

**Independent Auditor's Review Report on the Quarterly and Nine Monthly Unaudited Financial Results of the Company Pursuant to 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 quarter and nine months ended December 31, 2021 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
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 the 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.

**Emphasis of Matter:**

5. We draw attention to the following matter in the Note No. 4 to the financial results:

The provision in respect of expected credit losses on loans and advances consequent to COVID 19 pandemic, has been made on the basis of risk assessment of the credit exposures. The 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.

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

**Other Matter:**

6. The figures for quarter and nine months ended December 31, 2020 have been considered from the unmodified review reports issued by the erstwhile auditors, Walker Chandiook & Co LLP in terms of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. Further, figures for year ended March 31, 2021 have been considered from the financial statements of the company audited by the erstwhile auditors vide their unmodified audit report.

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

For G. D. Apte & Co.  
Chartered Accountants  
Firm Registration Number: 100515W  
UDIN: 22017532AAAAAA8554

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MAHADEV DIXIT

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C. M. Dixit  
Partner  
Membership Number: 017532  
Pune, January 31, 2022

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

**Statement of Unaudited Financial Results for the quarter and nine months ended 31 December 2021**

Particulars	(₹ in Lacs)					
	Quarter ended			Nine months ended		
	31 December 2021	30 September 2021	31 December 2020	31 December 2021	31 December 2020	31 March 2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1. Revenue from Operations</b>						
(a) Interest income	11,534.62	11,019.65	10,581.04	32,550.07	29,826.03	40,465.57
(b) Fees and commission income	388.91	397.17	356.74	1,013.79	668.52	1,115.25
(c) Net gain on fair value changes	5.69	21.38	1.47	31.16	-	-
(d) Net gain on de-recognition of financial instruments under amortised cost category	-	-	2,368.20	-	2,368.20	5,127.67
<b>Total revenue from operation</b>	<b>11,929.22</b>	<b>11,438.20</b>	<b>13,307.45</b>	<b>33,595.02</b>	<b>32,862.75</b>	<b>46,708.49</b>
(e) Other income	91.61	100.14	171.62	395.14	291.51	545.84
<b>Total revenue</b>	<b>12,020.83</b>	<b>11,538.34</b>	<b>13,479.07</b>	<b>33,990.16</b>	<b>33,154.26</b>	<b>47,254.33</b>
<b>2. Expenses</b>						
(a) Finance costs	5,757.29	4,829.85	5,816.87	15,924.44	16,604.18	22,585.84
(b) Net loss on fair value changes	-	-	-	-	24.48	95.58
(c) Impairment on financial instruments	(776.81)	1,001.71	3,687.58	1,368.58	5,192.96	12,936.63
(d) Employee benefits expense	3,001.07	2,244.28	1,667.22	7,321.79	5,003.83	7,038.28
(e) Depreciation and amortisation expense	108.73	94.02	61.57	261.28	124.52	186.69
(f) Other expenses	1,129.36	841.31	877.45	2,625.75	2,053.04	2,975.52
<b>Total expenses</b>	<b>9,219.64</b>	<b>9,011.17</b>	<b>12,110.69</b>	<b>27,501.84</b>	<b>29,003.01</b>	<b>45,818.54</b>
<b>3. Profit/(Loss) before tax (1-2)</b>	<b>2,801.19</b>	<b>2,527.17</b>	<b>1,368.38</b>	<b>6,488.32</b>	<b>4,151.25</b>	<b>1,435.79</b>
<b>4. Tax expense</b>						
(a) Current tax	951.76	892.36	213.86	1,883.02	623.60	1,179.79
(b) Deferred tax (credit)/charge	(246.83)	(231.08)	129.62	(224.87)	393.22	(832.91)
<b>Total tax expense</b>	<b>704.93</b>	<b>661.28</b>	<b>343.48</b>	<b>1,658.15</b>	<b>1,016.82</b>	<b>346.88</b>
<b>5. Profit/(Loss) for the period (3-4)</b>	<b>2,096.26</b>	<b>1,865.89</b>	<b>1,024.90</b>	<b>4,830.17</b>	<b>3,134.43</b>	<b>1,088.91</b>
<b>6. Other comprehensive income</b>						
(a) (i) Items that will not be reclassified to profit or loss	(28.04)	0.47	(39.92)	(34.17)	(27.57)	9.96
(ii) Income tax relating to items that will not be reclassified to profit or loss	7.06	(0.16)	10.05	8.60	6.94	(2.51)
(b) (i) Items that will be reclassified to profit or loss	(1,727.42)	1,648.10	49.93	68.37	87.98	371.56
(ii) Income tax relating to items that will be reclassified to profit or loss	434.79	(414.04)	(12.57)	(17.21)	(22.15)	(93.51)
<b>Total other comprehensive income</b>	<b>(1,313.61)</b>	<b>1,234.37</b>	<b>7.49</b>	<b>25.59</b>	<b>45.20</b>	<b>285.50</b>
<b>7. Total comprehensive income for the period (5+6)</b>	<b>782.65</b>	<b>3,100.26</b>	<b>1,032.39</b>	<b>4,855.76</b>	<b>3,179.63</b>	<b>1,374.41</b>
<b>8. Paid-up equity share capital (Face value of ₹ 10/- each)</b>	<b>25,179.45</b>	<b>24,982.11</b>	<b>16,582.99</b>	<b>25,179.45</b>	<b>16,582.99</b>	<b>16,582.99</b>
<b>9. Earnings per share (not annualised)</b>						
(a) Basic (in ₹)	0.83	0.84	0.62	1.92	1.89	0.66
(b) Diluted (in ₹)	0.83	0.83	0.61	1.91	1.87	0.65

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

**Statement of Unaudited Financial Results for the quarter and nine months ended 31 December 2021**

**Notes :**

- 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 31 January 2022.
- 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.
- 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.
- The Company has continued the process of risk assessment on its credit exposures as at 31 December 2021, and accordingly, in addition to the model determined ECL provision, the Company carries a management overlay of ₹ 1,246.73 lacs (₹ 5,090.54 lacs as on 31 March 2021) against future potential impact of COVID-19, which basis management estimate is adequate to cover any future impact of COVID-19 on the financial assets.  
Further, the underlying forecasts and assumptions applied by the Company in determination of ECL provision (including management overlay provisions) are subject to uncertainties which are often outside the control of the Company and accordingly, actual results may differ from these estimates.
- RBI vide circular dated November 12, 2021 – "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. The Company has taken steps to comply with the norms / changes for regulatory reporting, as applicable. Such clarification has no impact on the financial results for the quarter and nine months ended 31 December 2021 as the Company continues to prepare the financial results in accordance with the applicable Ind AS guidelines and the RBI circular dated March 13, 2020 – "Implementation of Indian Accounting Standards".
- The Company is primarily engaged in mortgage-based finance and as such no separate information is required to be furnished in terms of Ind AS 108 "Operating segments" specified under section 133 of the Act.
- As per Regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the non-convertible debentures issued by the Company are fully secured by way of hypothecation over the book debts/ loan receivables and/ or by mortgage created over the immovable property, to the extent as stated in the respective information memorandum. Further, the Company has maintained asset 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.
- Disclosures pursuant to RBI Notification - RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated 5 May 2021

(₹ in lacs except no. of accounts)

Sl. No	Description	Individual Borrowers		Small Businesses
		Personal loans*	Business loans*	
(A)	Number of requests received for invoking resolution process under Part A	734	654	-
(B)	Number of accounts where resolution plan has been implemented under this window	694	640	-
(C)	Exposure to accounts mentioned at (B) before implementation of the plan	9,024.41	7270.19	-
(D)	Of (C), aggregate amount of debt that was converted into other securities	-	-	-
(E)	Additional funding sanctioned, if any, including between invocation of the plan and implementation	-	-	-
(F)	Increase in provisions on account of the implementation of the resolution plan	830.10	699.14	-

\* Personal loans and business loans represent housing loans and loan against properties respectively.

There were 38 borrower accounts having an aggregate exposure of ₹ 687.57 lacs to the Company, where resolution plans had been implemented under OTR 1.0 and now modified under RBI's Resolution Framework 2.0 dated 5 May 2021.

- 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.
- 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 nine months ended 31 December 2021

Entity/Assignee	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	

(b) Details of acquired through assignment in respect of loans not in default during the nine months ended 31 December 2021

Entity/Assignor	Housing Finance Companies
Count of Loan accounts Assigned	3949 loans
Amount of Loan accounts Assigned	₹ 25,904.87 lacs
Retention of beneficial economic interest (MRR)*	10%
Weighted Average Maturity (Residual Maturity)**	195 Months
Weighted Average Holding Period	30 Months
Coverage of tangible security coverage	100%
Rating wise distribution of rated loans	Unrated

\* Retained by the originator

\*\* At the time of acquisition

(c) Details of stressed loans transferred during the nine months ended 31 December 2021

Particulars	To ARCs	To permitted transferees	To other transferees
No of accounts	297	-	-
Aggregate principal outstanding of loans transferred*	-	-	-
Weighted average residual tenor of the loans transferred	-	-	-
Net book value of loans transferred (at the time of transfer)*	-	-	-
Aggregate consideration	₹ 1,229.91 lacs	-	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-

\* The book value of the loan accounts is Nil as these were fully written off before the sale transactions.

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

**Statement of Unaudited Financial Results for the quarter and nine months ended 31 December 2021**

- 11] During the quarter ended 31 December, 2021, the Company has allotted 1,973,333 equity shares of the face value of ₹ 10/- each to the eligible employee of the Company under Restricted Stock Option Plan 2018 as amended from time to time. Consequent to the said allotment, the total paid-up equity share capital of the Company stands increased to 251,794,450 equity shares of ₹10/- each aggregating to ₹ 25,179.45 lacs. The equity shares issued and allotted as aforesaid rank pari passu with the existing equity shares of the Company in all respect. Pursuant to the above allotment, the Company ceases to be the wholly owned subsidiary of Poonawalla Fincorp Limited (Formerly, Magma Fincorp Limited) (PFL) but continues to be a subsidiary of PFL with its holding at 99.22% in the Company.
- 12] The above financial results have been prepared in compliance with the Regulation 52 of SEBI (Listing Obligations and Disclosures Requirement) 2015 as amended.

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 : 31.01.2022

**Corporate Office** : 602, 6th Floor, Zero One IT Park, Sr No. 79/1, Ghorpadi Mundhwa Road, Pune-411 036, Maharashtra  
**Registered Office** : Development House, 24, Park street, Kolkata - 700 016  
**Website** : [www.poonawallahousing.com](http://www.poonawallahousing.com); **CIN** : U65922WB2004PLC229849



**POONAWALLA  
HOUSING**

**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 and nine months ended 31 December 2021**

Sl. No.	Particulars	Quarter ended	Nine months ended
		31 December 2021	31 December 2021
		(Unaudited)	(Unaudited)
a.	Debt-equity ratio (Total Debts / Shareholder's fund)	2.55	2.55
b.	Debt service coverage ratio	Not Applicable	Not Applicable
c.	Interest service coverage ratio	Not Applicable	Not Applicable
d.	Debenture redemption reserve as at 31 December 2021	Not Applicable [According to Rule 18(7)(b)(iv) of the Companies (Share Capital and Debentures) Rules, 2014, as amended, no Debenture Redemption Reserve is required to be created in the case of privately placed debentures issued by the Company which is HFC registered with RBI/NHB]	
e.	Net worth (₹ in lacs)	104,809.76	104,809.76
f.	Net profit after tax (₹ in lacs)	2,096.26	4,830.17
g.	Earnings per share - Basic and Diluted (in ₹) (Not annualised)		
	(i) Basic :	0.83	1.92
	(ii) Diluted :	0.83	1.91
h.	Current ratio	Not Applicable	Not Applicable
i.	Long term debt to working capital	Not Applicable	Not Applicable
j.	Bad debts to Account receivable ratio as at	Not Applicable	0.83%
k.	Current liability ratio	Not Applicable	Not Applicable
l.	Total debts to total assets as at	70.09%	70.09%
m.	Debtors turnover	Not Applicable	Not Applicable
n.	Inventory turnover	Not Applicable	Not Applicable
o.	Operating margin (%)	Not Applicable	Not Applicable
p.	Net profit margin (%)	17.44%	14.21%
q.	Sector specific equivalent ratios, as applicable		
	(i) Capital Adequacy Ratio as at	49.88%	49.88%
	(ii) Gross Stage 3 Ratio as at	1.95%	1.95%
	(iii) Net Stage 3 Ratio as at	1.24%	1.24%

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 : 31.01.2022

**Corporate Office** : 602, 6th Floor, Zero One IT Park, Sr No. 79/1, Ghorpadi Mundhwa Road, Pune-411 036, Maharashtra

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

**Website** : www.poonawallahousing.com; **CIN** : U65922WB2004PLC229849