

Gokhale & Sathe
Chartered Accountants

304/308/309/311,
Udyog Mandir No.1, 7-c,
Bhagoji Keer Marg, Mahim
Mumbai – 400016

Price Waterhouse LLP
Chartered Accountants

252, Veer Savarkar Marg,
Shivaji Park, Dadar West
Mumbai – 400028

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

**To the Board of Directors of Credila Financial Services Limited
(Formerly known as “HDFC Credila Financial Services Limited”)**

1. We have reviewed the accompanying unaudited financial results of Credila Financial Services Limited (Formerly known as “HDFC Credila Financial Services Limited”) (the “Company”) for the quarter ended September 30, 2024 and the year to date results for the period April 01, 2024 to September 30, 2024, which are included in the accompanying Statement of Unaudited Financial Results for the quarter and half year ended September 30, 2024, the Statement of Assets and Liabilities as on that date and the Statement of Cash Flows for the half year ended on that date (the “Statement”) being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations, 2015”), including relevant circulars issued by the SEBI from time to time. We have initialed the Statement for identification purposes only.
2. This Statement, which is the responsibility of the Company’s Management and approved by the Company’s 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”), read with the relevant Rules issued thereunder, the circulars, guidelines and directions issued by Reserve Bank of India (‘RBI’) from time to time (the “RBI guidelines”), other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of the Listing Regulations, 2015 including relevant circulars issued by SEBI from time to time and that it has been prepared in accordance with the relevant prudential norms issued by the RBI in respect of Income recognition, assets classification, provisioning and other related matters, to the extent those are not inconsistent with the Indian Accounting Standards prescribed under section 133 of the Act. 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 financial statements are 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.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in accordance with recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, read with the relevant Rules issued thereunder, the RBI Guidelines and other accounting principles generally accepted in India, and has not disclosed the information required to be disclosed in accordance with the requirements Regulation 52 of the Listing Regulations, 2015, as amended, 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 (RBI) in respect of Income recognition, asset classification, provisioning and other related matters, to the extent those are not inconsistent with the Indian Accounting Standards prescribed under Section 133 of the Act.



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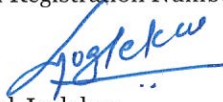
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5. We draw your attention to note 9 which describes the ongoing investigation in respect of certain suspected fraud cases in the Company's loan portfolio. Our conclusion is not modified in respect of this matter.
6. The financial results of the Company for the quarters ended June 30, 2024, September 30, 2023 and the year to date results for the period April 01, 2023 to September 30, 2023, were reviewed jointly by Gokhale & Sathe and Shah Gupta & Co., who issued their unmodified conclusion, vide their reports dated July 24, 2024 and October 10, 2023 respectively. The financial statements of the Company for the year ended March 31, 2024, were audited jointly by Gokhale & Sathe and Shah Gupta & Co., who issued an unmodified opinion vide their report dated May 01, 2024.

Our conclusion is not modified in respect of these matters.

For Gokhale & Sathe
Chartered Accountants
Firm Registration Number: 103264W


Rahul Joglekar
Partner
Membership Number: 129389
UDIN: 24129389BKASYK6990
Place: Mumbai
Date: November 11, 2024

For Price Waterhouse LLP
Chartered Accountants
Firm Registration Number: 301112E/E300264


Sharad Agarwal
Partner
Membership Number: 118522
UDIN: 24118522BKFUCJ4762
Place: Mumbai
Date: November 11, 2024



CREDILA FINANCIAL SERVICES LIMITED
(formerly known as 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.credila.com Email: investor@credila.com

STATEMENT OF UNAUDITED FINANCIAL RESULTS
FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2024

(₹ in Lakhs)

Particulars	Quarter ended			Half year ended		Year ended
	30 September 2024	30 June 2024	30 September 2023	30 September 2024	30 September 2023	31 March 2024
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
I Income:						
i) Revenue from operations						
(a) Interest income	1,06,757.27	90,369.43	59,693.04	1,97,126.70	1,07,245.74	2,62,099.09
(b) Fees and commission income	8,724.22	3,609.28	4,225.54	12,333.50	5,061.69	11,892.94
(c) Net gain on fair value changes	921.71	336.04	1,029.74	1,257.75	2,108.25	3,111.86
Total Revenue from operations	1,16,403.20	94,314.75	64,948.32	2,10,717.95	1,14,415.68	2,77,103.89
ii) Other income	257.50	23.16	0.02	280.66	0.12	0.21
Total income (i + ii)	1,16,660.70	94,337.91	64,948.34	2,10,998.61	1,14,415.80	2,77,104.10
II Expenses:						
(a) Finance costs	69,882.88	59,170.34	39,146.25	1,29,053.22	69,639.66	1,73,102.29
(b) Impairment on financial instruments	8,595.66	3,541.60	2,002.08	12,137.26	2,421.13	4,978.52
(c) Employee benefits expense	3,758.74	3,340.22	2,749.82	7,098.96	5,583.61	14,693.80
(d) Depreciation and amortisation	626.33	424.06	295.13	1,050.39	517.77	1,141.60
(e) Other expenses	3,486.83	4,160.62	2,446.21	7,647.45	4,974.42	12,351.15
Total expenses	86,350.44	70,636.84	46,639.49	1,56,987.28	83,136.59	2,06,267.36
III Profit before tax (I - II)	30,310.26	23,701.07	18,308.85	54,011.33	31,279.21	70,836.74
IV Tax expense						
(a) Current tax	7,301.86	7,338.75	3,700.60	14,640.61	8,220.83	18,197.02
(b) Deferred tax	359.43	(1,271.72)	940.98	(912.29)	(278.77)	(244.17)
Total tax expense	7,661.29	6,067.03	4,641.58	13,728.32	7,942.06	17,952.85
V Profit after tax (III - IV)	22,648.97	17,634.04	13,667.27	40,283.01	23,337.15	52,883.89
VI Other comprehensive income	(3,153.94)	(354.68)	5.46	(3,508.62)	42.35	912.84
VII Total comprehensive income (V + VI)	19,495.03	17,279.36	13,672.73	36,774.39	23,379.50	53,796.73
VIII Earnings per share (not annualized)						
(a) Basic (₹)	10.78	9.80	8.72	20.58	15.25	33.83
(b) Diluted (₹)	10.77	9.80	8.64	20.57	15.11	33.81
(c) Face value per share (₹)	10.00	10.00	10.00	10.00	10.00	10.00



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Notes :

1 Statement of Assets and Liabilities as at 30 September 2024

(₹ in Lakhs)

Particulars	As at 30 September 2024	As at 31 March 2024
	Unaudited	Audited
ASSETS		
Financial assets		
i. Cash and cash equivalents	2,55,862.51	1,47,109.01
ii. Bank balances other than (i) above	25,200.68	65,290.02
iii. Derivative financial instruments	1,915.16	1,168.22
iv. Trade receivables	4,378.32	2,036.54
v. Loans	36,59,426.26	28,08,321.57
vi. Investments	2,06,502.66	1,12,535.11
vii. Other financial assets	12,946.93	7,277.18
Total financial assets	41,66,232.52	31,43,737.65
Non financial assets		
i. Current tax assets (net)	898.25	362.07
ii. Deferred tax assets (net)	5,478.91	3,008.20
iii. Property, plant and equipment	6,041.05	4,096.55
iv. Capital work in progress	-	451.98
v. Intangible assets	3,498.00	161.73
vi. Intangible assets under development	1,279.07	3,043.42
vii. Other non financial assets	3,015.53	1,735.26
Total non financial assets	20,210.81	12,859.21
Total Assets	41,86,443.33	31,56,596.86
LIABILITIES AND EQUITY		
LIABILITIES		
Financial liabilities		
i. Derivative financial instruments	9,434.94	5,881.78
ii. Trade payables		
(a) Total outstanding dues of micro enterprises & small enterprises	19.82	25.65
(b) Total outstanding dues other than micro enterprises & small enterprises	6,419.62	2,618.87
iii. Debt securities	4,88,527.25	4,20,074.00
iv. Borrowings (other than debt securities)	26,94,630.49	20,19,724.94
v. Subordinated liabilities	1,59,294.61	1,63,483.68
vi. Other financial liabilities	34,083.74	27,427.26
Total financial liabilities	33,92,410.47	26,39,236.18
Non financial liabilities		
i. Current tax liability (net)	-	-
ii. Provisions	1,492.45	1,189.78
iii. Other non financial liabilities	8,475.25	11,834.42
Total non financial liabilities	9,967.70	13,024.20
Total Liabilities	34,02,378.17	26,52,260.38
EQUITY		
i. Equity share capital	21,482.98	17,916.92
ii. Other equity	7,62,582.18	4,86,419.56
Total equity	7,84,065.16	5,04,336.48
Total Liabilities and Equity	41,86,443.33	31,56,596.86



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Notes (continued)

2 Statement of Cash Flows for the half year ended 30 September 2024

(₹ in Lakhs)

Particulars	For the half year ended 30 September 2024	For the half year ended 30 September 2023
	Unaudited	Unaudited
A. Operating activities		
Profit before tax	54,011.33	31,279.21
<i>Adjustments to reconcile profit before tax to net cash flows :</i>		
Depreciation and amortisation	1,050.39	517.77
Impairment on financial instruments	12,137.26	2,421.13
(Profit)/loss on property, plant and equipment sold/discarded	(23.10)	10.02
Interest income	(1,97,126.70)	(1,07,245.74)
Interest expense	1,28,641.33	69,555.39
Provision for employee benefits	85.67	41.25
Employee share based payments expense	-	935.97
Net gain on fair value changes	(1,257.75)	(2,108.25)
	(2,481.57)	(4,593.25)
Cash inflow towards interest received	90,670.11	50,981.40
Cash outflow towards interest paid	(1,15,557.58)	(63,770.79)
Cash (utilised in) / generated from operations before working capital changes	(27,369.04)	(17,382.65)
Working capital changes		
(Increase) / Decrease in financial assets and non financial assets	(7,458.58)	(5,142.09)
Increase / (Decrease) in financial and non financial liabilities	(69.72)	3,657.47
Net cash from Operations	(34,897.34)	(18,867.27)
Loans disbursed (net)	(7,59,105.23)	(6,79,241.45)
(Investment)/Redemption in/from cash management schemes of mutual funds (net)	(11,318.74)	12,023.38
Income tax paid (net of Refunds)	(15,530.29)	(8,986.42)
Net cash flows from/(used in) operating activities	(8,20,851.60)	(6,95,071.75)
B. Investing activities		
Investments (net)	(38,508.86)	(76,622.80)
Purchase of property, plant and equipment and intangible assets	(2,146.22)	(1,312.03)
Proceeds from sale of property, plant and equipment	-	0.17
Net cash flows from/(used in) investing activities	(40,655.08)	(77,934.66)
C. Financing activities		
Proceeds from issue of equity shares (including securities premium)	2,42,929.86	70,000.00
Debt securities and subordinated liabilities issued	2,14,999.38	1,22,344.05
Debt securities and subordinated liabilities repaid	(1,60,000.00)	(77,500.00)
Borrowings (other than debt securities) taken	8,44,863.71	7,78,917.59
Borrowings (other than debt securities) repaid	(1,71,872.53)	(47,042.55)
Lease payments	(660.24)	(444.00)
Dividend paid	-	(1,625.80)
Net cash flows from/(used in) financing activities	9,70,260.18	8,44,649.29
Net increase/(decrease) in cash and cash equivalents (A+B+C)	1,08,753.50	71,642.88
Cash and cash equivalents at the beginning of the period	1,47,109.01	41,734.74
Cash and cash equivalents at the end of the period	2,55,862.51	1,13,377.62



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Notes (continued)

- 3 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.
- 4 The above financial results for the quarter and half year ended 30 September 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 11 November 2024.
- 5 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, in compliance with Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, along with the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time.
- 6 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.
- 7 The secured, listed, non-convertible debentures as on 30 September 2024 are secured by pari passu charge on the education loan receivables of the Company.
- 8 The Company has issued :-
 - 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
 - 1,36,50,331 equity shares of ₹ 10/- each at a premium of ₹ 671.50/- per share amounting to ₹ 93,027.01 lakhs pursuant to rights issue on 24 July 2024
 - 39,57,887 equity shares of ₹ 10/- each at a premium of ₹ 671.50/- per share amounting to ₹ 26,973.00 lakhs pursuant to a preferential issue on 14 October 2024 to HDFC Life Insurance Company Limited.
- 9 During the quarter ended 30 September 2024, the Company has identified certain suspected fraud cases in its loan portfolio which are under investigation as per the process prescribed in the Master Directions on Fraud Risk Management in Non-Banking Financial Companies dated 15 July 2024, on fraud monitoring and reporting, and for possible involvement of any officer or employee of the Company. Pending completion of its investigation, the Company has accounted for an impairment provision of ₹ 8,000 lakhs based on its evaluation of the loan portfolio with similar typology/category and at this stage does not envisage any further material financial impact.
- 10 Details of loans transferred/acquired during the quarter ended 30 September 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.
- 11 Figures for the previous periods have been regrouped wherever necessary, in order to make them comparable with the current period.

For and on behalf of Board of Directors

Credila Financial Services Limited

(formerly known as HDFC Credila Financial Services Limited)



Arijit Sanyal

Managing Director & CEO

(DIN – 08386684)

Date:- 11 November 2024



CREDILA FINANCIAL SERVICES LIMITED
(formerly known as HDFC Credila Financial Services Limited)

Disclosures in compliance with Regulation 52(4) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015

(₹ in Lakhs)

Particulars	Quarter ended			Half year ended		Year ended 31 March 2024
	30 September 2024	30 June 2024	30 September 2023	30 September 2024	30 September 2023	
1. Debt-Equity ratio	4.3	4.4	6.5	4.3	6.5	5.2
2. Outstanding redeemable preference shares (quantity and value)	-	-	-	-	-	-
3. Capital redemption reserve / Debenture redemption reserve*	-	-	-	-	-	-
4. Net worth#	7,73,809.18	6,62,928.41	3,30,472.83	7,73,809.18	3,30,472.83	4,98,123.13
5. Profit after tax	22,648.97	17,634.04	13,667.27	40,283.01	23,337.15	52,883.89
6. Earnings per share (not annualized)						
(a) Basic (₹)	10.78	9.80	8.72	20.58	15.25	33.83
(b) Diluted (₹)	10.77	9.80	8.64	20.57	15.11	33.81
7. Total debts to total assets (%)	79.84%	79.97%	84.86%	79.84%	84.86%	82.47%
8. Net profit margin (%)	19.41%	18.69%	21.04%	19.09%	20.40%	19.08%
9. Sector specific equivalent ratios						
(a) Gross Stage 3 (%)	0.14%	0.09%	0.09%	0.14%	0.09%	0.08%
(b) Net Stage 3 (%)	0.05%	0.04%	0.04%	0.05%	0.04%	0.03%

* 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.

Networth is equal to 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.



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 September 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	Assets not offered as Security	Debt not backed by any assets offered as security	Elimination (amount in negative)	(Total C to H)	Market Value for Assets charged on Exclusive basis	Carrying / book value for assets where market value is not ascertainable or applicable	Market Value for Pari Passu charge Assets	Carrying/book value for pari passu assets where market value is not ascertainable or applicable	Total Value (K + L + M + N)
		Book Value	Other Secured Debt	Yes/No	Assets shared by pari passu debt holder	Other assets on which there is pari-passu charge				Book Value	Book Value	Book Value	Book Value	Book Value
Assets														
Property, Plant & Equipments					-	6,041.05			6,041.05					-
Capital Work in Progress					-	-			-					-
Intangible Assets					-	3,498.00			3,498.00					-
Intangible Assets under development					-	1,279.07			1,279.07					-
Investments					-	2,06,502.66			2,06,502.66					-
Loans	Education Loan				33,99,313.01	2,82,056.14			36,81,369.15				4,12,861.53	4,12,861.53
Trade Receivables					-	4,378.32			4,378.32					-
Cash & Cash Equivalents					-	2,55,862.51			2,55,862.51					-
Bank Balances other than Cash and Cash Equivalents					-	25,200.68			25,200.68					-
Others					-	24,254.78			24,254.78					-
Total					35,99,313.01	8,09,073.21			42,08,386.22				4,12,861.53	4,12,861.53
Liabilities														
Debt Securities to which this certificate pertains				Yes	3,82,931.97				3,82,931.97				3,82,931.97	3,82,931.97
Other Debt sharing pari-passu charge with above debt				Yes	26,99,530.71				26,99,530.71					-
Other Debt					-	-			-					-
Subordinated Debt					-	1,66,532.86			1,66,532.86					-
Borrowings					-	-			-					-
Bank					-	-			-					-
Debt Securities					-	1,20,384.75			1,20,384.75					-
Others					-	-			-					-
Trade Payables					-	6,439.44			6,439.44					-
Lease Liabilities					-	5,055.24			5,055.24					-
Provisions					-	23,435.34			23,435.34					-
Others					-	20,010.75			20,010.75					-
Total					30,82,462.68	3,41,858.38			34,24,321.06				3,82,931.97	3,82,931.97
Cover on Book Value													1.08	1.08
Cover on Market Value														

Notes: The secured non-convertible debentures have security cover of 1.05 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 not 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 of impairment loss allowance) for this certificate.

