

Date: January 20, 2022

BSE Limited

Phiroze Jeejeebhoy Tower,
Dalal Street,
Mumbai – 400001

Dear Sir,

Sub.: Outcome of Board Meeting

Dear Sirs,

We wish to inform you that at the meeting of the Board of Directors held today i.e. on January 20, 2022, the Board has approved the unaudited financial results of the Company for the quarter ended December 31, 2021, in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

We would like to state that the Statutory Auditors of the Company have issued limited review reports with unmodified opinion on the financial statements.

A copy of the said results along with the limited review reports issued by the Statutory Auditors of the Company is enclosed herewith and the said documents are being uploaded on the website of the Company i.e. www.hdfccredila.com.

The quarter ended results will also be published in the newspapers, in the format prescribed by the SEBI.

We request you to take note of the above and arrange to bring this to the notice of all concerned.

This intimation is also being uploaded on the Company's website at www.hdfccredila.com.

Thanking you,

For HDFC Credila Financial Services Limited

(Formerly known as HDFC Credila Financial Services Private Limited)




Akanksha Kandoi

Company Secretary & Compliance Officer

HDFC CREDILA FINANCIAL SERVICES LIMITED

(Formerly known as HDFC Credila Financial Services Private Limited)

Corporate Identity Number: U67190MH2006PLC159411

 **Regd. Office:** B-301, Citi Point, Andheri-Kurla Road, Next To Kohinoor Continental, Andheri (East), Mumbai 400 059, India



Tel: +91-22-28266636



Email: loan@hdfccredila.com

Independent Auditors' Review Report on the Quarterly and Year to date Unaudited Financial Results 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 and nine months ended December 31, 2021 ("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 (the '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 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act, 2013 (the 'Act'), as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("Listing Regulation"). 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 ('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 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 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.
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.
5. As more fully described in Note 10 to the financial results, the extent to which the COVID-19 pandemic will have impact on the Company's financial performance is dependent on future developments, which are highly uncertain. Our conclusion is not modified in respect of this matter.
6. The review of unaudited financial results for the period ended September 30, 2021, December 31, 2020 and the audit of financial statements for the year ended March 31, 2021 included in the Statement were carried out and reported by the predecessor auditors who have expressed unmodified conclusion/opinion, whose report has been furnished to us and which has been relied upon by us for the purpose of our review of the Statement. Our conclusion is not modified in respect of this matter.

For **SHAH GUPTA & CO.,**

Chartered Accountants

Firm Registration No.: 109574W

**VIPUL KANTILAL
CHOKSI**

Digitally signed by VIPUL KANTILAL CHOKSI
DN: cn=IN, o=Personal, postalCode=400022,
st=MAHARASHTRA,
serialNumber=42d677e5b7dd4a94be1711e3e5a2
3186809e1ac8afc253952d5732167abd5a3,
cn=VIPUL KANTILAL CHOKSI
Date: 2022.01.20 13:55:05 +05'30'

Vipul K Choksi

Partner

M. No. 37606

Unique Document Identification Number (UDIN) for this document is : 22037606AAAAO9683

Place: Mumbai

Date: 20.01.2022

HDFC CREDILA FINANCIAL SERVICES LIMITED
(formerly known as *HDFC Credila Financial Services Private 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 AND NINE MONTHS ENDED 31 DECEMBER 2021

(₹ in Lakhs)

Particulars	Quarter ended			Nine months ended		Year ended 31 March 2021
	31 December 2021	30 September 2021	31 December 2020	31 December 2021	31 December 2020	
	Reviewed	Reviewed	Reviewed	Reviewed	Reviewed	Audited
I Revenue from operations						
Interest income	20,817.56	18,976.51	17,154.35	57,032.05	52,195.79	69,705.90
Fees and commission income	389.81	699.56	197.49	1,300.60	565.73	879.89
Net gain/(loss) on fair value changes	220.45	(166.75)	186.54	193.99	957.49	760.75
Total Revenue from operations	21,427.82	19,509.32	17,538.38	58,526.64	53,719.01	71,346.54
II Other income	-	-	-	-	-	0.01
III Total income (I + II)	21,427.82	19,509.32	17,538.38	58,526.64	53,719.01	71,346.55
IV Expenses:						
(a) Finance costs	11,193.82	10,156.09	9,992.12	30,731.72	32,716.70	41,869.15
(b) Impairment on financial instruments (Expected credit loss)	686.48	281.80	735.17	1,125.97	693.55	884.55
(c) Employee benefits expense	1,165.01	1,258.73	842.52	3,442.84	2,513.63	3,543.51
(d) Depreciation, amortisation and impairment	99.18	84.38	103.33	269.07	232.53	316.79
(e) Other expenses	1,471.27	1,057.42	1,012.46	3,564.24	2,769.23	3,954.81
Total expenses	14,615.76	12,838.42	12,685.60	39,133.84	38,925.64	50,568.81
V Profit before tax (III - IV)	6,812.06	6,670.90	4,852.78	19,392.80	14,793.37	20,777.74
VI Tax expense						
(a) Current tax	1,838.66	1,795.63	1,190.32	5,448.32	3,755.99	5,414.00
(b) Deferred tax	(45.97)	(113.36)	(86.92)	(484.95)	(80.58)	(159.09)
Total tax expense	1,792.69	1,682.27	1,103.40	4,963.37	3,675.41	5,254.91
VII Net profit for the period / year after tax (V - VI)	5,019.37	4,988.63	3,749.38	14,429.43	11,117.96	15,522.83
VIII Other comprehensive income	448.71	207.84	245.76	641.84	10.43	260.51
IX Total comprehensive income (VII + VIII)	5,468.08	5,196.47	3,995.14	15,071.27	11,128.39	15,783.34
X Earnings per share						
(a) Basic (₹)	3.81	3.79	2.84	10.95	8.44	11.78
(b) Diluted (₹)	3.81	3.79	2.84	10.95	8.44	11.78
(c) Face value per share (₹)	10.00	10.00	10.00	10.00	10.00	10.00
XI Disclosures under Regulation 52(4)						
1. Debt-Equity ratio	5.5	5.4	4.7	5.5	4.7	4.7
2. Outstanding redeemable preference shares (quantity and value)	-	-	-	-	-	-
3. Capital redemption reserve / Debenture redemption reserve	-	-	-	-	-	-
4. Net worth*	127,419.49	121,937.38	108,061.94	127,419.49	108,061.94	112,706.60
5. Total debts to total assets (%)	82.52%	81.90%	80.38%	82.52%	80.38%	79.82%
6. Net profit margin (%)	23.42%	25.57%	21.38%	24.65%	20.70%	21.76%
7. Sector specific equivalent ratios						
(a) Gross Stage 3 (%)	0.68%	0.65%	0.61%	0.68%	0.61%	0.60%
(b) Net Stage 3 (%)	0.47%	0.45%	0.46%	0.47%	0.46%	0.40%

* Networth is equal to paid up equity share capital plus other equity less deferred tax assets less 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 (continued)

- 1 The Company is a Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC-ND-SI) registered with the Reserve Bank of India (RBI) classified as an Investment and Credit Company (NBFC-ICC).
- 2 The above financial results for the quarter and nine months ended 31 December 2021 along with comparative period have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at their respective meetings held on 20 January 2022. The financial results have been subjected to a limited review by the statutory auditors of the Company and their report thereon is unmodified.
- 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 Indian Accounting Standard 34, "Interim Financial Reporting" ("Ind AS 34"), prescribed under section 133 of the Companies Act 2013 ('the Act'), and other recognized accounting practices generally accepted in India, in compliance with Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to circular SEBI/HO/DDHS/CIR/2021/0000000637 dated 5 October 2021.
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 Ministry of Corporate Affairs (MCA) on 11 October 2018, as amended, and on the basis of Ind-AS that are applicable to the Company based on the MCA Notification GSR 111(E) and GSR 365(E) dated 16 February 2015 and 31 March 2016 respectively.
- 4 Pursuant to SEBI Circular No. SEBI/HO/DDHS/DDHS/CIR/P/2019/115 dated 22 October 2019, 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 an asset cover of 1.05 times of the principal outstanding and interest accrued thereon as on 31 December 2021.
- 7 Other equity contains statutory reserve as per Section 45 IC of Reserve Bank of India Act, 1934, balance in securities premium, capital reserve, impairment reserve created under RBI notification on "Implementation of Indian Accounting Standards" dated 13 March 2020, other comprehensive income and surplus in statement of profit and loss.
- 8 Earnings per equity share for the quarter and nine months ended 31 December 2021 and comparative periods have not been annualised.
- 9 The figures for the quarter ended 31 December 2021 and 31 December 2020 are the balancing figures between reviewed figures for the nine months ended 31 December 2021 and 31 December 2020 and the reviewed figures for the half years ended 30 September 2021 and 30 September 2020 respectively. The figures for the quarter ended 30 September 2021 are the balancing figures between reviewed figures for the half year ended 30 September 2021 and the reviewed figures for the quarter ended 30 June 2021.
- 10 The COVID -19 pandemic continues to have a considerable impact on economic activities across the globe. In April-May 2021, India experienced a "second wave" of COVID-19 with a significant surge of COVID-19 cases following the discovery of mutant coronavirus variants in the country leading to re-imposition of regional lockdowns. These have been gradually lifted with the ebbing of the second wave. The world is now experiencing another outbreak on account of new coronavirus variant and as a precautionary measure India has started to reimpose localised / regional restrictions.

The impact of COVID-19 has led to changes in customer behavior, travel restrictions both domestic & international and decrease in economic activities. The final impact of the global health pandemic continues to be uncertain and the actual impact on these financial results may be different than that estimated based on the conditions prevailing as at the date of approval of these financial results. Given the dynamic and evolving nature of pandemic, the management will continue to closely monitor the material changes in the macro-economic factors impacting the operations of the Company.

The Company continues to hold management overlay in relation to COVID-19 aggregating ₹ 1,779.55 lakhs (previous year ₹ 2,072.89 lakhs) in this regard.

Notes (continued)

- 11 The Parliament has approved the Code on Social Security, 2020 ('Code') which may impact the contribution by the Company towards provident fund and gratuity. The effective date from which the Code and its provisions would be applicable is yet to be notified and the rules which would provide the details based on which financial impact can be determined are yet to be framed. The Company will complete its evaluation and will give appropriate impact, if any, in the financial results following the Code becoming effective and the related rules being framed and notified. The Company has taken professional opinion in this regard and will ensure that it makes adequate provisions to remain compliant with all requirements.
- 12 Details of resolution plan implemented under the RBI Resolution Framework - 2.0: Resolution of COVID-19 related stress of Individuals and Small Businesses dated 5 May 2021 are as below:

(₹ in Lakhs except number of accounts)

Sl. No	Description	Individual Borrowers		Small businesses
		Personal Loans	Business Loans	
(A)	Number of requests received for invoking resolution process under Part A	77	-	-
(B)	Number of accounts where resolution plan has been implemented under this window *	76	-	-
(C)	Exposure to accounts mentioned at (B) before implementation of the plan	2,333.72	-	-
(D)	Of (C), aggregate amount of debt that was converted into other securities	-	-	-
(E)	Additional funding sanctioned, if any, including between invocation of the plan and implementation	-	-	-
(F)	Increase in provisions on account of the implementation of the resolution plan	474.37	-	-

* Includes 3 borrower accounts having an aggregate exposure of ₹ 165.46 lakhs as on 31 December 2021, where resolution plans had been implemented under RBI's Resolution Framework 1.0 dated 6 August 2020 and were modified under RBI's Resolution Framework 2.0 dated 5 May 2021.

- 13 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.

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

ARIJIT SANYAL Digitally signed by ARIJIT SANYAL
 Date: 2022.01.20 13:38:50 +05'30'

VIPUL KANTILAL CHOKSI Digitally signed by VIPUL KANTILAL CHOKSI
 DN: cn=Personal, postalCode=400022, st=MAHARASHTRA, serialNumber=426677e587d44a94be1711e3e5a23f88699e1a6b0a253952d5732167abd5a3, cn=VIPUL KANTILAL CHOKSI
 Date: 2022.01.20 13:56:48 +05'30'

Arijit Sanyal
 Managing Director & CEO
 (DIN – 08386684)

Date : 20 January 2022