

Independent Auditor's Review Report on the Quarterly Unaudited Financial Results of Poonawalla Housing Finance Limited pursuant to the Regulation 52 of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015, as amended

The Board of Directors

Poonawalla Housing Finance Limited

(Formerly Magma housing Finance Limited)

1. We have reviewed the accompanying statement of Unaudited Financial Results of Poonawalla Housing Finance Limited (Formerly Magma Housing Finance Limited) ("the Company") for the quarter ended June 30, 2023 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. This statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ("Ind AS 34") prescribed under section 133 of the Companies Act 2013 as amended, read with relevant rules issued thereunder, Circular No. NHB (ND)/DRS/Policy Circular No.89/2017-18 dated June 14,2018 issued by the National Housing Bank ("the NHB Circular") and other accounting principles generally accepted in India. 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Ind AS 34 specified under Section 133 of the Companies Act, 2013, as amended read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed information required to be disclosed in terms of the Regulation 52 of the SEBI (Listing Obligations and Disclosure

Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

For G. D. Apte & Co.
Chartered Accountants
Firm Registration Number: 100515W
UDIN: 23017532BGYLOR9961

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C. M. Dixit
Partner
Membership Number: 017532
Place: Pune
Date: July 21, 2023

**POONAWALLA HOUSING FINANCE LIMITED
(FORMERLY MAGMA HOUSING FINANCE LIMITED)**
Statement of Unaudited Financial Results for the quarter ended 30 June 2023

(₹ in Crores)

Particulars	Quarter ended			Year ended
	30/06/2023	31/03/2023	30/06/2022	31/03/2023
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
1. Revenue from Operations				
(a) Interest income	205.95	175.14	131.03	635.30
(b) Fees and commission income	5.58	6.69	4.16	20.19
(c) Net gain on fair value changes	1.26	-	1.74	-
(d) Net gain on derecognition of financial instruments under amortised cost category	14.24	12.70	0.96	48.13
Total revenue from operations	227.03	194.53	137.89	703.62
(e) Other income	2.30	5.61	4.36	12.43
Total Income	229.33	200.14	142.25	716.05
2. Expenses				
(a) Finance costs	100.06	85.43	54.63	279.77
(b) Net loss on fair value changes	0.05	0.68	-	0.53
(c) Impairment on financial instruments	8.64	12.07	2.38	36.39
(d) Employee benefits expense	52.27	47.73	31.40	168.69
(e) Depreciation, amortisation and impairment	3.77	3.66	1.39	8.97
(f) Other expenses	29.96	25.65	12.20	67.51
Total Expenses	194.75	175.22	102.00	561.86
3. Profit/(Loss) before tax (1-2)	34.58	24.92	40.25	154.19
4. Tax expense				
(a) Current tax	3.98	6.21	9.26	31.34
(b) Deferred tax (credit)/charge	4.67	0.53	0.82	7.63
Total tax expense	8.65	6.74	10.08	38.97
5. Profit/(Loss) for the period (3-4)	25.93	18.18	30.17	115.22
6. Other comprehensive income				
(i) Items that will not be reclassified to profit or loss	(0.26)	(0.06)	0.44	0.19
(ii) Income tax relating to items that will not be reclassified to profit or loss	0.07	0.01	(0.11)	(0.05)
Total other comprehensive income	(0.19)	(0.05)	0.33	0.14
7. Total comprehensive income for the period (5+6)	25.74	18.13	30.50	115.36
8. Paid-up equity share capital (Face value of ₹ 10/- each)	252.29	252.29	251.79	252.29
9. Earnings per share*				
(a) Basic (in ₹)	1.03	0.72	1.20	4.57
(b) Diluted (in ₹)	1.03	0.72	1.19	4.56

* Not annualised for the quarters

**POONAWALLA HOUSING FINANCE LIMITED
(FORMERLY MAGMA HOUSING FINANCE LIMITED)**
Statement of Unaudited Financial Results for the quarter ended 30 June 2023
Notes :

- 1] The above unaudited financial results have been reviewed by the Audit Committee and approved by the Board of Directors of Poonawalla Housing Finance Limited (Formerly Magma Housing Finance Limited) ("the Company") at their respective meetings held on 21 July 2023.
- 2] The unaudited financial results of 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 from time to time.
- 3] The unaudited financial results have been subjected to limited review by the statutory auditors of the Company. The statutory auditors have expressed an unmodified conclusion on these financial results.
- 4] The Company is primarily engaged in mortgage-backed finance and as such the Board reviews the Company's performance as a single business. Accordingly no separate information is required to be furnished in terms of Ind AS 108 "Operating segments" specified under Section 133 of the Act.
- 5] As per Regulation 54 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") as amended from time to time, the listed Non-Convertible Debentures issued by the Company are fully secured by way of hypothecation over the book debts/ loan receivables and other eligible security, to the extent as stated in the respective information memorandum. Further, the Company has maintained security cover as stated in the respective information memorandum which is sufficient to discharge the principal amount at all times of the non-convertible debentures issued by the Company. The details of the security cover as per the prescribed format pursuant to Regulation 54(3) of the Listing Regulations read with SEBI Circular dated May 19, 2022 is attached as Annexure 1.
- 6] 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.
- 7] Disclosures 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 the quarter ended 30 June 2023 :

Entity/Assignee	Bank
Count of Loan accounts Assigned	1200 Loans
Amount of Loan accounts Assigned	₹ 115 Crores
Retention of beneficial economic interest (MRR)*	10%
Weighted Average Maturity (Residual Maturity)**	157 Months
Weighted Average Holding Period	16 Months
Coverage of tangible security coverage	100%
Rating wise distribution of rated loans	Unrated

(b) Details of acquired through assignment in respect of loans not in default during the quarter ended 30 June 2023 :

Entity/Assignor	NIL
Count of Loan accounts Assigned	
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	

* Retained by the originator

** At the time of acquisition

(c) Details of stressed loans transferred during the quarter ended 30 June 2023:

Particulars	To ARCs	To permitted transferees	To other transferees
No of accounts	77 Nos.	-	-
Aggregate principal outstanding of loans transferred (at the time of transfer)*	-	-	-
Weighted average residual tenor of the loans transferred	232 Months	-	-
Net book value of loans transferred (at the time of transfer)*	-	-	-
Aggregate consideration	4.46 Crores.	-	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-

* The above figures includes sale of portfolio which have been written off in the past period. Hence, the net book value of such portfolio is Nil as on date of transfer.

- 8] The Board of Directors of Poonawalla Fincorp Limited (formerly Magma Fincorp Limited) ("PFL"), Holding Company at its meeting held on 14 December, 2022 has accorded its consent for the sale of controlling stake ("Proposed Transaction") in Poonawalla Housing Finance Limited (Formerly, Magma Housing Finance Limited) ("Company") to Perseus SG Pte. Ltd., an entity affiliated with TPG ("Perseus"). In view of the same, the Board of the Company at its meeting held on 14 December, 2022 has taken note of the Proposed Transaction and executed a Share Purchase Agreement ("SPA") amongst PFL, Perseus and the Company on 14 December, 2022, for the proposed sale of controlling stake i.e. 99.02% by PFL, subject to regulatory approvals and satisfaction of other customary conditions. The Company had filed an application with Reserve Bank of India (RBI) seeking prior requisite approval for the transfer of shareholding of the Company, together with the acquisition of control of the Company and change of management (i.e. non-executive non-independent directors) pursuant to Chapter VIII - Acquisition/Transfer of Control of RBI HFC Master Directions as amended from time to time. The RBI has vide its letter dated 30 May, 2023 accorded its approval for the change in shareholding of the Company while the approval for change in management (i.e. non-executive non-independent directors) is yet awaited. Post consummation of the Proposed Transaction, in the near term Perseus will also infuse additional equity of up to ₹ 1,000 Crores to support growth of the Company.
- 9] During the quarter ended 31 March 2023, Post announcement of transaction as mentioned in point number 8, CARE Ratings Limited has placed the long-term credit ratings of the Company from AAA (Stable) to AAA (rating watch with negative implications). Further, CRISIL Limited has placed the long-term credit ratings of the Company from AA+(Stable) to AA+(rating watch with negative implications) and short-term credit ratings from A1+ to A1+(rating watch with developing implications). Since the long term credit rating limits availed from CRISIL Limited remained unutilized, on request of the Company, the same has been withdrawn on 15 July, 2023.
- 10] Under the Scale Based Regulations issued by the Reserve Bank of India, the Company is placed in the Middle Layer based on the prescribed criteria. The Company is ensuring compliance with the various applicable provisions of the Scale Based Regulation as per the respective timelines prescribed for each of such provisions.
- 11] The above financial results have been prepared in compliance with the Regulation 52 of the Listing Regulations as amended from time to time.

**POONAWALLA HOUSING FINANCE LIMITED
(FORMERLY MAGMA HOUSING FINANCE LIMITED)**

Statement of Unaudited Financial Results for the quarter ended 30 June 2023

- 12] The figures for the quarter ended 31 March 2023 are balancing figures between the audited figures as per the audited financial statements for FY 2022-23 and the reviewed figures in respect of the nine months ended 31 December 2022.
- 13] Figures for the previous year/period have been regrouped and / or reclassified whenever considered necessary.

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

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Manish Jaiswal
Managing Director & Chief Executive Officer
DIN: 07859441

Place : Pune
Date : 21 July 2023

Registered Office : 602, 6th Floor, Zero One IT Park, Survey No. 79/1, Ghorpadi Mundhwa Road, Pune-411 036, Maharashtra
Website : www.poonawallahousing.com; **CIN :** U65922PN2004PLC208751

Annexure I

Security Cover Certificate as per Regulation 54(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on 30 June 2023															
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	Column P
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari-Passu Charge	Pari-Passu Charge	Pari-Passu Charge	Assets not offered as Security	Elimination (amount in negative)	Other Adjustments related to IND-AS	(Total C to J)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari-Passu charge (excluding items covered in column F)		debt amount considered more than once (due to exclusive plus pari passu charge)			Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value=(L+M+N+O)
		Book Value	Book Value	Yes / No	Book Value	Book Value									Relating to Column F
ASSETS															
Property, Plant and Equipment		-	-	-	-	-	15.88	-	-	15.88	-	-	-	-	-
Capital Work-in-Progress		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Right of Use Assets		-	-	-	-	-	52.41	-	-	52.41	-	-	-	-	-
Goodwill		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	-	-	-	6.13	-	-	6.13	-	-	-	-	-
Intangible Assets under Development		-	-	-	-	-	0.23	-	-	0.23	-	-	-	-	-
Investments		-	-	-	-	-	127.28	-	-	127.28	-	-	-	-	-
Loans (Note 1)	Represents Loan given under financial activity	60.27	1,397.87	-	4,283.82	-	44.85	-	(76.66)	5,710.15	-	60.27	-	-	60.27
Inventories		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade Receivables		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash and Cash Equivalents		-	-	-	220.26	-	260.68	-	-	480.94	-	-	-	-	-
Bank Balances other than Cash and Cash Equivalents		-	-	-	-	-	160.67	-	-	160.67	-	-	-	-	-
Others		-	-	-	-	-	189.29	-	-	189.29	-	-	-	-	-
Total		60.27	1,397.87	-	4,504.08	-	857.44	-	(76.66)	6,742.98	-	60.27	-	-	60.27

Security Cover Certificate as per Regulation 54(3) of the Securities and Exchange Board of India (Listing Obligation and Disclosures Requirements) Regulations, 2015 as on 30 June 2023															
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	Column P
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari-Passu Charge	Pari-Passu Charge	Pari-Passu Charge	Assets not offered as Security	Elimination (amount in negative)	Other Adjustments related to IND-AS	(Total C to K)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari-passu charge)	Other assets on which there is pari-Passu charge (excluding items covered in column F)	debt amount considered more than once (due to exclusive plus pari passu charge)	Market Value for Assets charged on Exclusive basis	Carrying / book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRM market value is not applicable)		Market Value for Pari passu charge Assets	Carrying value-book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRM market value is not applicable)	Total Value(=L+M+N+O)		
		Book Value	Book Value	Yes / No	Book Value	Book Value									
LIABILITIES															
Debt securities to which this certificate pertains	-	54.13	-	-	752.93	-	-	-	(2.38)	804.68	-	54.13	-	-	54.13
Other debt sharing pari-passu charge with above debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Debt	-	-	-	-	35.63	-	-	-	-	35.63	-	-	-	-	-
Subordinated debt	-	-	-	-	-	-	99.74	-	-	99.74	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bank-Term Loan (Note 2)	-	-	1,040.97	-	3,238.19	-	-	-	(4.68)	4,274.49	-	-	-	-	-
Debt Securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Others-PTC	-	-	69.42	-	-	-	-	-	(0.07)	69.35	-	-	-	-	-
Trade payables	-	-	-	-	-	-	3.10	-	-	3.10	-	-	-	-	-
Lease Liabilities	-	-	-	-	-	-	55.35	-	-	55.35	-	-	-	-	-
Provisions	Represents provision for compensated absences	-	-	-	-	-	2.96	-	-	2.96	-	-	-	-	-
Provision on Impairment on Loans	Represents ECL provision on Financial Assets	-	-	-	-	-	55.63	-	-	55.63	-	-	-	-	-
Others	-	-	-	-	-	-	106.30	-	-	106.30	-	-	-	-	-
Total		54.13	1,110.39	-	4,026.75	-	323.09	-	(7.13)	5,507.23	-	54.13	-	-	54.13
Cover on Book Value		1.11			1.12							1.11			
Cover on Market Value															
		Exclusive Security Cover Ratio			Pari-Passu Security Cover Ratio										

Note 1 : The Company extends loans under financial arrangements (Home loans and Loan against properties) which have been classified under amortised cost as per applicable IndAS. Hence the Company has considered the book value (gross of impairment provisions) for the purpose of this certificate.

For **G. D. Apte & Co.**
Chartered Accountants
Firm Registration Number: 100515W

CHINTAMAN
MAHADEV
DIXIT

C. M. Dixit
Partner
Membership Number: 017532
Pune, 21 July 2023

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

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Manish Jaiswal
Managing Director & Chief Executive Officer
DIN: 07859441



**POONAWALLA
HOUSING FINANCE**
Apna Ghar, Apni Pehchan

**POONAWALLA HOUSING FINANCE LIMITED
(FORMERLY MAGMA HOUSING FINANCE LIMITED)**

Disclosure in compliance with Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended 30 June 2023

Sl. No.	Particulars	Quarter ended		Year ended
		30 June 2023	30 June 2022	31 March 2023
		(Unaudited)	(Unaudited)	(Audited)
a.	Debt-equity ratio (Total Debts / Shareholder's fund)	4.28	3.20	3.81
b.	Debt service coverage ratio	Not Applicable		
c.	Interest service coverage ratio	Not Applicable		
d.	Debenture redemption reserve	Not Applicable		
e.	Net worth (₹ in Crores)	1,235.75	1,114.48	1,208.58
f.	<u>Net profit after tax (₹ in Crores)</u>	25.93	30.17	115.22
g.	<u>Earnings per share - Basic and Diluted (in ₹)*</u>			
	(i) Basic :	1.03	1.20	4.57
	(ii) Diluted :	1.03	1.19	4.56
h.	Current ratio	Not Applicable		
i.	Long term debt to working capital	Not Applicable		
j.	Bad debts to Account receivable ratio as at	0.22%	0.03%	0.41%
k.	Current liability ratio	Not Applicable		
l.	Total debts to total assets as at	79.01%	74.74%	77.22%
m.	Debtors turnover	Not Applicable		
n.	Inventory turnover	Not Applicable		
o.	Operating margin (%)	Not Applicable		
p.	Net profit margin (%)	11.31%	21.21%	16.09%
q.	<u>Sector specific equivalent ratios, as applicable</u>			
	(i) Capital Adequacy Ratio as at	33.86%	40.85%	34.83%
	(ii) Gross NPA Ratio as at	0.83%	0.87%	0.81%
	(iii) Net NPA Ratio as at	0.52%	0.54%	0.40%
	(iv) Liquidity coverage ratio as at	195.63%	Not Applicable	390.58%

* Not annualised for the quarters

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

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Manish Jaiswal
Managing Director & Chief Executive Officer
DIN: 07859441

Place : Pune
Date : 21 July 2023

Registered Office: 602, 6th Floor, Zero One IT Park, Survey No. 79/1, Ghorpadi Mundhwa Road, Pune-411 036, Maharashtra
Website : www.poonawallahousing.com; **CIN :** U65922PN2004PLC208751