

27 July 2022

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 27 July 2022

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., 27 July 2022 basis recommendation of the Audit Committee has, *inter alia*, approved Unaudited Standalone and Consolidated Financial Results of the Company for the quarter ended 30 June 2022:

Accordingly, we are enclosing herewith the following:

1. Unaudited Standalone and Consolidated Financial Results of the Company for the quarter ended 30 June 2022. The Unaudited Financial Results will also be published as per the format prescribed in the SEBI Listing Regulations.
2. Limited Review Report thereon, issued by the Statutory Auditors, Walker Chandio & Co LLP on the Unaudited Standalone and Consolidated Financial Results of the Company.
3. Statement of disclosures of line items pursuant to Regulation 52(4) of the SEBI Listing Regulations

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.

Poonawalla Fincorp Limited

(Formerly known as Magma Fincorp Limited)

CIN: L51504PN1978PLC209007

Registered Office: 601, 6th Floor, Zero One IT Park, Survey No. 79/1, Ghorpadi, Mundhwa Road, Pune - 411036

T: +91 020 67808090 | **E:** info@poonawallafincorp.com | **W:** www.poonawallafincorp.com

The meeting of the Board of Director commenced at 2 P.M. and concluded at 4.10 P.M.

Kindly take the above intimation on record.

Thanking You,

Yours faithfully,

For Poonawalla Fincorp Limited
(Formerly, Magma Fincorp Limited)



Shabnum Zaman
Company Secretary
ACS-13918

Poonawalla Fincorp Limited

(Formerly known as Magma Fincorp Limited)

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Walker Chandiook & Co LLP

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Maharashtra, India
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Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results of the Holding Company 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** ('the Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group') (refer Annexure 1 for the list of entity included in the Statement) for the quarter ended **30 June 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) ('SEBI Regulations'), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Holding Company's management and 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'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI Regulations, including relevant circulars issued by the SEBI from time to time. 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 SEBI Regulations, to the extent applicable.

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

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 auditor 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, 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 SEBI 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 results of one subsidiary included in the Statement, whose financial information reflect total revenues of ₹ 137.89 crores, total net profit after tax of ₹ 30.17 crores and total comprehensive income of ₹ 30.50 crores for the quarter ended on 30 June 2022, as considered in the Statement. The interim financial results have been reviewed by other auditor, whose review report have 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 conclusion 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.

6. The review of unaudited consolidated quarterly financial results for the period ended 30 June 2021, included in the Statement, was carried out and reported by B S R & Co. LLP, who have expressed an unmodified conclusion vide their review report dated 14 August 2021, whose reports have been furnished to us and which have been relied upon by us for the purpose of our review of the Statement. Our conclusion is not modified in respect of this matter.

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

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Khushroo B. Panthaky
Partner
Membership No:042423

UDIN:22042423ANRYOI1921

Place: Mumbai
Date: 27 July 2022

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

Annexure 1

List of entity included in the Statement

Name of the entity	Relationship
Poonawalla Housing Finance Limited [Formerly Magma Housing Finance Limited]	Subsidiary

Interest in Joint Ventures (Magma HDI General Insurance Company Limited and Jaguar Advisory Services Private Limited) have 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. Further, the Investments in Magma HDI General Insurance Company Limited has been disposed off on 09 June 2022.

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**POONAWALLA FINCORP LIMITED
(FORMERLY MAGMA FINCORP LIMITED)**
Statement of Consolidated Unaudited Financial Results for the Quarter Ended 30 June 2022

(₹ in crores)

Particulars	Quarter Ended			Year Ended
	30 June 2022	31 March 2022	30 June 2021	31 March 2022
	(Unaudited)	(Unaudited - Refer Note 14)	(Unaudited)	(Audited)
1. Revenue				
(a) Interest income	517.93	483.77	459.52	1,910.49
(b) Rental income	6.20	6.71	6.37	26.44
(c) Fees and commission income	18.49	20.74	10.19	63.92
(d) Net gain on fair value changes	2.46	1.03	0.22	3.54
(e) Net gain on derecognition of financial instruments	0.13	-	-	-
Total revenue from operations	545.21	512.25	476.30	2,004.39
(a) Other income	26.46	17.21	6.89	36.64
Total income	571.67	529.46	483.19	2,041.03
2. Expenses				
(a) Finance costs	173.36	158.73	199.52	716.17
(b) Net loss on derecognition of financial instruments	-	5.47	-	5.47
(c) Impairment on financial instruments	(13.96)	(6.11)	49.38	77.56
(d) Employee benefits expense	161.91	142.35	118.84	519.21
(e) Depreciation and amortisation expense	13.69	15.03	11.66	54.55
(f) Other expenses	61.09	60.26	27.22	177.89
Total expenses	396.09	375.73	406.62	1,550.85
3. Profit/ before share of profit of joint ventures and tax (1-2)	175.58	153.73	76.57	490.18
4. Share of profit of joint ventures	-	-	4.46	1.50
5. Profit before tax and exceptional items (3+4)	175.58	153.73	81.03	491.68
6. Exceptional items (net) (Note 10)	7.03	-	-	-
7. Profit before tax from operations (5+6)	182.61	153.73	81.03	491.68
8. Tax expense				
(a) Current tax - current year	51.54	5.01	0.39	23.59
- earlier year	-	0.56	(2.78)	(1.97)
(b) Deferred tax charge / (reversed)	(9.85)	29.26	18.88	94.64
Total tax expense	41.69	34.83	16.49	116.26
9. Profit for the period / year (7-8)	140.92	118.90	64.54	375.42
10. Other comprehensive income				
(a) (i) Items that will not be reclassified to profit and loss				
Remeasurements of the defined benefit plans	4.54	0.03	(0.07)	(0.61)
Share of gain/(loss) of joint venture, net of tax	-	-	-	(0.19)
(ii) Income tax relating to items that will not be reclassified to profit and loss	(1.14)	(0.01)	0.02	0.15
(b) (i) Items that will be reclassified to profit and loss				
Financial Instruments through other comprehensive income	(0.03)	1.43	3.00	10.59
Effective portion of gains and loss on hedging instruments in a cash flow hedge	-	(0.03)	0.03	(0.08)
Share of gain/(loss) of joint venture, net of tax	-	-	0.74	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	0.01	(0.35)	(0.77)	(2.65)
Total other comprehensive income	(3.48)	1.07	2.95	9.11
11. Total comprehensive income for the period / year (9+10)	137.44	119.97	67.49	384.53
12. Total comprehensive income for the period attributable to				
(a) Owners of the Company	137.20	119.69	67.49	384.23
(b) Non-controlling interests	0.24	0.28	-	0.30
13. Profit for the period attributable to				
(a) Owners of the Company	140.68	118.67	64.54	375.13
(b) Non-controlling interests	0.24	0.23	-	0.29
14. Other comprehensive income attributable to				
(a) Owners of the Company	(3.48)	1.03	2.95	9.10
(b) Non-controlling interests	0.00	0.04	-	0.01
15. Paid-up equity share capital (Face value of ₹ 2/- each)	152.99	152.99	152.87	152.99
16. Earnings per share (not annualised)				
(a) Basic (in ₹)	1.84	1.55	1.12	5.23
(b) Diluted (in ₹)	1.82	1.53	1.12	5.17

See accompanying notes to the financial results

POONAWALLA FINCORP LIMITED
(FORMERLY MAGMA FINCORP LIMITED)

Statement of Consolidated Unaudited Financial Results for the Quarter Ended 30 June 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 ended 30 June 2022 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 27 July 2022.
- 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 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) . 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 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'.
- 7] The Group has changed the presentation currency of financial results from ₹ in lacs to ₹ in crores from the current quarter and accordingly all the previous period figures have been rounded off to the nearest crores.
- 8] During the quarter ended 30 June 2022, the Company has allotted 39,495 equity shares of the face value of ₹ 2 each to the eligible employees of the Company under Employee Stock Option Plan 2007 / Restricted Stock Option Plan 2014 pursuant to the ESOP Guidelines, as amended from time to time.
- 9] During the quarter ended 30 June 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. Also, refer the disclosure on regulation 52(4) separately filed with Stock Exchanges.
- 10] 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. The Company has created a one-time provision of ₹ 223.75 crores in respect of existing assets-based finance (ABF) 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 has been replaced with a new system, have been written off during the quarter. The above items have been presented as exceptional items on a net basis.
- 11] The Group carried a management overlay of ₹ 152.23 crores as at 31 March 2022 towards potential impact of COVID-19 pandemic.
During the quarter ended 30 June 2022, 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 ₹ 105.27 crores.
Further, the underlying forecasts and assumptions applied by the Group in determination of ECL provision are subject to uncertainties which are often outside the control of the Group and accordingly, actual results may differ from these estimates. However, based on the revival of business sentiments, increase in lending activities and overall efficiencies in collections, management believes that as at 30 June 2022, there is no uncertainty towards its business operations and overall provisioning made by the Company towards its loan assets.
The Group has been duly servicing its debt obligations. The Group's capital and liquidity position remain strong and would continue to be one of the focus areas.
- 12] The Code on Social Security, 2020 ("the Code") has been enacted, which would impact the employee related contributions made by the Group. The effective date from which the changes are applicable is yet to be notified. The Ministry of Labour and Employment ("the Ministry") has released draft rules for the Code on November 13, 2020. The Group will complete its evaluation and will give appropriate impact in its financial results in the period in which the Code becomes effective and the related rules are published.

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

Statement of Consolidated Unaudited Financial Results for the Quarter Ended 30 June 2022

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

Particulars	Quarter Ended			Year Ended
	30 June 2022	31 March 2022	30 June 2021	31 March 2022
	(Unaudited)	(Unaudited - Refer Note 14)	(Unaudited)	(Audited)
1. Total income	429.04	398.29	377.42	1,567.08
2. Profit before exceptional items and tax	134.11	116.53	62.86	384.57
3. Exceptional items	20.85	-	-	-
4. Profit before tax	154.96	116.53	62.86	384.57
5. Profit for the period	123.66	89.12	49.82	293.20
6. Total comprehensive income for the period	126.75	84.68	50.98	294.84

14] The figures for the quarter ended 31 March 2022 are the balancing figure between audited figures in respect of the full financial year and the published year-to-date unaudited figures upto the end of the third quarter, which were subject to limited review by the statutory auditors.

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 : 27 July 2022

Registered Office : 601, 6th Floor, Zero One IT Park, Survey No. 79/1, Ghorpadi Mundhwa Road, Pune-411 036, Maharashtra
Website : www.poonawallafincorp.com; **CIN :** L51504WB1978PLC031813
Phone: +91 020 67808090; **E-mail:** info@poonawallafincorp.com

Walker Chandiook & Co LLP

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One International Center,
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Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results of the Company 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** ('the Company') for the quarter ended **30 June 2022**, being submitted by the Company 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) ('SEBI Regulations'), including relevant circulars issued by the SEBI from time to time.
2. The Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), 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 SEBI Regulations, including relevant circulars issued by the SEBI from time to time. 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.
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, 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 SEBI Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

5. The review of standalone unaudited quarterly financial results for the quarter ended 30 June 2021, included in the Statement was carried out and reported by B S R & Co. LLP, who has expressed unmodified conclusion vide their review report dated 14 August 2021, whose report has been furnished to us and which has been relied upon by us for the purpose of our review of the Statement. Our conclusion is not modified in respect of this matter.

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

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Khushroo B. Panthaky
Partner
Membership No:042423

UDIN:22042423ANRYFO8503

Place: Mumbai
Date: 27 July 2022

**POONAWALLA FINCORP LIMITED
(FORMERLY MAGMA FINCORP LIMITED)**
Statement of Standalone Unaudited Financial Results for the Quarter Ended 30 June 2022

(₹ in crores)

Particulars	Quarter Ended			Year Ended
	30 June 2022	31 March 2022	30 June 2021	31 March 2022
	(Unaudited)	(Unaudited - Refer Note 14)	(Unaudited)	(Audited)
1. Revenue				
(a) Interest income	385.68	360.22	358.10	1,458.56
(b) Rental income	6.20	6.71	6.37	26.44
(c) Fees and commission income	14.33	15.51	7.91	48.55
(d) Net gain on fair value changes	0.72	0.47	0.18	2.67
Total revenue from operations	406.93	382.91	372.56	1,536.22
(a) Other income	22.11	15.38	4.86	30.86
Total income	429.04	398.29	377.42	1,567.08
2. Expenses				
(a) Finance costs	118.73	110.44	146.79	509.29
(b) Net loss on derecognition of financial instruments	0.83	-	-	-
(c) Impairment on financial instruments	(16.35)	(1.37)	37.94	68.61
(d) Employee benefits expense	129.20	110.15	97.14	409.86
(e) Depreciation and amortisation expense	12.31	13.70	10.60	49.49
(f) Other expenses	50.21	48.84	22.09	145.26
Total expenses	294.93	281.76	314.56	1,182.51
3. Profit before exceptional items and tax (1-2)	134.11	116.53	62.86	384.57
4. Exceptional items (net) (Note 9)	20.85	-	-	-
5. Profit before tax from operations (3+4)	154.96	116.53	62.86	384.57
6. Tax expense				
(a) Current tax- current year	42.28	-	-	-
- earlier years	-	0.51	(2.78)	(2.27)
(b) Deferred tax charged / (reversed)	(10.98)	26.90	15.82	93.64
Total tax expense	31.30	27.41	13.04	91.37
7. Profit for the period / year (5-6)	123.66	89.12	49.82	293.20
8. Other comprehensive income				
(a) (i) Items that will not be reclassified to profit and loss				
Remeasurements of the defined benefit plans	4.10	0.28	(0.01)	(0.02)
(ii) Income tax relating to items that will not be reclassified to profit and loss	(1.03)	(0.07)	-	0.01
(b) (i) Items that will be reclassified to profit and loss				
Financial Instruments through other comprehensive income	0.03	(6.22)	1.56	2.21
(ii) Income tax relating to items that will be reclassified to profit and loss	(0.01)	1.57	(0.39)	(0.56)
Total other comprehensive income	3.09	(4.44)	1.16	1.64
9. Total comprehensive income for the period / year (7+8)	126.75	84.68	50.98	294.84
10. Paid-up equity share capital (Face value of ₹ 2/- each)	152.99	152.99	152.87	152.99
11. Earnings per share (not annualised)				
(a) Basic (in ₹)	1.62	1.17	0.87	4.09
(b) Diluted (in ₹)	1.60	1.15	0.86	4.04

See accompanying notes to the financial results

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

Statement of Standalone Unaudited Financial Results for the Quarter Ended 30 June 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 ended 30 June 2022 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 27 July 2022.
- 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 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 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 quarter and accordingly all the previous period figures have been rounded off to the nearest crores.
- 7] During the quarter ended 30 June 2022, the Company has allotted 39,495 equity shares of the face value of ₹ 2 each to the eligible employees of the Company under Employee Stock Option Plan 2007 / Restricted Stock Option Plan 2014 pursuant to the ESOP Guidelines, as amended from time to time.
- 8] During the quarter ended 30 June 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. Also, refer the disclosure on regulation 52(4) separately filed with Stock Exchanges.
- 9] 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. The Company has created a one-time provision of ₹ 223.75 crores in respect of existing assets-based finance (ABF) 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 has been replaced with a new system, have been written off during the quarter. The above items have been presented as exceptional items on a net basis.
- 10] 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.
- 11] The Company carried a management overlay of ₹ 140.21 crores as at 31 March 2022 towards potential impact of COVID-19 pandemic.
During the quarter ended 30 June 2022, 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 ₹ 99.74 crores.
Further, the underlying forecasts and assumptions applied by the Company in determination of ECL provision are subject to uncertainties which are often outside the control of the Company and accordingly, actual results may differ from these estimates. However, based on the revival of business sentiments, increase in lending activities and overall efficiencies in collections, management believes that as at 30 June 2022, there is no uncertainty towards its business operations and overall provisioning made by the Company towards its loan assets.
The Company has been duly servicing its debt obligations. The Company's capital and liquidity position remain strong and would continue to be one of the focus areas.
- 12] 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 quarter ended 30 June 2022

Count of Loan accounts Assigned	NIL
Amount of Loan accounts Assigned	
Retention of beneficial economic interest (MRR)	
Weighted Average Maturity (Residual Maturity)	
Weighted Average Holding Period	
Coverage of tangible security coverage	
Rating wise distribution of rated loans	

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

Statement of Standalone Unaudited Financial Results for the Quarter Ended 30 June 2022

12] (b) Details of acquired through assignment in respect of loans not in default during quarter ended 30 June 2022

Particulars	Secured	Unsecured
Count of loan accounts acquired	10,329	NIL
Amount of loan accounts acquired (₹ in crore)	521.75	
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 quarter ended 30 June 2022

Particulars	To ARCs	To permitted transferees	To other transferees
No of accounts	9,893	3,718	-
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 crore)	235.36	6.05	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-

* The book value of the loan accounts were already written off before the sale transaction to permitted transferees.

13] The Code on Social Security, 2020 (“the Code”) has been enacted, which would impact the employee related contributions made by the Company. The effective date from which the changes are applicable is yet to be notified. The Ministry of Labour and Employment (“the Ministry”) has released draft rules for the Code on November 13, 2020. The Company will complete its evaluation and will give appropriate impact in its financial results in the period in which the Code becomes effective and the related rules are published.

14] The figures for the quarter ended 31 March 2022 are the balancing figure between audited figures in respect of the full financial year and the published year-to-date unaudited figures upto the end of the third quarter, which were subject to limited review by the statutory auditors.

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

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R BHUTADA

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Date: 2022.07.27
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Abhay Bhutada
Managing Director
DIN No.: 03330542

Place : Pune
Dated : 27 July 2022

Registered Office : 601, 6th Floor, Zero One IT Park, Survey No. 79/1, Ghorpadi Mundhwa Road, 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 Ended 30 June 2022

Sl. No.	Particulars	Standalone	Consolidated
a.	Debt-equity ratio*	1.24	1.75
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)	5,878.45	6,232.23
g.	Net Profit after tax (₹ in crores) - For quarter ended 30 June 2022	123.66	140.92
h.	Earnings per share (not annualised)		
	a) Basic (in ₹) - For quarter ended 30 June 2022	1.62	1.84
	b) Diluted (in ₹) - For quarter ended 30 June 2022	1.60	1.82
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	0.54	0.62
n.	Debtors turnover	Not Applicable	
o.	Inventory turnover	Not Applicable	
p.	Operating margin (%)	Not Applicable	
q.	Net profit margin (%) - For quarter ended 30 June 2022	28.82%	24.65%
r.	Sector specific equivalent ratio		
	a) Gross stage 3 %	2.68%	2.19%
	b) Net stage 3%	1.11%	0.95%

*Securitization of Loan Assets (PTC Pools) ₹ 402.31 crores and ₹ 494.36 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 1.18 for and 1.67 for standalone and consolidated financials respectively.

**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 Ended 30 June 2022

**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 quarter ended 30 June 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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Date: 2022.07.27
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Abhay Bhutada
Managing Director
DIN No.: 03330542

Place : Pune
Date : 27 July 2022

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