

January 23, 2023

**BSE Limited**

Corporate Relationship Department  
25th Floor, Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai - 400 001.

**BSE Scrip Code: 524000**

**National Stock Exchange of India Limited**

The Listing Department,  
Exchange Plaza,  
Bandra-Kurla Complex, Bandra (East),  
Mumbai - 400 051.

**NSE Symbol: POONAWALLA**

Dear Sir / Madam,

**Subject: Outcome of Board Meeting held on January 23, 2023.**

**Reference: Regulation 30, 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations').**

Pursuant to Regulations 30, 33 and 52 read with Schedule III and other applicable provisions of the SEBI Listing Regulations, we hereby inform you that the Board of Directors of the Company at their meeting held today i.e., January 23, 2023, basis recommendation of the Audit Committee has, *inter alia*, approved Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and nine months ended December 31, 2022:

Accordingly, we are enclosing herewith the following:

1. Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and nine months ended December 31, 2022. The Unaudited Financial Results will also be published in the newspapers as per the format prescribed in the SEBI Listing Regulations;
2. Limited Review Report thereon, issued by the Statutory Auditors, Walker Chandiok & Co LLP on the Unaudited Standalone and Consolidated Financial Results of the Company;
3. Statement of disclosure of line items pursuant to Regulation 52(4) of the SEBI Listing Regulations; and
4. Statement as per Regulation 52(7) & 52(7A) of SEBI Listing Regulations read with SEBI circular SEBI/HO/DDHS/DDHS\_Div1/P/CIR/2022/0000000103 dated July 29, 2022, as amended from time to time.

Further, pursuant to the provisions of Regulation 54 of SEBI Listing Regulations and with reference to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_CRADT/CIR/P/2022/67 dated May 19, 2022, please note that the disclosure of the extent and nature of security created and maintained for secured non-convertible securities of the Company and the security cover certificate is made in the Unaudited Financial Results for the quarter and nine months ended

**Poonawalla Fincorp Limited**

(Formerly known as Magma Fincorp Limited)

**CIN:** L51504PN1978PLC209007

**Registered Office:** 201 and 202, 2nd floor, AP81, Koregaon Park Annex, Mundhwa, Pune - 411 036

**T:** +91 20 67808090 | **E:** info@poonawallafincorp.com | **W:** www.poonawallafincorp.com

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December 31, 2022.

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

We would further like to inform you that the Board of Directors has also approved raising of funds through issuance of Non-Convertible Debt Securities on private placement basis for the financial year 2023-24 for an amount up to Rs. 4000 crores and as per the terms and conditions given in Annexure A. The Board of Directors has delegated the authority for issuance of such securities to the Finance Committee of the Board for issuance of debt securities on private placement for the financial year 2023-24.

The meeting of the Board of Directors commenced at 2:15 P.M. and concluded at 3:45 P.M.

Kindly take the above intimation on record.

Thanking You,

Yours faithfully,

**For Poonawalla Fincorp Limited**  
(Formerly, Magma Fincorp Limited)

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M ZAMAN Date: 2023.01.23  
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**Shabnum Zaman**  
**Company Secretary**  
**ACS-13918**

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**ANNEXURE A as per SEBI Circular dated September 09, 2015**

Sr. No.	Particulars	Terms and Conditions
1.	Type of securities proposed to be issued	Non-convertible debentures in the nature of Secured Debentures, unsecured Debentures, Bonds, Subordinated Debt including debt eligible for Tier II capital, Covered Bonds, Perpetual Debt Instruments (eligible for Tier I Capital) (PDI) or any other debt securities.
2.	Type of issuance	Private placement
3.	Total issue size	Upto an aggregate of Rs. 4000 Crores (Rupees Four Thousand crore only) (in one or more series or tranches including re-issuances).
4.	To be offered to	Mutual Funds, Insurance Companies, Banks, Corporates, Pension Funds and other entities/individuals including but not limited to Multilateral Agencies, Developmental Financial Institutions, Other institutional investors, financial institutions, etc. and all other eligible investors as per RBI and SEBI applicable guidelines.
5.	Whether proposed to be Listed, if yes, name of Stock Exchange	BSE Limited and/or National Stock Exchange of India Limited as may be decided by the authorized signatories approved by Finance Committee.
6.	Tenure of the instrument	For Secured – Not exceeding 10 years For Subordinated – at least 5 years and other securities as may be decided by the Finance Committee in compliance with applicable laws. Date of allotment and date of maturity shall be decided by the Finance Committee in compliance with applicable laws.
7.	Face value of each instrument	Standard denomination of Rs. 1 lakh or as prescribed under applicable regulations/guidelines.
8.	Coupon/interest offered, schedule of payment of coupon/interest and principal	As per the terms and conditions of Offer Document/Information Memorandum, as may be finalized and approved by the Finance Committee.

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9.	Charge/security, if any, created over the assets.	As per the terms and conditions of Offer Document/Information Memorandum, as may be finalized by the Finance committee.
10.	Special right/interest/privileges attached to the instrument and changes thereof	As per the terms and conditions of Offer Document/ Information Memorandum, as may be finalized and approved by the Finance Committee from time to time.
11.	Delay in payment of interest/ principal amount for a period of more than three months from the due date or default in payment of interest / principal,	No delay in payment of interest / principal amount for a period of more than three months from the due date or default in payment of interest / principal.
12.	Details of any letter or comments regarding payment/non-payment of interest, principal on due dates, or any other matter concerning the security and /or the assets along with its comments thereon, if any.	No letter or comments regarding payment/non-payment of interest, principal on due dates, or any other matter concerning the security and /or the assets.
13.	Details of redemption of debentures and manner thereof.	As per the terms and conditions of Offer Document/ Information Memorandum, as may be finalized by the Finance Committee from time to time.

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**Walker Chandiook & Co LLP**

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One International Center,  
S B Marg, Prabhadevi (W),  
Mumbai - 400013  
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## **Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Non- Banking Financial Company ('NBFC') pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

### **To the Board of Directors of Poonawalla Fincorp Limited [Formerly Magma Fincorp Limited]**

1. We have reviewed the accompanying statement of consolidated unaudited financial results ('the Statement') of **Poonawalla Fincorp Limited [Formerly Magma Fincorp Limited]** ('the Holding Company' or 'the NBFC') and its subsidiary (the Holding Company and its subsidiary, together referred to as 'the Group'), (refer Annexure 1 for the list of subsidiary included in the Statement) for the quarter ended **31 December 2022** and the consolidated year to date results for the period 01 April 2022 to 31 December 2022, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. This Statement, which is the responsibility of the Holding Company's management and has been approved by the Holding Company'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 ('the Act'), the circulars, guidelines and directions issued by the Reserve Bank of India ('the RBI') from time to time, applicable to NBFCs ('the RBI guidelines'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the 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 the Standards on Auditing specified under section 143(10) 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.

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

**Poonawalla Fincorp Limited [Formerly Magma Fincorp Limited]  
Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and  
Year to Date Results of the Non- Banking Financial Company ('NBFC') pursuant to the Regulation 33  
of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

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4. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of the other auditors referred to in paragraph 5 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 Ind AS 34, prescribed under section 133 of the Act, the RBI guidelines and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed or that it contains any material misstatement.
5. We did not review the interim financial statements/ financial information/ financial results of one subsidiary, included in the Statement, whose financial information reflects total revenues of ₹ 199.30 crores and ₹ 509.24 crores, total net profit after tax of ₹ 34.20 crores and ₹ 97.04 crores, and total comprehensive income of ₹ 34.12 crores and ₹ 97.23 crores for the quarter and nine-month period ended 31 December 2022 respectively, as considered in the Statement. These interim financial statements/ financial information/ financial results have been reviewed by other auditor, whose review report has been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on the review report of such other auditor and the procedures performed by us as stated in paragraph 3 above.

Our review report is not modified in respect of this matter with respect to our reliance on the work done by and the report of the other auditor.

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Registration No:001076N/N500013

**KHUSHROO** Digitally signed by  
**B PANTHAKY** KHUSHROO B PANTHAKY  
Date: 2023.01.23 15:19:51  
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**Khushroo B. Panthaky**  
Partner  
Membership No:042423

**UDIN:23042423BGWILI6423**

Place: Mumbai  
Date: 23 January 2023

**Poonawalla Fincorp Limited [Formerly Magma Fincorp Limited]  
Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and  
Year to Date Results of the Non- Banking Financial Company ('NBFC') pursuant to the Regulation 33  
of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

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**Annexure 1**

**List of entity included in the Statement**

<b>Name of the entity</b>	<b>Relationship</b>
Poonawalla Housing Finance Limited [Formerly Magma Housing Finance Limited]	Subsidiary

Interest in Joint Venture (Jaguar Advisory Services Private Limited) has been reclassified as assets held for sale, as per Ind AS 105 and accordingly, the equity method accounting has been discontinued with effect from 13 December 2021.

**Statement of Consolidated Unaudited Financial Results for the Quarter and Nine Month Period Ended 31 December 2022**

(₹ in crores)						
Particulars	Quarter Ended			Year To Date		Year Ended
	31 December 2022	30 September 2022	31 December 2021	31 December 2022	31 December 2021	31 March 2022
	(Unaudited )	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1. Revenue</b>						
(a) Interest income	636.11	568.81	484.24	1,722.85	1,426.72	1,910.49
(b) Rental income	7.32	6.76	6.16	20.28	19.73	26.44
(c) Fees and commission income	21.24	19.92	17.17	59.65	43.18	63.92
(d) Net gain on fair value changes	2.14	(1.41)	0.39	3.19	2.51	3.54
(e) Net gain on derecognition of financial instruments	30.96	33.19	-	64.28	-	-
<b>Total revenue from operations</b>	<b>697.77</b>	<b>627.27</b>	<b>507.96</b>	<b>1,870.25</b>	<b>1,492.14</b>	<b>2,004.39</b>
(a) Other income	18.46	27.62	7.84	72.54	19.43	36.64
<b>Total income</b>	<b>716.23</b>	<b>654.89</b>	<b>515.80</b>	<b>1,942.79</b>	<b>1,511.57</b>	<b>2,041.03</b>
<b>2. Expenses</b>						
(a) Finance costs	234.05	209.03	181.44	616.44	557.44	716.17
(b) Net loss on derecognition of financial instruments	-	-	-	-	-	5.47
(c) Impairment on financial instruments	(30.14)	(41.41)	0.32	(85.51)	83.67	77.56
(d) Employee benefits expense	176.14	180.65	135.46	518.70	376.86	519.21
(e) Depreciation and amortisation expense	18.02	15.66	14.23	47.37	39.52	54.55
(f) Other expenses	74.50	73.18	48.17	208.77	117.63	177.89
<b>Total expenses</b>	<b>472.57</b>	<b>437.11</b>	<b>379.62</b>	<b>1,305.77</b>	<b>1,175.12</b>	<b>1,550.85</b>
<b>3. Profit before share of profit of joint ventures and tax (1-2)</b>	<b>243.66</b>	<b>217.78</b>	<b>136.18</b>	<b>637.02</b>	<b>336.45</b>	<b>490.18</b>
<b>4. Share of profit of joint ventures</b>	<b>-</b>	<b>-</b>	<b>(5.72)</b>	<b>-</b>	<b>1.50</b>	<b>1.50</b>
<b>5. Profit before tax and exceptional items (3+4)</b>	<b>243.66</b>	<b>217.78</b>	<b>130.46</b>	<b>637.02</b>	<b>337.95</b>	<b>491.68</b>
<b>6. Exceptional items (net) (Note 11)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7.03</b>	<b>-</b>	<b>-</b>
<b>7. Profit before tax from operations (5+6)</b>	<b>243.66</b>	<b>217.78</b>	<b>130.46</b>	<b>644.05</b>	<b>337.95</b>	<b>491.68</b>
<b>8. Tax expense</b>						
(a) Current tax - current year	8.05	14.82	9.52	74.41	18.58	23.59
- earlier years	-	-	-	-	(2.53)	(1.97)
(b) Deferred tax charge	53.17	39.84	24.47	83.16	65.38	94.64
<b>Total tax expense</b>	<b>61.22</b>	<b>54.66</b>	<b>33.99</b>	<b>157.57</b>	<b>81.43</b>	<b>116.26</b>
<b>9. Profit after tax for the period / year (7-8)</b>	<b>182.44</b>	<b>163.12</b>	<b>96.47</b>	<b>486.48</b>	<b>256.52</b>	<b>375.42</b>
<b>10. Other comprehensive income</b>						
(a) (i) Items that will not be reclassified to profit and loss						
Remeasurements of the defined benefit plans	(0.47)	(1.28)	0.42	2.79	(0.65)	(0.61)
Share of gain/(loss) of joint venture, net of tax	-	-	-	-	(0.19)	(0.19)
(ii) Income tax relating to items that will not be reclassified to profit and loss	0.12	0.32	(0.11)	(0.70)	0.16	0.15
(b) (i) Items that will be reclassified to profit and loss						
Financial Instruments through other comprehensive income	0.32	(0.53)	(16.55)	(0.24)	9.16	10.59
Effective portion of gains and loss on hedging instruments in a cash flow hedge	-	-	(0.32)	-	(0.05)	(0.08)
Share of gain/(loss) of joint venture, net of tax	-	-	(6.10)	-	1.90	1.90
Reclassification adjustments on disposal of Joint Venture, net of tax	-	-	-	(6.86)	-	-
(ii) Income tax relating to items that will be reclassified to profit and loss	(0.08)	0.13	4.25	0.06	(2.29)	(2.65)
<b>Total other comprehensive income (Net of tax)</b>	<b>(0.11)</b>	<b>(1.36)</b>	<b>(18.41)</b>	<b>(4.95)</b>	<b>8.04</b>	<b>9.11</b>
<b>11. Total comprehensive income for the period / year (9+10)</b>	<b>182.33</b>	<b>161.76</b>	<b>78.06</b>	<b>481.53</b>	<b>264.56</b>	<b>384.53</b>
<b>12. Total comprehensive income for the period attributable to</b>						
(a) Owners of the Company	182.00	161.45	78.04	480.65	264.54	384.23
(b) Non-controlling interests	0.33	0.31	0.02	0.88	0.02	0.30
<b>13. Profit for the period attributable to</b>						
(a) Owners of the Company	182.11	162.81	96.41	485.60	256.46	375.13
(b) Non-controlling interests	0.33	0.31	0.06	0.88	0.06	0.29
<b>14. Other comprehensive income attributable to</b>						
(a) Owners of the Company	(0.11)	(1.36)	(18.37)	(4.95)	8.08	9.10
(b) Non-controlling interests	-	(0.00)	(0.04)	0.00	(0.04)	0.01
<b>15. Paid-up equity share capital (Face value of ₹ 2/- each)</b>	<b>153.02</b>	<b>153.02</b>	<b>152.93</b>	<b>153.02</b>	<b>152.93</b>	<b>152.99</b>
<b>16. Earnings per share (not annualised)</b>						
(a) Basic (in ₹)	2.38	2.13	1.26	6.35	3.66	5.23
(b) Diluted (in ₹)	2.35	2.10	1.26	6.26	3.65	5.17

See accompanying notes to the financial results



**Statement of Consolidated Unaudited Financial Results for the Quarter and Nine Month Period Ended 31 December 2022**

**Notes :**

- 1] The consolidated unaudited financial results ("the 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). 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 financial results for the quarter and nine month period ended 31 December 2022 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on 23 January 2023.
- 3] The financial results have been subjected to limited review by the statutory auditors of the Company as required under Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The statutory auditors have expressed an unmodified conclusion on these financial results.
- 4] These financial results shall be filed with the BSE Limited and National Stock Exchange of India Limited ("NSE") and shall be available on the Company's website [www.poonawallafincorp.com](http://www.poonawallafincorp.com) or on the website of BSE ([www.bseindia.com](http://www.bseindia.com)) or NSE ([www.nseindia.com](http://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) . With effect from 14 December 2021, the investments in joint ventures has been designated as assets held for sale in accordance with the Ind AS 105 "Non-current assets Held for Sale" and accordingly the equity method accounting has been discontinued after 13 December 2021.
- 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 as such no separate reportable segments as per Ind AS 108 - 'Operating Segments'.
- 7] The Group has changed the presentation currency of financial results from ₹ in lacs to ₹ in crores from the current financial year and accordingly all the previous period figures have been rounded off to the nearest crores.
- 8] During the nine month period ended 31 December 2022, the Company has allotted 1,95,448 equity shares of face value of ₹ 2 each to the eligible employees of the Company under Employee Stock Option Plan 2007 / Restricted Stock Option Plan 2014 / Employee Stock Option Plan 2021 pursuant to the ESOP Guidelines, as amended from time to time.
- 9] RBI vide circular dated 12 November 2021 read with clarification dated 15 February 2022 – "Prudential Norms on Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to Advances – Clarifications" has clarified certain aspects of the extant regulatory guidelines with a view to ensuring uniformity in the implementation of IRACP norms across the lending institutions. Effective previous quarter ended 30 September 2022, the Group has aligned the classification of Gross Stage 3 assets under Ind AS with the regulatory norms.
- 10] During the nine month period ended 31 December 2022, the Company has issued Commercial Paper listed on the Bombay Stock Exchange (BSE) pursuant to SEBI Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated 10 August 2021 as amended, for which, refer the disclosure on regulation 52(4) separately filed with Stock Exchanges.
- 11] During the quarter ended 30 June 2022, the Company has sold its shareholding in its Joint Venture (JV) namely Magma HDI General Insurance Company Limited (Magma HDI) based on requisite regulatory approvals received on 27 May 2022. Accordingly, the resultant gain of ₹ 238.03 crores has been classified and presented as an exceptional item in line with Ind AS 1 "Presentation of Financial Statements". The Company had created a one-time provision of ₹ 223.75 crores in respect of existing assets-based finance portfolio on account of further anticipated slippages in future due to discontinuance of further loans in this segment. Further, intangible assets having book value of ₹ 7.25 crores which have been replaced with a new system, were written off. The above items are presented as exceptional items on a net basis.
- 12] During the quarter ended 31 December 2022, the Company has entered into a definitive share purchase agreement with Perseus SG Pte. Ltd., an entity affiliated to TPG Global LLC, to divest its entire holding in Poonawalla Housing Finance Limited (Formerly, Magma Housing Finance Limited) ("PHFL"), at a purchase consideration based on a per equity share price of ₹ 152.84 representing a total equity value ₹ 3900 crores. This divestment has been approved by the Board of Directors in their meeting held on 14 December 2022 and is subject to shareholders and requisite regulatory approvals. The Company will do the necessary accounting and classification of such investments in line with the requirements of Ind AS 105 "Non-current assets Held for Sale" as and when such approvals are obtained.

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

**Statement of Consolidated Unaudited Financial Results for the Quarter and Nine Month Period Ended 31 December 2022**

13] The Government of India has approved the Code on Social Security, 2020 which subsumes the Provident Fund and the Gratuity Act and rules there under. The Ministry of Labour and Employment has also released draft rules thereunder on 13 November 2020 and has invited suggestions from stakeholders which are under active consideration of Ministry. The Company will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified and become effective.

14] Unaudited Financial Results of Poonawalla Fincorp Limited (Formerly Magma Fincorp Limited) (Standalone Information): (₹ in crores)

Particulars	Quarter Ended			Year to date		Year Ended
	31	30	31	31	31	31
	December 2022	September 2022	December 2021	December 2022	December 2021	March 2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Total income	519.31	480.53	394.24	1,428.05	1,168.79	1,567.08
2. Profit before exceptional items and tax	201.01	173.95	106.82	509.07	268.04	384.57
3. Exceptional items	-	-	-	20.85	-	-
4. Profit before tax	201.01	173.95	106.82	529.92	268.04	384.57
5. Profit for the period	150.42	130.17	80.22	404.25	204.08	293.20
6. Total comprehensive income for the period	150.39	128.83	81.04	405.97	210.16	294.84

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

ABHAY  
SURESHKUMAR  
BHUTADA

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SURESHKUMAR BHUTADA  
Date: 2023.01.23 15:06:11 +05'30'  
**Abhay Bhutada**  
Managing Director  
DIN No.: 03330542

Place : Pune  
Dated : 23 January 2023

**Registered Office :** 201 and 202, 2nd Floor, AP81, Koregaon Park Annexe, Mundhwa, Pune-411 036, Maharashtra  
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**Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Non- Banking Financial Company ('NBFC') pursuant to the Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

**To the Board of Directors of Poonawalla Fincorp Limited [Formerly Magma Fincorp Limited]**

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of **Poonawalla Fincorp Limited [Formerly Magma Fincorp Limited]** ('the NBFC') for the quarter ended 31 December 2022 and the year to date results for the period 01 April 2022 to 31 December 2022, being submitted by the NBFC pursuant to the requirements of Regulation 33 and Regulation 52, read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. The Statement, which is the responsibility of the NBFC's management and approved by the NBFC'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 ('the Act'), the circulars, guidelines and directions issued by the Reserve Bank of India ('the RBI') from time to time, applicable to NBFCs ('the RBI guidelines'), and other accounting principles generally accepted in India, and is in compliance with the presentation and disclosure requirements of Regulation 33 and Regulation 52 read with Regulation 63 of the 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 the Standards on Auditing specified under section 143(10) 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.

**Poonawalla Fincorp Limited [Formerly Magma Fincorp Limited]  
Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Non- Banking Financial Company ('NBFC') pursuant to the Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

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4. 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 the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, the RBI guidelines, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 and Regulation 52 read with Regulation 63 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 the RBI in respect of income recognition, asset classification, provisioning and other related matters, or that it contains any material misstatement.

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm Registration No:001076N/N500013

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**Khushroo B. Panthaky**  
Partner  
Membership No:042423

**UDIN:23042423BGWILH1420**

Place: Mumbai  
Date: 23 January 2023

**Statement of Standalone Unaudited Financial Results for the Quarter and Nine Month Period Ended 31 December 2022**

(₹ in crores)

Particulars	Quarter Ended			Year To Date		Year Ended
	31 December 2022	30 September 2022	31 December 2021	31 December 2022	31 December 2021	31 March 2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1. Revenue</b>						
(a) Interest income	460.48	417.85	367.55	1,264.01	1,098.34	1,458.56
(b) Rental income	7.32	6.76	6.16	20.28	19.73	26.44
(c) Fees and commission income	16.22	15.60	13.27	46.15	33.04	48.55
(d) Net gain on fair value changes	0.71	1.61	0.34	3.04	2.20	2.67
(e) Net gain on derecognition of financial instruments	16.64	13.04	-	28.85	-	-
<b>Total revenue from operations</b>	<b>501.37</b>	<b>454.86</b>	<b>387.32</b>	<b>1,362.33</b>	<b>1,153.31</b>	<b>1,536.22</b>
(a) Other income	17.94	25.67	6.92	65.72	15.48	30.86
<b>Total income</b>	<b>519.31</b>	<b>480.53</b>	<b>394.24</b>	<b>1,428.05</b>	<b>1,168.79</b>	<b>1,567.08</b>
<b>2. Expenses</b>						
(a) Finance costs	159.29	144.08	123.87	422.10	398.85	509.29
(b) Impairment on financial instruments	(45.24)	(48.24)	8.09	(109.83)	69.98	68.61
(c) Employee benefits expense	129.39	136.80	103.53	395.39	299.71	409.86
(d) Depreciation and amortisation expense	15.82	13.93	12.95	42.06	35.79	49.49
(e) Other expenses	59.04	60.01	38.98	169.26	96.42	145.26
<b>Total expenses</b>	<b>318.30</b>	<b>306.58</b>	<b>287.42</b>	<b>918.98</b>	<b>900.75</b>	<b>1,182.51</b>
<b>3. Profit before exceptional items and tax (1-2)</b>	<b>201.01</b>	<b>173.95</b>	<b>106.82</b>	<b>509.07</b>	<b>268.04</b>	<b>384.57</b>
<b>4. Exceptional items (net) (Note 11)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20.85</b>	<b>-</b>	<b>-</b>
<b>5. Profit before tax from operations (3+4)</b>	<b>201.01</b>	<b>173.95</b>	<b>106.82</b>	<b>529.92</b>	<b>268.04</b>	<b>384.57</b>
<b>6. Tax expense</b>						
(a) Current tax - current year	(0.81)	7.81	-	49.28	-	-
- earlier years	-	-	-	-	(2.78)	(2.27)
(b) Deferred tax charge	51.40	35.97	26.60	76.39	66.74	93.64
<b>Total tax expense</b>	<b>50.59</b>	<b>43.78</b>	<b>26.60</b>	<b>125.67</b>	<b>63.96</b>	<b>91.37</b>
<b>7. Profit after tax for the period / year (5-6)</b>	<b>150.42</b>	<b>130.17</b>	<b>80.22</b>	<b>404.25</b>	<b>204.08</b>	<b>293.20</b>
<b>8. Other comprehensive income</b>						
(a) (i) Items that will not be reclassified to profit and loss						
Remeasurements of the defined benefit plans	(0.36)	(1.20)	0.70	2.54	(0.31)	(0.02)
(ii) Income tax relating to items that will not be reclassified to profit and loss	0.09	0.30	(0.18)	(0.64)	0.08	0.01
(b) (i) Items that will be reclassified to profit and loss						
Financial Instruments through other comprehensive income	0.32	(0.59)	0.40	(0.24)	8.43	2.21
(ii) Income tax relating to items that will be reclassified to profit and loss	(0.08)	0.15	(0.10)	0.06	(2.12)	(0.56)
<b>Total other comprehensive income ( Net of tax )</b>	<b>(0.03)</b>	<b>(1.34)</b>	<b>0.82</b>	<b>1.72</b>	<b>6.08</b>	<b>1.64</b>
<b>9. Total comprehensive income for the period / year (7+8)</b>	<b>150.39</b>	<b>128.83</b>	<b>81.04</b>	<b>405.97</b>	<b>210.16</b>	<b>294.84</b>
<b>10. Paid-up equity share capital (Face value of ₹ 2/- each)</b>	<b>153.02</b>	<b>153.02</b>	<b>152.93</b>	<b>153.02</b>	<b>152.93</b>	<b>152.99</b>
<b>11. Earnings per share (not annualised)</b>						
(a) Basic (in ₹)	1.97	1.70	1.05	5.28	2.91	4.09
(b) Diluted (in ₹)	1.94	1.68	1.05	5.21	2.90	4.04

See accompanying notes to the financial results

**Statement of Standalone Unaudited Financial Results for the Quarter and Nine Month Period Ended 31 December 2022**

**Notes :**

- 1] The standalone unaudited financial results ("the 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). 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 financial results for the quarter and nine month period ended 31 December 2022 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on 23 January 2023.
- 3] The financial results have been subjected to limited review by the statutory auditors of the Company as required under Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The statutory auditors have expressed an unmodified conclusion on these financial results.
- 4] These financial results shall be filed with the BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") and shall be available on the Company's website [www.poonawallafincorp.com](http://www.poonawallafincorp.com) or on the website of BSE ([www.bseindia.com](http://www.bseindia.com)) or NSE ([www.nseindia.com](http://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 as such no separate reportable segments as per Ind AS 108 - 'Operating Segments'.
- 6] The Company has changed the presentation currency of financial results from ₹ in lacs to ₹ in crores from the current financial year and accordingly all the previous period figures have been rounded off to the nearest crores.
- 7] During the nine month period ended 31 December 2022, the Company has allotted 1,95,448 equity shares of face value of ₹ 2 each to the eligible employees of the Company under Employee Stock Option Plan 2007 / Restricted Stock Option Plan 2014 / Employee Stock Option Plan 2021 pursuant to the ESOP Guidelines, as amended from time to time.
- 8] RBI vide circular dated 12 November, 2021 read with clarification dated 15 February, 2022 – "Prudential Norms on Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to Advances – Clarifications" has clarified certain aspects of the extant regulatory guidelines with a view to ensuring uniformity in the implementation of IRACP norms across the lending institutions. Effective previous quarter ended 30 September 2022, the Company has aligned the classification of Gross Stage 3 assets under Ind AS with the regulatory norms.
- 9] Effective 01 October 2022, the Company has been categorised as NBFC-ML under the RBI Scale Based Regulation dated 22 October 2021. Accordingly, the Company has taken steps wherever applicable to ensure compliance with the said regulation.
- 10] During the nine month period ended 31 December 2022, the Company has issued Commercial Paper listed on the Bombay Stock Exchange (BSE) pursuant to SEBI Circular No. SEBI/HO/DDHS/P/CIR/2021/613 dated 10 August 2021 as amended, for which, refer the disclosure on regulation 52(4) separately filed with Stock Exchanges.
- 11] During the quarter ended 30 June 2022, the Company has sold its shareholding in its Joint Venture (JV) namely Magma HDI General Insurance Company Limited (Magma HDI) based on requisite regulatory approvals received on 27 May 2022. Accordingly, the resultant gain of ₹ 251.85 crores has been classified and presented as an exceptional item in line with Ind AS 1 "Presentation of Financial Statements". The Company had created a one-time provision of ₹ 223.75 crores in respect of existing assets-based finance portfolio on account of further anticipated slippages in future due to discontinuance of further loans in this segment. Further, intangible assets having book value of ₹ 7.25 crores which have been replaced with a new system, were written off. The above items are presented as exceptional items on a net basis.
- 12] During the quarter ended 31 December 2022, the Company has entered into a definitive share purchase agreement with Perseus SG Pte. Ltd., an entity affiliated to TPG Global LLC, to divest its entire holding in Poonawalla Housing Finance Limited (Formerly, Magma Housing Finance Limited) ("PHFL"), at a purchase consideration based on a per equity share price of ₹ 152.84 representing a total equity value ₹ 3900 crores. This divestment has been approved by the Board of Directors in their meeting held on 14 December 2022 and is subject to shareholders and requisite regulatory approvals. The Company will do the necessary accounting and classification of such investments in line with the requirements of Ind AS 105 "Non-current assets Held for Sale" as and when such approvals are obtained.
- 13] Pursuant to the Regulation 54 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, the listed secured non-convertible debentures issued by the Company are fully secured by way of hypothecation over the book debt/ receivables and/or by mortgage of the Company's immovable properties, to the extent as stated in the respective information memorandum. Further, the Company has maintained security cover (100%) as stated in the respective information memorandum which is sufficient to discharge the principal and the interest amount at all times for the non-convertible debt securities issued by the Company.
- 14] As at 31 December 2022, the security cover available in respect of secured non-convertible debentures is more than 100%. The security cover certificate as per regulation 54(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) regulations, 2015 (as amended) read with SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_CRADT/CIR/P/2022/67 dated 19 May 2022, has been separately filed with Stock Exchanges.

**Statement of Standalone Unaudited Financial Results for the Quarter and Nine Month Period Ended 31 December 2022**

15] Disclosure pursuant to RBI notification RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated 24 September 2021

(a) Details of transfer through assignment in respect of loans not in default during nine month period ended 31 December 2022

Count of Loan accounts Assigned	35,414
Amount of Loan accounts Assigned (₹ in crores)	547.86
Retention of beneficial economic interest (MRR)	10%
Weighted Average Maturity (Residual Maturity)	19 months
Weighted Average Holding Period	30 months
Coverage of tangible security	100%
Rating wise distribution of rated loans	NA

(b) Details of acquired through assignment in respect of loans not in default during nine month period ended 31 December 2022

Particulars	Secured	Unsecured
Amount of loan accounts acquired (₹ in crores)	521.75	NIL
Weighted average maturity (in months) *	91	
Weighted average holding period (in months)	12	
Retention of beneficial economic interest **	10.00%	
Coverage of tangible security	100.00%	
Rating-wise distribution of rated loans	Unrated	

\* At the time of acquisition

\*\* Retained by the originator

(c) Details of stressed loans transferred during nine month period ended 31 December 2022

Particulars	To ARCs*	To permitted transferees #	To other transferees
No of accounts	9,893	-	-
Aggregate principal outstanding of loans transferred*	280.93	-	-
Weighted average residual tenor of the loans transferred (in months)	32	-	-
Net book value of loans transferred (at the time of transfer)*	236.19	-	-
Aggregate consideration (₹ in crores)	235.36	-	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-

\* In addition to above, during current quarter, the Company has transferred 26,456 loan accounts for an aggregate consideration of ₹80.00 crores. These loan accounts were already written off in the books before such sale transactions.

#The Company has transferred 3718 loan accounts for an aggregate consideration of ₹6.05 crores during nine month ended 31 December 2022. These loan accounts were already written off in the books before such sale transactions.

16] The Government of India has approved the Code on Social Security, 2020 which subsumes the Provident Fund and the Gratuity Act and rules there under. The Ministry of Labour and Employment has also released draft rules thereunder on 13 November 2020 and has invited suggestions from stakeholders which are under active consideration of Ministry. The Company will evaluate the rules, assess the impact, if any, and account for the same once the rules are notified and become effective.

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

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R BHUTADA

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**Abhay Bhutada**  
Managing Director  
DIN No.: 03330542

Place : Pune  
Dated : 23 January 2023

**Registered Office :** 201 and 202, 2nd Floor, AP81, Koregaon Park Annexe, Mundhwa, Pune-411 036, Maharashtra  
**Website :** www.poonawallafincorp.com; **CIN :** L51504PN1978PLC209007  
**Phone :** +91 020 67808090; **E-mail :** info@poonawallafincorp.com

**POONAWALLA FINCORP LIMITED  
(FORMERLY MAGMA FINCORP LIMITED)**
**Statement under Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Quarter and Nine Month Period Ended 31 December 2022**

Sl. No.	Particulars	Standalone	Consolidated
a.	Debt-equity ratio*	1.36	1.91
b.	Debt service coverage ratio	Not Applicable	
c.	Interest service coverage ratio	Not Applicable	
d.	Outstanding redeemable preference shares		
	a) quantity (no. of shares)	NIL	NIL
	b) value (₹ in crores)		
e.	Capital redemption reserve (₹ in crores)	14.22	14.22
	Debenture redemption reserve** (₹ in crores)	NIL	NIL
f.	Net worth (₹ in crores)	6,211.73	6,636.63
g.	Net Profit after tax (₹ in crores)		
	- For quarter ended 31 December 2022	150.42	182.44
	- For nine month period ended 31 December 2022	404.25	486.48
h.	Earnings per share (not annualised)		
	a) Basic (in ₹) - For quarter ended 31 December 2022	1.97	2.38
	- For nine month period ended 31 December 2022	5.28	6.35
	b) Diluted (in ₹) - For quarter ended 31 December 2022	1.94	2.35
	- For nine month period ended 31 December 2022	5.21	6.26
i.	Current ratio	Not Applicable	
j.	Long term debt to working capital	Not Applicable	
k.	Bad debts to account receivable ratio	Not Applicable	
l.	Current liability ratio	Not Applicable	
m.	Total debts to total assets	0.56	0.64
n.	Debtors turnover	Not Applicable	
o.	Inventory turnover	Not Applicable	
p.	Operating margin (%)	Not Applicable	
q.	Net profit margin (%)		
	- For quarter ended 31 December 2022	28.97%	25.47%
	- For nine month period ended 31 December 2022	28.31%	25.04%
r.	Sector specific equivalent ratio		
	a) Gross stage 3 %	1.69%	1.45%
	b) Net stage 3 %	0.89%	0.79%

\*Securitization of Loan Assets (PTC Pools) ₹ 156.61 crores and ₹ 233.95 crores for standalone and consolidated financials respectively do not meet the de-recognition criteria under Ind AS and accordingly classified as borrowings in financials. As such, we have considered amount held for PTC pools in calculation of Debt/Equity ratio. The debt equity ratio excluding such borrowing would be 1.33 and 1.88 for standalone and consolidated financials respectively.





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

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**Statement under Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Quarter and Nine Month Period Ended 31 December 2022**

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\*\*Pursuant to Rule 18(7)(b)(iii) of the Companies (Share Capital and Debentures) Rules, 2014, as amended vide the Companies (Share Capital and Debentures) Amendment Rules, 2019, the Company, being an NBFC registered with the Reserve Bank of India under Section 45 IA of the RBI Act, 1934, is not required to create a Debenture Redemption Reserve, in respect of public issue of debentures and debentures issued by it on a private placement basis.

During the nine month period ended 31 December 2022 the Company has issued listed Commercial Paper on the Bombay Stock Exchange (BSE) pursuant to SEBI Circular No. SEBI/HO/DDHS/DDHS/CIR/P/2019/115 dated 22 October 2019 as amended.

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  
Date : 23 January 2023

**Registered Office** : 201 and 202, 2nd Floor, AP81, Koregaon Park Annexe, Mundhwa, Pune-411 036, Maharashtra  
**Website** : [www.poonawallafincorp.com](http://www.poonawallafincorp.com); **CIN** : L51504PN1978PLC209007  
**Phone**: +91 020 67808090; **E-mail**: [info@poonawallafincorp.com](mailto:info@poonawallafincorp.com)

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**Annexure - A**

Statement of utilization of issue proceeds:

Name of the Issuer	ISIN	Mode of Fund Raising(Public Issues/Private Placement)	Type of Instrument	Date of raising funds	Amount raised (Rs.)	Funds Utilized (Rs.)	Any Deviation (Yes/No)	If 8 is Yes, then specify the purpose of for which the funds were utilized	Remarks, If any
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA



**Poonawalla Fincorp Limited**



(Formerly known as Magma Fincorp Limited)

**CIN:** L51504PN1978PLC209007

**Registered Office:** 201 and 202, 2nd floor, AP81, Koregaon Park Annex, Mundhwa, Pune - 411 036

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**B. Statement of deviation/ variation in use of Issue proceeds:**

Particulars		Remarks				
Name of listed entity		Poonawalla Fincorp Limited				
Mode of fund raising		Public issue/ Private placement				
Type of instrument		Non-convertible Securities				
Date of raising funds		01/10/2022 and 31/12/2022				
Amount raised		NIL				
Report filed for quarter ended		31/12/2022				
Is there a deviation/ variation in use of funds raised?		No				
Whether any approval is required to vary the objects of the issue stated in the prospectus/ offer document?		Yes/ No				
If yes, details of the approval so required?		NA				
Date of approval		NA				
Explanation for the deviation/ variation		NA				
Comments of the audit committee after review		NIL				
Comments of the auditors, if any		NA				
Objects for which funds have been raised and where there has been a deviation/ variation, in the following table:						
Original object	Modified object, if any	Original allocation	Modified allocation, if any	Funds utilised	Amount of deviation/ variation for the quarter according to applicable object (in Rs. crore and in %)	Remarks, if any
NA	NA	NA	NA	NA	NA	NA
Deviation could mean:						
a. Deviation in the objects or purposes for which the funds have been raised.						
b. Deviation in the amount of funds actually utilized as against what was originally disclosed.						
 <b>Name of the Signatory:</b> Sanjay Miranka <b>Designation:</b> Chief Financial Officer						
<b>Date:</b> January 23 <sup>rd</sup> , 2023						

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**Poonawalla Fincorp Limited**  
 (Formerly known as Magma Fincorp Limited)  
**CIN:** L51504PN1978PLC209007

**Registered Office:** 201 and 202, 2nd floor, AP81, Koregaon Park Annex, Mundhwa, Pune - 411 036  
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# Walker ChandioK & Co LLP

To  
The Board of Directors  
**Poonawalla Fincorp Limited**  
(Formerly Magma Fincorp Limited)  
201 and 202, 2nd floor, AP81  
Koregaon Park Annex  
Mundhwa  
**Pune - 411 036**

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**Walker ChandioK & Co LLP**

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Maharashtra, India

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## **Independent Auditor's Certificate on the Statement of book debt receivable pursuant to Regulation 15(1)(t)(i)(a) of SEBI (Debenture Trustees) Regulations, 1993 read with Clause 3.1(a) of SEBI circular dated 19 May 2022**

1. This certificate is issued in accordance with the terms of our engagement letter dated 12 October 2022 with **Poonawalla Fincorp Limited (Formerly Magma Fincorp Limited) ('the Company')**.
2. The accompanying statement containing details of book debt receivable offered as security against listed debt securities of the Company outstanding as at 31 December 2022 (hereinafter referred to as 'the Statement') has been prepared by the Company's management for the purpose of submission of the Statement along with this certificate to the Debenture Trustees of the Company pursuant to the requirements of Regulation 15(1)(t)(i)(a) of SEBI (Debenture Trustees) Regulations, 1993 (as amended) ('Debenture Trustees Regulations') read with Clause 3.1(a) of SEBI circular SEBI/HO/MIRSD/MIRSD\_CRADT/CIR/P/2022/67 dated 19 May 2022 (collectively referred to as 'the Regulations'). We have initialled the Statement for identification purposes only.

### **Management's Responsibility for the Statement**

3. The preparation of the Statement, including the preparation and maintenance of all accounting and other relevant supporting records and documents, is solely the responsibility of the management of the Company. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The management is also responsible for ensuring the compliance with the requirements of the Regulations and the offer document/Information memorandum and/or debenture trust deed (collectively referred to as 'the offer documents') for the purpose of furnishing this Statement and for providing all relevant information to the Debenture Trustees.



**Poonawalla Fincorp Limited (Formerly Magma Fincorp Limited)**  
**Independent Auditor's Certificate on the Statement of book debt receivable pursuant to Regulation 15(1)(t)(i)(a) of SEBI (Debtenture Trustees) Regulations, 1993 read with Clause 3.1(a) of SEBI circular dated 19 May 2022**

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**Auditor's Responsibility**

5. Pursuant to requirement of the Regulations, it is our responsibility to express limited assurance in the form of a conclusion as to whether anything has come to our attention that cause us believe that the details included in the accompanying Statement regarding book debt receivable offered as security against listed debt securities of the Company outstanding as at 31 December 2022 are, in all material respects, not in agreement with the unaudited standalone financial information of the Company, underlying books of account and other relevant records and documents maintained by the Company for the quarter ended 31 December 2022.
6. The unaudited standalone financial information, referred to in paragraph 5 above, have been reviewed by us, on which we have expressed an unmodified conclusion vide our report dated 23 January 2023. Our review of unaudited standalone financial information was conducted 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 ('the ICAI'). This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial information is free of material misstatement. A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to the financial data and thus, provides less assurance than an audit. We have not performed an audit and accordingly, we did not express an audit opinion.
7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) ('the Guidance Note') issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the ICAI.
9. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. The procedures selected depend on the auditor's judgment, including the assessment of the areas where a material misstatement of the subject matter information is likely to arise. We have performed the following procedures in relation to the accompanying Statement:
  - a) Obtained the statement of total book-debts receivable as at 31 December 2022 and traced the book value of all the assets from the unaudited standalone financial information, underlying books of account and other relevant records and documents maintained by the Company for the period ended 31 December 2022;
  - b) Obtained the list and value of assets offered as security against listed debt securities of the Company outstanding as at 31 December 2022;
  - c) Verified the arithmetical accuracy of the Statement.
  - d) Obtained necessary representations from the management of the Company.





**Poonawalla Fincorp Limited (Formerly Magma Fincorp Limited)**  
**Independent Auditor's Certificate on the Statement of book debt receivable pursuant to Regulation 15(1)(t)(i)(a) of SEBI (Debtenture Trustees) Regulations, 1993 read with Clause 3.1(a) of SEBI circular dated 19 May 2022**

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**Conclusion**

10. Based on our examination and the procedures performed as per paragraph 9 above, evidences obtained, and the information and explanations given to us, along with the representations provided by the management, nothing has come to our attention that cause us to believe that the details included in the accompanying Statement regarding book values of the assets offered as security against listed debt securities of the Company outstanding as at 31 December 2022 are, in all material respects, not in agreement with the unaudited standalone financial information of the Company, underlying books of account and other relevant records and documents maintained by the Company for the quarter ended 31 December 2022.

**Restriction on distribution or use**

11. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Regulations. Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have as the statutory auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as statutory auditors of the Company.
12. The certificate is addressed to and provided to the Board of Directors of the Company solely for the purpose of enabling it to comply with the requirements of the Regulations, which inter alia, require it to submit this certificate along with the Statement to the Debenture Trustees, and therefore, this certificate should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **Walker Chandiook & Co LLP**  
Chartered Accountants  
Firm's Registration No:001076N/N500013



**Khushroo B. Panthaky**  
Partner  
Membership No. 042423

**UDIN:23042423BGWILK7935**

Place: Mumbai  
Date: 23 January 2023

(INR in crores)

POONAWALLA FINCORP LIMITED

Statement of book debt receivable as at 31 December 2022

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	Debt for which this certificate being issued	Exclusive Charge	Debt for which this certificate being issued	Part-Passu Charge	Assets shared by part passu debt holder (includes debt for which this certificate is issued & other debt with part-passu charge)	Part-Passu Charge	Other assets on which there is part-passu charge (excluding items covered in column F)	Assets not offered as Security	Elimination (amount in negative)	(Total C to H)	Market Value for Assets on Exclusive basis	Carrying/book value for exclusive charge assets where market value is not ascertainable or applicable	Market Value for Part Passu Charge Assets	Carrying value/book value for part passu charge assets where market value is not ascertainable or applicable	Total Value (K+L+M+N)
		Book Value	Book Value	Yes/No	Book Value	Book Value	Book Value	Book Value								
<b>ASSETS</b>																
Property, Plant and Equipment	Immovable Property	0.71	-	No	NA	NA	NA	NA	122.99	-	123.70	1.67	-	-	1.67	
Capital Work-in-Progress	-	-	-	No	NA	NA	NA	NA	-	-	-	-	-	-	-	
Right of Use Assets	-	-	-	No	NA	NA	NA	NA	87.40	-	87.40	-	-	-	-	
Goodwill	-	-	-	No	NA	NA	NA	NA	-	-	-	-	-	-	-	
Other Intangible Assets	-	-	-	No	NA	NA	NA	NA	15.53	-	15.53	-	-	-	-	
Intangible Assets under Development	-	-	-	No	NA	NA	NA	NA	0.72	-	0.72	-	-	-	-	
Investments	-	-	-	No	NA	NA	NA	NA	1,138.40	-	1,138.40	-	-	-	-	
Loans	Book Debt Receivables	210.10	294.78	Yes	335.09	8,835.83	3,207.64	8,835.83	12,893.44	-	12,893.44	504.88	-	9,170.92	9,675.80	
Inventories	-	-	-	No	NA	NA	NA	NA	-	-	-	-	-	-	-	
Trade Receivables	-	-	-	No	NA	NA	NA	NA	23.36	-	23.36	-	-	-	-	
Bank Deposits	-	-	-	No	NA	NA	NA	NA	37.08	-	37.08	-	-	-	-	
Bank Balances other than Cash and Cash Equivalents	-	-	-	No	NA	NA	NA	NA	-	-	-	-	-	-	-	
Cash Equivalents	-	-	-	No	NA	NA	NA	NA	61.65	-	61.65	-	-	-	-	
Others	-	-	-	No	NA	NA	NA	NA	755.99	-	755.99	-	-	-	-	
<b>Total</b>		<b>210.81</b>	<b>294.78</b>		<b>335.09</b>	<b>8,835.83</b>	<b>5,450.75</b>	<b>8,835.83</b>	<b>15,127.27</b>	<b>1.67</b>	<b>15,127.27</b>	<b>504.88</b>	<b>9,170.92</b>	<b>9,677.47</b>		
<b>LIABILITIES</b>																
Debt securities to which this certificate pertains	Secured Non Convertible Debentures	203.33	263.92	Yes	309.67	NA	NA	NA	-	-	776.83	-	-	-	-	
Other debt sharing pari-passu charge with above debt	-	-	-	No	NA	NA	NA	NA	-	-	-	-	-	-	-	
Other Debt	-	-	-	No	NA	NA	NA	NA	-	-	-	-	-	-	-	
Subordinated debt + PDJ	-	-	-	No	NA	NA	NA	NA	410.50	-	410.50	-	-	-	-	
Borrowings (PTC)	-	-	-	No	NA	NA	NA	NA	-	-	-	-	-	-	-	
Bank T/Ls and Loans repayable on demand	-	-	-	No	NA	NA	NA	NA	7,126.53	-	7,126.53	-	-	-	-	
Debt Securities (others)	-	-	-	No	NA	NA	NA	NA	-	-	-	-	-	-	-	
Others (Commercial Paper)	-	-	-	No	NA	NA	NA	NA	3.75	-	3.75	-	-	-	-	
Trade payables	-	-	-	No	NA	NA	NA	NA	99.73	-	99.73	-	-	-	-	
Lease Liabilities	-	-	-	No	NA	NA	NA	NA	8.71	-	8.71	-	-	-	-	
Provisions	-	-	-	No	NA	NA	NA	NA	332.35	-	332.35	-	-	-	-	
Others	-	-	-	No	NA	NA	NA	NA	855.04	-	855.04	-	-	-	-	
<b>Total</b>		<b>203.33</b>	<b>420.96</b>		<b>309.67</b>	<b>7,126.53</b>	<b>855.04</b>	<b>7,126.53</b>	<b>8,915.54</b>							
<b>Cover on Book Value</b>		<b>100%</b>			<b>108%</b>											
<b>Cover on Market Value</b>																

Notes:

- Market value of INR 1.67 crores is on the basis of certified valuation done on 30.09.2021 and 04.10.2021.
- Assets considered for pari-passu charge is calculated based on asset cover requirement as per respective information memorandum for securities and as per sanction for Loans.
- The Company extends loans (Secured and Unsecured) which has been classified as Amortized cost as per applicable Ind-AS. Hence, the Company has considered the book value (Gross of impairment provision) for the purpose of this certificate.
- Figures considered from Column K to Column O are not subject to review by the statutory auditors.

Place: Pune  
Dated: 23 January 2023

*[Signature]*



Sanjay Miranka  
Chief Financial Officer  
For Poonawalla Fincorp Limited  
(Formerly Magma Fincorp Limited)

*[Signature]*