

Statement of Consolidated Audited Financial Results for the Quarter and Year Ended 31 March 2023

(₹ in crores)

Particulars	Quarter Ended			Year Ended	
	31 March 2023	31 December 2022	31 March 2022	31 March 2023	31 March 2022
	Refer Note 17	(Unaudited)	Refer Note 17	(Audited)	(Audited)
1. Revenue					
(a) Interest income	552.49	457.57	361.15	1,815.19	1,462.35
(b) Rental income	7.44	7.32	6.71	27.72	26.44
(c) Fees and commission income	15.39	16.22	15.51	61.54	48.55
(d) Net gain on fair value changes	1.41	0.71	0.47	4.45	2.67
(e) Net gain on derecognition of financial instruments	-	16.64	-	29.68	-
Total revenue from operations	576.73	498.46	383.84	1,938.58	1,540.01
(a) Other income	3.98	17.94	15.38	69.70	30.86
Total income	580.71	516.40	399.22	2,008.28	1,570.87
2. Expenses					
(a) Finance costs	173.18	159.29	110.44	595.28	508.64
(b) Net loss on derecognition of financial instruments	10.04	-	-	10.87	-
(c) Impairment on financial instruments	(34.70)	(45.24)	(1.37)	(144.53)	68.61
(d) Employee benefits expense	119.41	129.39	110.15	514.80	409.86
(e) Depreciation and amortisation expense	19.35	15.82	13.70	61.41	49.49
(f) Other expenses	57.58	59.04	48.84	226.84	145.25
Total expenses	344.86	318.30	281.76	1,264.67	1,181.85
3. Profit before share of profit of joint ventures, exceptional items and tax (1-2)	235.85	198.10	117.46	743.61	389.02
4. Share of profit of joint ventures	-	-	-	-	1.50
5. Profit before tax and exceptional items (3+4)	235.85	198.10	117.46	743.61	390.52
6. Exceptional items (net) (Note 11)	0.36	-	-	7.39	-
7. Profit before tax from continuing operations (5+6)	236.21	198.10	117.46	751.00	390.52
8. Tax expense					
(a) Current tax - current year	(25.10)	(0.81)	-	24.18	-
- earlier years	-	-	0.51	-	(2.27)
(b) Deferred tax charge	80.94	50.67	27.14	157.01	94.76
Total tax expense	55.84	49.86	27.65	181.19	92.49
9. Profit after tax for the period/year from continuing operations (7-8)	180.37	148.24	89.81	569.81	298.03
Profit before tax from discontinued operations	24.92	45.56	36.28	154.19	101.16
Tax expense of discontinued operations	6.74	11.36	7.19	38.97	23.77
10. Profit after tax for the period/year from discontinued operations	18.18	34.20	29.09	115.22	77.39
11. Profit for the period/year from continuing and discontinued operations (9+10)	198.55	182.44	118.90	685.03	375.42
12. Other comprehensive income					
(a) (i) Items that will not be reclassified to profit and loss					
Remeasurements of the defined benefit plans	(0.37)	(0.36)	0.28	2.17	(0.02)
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	0.09	0.09	(0.07)	(0.55)	0.01
(b) (i) Items that will be reclassified to profit and loss					
Financial Instruments through other comprehensive income	(0.11)	0.32	(6.22)	(0.35)	2.21
Effective portion of gains and loss on hedging instruments in a cash flow hedge	-	-	(0.03)	-	-
Reclassification adjustments on disposal of Joint Venture, net of tax	-	-	-	(6.86)	1.89
(ii) Income tax relating to items that will be reclassified to profit and loss	0.03	(0.08)	1.57	0.09	(0.56)
(c) Other comprehensive income from discontinued operations (net of tax)	(0.05)	(0.08)	5.54	0.14	5.77
Total other comprehensive income (Net of tax)	(0.41)	(0.11)	1.07	(5.36)	9.11
13. Total comprehensive income for the period/year (11+12)	198.14	182.33	119.97	679.67	384.53



Statement of Consolidated Audited Financial Results for the Quarter and Year Ended 31 March 2023 (Contd.)

₹ in crores

Particulars	Quarter Ended			Year Ended	
	31 March 2023	31 December 2022	31 March 2022	31 March 2023	31 March 2022
	Refer Note 17	(Unaudited)	Refer Note 17	(Audited)	(Audited)
14. Total comprehensive income for the period/year attributable to					
(a) Owners of the Company	197.96	182.00	119.69	678.61	384.23
(b) Non-controlling interests	0.18	0.33	0.28	1.06	0.30
15. Profit from continuing operations for the period/year, attributable to					
(a) Owners of the Company	180.37	148.24	89.81	569.82	298.03
(b) Non-controlling interests	-	-	-	-	-
16. Profit from discontinued operations for the period/year, attributable to					
(a) Owners of the Company	18.00	33.87	28.86	114.16	77.10
(b) Non-controlling interests	0.18	0.33	0.23	1.06	0.29
17. Profit from continuing and discontinued operations for the period/year, attributable to					
(a) Owners of the Company	198.37	182.11	118.67	683.98	375.13
(b) Non-controlling interests	0.18	0.33	0.23	1.06	0.29
18. Other comprehensive income attributable to					
(a) Owners of the Company	(0.41)	(0.11)	1.03	(5.36)	9.10
(b) Non-controlling interests	(0.00)	-	0.04	(0.00)	0.01
19. Paid-up equity share capital (Face value of ₹ 2/- each)	153.59	153.02	152.99	153.59	152.99
20. Earnings per equity share (for continuing operations)					
(a) Basic (in ₹)	2.36	1.94	1.17	7.44	4.16
(b) Diluted (in ₹)	2.34	1.91	1.16	7.37	4.10
Earnings per equity share (for discontinued operations)					
(a) Basic (in ₹)	0.23	0.44	0.38	1.51	1.07
(b) Diluted (in ₹)	0.23	0.44	0.37	1.49	1.07
Earnings per equity share (for continuing and discontinued operations)					
(a) Basic (in ₹)	2.59	2.38	1.55	8.95	5.23
(b) Diluted (in ₹)	2.57	2.35	1.53	8.86	5.17

See accompanying notes to the financial results



STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES

Particulars	(₹ in crores)	
	As at	As at
	31 March 2023	31 March 2022
	(Audited)	(Audited)
A. ASSETS		
1. Financial Assets		
Cash and cash equivalents	601.38	354.71
Bank balances other than cash and cash equivalents	56.05	242.26
Derivative financial instruments	-	0.51
Receivables		
(i) Trade receivables	18.64	10.18
(ii) Other receivables	2.03	3.85
Loans	15,218.53	14,850.70
Investments	310.91	0.00
Other financial assets	563.15	234.52
	16,770.69	15,696.73
2. Non-Financial Assets		
Current tax assets (net)	114.39	115.77
Deferred tax assets (net)	47.68	197.03
Investment property	0.08	0.08
Property, plant and equipment	117.83	122.57
Intangible assets under development	4.56	0.46
Goodwill	14.30	14.30
Other intangible assets	14.25	19.30
Right to use assets	75.05	58.04
Other non-financial assets	40.31	35.81
	428.45	563.36
3. Assets held for sale	50.70	182.62
4. Assets directly associated with Discontinued Operations	5,970.77	-
Total Assets	23,220.61	16,442.71
B. LIABILITIES AND EQUITY		
LIABILITIES		
1. Financial Liabilities		
Derivative financial instruments	-	0.27
Payables		
Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises	0.05	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1.97	15.13
Other Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Debt securities	950.24	939.96
Borrowings (Other than debt securities)	9,804.07	8,380.48
Subordinated liabilities	365.27	588.39
Lease liabilities	89.58	64.59
Other financial liabilities	275.99	300.40
	11,487.17	10,289.22
2. Non-Financial Liabilities		
Current tax liabilities (net)	0.34	0.36
Provisions	8.26	12.13
Other non-financial liabilities	89.48	82.77
	98.08	95.26
3. Liabilities directly associated with Discontinued Operations	4,762.19	-
4. EQUITY		
Equity share capital	153.59	152.98
Other equity	6,707.81	5,902.97
Minority Interest	11.77	2.28
	6,873.17	6,058.23
Total Liabilities and Equity	23,220.61	16,442.71



STATEMENT OF CASH FLOWS

(₹ in crores)

Particulars	Year Ended	Year Ended
	31 March 2023	31 March 2022
	(Audited)	(Audited)
A Cash flow from operating activities		
Profit before tax from continuing operations	751.00	390.52
Profit before tax from discontinued operations	154.19	101.16
Profit before tax from continuing and discontinued operations	905.19	491.68
Adjustments for :		
Depreciation and amortisation expense	77.63	54.55
Impairment on financial instruments	115.61	77.56
(Gain) on sale of investments	(242.70)	(0.48)
Net (gain) on fair value changes	(0.65)	(3.06)
Net (gain) on fair value changes	(3.23)	-
Net loss on derecognition of property, plant and equipment	0.66	0.46
Expense on employee stock option scheme	161.49	16.95
Interest on tax refund	(0.40)	-
Interest on lease liabilities	8.63	5.88
Net (gain)/loss on derecognition of financial instruments	(66.94)	5.47
Share of (profit) of equity-accounted investee net of tax	-	(1.50)
Liabilities written back	(35.18)	(4.46)
Operating cash flow before working capital changes	920.11	643.05
Movement in working capital:		
Adjustments for (increase) / decrease in assets:		
Receivables	(6.64)	(1.12)
Loans	(5,889.48)	(3,569.85)
Other financial assets	(454.05)	48.33
Held for sale assets	1.08	-
Bank balances other than cash and cash equivalents	147.48	176.09
Other non financial assets	(16.53)	2.82
Derivative financial instruments	0.24	(3.07)
Adjustments for increase / (decrease) in liabilities:		
Payables	1.86	(73.38)
Other financial liabilities	88.19	(18.26)
Provisions	1.69	(1.57)
Other non financial liabilities	24.27	(24.81)
Net cash (used in) operating activities before taxes	(5,181.78)	(2,821.77)
Income taxes paid (net of refunds)	(54.76)	(51.45)
Net cash (used in) operating activities (A)	(5,236.54)	(2,873.22)
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(63.50)	(62.41)
Proceeds from sale of property, plant and equipment	12.43	24.17
Purchase of intangible assets	(17.52)	(0.39)
Purchase of Investment	(1,952.50)	(203.00)
Proceeds from sale of Investments	1,909.58	208.78
Net cash (used in) investing activities (B)	(110.45)	(32.85)
C. Cash flow from financing activities		
Proceeds from issue of debt securities and subordinated liabilities	500.00	-
Redemption of debt securities and subordinated liabilities	(346.24)	(574.17)
Proceeds from borrowings - Term loans	7,969.97	4,733.29
Repayment of borrowings - Term loans	(3,418.99)	(2,818.51)
Repayment of borrowings - pass through certificate	(488.95)	(1,328.13)
Loans repayable on demand (net)	1,579.83	(556.96)
Interest on lease liability	(8.63)	(5.88)
Principal payment of lease liability	(12.30)	(12.36)
Proceeds from issue of equity shares including securities premium	4.38	3,465.68
Dividend paid (including tax thereon)	(30.60)	-
Net cash generated from financing activities (C)	5,748.47	2,902.96
Net increase/(decrease) in cash and cash equivalents (A+B+C)	401.48	(3.11)
Cash and cash equivalents at the beginning of the period	354.71	357.82
Cash and cash equivalents at the end of the period	756.19	354.71

Note:

- i) The Group has presented a consolidated cash flow statement that analyses all cash flows in total - including both continuing and discontinued operations
- ii) The above Statement of Cash Flow has been prepared under the 'Indirect Method' as set out in Ind AS 7 on 'Statement of Cash Flows'



Notes :

- 1] The consolidated audited financial results for the quarter and year ended 31 March 2023 ("the financial results") of Poonawalla Fincorp Limited ("the Company"), its subsidiary (collectively referred as 'the group') and its joint ventures have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended). 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 year ended 31 March 2023 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on 26 April 2023.
- 3] The financial results for the year ended 31 March 2023 have been audited 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 as amended ("Listing Regulations"). The statutory auditors have expressed an unmodified opinion on these financial results for the year ended 31 March 2023.
- 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 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 and 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. Company's investment in Poonawalla Housing Finance Limited has been classified as assets held for sale as per Ind AS 105 and disclosed as discontinued operations in the financial results.
- 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 year ended 31 March 2023, the Company has allotted 3,024,053 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. The Group has aligned the classification of Gross Stage 3 assets under Ind AS with the regulatory norms with effect from the quarter ended 30 September 2022.
- 10] During the year ended 31 March 2023, the Company has issued Commercial Paper listed on the 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 year ended 31 March 2023, 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 ₹ 238.39 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] 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.
- 13] The Company, as per regulation 20 of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with Chapter XII of SEBI Operation circular dated August 10, 2021, as amended from time to time, and the definitions therein, is a Large Corporate and hence is required to disclose the information about its borrowings which will be filed with financial results.
- 14] The Board of Directors has recommended a final dividend of 100% i.e. ₹ 2 per equity share of ₹ 2 for the financial year 2022-23 in their meeting held on 26th April 2023 which is subject to approval of the shareholders at the ensuing general meeting.
- 15] 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 ("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 approved by shareholders on 22 January 2023 and is subject to requisite regulatory approvals.

The Company has done accounting and classification of such investments in line with the requirements of Ind AS 105 "Non-current assets Held for Sale".

Brief details of results of discontinued operations are given as under -

(₹ in crores)

Particulars	Quarter Ended			Year Ended	Year Ended
	31 March 2023	31 December 2022	31 March 2022	31 March 2023	31 March 2022
	Refer Note 17	(Unaudited)	Refer Note 17	(Audited)	(Audited)
1. Revenue from Operations	194.53	199.30	128.42	703.62	464.37
2. Other Income	5.61	0.52	1.83	12.43	5.78
3. Total income	200.14	199.82	130.25	716.05	470.15
4. Total Expenses	175.22	154.26	93.97	561.86	368.99
5. Profit before tax from discontinued operations	24.92	45.56	36.28	154.19	101.16
6. Tax expenses	6.74	11.36	7.19	38.97	23.77
7. Profit after tax from discontinued operations	18.18	34.20	29.09	115.22	77.39
8. Other comprehensive income from discontinued operations	(0.05)	(0.08)	5.51	0.14	5.77
9. Total comprehensive income from discontinued operations	18.13	34.12	34.60	115.36	83.16



16] Audited Financial Results of Poonawalla Fincorp Limited (Standalone Information): (₹ in crores)

Particulars	Quarter Ended			Year Ended	
	31 March 2023	31 December 2022	31 March 2022	31 March 2023	31 March 2022
	Refer Note 17	(Unaudited)	Refer Note 17	(Audited)	(Audited)
1. Total income	581.15	519.31	398.29	2,010.03	1,567.08
2. Profit before exceptional items and tax	236.29	201.01	116.53	745.36	384.57
3. Exceptional items	0.36	-	-	21.21	-
4. Profit before tax	236.65	201.01	116.53	766.57	384.57
5. Profit for the period	180.69	150.42	89.12	584.94	293.20
6. Total comprehensive income for the period	180.33	150.39	84.68	586.30	294.84

17] The figures for the quarter ended 31 March 2023 and 31 March 2022 are the balancing figures 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)

Abhay

Abhay Bhutada
Managing Director
DIN No : 03330542

Place : Pune
Dated : 26 April 2023

Registered Office : 201 and 202, 2nd Floor, AP81, Koregaon Park Annex, 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 of Standalone Audited Financial Results for the Quarter and Year Ended 31 March 2023

		(₹ in crores)					
Particulars	Quarter Ended			Year Ended			
	31 March 2023	31 December 2022	31 March 2022	31 March 2023	31 March 2022		
	Refer Note 20	(Unaudited)	Refer Note 20	(Audited)	(Audited)		
1. Revenue							
(a) Interest income	552.93	460.48	360.22	1,816.94	1,458.56		
(b) Rental income	7.44	7.32	6.71	27.72	26.44		
(c) Fees and commission income	15.39	16.22	15.51	61.54	48.55		
(d) Net gain on fair value changes	1.41	0.71	0.47	4.45	2.67		
(e) Net gain on derecognition of financial instruments	-	16.64	-	29.68	-		
Total revenue from operations	577.17	501.37	382.91	1,940.33	1,536.22		
(a) Other income	3.98	17.94	15.38	69.70	30.86		
Total income	581.15	519.31	398.29	2,010.03	1,567.08		
2. Expenses							
(a) Finance costs	173.18	159.29	110.44	595.28	509.29		
(b) Net loss on derecognition of financial instruments	10.04	-	-	10.87	-		
(c) Impairment on financial instruments	(34.70)	(45.24)	(1.37)	(144.53)	68.61		
(d) Employee benefits expense	119.41	129.39	110.15	514.80	409.86		
(e) Depreciation and amortisation expense	19.35	15.82	13.70	61.41	49.49		
(f) Other expenses	57.58	59.04	48.84	226.84	145.26		
Total expenses	344.86	318.30	281.76	1,264.67	1,182.51		
3. Profit before exceptional items and tax (1-2)	236.29	201.01	116.53	745.36	384.57		
4. Exceptional items (net) (Note 11)	0.36	-	-	21.21	-		
5. Profit before tax from operations (3+4)	236.65	201.01	116.53	766.57	384.57		
6. Tax expense							
(a) Current tax - current year	(25.10)	(0.81)	-	24.18	-		
- earlier years	-	-	0.51	-	(2.27)		
(b) Deferred tax charge	81.06	51.40	26.90	157.45	93.64		
Total tax expense	55.96	50.59	27.41	181.63	91.37		
7. Profit after tax for the period / year (5-6)	180.69	150.42	89.12	584.94	293.20		
8. Other comprehensive income							
(a) (i) Items that will not be reclassified to profit and loss							
Remeasurements of the defined benefit plans	(0.37)	(0.36)	0.28	2.17	(0.02)		
(ii) Income tax relating to items that will not be reclassified to profit and loss	0.09	0.09	(0.07)	(0.55)	0.01		
(b) (i) Items that will be reclassified to profit and loss							
Financial Instruments through other comprehensive income	(0.11)	0.32	(6.22)	(0.35)	2.21		
(ii) Income tax relating to items that will be reclassified to profit and loss	0.03	(0.08)	1.57	0.09	(0.56)		
Total other comprehensive income (Net of tax)	(0.36)	(0.03)	(4.44)	1.36	1.64		
9. Total comprehensive income for the period / year (7+8)	180.33	150.39	84.68	586.30	294.84		
10. Paid-up equity share capital (Face value of ₹ 2/- each)	153.59	153.02	152.99	153.59	152.99		
11. Earnings per share (not annualised)							
(a) Basic (in ₹)	2.36	1.97	1.17	7.64	4.09		
(b) Diluted (in ₹)	2.33	1.94	1.15	7.57	4.04		

See accompanying notes to the financial results





POONAWALLA FINCORP LIMITED
(FORMERLY MAGMA FINCORP LIMITED)

Statement of Standalone Audited Financial Results for the Quarter and Year Ended 31 March 2023

STATEMENT OF STANDALONE ASSETS AND LIABILITIES

Particulars	(₹ in crores)	
	As at	As at
	31 March 2023	31 March 2022
	(Audited)	(Audited)
A. ASSETS		
1. Financial Assets		
Cash and cash equivalents	601.38	335.20
Bank balances other than cash and cash equivalents	56.05	201.96
Receivables		
(i) Trade receivables	18.64	10.18
(ii) Other receivables	2.03	3.85
Loans	15,229.45	10,678.37
Investments	310.91	819.71
Other financial assets	571.28	143.93
	16,789.74	12,193.20
2. Non-Financial Assets		
Current tax assets (net)	114.39	105.41
Deferred tax assets (net)	45.88	203.79
Investment property	0.08	0.08
Property, plant and equipment	117.83	115.31
Intangible assets under development	4.56	0.46
Other intangible assets	14.25	16.69
Right of use assets	75.05	42.32
Other non-financial assets	40.31	23.20
	412.35	507.26
3. Assets held for sale	819.73	109.20
Total Assets	18,021.82	12,809.66
B. LIABILITIES AND EQUITY		
LIABILITIES		
1. Financial Liabilities		
Payables		
Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises enterprises	0.05	2.17
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1.97	10.54
Other Payables		
(i) total outstanding dues of micro enterprises and small enterprises enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Debt securities	950.24	660.30
Borrowings (Other than debt securities)	9,804.07	5,576.69
Subordinated liabilities	365.27	488.82
Lease liabilities	89.58	47.61
Other financial liabilities	287.86	235.02
	11,499.04	7,021.15
2. Non-Financial Liabilities		
Current tax liabilities (net)	0.34	0.36
Provisions	8.26	9.74
Other non-financial liabilities	89.48	63.91
	98.08	74.01
3. EQUITY		
Equity share capital	153.59	152.98
Other equity	6,271.11	5,561.52
Total Equity	6,424.70	5,714.50
Total Liabilities and Equity	18,021.82	12,809.66



Statement of Standalone Audited Financial Results for the Quarter and Year Ended 31 March 2023

STATEMENT OF CASH FLOWS

Particulars	(₹ in crores)	
	Year Ended	Year Ended
	31 March 2023	31 March 2022
	(Audited)	(Audited)
A. Cash flow from operating activities		
Profit for the year	766.57	384.57
Adjustments for :		
Depreciation and amortisation expense	68.66	50.74
Impairment on financial instruments	79.22	68.61
(Gain) on sale of investments	(252.69)	-
Net (gain) on fair value changes	(3.97)	(2.67)
Net (gain) on derecognition of lease	(3.23)	-
Net loss on derecognition of property, plant and equipment	0.61	0.41
Net (gain) on derecognition of financial instruments	(18.81)	-
Expense on employee stock option scheme	150.63	16.56
Interest on lease liabilities	8.63	4.55
Liabilities written back	(34.42)	(3.96)
Operating cash flow before working capital changes	761.20	518.81
Movement in working capital:		
Adjustments for (increase) / decrease in assets:		
Receivables	(6.64)	(1.12)
Loans	(4,641.31)	(2,199.91)
Bank balances other than cash and cash equivalents	145.91	145.31
Other financial assets	(393.56)	8.06
Other non financial assets	(17.11)	8.09
Adjustments for increase / (decrease) in liabilities:		
Payables	(10.69)	(67.92)
Other financial liabilities	96.44	(3.58)
Provisions	0.69	(1.53)
Other non financial liabilities	25.57	(30.11)
Net cash (used in) operating activities before taxes	(4,039.50)	(1,623.90)
Income taxes paid (net of refunds)	(33.18)	(24.79)
Net cash (used in) operating activities (A)	(4,072.68)	(1,648.69)
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(53.41)	(50.10)
Proceeds from sale of property, plant and equipment	12.42	24.17
Purchase of intangible assets	(14.22)	(4.47)
Investment in subsidiary	-	(500.00)
Purchase of Investment	(541.26)	(20.00)
Proceeds from sale of Investments	591.82	25.30
Net cash (used in) investing activities (B)	(4.65)	(525.10)
C. Cash flow from financing activities		
Proceeds from issue of debt securities and subordinated liabilities	500.00	-
Redemption of debt securities and subordinated liabilities	(336.24)	(414.17)
Proceeds from borrowings - term loans	4,600.00	1,875.12
Repayment of borrowings - term loans	(1,470.04)	(778.09)
Repayment of borrowings - pass through certificate	(488.95)	(1,328.13)
Loans repayable on demand (net)	1,579.84	(556.96)
Interest on lease liability	(8.63)	(4.55)
Principal payment of lease liability	(5.76)	(10.37)
Proceeds from issue of equity shares including securities premium	3.89	3,461.05
Dividend paid (including tax thereon)	(30.60)	-
Net cash generated from financing activities (C)	4,343.51	2,243.90
Net increase in cash and cash equivalents (A+B+C)	266.18	70.11
Cash and cash equivalents at the beginning of the year	335.20	265.09
Cash and cash equivalents at the end of the year	601.38	335.20

Note : The above Statement of Cash Flow has been prepared under the 'Indirect Method' as set out in Ind AS 7 on 'Statement of Cash Flows'.





POONAWALLA FINCORP LIMITED
(FORMERLY MAGMA FINCORP LIMITED)

Statement of Standalone Audited Financial Results for the Quarter and Year Ended 31 March 2023

Notes :

- 1] The standalone audited financial results for the quarter and year ended 31 March 2023 ("the financial results") of Poonawalla 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). 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 year ended 31 March 2023 have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meeting held on 26 April 2023.
- 3] The financial results for the year ended 31 March 2023 have been audited 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 as amended ("Listing Regulations"). The statutory auditors have expressed an unmodified opinion on these financial results for the year ended 31 March 2023.
- 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 financial year and accordingly all the previous period figures have been rounded off to the nearest crores.
- 7] During the year ended 31 March 2023, the Company has allotted 3,024,053 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 SEBI 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. The Company has aligned the classification of Gross Stage 3 assets under Ind AS with the regulatory norms with effect from the quarter ended 30 September 2022.
- 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 year ended 31 March 2023, the Company has issued Commercial Paper listed on the 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) of Listing Regulations separately filed with Stock Exchanges.
- 11] During the year ended 31 March 2023, 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 ₹ 252.21 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] 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 approved by shareholders on 22 January 2023 and is subject to requisite regulatory approvals. The Company has done accounting and classification of such investments in line with the requirements of Ind AS 105 "Non-current assets Held for Sale".
- 13] Pursuant to the Regulation 54 of Listing Regulations, 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 March 2023, 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 Listing Regulations 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.





POONAWALLA FINCORP LIMITED
(FORMERLY MAGMA FINCORP LIMITED)

Statement of Standalone Audited Financial Results for the Quarter and Year Ended 31 March 2023

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 year ended 31 March 2023

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 year ended 31 March 2023

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 year ended 31 March 2023

Particulars	To ARCs*	To permitted transferees #
No of accounts	16,100	-
Aggregate principal outstanding of loans transferred	414.64	-
Weighted average residual tenor of the loans transferred (in months)	29	-
Net book value of loans transferred (at the time of transfer)	331.75	-
Aggregate consideration (₹ in crores)	320.88	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-

* In addition to above, during the year, the Company has transferred 32,786 loan accounts for an aggregate consideration of Rs. 147.28 crores. These loan accounts were already written off in the books before such sale transactions.

#In addition to above, during the year, the Company has transferred 3,718 loan accounts for an aggregate consideration of Rs. 6.05 crores. These loan accounts were already written off in the books before such sale transactions.





POONAWALLA FINCORP LIMITED
(FORMERLY MAGMA FINCORP LIMITED)

Statement of Standalone Audited Financial Results for the Quarter and Year Ended 31 March 2023

- 16] To relieve COVID-19 pandemic related stress, the Company has invoked resolution plans for eligible borrowers based on the parameters laid down in accordance with the one-time restructuring policy approved by the Board of Directors of the Company and in accordance with the guidelines issued by the RBI on 5 May 2021 ("the Resolution Plans").
Disclosure on Resolution Framework implemented in terms of RBI circulars RBI/2021-22/31 DOR.STR.REC.11/21.04.048/2021-22 dated 5 May 2021 and RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated 6 August 2020.

Type of borrower	(₹ in crores)				
	(A)	(B)	(C)	(D)	(E)
	(A) Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of 30 September 2022	(B) Of (A), aggregate debt that slipped into NPA during the half-year	(C) Of (A) amount written off during the half-year ^	(D) Of (A) amount paid by the borrowers during the half-year #	(E) Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of 31 March 2023
Personal Loans	-	-	-	-	-
Corporate persons*	-	-	-	-	-
MSMEs	-	-	-	-	-
Others	155.23	5.74	39.72	20.09	89.68
Total	155.23	5.74	39.72	20.09	89.68

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

^ Includes NPA sale.

Includes interest accrued during the period.

- 17] 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.
- 18] The Company, as per regulation 20 of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with Chapter XII of SEBI Operation circular dated August 10, 2021, as amended from time to time, and the definitions therein, is a Large Corporate and hence is required to disclose the information about its borrowings which will be filed with financial results.
- 19] The Board of Directors has recommended a final dividend of 100 % i.e. ₹ 2 per equity share of ₹ 2 for the financial year 2022-23 in their meeting held on 26 April 2023 which is subject to approval of the shareholders at the ensuing general meeting.
- 20] The figures for the quarter ended 31 March 2023 and 31 March 2022 are the balancing figures 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)

Abhay Bhutada
Managing Director
DIN No.: 03330542

Place : Pune
Dated : 26 April 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