

B S R & Co. LLP

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Review Report

To the Board of Directors of HDFC Credila Financial Services Private Limited

We have reviewed the accompanying Statement of Unaudited Financial Results of HDFC Credila Financial Services Private Limited (formerly known as Credila Financial Services Private Limited) (the 'Company') for the six months ended 30 September 2017, ('the Statement'). This Statement has been prepared by the Company pursuant to the requirements of Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Regulations'). This Statement is the responsibility of the Company's management and has been approved by the Board of Directors of the Company in its meeting held on 23 October 2017. Our responsibility is to express a conclusion on the Statement based on our review.

Management's responsibility

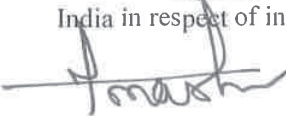
The Company's management is responsible for the preparation of the Statement in accordance with generally accepted accounting principles in India. This responsibility includes the design, implementation and maintenance of internal control relevant to preparation and presentation of the Statement.

Auditor's responsibility

We conducted our review in accordance with the Standard on Review Engagement (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 the 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 above, nothing has come to our attention that causes us to believe that the accompanying Statement for the six months ended 30 September 2017 prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25, "Interim Financial Reporting" ('AS 25'), specified under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of the Regulations, 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 matters.



Review Report (*Continued*)

HDFC Credila Financial Services Private Limited

Other matter

The financial information of the Company for the period ended 30 September 2016 and 31 March 2017 was reviewed by the predecessor auditor who expressed an unmodified opinion on those Statements on 24 October 2016 and 18 April 2017 respectively.

Restriction of use

This review report is issued for the sole use of the Board of Directors of the Company, to whom it is addressed, and for the purpose of submission to Stock Exchange pursuant to the requirements of the Regulations and should not be used by any other person or for any other purpose. We neither accept nor assume any duty or liability for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022



Akeel Master

Partner

Membership No: 046768

Mumbai
23 October 2017

HDFC CREDILA FINANCIAL SERVICES PRIVATE LIMITED
(formerly known as CREDILA FINANCIAL SERVICES PRIVATE LIMITED)
(CIN: U67190MH2006PTC159411)

Regd. Office: B-301, Citi Point, Andheri-Kurla Road,
Andheri (East), Mumbai 400 059

Tel No: 022-28266636 Website: www.hdfccredila.com Email: investor@credila.com

Statement of profit and loss
for the half year ended 30 September 2017

(₹ in lakhs)

Particulars	Half Year Ended 30/09/2017	Half Year Ended 30/09/2016	Period ended 30/09/2017	Year ended 31/03/2017
	Unaudited	Unaudited	Unaudited	Audited
I Revenue from operations	22,489.18	18,331.09	22,489.18	39,173.78
II Other income	0.03	4.21	0.03	6.92
III Total Revenue (I+II)	22,489.21	18,335.30	22,489.21	39,180.70
IV Expenses				
Employee benefits expense	1,208.83	921.40	1,208.83	2,186.21
Finance costs	13,312.39	11,163.91	13,312.39	23,724.40
Depreciation and amortization	29.82	20.26	29.82	45.17
Other expenses	781.97	1,276.91	781.97	2,812.10
Provisions and write offs	376.71	286.40	376.71	443.58
Total expenses	15,709.72	13,668.88	15,709.72	29,211.46
V Profit before tax (III-IV)	6,779.49	4,666.42	6,779.49	9,969.24
VI Tax expense:				
a. Current tax	2,431.00	1,694.37	2,431.00	3,576.77
b. Deferred tax	(145.00)	(90.00)	(145.00)	(155.00)
Net Tax Expense	2,286.00	1,604.37	2,286.00	3,421.77
VII Profit for the year (V-VI)	4,493.49	3,062.05	4,493.49	6,547.47
VIII Earnings per equity share:				
a. Basic (in ₹) (Not annualised)	7.34	5.64	7.34	11.89
b. Diluted (in ₹) (Not annualised)	3.87	2.80	3.87	5.95
Face Value per share (in ₹)	10.00	10.00	10.00	10.00



Balance Sheet
As at 30 September 2017

(₹ in lakhs)

Particulars	As at 30/09/2017	As at 31/03/2017
	Unaudited	Audited
I EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share capital	12,911.26	12,774.20
(b) Reserves and surplus	24,926.45	19,151.80
	37,837.71	31,926.00
2 Non-current liabilities		
(a) Long-term borrowings	265,348.49	217,252.27
(b) Other long term liabilities	36.21	34.06
(c) Long-term provisions	1,617.83	1,251.79
	267,002.53	218,538.12
3 Current liabilities		
(a) Short-term borrowings	61,760.59	27,201.42
(b) Trade payables		
(i) Total outstanding dues of micro and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro and small enterprises	1,035.78	682.39
(c) Other current liabilities	35,378.24	56,080.88
(d) Short-term provisions	332.82	55.84
	98,507.43	84,020.53
TOTAL	403,347.67	334,484.65
II ASSETS		
1 Non-current assets		
(a) Fixed assets		
(i) Tangible assets	196.25	185.19
(ii) Intangible assets	12.64	11.53
(iii) Capital work-in-progress	15.69	3.82
(b) Deferred tax assets (net)	610.00	465.00
(c) Long - term loans and advance	379,703.14	312,382.14
	380,537.72	313,047.68
2 Current assets		
(a) Trade receivables	220.33	19.68
(b) Cash and bank balances	688.97	1,148.35
(c) Short-term loans and advances	20,785.70	19,160.12
(d) Other current assets	1,114.95	1,108.82
	22,809.95	21,436.97
TOTAL	403,347.67	334,484.65



Notes:

- 1 The Company is a Non-Banking Finance Company registered with the Reserve Bank of India.
- 2 The results for the half year ended September 30, 2017 has been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on October 23, 2017.
- 3 The financial results for the half year ended September 30, 2017 of the Company have been subjected to a "Limited Review" by the Statutory Auditors of the Company.
- 4 Earnings per share for the half year ended September 30, 2017 and September 30, 2016 have been calculated for six months and not annualised.
- 5 Revenue from operations includes origination fees of ₹ 0.66 crore, which is net of amounts incurred towards commission to direct selling agents amounting to ₹ 13.88 crore.
- 6 Information as required by Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as per 'Annexure 1' attached.
- 7 The Secured listed Non-Convertible Debentures of the Company are secured by pari passu charge with other existing lenders on the loan receivables of the Company's underlying portfolio of loans having minimum asset cover of 1.05 times of the principal outstanding and interest accrued but not paid, to be maintained throughout the tenure of the Debentures.
- 8 Ratios:

Sr. No.	Particulars	Half Year ended 30/09/2017	Half Year ended 30/09/2016	Year ended 31/03/2017
1	Capital to Risk Asset Ratio	17.35%	16.56%	17.56%
2	Gross NPA Ratio	0.08%	0.10%	0.05%
3	Net NPA Ratio	0.05%	0.07%	0.02%

For and on behalf of Board of Directors
HDFC Credila Financial Services Private Limited
 (formerly known as Credila Financial Services Private Limited)


Anil Bohora

Managing Director

DIN : 00694396


Ajay Bohora

Managing Director & CEO

DIN : 00694444



Date : October 23, 2017

Place : Mumbai



Disclosures in terms of Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the half-year ended September 30, 2017.

Annexure 1

- a) The Company has paid interest and principal on Non Convertible Debentures on due dates. Details of payment of interest / principal and Credit Rating as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided in Annexure A.
- b) Asset cover available as on September 30, 2017, in case of Secured NCDs issued by the Company is 1.97. (as on September 30, 2016 is 2.79 and as on March 31, 2017 is 1.64).
- c) Debt-Equity ratio as on September 30, 2017 is 9.5. (as on September 30, 2016 is 11.45 and as on March 31, 2017 is 9.24). (Debt equity ratio as on September 30, 2017 is calculated considering equity = net worth* as per RBI guidelines).
- d) Debenture redemption reserve is not required in respect of privately placed debentures in terms of Rule 18(7)(b)(ii) of Companies (Share Capital and Debenture) Rules, 2014.
- e) Net worth as on September 30, 2017 is ₹ 37,215.07 lakhs (as on September 30, 2016 is ₹ 24,017.72 lakhs and as on March 31, 2017 is ₹ 31,914.47 lakhs) (Net worth* as on September 30, 2017 is calculated as per RBI guidelines).
- f) Net profit after tax for the half year ended on September 30, 2017 is ₹ 4,491 lakhs (as on September 30, 2016 is ₹ 3,062.05 lakhs and as on March 31, 2017 is ₹ 6,547.47 lakhs).
- g) Earnings per share as on September 30, 2017: Basic ₹ 7.34 and Diluted ₹ 3.87.
- h) Debt service coverage ratio: Not Applicable
- i) Interest service coverage ratio: Not Applicable
- j) Outstanding redeemable preference shares: Not Applicable

* Net worth = Share Capital + Reserves - Deferred Tax Assets - Intangible Assets.

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DBL



HDFC Credila Financial Services Pvt. Ltd.
MUMBAI

**Details of payment of interest / principal and Credit Rating of the Non-Convertible Debentures in accordance with the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015**

Annexure A

Name of Debt Instruments	ISIN & Scrip Code	Credit Rating	Previous Due Date (April 1, 2017 to September 30, 2017)		Interest (October 1, 2017 to March 31, 2018)		Principal (October 1, 2017 to March 31, 2018)	
			Interest	Principal	Next Due Date	Amount ₹. In lakhs	Next Due Date	Amount ₹. In lakhs
11.75% HDFC Credila PDIs	INE539K08112, 950446	CARE AA+ & ICRA AA+	10-Jul-17	-	-	-	-	-
10.50% HDFC Credila PDIs	INE539K08120, 951612	CARE AA+ & ICRA AA+	-	-	27-Jan-18	525.00	-	-
10.50% HDFC Credila PDIs	INE539K08138, 952267	CARE AA+ & ICRA AA+	17-Jun-17	-	-	-	-	-
8.99% HDFC Credila PDIs August 7, 2017	INE539K07015, 952514	CARE AAA & CRISIL AAA	7-Aug-17	7-Aug-17	-	-	-	-
9.30% HDFC Credila October 9, 2025	INE539K08146, 952850	CARE AAA & CRISIL AAA	-	-	9-Oct-17	927.45	-	-
9.00% HDFC Credila February 26, 2019	INE539K07023, 953505	CRISIL AAA	-	-	26-Feb-18	1,795.06	-	-
9.00% HDFC Credila June 28, 2019	INE539K07031, 954280	CRISIL AAA	28-Jun-17	-	-	-	-	-
8.25% HDFC Credila November 25, 2021	INE539K07056, 955181	CARE AAA & CRISIL AAA	-	-	27-Nov-17	2,527.89	-	-
8.00% HDFC Credila February 25, 2022	INE539K07064, 955821	CARE AAA & CRISIL AAA	-	-	27-Feb-18	1,600.00	-	-
7.65% HDFC Credila March 26, 2019	INE539K07072, 956647	CRISIL AAA	-	-	28-Mar-18	1,144.36	-	-
8.20% HDFC Credila July 23, 2027	INE539K08153, 956752	ICRA AAA & CRISIL AAA	-	-	-	-	-	-
7.50% HDFC Credila August 7, 2019	INE539K07080, 956788	CRISIL AAA	-	-	-	-	-	-



