

Deloitte Haskins & Sells

Chartered Accountants
'Heritage', 3rd Floor
Near Gujarat Vidhyapith
Off Ashram Road
Ahmedabad - 380 014

Tel: +91 (079) 2758 2542
+91 (079) 2758 2543
Fax: +91 (079) 2758 2551

INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF CREDILA FINANCIAL SERVICES PRIVATE LIMITED

Introduction

We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **CREDILA FINANCIAL SERVICES PRIVATE LIMITED** ("the Company") for the half year ended September 30, 2015 ("the Statement"), being submitted by the Company pursuant to the requirement of Clause 29 of the Listing Agreements for debt securities with the Stock Exchanges. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement, based on our review, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS-25) on Interim Financial Reporting specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India

Scope of Review

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Conclusion

Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 29 of the Listing Agreements for debt securities with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No.117365W)



G. K. Subramaniam
Partner
(Membership No. 109839)

MUMBAI, October 19, 2015



UNAUDITED FINANCIAL RESULTS FOR THE HALF YEAR ENDED SEPTEMBER 30, 2015

(₹ In lacs)

Particulars	6 months ended 30/09/2015	Corresponding 6 months ended in the previous year 30/09/2014	Previous accounting year ended 31/03/2015
	(Unaudited)	(Unaudited)	(Audited)
1. Interest earned	12,747.76	9,031.37	20,020.13
(a) Interest on Advances	12,718.62	9,023.97	19,996.37
(b) Income on Investments	22.94	0.45	9.74
(c) Interest on balances with Reserve Bank of India and other inter bank funds	6.20	6.95	14.02
2. Other Income	1,338.32	942.34	1,499.15
3. Total Income (1+2)	14,086.08	9,973.71	21,519.28
4. Interest Expended	8,713.67	6,282.52	13,862.17
5. Operating Expenses	1,845.27	1,631.48	3,474.71
(a) Employees Cost	748.68	645.22	1,407.91
(b) Advertisement & Sales Promotion Expenses	131.38	133.40	311.96
(c) Outsourcing Charges	400.58	349.11	696.36
(d) Professional Fees	147.94	147.90	237.62
(e) Other Operating Expenses	416.69	355.85	820.86
6. Total Expenditure (4+5) excluding provisions and contingencies	10,558.94	7,914.00	17,336.88
7. Operating Profit before Provisions and Contingencies (3-6)	3,527.14	2,059.71	4,182.40
8. Provisions (other than tax) and Contingencies	203.23	102.59	132.67
9. Exceptional Items	-	-	-
10. Profit from Ordinary Activities before tax (7-8-9)	3,323.91	1,957.12	4,049.73
11. Tax expense	1,140.00	562.00	1,270.00
12. Net Profit from Ordinary Activities after tax (10-11)	2,183.91	1,395.12	2,779.73
13. Extraordinary items (net of tax expense)	-	-	-
14. Net Profit for the period (12-13)	2,183.91	1,395.12	2,779.73
15. Paid-up equity share capital (Face Value of the Share ₹ 10 each)	5,374.20	5,374.20	5,374.20
16. Reserves excluding Revaluation Reserves as at March 31 (as per balance sheet of previous accounting year)			3,388.27
17. Analytical Ratios			
(a) Capital Adequacy Ratio	16.36%	15.88%	17.51%
(b) Earnings Per Share (EPS) (Not Annualised)			
- Basic	4.06	2.60	5.17
- Diluted	2.01	1.28	2.56
18. NPA Ratios			
(a) Gross NPA	175.28	112.06	92.61
(b) Net NPA	135.76	76.99	68.60
(c) % of Gross NPA	0.08%	0.07%	0.05%
(d) % of Net NPA	0.06%	0.05%	0.04%
(e) Return on Assets (Not Annualised)	1.09%	1.00%	1.87%



Notes:

- 1) The above results have been reviewed by the Audit Committee and approved by the Board of Directors on October 19, 2015 and have been subjected to a "Limited Review" by the Statutory Auditors.
- 2) Return on Assets have been computed as percentage of profit after tax to the average assets during the period.
- 3) The Company has made an incremental standard asset provision of ₹ 187.72 lacs. As specified in RBI Notification No. DNBR (PD) CC. No. 043/03.10.119/2015-16 dated July 01, 2015, the company intends to comply with provision @ 0.30% of the standard assets by March 31, 2016.
- 4) During the period, the Company has changed its NPA provisioning policy pursuant to which loans outstanding for a period exceeding 150 days are classified as non-performing assets. There is no material impact on the results on account of this change.
- 5) Figures for the previous period / year have been regrouped and reclassified wherever necessary, in order to make them comparable.

For Deloitte Haskins & Sells

Chartered Accountants



G. K. Subramaniam
Partner

Mumbai, October 19, 2015

For and on behalf of Board of Directors

Credila Financial Services Private Limited



Ajay Bohora
Managing Director & CEO

Mumbai, October 19, 2015