

14 August 2021

The Manager,
Listing Department,
National Stock Exchange of India Limited
Exchange Plaza,
Bandra-Kurla Complex, Bandra (East),
Mumbai - 400051

Symbol: POONAWALLA

BSE Limited
Corporate Relationship Department,
25th floor, Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400001

Company Code: 524000

Dear Sir,

Subject: Outcome of the Board Meeting held on 14 August 2021.

Reference: Regulations 30 and 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

1. Unaudited Financial Results of the Company for the quarter ended 30 June 2021:

This is to inform you that the Board of Directors of the Company at their meeting held today i.e., 14 August 2021 has *inter alia* approved the Standalone and Consolidated Unaudited Financial Results of the Company for the quarter ended 30 June 2021. The said results have been reviewed by the Audit Committee of the Board.

We are enclosing the Unaudited Standalone and Consolidated Financial Results of the Company for the Quarter ended 30 June 2021, along with the Limited Review Report thereon, issued by the Statutory Auditors, M/s B S R & Co. LLP, Chartered Accountants.

Pursuant to Regulation 30 of the Listing Regulation, please note that the Investor's Presentation is being sent separately and subsequently the same will be uploaded on the website of the Company.

2. Shifting of Registered Office and approval of the Postal Ballot Notice for seeking shareholders' approval:

The Board has approved shifting of Registered Office of the Company from the State of West Bengal to Maharashtra, under the jurisdiction of Registrar of Companies, Pune and approved consequent amendments to the Memorandum of Association of the Company subject to shareholders and other statutory and regulatory approval. The Board has also approved the Postal Ballot Notice seeking approval of Members of the Company pursuant to Section 108 and 110 of the Companies Act, 2013 read

Poonawalla Fincorp Limited
(Formerly known as Magma Fincorp Limited)
CIN: L51504WB1978PLC031813

Corporate Office: 601, 6th Floor, Zero One IT Park, Sr. No. 79/1, Ghorpadi, Mundhwa Road, Pune - 411036 **T:** +91 020 67808090
Registered office: Development House, 24 Park Street, Kolkata - 700016 **T:** +91 033 44017350
E: info@poonawallafincorp.com | **W:** www.poonawallafincorp.com

with Companies (Incorporation Rules), 2014, Rule 20 and 22 of Companies (Management and Administration) Rules, 2014 as amended for the said shifting of registered office of the Company.

Mr. Girish Bhatia, Practising Company Secretary, Kolkata, (CP No. 13792) has been appointed as Scrutinizer for conducting the Postal Ballot only through E- voting process in a fair and transparent manner. The Company has fixed 13 August 2021 as the cut-off date for ascertaining the list of the Shareholders to whom the Postal Ballot Notice will be sent for reckoning the voting rights.

The meeting of the Board of Directors commenced at 1.00 p.m. and concluded at 3.10 p.m.

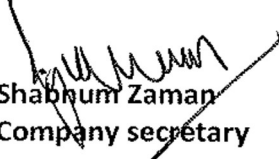
This is for your information and record.

Kindly acknowledge the receipt.

Thanking you,

Yours faithfully,

For Poonawalla Fincorp Limited
(Formerly, Magma Fincorp Limited)


Shabnum Zaman
Company secretary
ACS: 13918

Encl: A/a

B S R & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing,
Nesco IT Park 4, Nesco Center,
Western Express Highway,
Goregaon (East), Mumbai - 400 063

Telephone: +91 22 6257 1000
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Limited review report on quarterly consolidated unaudited financial results of Poonawalla Fincorp Limited (formerly Magma Fincorp Limited) under Regulation 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015

To Board of Directors of Poonawalla Fincorp Limited (formerly Magma Fincorp Limited)

1. We have reviewed the accompanying Statement of consolidated unaudited financial results of Poonawalla Fincorp Limited (formerly Magma Fincorp Limited) (the 'Parent') and its subsidiary (the Parent and its subsidiary together referred to as the 'Group'), and its share of the net profit after tax and total comprehensive income of its joint ventures for the quarter ended 30 June 2021 (the 'Statement'), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has 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, and other accounting principles generally accepted in India and in compliance Listing Regulations. Our responsibility is to express a conclusion 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing 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.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:

Name of the Entity	Relationship
Poonawalla Housing Finance Limited (formerly Magma Housing Finance Limited)	Subsidiary
Jaguar Advisory Services Private Limited	Joint Venture
Magma HDI General Insurance Company Limited	Joint Venture

5. Attention is drawn to the fact that figures for the three months ended 31 March 2021 as reported in the Statement are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.

Registered Office:

Limited review report on quarterly consolidated unaudited financial results of Poonawalla Fincorp Limited (formerly Magma Fincorp Limited) under Regulation 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (Continued)

Poonawalla Fincorp Limited
(formerly Magma Fincorp Limited)

6. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 8 below, 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 aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. As fully described in Note 12 to the Statement, the extent to which the COVID-19 pandemic will impact the Parent's financial performance is dependent on future developments, which are highly uncertain.

Further, we draw attention to Note 14 to the Statement, relating to remuneration paid to the Whole Time Director (up to 7 November 2020) and the Vice Chairman and Managing Director of the Parent for the financial year ended 31 March 2021, being in excess of the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013 by ₹ NIL and Rs. 49.93 lacs for Whole Time Director and Vice Chairman and Managing Director respectively and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by ₹ 112.71 lacs and ₹ 224.40 lacs for Whole Time Director and Vice Chairman and Managing Director respectively, which is subject to the approval of the shareholders. Further, the Parent is reasonably certain of getting the required approval and hence has not recorded a receivable from the Whole Time Director and Vice Chairman and Managing Director.

Further, as described by other auditor in their report relating to the subsidiary, 'We draw attention to the note which describes the uncertainty relating to the effects of COVID-19 pandemic on the Company's operation and the impact on the appropriateness of impairment losses recognized towards the loan assets outstanding as at 30 June 2021. Our conclusion is not modified in respect of this matter'.

Further, as described by other auditor in their report relating to the General Insurance joint venture, 'Pursuant to IRDAI (Appointed Actuary) Regulations 2017 dated August 17, 2017 the actuarial valuation of liabilities in respect of claims Incurred But Not Reported (IBNR) and claims Incurred But Not Enough Reported (IBNER) and Premium Deficiency Reserve ("PDR") as at June 30, 2021, has been duly certified by the Appointed Actuary. He has also certified that assumptions used for such valuation are appropriate and in accordance with the guidelines and norms issued by the IRDAI and the Institute of Actuaries of India in concurrence with the IRDAI. Accordingly, we have relied upon the aforesaid certificate from the Appointed Actuary while forming our conclusion on the unaudited financial results of the company. Our conclusion is not modified in respect of the above matter'.

Our review report is not modified in respect of these matters.

Limited review report on quarterly consolidated unaudited financial results of Poonawalla Fincorp Limited (formerly Magma Fincorp Limited) under Regulation 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (Continued)

**Poonawalla Fincorp Limited
(formerly Magma Fincorp Limited)**

8. We did not review the interim financial results of one subsidiary included in the Statement, whose interim financial results reflect total revenue of ₹ 10,430.99 lacs, total net profit after tax of ₹ 868.02 lacs and total comprehensive income of ₹ 972.85 lacs for the quarter ended 30 June 2021 as considered in the Statement. The Statement also includes the Group's share of net profit after tax of ₹ 425.49 lacs and total comprehensive income of ₹ 433.50 lacs for the quarter ended 30 June 2021 as considered in the Statement, in respect of one joint venture, whose interim financial results have not been reviewed by us. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and joint venture, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of the above matter.

The Statement also includes the Group's share of net profit after tax of ₹ 20.20 lacs and total comprehensive income of ₹ 86.18 lacs for the quarter ended 30 June 2021 as considered in the Statement, in respect of one joint venture, based on their interim financial results which have not been reviewed/audited. According to the information and explanations given to us by the management, these interim financial results are not material to the Group.

Our review report is not modified in respect of the above matter.

Mumbai
14 August 2021

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022
ASHWIN S
SUVARNA
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ASHWIN S SUVARNA
Date: 2021.08.14 15:05:43
+05'30'
Ashwin Suvarna
Partner
Membership No. 109503
UDIN: 21109503AAAADN9391

**POONAWALLA FINCORP LIMITED
(FORMERLY MAGMA FINCORP LIMITED)**
Statement of Consolidated Unaudited Financial Results for the Quarter Ended 30 June 2021

Particulars		Quarter Ended			Year Ended
		30 June 2021	31 March 2021	30 June 2020	31 March 2021
		(Unaudited)	(Audited)*	(Unaudited)	(Audited)
(₹ in lacs)					
1.	Revenue				
	(a) Interest income	45,951.72	51,292.38	55,036.52	216,567.75
	(b) Rental income	636.90	720.45	723.16	2,967.31
	(c) Fees and commission income	1,019.04	2,148.09	828.00	7,165.72
	(d) Net gain on fair value changes	22.23	363.67	-	61.32
	(e) Net gain on derecognition of financial instruments	-	2,759.47	-	5,127.67
	Total revenue from operations	47,629.89	57,284.06	56,587.68	231,889.77
	(a) Other income	689.32	1,430.09	402.41	3,357.98
	Total revenue	48,319.21	58,714.15	56,990.09	235,247.75
2.	Expenses				
	(a) Finance costs	19,951.92	25,051.51	29,538.19	110,045.40
	(b) Net loss on fair value changes	-	-	19.14	-
	(c) Impairment on financial instruments	4,937.39	104,894.83	9,119.20	144,799.26
	(d) Employee benefits expenses	11,884.14	9,635.32	9,998.84	38,153.05
	(e) Depreciation and amortisation expense	1,166.20	1,364.05	1,501.54	5,625.29
	(f) Other expenses	2,722.32	3,962.15	2,408.68	12,050.09
	Total expenses	40,661.97	144,907.86	52,585.59	310,673.09
3.	Profit before share of profit/(loss) of joint ventures and tax (1-2)	7,657.24	(86,193.71)	4,404.50	(75,425.34)
4.	Share of profit/(loss) of joint ventures	445.69	(164.49)	297.81	548.48
5.	Profit/(loss) before tax (3+4)	8,102.93	(86,358.20)	4,702.31	(74,876.86)
6.	Tax expense				
	(a) Current tax - current year	38.90	(4,340.02)	2,452.10	1,202.00
	- earlier year	(278.26)	190.48	(153.44)	47.45
	(b) Deferred tax	1,888.40	(17,436.62)	(1,367.80)	(20,229.87)
	Total tax expense	1,649.04	(21,586.16)	930.86	(18,980.42)
7.	Profit/(loss) for the period (5-6)	6,453.89	(64,772.04)	3,771.45	(55,896.44)
8.	Other comprehensive income				
	(a) (i) Items that will not be reclassified to profit and loss				
	Remeasurements of the defined benefit plans	(7.29)	149.67	(8.70)	274.39
	Share of profit of joint venture, net of tax	-	2.92	-	2.92
	(ii) Income tax relating to items that will not be reclassified to profit and loss	1.87	(37.67)	2.19	(69.06)
	(b) (i) Items that will be reclassified to profit and loss				
	Debt Instruments through other comprehensive income	300.47	347.78	(396.58)	500.22
	Effective portion of gains and loss on hedging instruments in a cash flow hedge	2.96	-	-	-
	Share of profit of joint venture, net of tax	73.99	(2,057.82)	1,201.46	(524.73)
	(ii) Income tax relating to items that will be reclassified to profit and loss	(77.16)	(87.53)	99.81	(125.89)
	Total other comprehensive income	294.84	(1,682.65)	898.18	57.85
9.	Total comprehensive income for the period (7+8)	6,748.73	(66,454.69)	4,669.63	(55,838.59)
10.	Total comprehensive income for the period attributable to				
	(a) Owners of the Company	6,748.73	(66,454.69)	4,669.63	(55,838.59)
	(b) Non-controlling interests	-	-	-	-
11.	Profit for the period attributable to				
	(a) Owners of the Company	6,453.89	(64,772.04)	3,771.45	(55,896.44)
	(b) Non-controlling interests	-	-	-	-
12.	Other comprehensive income attributable to				
	(a) Owners of the Company	294.84	(1,682.65)	898.18	57.85
	(b) Non-controlling interests	-	-	-	-
13.	Paid-up equity share capital (Face value of ₹ 2/- each)	15,286.81	5,392.33	5,390.40	5,392.33
14.	Earnings per share (not annualised)				
	(a) Basic (in ₹)	1.12	(24.03)	1.40	(20.74)
	(b) Diluted (in ₹)	1.12	(24.03)	1.40	(20.74)

See accompanying notes to the financial results

* Refer note 16

**POONAWALLA FINCORP LIMITED
(FORMERLY MAGMA FINCORP LIMITED)****Statement of Consolidated Unaudited Financial Results for the Quarter Ended 30 June 2021****Notes :**

- 1] The unaudited consolidated financial results of Poonawalla Fincorp Limited (Formerly Magma Fincorp Limited) ("the Company"), its subsidiary (collectively referred to as "the Group") and its joint ventures have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. These financial results together with the results for the comparative reporting period have been prepared in accordance with the recognition and measurement principles as laid down in Ind AS 34 - 'Interim Financial Reporting'. Any application guidance/ clarifications/ directions issued by the Reserve Bank of India or other regulators are implemented as and when they are issued/ applicable.
- 2] The unaudited consolidated financial results for the quarter ended 30 June 2021 have been reviewed by the Audit Committee and recommended for adoption to the Board of Directors. The Board of Directors of the Company have considered and approved the same at its meeting held on 14 August 2021.
- 3] The above unaudited consolidated financial results have been subjected to limited review by the Statutory Auditors of the Company as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The statutory auditors have issued an unqualified limited review report.
- 4] In accordance with Regulation 33 of the Listing Regulations, the Group publishes consolidated financial results. The review report of the Statutory Auditors and financial results shall be filed with BSE Limited and National Stock Exchange of India Limited and shall be available on the Company's website www.poonawallafincorp.com or on the website of BSE (www.bseindia.com) or NSE (www.nseindia.com).
- 5] The consolidated financial results have been prepared in accordance with Ind AS 110 (Consolidated Financial Statements) and Ind AS 111 (Joint Arrangements) and comprise of the financial results of Poonawalla Fincorp Limited (Formerly Magma Fincorp Limited), its subsidiary, Poonawalla Housing Finance Limited (formerly Magma Housing Finance Limited) and its joint ventures, Magma HDI General Insurance Company Limited and Jaguar Advisory Services Private Limited.
- 6] The Group's operating segments are established in the manner consistent with the components of the Group that are evaluated regularly by the Chief Operating Decision Maker as defined in Ind AS 108 - 'Operating Segments'. The Group is engaged primarily in the business of financing and there are no separate reportable segments as per Ind AS 108.
- 7] During the quarter, the Nomination and Remuneration Committee of the Board of Directors has granted 3,400,000 awards at an exercise price of ₹ 2/- per share under Magma Restricted Stock Plan 2014 (MRSOP 2014). These options have been granted to the eligible employees of the Company (award entitles the award holder to 1 equity share of ₹ 2/- each).

On 11 August 2021, the Nomination and Remuneration Committee of the Board of Directors has further granted 1,500,000 options at an exercise price of ₹ 175.48 per share under Employee Stock Option Plan 2021 (ESOP 2021). The Committee has also granted 4,200,000 awards under Magma Restricted Stock Plan 2014 (MRSOP 2014) at an exercise price of ₹ 2/- per share. These options have been granted to the eligible employees of the Company (option/award entitles the option/award holder to 1 equity share of ₹ 2/- each).
- 8] During the quarter, the Company has allotted 493,714,286 equity shares of face value of ₹ 2/- each on 6 May 2021 to Rising Sun Holdings Private Limited (RSHPL), Mr. Sanjay Chamria and Mr. Mayank Poddar on preferential basis, aggregating to ₹ 345,600 lacs, including premium of ₹ 68/- per share under Chapter V of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and the Companies Act, 2013 read with relevant rules thereunder and other applicable provisions. Consequent to the said allotment, the total paid-up equity share capital of the Company stands increased to 763,330,998 equity shares of ₹ 2/- each aggregating to ₹ 15,266.62 lacs. The equity shares issued and allotted as aforesaid rank pari passu with the existing equity shares of the Company in all respect. Pursuant to the said allotment and completion of the open offer, RSHPL is the largest shareholder of the Company and shall exercise control over the Company. RSHPL is classified as a 'Promoter' of the Company in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time. Subsequently, the name of the Company has changed w.e.f 22 July 2021 from Magma Fincorp Limited to Poonawalla Fincorp Limited and in respect of subsidiary company from Magma Housing Finance Limited to Poonawalla Housing Finance Limited. Consequently, Poonawalla Fincorp Limited (Formerly Magma Fincorp Limited) has become a subsidiary of RSHPL and Poonawalla Housing Finance Limited (formerly Magma Housing Finance Limited) has become a step down subsidiary of RSHPL.
- 9] On 31 May 2021, the Nomination and Remuneration Committee has allotted 1,009,649 equity shares of the face value of ₹ 2/- each to the eligible employees of the Company under Employee Stock Option Plan pursuant to SEBI (ESOS and ESPS) Guidelines, 1999, and with corresponding provision of SEBI (Share Based Employee Benefits) Regulations 2014, as amended from time to time. Consequent to the said allotment, the total paid-up equity share capital of the Company stands increased to 764,340,647 equity shares of ₹ 2/- each aggregating to ₹ 15,286.81 lacs. The equity shares issued and allotted as aforesaid rank pari passu with the existing equity shares of the Company in all respect.

**POONAWALLA FINCORP LIMITED
(FORMERLY MAGMA FINCORP LIMITED)****Statement of Consolidated Unaudited Financial Results for the Quarter Ended 30 June 2021**

On 11 August 2021, the Nomination and Remuneration Committee has allotted 22,000 and 164,777 equity shares of face value of ₹ 2/- each to the eligible employees of the Company under Magma Employee Stock Option Plan 2007 pursuant to SEBI (ESOS and ESPS) Guidelines, 1999, and with corresponding provision of SEBI (Share Based Employee Benefits) Regulations 2014, as amended from time to time. Consequent to the said allotment, the total paid-up equity share capital of the Company stands increased to 764,527,424 equity shares of ₹ 2/- each aggregating to ₹ 15,290.55 lacs. The equity shares issued and allotted as aforesaid rank pari passu with the existing equity shares of the Company in all respect.

- 10] The Board of Directors has approved the investment of ₹ 500 Crores in Poonawalla Housing Finance Limited (PHFL) (formerly Magma Housing Finance Limited), a wholly owned subsidiary of the Company, by way of subscription to 83,991,264 equity shares at a price of ₹ 59.53 per equity share (Face Value - ₹ 10/- each, Premium- ₹ 49.53 each) through Right Issue on 31 May 2021. Subsequently, the Management Committee of the Board of Directors of PHFL has allotted the equity shares on 31 May 2021.
- 11] The listed Non Convertible Debentures of the Company as on 30 June 2021 are secured by exclusive charge on standard receivables of the Company and also by a subservient charge over certain immovable properties. The total asset cover is hundred percent or above of the principal amount of the said debentures.
- 12] The Group carried a management overlay of ₹ 71,433.07 lacs as at 31 March 2021, to manage the potential impact of COVID-19 pandemic including wave 2.

For the quarter ended 30 June 2021, the Group has continued the process of risk assessment on its credit exposures and accordingly, in addition to the model determined ECL provision, the Group carries a management overlay of ₹ 29,575.62 lacs against future potential impact of COVID-19, which basis management estimate is adequate to cover the impact of COVID-19 on the entire loan portfolio.

During the quarter, apart from the technical write-offs as per the changed policy adopted during the quarter ended 31 March 2021, the Group has additionally written-off loans aggregating to ₹ 13,572.46 lacs.

Further, the underlying forecasts and assumptions applied by the Group in determination of ECL provision (including additional COVID-19 provision) are subject to uncertainties which are often outside the control of the Group and accordingly, actual results may differ from these estimates.

The Group has been duly servicing its debt obligations. The Group's capital and liquidity position is sound and would continue to be one of the focus areas.

- 13] The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The implementation of code is deferred and the rules thereunder are yet to be framed. Accordingly, actual impact of this change will be assessed and accounted for when the notification becomes effective and rules are framed.
- 14] Pursuant to loss due to additional provision for COVID-19 for the financial year ended 31 March 2021, the existing managerial remuneration paid by the Company to its Whole Time Director (upto 7 November 2020) and the Vice Chairman and Managing Director of the Company for the financial year ended 31 March 2021, being in excess of the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013 by ₹ NIL and ₹ 49.93 lacs for Whole Time Director and Vice Chairman and Managing Director respectively and in excess of limit prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by ₹ 112.71 lacs and ₹ 224.40 lacs for Whole Time Director and Vice Chairman and Managing Director respectively. The Company is in process of obtaining approval from its shareholders vide special resolution at the forthcoming annual general meeting for such excess remuneration paid. The Company is reasonably certain of getting the required approval.

**POONAWALLA FINCORP LIMITED
(FORMERLY MAGMA FINCORP LIMITED)**

Statement of Consolidated Unaudited Financial Results for the Quarter Ended 30 June 2021

15] Unaudited Financial Results of Poonawalla Fincorp Limited (Formerly Magma Fincorp Limited) (Standalone Information):

(₹ in lacs)

Particulars	Quarter Ended			Year To Date
	30 June 2021	31 March 2021	30 June 2020	31 March 2021
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
1. Total revenue	37,741.98	44,629.72	47,767.24	187,685.10
2. Profit/(loss) before tax	6,286.31	(83,517.59)	3,381.12	(77,265.03)
3. Profit/(loss) for the period	4,982.31	(62,591.47)	2,679.57	(57,836.08)
4. Total comprehensive income for the period	5,098.33	(62,459.52)	2,639.26	(57,541.92)

16] Figures for the quarter ended 31 March 2021 are the balancing figures between audited figures in respect of full financial year and the year to date figures upto the third quarter of the previous financial year.

By order of the Board
For Poonawalla Fincorp Limited
(Formerly Magma Fincorp Limited)

ABHAY
SURESHKUMAR
BHUTADA

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SURESHKUMAR BHUTADA
Date: 2021.08.14 14:12:14
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Abhay Bhutada

Managing Director

DIN No.: 03330542

Place : Pune

Dated : 14 August 2021

Corporate Office : 601, 6th Floor, Zero One IT Park, Sr No. 79/1, Ghorpadi Mundhwa Road, Pune-411 036, Maharashtra

Registered Office : Development House, 24 Park Street, Kolkata - 700 016, **Phone**: 033-4401 7350

Website : www.poonawallafincorp.com; **CIN** : L51504WB1978PLC031813

E-mail: shabnum.zaman@poonawallafincorp.com

B S R & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing,
Nesco IT Park 4, Nesco Center,
Western Express Highway,
Goregaon (East), Mumbai - 400 063

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Limited review report on quarterly standalone unaudited financial results of Poonawalla Fincorp Limited (formerly Magma Fincorp Limited) under Regulation 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended

To Board of Directors of Poonawalla Fincorp Limited (formerly Magma Fincorp Limited)

1. We have reviewed the accompanying statement of standalone unaudited financial results of Poonawalla Fincorp Limited (formerly Magma Fincorp Limited) (the 'Company') for the quarter ended 30 June 2021 (the 'Statement').
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 Indian Accounting Standard 34 'Interim Financial Reporting' ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('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 (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.
4. Attention is drawn to the fact that figures for the three months ended 31 March 2021 as reported in the Statement are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.

Registered Office:

Limited review report on quarterly standalone unaudited financial results of Poonawalla Fincorp Limited (formerly Magma Fincorp Limited) under Regulation 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (Continued)

Poonawalla Fincorp Limited
(formerly Magma Fincorp Limited)

5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulations 33 of Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. As more fully described in Note 11 to the Statement, the extent to which the COVID-19 pandemic will impact the Company's financial performance is dependent on future developments, which are highly uncertain.
7. Further, we draw attention to Note 14 to the Statement, relating to remuneration paid to the Whole Time Director (up to 7 November 2020) and the Vice Chairman and Managing Director of the Company for the financial year ended 31 March 2021, being in excess of the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013 by ₹ NIL and ₹ 49.93 lacs for Whole Time Director and Vice Chairman and Managing Director respectively and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by ₹ 112.71 lacs and ₹ 224.40 lacs for Whole Time Director and Vice Chairman and Managing Director respectively, which is subject to the approval of the shareholders. Further, the Company is reasonably certain of getting the required approval and hence has not recorded a receivable from the Whole Time Director and Vice Chairman and Managing Director.

Our review report is not modified in respect of these matters.

For B S R & Co. LLP
Chartered Accountants

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

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ASHWIN S SUVARNA
SUVARNA Date: 2021.08.14
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Ashwin Suvarna
Partner

Mumbai
14 August 2021

Membership No. 109503
UDIN: 21109503AAAADM8087

POONAWALLA FINCORP LIMITED
(FORMERLY MAGMA FINCORP LIMITED)

Statement of Standalone Unaudited Financial Results for the Quarter Ended 30 June 2021

(₹ in lacs)

Particulars	Quarter Ended			Year Ended
	30 June 2021	31 March 2021	30 June 2020	31 March 2021
	(Unaudited)	(Audited)*	(Unaudited)	(Audited)
1. Revenue				
(a) Interest income	35,809.68	40,613.50	45,887.56	175,698.28
(b) Rental income	636.90	720.45	723.16	2,967.31
(c) Fees and commission income	791.33	1,701.36	754.11	6,050.47
(d) Net gain on fair value changes	18.14	434.77	-	156.90
Total revenue from operations	37,256.05	43,470.08	47,364.83	184,872.96
(a) Other income	485.93	1,159.64	402.41	2,812.14
Total revenue	37,741.98	44,629.72	47,767.24	187,685.10
2. Expenses				
(a) Finance costs	14,679.35	19,069.85	24,418.88	87,459.56
(b) Net loss on fair value changes	-	-	19.14	-
(c) Impairment on financial instruments	3,793.71	97,151.16	8,285.22	131,862.63
(d) Employee benefits expenses	9,714.26	7,468.56	8,238.27	30,599.28
(e) Depreciation and amortisation expense	1,059.57	1,315.62	1,426.42	5,215.44
(f) Other expenses	2,208.78	3,142.12	1,998.19	9,813.22
Total expenses	31,455.67	128,147.31	44,386.12	264,950.13
3. Profit/(loss) before tax (1-2)	6,286.31	(83,517.59)	3,381.12	(77,265.03)
4. Tax expense				
(a) Current tax- current year charge / (reversal)	-	(4,893.25)	2,314.56	-
- earlier year	(278.26)	187.52	(128.27)	69.66
(b) Deferred tax	1,582.26	(16,220.39)	(1,484.74)	(19,498.61)
Total tax expense charge / (reversal)	1,304.00	(20,926.12)	701.55	(19,428.95)
5. Profit/(loss) for the period (3-4)	4,982.31	(62,591.47)	2,679.57	(57,836.08)
6. Other comprehensive income				
(a) (i) Items that will not be reclassified to profit and loss				
Remeasurements of the defined benefit plans	(0.69)	112.14	(12.42)	264.43
(ii) Income tax relating to items that will not be reclassified to profit and loss	0.17	(28.22)	3.13	(66.55)
(b) (i) Items that will be reclassified to profit and loss				
Debt Instruments through other comprehensive income	155.74	64.20	(41.45)	128.66
(ii) Income tax relating to items that will be reclassified to profit and loss	(39.20)	(16.17)	10.43	(32.38)
Total other comprehensive income	116.02	131.95	(40.31)	294.16
7. Total comprehensive income for the period (5+6)	5,098.33	(62,459.52)	2,639.26	(57,541.92)
8. Paid-up equity share capital (Face value of ₹ 2/- each)	15,286.81	5,392.33	5,390.40	5,392.33
9. Earnings per share (not annualised)				
(a) Basic (in ₹)	0.87	(23.22)	0.99	(21.46)
(b) Diluted (in ₹)	0.86	(23.22)	0.99	(21.46)

See accompanying notes to the financial results

* Refer note 15

POONAWALLA FINCORP LIMITED
(FORMERLY MAGMA FINCORP LIMITED)

Statement of Standalone Unaudited Financial Results for the Quarter Ended 30 June 2021

Notes :

- 1] The unaudited standalone financial results of Poonawalla Fincorp Limited (Formerly Magma Fincorp Limited) ("the Company") have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016. These financial results together with the results for the comparative reporting period have been prepared in accordance with the recognition and measurement principles as laid down in Ind AS 34 - 'Interim Financial Reporting'. Any application guidance/ clarifications/ directions issued by the Reserve Bank of India or other regulators are implemented as and when they are issued/ applicable.
- 2] The unaudited standalone financial results for the quarter ended 30 June 2021 have been reviewed by the Audit Committee and recommended for adoption to the Board of Directors. The Board of Directors of the Company have considered and approved the same at its meeting held on 14 August 2021.
- 3] The above unaudited standalone financial results have been subjected to limited review by the Statutory Auditors of the Company as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The statutory auditors have issued an unqualified limited review report.
- 4] The review report of the Statutory Auditors and financial results shall be filed with BSE Limited and National Stock Exchange of India Limited and shall be available on the Company's website www.poonawallafincorp.com or on the website of BSE (www.bseindia.com) or NSE (www.nseindia.com).
- 5] The Company's operating segments are established in the manner consistent with the components of the Company that are evaluated regularly by the Chief Operating Decision Maker as defined in Ind AS 108 - 'Operating Segments'. The Company is engaged primarily in the business of financing and there are no separate reportable segments as per Ind AS 108.
- 6] During the quarter, the Nomination and Remuneration Committee of the Board of Directors has granted 3,400,000 awards at an exercise price of ₹ 2/- per share under Magma Restricted Stock Plan 2014 (MRSOP 2014). These options have been granted to the eligible employees of the Company (award entitles the award holder to 1 equity share of ₹ 2/- each).

On 11 August 2021, the Nomination and Remuneration Committee of the Board of Directors has further granted 1,500,000 options at an exercise price of ₹ 175.48/- per share under Employee Stock Option Plan 2021 (ESOP 2021). The Committee has also granted 4,200,000 awards under Magma Restricted Stock Plan 2014 (MRSOP 2014) at an exercise price of ₹ 2/- per share. These options have been granted to the eligible employees of the Company (option/award entitles the option/award holder to 1 equity share of ₹ 2/- each).

- 7] During the quarter, the Company has allotted 493,714,286 equity shares of face value of ₹ 2/- each on 6 May 2021 to Rising Sun Holdings Private Limited (RSHPL), Mr. Sanjay Chamria and Mr. Mayank Poddar on preferential basis, aggregating to ₹ 345,600 lacs, including premium of ₹ 68/- per share under Chapter V of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended and the Companies Act, 2013 read with relevant rules thereunder and other applicable provisions. Consequent to the said allotment, the total paid-up equity share capital of the Company stands increased to 763,330,998 equity shares of ₹ 2/- each aggregating to ₹ 15,266.62 lacs. The equity shares issued and allotted as aforesaid rank pari passu with the existing equity shares of the Company in all respect. Pursuant to the said allotment and completion of the open offer, RSHPL is the largest shareholder of the Company and shall exercise control over the Company. RSHPL is classified as a 'Promoter' of the Company in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time. Subsequently, the name of the Company has changed w.e.f 22 July 2021 from Magma Fincorp Limited to Poonawalla Fincorp Limited. Consequently, Poonawalla Fincorp Limited (Formerly Magma Fincorp Limited) has become a subsidiary of RSHPL and Poonawalla Housing Finance Limited (formerly Magma Housing Finance Limited) has become a step down subsidiary of RSHPL.



POONAWALLA FINCORP LIMITED
(FORMERLY MAGMA FINCORP LIMITED)

Statement of Standalone Unaudited Financial Results for the Quarter Ended 30 June 2021

8] On 31 May 2021, the Nomination and Remuneration Committee has allotted 1,009,649 equity shares of the face value of ₹ 2/- each to the eligible employees of the Company under Employee Stock Option Plan pursuant to SEBI (ESOS and ESPS) Guidelines, 1999, and with corresponding provision of SEBI (Share Based Employee Benefits) Regulations 2014, as amended from time to time. Consequent to the said allotment, the total paid-up equity share capital of the Company stands increased to 764,340,647 equity shares of ₹ 2/- each aggregating to ₹ 15,286.81 lacs. The equity shares issued and allotted as aforesaid rank pari passu with the existing equity shares of the Company in all respect.

On 11 August 2021, the Nomination and Remuneration Committee has allotted 22,000 and 164,777 equity shares of face value of ₹ 2/- each to the eligible employees of the Company under Magma Employee Stock Option Plan 2007 pursuant to SEBI (ESOS and ESPS) Guidelines, 1999, and with corresponding provision of SEBI (Share Based Employee Benefits) Regulations 2014, as amended from time to time. Consequent to the said allotment, the total paid-up equity share capital of the Company stands increased to 764,527,424 equity shares of ₹ 2/- each aggregating to ₹ 15,290.55 lacs. The equity shares issued and allotted as aforesaid rank pari passu with the existing equity shares of the Company in all respect.

9] The Board of Directors has approved the investment of ₹ 500 Crores in Poonawalla Housing Finance Limited (PHFL) (formerly Magma Housing Finance Limited), a wholly owned subsidiary of the Company, by way of subscription to 83,991,264 equity shares at a price of ₹ 59.53 per equity share (Face Value - ₹ 10/- each, Premium- ₹ 49.53 each) through Right Issue on 31 May 2021. Subsequently, the Management Committee of the Board of Directors of PHFL has allotted the equity shares on 31 May 2021.

10] The listed Non Convertible Debentures of the Company as on 30 June 2021 are secured by exclusive charge on standard receivables of the Company and also by a subservient charge over certain immovable properties. The total asset cover is hundred percent or above of the principal amount of the said debentures.

11] The Company carried a management overlay of ₹ 66,342.52 lacs as at 31 March 2021, to manage the potential impact of COVID-19 pandemic including wave 2.

For the quarter ended 30 June 2021, the Company has continued the process of risk assessment on its credit exposures and accordingly, in addition to the model determined ECL provision, the Company carries a management overlay of ₹ 28,207.42 lacs against future potential impact of COVID-19, which basis management estimate is adequate to cover the impact of COVID-19 on the entire loan portfolio.

During the quarter, apart from the technical write-offs as per the changed policy adopted during the quarter ended 31 March 2021, the Company has additionally written-off loans aggregating to ₹ 10,719.29 lacs.

Further, the underlying forecasts and assumptions applied by the Company in determination of ECL provision (including additional COVID-19 provision) are subject to uncertainties which are often outside the control of the Company and accordingly, actual results may differ from these estimates.

The Company has been duly servicing its debt obligations. The Company's capital and liquidity position is sound and would continue to be one of the focus areas.

POONAWALLA FINCORP LIMITED
(FORMERLY MAGMA FINCORP LIMITED)

Statement of Standalone Unaudited Financial Results for the Quarter Ended 30 June 2021

12] To relieve COVID-19 pandemic related stress, the Company has invoked resolution plans for eligible borrowers based on the parameters laid down in accordance with the one time restructuring policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI on 6 August 2020.

(i) Disclosure as per format prescribed under notification no. RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 6 August 2020

(₹ in lacs)

	(A)	(B)	(C)	(D)	(E)
Type of borrower	Number of accounts where resolution plan has been implemented under this window	exposure to accounts mentioned at (A) before implementation of the plan	Of (B), aggregate amount of debt that was converted into other securities	Additional funding sanctioned, if any, including between invocation of the plan and implementation	Increase in provisions on account of the implementation of the resolution plan
Personal Loans		-	-	-	-
Corporate persons*		-	-	-	-
MSMEs		-	-	-	-
Others	595	7,313.44	-	-	1,148.30
Total	595	7,313.44	-	-	1,148.30

* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016.

(ii) Disclosure as per format prescribed under notification no. RBI/2020-21/17 DOR.No.BP.BC/4/21.04.048/2020-21 dated 6 August 2020 (for restructuring of accounts of Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances having exposure less than or equal to ₹ 25 crores)

No. of accounts restructured	Amount (₹ in lacs)
2288	21,011.75

(iii) Disclosure on Resolution Framework 2.0 implemented in terms of RBI circulars RBI/2021-22/31 DOR.STR.REC,11/21.04.048/2021-22 and RBI/2021-22/32DOR.STR.REC,12/21.04.048/2021-22 dated 5 May 2021

During the quarter ended 30 June 2021, the Company has implemented resolution plans in 4,500 loan accounts with a total outstanding of ₹ 20,448.26 lacs as on 30 June 2021. Of these, loan accounts representing 4,483 cases which were restructured during the quarter having an outstanding amount of ₹ 20,310.57 lacs, basis their credit assessment, terms of restructuring and board approved policy, the Company has classified such loan accounts as non-impaired (Stage 2 under Ind AS 109, Financial Instruments).

POONAWALLA FINCORP LIMITED
(FORMERLY MAGMA FINCORP LIMITED)

Statement of Standalone Unaudited Financial Results for the Quarter Ended 30 June 2021

- 13] The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The implementation of code is deferred and the rules thereunder are yet to be framed. Accordingly, actual impact of this change will be assessed and accounted for when the notification becomes effective and rules are framed.
- 14] Pursuant to loss due to additional provision for COVID-19 for the financial year ended 31 March 2021, the existing managerial remuneration paid by the Company to its Whole Time Director (upto 7 November 2020) and the Vice Chairman and Managing Director of the Company for the financial year ended 31 March 2021, being in excess of the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013 by ₹ NIL and ₹ 49.93 lacs for Whole Time Director and Vice Chairman and Managing Director respectively and in excess of limit prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by ₹ 112.71 lacs and ₹ 224.40 lacs for Whole Time Director and Vice Chairman and Managing Director respectively. The Company is in process of obtaining approval from its shareholders vide special resolution at the forthcoming annual general meeting for such excess remuneration paid. The Company is reasonably certain of getting the required approval.
- 15] Figures for the quarter ended 31 March 2021 are the balancing figures between audited figures in respect of full financial year and the year to date figures upto the third quarter of the previous financial year.

By order of the Board
For Poonawalla Fincorp Limited
(Formerly Magma Fincorp Limited)

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Abhay Bhutada

Managing Director

DIN No.: 03330542

Place : Pune

Dated : 14 August 2021

Corporate Office : 601, 6th Floor, Zero One IT Park, Sr No. 79/1, Ghorpadi Mundhwa Road, Pune-411 036, Maharashtra

Registered Office : Development House, 24 Park Street, Kolkata - 700 016

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