

Independent Auditors' Review Report on unaudited financial results for the quarter ended June 30, 2024 pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To,

THE BOARD OF DIRECTORS

HDFC CREDILA FINANCIAL SERVICES LIMITED

1. We have reviewed the accompanying Statement of unaudited financial results of **HDFC Credila Financial Services Limited** ("the Company"), for the quarter ended June 30, 2024 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", prescribed under section 133 of the Companies Act, 2013 ("the Act"), the circulars, guidelines and directions issued by Reserve Bank of India from time to time read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 52 of Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements 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 of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical procedures and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under sub section (10) of section 143 of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted and procedure performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards specified under section 133 of the Act, as amended, read with relevant rules issued there under and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the Listing 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 Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

For **SHAH GUPTA & CO.**,

Chartered Accountants

Firm Registration No.: 109574W



Vipul K Choksi

Partner

M. No. 37606

Unique Document Identification Number (UDIN):

24037606BKB05T7823

Place: Mumbai

Date: 24.07.2024



For **GOKHALE & SATHE**

Chartered Accountants

Firm Registration No.: 103264W



Rahul Joglekar

Partner

M. No. 129389

Unique Document Identification Number (UDIN):

24129389BKA SUN 6172

Place: Mumbai

Date: 24.07.2024



HDFC CREDILA FINANCIAL SERVICES LIMITED

(CIN: U67190MH2006PLC159411)

Regd. Office: B-301, Citi Point, Andheri-Kurla Road, Andheri (East), Mumbai 400 059
Tel No: 022-28266636 Website: www.hdfccredila.com Email: investor@hdfccredila.com

**STATEMENT OF UNAUDITED FINANCIAL RESULTS
FOR THE QUARTER ENDED 30 JUNE 2024**

(₹ in Lakhs)

Particulars	Quarter ended 30 June 2024	Quarter ended 31 March 2024	Quarter ended 30 June 2023	Year ended 31 March 2024
	Reviewed	Audited	Reviewed	Audited
I Revenue from operations				
(a) Interest income	90,369.43	83,055.45	47,552.70	2,62,099.09
(b) Fees and commission income	3,609.28	3,954.69	836.15	11,892.94
(c) Net gain/(loss) on fair value changes	336.04	359.85	1,078.51	3,111.86
Total Revenue from operations	94,314.75	87,369.99	49,467.36	2,77,103.89
II Other income	23.16	-	0.10	0.21
III Total income (I + II)	94,337.91	87,369.99	49,467.46	2,77,104.10
IV Expenses:				
(a) Finance costs	59,170.34	55,189.62	30,493.41	1,73,102.29
(b) Impairment on financial instruments (Expected credit loss)	3,541.60	1,198.97	419.05	4,978.52
(c) Employee benefits expense	3,340.22	6,007.84	2,833.79	14,693.80
(d) Depreciation, amortisation and impairment	424.06	318.75	222.64	1,141.60
(e) Other expenses	4,160.62	4,574.15	2,528.21	12,351.15
Total expenses	70,636.84	67,289.33	36,497.10	2,06,267.36
V Profit before tax (III - IV)	23,701.07	20,080.66	12,970.36	70,836.74
VI Tax expense				
(a) Current tax	7,338.75	4,190.76	4,520.23	18,197.02
(b) Deferred tax	(1,271.72)	879.19	(1,219.75)	(244.17)
Total tax expense	6,067.03	5,069.95	3,300.48	17,952.85
VII Net profit after tax (V - VI)	17,634.04	15,010.71	9,669.88	52,883.89
VIII Other comprehensive income	(354.68)	580.35	36.89	912.84
IX Total comprehensive income (VII + VIII)	17,279.36	15,591.06	9,706.77	53,796.73
X Earnings per share (not annualized)				
(a) Basic (₹)	9.80	9.36	6.53	33.83
(b) Diluted (₹)	9.80	9.36	6.47	33.81
(c) Face value per share (₹)	10.00	10.00	10.00	10.00
XI Disclosures under Regulation 52(4)				
1. Debt-Equity ratio *	4.4	5.2	5.0	5.2
2. Outstanding redeemable preference shares (quantity and value)	-	-	-	-
3. Capital redemption reserve / Debenture redemption reserve (refer note 10)	-	-	-	-
4. Net worth #	6,62,928.41	4,98,123.13	3,16,175.72	4,98,123.13
5. Total debts to total assets (%)	79.97%	82.47%	80.93%	82.47%
6. Net profit margin (%)	18.69%	17.18%	19.55%	19.08%
7. Sector specific equivalent ratios				
(a) Gross Stage 3 (%)	0.09%	0.08%	0.14%	0.08%
(b) Net Stage 3 (%)	0.04%	0.03%	0.08%	0.03%

* Debt equity ratio is equal to (Debt securities + Borrowings + Subordinated Liabilities) / Net Worth

Networth is equal to paid up equity share capital plus other equity less deferred tax assets and intangible assets.

Note: Debt service coverage ratio, Interest service coverage ratio, Current ratio, Long term debt to working capital ratio, Bad debts to account receivable ratio, Current liability ratio, Debtors turnover, Inventory turnover and Operating margin (%) are not applicable.



Notes

- 1 The Company is a Non-Deposit taking Non-Banking Financial Company registered with the Reserve Bank of India ("RBI"), classified as a NBFC - Middle Layer as per the Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 dated 19 October 2023, as amended.
- 2 The above financial results for the quarter ended 30 June 2024, which have been subjected to limited review by the Joint Statutory Auditors of the Company, have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at their respective meetings held on 24 July 2024.
- 3 The financial results of the Company have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended. Accordingly, these financial results together with the results for the comparative reporting period have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 - "Interim Financial Reporting", prescribed under section 133 of the Companies Act 2013 ("the Act"), and other recognized accounting practices generally accepted in India.
These financial results have been prepared in the format prescribed under the notified schedule III of the Companies Act, 2013 for Non Banking Financial Companies issued by the Ministry of Corporate Affairs ("MCA"), as amended, and on the basis of Ind AS that are applicable to the Company.
- 4 Pursuant to SEBI Circular No. SEBI/HO/DDHS/CIR/P/2021/613 dated 10 August 2021, the Company has listed Commercial Papers on BSE Limited.
- 5 The Company is primarily engaged in the business of financing and accordingly, there are no separate reportable segments as per Ind AS 108 dealing with operating segment.
- 6 The secured, listed, non-convertible debentures of the Company are secured by pari passu charge on the education loan receivables of the Company with a security cover of 1.05 times and 1.25 times, as applicable, of the principal outstanding and interest accrued thereon as on 30 June 2024. The security cover certificate as per Regulation 54(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached as 'Annexure 1'
- 7 The figures for the quarter ended 31 March 2024 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of third quarter of the financial year, which were subject to Limited Review.
- 8 During the quarter ended 30 June 2024, the Company has allotted 2,20,10,272 equity shares of ₹ 10/- each at a premium of ₹ 671.50/- per share amounting to ₹ 1,50,000.00 lakhs pursuant to a preferential issue on 28 June 2024 to Shinhan Bank Co. Ltd. Further pursuant to the rights issue opened on 27 June 2024, the Company has received subscription monies from the shareholders and the Board of Directors at their meeting held on 24 July 2024 has approved allotment of 1,36,50,331 equity shares of ₹ 10/- each at a premium of ₹ 671.50/- per share amounting to ₹ 93,027.01 lakhs.
- 9 Due to change in the methodology of qualitative assessment of the expected credit loss (ECL) on the standard asset portfolio, the ECL cost for the quarter ended 30 June 2024 is not comparable with the previous periods.
- 10 The Company is not required to create debenture redemption reserve in terms of the Companies (Share Capital and Debenture) Rules, 2014 read with the Companies (Share Capital and Debenture) Amendments Rules, 2019.
- 11 Details of loans transferred/acquired during the quarter ended 30 June 2024 under the RBI Master Direction on Transfer of Loan Exposures dated 24 September 2021 are given below :
 - i) The Company has not transferred or acquired any loans not in default.
 - ii) The Company has not transferred or acquired any stressed loans.
 - iii) The Company has not transferred or acquired any Non-Performing Assets.
- 12 Figures for the previous periods have been regrouped wherever necessary, in order to make them comparable.

For and on behalf of Board of Directors
HDFC Credila Financial Services Limited



Arijit Sanyal
Managing Director & CEO
(DIN – 08386684)

Date:- 24 July 2024



Annexure 1

(₹ in Lakhs)

Security Cover Certificate as per Regulation 54(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on 30 June 2024															
Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O	
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari-Passu Charge	Pari-Passu Charge	Pari-Passu Charge	Assets not offered as Security	Debt not backed by any assets offered as security	Elimination (amount in negative)	(Total C to H)	Relating to only those items covered by this certificate				Total Value (K + L + M + N)
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder	Other assets on which there is pari-passu charge	Market Value for Assets charged on Exclusive basis				Carrying / book value for exclusive charge assets where market value is not ascertainable or applicable	Market Value for Pari passu charge Assets	Carrying/book value for pari passu charge assets where market value is not ascertainable or applicable		
		Book Value	Book Value	Yes/No	Book Value	Book Value									
Assets															
Property, Plant & Equipments					-	-	4,703.14	-		4,703.14			-	-	-
Capital Work in Progress					-	-	80.72	-		80.72			-	-	-
Intangible Assets					-	-	3,687.79	-		3,687.79			-	-	-
Intangible Assets under development					-	-	553.36	-		553.36			-	-	-
Investments					-	-	1,99,896.51	-		1,99,896.51			-	-	-
Loans	Education Loan				28,67,851.32	-	2,12,000.98	-		30,79,852.30			-	3,38,251.95	3,38,251.95
Trade Receivables					-	-	2,529.68	-		2,529.68			-	-	-
Cash & Cash Equivalents					-	-	3,48,497.97	-		3,48,497.97			-	-	-
Bank Balances other than Cash and Cash Equivalents					-	-	10,334.78	-		10,334.78			-	-	-
Others					-	-	14,033.84	-		14,033.84			-	-	-
Total					28,67,851.32		7,96,318.77			36,64,170.09				3,38,251.95	3,38,251.95
Liabilities															
Debt Securities to which this certificate pertains				Yes	3,12,070.92	-	-	-		3,12,070.92			-	3,12,070.92	3,12,070.92
Other Debt sharing pari-passu charge with above debt				Yes	22,84,285.75	-	-	-		22,84,285.75			-	-	-
Other Debt					-	-	-	-		-			-	-	-
Subordinated Debt					-	-	-	1,72,063.93		1,72,063.93			-	-	-
Borrowings					-	-	-	-		-			-	-	-
Bank					-	-	-	-		-			-	-	-
Debt Securities					-	-	-	1,79,108.51		1,79,108.51			-	-	-
Others					-	-	-	-		-			-	-	-
Trade Payables					-	-	-	4,848.96		4,848.96			-	-	-
Lease Liabilities					-	-	-	3,814.55		3,814.55			-	-	-
Provisions					-	-	-	15,184.99		15,184.99			-	-	-
Others					-	-	-	21,245.89		21,245.89			-	-	-
Total					25,96,356.67		3,96,266.83			29,92,623.49				3,12,070.92	3,12,070.92
Cover on Book Value						1.10								1.08	1.08
Cover on Market Value															
							Pari-Passu Security Cover Ratio								

Notes :-

- The secured non-convertible debentures have security cover of 1.05 times and 1.25 times, as applicable, on a pari-passu basis on education loan receivables. Accordingly, weighted average pari-passu security cover for all secured non-convertible debentures taken together is 1.08 times.
- Education loan book of the Company is non trading book where loans are in the nature of held to maturity and created with a sole objective of collecting principal and interest. Therefore, the Company has considered the carrying value (before netting off impairment loss allowance) for this certificate.

