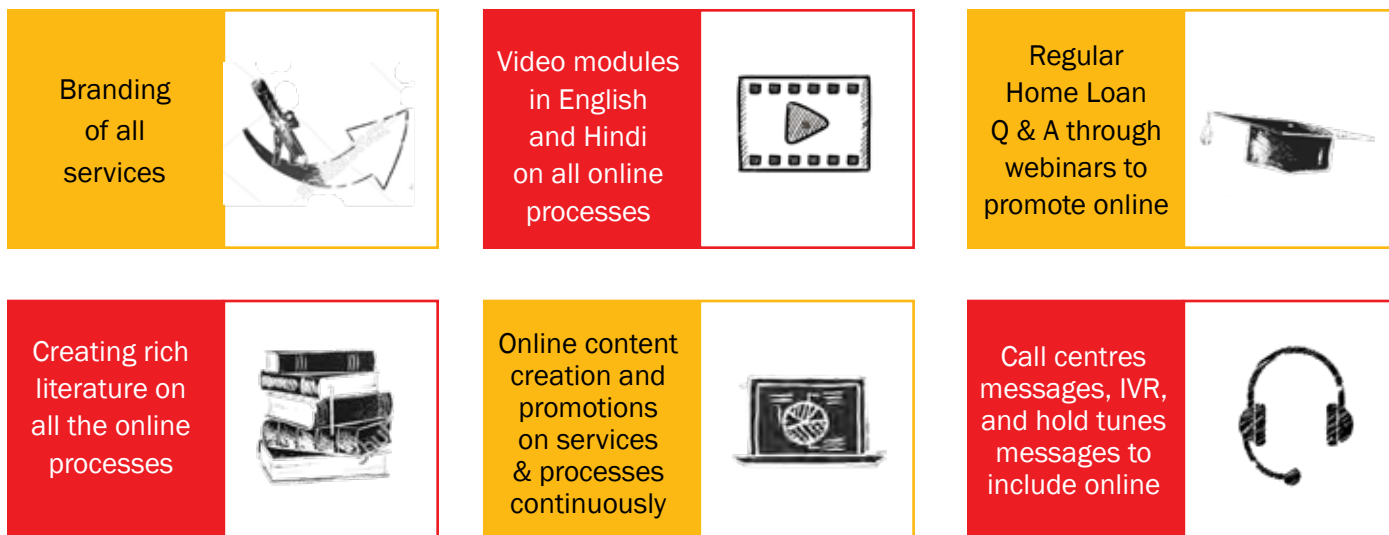
HDFC has received various accolades and awards for its contribution towards the CLSS, for corporate governance, being a leading home loan provider, commitment to sustainability and for investor relations, amongst others.

## Awards & Accolades in FY20

- Felicitated for the 2<sup>nd</sup> consecutive year in 'Leader' category in Corporate Governance by 'IFC-IIAS-BSE Governance Scores'
- Ranked as 7<sup>th</sup> largest consumer financial services company globally and the only Indian company to be part of the top 10 consumer financial services companies in the world for the 5<sup>th</sup> consecutive year by 'Forbes Global 2000', 2019.
- Winner in 'FIs/NBFCs/Financial Services' sector at the Dun & Bradstreet Corporate Awards, 2019. HDFC has won this award 12 times.
- Awarded as Leading Housing Finance Company at the Dun & Bradstreet BFSI Awards 2020.



## HDFC's Branding Strategy



### In-house Value Added Services

In India, land is a state subject. Each state has different regulations. Real estate markets require local level knowledge and expertise. HDFC is a single product company and this has enabled us to stay focused and deepen our understanding and nuances of local real estate markets.

We have always believed that when a customer comes to us for a home loan, funding is not their only requirement. They derive comfort knowing that a housing project has been pre-approved by HDFC. They seek our advice on the legal title of the property or seek our inputs on technical appraisals to ensure the building structure is sound or turn to us for fair valuations of properties. These value added services have been our key differentiator. Housing finance products are fairly standardised across the industry and we believe that the only product patent a home financier has is the quality of customer service.

### Sharing of Expertise Globally

We have been recognised for our deep understanding and knowledge of mortgage finance and this has helped us establish housing finance companies and render consultancy services and technical assistance in countries with nascent mortgage finance markets, especially in Asia and Africa. We also have a large pool of expert trainers and various global institutions reach out to us for consultancy services and training programmes.

The Corporation conducts its own international training programme, 'Housing Finance Management' at its training centre, Centre for Housing Finance. The Frankfurt School of Finance & Management and HDFC jointly organise 'Housing Finance Summer Academy' in Germany. The partnership has completed twelve years. The course aims to provide housing finance solutions for emerging markets through a combination of academic knowledge and practical experience.



*Our efforts being recognised*



*Sharing Expertise Globally*





---

Natural Capital

While we are in the business of financing homes, our regulator does not permit the undertaking of any direct construction activities ourselves. Hence as a housing finance company, our environmental impact is largely limited to the consumption of natural resources such as energy, paper and water and consequently, the outputs are essentially in the form of emissions and waste.

Yet, as a responsible organisation, we recognise the severity of the impact of climate change. Unprecedented weather patterns are having a devastating effect on natural ecosystems, biodiversity, water resources and people. It is now an irrefutable fact that climate change is increasingly impacting livelihoods, especially for those belonging to vulnerable communities.

Extreme weather conditions ranging from drought to floods impacts the agriculture sector and in turn affects the Indian economy as well. From a natural risk perspective, severe weather conditions or natural disasters can impact the homes of our borrowers and thus in certain circumstances can lead to the inability to service the home loan.

## Green Buildings



*Training Programme on Green Buildings*

A green building incorporates elements of sustainable design. Green buildings increase the efficiency with which buildings and their sites use energy, water and materials. Some of the features that are incorporated in green buildings are:

- Efficient use of energy, water and other resources
- Use of renewable energy, such as solar energy
- Pollution and waste reduction measures and the enabling of re-use and recycling
- Good indoor environmental air quality
- Use of materials that are non-toxic, ethical and sustainable
- Consideration of the environment in design, construction and operation
- Consideration of the quality of life of occupants in design, construction and operation
- A design that enables adaptation to a changing environment

Many new buildings are incorporating environment-friendly components during construction itself and existing buildings are being retrofitted to make them more green.

Through our lending for construction finance, we have supported many developers undertaking energy efficient real estate projects. Over three-fourth of HDFC's lease rental discounting portfolio has been certified as green buildings by either the Indian Green Building Council (IGBC) or Leadership in Energy and Environmental Design (LEED). The ratings assigned are either 'Platinum' or 'Gold', indicating high benchmarks on green building design and development.



## Leading Green Rating Agencies in India

Name	Background	Certification Levels	Evaluation Categories
Indian Green Building Council (IGBC)	Formed by CII, ratings cover new buildings, existing buildings, homes, residential societies, interiors, healthcare facilities, schools, factory buildings, data centres, campus, villages and townships	Certified (Best Practice); Silver (Outstanding Performance); Gold (National Excellence); Platinum (Gold Leadership)	Rated on basic amenities, proximity to public transport, low-emitting vehicles, preservation or transplantation of trees, basic facilities for construction workforce, rainwater harvesting, roof & non-roof, waste-water treatment and reuse
Leadership in Energy and Environmental Design (LEED)	Developed by the US Green Building Council and in India, currently administered by Green Business Certification Inc.; Includes a set of rating systems for the design, construction, operation and maintenance of green buildings	LEED Certified; Platinum Level; Gold Level; Silver Level	Buildings are rated on sustainable sites, water efficiency, energy & atmosphere, materials & resources, indoor environmental quality, innovation & design and regional priority
Green Rating for Integrated Habitat Assessment (GRIHA)	Adopted as the national rating system for green buildings by the Government of India in 2007; Buildings are evaluated on the stages of its life cycle viz. pre-construction stage, building planning & construction stage and building operation and maintenance stage	Rated from 5 Star to 1 one	Buildings are evaluated based on over 30 criteria, some of which include protecting landscape, soil conservation, outdoor lighting efficiency, low energy material in interiors, waste-water treatment, water treatment, minimise ozone depleting substances and noise levels

## Responsible Lending

We have made specific long-term commitments to fund developers for the construction of affordable housing. We have strengthened our impact assessment mechanisms through increased environmental and social governance for loans to developers in accordance with our Policy for Responsible Lending and Environmental & Social Risks.

Key monitorables by the Corporation include parameters such as labour and working conditions, pollution prevention, community, health and safety and stakeholder engagement during the construction phase.

The Corporation supports and encourages home loan customers who either are searching or buying into projects which have certified green ratings. The Corporation has a database and listings of green buildings, along with exposures of both, individual and non-individual loans. Close monitoring of data of green buildings also sensitises frontline employees on the growing importance and benefits of green buildings.

HDFC has committed to participate in a refinance scheme promoted by the NHB and the Agence Francaise de Développement (AFD), France. The objective of the refinance scheme is to promote green and affordable residential housing in India through the project, 'Sustainable use of Natural Resources and Energy Finance (SUNREF) Housing India'. The project with a credit facility of Euro 100 million by the AFD, allows banks and housing finance companies to fund projects which have been certified by the Green Rating for Integrated Habitat Assessment (GRIHA) or the IGBC.

## MSCI ESG Leaders Index

According to the MSCI ESG report, HDFC has “little exposure to highly environmentally impactful corporate borrowers. This means the company faces low exposure to credit risks arising from the environmental impact of its corporate financing activities”.

HDFC forms part of top 10 constituents of MSCI India ESG Leaders Index and MSCI EM Asia ESG Leaders Index.

MSCI India ESG Leaders Index – HDFC holds 2nd largest weightage*		
Sr. No.	Companies	Sector
1	Reliance Industries	Energy
2	HDFC Limited	Financials
3	Infosys	Information Technology
4	Tata Consultancy	Information Technology
5	Hindustan Unilever	Consumer Staples
6	Bharti Airtel	Communication Services
7	Axis Bank	Financials
8	HCL Technologies	Information Technology
9	Asian Paints	Materials
10	Nestle India	Consumer Staples

\*As at June 30, 2020

<b>MSCI EM Asia ESG Leaders Index – HDFC holds 7th largest weightage*</b>		
<b>Sr. No.</b>	<b>Companies</b>	<b>Country</b>
1	Alibaba Group Hldg ADR	China
2	Tencent Holdings LI (CN)	China
3	Taiwan Semiconductor Manufacturing	Taiwan
4	Meituan Dianping B	China
5	China Construction Bank H	China
6	Reliance Industries	India
7	HDFC Limited	India
8	Infosys	India
9	Mediatek Inc	Taiwan
10	Naver	South Korea

\*As at June 30, 2020

## **Organisation Practices: Being conscious of our carbon footprint**

We endeavour to promote ecological sustainability and green initiatives such as recycling paper and other waste material. Our employees and stakeholders have been encouraged to use electronic means of communication wherever possible to reduce the usage of paper. Our IT department proactively runs various 'go-green' campaigns internally to keep sensitising employees on minimising use of paper. We have eco-recycle bins for electronic waste. We have installed LED lighting and fixtures in most of our offices and at the head office, we follow a practice of switching off the lights when not at the workstations.

During the year, our employees participated in a tree plantation drive, upholding the spirit that everyone's footprint matters and everyone can help and play their part in protecting the environment.

## **Removal of Plastic Water Bottles in our Offices**

In order to catalyse the efforts in this initiative of reducing plastic waste, we discontinued the usage of bottled mineral water at our offices and provided water in glass jars to be served in glasses in all the conference rooms and cabins to create plastic free environment and a greener planet for the future generations.

## **Installation of Solar Panels**

During the year, the Corporation initiated solar panel installations on some of HDFC's owned premises. We are also re-configuring our solar panels on some of our office buildings and at our training centre in Lonavla. The Corporation is cognisant of the need to rely more on renewable energy where feasible and this will benefit over the longer term in terms of cost efficiencies as well.

Towards the end FY20, we evaluated and initiated a pilot project of implementing roof-top solar solutions (both off-grid and grid connected) through an environmental firm across 6 sites – 3 HDFC premises and 3 external premises. The planned installed capacity for the pilot is about 275 kWp. The project is being implemented across sites and the work in the HDFC offices is still under progress as worked stopped due to the lockdown. We do envisage a cost saving over the medium term once the installations are complete.

## Measuring Our Carbon Footprint

During the year, we partnered with a leading environment and research institution to help us strengthen and better monitor our carbon footprint. On a pilot basis, we examined the carbon footprint of a few select corporate offices. The carbon footprint was prepared in accordance with the GHG Protocol Corporate Accounting Standard and identified Greenhouse Gas (GHGs) emissions across the three scopes.

**Scope 1:** Direct emissions that resulted from activities and operations under HDFC's control;

**Scope 2:** Indirect emissions from the external production of energy, consumed by HDFC; and

**Scope 3:** Indirect emissions that are a result of HDFC's activities, but are not under the direct control of the Corporation.

Sixteen activities that cause GHG emissions were identified. Some of the key emission sources assessed were electricity and paper consumption, HVAC systems, fuel consumption for company cars and business-related travel. The sources of emissions for our offices were as follows:

### Pilot Study Based on Select Corporate Offices

Scope	Emission Source	Activity Data	Emissions (MT CO2e)	Contribution
Scope 1	Diesel Generator Sets	Diesel Consumption (L)	2.15	0.1%
Scope 1	Fuel Allowance (Provided to employees)	Petrol Allowance (L)	587.54	15.8%
Scope 1	Company Cars	Petrol Consumption (L)	25.37	0.7%
Scope 1	HVAC (Heating Ventilating and Air conditioning Systems)	Number of AC Carriers & Refrigerant refills (kg)	456.98	12.3%
Scope 2	Purchased Electricity	Electricity Consumption (Kilowatt Hour [kWh])	1,898.00	51.0%
Scope 2	Electricity for Data Centres	Electricity Consumption (kWh)	328.27	8.8%
Scope 3	Business Travel - Air	Class, Sector & Passenger (km)	222.95	6.0%
Scope 3	Business Travel - Road	Sector Travel & Car Type (km)	4.74	0.1%
Scope 3	Hotel Stays - Business	Number of Overnight Stays per Room & Occupancy	10.21	0.3%
Scope 3	Company Organised Road Transport	Sector, Number of Trips per day (km)	28.77	0.8%
Scope 3	Paper Use	Quantities of Paper Products (Metric Tonne - MT)	118.79	3.2%
Scope 3	Canteen Fuel	Number of LPG Cylinders, Cost (Rs.)	20.94	0.6%
Scope 3	Packed Water Consumption	Number of Jars, Capacity (L)	1.04	0.0%
Scope 3	Food-Upstream Logistics (Distribution to offices)	Number of Trips per Day & Distance (km)	5.07	0.1%
Scope 3	Water-Upstream Logistics (Distribution to offices)	Number of Trips per Day & Distance (km)	0.37	0.0%
Scope 3	Waste (Cardboard, Plastic, Food etc.)	Weight (kg)	7.92	0.2%
	<b>Total</b>		<b>3,719.11</b>	<b>100%</b>

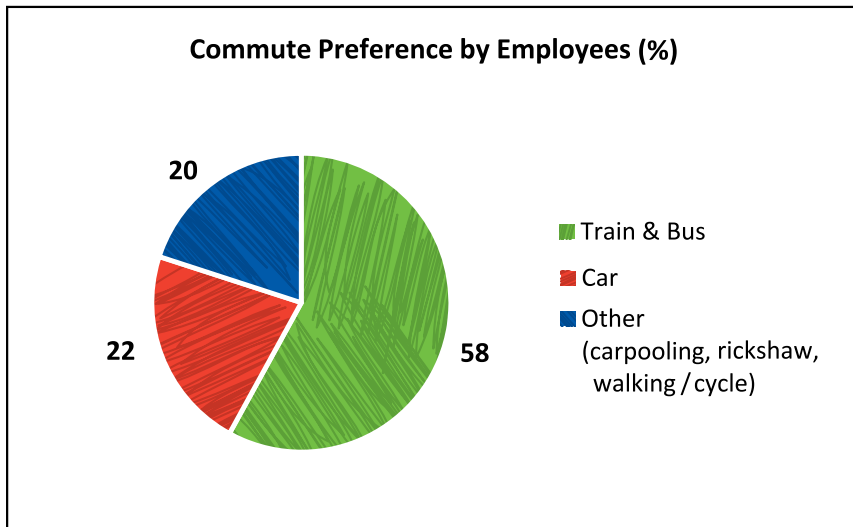
Note: These emissions have been calculated by an external agency based on information provided by the Corporation. This is a preliminary exercise and is still a work-in-progress. The numbers have not been re-validated.

The results revealed that purchased electricity formed the biggest source of emissions, followed by fuel allowance and HVAC systems. We are exploring ways to further reduce our energy consumption and mitigate our emissions.

### Commute and Canteen Survey

We also undertook a survey of HDFC employees at some of our offices in a large metro city to measure the impact of office commute on our carbon footprint as well as fuel usage and wastage of canteen food. The survey revealed that the majority of employees took public transport from their residence to offices. Whilst the percentage of staff using carpooling was low, efforts are being made to encourage and promote the benefits of car sharing/pooling.

### Mode of Commute by HDFC Employees – Sample Survey Results



### Key Expenditure Heads Pertaining to Our Carbon Footprint

	FY20	FY19
	₹ cr	₹ cr
Travel & Conveyance	17.9	18.3
Printing & Stationery	12.7	11.6
Electricity Charges	18.8	17.3

The Corporation has always been cost conscious and this reflects in the above expenses and is extremely low, especially if mapped against our non-interest expenses, profitability or asset base.

## Supporting Environmental Projects

We have partnered with various NGOs to implement several environmental projects.

### Solid Waste Management



This entails a solid waste management project in Dharamashala (Himachal Pradesh). Dharamashala is a tourist destination which has created a range of waste management issues such as littering on hiking trails, forests and waste burning on a large scale.

The project, which commenced 4 years ago, manages solid waste in two municipal wards of the city. Other interventions include door-to-door waste collections from households and commercial establishments, segregation of waste, spot transformations, awareness-raising and community engagement initiatives, composting of organic waste and partnerships with various local authorities.

Through our support, over 45 tonnes of solid waste has been collected of which ~35% has been recycled effectively and not reached the dump site.

The Corporation participated in a recycling project, being implemented in Mumbai to inculcate a positive behavioural change in terms of reducing plastic waste from our daily lives. It is a volunteer driven initiative wherein people are encouraged to donate plastic waste from their homes. All the collected plastic waste are segregated and recycled, for amenities such as public garden benches, manhole covers and school pencil boxes.

### Plastic Recycling Drive



The key outcome of the project:

- Collected 2,800 kg of plastic waste through the drive.
- Distributed over 5,000 cloth bags as alternatives to plastic bags.
- Recycled plastic created garden benches, pencil boxes and garbage bins.
- Distributed ~400 plus boxes in low income schools to encourage student to initiate plastic savings.
- 40 benches in public gardens created from recycled plastic.
- Distributed around 40 garbage bins of 150 litres each to 40 housing societies.

### Livelihoods



We are supporting a project in Sonitpur (Assam), which is in the North-Eastern part of India. The region is considered as one of the most bio-diverse regions. As part of the project, we are supporting communities living around the forests to promote afforestation and agro-forestry. The communities are involved in nursery operations, planting of trees and the management of forest produce. This ensures livelihoods for the communities and their food security.

This region is part of a larger corridor where elephants move. By improving the quality of forests, the project ensures that the elephant and other wildlife have their habitat intact to freely move around.

Through our support since 2017, the project has been able to revive over 2,10,000 natural assets and restore over 175 hectares of habitat.

## Restoration of Wildlife Ecosystems



Using the tiger as a central feature of the project, we have supported two protected areas since 2015 in the Central Indian Forest Landscape which is home to approximately 31% of the total tiger population of India. Our areas of intervention are – Satpura Tiger Reserve (Madhya Pradesh) and Tadoba-Andhari Tiger Reserve (Maharashtra) along with the surrounding buffer zones.

The Satpura Tiger Reserve is home to about 45 tigers and forms the catchment area for one of the major rivers of Central India – Narmada. Our interventions in this area focused on strengthening on-ground protection and monitoring of the tiger and prey.

In the Tadoba- Andhari Tiger Reserve, in addition to implementing tiger and leopard monitoring interventions several steps were taken to bring the communities in the near-by villages on-board especially by addressing the dependency on firewood by providing alternatives to arrest degradation of forests. Relevant soft skills and technical training was provided to the youth.

## Key Output & Outcomes

### Satpura Tiger Reserve

- 1) 152 forest guards and forest officers trained in the implementation of the Wild Life (Protection) Act.
- 2) Installation of monitoring devices which helped analyse 1,00,000 km of patrolling data leading to implementation of better conservation measures.
- 3) First ever tiger estimation study done which served as the baseline data future efforts.

### Tadoba- Andhari Tiger Reserve

- 1) Camera traps laid in 1,100 sq. km of the peripheral area of the Forest Reserve to track migration patterns of wildlife and prey.
- 2) Survey of the local communities to map social and economic understanding so as to develop plans for alternate livelihoods.
- 3) Need Assessment and plan made for developing a community—based ecotourism model.

## Environmental Education Programme

An environment education programme was initiated in 50 schools (~3,000 students) across the buffer zone of the Anshi-Dandeli Forest Reserve, in Karnataka. This is an environmental education programme designed for school children between 10 - 13 years living around wildlife reserves and parks. It is aimed at nurturing an interest in local wildlife, fostering tolerance for wildlife and teaching children how to coexist with animal conflict and cope with loss.

# Response to COVID-19

Update as at June 2020

## HDFC's COVID-19 Response

The HDFC group together committed ₹ 150 crore to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) to support the Indian government's efforts in managing the health crisis caused by the COVID-19 pandemic. Of this, the Corporation's contribution was ₹ 60 crore.

During the national lockdown, HDFC, through the H T Parekh Foundation intensified its efforts to reach vulnerable communities across various states in India. It increased its reach to 27 partners, across 13 states, with either cooked meals, one-month ration kits or hygiene safety kits.

HDFC has reached out to over 1.45 lac individuals through the provision of ration kits and over 9.7 lac cooked meals during the lockdown. Over 1 lac personal protection equipment (PPE) kits, 70,000 masks and ventilators have been distributed to state governments of Maharashtra, Delhi and Gujarat and charitable hospitals treating COVID-19 patients.

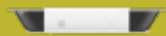
Support was provided to police & para-military forces in Jaipur and Mumbai by providing them safety kits as they are out each day in the line of duty.

Small and mid-sized charitable hospitals in Mumbai and New Delhi were supported by covering over 300 beds for COVID-19 patients.

### FOOD RELIEF INITIATIVES



9.7 LACS+  
COOKED MEALS



27,500+  
RATION KITS FOR  
1.45 LACS+  
INDIVIDUALS

### HEALTHCARE INITIATIVES



1,05,000  
PPE KITS

Delhi, Gujarat,  
Maharashtra



70,000  
N95 MASKS

Delhi, Maharashtra



18  
VENTILATORS

Delhi, Kolkata,  
North East







HDFC Salutes COVID-19 Warriors



















## 1 Annex





CSR Projects Undertaken Mapped against 12 United Nations Sustainable Development Goals


	CSR Project /Activity	Sector	Sustainable Development Goals	Amount Spent in FY 2020	Cumulative Expenditure up to Reporting Period*
				₹ Crore	₹ Crore
1A	(i) Cancer prevention, treatment and care and (ii) institutional and operational capacity enhancement of healthcare programmes	Healthcare	Goal 3: Ensure healthy lives and promote well-being for all at all ages 	24.91	48.48
1B	Eyecare - detection and treatment of preventable blindness	Healthcare	Goal 3: Ensure healthy lives and promote well-being for all at all ages 	18.97	29.75
1C	Access to nutrition and nutrition services to reduce malnourishment amongst vulnerable children	Healthcare	Goal 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture 	14.91	38.53
1D	Transformational surgeries for children and healthcare support to children with special needs	Healthcare	Goal 3: Ensure healthy lives and promote well-being for all at all ages 	16.45	31.10

	CSR Project /Activity	Sector	Sustainable Development Goals	Amount Spent in FY 2020	Cumulative Expenditure up to Reporting Period*
				₹ Crore	₹ Crore
1E	(i) Access to sanitation in urban slums and rural schools (ii) Improved sanitation infrastructure in urban cities (iii) Access to safe drinking water	Healthcare	Goal 6: Ensure availability and sustainability management of water and sanitation for all 	12.92	29.49
2A	Programmes for Early Childhood Education and Foundational Learning	Education	Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all 	2.52	5.57
2B	Teacher Training programmes to enable students to achieve age appropriate learning outcomes	Education	Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all 	18.65	44.34
2C	Programmes focused on Career readiness, Life skills and Vocational training of adolescents and youth	Education	Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all 	3.72	9.61

	CSR Project /Activity	Sector	Sustainable Development Goals	Amount Spent in FY 2020	Cumulative Expenditure up to Reporting Period*
				₹ Crore	₹ Crore
2D	(i) Support to Model Educational Institutes that can serve as a benchmark for education quality and (ii) programmes supporting research	Education	<p>Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p> 	39.40	70.83
2E	Inclusive education for children with special needs	Education	<p>Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p> 	7.13	12.65
3A	Skill Development and Livelihood enhancement programmes for Women and Construction workers	Skilling & Livelihoods	<p>Goal 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p>  <p>Goal 5: Achieve gender equality and empower all women and girls</p>  <p>Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p> 	15.68	31.10

	CSR Project /Activity	Sector	Sustainable Development Goals	Amount Spent in FY 2020	Cumulative Expenditure up to Reporting Period*
				₹ Crore	₹ Crore
3B	Training persons with disabilities to become economically self-reliant	Skilling and Livelihoods	<p>Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p> 	2.88	5.73
4A	Disaster relief and rehabilitation (housing)	Community Development	<p>Goal 1: End poverty in all its forms everywhere</p>  <p>Goal 13: Take urgent action to combat climate change and its impacts</p> 	17.17	19.39
4B	Supporting senior citizen homes, orphanages, childcare homes and heritage area community projects	Community Development	<p>Goal 1: End poverty in all its forms everywhere</p>  <p>Goal 11: Make cities and human settlements inclusive, safe, resilient and sustainable</p> 	2.00	3.02

	CSR Project / Activity	Sector	Sustainable Development Goals	Amount Spent in FY 2020	Cumulative Expenditure up to Reporting Period*
				₹ Crore	₹ Crore
5	Projects on Solid Waste management & recycling, Ecological restoration, re-wilding of forests, Clean energy (Solar)	Environmental Sustainability	<p>Goal 6: Ensure availability and sustainable management of water and sanitation for all</p>  <p>Goal 7: Ensure access to affordable, reliable, sustainable and modern energy for all</p>  <p>Goal 12: Ensure sustainable consumption and production patterns</p>  <p>Goal 15: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss</p> 	10.42	14.11

	<b>CSR Project / Activity</b>	<b>Sector</b>	<b>Sustainable Development Goals</b>	<b>Amount Spent in FY 2020</b>	<b>Cumulative Expenditure up to Reporting Period*</b>
				₹ Crore	₹ Crore
6	Projects on training Olympic athletes, sports coaching in low income schools and promoting Indian art and culture	Art, Culture and Sports	Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all  	2.36	7.09
7	Administrative expenses	Art, Culture and Sports		1.68	
	<b>Grand Total</b>			<b>211.77</b>	<b>400.79</b>

\* Cumulative expenditure on programmes includes expenditure incurred for an ongoing project / programme from earlier years to the current reporting period.





For queries on the Integrated Report, please contact:  
[investorcare@hdfc.com](mailto:investorcare@hdfc.com)

**Conrad D'Souza:** Member of Executive Management & Chief Investor Relations Officer  
**Anjalee Tarapore:** General Manager - Management Services & Investor Relations