



**POONAWALLA HOUSING FINANCE LIMITED**  
(Formerly, Magma Housing Finance Limited)

(Originally incorporated as **GE Money Housing Finance Public Unlimited Company** on April 21, 2004 in New Delhi. On June 18, 2004, the name of the Issuer was changed to **GE Money Housing Finance** (a public company with unlimited liability), which was subsequently changed to **Magma Housing Finance** (a public company with unlimited liability) with effect from March 22, 2013. Subsequently, the name of the Issuer was changed to **Magma Housing Finance Limited** (a company limited by shares) with effect from April 7, 2017, and the Issuer is now renamed as **Poonawalla Housing Finance Limited** with effect from July 22, 2021. The board of directors of Poonawalla Fincorp Limited (formerly Magma Fincorp Limited) ("PFL"), the holding company of the Issuer at their meeting held on December 14, 2022 had accorded their consent to the transaction for the divestment by way of sale of equity shares of the entire stake held by PFL in the Issuer to Perseus SG Pte. Ltd., an entity affiliated with TPG ("Perseus") ("Proposed Transaction"). In view of the same, the Board of the Issuer at their meeting held on December 14, 2022 had taken note of the Proposed Transaction and executed a share purchase agreement amongst PFL, Perseus and the Issuer on December 14, 2022, for the proposed sale of controlling stake i.e. 99.02% by PFL at total equity value of Rs. 3,900 Crores, subject to regulatory approvals and satisfaction of other customary conditions. Subsequently, the Issuer filed an application with the RBI seeking the requisite prior approvals for the transfer of shareholding of the Issuer, together with the acquisition of control of the Issuer and change in the composition of the Board of the Issuer pursuant to Chapter VIII (Acquisition/Transfer of Control) of the RBI HFC Master Directions. The RBI has granted approval for the change in shareholding on May 30, 2023. Consequently, the Issuer is currently in the final phase of consummating the Proposed Transaction, subject to the completion of certain regulatory and compliance requirements. The Issuer is a housing finance company, in accordance with the Reserve Bank of India, Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, as amended ("RBI HFC Master Directions").

Corporate Identification Number: U65922PN2004PLC208751  
Reserve Bank of India Registration Number: DOR-00155, dated August 2, 2021

Permanent Account Number: AACCG2265N

Date and Place of Incorporation: April 21, 2004, New Delhi.

Registered Office and Corporate Office: 602, 6<sup>th</sup> Floor, Zero One IT Park, Survey No. 79/1, Ghorapadi, Mundhwa Road, Pune – 411036.  
Telephone: (+91 20) 6780 8091. E-mail: [treasury@poonawallahousing.com](mailto:treasury@poonawallahousing.com). Website: [www.poonawallahousing.com](http://www.poonawallahousing.com). Contact Person: Mr. Rakesh Asawa  
Compliance Officer and Company Secretary: Ms. Vaishnavi Suratwala. Telephone: (+91 20) 6780 8091. E-mail: [vaishnavi.suratwala@poonawallahousing.com](mailto:vaishnavi.suratwala@poonawallahousing.com)  
Chief Financial Officer: Mr. Pankaj Rath. Telephone: (+91 20) 6780 8091. E-mail: [pankaj.rathi@poonawallahousing.com](mailto:pankaj.rathi@poonawallahousing.com)  
Promoter: Poonawalla Fincorp Limited. Telephone: (+91 20) 6780 8090. E-mail: [shabnum.zaman@poonawallahincorp.com](mailto:shabnum.zaman@poonawallahincorp.com)

Private Placement of: (I) 20,000 (Twenty Thousand) secured, rated, listed, redeemable, non-convertible debentures of a face value of Rs. 1,00,000 each for cash at par, aggregating to Rs. 200 Crore (Rupees Two Hundred Crores) ("Series I Debentures"); and (II) 15,000 (Fifteen Thousand) secured, rated, listed, redeemable, non-convertible debentures of face value of Rs. 1,00,000 (Rupees One Lakh) each for cash at par, with a base issue size of Rs. 100 Crore (Rupees One Hundred Crore) ("Series II Base Issue"), and a green shoe option of Rs. 50 Crore (Rupees Fifty Crore), aggregating to Rs. 150 Crore (Rupees One Hundred and Fifty Crore) ("Series II Debentures") by Poonawalla Housing Finance Limited ("Issuer"). The Series I Debentures and the Series II Debentures are each, the "Debentures" or "Series of Debentures". The issue of the Series I Debentures and the Series II Debentures are collectively, the "Issue". 30% (Thirty Percent) of the Series I Debentures and 30% (Thirty Percent) of the Series II Base Issue are reserved for the anchor investor as set out in Annexure I (Issue Details) of this Placement Memorandum.

This "Placement Memorandum" is prepared in conformity with the requirements under the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the RBI HFC Master Directions, the Companies Act, 2013 read with the Companies (Prospectus and Allotment Of Securities) Rules, 2014, as amended from time to time.

**GENERAL RISKS:** For taking an investment decision, investors must rely on their own examination of the Issue and the Placement Memorandum including the risks involved. The Issue has not been recommended or approved by Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of this Placement Memorandum. Investment in non-convertible securities involve a degree of risk and Investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Eligible Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, Eligible Investors must rely on their examination of the Issue including the risks involved in it. Specific attention of Investors is invited to Chapter 4 (*Risk Factors*) of the Placement Memorandum for details in respect of risks relating to the Issue of Debentures. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or the Eligible Investor's decision to purchase such securities.

**ISSUER'S ABSOLUTE RESPONSIBILITY:** The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Placement Memorandum contains all information with regard to the Issuer and the Issue, which is material in the context of the Issue, that the information contained in this Placement Memorandum is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

**ELECTRONIC BOOK PROVIDER PLATFORM:** This Placement Memorandum is neither a prospectus nor a statement in lieu of a prospectus, and neither is it an offer and invitation under Section 42 of the Companies Act 2013. The Draft Placement Memorandum was uploaded on the electronic book provider platform of the BSE Limited ("BSE"). An offer was made to successful Investors acceptable to the Issuer who were issued a serially numbered and specifically addressed Private Placement Offer Letters and Application Forms after completion of the electronic bidding.

**ELIGIBLE INVESTORS:** All qualified institutional buyers (as defined under Regulation 2(1)(ss) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, and specific non-qualified institutional buyers mapped by the Issuer to the BSE EBP Platform.

**CREDIT RATING:** The Debentures proposed to be issued by the Issuer have been rated "AAA" (RWN) by Care Ratings Limited ("Care Ratings"). Instruments with this rating are considered to have highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk. The above rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by Care Ratings and should be evaluated independently of any other ratings. Care Ratings has the right to suspend, withdraw the rating at any time on the basis of new information, etc. Please refer to Annexure IV of this Placement Memorandum for the rating letter, press release and rating rationale assigning the credit rating issued by Care Ratings.

Link to Care Ratings press release: [https://www.careratings.com/upload/CompanyFiles/PR/23122022073030\\_Poonawalla\\_Housing\\_Finance\\_Limited.pdf](https://www.careratings.com/upload/CompanyFiles/PR/23122022073030_Poonawalla_Housing_Finance_Limited.pdf)

Details of underwriting of the Issue: Not Applicable

**LISTING:** The Series I Debentures and the Series II Debentures are proposed to be listed on the debt market segment of the BSE. This Issue does not form part of non-equity regulatory capital mentioned under Chapter V of SEBI NCS Regulations, 2021. The face value of each Debenture shall be Rs. 1,00,000 (Rupees One Lakh).

SERIES	COUPON / INTEREST RATE	COUPON / INTEREST PAYMENT FREQUENCY	REDEMPTION DATE	REDEMPTION AMOUNT	
PHFL16062023SERIESI	8.65%	First coupon/interest payment shall be after 12 months from the Deemed Date of Allotment and last coupon/interest payment shall be on the Series I Final Redemption Date	25% of Series I Debentures	March 16, 2025	
			50% of Series I Debentures	June 16, 2025	
			25% of Series I Debentures	September 16, 2025	
PHFL16062023SERIESII	8.50%	First coupon/interest payment shall be after 12 months from the Deemed Date of Allotment and last coupon/interest payment shall be on Series II Redemption Date	September 16, 2024	Rs. 1,00,000	
DEBENTURE TRUSTEE	REGISTRAR TO THE ISSUE	CREDIT RATING AGENCY			
CATALYST TRUSTEESHIP LIMITED	LINK INTIME INDIA PVT. LTD.	CARE RATINGS LIMITED			
GDA House, 94/95, Plot No.85, Bhusari Colony (Right), Paud Road, Pune - 411038. Contact Person: Mr. Umesh Salvi Telephone: +91 22 4922 0505 Website: <a href="http://www.catalysttrustee.com">www.catalysttrustee.com</a> Email: <a href="mailto:ComplianceCTL-Mumbai@ctltrustee.com">ComplianceCTL-Mumbai@ctltrustee.com</a> SEBI Registration No.: IND000000034	C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083 Telephone: +91 22 4918 6000 Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> Email: <a href="mailto:Debtca@linkintime.co.in">Debtca@linkintime.co.in</a> SEBI Registration No.: INR0000004058	4 <sup>th</sup> Floor, Godrej Coliseum, Sion, Mumbai - 22 Telephone: +91 22 6754 3456 Website: <a href="http://www.careratings.com">www.careratings.com</a> Email: <a href="mailto:Care@Careedge.in">Care@Careedge.in</a> Website: <a href="http://www.careedge.in">www.careedge.in</a> SEBI Registration No.: IN/CRA/004/1999			
ISSUE SCHEDULE					
ISSUE/ BID OPENING DATE	ISSUE/ BID CLOSING DATE	PAY IN DATE	DEEMED DATE OF ALLOTMENT		
June 15, 2023	June 15, 2023	June 16, 2023	June 16, 2023		

The Issuer reserves the right to change the Issue schedule including the Deemed Date of Allotment (as defined hereinafter) at its sole discretion in accordance with the timelines specified in the SEBI Operational Circular, without giving any reasons or prior notice.



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**CHAPTER 1**  
**DEFINITIONS AND ABBREVIATIONS**

Unless the context otherwise indicates or requires, the following terms shall have the meanings given below in this Placement Memorandum.

Accounting Standards	Ind AS or GAAP or such other accounting principles that are required to be followed by a company incorporated in India under Applicable Law.
Allot/Allotment/Allotted	The allotment of the Debenture pursuant to this Issue.
Application Form	The form used by the recipient of the Private Placement Offer Letter, to apply for subscription to the Debentures.
Applicant or Investor or Eligible Investor	An eligible investor who subscribes to the Debentures pursuant to the terms of the Placement Memorandum, the Private Placement Offer Letter and Application Form.
Act or Companies Act or Companies Act, 2013	The Companies Act, 2013, and shall include any re-enactment, amendment or modification, as in effect from time to time and shall include the rules made thereunder.
Applicable Law	Means any statute, law, regulation, notification, ordinance, rule, judgement, rule of law, order, decree, government resolution, clearance, approval, directive, guideline, policy, requirement, or other governmental restriction or any similar form of decision, or determination by, or any interpretation or administration of any of the foregoing by, any statutory or governmental or regulatory authority including without limitation stock exchanges, having jurisdiction over the matter in question, whether in effect as of the date of the Debenture Trust Deed or thereafter and in each case as amended.
Articles or Articles of Association or AoA	Articles of association of the Issuer as amended from time to time.
Business Day	A ‘working day’ as defined under the NCS Regulations and shall refer to a day when commercial banks are open for business in Mumbai.  Explanation: For the purpose of this definition, in respect of: <ul style="list-style-type: none"><li>• <i>Announcement of bid/issue period:</i> ‘Business Day’ shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the city as notified in the Placement Memorandum are open for business;</li><li>• <i>Time period between the Issue Closing Date and the listing of the Debentures on the Stock Exchange:</i> ‘Business Day’ shall mean all trading days of the Stock Exchange for non-convertible securities, excluding Saturdays, Sundays and bank holidays, as specified by the SEBI.</li></ul>
Beneficial Owner	Means the Debenture Holder(s) of the Debentures in dematerialised form whose name is recorded as such with the Depository.
Board / Board of Directors	The board of directors of the Issuer includes any Committee thereof.
BSE	BSE Limited.
BSE EBP Platform	The electronic book provider platform of the BSE.
BSE EBP Guidelines	The “Operational Guidelines for issuance of Securities on Private Placement basis through an Electronic Book Mechanism” issued by BSE vide their notice number 20221228-1 dated December 28, 2022.
Capital Adequacy Ratio	The capital adequacy ratio prescribed by the RBI for Housing Finance Companies from time to time, currently being the aggregate of Tier I Capital and Tier II Capital divided by Risk Weighted Assets.
CDSL	Central Depository Services (India) Limited.
CEO	The Chief Executive Officer referred to in sub-section (18) of Section 2 of the Companies Act.
CIN	Corporate Identification Number.
Crore	An amount of Rs. 1,00,00,000.
Debentures or Series of Debentures	The Series I Debentures or the Series II Debentures, as the case may be.
Debenture Holder(s) / Investor(s)	The Series I Debenture Holder(s) or the Series II Debenture Holder(s), as the case may be.
Deemed Date of Allotment	The Deemed Date of Allotment of the Debentures shall be as mentioned under Annexure I of this Placement Memorandum.
Debenture Obligations	Series I Debenture Obligations or Series II Debenture Obligations, as the case may be
Debenture Trustee	Catalyst Trusteeship Limited.

Debenture Trustee Agreement	Agreement to be executed on or around June 12, 2023, by and between the Debenture Trustee and the Issuer for the purposes of appointment of the Debenture Trustee to act as debenture trustee in connection with the issuance of the Debentures.
Debenture Trust Deed	The Series I Debenture Trust Deed, the Series II Debenture Trust Deed, or both, as the case may be.
Deed of Hypothecation	The Series I Deed of Hypothecation, the Series II Deed of Hypothecation, or both, as the case may be.
DD	Due Diligence.
Demat	Dematerialized securities which are securities that are in electronic form, and not in physical form, with the entries noted by the Depository.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depository	CDSL or NSDL, each a depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time.
Depository Participant / DP	A depository participant as defined under the Depositories Act.
Director(s)	Director(s) of the Issuer.
DP ID	Depository Participant Identification Number.
DRR	Debenture Redemption Reserve.
Draft Placement Memorandum	The Draft Placement Memorandum dated on or around June 13, 2023, to be uploaded on the electronic book platform of the BSE.
Due Date	Any date on which the Debenture Holder(s) are entitled to any payments in relation to the Debentures, whether for redemption, redemption premium, if any or towards Interest, as provided in Annexure I of this Placement Memorandum.
Early Redemption Event	As provided in Annexure I of this Placement Memorandum
EBP	Electronic Bidding Platform.
EFT	Electronic Fund Transfer.
Events of Default	The Events of Default as set out in Annexure I of this Placement Memorandum.
Financial Year/ FY	Twelve months period commencing from April 1 of a particular calendar year and ending on March 31 of the subsequent calendar year.
Final Settlement Date	The Series I Final Settlement Date or Series II Final Settlement Date
GAAP	Generally Accepted Accounting Principles prescribed by the Institute of Chartered Accountants of India from time to time and consistently applied by the Issuer.
Governmental Authority	Includes the president of India, the government of India, governor or the government of any state in India or any ministry, department, board, authority, instrumentality, agency, corporation or commission semi-governmental or judicial or quasi-judicial or administrative entity, any self-regulatory organization, under the direct or indirect control of the government of India.
GoI or Government	Government of India.
HFCs	Housing Finance Companies.
Interest	The Series I Interest or the Series II Interest, as the case may be.
Interest Payment Date	A Series I Interest Payment Date or the Series II Interest Payment Date, as the case may be.
Issue	The issue of Debentures for cash
Issuer / PHFL	Poonawalla Housing Finance Limited
ISIN	International Securities Identification Number
Lakh	An amount of Rs.1,00,000.
Key Managerial Personnel	Key Managerial Personnel, in relation to the Issuer, shall mean: <ul style="list-style-type: none"> <li>• Managing Director and CEO;</li> <li>• Company Secretary;</li> <li>• Chief Financial Officer; and</li> </ul> any such other officer as may be prescribed under the Companies Act from time to time.
Majority Debenture Holder(s)	The Series I Majority Debenture Holder(s) or the Series II Majority Debenture Holder(s), as the case may be.
Managing Director	The Managing Director as referred to in sub-section (54) of Section 2 of the Companies Act.
Memorandum or Memorandum of Association	Memorandum of Association of the Issuer as originally framed or as altered from time to time in pursuance of the Companies Act.
MSME	Micro, Small and Medium Enterprises
N.A.	Not Applicable
NBFC	Non-banking financial companies registered with the RBI.

NCS Regulations	Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended read with Operation Circular dated August 10, 2021, bearing reference no. SEBI/HO/DDHS/P/CIR/2021/613, as amended from time to time.
NEFT	National electronic funds transfer.
Non-Performing Assets / NPA	The aggregate of all loans, bonds and other credit facilities provided by the Issuer where one or more repayment instalments are overdue by 90 days or more
NSDL	National Securities Depository Limited.
NHB	National Housing Bank
PAN	Permanent Account Number
PAS Rules	Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.
Placement Memorandum	The final Placement Memorandum dated June 15, 2023, listed on the debt market segment of the BSE.
Principal Amount	On any particular date, the principal amount of the outstanding Debentures on such date.
Private Placement Offer Letter	The private placement offer letter prepared in compliance with Section 42 of the Companies Act, 2013, read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, with respect to the Issue.
Proposed Transaction or Permitted Action	As provided in Annexure I of this Placement Memorandum.
Promoter	A promoter as referred to in sub-section (69) of Section 2 of the Companies Act.
QIB	<p>Qualified institutional buyers (as defined under Regulation 2(1)(ss) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, which comprises of the following investors:</p> <ul style="list-style-type: none"> <li>• a mutual fund, venture capital fund, alternative investment fund and foreign venture capital investor registered with the SEBI;</li> <li>• foreign portfolio investor other than individuals, corporate bodies and family offices;</li> <li>• a public financial institution;</li> <li>• a scheduled commercial bank;</li> <li>• a multilateral and bilateral development financial institution;</li> <li>• a state industrial development corporation;</li> <li>• an insurance company registered with the Insurance Regulatory and Development Authority of India;</li> <li>• a provident fund with minimum corpus of Rs. 25 Crore;</li> <li>• a pension fund with minimum corpus of Rs. 25 Crore;</li> <li>• National Investment Fund set up by resolution no. F.No.2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India;</li> <li>• insurance funds set up and managed by army, navy or air force of the Union of India;</li> <li>• insurance funds set up and managed by the Department of Posts, India; and</li> <li>• systemically important NBFCs registered with RBI.</li> </ul>
RBI	Reserve Bank of India
RBI HFC Master Directions	Reserve Bank of India, Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, as amended
Rating Agency	Care Ratings Limited being a credit rating agency registered with SEBI pursuant to SEBI (Credit Rating Agencies) Regulations 1999, as amended.
Record Date	Any Series I Record Date or Series II Record Date, as the case may be.
REF	Recovery expense fund created by the Issuer in the manner as specified by the SEBI from time to time
R&T Agent or Registrar and Transfer Agent	Registrar and Transfer Agent to the Issue, in this case being Link Intime India Pvt. Ltd.
Register of Debenture Holders	Each of the registers maintained containing the name of Debenture Holders entitled to receive the Interest or Redemption Amount in respect of the Series I Debentures and the Series II Debentures on the Record Date and whose name appears in the list of Debenture Holders in respect of the Series I Debentures and the Series II Debentures appearing in the record of Beneficial Owners maintained by the Depository as the Debentures are issued in demat form only and if any Debentures are subsequently rematerialized, the register maintained by the Issuer of the names of Debenture Holders in respect of the Series I Debentures and the Series II Debentures, as the case may be, entitled to receive the Interest or Redemption Amounts on the Record Date, maintained at the registered office of the Issuer under the Companies Act.
Receivables	The receivables as defined under the Debenture Trust Deeds.
Redemption Amount	Any Series I Redemption Amount or Series II Redemption Amount

Redemption Date	Any Series I Redemption Date or Series II Redemption Date
Risk Weighted Assets	Shall be calculated as per the method prescribed in the RBI HFC Master Directions
RoC	Registrar of Companies
Rs. / INR	Indian National Rupee
RTGS	Real Time Gross Settlement
SARFAESI	The Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 (as amended from time to time)
SEBI LODR	SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended
SEBI Operational Circular	SEBI circular on “Operational Circular for issue and listing of Non-convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper”, dated August 10, 2021, as amended
Security	The Series I Security or Series II Security, as the case may be
Series I Debentures	20,000 (Twenty Thousand) secured, rated, listed, redeemable, non-convertible debentures of a face value of Rs. 1,00,000 each for cash at par, aggregating to Rs. 200 Crore (Rupees Two Hundred Crores).
Series I Debenture Holder(s)	As provided in Annexure I of this Placement Memorandum
Series I Majority Debenture Holder(s)	As provided in Annexure I of this Placement Memorandum
Series I Debenture Obligations	As provided in Annexure I of this Placement Memorandum
Series I Debenture Trust Deed	The debenture trust deed to be executed on or around June 15, 2023, by and between the Debenture Trustee and the Issuer, which will set out the terms upon which the Series I Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer, and as amended from time to time.
Series I Deed of Hypothecation	The unattested deed of hypothecation to be executed on or around June 15, 2023, by and between the Issuer and the Debenture Trustee, and as amended from time to time.
Series I Default Interest	As provided in Annexure I of this Placement Memorandum
Series I Final Redemption Date	As provided in Annexure I of this Placement Memorandum
Series I Final Settlement Date	As provided in Annexure I of this Placement Memorandum
Series I Hypothecated Assets	As provided in Annexure I of this Placement Memorandum
Series I Interest	As provided in Annexure I of this Placement Memorandum
Series I Interest Payment Date	As provided in Annexure I of this Placement Memorandum
Series I Interest Rate	As provided in Annexure I of this Placement Memorandum
Series I Record Date	The day falling 15 (Fifteen) calendar days prior to such date on which any payments are scheduled to be made by the Issuer to the Series I Debenture Holder(s) in terms of the Series I Debenture Trust Deed, Placement Memorandum and the Private Placement Offer Letter (including the Series I Interest Payment Date and the Series I Redemption Dates) for the Series I Debentures. In the event the Series I Record Date falls on a day, which is not a Business Day, in such case the immediately succeeding Business Day shall be considered as Series I Record Date
Series I Redemption Amount	As provided in Annexure I of this Placement Memorandum
Series I Redemption Date	As provided in Annexure I of this Placement Memorandum
Series I Required Security Cover	As provided in Annexure I of this Placement Memorandum
Series I Security	As provided in Annexure I of this Placement Memorandum
Series I Tenor	As provided in Annexure I of this Placement Memorandum
Series I Transaction Documents	The documents executed or to be executed in relation to the issuance of the Series I Debentures as more particularly set out under Chapter 15 of this Placement Memorandum.
Series II Debentures	15,000 (Fifteen Thousand) secured, rated, listed, redeemable, non-convertible debentures of face value of Rs. 1,00,000 (Rupees One Lakh) each for cash at par, with a base issue size of Rs. 100 Crore (Rupees One Hundred Crore), and a green shoe option of Rs. 50 Crore (Rupees Fifty Crore), aggregating to Rs. 150 Crore (Rupees One Hundred and Fifty Crore).

Series II Debenture Holder(s)	As provided in Annexure I of this Placement Memorandum
Series II Majority Debenture Holder(s)	As provided in Annexure I of this Placement Memorandum
Series II Debenture Obligations	As provided in Annexure I of this Placement Memorandum
Series II Debenture Trust Deed	The debenture trust deed to be executed on or around June 15, 2023, by and between the Debenture Trustee and the Issuer, which will set out the terms upon which the Series II Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer, and as amended from time to time.
Series II Deed of Hypothecation	The unattested deed of hypothecation to be executed on or around June 15, 2023, by and between the Issuer and the Debenture Trustee, and as amended from time to time.
Series II Default Interest	As provided in Annexure I of this Placement Memorandum
Series II Final Settlement Date	As provided in Annexure I of this Placement Memorandum
Series II Hypothecated Assets	As provided in Annexure I of this Placement Memorandum
Series II Interest	As provided in Annexure I of this Placement Memorandum
Series II Interest Rate	As provided in Annexure I of this Placement Memorandum
Series II Interest Payment Date	As provided in Annexure I of this Placement Memorandum
Series II Redemption Amount	As provided in Annexure I of this Placement Memorandum
Series II Record Date	The day falling 15 (Fifteen) calendar days prior to such date on which any payments are scheduled to be made by the Issuer to the Series II Debenture Holder(s) in terms of the Series II Debenture Trust Deed, Placement Memorandum and the Private Placement Offer Letter (including the Series II Interest Payment Date and the Series II Redemption Dates) for the Series II Debentures. In the event the Series II Record Date falls on a day, which is not a Business Day, in such case the immediately succeeding Business Day shall be considered as Series II Record Date
Series II Redemption Date	As provided in Annexure I of this Placement Memorandum
Series II Required Security Cover	As provided in Annexure I of this Placement Memorandum
Series II Security	As provided in Annexure I of this Placement Memorandum
Series II Tenor	As provided in Annexure I of this Placement Memorandum
Series II Transaction Documents	The documents executed or to be executed in relation to the issuance of the Series II Debentures as more particularly set out under Chapter 15 of this Placement Memorandum.
Stock Exchange	BSE Limited (BSE)
TDS	Tax Deducted at Source
Tax	Any present or future tax, levy, duty, charge, fees, turnover tax, transaction tax, stamp tax or other charge of a similar nature (including any penalty or interest payable on account of any failure to pay or delay in paying the same), now or hereafter imposed by law by any Governmental Authority and as may be applicable in relation to the payment obligations of the Issuer under the Transaction Documents.
Transaction Documents	The Series I Transaction Documents or Series II Transaction Documents as more particularly set out under Chapter 15 of this Placement Memorandum.
“We”, “Us” and “Our”	Unless the context otherwise requires, the Issuer

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## **CHAPTER 2** **DISCLAIMERS**

Each recipient of this Placement Memorandum acknowledges that it has been afforded an opportunity to request and to review and has received all additional information considered by the recipient to be necessary to verify the accuracy of or to supplement the information contained herein.

### **ISSUER'S DISCLAIMER**

This Placement Memorandum is neither a prospectus nor a statement in lieu of a prospectus and should not be construed to be a prospectus or a statement in lieu of a prospectus under the Companies Act, 2013 as amended from time to time. The issue of the Debentures to be listed on the debt market segment of the BSE is being made strictly on a private placement basis. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such.

This Placement Memorandum does not constitute and shall not be deemed to constitute an offer or invitation to subscribe to the Debentures to the public in general. An offer or invitation to subscribe to the Debentures was made to Investors specifically identified by the Issuer pursuant to a serially numbered and specifically addressed Private Placement Offer Letter.

This Placement Memorandum has been prepared in conformity with the Companies Act, PAS Rules, NCS Regulations and applicable NHB regulations governing private placements of Debentures by HFCs. This Placement Memorandum has been prepared solely to provide general information about the Issuer to Eligible Investors to whom it is addressed and who are willing and eligible to subscribe to the Debentures. This Placement Memorandum does not purport to contain all the information that any Eligible Investor may require. Further, this Placement Memorandum has been prepared for informational purposes relating to this transaction only and upon the express understanding that it will be used only for the purposes set forth herein.

Neither this Placement Memorandum nor any other information supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation and any recipient of this Placement Memorandum should not consider such receipt as a recommendation to subscribe to any Debentures. Each potential Investor contemplating subscription to any Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer and should be experienced in investing in debt markets and able to bear the economic risk of investing in Debentures. Potential Investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyse such investment and the suitability of such investment to such potential Investor's particular circumstances.

The Issuer confirms that, as of the date hereof, this Placement Memorandum (including the documents incorporated by reference herein, if any) contains all the information that is material in the context of the Issue and regulatory requirements in relation to the Issue and is accurate in all such material respects. No person has been authorized to give any information or to make any representation not contained or incorporated by reference in this Placement Memorandum or in any material made available by the Issuer to any potential Investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer. The Issuer certifies that the disclosures made in this Placement Memorandum are adequate and in conformity with the NCS Regulations and the PAS Rules. Further, the Issuer accepts no responsibility for statements made otherwise than in the Placement Memorandum or any other material issued by or at the instance of the Issuer and anyone placing reliance on any source of information other than this Placement Memorandum would be doing so at its own risk.

All Investors are required to comply with the relevant regulations / guidelines applicable to them for investing in this Issue. The contents of this Placement Memorandum are intended to be used only by those Investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by the recipient.

The person who is in receipt of this Placement Memorandum shall not reproduce or distribute in whole or in part or make any announcement in public or to a third party regarding the contents hereof without the consent of the Issuer. The recipient agrees to keep confidential all information provided (or made available hereafter), including, without limitation, the existence and terms of the Issue, any specific pricing information related to the Issue or the amount or terms of any fees payable to us or other parties in connection with the Issue. This Placement Memorandum may not be photocopied, reproduced, or distributed to others at any time without the prior written consent of the Issuer. Upon request, the recipients will promptly return all material received from the Issuer (including the Placement Memorandum and Private Placement Offer Letter) without retaining any copies hereof.

The Issuer does not undertake to update the Placement Memorandum to reflect subsequent events after the date of the Placement Memorandum and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy

with the Issuer. The Issuer accepts no responsibility for statements made in any advertisement or other material, and anyone placing reliance on any other source of information does so at his own risk and responsibility.

It is the responsibility of prospective Eligible Investors to have obtained all consents, approvals or authorizations required by them to make an offer to subscribe for, and purchase the Debentures.

Neither the delivery of this Placement Memorandum nor any sale of Debentures made hereafter shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof.

This Placement Memorandum does not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. No action is being taken to permit an offering of the Debentures or the distribution of this Placement Memorandum in any jurisdiction where such action is required. Persons into whose possession this Placement Memorandum comes are required to inform them of, and to observe, any such restrictions. The Placement Memorandum is made available to potential Investors in the Issue on the strict understanding that it is confidential.

#### **DISCLAIMER OF THE SEBI**

As per the provisions of the NCS Regulations, it is not stipulated that a copy of this Placement Memorandum has to be filed with or submitted to the SEBI for its review / approval. It is to be distinctly understood that this Placement Memorandum should not in any way be deemed or construed to have been approved or vetted by SEBI and that this Issue is not recommended or approved by SEBI. Further, the SEBI does not take any responsibility either for the financial soundness of any proposal for which the Debentures issued thereof is proposed to be made or for the correctness of the statements made or opinions expressed in this Placement Memorandum. However, the SEBI reserves the right to take up at any point of time, with the Issuer, any irregularities or lapses in this Placement Memorandum.

#### **DISCLAIMER OF THE NATIONAL HOUSING BANK / THE RESRVE BANK OF INDIA**

The Issuer was initially issued a certificate of registration dated October 25, 2004 issued by the NHB under Section 29A of National Housing Bank Act, 1987. Pursuant to the change of name of the Issuer, the certificate of registration in the revised name was received on May 16, 2013. Subsequently, the Issuer was registered as a company limited by shares and received a revised certificate effecting the name change on July 12, 2017. The Issuer received a revised certificate effecting the name change to Poonawalla Housing Finance Limited on August 2, 2021 from the Reserve Bank of India.

However, NHB / RBI do not accept any responsibility or guarantee about the present position as to the financial soundness of the Issuer or for the correctness of any of the statements or representation made or opinions expressed by the Issuer and for repayment of deposits/ discharge of liability by the Issuer.

#### **DISCLAIMER OF THE STOCK EXCHANGE**

A copy of the final Placement Memorandum will be filed with the BSE in terms of the NCS Regulations. It is to be distinctly understood that submission of the final Placement Memorandum to the BSE should not in any way be deemed or construed to mean that the Placement Memorandum will be reviewed, cleared, or approved by the BSE; nor will the BSE in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the final Placement Memorandum, nor will the BSE warrant that the Issuer's Debentures will be listed or will continue to be listed on the BSE; nor will the BSE take any responsibility for the soundness of the financial and other conditions of the Issuer, its promoters, its management or any scheme or project of the Issuer . Every potential Investor who desires to apply for or otherwise acquire any Debentures of the Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the BSE, whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription or acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

This Issue is made in India to investors as specified under the paragraph titled "Eligible Investors" of this Placement Memorandum, who shall be/have been identified upfront by the Issuer. This Placement Memorandum does not constitute an offer to sell or an invitation to subscribe to Debentures offered hereby to any person to whom it is not specifically addressed. Any disputes arising out of this Issue will be subject to the exclusive jurisdiction of the courts and tribunals at New Delhi, India. This Placement Memorandum does not constitute an offer to sell or an invitation to subscribe to the Debentures herein, in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction.

## **DISCLAIMER IN RESPECT OF RATING AGENCY**

The ratings issued by the Rating Agency are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. These ratings do not convey suitability or price for the Eligible Investors. The Rating Agency does not constitute an audit on the Issuer. The Rating Agency has based its ratings/outlook based on information obtained from reliable and credible sources. The Rating Agency does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by the Rating Agency have paid a credit rating fee, based on the amount and type of bank facilities/instruments. The Rating Agency or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating/outlook assigned by the Rating Agency is, inter-alia, based on the capital deployed by the partners/proprietors and the current financial strength of the firm. The ratings/outlook may change in case of withdrawal of capital, or the unsecured loans brought in by the partners/proprietors in addition to the financial performance and other relevant factors. The Rating Agency is not responsible for any errors and states that it has no financial liability whatsoever to the users of the ratings of the Rating Agency.

## **DISCLAIMER OF DEBENTURE TRUSTEE**

The Debenture Trustee, “Catalyst Trusteeship Limited”, does not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid / invested by Investors for the Debentures. Each prospective Investor should make its own independent assessment of the merit of the investment in the Debentures and the Issuer and are believed to be experienced in investing in debt markets and are able to bear the economic risk of investing in such instruments.

## **ISSUE OF DEBENTURES IN DEMATERIALISED FORM**

The Debentures will be issued in dematerialised form. The Issuer has made arrangements with the Depositories for the issue of the Debentures in dematerialised form. Investors will have to hold the Debentures in dematerialised form as per the provisions of Depositories Act. The Issuer shall take necessary steps to credit the Debentures allotted to the beneficiary account maintained by the Investor with its depositary participant. The Issuer will make the Allotment to the Investors on the Deemed Date of Allotment after verification of the Application Form, the accompanying documents and on realisation of the application money.

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**CHAPTER 3**  
**ISSUER UNDERTAKINGS**

Eligible Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, Eligible Investors must rely on their own examination of the Issuer and the Issue including the risks involved. The Debentures have not been recommended or approved by any regulatory authority in India, including the SEBI nor does SEBI guarantee the accuracy or adequacy of this Placement Memorandum.

Specific attention of Investors is invited to Chapter 4 (*Risk Factors*) of the Placement Memorandum for details in respect of risks relating to the Issue of Debentures.

The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Placement Memorandum contains all information with regard to the Issuer and the Issue which is material in the context of the Issue, that the information contained in the Placement Memorandum is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading.

The Issuer does not have any side letter with any Debenture Holders. Any covenants later added shall be disclosed on the website of the Stock Exchange where the Debentures are listed.

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## **CHAPTER 4** **RISK FACTORS**

The following are the risks relating to the Issuer, the Debentures and the market in general envisaged by the management of the Issuer. Potential Investors should carefully consider all the risk factors in this Placement Memorandum for evaluating the Issuer and its business and the Debentures before making any investment decision relating to the Debentures. The Issuer believes that the factors described below represent the principal risks inherent in investing in the Debentures, but does not represent that the statements below regarding risks of holding the Debentures are exhaustive. Investors should also read the detailed information set out elsewhere in this Placement Memorandum and reach their own views prior to making any investment decision. These risk factors are not exhaustive in nature.

### **RISKS RELATED TO THE BUSINESS OF THE ISSUER**

#### **1. Disruption in the business profile of the Issuer due to various external factors, including continuity of COVID-19**

The business profile of the Issuer can be affected due to deterioration in the asset quality; assets are expected to face cash flow challenges resulting in delayed/ partial and/or no repayments (scheduled obligations to the Issuer; principal, interest or even both). On the liquidity side, the Issuer can face challenges due to disruption of scheduled inflows from such assets and also due to other factors, such as short-term liquidity freeze, liability roll-over, etc., which may get further aggravated on account of continuity of the COVID-19 pandemic and the ensuing effects therefrom (including on account of regulatory / statutory changes, restrictions, economic impact thereof, escalation in the cost of raw materials and/or disruption of supply chain, etc.).

#### **2. Exposure to credit-worthiness of the Issuer's borrowers/ limited recourse**

Any lending activity involves credit rating risk arising from the risk of default and non-payment by borrowers. The borrowers may default in their repayment obligations due to various reasons, including insolvency, lack of liquidity and operational failure.

The Issuer's loans are principally extended on a limited recourse or non-recourse basis. The Issuer may have limited claims in the event of a default by a borrower and would only have recourse to specific assets, the proceeds of the realization of which, after enforcement of the security, will be distributed in accordance with the priority of payments as set out in the relevant financing documentation and/or may not be sufficient to recover the entire receivables of the Issuer. Continued default could increase the level of non-performing assets in the Issuer's portfolio and adversely affect its business and financial performance.

#### **3. Availability of funds at commercially acceptance rates and its impact on Issuer's business profitability**

The Issuer's business depends on its timely access to and the costs associated with raising capital. The Issuer cannot assure you that it would be able to borrow funds at commercially acceptable terms, or at all, in the future. Thus, in order to honour its lending commitments, the Issuer may be required to avail of short-term loans at high costs, which may in turn affect its spread on loans and thereby effect its financial condition.

Additionally, competition in the industry in which the Issuer operates depends on, among other things, the ongoing evolution of government policies relating to the industry and the entry of new participants into the industry. The Issuer's competitors include banks, NBFCs, and financial institutions. The Issuer's ability to compete effectively depends on its ability to maintain a low effective cost of funds. If the Issuer is unable to access funds at an effective cost that is comparable to or lower than its competitors, it may not be able to offer competitive interest rates for its loans. This would have an adverse impact on the business, prospects, results of operations and financial condition of the Issuer. Unavailability of borrowings at commercially acceptable terms, or at all, may adversely affect the Issuer's capacity to lend in the future and hence would have an adverse effect on its business, prospects, results of operations and financial condition.

#### **4. Retention of Key Management Personnel is a critical success factor for continued business performance**

The Issuer's future performance will be affected by the continued service of its key management personnel and its ability to attract and retain skilled personnel. The Issuer also faces a continuing challenge to recruit and retain a sufficient number of suitably skilled personnel, particularly as it utilizes the experienced understanding of its management of risks and opportunities associated with its business, and continue to grow and broaden its business activities. There is significant competition in India for qualified personnel, and it may be difficult to attract, adequately compensate and retain the personnel the Issuer needs in the future. Inability to attract and retain appropriate managerial personnel, or the loss of key personnel could adversely affect the business, prospects, results of operations and financial condition of the Issuer.

**5. Exposure to credit, market and liquidity risks and its impact on asset profile, credit rating, profitability and debt-servicing ability of the Issuer**

The Issuer's revenues depend on its ability to efficiently manage its credit, market and liquidity risks. The Issuer's borrowing (including through debentures and commercial papers) is expected to be at a fixed-rate of interest, given the current market conditions. While the Issuer has the flexibility to revise its lending rates, it will still be exposed to interest rate risk, loan re-pricing risk, liquidity mismatch; additionally, this can also impact the margins and profitability of the Issuer. Any liquidity mismatch has the potential of affecting the debt servicing ability of the Issuer.

The successful management of credit, market and operational risk is an important consideration in managing Issuer's liquidity risk because it affects the evaluation of its credit ratings by rating agencies. Rating agencies may reduce or indicate their intention to reduce the ratings at any time, which may lead to increase in the borrowing costs, limit the access to capital markets and adversely affect Issuer's ability to engage in business transactions or retain the customers. There can be no assurance that the Issuer will not experience any downgrade in its debt ratings in future.

**6. Volatility in interest rates can impact Issuer's lending and borrowing rates, thereby impacting interest margins and profitability**

The Issuer has no control on the interest rates in the economy and its lending rates are not directly linked to its borrowing rates. Hence, the Issuer is exposed to volatility in the prevailing interest rates. The Issuer cannot claim to manage its interest rate risk fully in the future. The Issuer could also face asset-liability mismatches, which could affect its liquidity position.

The Issuer's results of operations depend substantially on the level of net interest income, which is the difference between the Issuer's interest and other income charges, and the interest expense and other borrowing costs. The Issuer's interest income is affected by any volatility in interest rates in its lending operations. Interest rates are highly sensitive to many factors beyond the control of the Issuer. In particular, any change in the macroeconomic conditions, monetary policies of the RBI, deregulation of the financial sector in India, domestic and international economic, political, and socio-economic conditions and other factors, may directly and/or indirectly cause significant volatility. In a declining interest rate environment, if the Issuer's cost of funds does not decline simultaneously or to the same extent as the yield on the Issuer's interest-earning assets, it could lead to a reduction in its interest income and net interest margin.

**7. Competitive pressures can impact growth of assets and net interest margin**

The Issuer faces significant competition from NBFCs, banks, housing finance companies and other institutions in its business and is expected to provide funds at effective cost. The competition of the Issuer is with large, experienced, substantially resourceful players and this can slowdown the Issuer's business growth. Such competition also competes with the Issuer for management, operating resources and capital.

**8. Limited Liability of Promoter**

The Promoter and/or its shareholders are not responsible for any loss resulting from the Issuer beyond their contribution of the equity share capital of the Issuer (to the extent of unpaid share capital, if any). Hence, any loss arising out of the Issuer's business will result in erosion of the Issuer's net-worth.

**9. Changes in shareholding, business profile and Issuer policies may impact Issuer's financial profile**

The shareholding pattern of the Issuer may change at any point of time either due to regulatory requirements, or due to corporate action such as rights issues / preferential issue / issuance of new shares, or due to transfer of shares. The change in shareholding may also impact Issuer's business profile.

The board of directors of PFL, the holding company of the Issuer, at their meeting held on December 14, 2022 had accorded their consent to the Proposed Transaction for the divestment by way of sale of equity shares of the entire stake held by PFL in the Issuer to Perseus. In view of the same, the Board of the Issuer at their meeting held on December 14, 2022 had taken note of the Proposed Transaction and executed a share purchase agreement amongst PFL, Perseus and the Issuer on December 14, 2022, for the proposed sale of controlling stake i.e. 99.02% by PFL at total equity value of Rs. 3,900 Crores, subject to regulatory approvals and satisfaction of other customary conditions. Subsequently, the Issuer filed an application with the RBI seeking the requisite prior approvals for the transfer of shareholding of the Issuer, together with the acquisition of control of the Issuer and change in the composition of the Board of the Issuer pursuant to Chapter VIII (Acquisition/Transfer of Control) of the RBI HFC Master Directions. The RBI has granted approval for the change in shareholding on May 30, 2023. Consequently, the Issuer is currently in the final phase of consummating the Proposed Transaction, subject to the completion of certain regulatory and compliance requirements.

**10. Adequacy of internal control systems for enhanced scale of business**

The internal control systems of the Issuer are commensurate with its current scale of business and are expected to be strengthened as its business grows in future. However, in case the Issuer's business grows faster than its planned growth, it is possible that its internal control systems may prove inadequate for some time. Any such inadequacy of internal systems will affect the effectiveness of its risk management and consequently its business and financial strength.

**11. The Issuer depends on accuracy and completeness of unaudited information provided by its potential borrowers; any wrong information can potentially damage the Issuer's credit risk evaluation and result in non-performance of its assets**

While the Issuer has put in place sound credit appraisal systems, it does not guarantee the accuracy of its credit assessments. Further, the Issuer's risk evaluation system and credit-assessment decisions rely on information furnished to it by potential borrowers, and opinions provided by financial and legal consultants, advocates, auditors, rating agencies and other independent sources. The Issuer also relies upon representations and warranties from its customers/ third-parties as to accuracy of such information. To further verify the information provided by potential borrowers, the Issuer relies upon reports from TransUnion CIBIL Limited for creditworthiness and encumbrances on collateral. Though the Issuer has formulated policies to prevent frauds in accordance with the know-your-customer guidelines issued by the regulators and has a well-established and streamlined credit appraisal process, the Issuer cannot assure Eligible Investors that the information, representations, opinions and data sourced by the Issuer (from above-mentioned sources or any other sources) will be accurate, and that its credit opinions are insulated from any inaccuracy and incompleteness of such sources. Further, the Issuer may receive inaccurate or incomplete information, as a result of negligence or fraudulent misrepresentation. The aforesaid, in turn, may affect its business, asset quality and financial strength.

**12. Failure of operational systems or infrastructure, or those of third parties**

The Issuer's business is highly dependent on its ability to process a large number of transactions. The Issuer's financial, accounting, data processing or other operating systems and facilities may fail to operate properly or become disabled as a result of events that are wholly or partially beyond its control, adversely affecting its ability to process these transactions. The Issuer can also be subject to disruptions of its operating systems, arising from events that are wholly or partially beyond its control including, for example, computer viruses or electrical or telecommunication service disruptions, which may result in a loss or liability to the Issuer.

As the Issuer grows its business, the inability of its systems to accommodate an increasing volume of transactions could also constrain its ability to expand its businesses. Additionally, shortcomings or failures in the Issuer's internal processes or systems, or the Issuer's inability to maintain and upgrade its information technology systems (in a timely, cost-effective basis) could lead to an impairment of its financial condition, financial loss, disruption of its business and reputational damage.

**13. Concentration to few sectors exposes the Issuer to any adverse development pertaining to the sector**

The business of the Issuer is concentrated only to the housing/ real-estate sector. Accordingly, any negative trends or adverse developments in the sector, particularly those that may affect the borrowers of the Issuer and/or regulatory changes in the sector, could adversely affect its business and financial performance of the Issuer, including on account of increase in the level of non-performing assets in the Issuer's portfolio. In particular, the Issuer's borrowers/ builders may be affected by sector-specific and general disruptions, such as third party performance risks, delays in obtaining approvals, environmental risks, changes in market conditions, changes in government or regulatory policies, permits, licenses or certifications from the relevant authorities, as well as shortages of, or material increase in construction cost / material costs / labour costs / availability, which may lead to delay in and/or prevent the completion of projects. Consequently, in addition to affecting the Issuer's borrowers' ability to service loans, the value of collateral may also stand significantly diminished. These external factors, which may be entirely beyond the control of the Issuer, can directly affect the financial condition of the Issuer.

**14. Changes in regulations and policies can affect the Issuer's business prospects in general, and its asset quality in particular**

Any significant changes in regulations and policies that affect real-estate projects/ sector, could directly impact the financial quality of the Issuer's collateral/ ability to realise funds from its borrowers. This could affect the Issuer's business prospects, as well. There may be court orders restraining borrower's from servicing their debt (owed to the Issuer) for an unspecified period; this can adversely impact the asset quality of the Issuer in the short to medium term.

**15. Legal and regulatory risk which may affect the business.**

The operations of a housing finance company are subject to regulations framed by the RBI and other authorities including regulations relating to foreign investment in India. The Issuer is also subject to changes in Indian laws, regulations and accounting principles. There can be no assurance that the laws governing the Indian financial services sector will not change in the future or that such changes or the interpretation or enforcement of existing and future laws and rules by governmental and regulatory authorities will not affect the Issuer's business and future financial performance.

**RISKS RELATED TO THE ISSUE**

**1. Risks relating to listing and trading – lack of market for Debentures**

Trading in the Debentures may be halted due to market conditions or under the directions of SEBI. There could also be trading halts caused by extraordinary market volatility. Further, there can be no assurance that the requirements of the exchange necessary to maintain the listing of the Debentures will continue to be met or will remain unchanged. Listing and trading of the units are undertaken on the stock exchanges within the rules, regulation and policy of the stock exchange and SEBI. Any change in trading rules, regulation and policy by the regulatory authority would have a bearing on the trading of the Debentures.

The Issuer does not guarantee that the Debentures issued pursuant to the Issue will be listed on BSE in a timely manner, or at all or that monies refundable will be refunded in a timely manner. Though the Debentures are proposed to be listed on the stock exchange, there is no assurance that an active secondary market will develop. Hence, there would be times when trading in the Debentures would be infrequent.

There can be no assurance that a public market for these Debentures would develop and if developed, will remain so for the tenure of the Debentures. There is no obligation for the Issuer to develop or maintain the market for the Debentures. The liquidity and market price of the Debentures would be affected by the lack of market, and this could also result in market price of Debentures being traded at a discount to the purchase price.

**2. Any downgrading in credit rating of Debentures/ Issuer will affect the trading of the Debentures**

The Issuer cannot guarantee that the current rating of the Debentures will not be downgraded or that the revised ratings obtained for Debentures issued beyond the above noted limits will be the same as the current rating of the Debentures. The ratings may also be suspended, withdrawn or put on watch by the rating agencies. Any such rating actions may lower the value of the Debentures and may also affect the Issuer's ability to raise further equity through issue of Debentures or otherwise. This will affect the resource capability and business prospects of the Issuer.

**3. No Debenture Redemption Reserve**

Pursuant to Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014, the Issuer is not required to create a debenture redemption reserve for any privately placed debentures. Accordingly, no debenture redemption reserve is being created for the present Issue.

**4. Security may be insufficient to redeem the Debentures**

In the event that the Issuer is unable to meet its payment and other obligations towards Investors under the terms of the Debentures, the Debenture Trustee may enforce the Security as per the terms of the Series I Debenture Trust Deed, Series II Debenture Trust Deed and other related documents; however, the Investors' recovery in relation to the Debentures will be subject to market scenario prevalent at the time of enforcement of the Security and finding a willing buyer for such Security at a price sufficient to repay the Investors' amounts outstanding under the Debentures.

**5. The Issuer may raise further bonds / debt and charge its assets for securing the interest of future investors/ lenders; this may reduce the amounts recoverable by the Debenture Holders upon the Issuer's liquidation**

The Issuer will be required to raise further funds, through bonds / debentures / other debt instruments on an ongoing basis as part of its routine business and in respect thereof, charge its assets to secure such borrowings. The Issuer has the flexibility to decide the nature of such security, that may be provided to secure the future borrowings, without reference to or seeking the prior consent of the Debenture Holders. In the event of the Issuer's liquidation, the amounts recoverable by the Debenture Holders could be reduced on account of such future borrowings.

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**CHAPTER 5**  
**PROMOTER**

**5.1 DETAILS OF PROMOTER OF THE ISSUER**

<b>Details of Promoter</b>	<b>Description</b>
Name of Promoter	Poonawalla Fincorp Limited (Formerly, Magma Fincorp Limited)*
Logo	
Date of Incorporation	18 December 1978
Corporate Identification Number	L51504PN1978PLC209007
Registered Address	201 and 202, 2 <sup>nd</sup> floor, AP81, Koregaon Park Annex, Mundhwa, Pune, MH - 411036
Business and Financial Activities	Non Banking Financial Services
Permanent Account Number	AABCM9445K
E-mail Address	<a href="mailto:shabnum.zaman@poonwallafincorp.com">shabnum.zaman@poonwallafincorp.com</a>
Telephone Number	(+91 20) 6780 8090

\* The RBI has granted approval for the change in shareholding on May 30, 2023. Consequently, the Issuer is currently in the final phase of consummating the Proposed Transaction, subject to the completion of certain regulatory and compliance requirements.

**5.2 DETAILS OF PROMOTER HOLDING IN ISSUER**

<b>Sl. No.</b>	<b>Name</b>	<b>Total No. of Equity Shares</b>	<b>No. of Equity Shares in demat form</b>	<b>Total shareholding as % of total no of Equity Shares</b>	<b>No of Equity Shares Pledged</b>	<b>% of Equity Shares pledged with respect to shares owned</b>
1	Poonawalla Fincorp Limited** (Formerly, Magma Fincorp Limited)	249,821,067	249,821,067	99.02%	-	-
2	Adar Poonawalla**	23	23	0	-	-
3	Satyajeet Parve**	23	23	0	-	-
4	Amar Deshpande**	1	1	0	-	-
5	Manoj Gujarani**	1	1	0	-	-
6	Anup Kumar Agarwal**	1	1	0	-	-
7	Mahesh Hande**	1	1	0	-	-
<b>TOTAL</b>		<b>249,821,117</b>	<b>249,821,117</b>	<b>99.02%</b>	<b>-</b>	<b>-</b>

*Notes:*

+ The definition of 'promoter' is in accordance with Section 2 (69) of the Companies Act.

\*The name of the Promoter has changed from Magma Fincorp Limited to Poonawalla Fincorp Limited with effect from July 22, 2021. The RBI has granted approval for the change in shareholding on May 30, 2023. Consequently, the Issuer is currently in the final phase of consummating the Proposed Transaction, subject to the completion of certain regulatory and compliance requirements.

\*\* The beneficial interest of such shares lies with the Promoter.

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**CHAPTER 6**  
**REGULATORY DISCLOSURES**

#### 6.1 ISSUE SCHEDULE

Particulars	Date
Issue Opening Date	June 15, 2023
Issue Closing Date	June 15, 2023
Pay-in Date	June 16, 2023
Deemed Date of Allotment	June 16, 2023

#### 6.2 ISSUER

<b>Issuer</b>	Poonawalla Housing Finance Limited (formerly Magma Housing Finance Limited)
<b>Registered Office and Corporate Office</b>	602, 6 <sup>th</sup> Floor, Zero One IT Park, Survey No. 79/1, Ghorapadi, Mundhwa Road, Pune – 411036. Telephone: (+91 20) 6780 8091
<b>Date of Incorporation</b>	April 21, 2004
<b>Registration Numbers</b>	Corporate Identification Number: U65922PN2004PLC208751 issued by the Registrar of Companies, Pune, Maharashtra.  The Issuer holds a certificate of registration dated August 2, 2021 bearing registration number DOR-00155, issued by the Reserve Bank of India.
<b>Email Address</b>	vaishnavi.suratwala@poonawallahousing.com
<b>Website</b>	<a href="http://www.poonawallahousing.com">www.poonawallahousing.com</a>
<b>Company Secretary and Compliance Officer</b>	<b>Ms. Vaishnavi Suratwala</b> Poonawalla Housing Finance Limited (Formerly, Magma Hosing Finance Limited) 602, 6 <sup>th</sup> Floor, Zero One IT Park, Survey No. 79/1, Ghorapadi, Mundhwa Road, Pune – 411036 E-mail: vaishnavi.suratwala@poonawallahousing.com Telephone: (+91 20) 6780 8091
<b>CFO of the Issuer</b>	<b>Mr. Pankaj Rathi</b> Poonawalla Housing Finance Limited (Formerly, Magma Hosing Finance Limited) 602, 6 <sup>th</sup> Floor, Zero One IT Park, Survey No. 79/1, Ghorapadi, Mundhwa Road, Pune – 411036 E-mail: Pankaj.rathi@poonawallahousing.com Telephone: (+91 20) 6780 8091

#### 6.3 STOCK EXCHANGE

The Debentures are proposed to be listed on the debt market segment of the BSE. The BSE has provided an in-principle approval for listing the Debentures pursuant to the letter dated June 12, 2023. In-principle approval of the BSE dated June 12, 2023 is attached as **Annexure X** to the Placement Memorandum. The Issuer has created the REF with the BSE prior to the listing of the Debentures.

#### 6.4 DEBENTURE TRUSTEE

 <b>CATALYST</b>	
<b>Name</b>	Catalyst Trusteeship Limited
<b>Registered Office</b>	GDA House, 94/95, Plot No.85, Bhusari Colony (Right), Paud Road, Pune - 411038.
<b>Website</b>	<a href="http://www.catalysttrustee.com">www.catalysttrustee.com</a>
<b>Email address</b>	<a href="mailto:ComplianceCTL-Mumbai@ctltrustee.com">ComplianceCTL-Mumbai@ctltrustee.com</a>
<b>Telephone Number</b>	(+91 20) 2528 0275
<b>Contact Person</b>	Mr. Umesh Salvi

A copy of the consent letter from Catalyst Trusteeship Limited is enclosed as **Annexure III** to the Placement Memorandum. Catalyst Trusteeship Limited has given its consent to the Issuer for its appointment under the NCS Regulations. A copy of the

due-diligence letter is enclosed as **Annexure III** to the Placement Memorandum. The fee letter number CL/DEB/23-24/320 from Catalyst Trusteeship Limited is dated June 12 2023.

#### 6.5 CREDIT RATING AGENCY

<b>CareEdge</b> RATINGS	
<b>Name</b>	CARE Ratings Limited
<b>Address</b>	4 <sup>th</sup> Floor, Godrej Coliseum, Sion East, Mumbai - 22
<b>Website</b>	<a href="http://www.careedge.in">www.careedge.in</a>
<b>Email address</b>	<a href="mailto:care@careedge.in">care@careedge.in</a>
<b>Telephone Number</b>	+91-22-67543456
<b>Contact Person</b>	Mr. Gaurav Dixit

The Rating Agency has by way of rating letter dated June 8, 2023, assigned a rating of “AAA” (RWN) to the Debentures proposed to be issued by the Issuer. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk. A copy of the rating letter, detailed press release, and rating rationale is enclosed as **Annexure IV** to the Placement Memorandum.

The Issuer confirms that the rating is valid as on the date of issuance and listing.

Other than the credit rating mentioned hereinabove, the Issuer has not sought any other credit rating from any other credit rating agency(ies) for the Debentures offered for subscription under the terms of the Placement Memorandum.

The above rating is not a recommendation to buy, sell or hold securities and Eligible Investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the Rating Agency and the rating should be evaluated independently of any other rating. The rating obtained is subject to revision at any point of time in the future. The Rating Agency has the right to suspend, withdraw the rating at any time on the basis of new information.

#### 6.6 REGISTRAR

<b>LINK Intime</b>	
<b>Name</b>	Link Intime India Pvt. Ltd.
<b>Address</b>	C- 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083
<b>Website</b>	<a href="http://www.linkintime.co.in">www.linkintime.co.in</a>
<b>Email address</b>	<a href="mailto:Debtca@linkintime.co.in">Debtca@linkintime.co.in</a>
<b>Telephone Number</b>	+91 22 49186000
<b>Contact Person</b>	Mr. Amit Dabhade

#### 6.7 LEGAL COUNSEL

<b>ZBA</b> ADVOCATES & SOLICITORS	
<b>Name</b>	ZBA
<b>Address</b>	412 Raheja Chambers, 213 Nariman Point, Mumbai 400 021
<b>Website</b>	<a href="http://www.zba.co.in">www.zba.co.in</a>
<b>Email address</b>	<a href="mailto:mail@zba.co.in">mail@zba.co.in</a>
<b>Telephone Number</b>	(+ 91 22) 6743 5013
<b>Contact Person</b>	Mrs. Niloufer Lam

#### 6.8 STATUTORY AUDITOR

Name	Address and Contact Details	Auditor Since
M/s G. D. Apte & Co  <i>G.D.Apte &amp; Co. Chartered Accountants</i>	GDA House, Plot No. 85, Right Bhusari Colony, Paud Road, Kothrud, Pune, Maharashtra- 411038 Website: <a href="http://www.gdaca.com">www.gdaca.com</a> Email Address: <a href="mailto:audit@gdaca.com">audit@gdaca.com</a> Telephone Number: 020 - 66807200 Contact Person: C.M. Dixit	August 18, 2021

## 6.9 DETAILS OF CHANGE IN AUDITORS OF THE ISSUER SINCE LAST 3 (THREE) YEARS

Name	Address	Date of Appointment / Resignation	Auditor of the Issuer since (in case of resignation)	Remarks
M/s Walker Chandiok & Co. LLP	10 C Hungerford Street, 5 <sup>th</sup> Floor, Kolkata – 700 017	July 3, 2017	August 18, 2021	Resigned
M/s G. D. Apte & Co.	GDA House, Plot No. 85, Right Bhusari Colony, Paud Road, Kothrud, Pune, Maharashtra – 411 038	August 18, 2021	-	Appointment

## 6.10 DETAILS OF CORPORATE AUTHORIZATIONS

The Issue is being made pursuant to the following corporate authorisations:

- 6.10.1 The resolutions of the Board w.r.t. authorization for issuance of debt securities on private placement basis of up to Rs. 1500 Crore during FY 2023-24 dated January 21, 2023 and revalidated on April 24, 2023 are attached as **Annexure V** to this Placement Memorandum.
- 6.10.2 The shareholder resolution w.r.t increase in borrowing limit under section 180(1)(c) of the Companies Act, 2013 up to Rs. 8,000 Crore dated June 2, 2023, is attached as **Annexure VI** to this Placement Memorandum.

## 6.11 ARRANGER

There is no arranger to this Issue.

## 6.12 GUARANTEE

The Debentures are not guaranteed.

## 6.13 DECLARATION

The Issuer confirms that the PAN of the Promoter, and PAN of the Directors have been submitted to the BSE, being the stock exchange on which the Debentures are proposed to be listed, at the time of filing a draft of the Placement Memorandum for the in-principle approval of the BSE.

## 6.14 ANY MATERIAL EVENT/ DEVELOPMENT OR CHANGE HAVING IMPLICATIONS ON THE FINANCIALS/CREDIT QUALITY (E.G. ANY MATERIAL REGULATORY PROCEEDINGS AGAINST THE ISSUER/PROMOTERS, LITIGATIONS RESULTING IN MATERIAL LIABILITIES, CORPORATE RESTRUCTURING EVENT ETC) AT THE TIME OF ISSUE WHICH MAY AFFECT THE ISSUE OR THE INVESTOR'S DECISION TO INVEST / CONTINUE TO INVEST IN THE NON-CONVERTIBLE SECURITIES

Except as set out below, there has not been any material event or development or change having implications on the financials or credit quality (e.g. any material regulatory proceedings against the Issuer or the Promoter, litigations resulting in material liabilities, corporate restructuring event etc.) at the time of the Issue which may affect the Issue or the Eligible Investor's decision to invest or continue to invest in the Debentures.

The board of directors of PFL, the holding company of the Issuer, at their meeting held on December 14, 2022 had accorded their consent to the Proposed Transaction for the divestment by way of sale of equity shares of the entire stake held by PFL in the Issuer to Perseus. In view of the same, the Board of the Issuer at their meeting held on December 14, 2022 had taken note of the Proposed Transaction and executed a share purchase agreement amongst PFL, Perseus and the Issuer on December 14, 2022, for the proposed sale of controlling stake i.e. 99.02% by PFL at total equity value of Rs. 3,900 Crores, subject to regulatory approvals and satisfaction of other customary conditions. Subsequently, the Issuer filed an application with the RBI seeking the requisite prior approvals for the transfer of shareholding of the Issuer, together with the acquisition of control of the Issuer and change in the composition of the Board of the Issuer pursuant to Chapter VIII (Acquisition/Transfer of Control) of the RBI HFC Master Directions. The RBI has granted approval for the change in shareholding on May 30, 2023. Consequently, the Issuer is currently in the final phase of consummating the Proposed Transaction, subject to the completion of certain regulatory and compliance requirements.

Post consummation of the Proposed Transaction, in the near term, Perseus will also infuse additional equity of up to Rs. 1,000 crores to support the growth of the Issuer.

**6.15 DETAILS OF DEFAULT AND NON-PAYMENT OF STATUTORY DUES**

The Issuer has not defaulted on payment of any kind of statutory dues to the GoI, state Government(s), statutory or regulatory bodies, authorities or departments.

**6.16 PROJECT COST AND MEANS OF FINANCING, IN CASE OF FUNDING OF NEW PROJECTS**

Not Applicable.

**6.17 IF THE SECURITY IS BACKED BY A GUARANTEE OR LETTER OF COMFORT OR ANY OTHER DOCUMENT / LETTER WITH SIMILAR INTENT, A COPY OF THE SAME SHALL BE DISCLOSED. IN CASE SUCH DOCUMENT DOES NOT CONTAIN DETAILED PAYMENT STRUCTURE (PROCEDURE OF INVOCATION OF GUARANTEE AND RECEIPT OF PAYMENT BY THE INVESTOR ALONG WITH TIMELINES), THE SAME SHALL BE DISCLOSED IN THE PLACEMENT MEMORANDUM.**

Not Applicable.

**6.18 PROJECT DETAILS: GESTATION PERIOD OF THE PROJECT; EXTENT OF PROGRESS MADE IN THE PROJECT; DEADLINES FOR COMPLETION OF THE PROJECT; THE SUMMARY OF THE PROJECT APPRAISAL REPORT (IF ANY), SCHEDULE OF IMPLEMENTATION OF THE PROJECT**

Not Applicable.

**6.19 ANY DEFAULT IN ANNUAL FILING OF THE ISSUER UNDER THE COMPANIES ACT OR RULES MADE THEREUNDER**

There has been no default in annual filing by the Issuer under the Companies Act and the rules made thereunder.

**6.20 ANY FINANCIAL OR OTHER MATERIAL INTEREST OF THE DIRECTORS, PROMOTERS OR KEY MANAGERIAL PERSONNEL IN THE ISSUE PROPOSED AND THE EFFECT OF SUCH INTEREST IN SO FAR AS IT IS DIFFERENT FROM THE INTERESTS OF OTHER PERSONS**

The Promoter, Directors or Key Managerial Personnel of the Issuer do not have any financial or other material interest in the Issue of Debentures.

**6.21 KINDS OF SECURITIES OFFERED AND CLASS OF SECURITY; THE TOTAL NUMBER OF SHARES OR OTHER SECURITIES TO BE ISSUED**

Up to 35,000 (Thirty Five Thousand) secured, rated, listed, redeemable, non-convertible debentures face value of Rs. 1,00,000 (Rupees One Lakh) each comprising of the Series I Debentures and the Series II Debentures.

**6.22 PRICE AT WHICH THE SECURITY IS BEING OFFERED INCLUDING THE PREMIUM, IF ANY, ALONGWITH JUSTIFICATION OF THE PRICE**

The Series I Debentures are secured, rated, listed, redeemable, non-convertible debentures of a face value of Rs. 1,00,000 each for cash at par, with an issue size of Rs. 200 Crore (Rupees Two Hundred Crores) and the Series II Debentures are secured, rated, listed, redeemable, non-convertible debentures of face value of Rs. 1,00,000 (Rupees One Lakh) each for cash at par, with a base issue size of Rs. 100 Crore (Rupees One Hundred Crore), and a green shoe option of Rs. 50 Crore (Rupees Fifty Crore), aggregating to Rs. 150 Crore (Rupees One Hundred and Fifty Crore).

**6.23 NAME AND ADDRESS OF THE VALUER WHO PERFORMED VALUATION OF THE SECURITY OFFERED AND BASIS ON WHICH THE PRICE HAS BEEN ARRIVED AT ALONG WITH REPORT OF THE REGISTERED VALUER**

Not Applicable.

**6.24 RELEVANT DATE WITH REFERENCE TO WHICH THE PRICE HAS BEEN ARRIVED AT**

Not applicable.

**6.25 THE CLASS OR CLASSES OF PERSONS TO WHOM THE ALLOTMENT IS PROPOSED TO BE MADE**

The class of persons to whom the Allotment is proposed to be made are QIBs and any Non-QIB Investors which are specifically mapped by the Issuer on the BSE EBP Platform. All Investors are required to comply with the relevant regulations / guidelines applicable to them for investing in this Issue.

#### **6.26 THE PROPOSED TIME WITHIN WHICH THE ALLOTMENT SHALL BE COMPLETED**

The proposed Allotment shall be completed by the deemed date of allotment being June 16, 2023 in respect of the Debentures.

#### **6.27 THE CHANGE IN CONTROL, IF ANY, IN THE ISSUER THAT WOULD OCCUR CONSEQUENT TO THE PRIVATE PLACEMENT**

Not applicable as the Debentures offered by the Issuer are in the nature of non-convertible debentures.

#### **6.28 THE NUMBER OF PERSONS TO WHOM ALLOTMENT ON PREFERENTIAL BASIS/PRIVATE PLACEMENT/ RIGHTS ISSUE HAS ALREADY BEEN MADE DURING THE YEAR, IN TERMS OF NUMBER OF SECURITIES AS WELL AS PRICE**

Other than as set out below, the Issuer has not made any preferential/private placement/right issue during the Financial Year 2023-24.

S. No .	Number of securities allotted	Type of securities allotted	Face value of each security (in INR)	Aggregate value of securities (in INR)	Preferential basis/private placement/rights issue
1.	20,000	Non-convertible debentures	1,00,000	200,00,00,000	Private Placement

#### **6.29 THE JUSTIFICATION FOR THE ALLOTMENT PROPOSED TO BE MADE FOR CONSIDERATION OTHER THAN CASH TOGETHER WITH VALUATION REPORT OF THE REGISTERED VALUER**

Not applicable.

#### **6.30 AMOUNT WHICH THE ISSUER INTENDS TO RAISE BY WAY OF SECURITIES**

The Issuer intends to raise the Series I Debentures with an issue size of Rs. 200 Crore (Rupees Two Hundred Crore) and the Series II Debentures with a base issue size of Rs. 100 Crore (Rupees One Hundred Crore), and a green shoe option of Rs. 50 Crore (Rupees Fifty Crore), aggregating to Rs. 150 Crore (Rupees One Hundred and Fifty Crore).

#### **6.31 TERMS OF RAISING OF SECURITIES**

The terms of raising the Debentures are set out in Annexure I of this Placement Memorandum.

#### **6.32 PROPOSED TIME SCHEDULE FOR WHICH THE PRIVATE PLACEMENT OFFER AND APPLICATION LETTER IS VALID**

The Private Placement Offer Letter and Application Form will be valid up to the Pay In Date, being June 16, 2023.

#### **6.33 PURPOSES AND OBJECTS OF THE OFFER**

Objects of the Issue of Series I Debentures	Percentage
The proceeds of the Series I Debentures shall be utilised by the Issuer for the purpose of onward lending, working capital purposes and loan repayments.	100%
Objects of the Issue of Series II Debentures	Percentage
The proceeds of the Series II Debentures shall be utilised by the Issuer for the purpose of onward lending, working capital purposes and loan repayments.	100%

#### **6.34 PRINCIPAL TERMS OF ASSETS CHARGED AS SECURITY, IF APPLICABLE**

The Issuer shall create, maintain and perfect the charges over the Series I Hypothecated Assets in accordance with the terms of the Series I Deed of Hypothecation. This charge created under the Series I Deed of Hypothecation shall be a first ranking pari passu charge between the Series I Debenture Holders, irrespective of date of subscription to the Series I Debentures by such Debenture Holders, without any preference or priority of one over the other and proportionate to their share in the Series I Debenture Obligations owed to them by the Issuer. The Issuer shall create, maintain and perfect the charges over the Series II Hypothecated Assets in accordance with the terms of the Series II Deed of Hypothecation. This charge created under the Series II Deed of Hypothecation shall be a first ranking pari passu charge between the Series II Debenture Holders, irrespective of date of subscription to the Series II Debentures by such Debenture Holders, without any preference or priority of one over the other and proportionate to their share in the Series II Debenture Obligations owed to them by the Issuer.

Subject to and in accordance with the Series I Deed of Hypothecation, the Issuer shall maintain at all times from the Deemed Date of Allotment until the Final Settlement Date, the minimum security cover of (a) at least the Series I Required Security Cover being 1.10 times (One point One times) the value of the Outstanding Amounts (as defined in the Series I Debenture Trust Deed) and (b) the principal Receivables (as defined in the Series I Debenture Trust Deed) of the Issuer comprising the Series I Hypothecated Assets shall be at least 1.10 times (One point One times) the value of the Outstanding Amounts in respect of the Series I Debentures.

Subject to and in accordance with the Series II Deed of Hypothecation, the Issuer shall maintain at all times from the Deemed Date of Allotment until the Final Settlement Date, the minimum security cover of (a) at least the Series II Required Security Cover being 1.10 times (One point One times) the value of the Outstanding Amounts (as defined in the Series II Debenture Trust Deed) and (b) the principal Receivables (as defined in the Series II Debenture Trust Deed) of the Issuer comprising the Series II Hypothecated Assets shall be at least 1.10 times (One point One times) the value of the Outstanding Amounts in respect of the Series I Debentures.

In the event the value of the Series I Hypothecated Assets does not comply with the Series I Required Security Cover, the Issuer must promptly and in any event no later than within 15 (Fifteen) days from the date on which the Series I Required Security Cover depletes below the stipulated cover of at least 1.10 times (One point One times) the value of the Outstanding Amounts (as defined in the Series I Debenture Trust Deed), top-up the Series I Security and provide the Debenture Trustee additional assets by way of security, so that the Series I Required Security Cover is complied with in full.

In the event the value of the Series II Hypothecated Assets does not comply with the Series II Required Security Cover, the Issuer must promptly and in any event no later than within 15 (Fifteen) days from the date on which the Series II Required Security Cover depletes below the stipulated cover of at least 1.10 times (One point One times) the value of the Outstanding Amounts (as defined in the Series II Debenture Trust Deed), top-up the Series II Security and provide the Debenture Trustee additional assets by way of security, so that the Series II Required Security Cover is complied with in full.

Further, simultaneously upon execution of the Series I Debenture Trust Deed and Series I Deed of Hypothecation, the Debenture Trustee shall cede and share the charge created under the Series I Deed of Hypothecation on a *pari passu* basis with the Issuer's lenders and other debenture holders, as more particularly set out in the Series I Deed of Hypothecation. Simultaneously upon execution of the Series II Debenture Trust Deed and Series II Deed of Hypothecation, the Debenture Trustee shall cede and share the charge created under the Series II Deed of Hypothecation on a *pari passu* basis with the Issuer's lenders and other debenture holders, as more particularly set out in the Series II Deed of Hypothecation.

**6.35 CONTRIBUTION BEING MADE BY THE PROMOTERS OR DIRECTORS EITHER AS PART OF THE OFFER OR SEPARATELY IN FURTHERANCE OF SUCH OBJECTS**

There are no contributions being made by the Promoter or Directors either as part of the Issue or separately in furtherance of such objects.

**6.36 THE DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE ISSUER AND ITS FUTURE OPERATIONS**

As on the date of the Placement Memorandum there is no significant and material order passed by the regulator or court or tribunal which is impacting the going concern status of the Issuer.

**6.37 SUMMARY OF RESERVATIONS OR QUALIFICATIONS OR ADVERSE REMARKS OF AUDITORS IN THE LAST FIVE FINANCIAL YEARS IMMEDIATELY PRECEDING THE YEAR OF ISSUE OF THE PLACEMENT MEMORANDUM AND APPLICATION FORM AND OF THEIR IMPACT ON THE FINANCIAL STATEMENTS AND FINANCIAL POSITION OF THE ISSUER AND THE CORRECTIVE STEPS TAKEN AND PROPOSED TO BE TAKEN BY THE ISSUER FOR EACH OF THE SAID RESERVATIONS OR QUALIFICATIONS OR ADVERSE REMARK**

There are no qualifications, reservations and adverse remarks expressed by the statutory auditors of the Issuer in the last five Financial Years immediately preceding the year of issue of the Placement Memorandum.

**6.38 DOCUMENTS TO THE STOCK EXCHANGE AND THE DEBENTURE TRUSTEE**

The Issuer shall or will file the following documents along with the listing application for the Series I Debentures and the Series II Debentures to the Stock Exchange and with the Debenture Trustee as required under the NCS Regulations:

- 6.38.1 The final Placement Memorandum;
- 6.38.2 Memorandum of Association and Articles of Association of the Issuer;
- 6.38.3 Copy of the requisite Board or committee resolutions authorizing the borrowing and list of authorised signatories for the allotment of Debentures;
- 6.38.4 Copy of last 3 (three) years annual reports;
- 6.38.5 Statement containing particulars of, dates of, and parties to all material contracts and agreements;
- 6.38.6 An undertaking from the Issuer stating that the necessary documents including the debenture trust deed has been / shall be executed within the time frame prescribed under applicable laws and it will be uploaded on the website of the Stock Exchange; and
- 6.38.7 any other particulars or documents that the Stock Exchange requires or deems fit.

**6.39 CONFIRMATION ON ELIGIBILITY**

As on the date of the Placement Memorandum:

- 6.39.1 Neither the Issuer, nor any of its Promoters, Promoter group or Directors are debarred from accessing the securities market or dealing in securities by SEBI.
- 6.39.2 None of the Promoters or directors of the Issuer is a promoter or director of another company which is debarred from accessing the securities market or dealing in securities by SEBI.
- 6.39.3 Neither the Issuer, nor any of its Promoters or directors is a wilful defaulter.
- 6.39.4 None of the Promoters or Directors of the Issuer is a fugitive economic offender.
- 6.39.5 No fines or penalties levied by SEBI or stock exchanges is pending to be paid by the Issuer as on the date of the Placement Memorandum.

**6.40 GOVERNMENT APPROVAL UNDER THE FOREIGN EXCHANGE MANAGEMENT (NON-DEBT INSTRUMENTS) RULES, 2019, AS AMENDED, FOR INVESTMENT IN THE DEBENTURES**

Not applicable.

**6.41 ANNUAL REPORTS**

The annual reports of the Issuer for the last 3 (Three) Financial Years are available at:  
<https://poonawallahousing.com/investor-financial-reports.php>

**6.42 REFUSAL OF LISTING OF ANY SECURITY OF THE ISSUER DURING LAST THREE YEARS BY ANY OF THE STOCK EXCHANGES IN INDIA OR ABROAD**

No such cases.

**6.43 DISCLOSURES UNDER FORM PAS 4**

NO.	DISCLOSURE REQUIRED UNDER FORM PAS 4	REFERENCE
I	GENERAL INFORMATION	
(i)	Name, address, website, if any, and other contact details of the Issuer indicating both registered office and corporate office	Paragraph 6.2
(ii)	Date of incorporation of the Issuer	Paragraph 6.2

(iii)	Business carried on by the Issuer and its subsidiaries with the details of branches or units, if any	Chapter 7
(iv)	Brief particulars of the management of the Issuer	Paragraph 10.3
(v)	Names, addresses, director identification number and occupations of the directors	Paragraph 10.1
(vi)	Management's perception of risk factors	Chapter 4
(vii)	Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of (a) statutory dues; (b) debentures and interest thereon; (c) deposits and interest thereon; (d) loan from any bank or financial institution and interest thereon	Paragraph 11.10
(viii)	Name, designation, address and phone number, email ID of the nodal/compliance officer of the Issuer, if any, for the private placement offer process	Paragraph 6.2
(ix)	Any default in annual filing of the Issuer under the Companies Act, 2013 or the rules made thereunder	Paragraph 6.19
<b>II</b>	<b>PARTICULARS OF THE OFFER</b>	
(i)	Financial position of the Issuer for the last 3 financial years	Paragraph 8.4 and Annexure VII
(ii)	Date of passing of board resolution	Paragraph 6.10.1
(iii)	Date of passing of resolution in the general meeting, authorizing the offer of securities	Paragraph 6.10.2
(iv)	Kind of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be issued	Paragraph 6.21
(v)	Price at which the security is being offered including the premium, if any, along with justification of the price	Paragraph 6.22
(vi)	Name and address of the valuer who performed variation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer	Paragraph 6.23
(vii)	Relevant date with reference to which the price has been arrived at	Paragraph 6.24
(viii)	The class or classes of persons to whom the allotment is proposed to be made	Paragraph 6.25
(ix)	Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer) (Not required in case of issue of non-convertible debentures)	Not applicable.
(x)	The proposed time within which the allotment shall be completed	Paragraph 6.26
(xi)	The names of the proposed allottees and the percentage of post private placement capital that may be held by them (not required in case of issue of non-convertible debentures)	Not applicable.
(xii)	The change in control, if any, in the Issuer that would occur consequent to the private placement	Paragraph 6.27
(xiii)	The number of persons to whom allotment on preferential basis/private placement/ rights issue has already been made during the year, in terms, of number of securities as well as price	Paragraph 6.28
(xiv)	The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered value	Paragraph 6.29
(xv)	Amount which the Issuer intends to raise by way of proposed offer of securities	Paragraph 6.30
(xvi)	Terms of raising of securities: duration, if applicable, rate of dividend, rate of interest, mode of payment and repayment	Paragraph 6.31 and Annexure I
(xvii)	Proposed time schedule for which the private placement offer cum application letter is valid	Paragraph 6.32
(xviii)	Purposes and objects of the offer	Paragraph 6.33
(xix)	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects	Paragraph 6.35
(xx)	Principle terms of assets charged as security, if applicable	Paragraph 6.34
(xxi)	The details of significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of the Issuer and its future operations	Paragraph 6.36
(xxii)	The pre-issue and post-issue shareholding pattern of the Issuer	Paragraphs 9.7 and 9.8
<b>III</b>	<b>MODE OF PAYMENT FOR SUBSCRIPTION</b>	
(i)	Mode of payment	RTGS / EFT. Chapter 16
<b>IV</b>	<b>DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION, ETC.</b>	
(i)	Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons	Paragraph 6.20
(ii)	Details of any litigation or legal action pending or taken by any ministry or department of the government or a statutory authority against any promoter of the Issuer during the last three years immediately preceding the year of the issue of the private placement offer cum application letter and any direction issued by such ministry or department or statutory authority upon conclusion of such litigation or legal action shall be disclosed	Paragraph 12.1
(iii)	Remuneration of directors (during the current year and last three financial years)	Paragraph 10.4
(iv)	Related party transactions entered during the last three financial years immediately preceding the year of issue of private placement offer cum application letter including with regard to loans made or, guarantees given or securities provided	Paragraph 8.11 and Annexure VIII
(v)	Summary of reservations or qualifications or adverse remarks of auditors for the last five financial years immediately preceding the year of issue of private placement offer cum application letter and of their impact on the financial statements and financial position of the Issuer and the corrective steps taken and proposed to be taken by the Issuer for each of the said reservations or qualifications or adverse remarks	Paragraph 6.37
(vi)	Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous company law in the last three years immediately preceding the year of issue of private placement offer cum application letter in the case of Issuer and all of its subsidiaries, and if there were any	Paragraph 12.2

	prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of the private placement offer cum application letter and if so, section-wise details thereof for the Issuer and all of its subsidiaries						
(vii)	Details of acts of material frauds committed against the Issuer in the last three years, if any, and if so, the action taken by the Issuer			Paragraph 12.3			
<b>V</b>	<b>FINANCIAL POSITION OF THE ISSUER</b>						
(i)	The capital structure of the Issuer in the following manner in a tabular form:						
	(A)	the authorized, issued, subscribe and paid up capital (number of securities, description and aggregate nominal value)					
	(B)	size of the present offer					
	(C)	paid up capital (I) after the offer, (II) after conversion of convertible instruments (if applicable)					
	(D)	share premium account (before and after the offer)					
(ii)	the details of the existing share capital of the Issuer in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration  Provided that the Issuer shall also disclose the number and price at which each of the allotments were made in the last one year preceding the date of the private placement offer cum application letter separately indicating the allotments made for considerations other than cash and the details of the consideration in each case						
(iii)	Profits of the Issuer, before and after making provision for tax, for the three financial years immediately preceding the date of issue of private placement offer cum application letter						
(iv)	Dividends declared by the Issuer in respect of the said three financial years; interest coverage ratio for last three years (cash profit after tax plus interest paid/interest paid)						
(v)	A summary of the financial position of the Issuer as in the three audited balance sheets immediately preceding the date of issue of the private placement offer cum application letter						
(vi)	Audited cash flow statement for the three years immediately preceding the date of issue of private placement offer cum application letter						
(vii)	Any change in accounting policies during the last three years and their effect on the profits and the reserves of the Issuer						
<b>VI</b>	<b>DECLARATION</b>						
(i)	Declaration page			Chapter 17			

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## **CHAPTER 7** **BUSINESS AND ACTIVITIES OF THE ISSUER**

### **7.1 HISTORY OF THE ISSUER**

The Issuer was incorporated on April 21, 2004 in New Delhi, India to carry on the business of housing finance. The Issuer was registered as a non-deposit taking housing finance company with the National Housing Bank (NHB) in October 2004. The Issuer commenced business operations in November 2004 and was acquired by the Magma Group from the GE Group on February 11, 2013.

In May 2021, Rising Sun Holdings Private Limited (“RSHPL”) a company owned and controlled by Mr. Adar Poonawalla, acquired majority stake in Magma Fincorp Limited (“MFL”) and became a promoter of MFL with ~60% stake. RSHPL, along with the existing promoters of MFL, infused Rs. 3,456 Crore capital in MFL, thereby allowing it to exercise indirect control over the Issuer. RSHPL then renamed MFL as Poonawalla Fincorp Limited (“PFL”) and Magma Housing Finance Limited as Poonawalla Housing Finance Limited in July 2021. Until the consummation of the Proposed Transaction, the Issuer is a subsidiary of PFL. Following the acquisition of MFL by RSHPL, the board of directors of the Issuer was reconstituted and Mr. Adar Poonawalla was appointed as the Chairman of the Board with effect from July 8, 2021.

The board of directors of PFL, the holding company of the Issuer, at their meeting held on December 14, 2022 had accorded their consent to the Proposed Transaction for the divestment by way of sale of equity shares of the entire stake held by PFL in the Issuer to Perseus. In view of the same, the Board of the Issuer at their meeting held on December 14, 2022 had taken note of the Proposed Transaction and executed a share purchase agreement amongst PFL, Perseus and the Issuer on December 14, 2022, for the proposed sale of controlling stake i.e. 99.02% by PFL at total equity value of Rs. 3,900 Crores, subject to regulatory approvals and satisfaction of other customary conditions. Subsequently, the Issuer filed an application with the RBI seeking the requisite prior approvals for the transfer of shareholding of the Issuer, together with the acquisition of control of the Issuer and change in the composition of the Board of the Issuer pursuant to Chapter VIII (Acquisition/Transfer of Control) of the RBI HFC Master Directions. The RBI has granted approval for the change in shareholding on May 30, 2023. Consequently, the Issuer is currently in the final phase of consummating the Proposed Transaction, subject to the completion of certain regulatory and compliance requirements.

Post consummation of the Proposed Transaction, in the near term, Perseus will also infuse additional equity of up to Rs. 1,000 crores to support the growth of the Issuer.

### **7.2 BUSINESS OF THE ISSUER AND STRUCTURE**

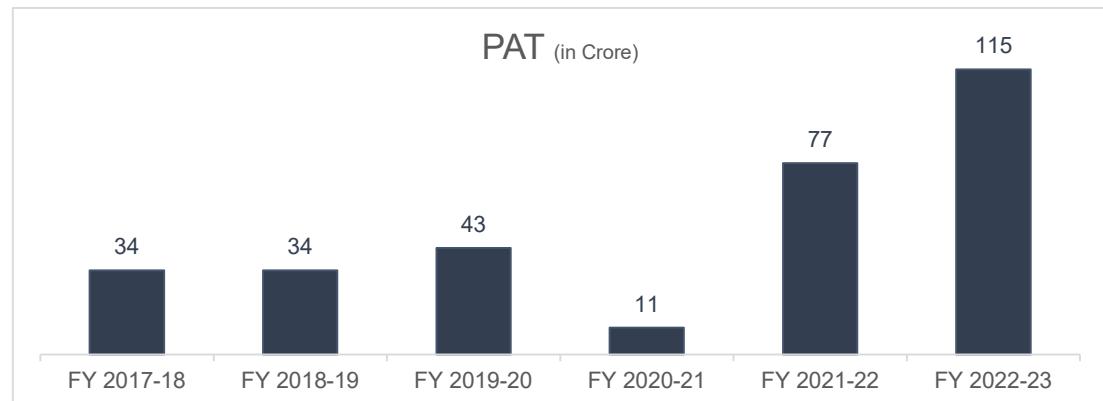
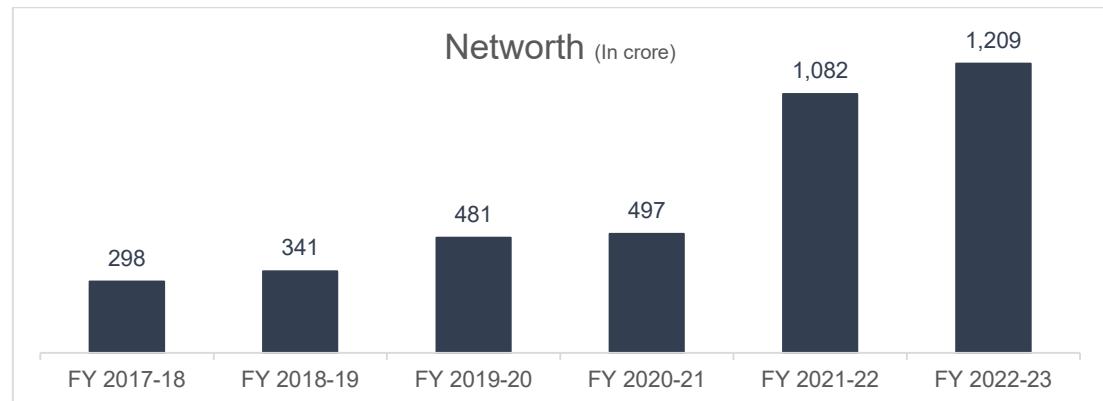
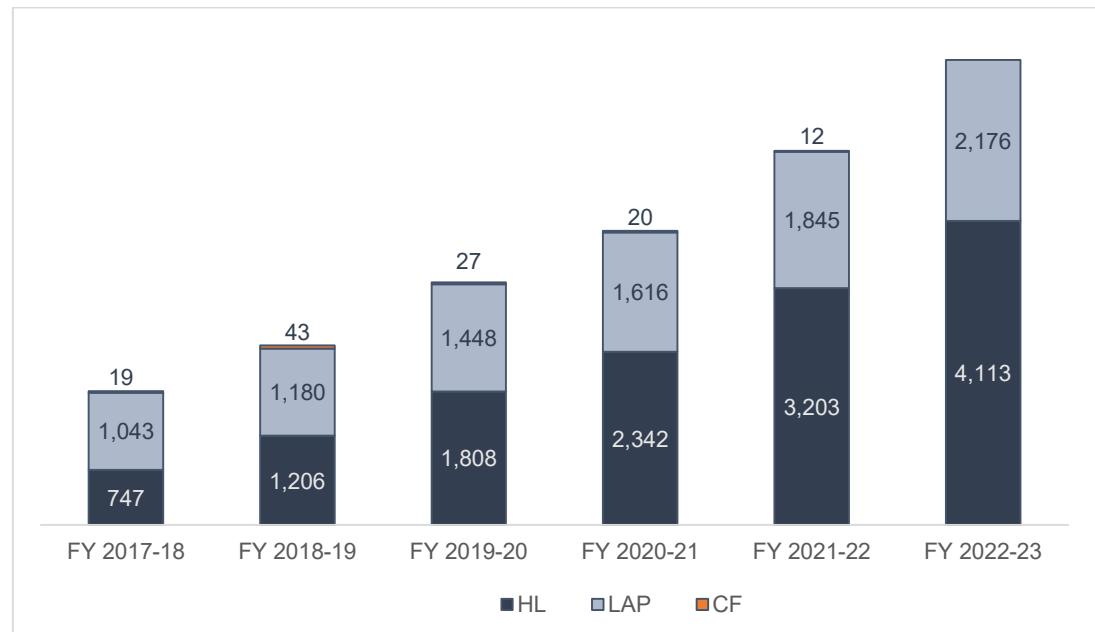
The Issuer is an affordable housing financing company with pan-India presence having business origination across 19 states/union territories and a well-diversified portfolio, operating in the growing and under-penetrated sub-segment of housing finance. The Issuer does not have any subsidiary as on the date of the Placement Memorandum.

The main objects of the Issuer in accordance with the existing memorandum of association are as follows:

*To provide long term finance to any person(s) or co-operative society or association of persons or body of individuals, firms, companies, bodies corporate, either at interest or without and/or with or without any security or construction, purchase, enlarge, or repair of any houses, flats, bungalows, rooms, huts used or to be used for residential or commercial purposes either in total or in part thereof or to purchase any freehold or leasehold lands, estate or impress in any property to be used for residential or commercial purposes.*

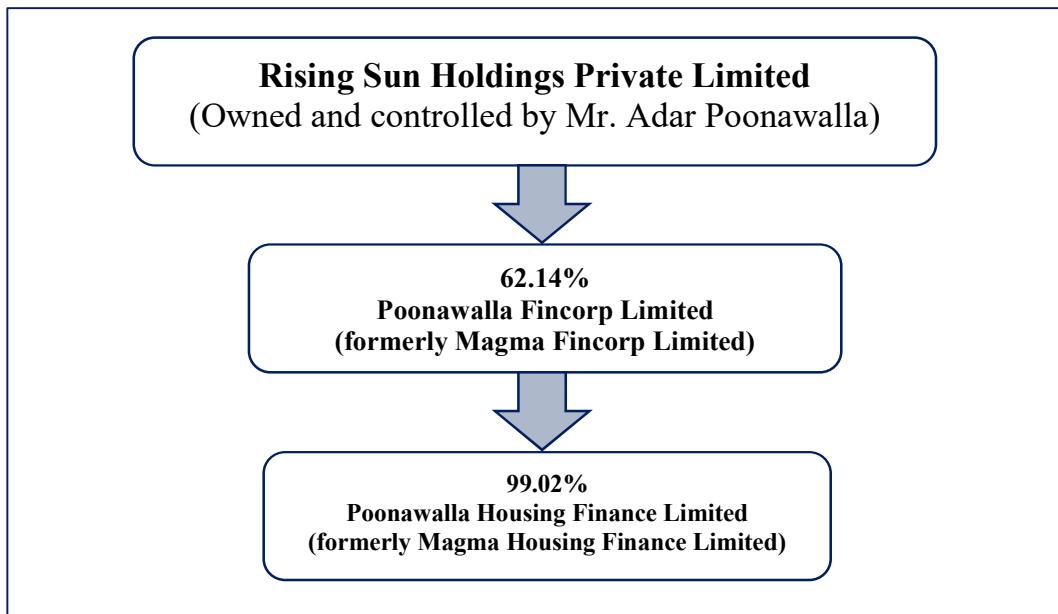
**Assets Under Management**

(in Crore)					
FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
1,808	2,430	3,283	3,978	5,060	6,289



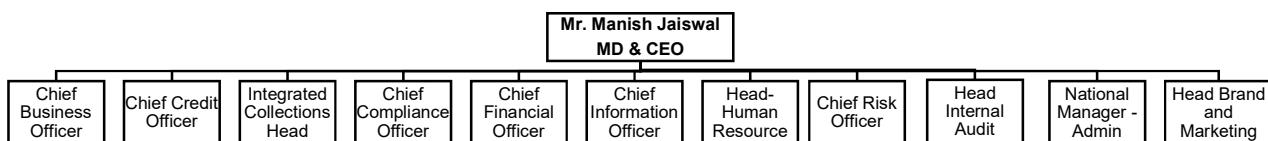
### 7.3 CORPORATE STRUCTURE

The corporate structure of the Issuer, as on the date of the Placement Memorandum is as follows:



The board of directors of PFL, the holding company of the Issuer, at their meeting held on December 14, 2022 had accorded their consent to the Proposed Transaction for the divestment by way of sale of equity shares of the entire stake held by PFL in the Issuer to Perseus. In view of the same, the Board of the Issuer at their meeting held on December 14, 2022 had taken note of the Proposed Transaction and executed a share purchase agreement amongst PFL, Perseus and the Issuer on December 14, 2022, for the proposed sale of controlling stake i.e. 99.02% by PFL at total equity value of Rs. 3,900 Crores, subject to regulatory approvals and satisfaction of other customary conditions. Subsequently, the Issuer filed an application with the RBI seeking the requisite prior approvals for the transfer of shareholding of the Issuer, together with the acquisition of control of the Issuer and change in the composition of the Board of the Issuer pursuant to Chapter VIII (Acquisition/Transfer of Control) of the RBI HFC Master Directions. The RBI has granted approval for the change in shareholding on May 30, 2023. Consequently, the Issuer is currently in the final phase of consummating the Proposed Transaction, subject to the completion of certain regulatory and compliance requirements.

### 7.4 ORGANISATION STRUCTURE



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**CHAPTER 8**  
**FINANCIAL POSITION OF THE ISSUER**

**8.1 KEY OPERATIONAL AND FINANCIAL PARAMETERS ON A STANDALONE BASIS FOR THE LAST 3 (THREE) AUDITED YEARS**

*(All figures are in (Rs.) Crores, except percentages)*

Particulars	Year ended 31.03.23 (Audited)	Year ended 31.03.22 (Audited)	Year ended 31.03.21 (Audited)
<b>Balance Sheet</b>			
Net Fixed assets	19.34	9.87	2.86
Current assets	1,251.76	647.25	517.77
Non-current assets	4,699.67	2,483.81	2,032.79
<b>Total assets</b>	<b>5,970.77</b>	<b>4,386.99</b>	<b>3,133.60</b>
Non-Current Liabilities (including maturities of long-term borrowings and short term borrowings)	3,411.41	2,670.58	1,727.70
Non-Current Financial Liabilities (Includes trade payables & Lease Liability)	42.08	15.67	6.67
Non-Current Provisions	-	-	1.71
Deferred tax liabilities (net)	15.55	8.11	6.29
Other Non-Current liabilities (Includes Other Financial & Other Non-financial Liabilities)	-	-	-
Current Liabilities (including maturities of long-term borrowings and short term borrowings)	1,201.20	527.29	814.21
Current Financial Liabilities (Includes trade payables & Lease Liability)	30.51	10.81	26.78
Current Provisions	0.65	2.40	0.02
Current tax liabilities (net)	-	-	-
Other Current liabilities (Includes Other Financial & Other Non-financial Liabilities)	60.78	70.34	53.37
Equity (equity and other equity)	1,208.58	1,081.79	496.85
<b>Total equity and liabilities</b>	<b>5,970.77</b>	<b>4,386.99</b>	<b>3,133.60</b>
<b>Profit and Loss</b>			
Total revenue from operations	703.62	464.37	467.08
Other income	12.43	5.78	5.46
Total Expenses	561.86	368.99	458.18
Total comprehensive income	115.36	83.16	13.74
Profit / loss	154.19	101.16	14.36
Other comprehensive income	0.14	5.77	2.85
Profit / loss after tax	115.22	77.39	10.89
Earnings per equity share: (a) basic; and (b) diluted:	4.57	3.27	0.66
Continuing operations	4.56	3.26	0.65
Discontinued operations	NA	NA	NA
Total Continuing and discontinued operations	NA	NA	NA
<b>Cash Flow</b>			
Net cash generated from operating activities	(884.11)	(1,009.48)	(247.03)
Net cash used in / generated from investing activities	(105.80)	(7.74)	(0.62)
Net cash used in financing activities	1,125.19	943.75	339.55
Cash and cash equivalents	154.81	19.53	93.00
Balance as per statement of cash flows	135.28	(73.47)	91.90
<b>Additional Information</b>			
Net worth	1,208.58	1,081.79	496.85
Cash and Cash Equivalents	154.81	19.53	93.00
Current Investments	-	-	-
Assets Under Management (Includes On Book & Off Book)	6,288.61	5,060.39	3,977.58
Off Balance Sheet Assets	790.74	810.73	1,066.02
Total Debts to Total assets	0.77	0.73	0.81
Debt Service Coverage Ratios*	NA to HFC	NA to HFC	NA to HFC
Interest Income	635.30	448.13	404.65
Interest Expense	279.77	207.53	225.86
Interest Service Coverage ratio*	NA to HFC	NA to HFC	NA to HFC
Provisioning & Write-offs	36.39	8.95	129.37
Bad debts to Account Receivable Ratio	0.41%	0.78%	1.83%
Gross NPA (%)**	0.81%	1.65%	1.30%
Net NPA (%)**	0.40%	1.20%	0.60%
Tier I Capital Adequacy Ratio (%)	32.60%	39.91%	25.92%
Tier II Capital Adequacy Ratio (%)	2.23%	2.86%	4.58%

\*The ratios are not applicable to housing finance companies registered with RBI as per Reg 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

\*\*In accordance with the RBI circular dated November 12, 2021, on "Prudential Norms on Income Recognition, Asset Classification and Provisioning (IRACP) pertaining to Advances- Clarifications" and further clarifications provided by the RBI vide its circular dated February 15, 2022, the Company has implemented the requirements prescribed with respect to 'Upgradation of accounts classified as NPAs'. Accordingly, for FY 2022-23 and FY 2021-22, GNPA and NNPA numbers are reported as per IRACP norms and for FY 2020-21, the GNPA and NNPA numbers are reported as per IndAS norms.

**8.2 A COLUMNAR REPRESENTATION OF THE AUDITED FINANCIAL STATEMENTS (I.E. PROFIT & LOSS STATEMENT, BALANCE SHEET AND CASH FLOW STATEMENT) ON A STANDALONE BASIS FOR A PERIOD OF THREE COMPLETED YEARS**

<i><b>Rs. in Crore</b></i>			
<b>BALANCE SHEET</b>			
	As at	As at	As at
	31-Mar-23	31-Mar-22	31-Mar-21
<b>ASSETS</b>			
<b>1 Financial assets</b>			
Cash and cash equivalents	154.81	19.53	93
Bank balance other than cash and cash equivalents	40.38	41.96	70.8
Derivative financial instruments	0	0.51	
Loans	5438.57	4176.91	2807.02
Investments	97.35		
Other financial assets	143.96	85.76	129.9
<b>Total financial assets</b>	<b>5875.07</b>	<b>4324.67</b>	<b>3100.72</b>
<b>2 Non-financial assets</b>			
Current tax assets (net)	0.99	10.35	7.59
Property, plant and equipment	15.01	8.33	1.01
Other intangible assets	3.05	1.53	1.85
Intangible assets under development	1.28		
Right to use assets	48.86	15.72	7.25
Assets held for sale	-	2.06	3.65
Other non-financial assets	26.51	24.33	11.53
<b>Total non-financial assets</b>	<b>95.70</b>	<b>62.32</b>	<b>32.88</b>
<b>Total Assets</b>	<b>5,970.77</b>	<b>4,386.99</b>	<b>3,133.60</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>1 Financial liabilities</b>			
Derivative financial instruments	-	0.27	
Payables			
(I) Trade Payables	-	-	-
(i) total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	6.26	2.42	9.52
(II) 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	15.02	7.07	4.94
Debt securities	283.49	293.20	459.99
Borrowings (other than debt securities)	4,227.45	2,804.79	1,982.43
Subordinated liabilities	99.71	99.61	99.50
Lease liabilities	51.31	16.99	7.89
Other financial liabilities	43.24	51.49	49.32
<b>Total financial liabilities</b>	<b>4,726.48</b>	<b>3,275.84</b>	<b>2,613.59</b>
<b>2 Non-financial liabilities</b>			
Provisions	2.61	2.4	1.73
Deferred tax liabilities (net)	15.55	8.11	6.29
Other non-financial liabilities	17.55	18.85	15.14
<b>Total non-financial liabilities</b>	<b>35.71</b>	<b>29.36</b>	<b>23.16</b>
<b>EQUITY</b>			
Equity share capital	252.29	251.79	165.83
Other equity	956.29	830	331.02
Share application money pending for allotment			
<b>Total equity</b>	<b>1208.58</b>	<b>1081.79</b>	<b>496.85</b>
<b>Total Liabilities and Equity</b>	<b>5,970.77</b>	<b>4,386.99</b>	<b>3,133.60</b>

<i><b>Rs. in Crore</b></i>			
<b>CASH FLOW STATEMENTS</b>			
	As at	As at	As at
	31-Mar-23	31-Mar-22	31-Mar-21
<b>A. Cash flow from operating activities</b>			
Profit before tax	154.19	101.16	14.36
<b>Adjustments for :</b>			
Depreciation and amortisation expense	8.97	3.81	1.87
Net loss/(Gain) on financial instruments at fair value through profit or loss	3.32	(0.39)	0.95
Allowance for impairment loss	36.39	8.95	129.37
Liability no longer required written back	(0.76)	(0.51)	(0.70)
Loss on sale of Property, Plant and Equipment	0.05	0.05	-

Net (Gain)/Loss on derecognition of financial instruments	(48.13)	5.47	-
Finance Cost	279.77	207.53	225.86
Interest received on investments	(1.06)	-	-
Interest on income tax refund	(0.40)	-	-
Gain on Redemption of Mutual Fund	(2.79)	(0.48)	-
Expense on employee stock option scheme	10.86	0.40	2.52
<b>Operating cash flow before working capital changes</b>	<b>440.41</b>	<b>325.99</b>	<b>374.33</b>
<b>Changes in working capital:</b>			
(Increase) in Loans	(1,249.92)	(1,375.93)	(554.33)
(Increase)/Decrease in other financial assets	(60.49)	44.62	(52.57)
(Increase)/Decrease in other non financial assets	0.58	(5.27)	1.44
(Increase)/Decrease in held for sale assets	1.08	1.59	-
(Increase)/Decrease in other bank balances	1.57	28.85	(11.99)
Increase/(Decrease) in Derivative financial instrument	0.24	(3.07)	-
Increase/(Decrease) in trade and other payables	12.55	(5.46)	7.46
Increase/(Decrease) in other financial liabilities	(8.25)	2.16	(7.74)
Increase/(Decrease) in other non financial liabilities	(1.30)	3.71	9.12
Increase/(Decrease) in provisions	1.00	(0.02)	0.85
<b>Cash (used in) operating activities</b>	<b>(862.53)</b>	<b>(982.83)</b>	<b>(233.43)</b>
Income taxes paid (net of refunds)	(21.58)	(26.65)	(13.60)
<b>Net cash (used in) operating activities (A)</b>	<b>(884.11)</b>	<b>(1,009.48)</b>	<b>(247.03)</b>
<b>B. Cash flow from investing activities</b>			
Purchase of property, plant and equipment including capital advances	(10.09)	(8.11)	(0.05)
Sale of property, plant and equipment	0.01	0.01	0.01
Purchase in intangible assets and intangible assets under development	(3.30)	(0.12)	(0.58)
Purchase of investments measured at amortised cost	(1,411.24)	-	-
Interest received on investments	1.06	-	-
Net proceeds from redemption in Mutual fund	1,317.76	0.48	-
<b>Net cash (used in) investing activities (B)</b>	<b>(105.80)</b>	<b>(7.74)</b>	<b>(0.62)</b>
<b>C. Cash flow from financing activities</b>			
Proceeds from issue of equity shares including securities premium (Net of issue expenses)	0.49	504.62	-
Shares issue cost	-	-	-
Proceeds from debt securities	-	-	410.00
Repayment of debt securities	(10.00)	(160.00)	(25.00)
Proceeds from borrowings other than debt securities	3,369.96	2,858.15	2,583.72
Repayment of borrowings other than debt securities	(1,949.32)	(2,040.42)	(2,420.60)
Finance Cost Paid	(279.40)	(215.28)	(207.04)
Payment on lease liability	(6.54)	(3.32)	(1.53)
<b>Net cash generated from financing activities (C)</b>	<b>1,125.19</b>	<b>943.75</b>	<b>339.55</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>135.28</b>	<b>(73.47)</b>	<b>91.90</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>19.53</b>	<b>93.00</b>	<b>1.10</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>154.81</b>	<b>19.53</b>	<b>93.00</b>
<b>Components of cash and cash equivalents:</b>			
Cash on hand	-	1.67	1.21
Balances and deposits with banks	154.81	17.86	91.79
	<b>154.81</b>	<b>19.53</b>	<b>93.00</b>

*Rs. in Crore*

<b>STATEMENT OF PROFIT &amp; LOSS</b>			
	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>31-Mar-23</b>	<b>31-Mar-22</b>	<b>31-Mar-21</b>
<b>Revenue from operations</b>			
Interest income	635.30	448.13	404.65
Fees and commission income	20.19	15.37	11.15
Net gain on fair value changes	-	0.87	-
Net gain on derecognition of financial instruments	48.13	-	51.28
<b>I Total revenue from operations</b>	<b>703.62</b>	<b>464.37</b>	<b>467.08</b>
<b>II Other income</b>	<b>12.43</b>	<b>5.78</b>	<b>5.46</b>
<b>III Total income (I+II)</b>	<b>716.05</b>	<b>470.15</b>	<b>472.54</b>
<b>Expenses</b>			
Finance costs	279.77	207.53	225.86
Net loss on fair value changes	0.53	-	0.95
Net loss on derecognition of financial instruments	-	5.47	-
Impairment on financial instruments	36.39	8.95	129.37
Employee benefits expenses	168.69	103.79	70.38

Depreciation, amortisation and impairment	8.97	3.81	1.87
Others expenses	67.51	39.44	29.75
<b>(IV) Total expenses</b>	<b>561.86</b>	<b>368.99</b>	<b>458.18</b>
<b>(V) Profit before tax (III-IV)</b>	<b>154.19</b>	<b>101.16</b>	<b>14.36</b>
<b>(VI) Tax expense:</b>			
Current tax	31.40	23.59	12.02
Deferred tax	7.63	(0.12)	(8.33)
Tax expense of earlier years	(0.06)	0.30	(0.22)
	<b>38.97</b>	<b>23.77</b>	<b>3.47</b>
<b>(VII) Profit for the year (V-VI)</b>	<b>115.22</b>	<b>77.39</b>	<b>10.89</b>
<b>(VII) Other comprehensive income</b>			
<b>A (I) Items that will not be reclassified to profit or loss</b>			
(i) Remeasurement of the defined benefit plans	0.19	(0.59)	0.10
(ii) Income tax relating to these items	(0.05)	0.15	(0.03)
<b>Subtotal (A)</b>	<b>0.14</b>	<b>(0.44)</b>	<b>0.07</b>
<b>B (II) Items that will be reclassified to profit or (loss)</b>			
Cash flow hedge reserve	-	(0.08)	-
Changes in fair valuation of financial assets	-	8.38	3.71
<b>Subtotal (B)</b>	<b>-</b>	<b>8.30</b>	<b>3.71</b>
<b>Income tax relating to these items</b>			
Cash flow hedge reserve	-	0.02	-
Changes in fair valuation of financial assets	-	(2.11)	(0.93)
<b>Subtotal (C)</b>	<b>-</b>	<b>(2.09)</b>	<b>(0.93)</b>
<b>Other comprehensive income (A + B + C)</b>	<b>0.14</b>	<b>5.77</b>	<b>2.85</b>
<b>(IX) Total comprehensive income for the year</b>	<b>115.36</b>	<b>83.16</b>	<b>13.74</b>
<b>(X) Earnings per equity share</b>			
Basic (₹)	4.57	3.27	0.66
Diluted (₹)	4.56	3.26	0.65

### 8.3 GROSS DEBT EQUITY RATIO

<b>Before the issue of the Debentures</b>	3.81 times*
<b>After the issue of the Debentures</b>	4.27 times**

\* As on March 31, 2023.

\*\* Based on issuances up to March 31, 2023 and: (i) issue of non-convertible debentures aggregating to Rs. 200 Crore (Rupees Two Hundred Crore) under series PHFL2024SERIES1; and (ii) issue of the Series I Debentures aggregating to Rs. 200 Crore (Rupees Two Hundred Crore) and issue of the Series II Debentures aggregating to Rs. 150 Crore (Rupees One Hundred and Fifty Crore) under this Placement Memorandum.

### 8.4 FINANCIAL STATEMENTS AS ON MARCH 31, 2023

The details are set out in Annexure VII to the Placement Memorandum.

### 8.5 A SUMMARY OF THE FINANCIAL POSITION OF THE ISSUER AS IN THE THREE AUDITED BALANCE SHEETS IMMEDIATELY PRECEDING THE DATE OF CIRCULATION OF THE PLACEMENT MEMORANDUM

The details are set out in Annexure VII to the Placement Memorandum.

### 8.6 AUDITED CASH FLOW STATEMENT FOR THE THREE YEARS IMMEDIATELY PRECEDING THE DATE OF CIRCULATION OF THE PLACEMENT MEMORANDUM

The details are set out in Annexure VII to the Placement Memorandum.

### 8.7 PROFITS OF THE ISSUER, BEFORE AND AFTER MAKING PROVISION FOR TAX, FOR THE THREE FINANCIAL YEARS IMMEDIATELY PRECEDING THE DATE OF CIRCULATION OF THE PLACEMENT MEMORANDUM

The details are set out in Annexure VII to the Placement Memorandum.

**8.8 AUDITORS REPORTS AND NOTES TO ACCOUNTS FOR THE AUDITED FINANCIAL STATEMENTS FOR A PERIOD OF THREE COMPLETED YEARS**

The details are set out in Annexure VII to the Placement Memorandum.

**8.9 DIVIDEND FOR LAST THREE FINANCIAL YEARS**

FY 2022-2023	FY 2021-2022	FY 2020-2021
0.00%	0.00%	0.00%

**8.10 INTEREST COVERAGE RATIO FOR LAST THREE FINANCIAL YEARS**

FY 2022-2023	FY 2021-2022	FY 2020-2021
N.A.	N.A.	N.A.

*The ratios are not applicable to housing finance companies registered with RBI as per Reg 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

**8.11 RELATED PARTY TRANSACTIONS ENTERED DURING THE LAST THREE FINANCIAL YEAR IMMEDIATELY PRECEDING THE YEAR OF CIRCULATION OF THIS PLACEMENT MEMORANDUM**

Please refer to Annexure VIII of this Placement Memorandum.

**8.12 ANY CHANGE IN ACCOUNTING POLICIES DURING THE LAST THREE YEARS AND THEIR EFFECT ON THE PROFITS AND THE RESERVES OF THE ISSUER**

There has not been any material change in accounting policies for FY 2022-23, FY 2021-22 and FY 2020-21.

**8.13 DETAILS OF ANY OTHER CONTINGENT LIABILITIES OF THE ISSUER BASED ON THE LAST AUDITED FINANCIAL STATEMENTS INCLUDING AMOUNT AND NATURE OF LIABILITY**

	Contingent liabilities and commitments	As at 31 March 2023
(a)	<b>Contingent liabilities</b>	
	<b>Claims against the Company not acknowledged as debt</b>	
	(i) Income tax matters under dispute	1.93
	(ii) Legal cases against the company	0.04
	Bank Guarantees	15.00
(b)	<b>Commitments</b>	
	(i) Estimated amount of contracts remaining to be executed on capital account and not provided for	35.60
	(ii) Undisbursed housing / other loans	268.05

**8.14 DISCLOSURES RELATING TO HOUSING FINANCE COMPANIES**

Sr. No.	Particulars of Disclosure	Details	Paragraph Number
1.	Details with regard to lending done out of the issue proceeds of earlier issuances of debt securities (whether public issue or private placement)	Lending Policy	8.14.1.1
		Classification of loans given to associate or entities related to board, senior management, promoters, etc	8.14.1.2
		Classification of loans into several maturity profiles and denominations	8.14.1.3
		Aggregated exposure to top 20 borrowers	8.14.1.3 (I)
		Details of loans, overdue and classified as NPA	8.14.1.3 (H)
2.	Details of borrowings made by the Issuer	Portfolio summary of borrowings made by the Issuer	8.14.1.3 (J)
		Quantum and percentage of secured vs. unsecured borrowings	8.14.1.3 (L)
3.	Details of change in shareholding	Any change in promoters holding in the Issuer during last financial year beyond the threshold prescribed by Reserve Bank of India	8.14.1.3 (M)

Sr. No.	Particulars of Disclosure	Details	Paragraph Number
4.	Disclosures of assets under management	Segment wise break up and type of loans	8.14.1.3 (C)
5.	Details of borrowers	Geographical location wise	8.14.1.3 (E)
6.	Details of Gross NPA	Segment wise	8.14.1.3 (F)
7.	Details of Assets and Liabilities	Residual maturity profile wise into several bucket	8.14.1.3 (G)
8.	Disclosure of latest ALM statements to stock exchange	-	Annexure IX

#### **8.14.1 DETAILS WITH REGARD TO THE LENDING DONE BY THE ISSUER OUT OF THE ISSUE PROCEEDS OF DEBT SECURITIES IN LAST THREE YEARS**

The lending done by the Issuer out of the issue proceeds of debt securities in last three years is in adherence to the object of the issue as specified in the respective disclosure documents.

##### **8.14.1.1 LENDING POLICY**

The company has adopted credit policies with respect to its products. These credit policies are framed by the management and details the various parameters applicable for lending in each of the products. Portfolio performance is reviewed by the Risk Management Committee and suitable change has been made to these credit policies based on the portfolio management.

##### **8.14.1.2 CLASSIFICATION OF LOANS / ADVANCES GIVEN TO ASSOCIATES, ENTITIES / PERSON RELATING TO BOARD, SENIOR MANAGEMENT, PROMOTERS, OTHERS, ETC.**

Nil.

##### **8.14.1.3 CLASSIFICATION OF LOANS/ADVANCES GIVEN, ACCORDING TO TYPE OF LOANS, DENOMINATION OF LOAN OUTSTANDING BY LOAN TO VALUE, SECTORS, DENOMINATION OF LOANS OUTSTANDING BY TICKET SIZE, GEOGRAPHICAL CLASSIFICATION OF BORROWERS, MATURITY PROFILE, ETC.**

###### **A. TYPE OF LOANS**

Type of loans/advances (principal outstanding) given by the Issuer as on March 31, 2023:

Sl. No.	Type of Loans	Rs. In Crores
1	Secured	5,498
2	Unsecured	Nil
	Total AUM <sup>^</sup>	5,498

<sup>^</sup>Earnings Assets Under Management

###### **B. DENOMINATION OF LOANS OUTSTANDING BY LOAN TO VALUE (LTV)**

Denomination of loans outstanding by LTV\* as on March 31, 2023

Sl. No.	LTV	Percentage of AUM
1	Upto 40%	21%
2	40-50%	17%
3	50-60%	17%
4	60-70%	16%
5	70-80%	17%
6	>80%	12%
	<b>Total</b>	100%

\*LTV at the time of origination.

### C. DETAILS OF SECTORAL EXPOSURE

Types of loans according to sectoral exposure as on March 31, 2023 is as follows:

Sl. No.	Segment-wise break-up of Loan Book	Percentage of AUM
<b>1</b>	<b>Retail</b>	
A	Mortgages (home loans and loans against property)	100%
B	Gold loans	-
C	Vehicle finance	-
D	MFI	-
E	MSME	-
F	Capital market funding (loans against shares, margin funding)	-
G	Others	-
<b>2</b>	<b>Wholesale</b>	-
A	Infrastructure	-
B	Real estate (including builder loans)	-
C	Promoter funding	-
D	Any other sector	-
	<b>Total</b>	<b>100%</b>

### D. DENOMINATION OF LOANS OUTSTANDING BY TICKET SIZE

Denomination of loans outstanding by ticket size as on March 31, 2023:

Sl. No.	Ticket size	Percentage of AUM
1	Upto Rs. 7 Lakh	12%
2	Rs. 7-20 Lakh	63%
3	Rs. 20 – 40 Lakh	21%
4	Rs. 40 – 70 Lakh	3.2%
5	Rs. 70 – 100 Lakh	0.5%
6	>Rs.1 Crore	0.3%
	<b>Total</b>	<b>100%</b>

### E. GEOGRAPHICAL CLASSIFICATION OF BORROWERS (TOP 5 STATES BORROWER WISE)

Geographical classification of borrowers as on March 31, 2023:

Sl. No.	Top 5 states	Percentage of AUM
1	Madhya Pradesh	16%
2	Uttar Pradesh	12%
3	Maharashtra	12%
4	Tamil Nadu	9%
5	Gujarat	8%
	<b>Total</b>	<b>57%</b>

### F. SEGMENT WISE NPA AS ON MARCH 31, 2023

Sl. No.	Segment-wise break-up of NPA	NPA %
<b>1</b>	<b>Retail</b>	
A	Mortgages (home loans and loans against property)	100%
B	Gold loans	0
C	Vehicle finance	0
D	MFI	0
E	MSME	0
F	Capital market funding (loans against shares, margin funding)	0
G	Others	0
<b>2</b>	<b>Wholesale</b>	0
A	Infrastructure	0
B	Real estate (including builder loans)	0
C	Promoter funding	0

D	Any other sector	0
	<b>Total</b>	100%

Note: The Issuer's Gross NPA (as per IRACP norms) as on March 31, 2023, is Rs. 44.55 Crores i.e. GNPA (%) of 0.81%. All such loan account of the NPA LANs are under 'housing loans' and 'loan against property' and hence classified as 'Mortgages' (home loans and loans against property).

#### **G. RESIDUAL MATURITY PROFILE OF ASSETS AND LIABILITIES (IN LINE WITH THE RBI FORMAT) AS ON MARCH 31, 2023**

Category	Rs. in Crores								
	Up to 30/31 days	>1 month – 2 months	>2 months – 3 months	>3 months – 6 months	>6 months – 1 year	>1 years – 3 years	>3 years – 5 years	>5 years	Total
Deposit									
Advances	69.01	68.21	113.87	198.76	519.23	1,344.52	1,065.71	2,290.37	5,669.69
Investments				48.85	48.51				97.35
Borrowings	135.33	11.48	195.69	230.35	628.35	1,517.53	1,268.96	622.96	4,610.65
FCA*	-	-	-	-	-	-	-	-	-
FCL*	-	-	-	-	-	-	-	-	-

\*FCA – Foreign Currency Assets; FCL – Foreign Currency Liabilities.

#### **H. DETAILS OF LOANS, OVERDUE AND CLASSIFIED AS NON-PERFORMING IN ACCORDANCE WITH RBI STIPULATIONS**

##### (i) Movement of Gross NPA March 31, 2023

Movement of Gross NPA	Rs. in Crores
(a) Opening balance of gross NPA	70.17
(b) Additions during the Financial Year ended on March 31, 2023	38.34
(c) Reductions during the Financial Year ended on March 31, 2023	63.96
(d) Closing balance of Gross NPA	44.55

The gross NPA recognition policy is as per applicable regulatory norms.

##### (ii) Movement of provisions for NPA as on March 31, 2023

Movement of Provisions for NPA	Rs. in Crores
(a) Opening balance	19.27
(b) Provisions made during the Financial Year ended on March 31, 2023	20.88
(c) Write-off/write-back of excess provisions	17.48
(d) Closing balance	22.67

#### **15.1.4 AGGREGATED EXPOSURE TO THE TOP 20 BORROWERS WITH RESPECT TO THE CONCENTRATION OF ADVANCES, EXPOSURES TO BE DISCLOSED IN THE MANNER AS PRESCRIBED BY RBI IN ITS STIPULATIONS ON CORPORATE GOVERNANCE FOR HFCs**

Concentration of Advances as on March 31, 2023	Amount
Total advances to top twenty borrowers (Rs. in Crores)	19.03
Percentage of advances to twenty largest borrowers to total exposure of the Issuer on borrowers	0.35%

Concentration of Exposures as on March 31, 2023	Amount
Total exposure to top twenty borrowers (Rs. in Crores)	19.15
Percentage of exposures to twenty largest borrowers to total exposure of the Issuer on borrowers	0.30%

#### **15.2 ADDITIONAL DISCLOSURES**

##### **15.2.1 A PORTFOLIO SUMMARY WITH REGARD TO INDUSTRIES/SECTORS TO WHICH BORROWINGS HAVE BEEN MADE**

100% advances have been extended to the retail sector as on March 31, 2023.

**15.2.2 NPA EXPOSURES OF THE ISSUER FOR THE LAST THREE FINANCIAL YEARS (BOTH GROSS AND NET EXPOSURES) AND PROVISIONING MADE FOR THE SAME AS PER THE LAST AUDITED FINANCIAL STATEMENTS OF THE ISSUER**

As on	March 31, 2023	March 31, 2022	March 31, 2021	<i>Rs. in Crore</i>
Gross NPA	44.55	70.17	37.93	
Provision	22.67	19.27	20.62	
Net NPA	21.88	50.90	17.31	

**15.2.3 Quantum and percentage of secured vis-à-vis unsecured borrowings made as on March 31, 2023**

Sr. No.	Particulars	Amount in Crore	Percentage to total
1	Secured Borrowings	4510.94	97.84%
2	Unsecured Borrowings	99.71	2.16%
	<b>Total</b>	<b>4610.65</b>	<b>100.00%</b>

**15.2.4 ANY CHANGE IN PROMOTERS' HOLDINGS DURING THE LAST FINANCIAL YEAR BEYOND THE THRESHOLD, AS PRESCRIBED BY RBI**

The board of directors of PFL, the holding company of the Issuer, at their meeting held on December 14, 2022 had accorded their consent to the Proposed Transaction for the divestment by way of sale of equity shares of the entire stake held by PFL in the Issuer to Perseus. In view of the same, the Board of the Issuer at their meeting held on December 14, 2022 had taken note of the Proposed Transaction and executed a share purchase agreement amongst PFL, Perseus and the Issuer on December 14, 2022, for the proposed sale of controlling stake i.e. 99.02% by PFL at total equity value of Rs. 3,900 Crores, subject to regulatory approvals and satisfaction of other customary conditions. Subsequently, the Issuer filed an application with the RBI seeking the requisite prior approvals for the transfer of shareholding of the Issuer, together with the acquisition of control of the Issuer and change in the composition of the Board of the Issuer pursuant to Chapter VIII (Acquisition/Transfer of Control) of the RBI HFC Master Directions. The RBI has granted approval for the change in shareholding on May 30, 2023. Consequently, the Issuer is currently in the final phase of consummating the Proposed Transaction, subject to the completion of certain regulatory and compliance requirements.

Post consummation of the Proposed Transaction, in the near term, Perseus will also infuse additional equity of up to Rs. 1,000 crores to support the growth of the Issuer.

**15.2.5 DISCLOSURE OF LATEST ALM STATEMENTS TO STOCK EXCHANGE AS ON MARCH 31, 2023**

The details of the latest asset liability management (“ALM”) statements as disclosed to the stock exchange as on March 31, 2023 is set out in Annexure IX.

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**CHAPTER 9**  
**SHARE CAPITAL**

**9.1 DETAILS OF SHARE CAPITAL AS ON MARCH 31, 2023**

**(Rs. In Crores)**

<b>AUTHORISED SHARE CAPITAL</b>		
275,000,000 Equity Shares	Equity shares of Rs. 10/- each	275.00
Nil	Preference shares	Nil
	<b>TOTAL</b>	<b>275.00</b>
<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL</b>		
<b>Equity share capital</b>		
252,287,783	Equity shares of Rs. 10/- each	252.29
	<b>TOTAL</b>	<b>252.29</b>
<b>SIZE OF THE PRESENT OFFER</b>		
35,000 Debentures		<b>350.00</b>
<b>SHARE PREMIUM ACCOUNT*</b>		
		501.72

\*Note: As the present Issue is in respect of non-convertible debentures, the share premium account before and after the Issue shall remain the same.

**9.2 CHANGES IN THE ISSUER'S CAPITAL STRUCTURE AS ON MARCH 31, 2023, FOR THE LAST THREE YEARS**

<b>Date of Change (AGM / EGM)</b>	<b>Particulars</b>
Extraordinary general meeting held on May 24, 2021	Increase in authorised share capital from Rs. 200 Crore to Rs. 275 Crore

**9.3 SHARE CAPITAL HISTORY OF THE ISSUER FOR THE LAST THREE YEARS**

**(i) Equity Share Capital History of the Issuer For The Last Three Years**

Date of allotment	No. of Equity Shares	Face value (Rs)	Issue Price (Rs)	Exercise Price	Consideration (Rs)	Consorter in cash or other than cash	Cumulative			Nature of Allotment	Remarks
							No. of equity shares	Paid Up Equity Capital (Rs)	Equity share premium (Rs)		
23.03.2020	17,727,353	10	56.41	56.41	999,999,982.73	-	17,727,353	177,273,530	822,72,64,52.73	Right issue	None
31.05.2021	83,991,264	10	59.53	59.53	4,999,999,945.92	-	83,991,264	839,912,640	4,160,087,305.92	Right issue	None
29.11.2021	1,973,333	10	10	10	19,733,330	-	1,973,333	19,733,330	N.A.	RSOP**	None
13.07.2022	493,333	10	10	10	4,933,330	-	493,333	4,933,330	N.A.	RSOP**	None
<b>TOTAL*</b>	<b>252,287,783</b>						<b>252,287,783</b>	<b>2,522,877,830</b>			

\*The total is the aggregate number / value of equity share as on date.

\*\* Restricted Stock Option Plan (RSOP).

**(ii) Preference Share Capital History of the Issuer For The Last Three Years : NIL**

The Issuer has not issued any preference shares.

**9.4 DETAILS OF ANY ACQUISITION OR AMALGAMATION IN THE LAST 1 (ONE) YEAR**

There have not been any acquisition or amalgamation in the last 1 (one) year from the date of the Placement Memorandum.

Pursuant to preferential issue by Magma Fincorp Limited, Rising Sun Holdings Private Limited (RSHPL) acquired controlling stake in Magma Fincorp Limited. Consequently, RSHPL became the holding company of Poonawalla Fincorp Limited thereby allowing it to exercise indirect control over the Issuer. RSHPL then renamed MFL as Poonawalla Fincorp Limited (“PFL”) and Magma Housing Finance Limited as Poonawalla Housing Finance Limited in July 2021. Until the consummation of the Proposed Transaction, the Issuer is a subsidiary of PFL and a step down subsidiary of RSHPL.

**Recent Material Change:**

The board of directors of PFL, the holding company of the Issuer, at their meeting held on December 14, 2022 had accorded their consent to the Proposed Transaction for the divestment by way of sale of equity shares of the entire stake held by PFL in the Issuer to Perseus. In view of the same, the Board of the Issuer at their meeting held on December 14, 2022 had taken note of the Proposed Transaction and executed a share purchase agreement amongst PFL, Perseus and the Issuer on December 14, 2022, for the proposed sale of controlling stake i.e. 99.02% by PFL at total equity value of Rs. 3,900 Crores, subject to regulatory approvals and satisfaction of other customary conditions. Subsequently, the Issuer filed an application with the RBI seeking the requisite prior approvals for the transfer of shareholding of the Issuer, together with the acquisition of control of the Issuer and change in the composition of the Board of the Issuer pursuant to Chapter VIII (Acquisition/Transfer of Control) of the RBI HFC Master Directions. The RBI has granted approval for the change in shareholding on May 30, 2023. Consequently, the Issuer is currently in the final phase of consummating the Proposed Transaction, subject to the completion of certain regulatory and compliance requirements.

Post consummation of the Proposed Transaction, in the near term, Perseus will also infuse additional equity of up to Rs. 1,000 crores to support the growth of the Issuer.

#### **9.5 DETAILS OF ANY REORGANIZATION OR RECONSTRUCTION IN THE LAST 1 (ONE) YEAR**

There has been no reorganization or reconstruction in the last 1 (one) year.

#### **9.6 LIST OF TOP 10 HOLDERS OF EQUITY SHARES OF THE ISSUER AS ON MARCH 31, 2023**

<b>Sl. No.</b>	<b>Name</b>	<b>Total No. of Equity Shares</b>	<b>No. of Equity Shares in demat form</b>	<b>Total shareholding as % of total no of Equity Shares</b>
1	Poonawalla Fincorp Limited*	249,821,067	249,821,067	99.02%
2	Adar Poonawalla**	23	23	0.00%
3	Satyajeet Chandrakant Parve**	23	23	0.00%
4	Amar Deshpande**	1	1	0.00%
5	Manoj Kutty Gujaran**	1	1	0.00%
6	Anup Kumar Agarwal**	1	1	0.00%
7	Mahesh Ramdas Hande**	1	1	0.00%
8	Manish Jaiswal	2,466,666	2,466,666	0.98%
<b>TOTAL</b>		<b>252,287,783</b>	<b>252,287,783</b>	<b>100%</b>

*Notes:*

\*The name of the Promoter has changed from Magma Fincorp Limited to Poonawalla Fincorp Limited with effect from July 22, 2021. The RBI has granted approval for the change in shareholding on May 30, 2023. Consequently, the Issuer is currently in the final phase of consummating the Proposed Transaction, subject to the completion of certain regulatory and compliance requirements.

\*\* Beneficial interest of individual shares lies with Poonawalla Fincorp Limited (formerly, Magma Fincorp Limited).

**Notes:** Details of shares pledged or encumbered by the Promoters (if any): None.

#### **9.7 DETAILS OF THE SHAREHOLDING OF THE ISSUER AS ON AS ON MARCH 31, 2023**

<b>Sl. No.</b>	<b>Name</b>	<b>Total No. of Equity Shares</b>	<b>No. of Equity Shares in demat form</b>	<b>Total shareholding as % of total no of Equity Shares</b>
1	Poonawalla Fincorp Limited*	249,821,067	249,821,067	99.02%
2	Adar Poonawalla**	23	23	0.00%
3	Satyajeet Chandrakant Parve**	23	23	0.00%
4	Amar Deshpande**	1	1	0.00%
5	Manoj Kutty Gujaran**	1	1	0.00%
6	Anup Kumar Agarwal**	1	1	0.00%
7	Mahesh Ramdas Hande**	1	1	0.00%
8	Manish Jaiswal	2,466,666	2,466,666	0.98%
<b>TOTAL</b>		<b>252,287,783</b>	<b>252,287,783</b>	<b>100%</b>

*Notes:*

\*The name of the Promoter has changed from Magma Fincorp Limited to Poonawalla Fincorp Limited with effect from July 22, 2021. The RBI has granted approval for the change in shareholding on May 30, 2023. Consequently, the Issuer is currently in the final phase of consummating the Proposed Transaction, subject to the completion of certain regulatory and compliance requirements.

\*\* Beneficial interest of individual shares lies with Poonawalla Fincorp Limited (formerly, Magma Fincorp Limited).

#### **9.8 PRE AND POST ISSUE SHAREHOLDING PATTERN OF THE ISSUER**

The pre-issue shareholding pattern of the Issuer is set out in Paragraph 9.7 of this Placement Memorandum. There shall not be any change in the post issue shareholding pattern, as this Issue is in respect of non-convertible debentures.

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## **CHAPTER 10** **MANAGEMENT**

### **10.1 DETAILS OF CURRENT DIRECTORS OF THE ISSUER**

This table sets out the details regarding the Issuer's Board of Directors as on the date of this Placement Memorandum:

<b>Sl.</b>	<b>Name of the Directors , Designation, DIN, Occupation</b>	<b>Age</b>	<b>Address</b>	<b>Date of Appointment or Reappointment</b>	<b>Details of other directorships</b>	<b>Whether willful defaulter (Yes/No)</b>
1	Mr. Adar Cyrus Poonawalla Chairman, Non-Executive Director  DIN: 00044815  Business	42	11, Poonawalla Park, Pune – 411 037	July 8, 2021	1. Amron Realtors Private Limited 2. Poonawalla Credit Private Limited 3. Serum Institute Life Sciences Private Limited 4. Poonawalla Estates Stud and Agri Farm Private Limited 5. Poonawalla Investment and Industries Private Limited 6. Villo Poonawalla Racing and Breeding Private Limited 7. Rising Sun Holdings Private Limited 8. Serum Institute of India Private Limited 9. Sovereign Pharma Private Limited 10. Poonawalla Developers Private Limited 11. Poonawalla Finance Private Limited 12. Covidshield Technologies Private limited 13. Poonawalla Fincorp Limited (Formerly Magma Fincorp Limited) 14. Serum International B.V# 15. Poonawalla Science Park B.V.# 16. ADNA Holdings Limited# 17. Genesis Park LLP 18. Adar Estates LLP 19. Sweetish House Bakery LLP 20. Sanoti Properties LLP # Foreign Companies	No.
2	Mr. Amar Deshpande Non- Executive Director  DIN: 07425556  Service	62	Flat No. 6, Plot No. 14 , Vaibhav Apartment, Chintamani Society, Karve Nagar, Pune – 411 052	July 20, 2021	1. Poonawalla Fincorp Limited (formerly Magma Fincorp Limited)	No.
3	Mr. Manish Jaiswal Managing Director & Chief Executive Officer DIN: 07859441 Service	53	Flat - C/1203, 12 <sup>th</sup> Floor, Oberoi Exquisite, Oberoi Garden City, Goregaon East, Off Western Exp Highway Mumbai – 400 063	June 26, 2017/ (Reappointed w.e.f. June 26, 2022)	Nil	No.
4	Mr. Prabhakar Dalal Independent Non- Executive Director DIN: 00544948 Professional	70	1801, Bhoomi Arcade, Atmaram Sawant Marg, Ashok Nagar, Kandivli East, Mumbai – 400 101	May 24, 2021	1. Ajanta Pharma Limited 2. Poonawalla Fincorp Limited (Formerly Magma Fincorp Limited)	No.
5.	Mrs. Bhama Krishnamurthy Independent Non- Executive Director  DIN: 02196839  Retired from Service	68	401, Fourth Floor, Avasekars Srushti, Old Prabhadevi Road, Prabhadevi, Mumbai - 400 025	May 24, 2021	1. Thirumalai Chemicals Limited 2. CSB Bank Limited 3. Network18 Media & Investment Limited 4. Cholamandalam Investment and Finance Company Limited 5. Muthoot Microfin Limited 6. Five- Star Business Finance Limited 7. E- Eighteen.Com Limited	No.

None of the current Directors of the Issuer are appearing in the RBI defaulter list and/or ECGC default list.

### 10.2 DETAILS OF CHANGE IN DIRECTORS SINCE LAST THREE YEARS

Name, Designation and DIN	Date of Appointment	Date of Cessation, if application	Date of Resignation, if applicable	Remarks
Mr. Manish Jaiswal Managing Director & Chief Executive Officer DIN: 07859441	26.06.2017	-	-	Reappointed w.e.f. 26 June, 2022
Mr. Satya Brata Ganguly Independent Non-Executive Director DIN: 00012220	13.07.2018	12.07.2021	-	Completion of tenure
Ms. Mamta Binani Independent Non-Executive Director DIN: 00462925	28.03.2015	27.03.2020	-	Completion of tenure
Mr. Raman Uberoi Independent Non-Executive Director DIN: 03407353	20.03.2020	09.06.2021	09.06.2021	Resignation
Ms. Deena Asit Mehta Independent Non-Executive Director DIN: 00168992	20.03.2020	09.06.2021	09.06.2021	Resignation
Mr. Mayank Poddar Non-Executive Director DIN: 00009409	04.05.2015	09.06.2020	-	Retirement (Expressed desire not to be reappointed at the ensuing Annual General Meeting)
Mr. Kailash Baheti Non-Executive Director DIN: 00192017	11.02.2013	09.06.2020	09.06.2020	Resignation
Mr. Sanjay Chamria Non-Executive Director DIN: 00009894	11.02.2013	23.11.2021	23.11.2021	Resignation
Mr. Prabhakar Dalal Independent Non-Executive Director DIN: 00544948	24.05.2021	-	-	-
Ms. Bhama Krishnamurthy Independent Non-Executive Director DIN: 02196839	24.05.2021	-	-	-
Mr. Sajid Fazalbhoy Independent Non-Executive Director DIN: 00022760	24.05.2021	14.01.2022	14.01.2022	Resignation
Mr. Adar Poonawalla Chairman, Non-Executive Director DIN: 00044815	08.07.2021	-	-	-
Mr. Abhay Bhutada Non-Executive Director DIN: 03330542	08.07.2021	16.09.2021	16.09.2021	Resignation
Mr. Amar Deshpande Non-Executive Director DIN: 07425556	20.07.2021	-	-	-

### 10.3 DETAILS OF MANAGEMENT OF THE ISSUER

#### 10.3.1 BRIEF PROFILE OF DIRECTORS OF THE ISSUER

Sl. No.	Name of the Director and Designation	Brief Profile
1	Mr. Adar Cyrus Poonawalla  Chairman, Non-Executive Director	Mr. Adar Poonawalla is chairman of Poonawalla Fincorp Limited and also the CEO of Serum Institute of India. An innovator to the core, Mr. Adar Poonawalla has been dedicated to developing affordable children's vaccines and providing the same across the globe.  He spearheaded the Clean City initiative (APCC) in Pune, and since, has been actively involved in bringing dignity to the task of waste collection. In 2013, Forbes India included Mr. Adar Poonawalla in the 'Four

<b>Sl. No.</b>	<b>Name of the Director and Designation</b>	<b>Brief Profile</b>
		<p>Scions to Watch Out For' list. In 2018, he was recognised for his relentless and passionate efforts make our society a better (and cleaner) place, and accorded the Corporate Social Responsibility award by CNBC Asia.</p> <p>Further, the award-winning GQ magazine included Mr. Poonawalla in its elite list of 50 most influential young Indians - another feather on the cap for the young innovator and promoter.</p>
2	Mr. Amar Deshpande  Non- Executive Director	<p>Mr. Amar Deshpande is a M. Sc. in Statistics and holds a Diploma in Financial Management and has over 37 years of experience in the BFSI sector mainly into NBFCs with expertise in areas including fund mobilisation, corporate funding, project finance, debt syndication, credit appraisal and management consultancy. Mr. Deshpande comes with long-standing experience in finance, banking, legal and management spheres.</p> <p>He was awarded as the “most influential CFOs of India” in 2015 by CIMA (Chartered Institute of Management Accounts).</p> <p>Mr. Deshpande is a Chief Operating Officer of Poonawalla Finance Private Limited, a systemically important non-banking financial company and Ex. Vice President Finance and Strategy at Electronica Finance Limited. He has spear-headed an arena of various departments such as legal, compliance, operations, finance, treasury, collections, etc. Mr. Deshpande has been a visiting faculty to NIBM (National Institute of Bank Management), Pune and Reserve Bank of India, College of Agriculture Banking, Pune.</p>
3	Mr. Manish Jaiswal  Managing Director & Chief Executive Officer	<p>Mr. Manish Jaiswal took over as Poonawalla Housing Finance Limited's (PHFL) Managing Director and Chief Executive Officer in June 2017. He is a mechanical engineer from VNIT, Nagpur and has also done his Fast Track General Management from IIM, Bangalore. Mr. Jaiswal has over 30 years of business experience in banking, financial services, and heavy engineering industry.</p> <p>Prior to PHFL, Mr. Jaiswal was a Senior Director in CRISIL wherein he led multiple businesses of Risk Advisory, Risk Solutions, SME Ratings and CRISIL's eminent Research Business (Industry, Economy, Fixed Income and Capital Market Research) in a series of stints. He led the implementation of Basel III Integrated Risk Management with most Banks and NBFCs in domestic and EEMEA region with specialization on internal credit risk rating models.</p> <p>Prior to CRISIL, Mr. Jaiswal's expertise has been in building businesses grounds up or turned them around across institutions of eminence like Citi, Fullerton (Temasek Company), Eicher (collaboration with Mitsubishi Motors) and Dhanbank.</p> <p>Over the last three decades, he has made deep contributions in SME banking and retail assets financing with experience of assets management over 25,000 crores.</p> <p>Mr. Jaiswal has also been involved in various policy making roles. He was a member of the SEBI's committee led by Mrs. Shyamala Gopinath on Corporate Bonds and Securitization Advisory Committee (CoBoSAC) for corporate bond development in the country. He has worked with the country's foremost pension fund, the Employee's Provident Fund Organisation and regulator Pension Fund Regulatory and Development Authority on investment advisory. He was a member of the Usha Thorat Committee “Revitalization of Distressed Assets” which led to implementation of Special Mention Assets categorization. He has assisted in shaping the Government's Credit Guarantee program for NBFCs and, also assisted in development of the Emergency Credit Line Guarantee Scheme to revive stressed MSME's during the pandemic.</p>
4	Mr. Prabhakar Dalal  Independent Non-Executive Director	<p>Mr. Prabhakar Dalal, holds degrees in M. Com, LL.B., CAIIB, FIIBF, PGDFERM and PGDSL and certificates in French and German languages. He is a highly experienced banker in commercial and development banking, with 38 years of experience and extensive international exposure across the globe. He has worked with Export-Import Bank of India (Exim Bank) for 31 years, including as the Executive Director for over 3 years.</p> <p>Mr. Dalal has been serving as independent or nominee director on the boards of several companies/organisations in various sectors, including the West African Development Bank. He also served as a Member of the Jury for Business Excellence Awards and has appeared as an expert on top-rated business news television channels in their several call-in shows.</p> <p>Mr. Dalal's expertise lies in retail and wholesale banking, international trade and project financing, institutional and international relations, stressed assets management, resource management, corporate and securities law and corporate governance.</p>
5	Mrs. Bhama Krishnamurthy  Independent Non-Executive Director	Ms. Bhama Krishnamurthy holds a degree in Master's in science (M.Sc.) from Mumbai University. She was Country Head and Chief General Manager at Small Industries Development Bank of India. She had a career spanning over 35 years in Industrial Development Bank of India (now IDBI Bank) and Small Industries Development Bank of India, an apex development bank for micro, small and medium enterprises in India covering all areas of development in banking operations both from policy perspectives and relating to

Sl. No.	Name of the Director and Designation	Brief Profile
		<p>implementation aspects. She has varied experience including resource raising and management, forex, treasury operations, credit dispensation and management, risk management, credit function, head of branch operations and human resources division.</p> <p>Ms. Krishnamurthy has closely dealt with multilateral and bilateral agencies in coordination with the Government of India. She serves as an independent director on the board of renowned companies including NBFCs, banks and others.</p>

#### 10.3.2 BRIEF PROFILE OF KEY MANAGERIAL PERSONNEL & SENIOR MANAGERIAL PERSONNEL

The following table sets out the details of the senior management of the Issuer as on the date of this Placement Memorandum:

Name Designation	Industry Experience	Major Previous Organizations	Past Roles/Functions
<b>Mr. Manish Jaiswal</b> <i>Managing Director &amp; Chief Executive Officer</i>	>30 years	CRISIL, Citi, Fullerton (A Temasek Company), Eicher Motors and Dhanbank.	Sr. Director & Head of Business - SME Ratings & CRISIL Research
<b>Mr. Pankaj Rathi</b> <i>Chief Financial Officer</i>	> 14 years	Xander Finance, NBFC backed by Singapore based Xander Group	CFO - Xander Finance, JM Financial, EY, PWC
<b>Ms. Vaishnavi Suratwala</b> <i>Company Secretary &amp; Compliance Officer</i>	> 8 years	John Deere India Private Limited, John Deere Financials India Private Limited and Trimble Mobility Solutions India Private Limited	Company Secretary and Compliance Officer - John Deere India Private Limited and John Deere Financials India Private Limited
<b>Mr. Amit Kumar Khan</b> <i>Chief Business Officer</i>	> 22 years	ICICI Bank, HDFC Bank, DCB, Indiabulls HF, Clix Capital	Head of Collections – Clix Capital
<b>Mr. Rishi Kant Dubey</b> <i>Chief Risk Officer</i>	> 14 years	Muthoot Microfin Limited	Chief Risk Officer- Muthoot Microfin Limited
<b>Mr. Ashish Singhania</b> <i>Head- Human Resource</i>	> 22 years	ICICI Lombard general insurance company, HDFC Ergo general Insurance company and Bajaj Allianz life insurance company	AVP HR – ICICI Lombard General Insurance Company
<b>Mr. Naveen Manghani</b> <i>Chief Compliance Officer and Nodal Officer</i>	> 16 years	JSW Energy Limited, Piramal Capital & Housing Finance (formerly known as DHFL), Shree Renuka Sugars Limited, Setco Automotive Limited, V.I.P. Industries Limited, Trent Limited and Marico Limited.	General Manager – Company Secretary, JSW Energy Limited
<b>Mr. Rahul Mishra</b> <i>Head – Internal Audit</i>	> 11 years	Svatantra Mircofin pvt. Ltd., Svatantra micro housing finance limited, Aditya Birla Management Corporation pvt. Ltd. and Sharp & Tannan Associates	Head Internal Audit – Svatantra Mircofin Pvt. Ltd. and Svatantra micro housing finance limited
<b>Mr. Sachin Saxena</b> <i>Integrated Collection Head</i>	> 26 years	PNB Housing Finance Ltd, Tata Capital Housing Ltd, Chola DBS Financial and Standard Chartered Bank	Head Collections - PNB Housing Finance Ltd
<b>Mr. Pankaj Maduskar</b> <i>Chief Credit Officer</i>	> 27 years	Edelweiss Housing Finance Ltd, JM Financial Home Loans, L&T Housing Finance Limited, ICICI Bank, HDFC Bank, GE CAPITAL- SBI (Credit Cards) and Hutchison Max Telecom.	National Credit Head – Mortgages - Edelweiss Housing Finance Ltd

#### 10.4 REMUNERATION OF DIRECTORS (DURING THE CURRENT YEAR AND LAST THREE FINANCIAL YEARS)

For renumeration of directors in respect of FY 2022-23, FY 2021-22 and FY 2020-21, please see Annexure VIII (*Related Party Transactions*) on page 135 and page 137 of this Placement Memorandum.

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**CHAPTER 11**  
**FINANCIAL INDEBTEDNESS**

**11.1 DETAILS OF SECURED LOAN FACILITIES AS ON MARCH 31, 2023**

Sr. No.	Lender	Type	Sanctioned Limit	Outstanding	Repayment Terms	Security
1	Axis Bank	Term Loan	200	200.00	06 semi annual installments from June 2025 onwards	First pari-passu charge over the pool of receivables against the Term Loan facility of the Issuer
2	Bank of Baroda	Term Loan	75	15.63	48 quarterly installments from Feb 2020 onwards	Exclusive charge over the pool of receivables against the Term Loan facility of the Issuer
3	Bank of Maharashtra	Term Loan	400	400.00	20 quarterly installments from March 2024 onwards	First pari-passu charge over the pool of receivables against the Term Loan facility of the Issuer
4	Canara Bank	Term Loan	150	28.13	16 quarterly installments from Mar 2020 onwards	First pari-passu charge over the pool of receivables against the Term Loan facility of the Issuer
5	Canara Bank	Term Loan	150	123.21	28 quarterly installments from March 2022 onwards	First pari-passu charge over the pool of receivables against the Term Loan facility of the Issuer
6	DCB Bank	Term Loan	50	50.00	18 quarterly installments from September 2023 onwards	First pari-passu charge over the pool of receivables against the Term Loan facility of the Issuer
7	Equitas Small Finance Bank	Term Loan	50	50.00	20 quarterly installments from May 2023 onwards	First pari-passu charge over the pool of receivables against the Term Loan facility of the Issuer
8	HSBC	Term Loan	100	10.00	16 quarterly installments from June 2024 onwards	First pari-passu charge over the pool of receivables against the Term Loan facility of the Issuer
9	ICICI Bank	Term Loan		140.00	10 quarterly installments from July 2022 onwards	First pari-passu charge over the pool of receivables against the Term Loan facility of the Issuer
10	ICICI Bank	Term Loan		50.00	18 quarterly installments from June 2023 onwards	First pari-passu charge over the pool of receivables against the Term Loan facility of the Issuer
11	ICICI Bank	Term Loan		50.00	18 quarterly installments from July 2023 onwards	First pari-passu charge over the pool of receivables against the Term Loan facility of the Issuer
12	ICICI Bank	Term Loan		60.00	18 quarterly installments from August 2023 onwards	First pari-passu charge over the pool of receivables against the Term Loan facility of the Issuer
13	ICICI Bank	Term Loan		100.00	18 quarterly installments from September 2023 onwards	First pari-passu charge over the pool of receivables against the Term Loan facility of the Issuer
14	IDFC First Bank Limited	Term Loan	150	37.50	48 monthly installments from April 2020 onwards	First pari-passu charge over the pool of receivables against the Term Loan facility of the Issuer
15	Indian Bank	Term Loan	160	78.67	45 monthly installments from Apr 2021 onwards	First pari-passu charge over the pool of receivables against the Term Loan facility of the Issuer
16	Indian Bank	Term Loan		100.00	24 quarterly installments from June 2024 onwards	First pari-passu charge over the pool of receivables against the Term Loan facility of the Issuer
17	Indian Bank	Term Loan		100.00	24 quarterly installments from Sept 2024 onwards	First pari-passu charge over the pool of receivables against the Term Loan facility of the Issuer
18	Indian Bank	Term Loan		50.00	24 quarterly installments from Oct 2024 onwards	First pari-passu charge over the pool of receivables against the Term Loan facility of the Issuer
19	Indian Bank	Term Loan		50.00	24 quarterly installments from Dec 2024 onwards	First pari-passu charge over the pool of receivables against the Term Loan facility of the Issuer
20	Karnataka Bank	Term Loan	90	75.75	19 quarterly installments from September 2022 onwards	First pari-passu charge over the pool of receivables against the Term Loan facility of the Issuer
21	National Housing Bank	Term Loan	50	24.25	39 quarterly installments from Oct 2020 onwards	Exclusive charge over the pool of receivables against the Term Loan facility of the Issuer
22	National Housing Bank	Term Loan	45	18.60	19 quarterly installments from Oct 2020 onwards	Exclusive charge over the pool of receivables against the Term Loan facility of the Issuer
23	National Housing Bank	Term Loan	50	26.28	39 quarterly installments from Oct 2020 onwards	Exclusive charge over the pool of receivables against the Term Loan facility of the Issuer
24	National Housing Bank	Term Loan	54	22.10	19 quarterly installments from Oct 2020 onwards	Exclusive charge over the pool of receivables against the Term Loan facility of the Issuer
25	National Housing Bank	Term Loan		3.61	39 quarterly installments from April 2022 onwards	Exclusive charge over the pool of receivables against the Term Loan facility of the Issuer
26	National Housing Bank	Term Loan		10.94	39 quarterly installments from April 2022 onwards	Exclusive charge over the pool of receivables against the Term Loan facility of the Issuer
27	National Housing Bank	Term Loan		45.21	39 quarterly installments from April 2022 onwards	Exclusive charge over the pool of receivables against the Term Loan facility of the Issuer
28	National Housing Bank	Term Loan		5.63	39 quarterly installments from April 2022 onwards	Exclusive charge over the pool of receivables against the Term Loan facility of the Issuer
29	National Housing Bank	Term Loan		168.81	27 quarterly installments from April 2022 onwards	Exclusive charge over the pool of receivables against the Term Loan facility of the Issuer
30	National Housing Bank	Term Loan		4.91	27 quarterly installments from April 2022 onwards	Exclusive charge over the pool of receivables against the Term Loan facility of the Issuer
31	National Housing Bank	Term Loan		30.21	39 quarterly installments from July 2022 onwards	Exclusive charge over the pool of receivables against the Term Loan facility of the Issuer
32	National Housing Bank	Term Loan		114.27	27 quarterly installments from July 2022 onwards	Exclusive charge over the pool of receivables against the Term Loan facility of the Issuer
33	National Housing Bank	Term Loan		32.79	37 quarterly installments from July 2022 onwards	Exclusive charge over the pool of receivables against the Term Loan facility of the Issuer
34	National Housing Bank	Term Loan		90.94	27 quarterly installments from July 2022 onwards	Exclusive charge over the pool of receivables against the Term Loan facility of the Issuer
35	National Housing Bank	Term Loan		12.75	27 quarterly installments from Oct 2022 onwards	Exclusive charge over the pool of receivables against the Term Loan facility of the Issuer
36	National Housing Bank	Term Loan		16.60	39 quarterly installments from Oct 2022 onwards	Exclusive charge over the pool of receivables against the Term Loan facility of the Issuer
37	Punjab National Bank	Term Loan	100	37.50	16 quarterly installments from Dec 2020 onwards	First pari-passu charge over the pool of receivables against the Term Loan facility of the Issuer
38	Punjab National Bank	Term Loan	150	75.00	16 quarterly installments from June 2021 onwards	First pari-passu charge over the pool of receivables against the Term Loan facility of the Issuer
39	Shinhan Bank	Term Loan	30	30.00	8 Half-Yearly installments from Sept 2024 onwards	First pari-passu charge over the pool of receivables against the Term Loan facility of the Issuer
40	South Indian Bank	Term Loan	200	200.00	24 quarterly installments from June 2024 onwards	First pari-passu charge over the pool of receivables against the Term Loan facility of the Issuer
41	State Bank of India	Term Loan	150	116.12	26 quarterly installments from June 2022 onwards	First pari-passu charge over the pool of receivables against the Term Loan facility of the Issuer

42	State Bank of India	Term Loan	750	650.00	28 quarterly installments from September 2023 onwards	First pari-passu charge over the pool of receivables against the Term Loan facility of the Issuer
43	UCO Bank	Term Loan	100	96.43	28 quarterly installments from January 2023 onwards	First pari-passu charge over the pool of receivables against the Term Loan facility of the Issuer
44	Union Bank of India	Term Loan	100	43.75	16 quarterly installments from July 2020 onwards	First pari-passu charge over the pool of receivables against the Term Loan facility of the Issuer
45	Union Bank of India	Term Loan	250	239.58	24 quarterly installments from March 2023 onwards	First pari-passu charge over the pool of receivables against the Term Loan facility of the Issuer
46	State Bank of India	Working Capital	250	250.00	On maturity	First pari-passu charge over the pool of receivables against the Term Loan facility of the Issuer
47	ICICI Bank	Working Capital	50	0.00	On maturity	First pari-passu charge over the pool of receivables against the Term Loan facility of the Issuer
48	DCB Bank	Working Capital	25	25.00	On maturity	First pari-passu charge over the pool of receivables against the Term Loan facility of the Issuer
49	Axis Bank	Working Capital	50	0.00	On maturity	First pari-passu charge over the pool of receivables against the Term Loan facility of the Issuer

#### 11.2 DETAILS OF UNSECURED LOAN FACILITIES AS ON MARCH 31, 2023

Sr. No.	Lender's Name	Type of Facility	Sanctioned Limit (in INR crores)	Outstanding (in INR crores)	Maturity Date	Repayment Terms	Security
1	IDFC First Bank Limited	Unsecured Loan-Sub Debt	100.00	100.00	30-Mar-26	Bullet	NA

#### 11.3 DETAILS OF NON-CONVERTIBLE DEBENTURES AS ON MARCH 31, 2023

Series of NCD	Tenor/ Period of Maturity	Coupon / Interest	Amount (INR in Crore)	Date of Allotment	Redemption Date/ Schedule	Credit Rating	Secured / Unsecured	Security
INE055I07099	3 years	9.00%	75	26-Jun-20	26-Jun-23	CARE AAA (RWN)	Secured	Exclusive first charge by way of hypothecation on the Issuer's book debts and loan instalments receivables against the debentures with an asset cover ratio of 1 time (asset cover) outstanding to be maintained during the tenor of the debentures.
INE055I07099	3 years	9.00%	50	26-Jun-20	26-Jun-23	CARE AAA (RWN)	Secured	Exclusive floating charge on receivables to the extent of 100% of principal amount of debentures outstanding and interest thereon.
INE055I07115	3 years	9.00%	50	31-Jul-20	31-Jul-23	CARE AAA (RWN)	Secured	Exclusive floating charge on receivables to the extent of 110% of principal amount of debentures outstanding.
INE055I07107	2 years 289 days	8.75%	75	06-Jul-20	21-Apr-23	CARE AAA (RWN)	Secured	Exclusive floating charge on receivables to the extent of 100% of principal amount of debentures outstanding and interest thereon.
INE055I07107	2 years 264 days	8.75%	20	31-Jul-20	21-Apr-23	CARE AAA (RWN)	Secured	Exclusive floating charge on receivables to the extent of 100% of principal amount of debentures outstanding.

#### 11.4 LIST OF TOP 10 DEBENTURE HOLDERS AS ON MARCH 31, 2023

SR. NO.	NAME OF DEBENTURE HOLDER	AMOUNT (Rs. Crores.)	% OF TOTAL DEBENTURES
1	State Bank Of India	95.00	35%
2	Union Bank Of India	75.00	28%
3	Punjab National Bank	50.00	19%
4	Indian Bank	50.00	18%

#### 11.5 THE AMOUNT OF CORPORATE GUARANTEE ISSUED BY THE ISSUER ALONG WITH NAME OF THE COUNTERPARTY (LIKE NAME OF THE SUBSIDIARY, JV ENTITY, GROUP COMPANY, ETC.) ON BEHALF OF WHOM IT HAS BEEN ISSUED (IF ANY).

The Issuer has not issued any corporate guarantee to any third party as on March 31, 2023.

#### 11.6 DETAILS OF COMMERCIAL PAPER AS ON MARCH 31, 2023

The Issuer does not have any outstanding commercial papers as on March 31, 2023.

**11.7 DETAILS OF REST OF THE BORROWING (IF ANY INCLUDING HYBRID DEBT LIKE FOREIGN CURRENCY CONVERTIBLE BONDS ('FCCB'), OPTIONAL CONVERTEABLE DEBENTURES / PREFERENCE SHARES) AS ON MARCH 31, 2023**

The Issuer does not have any other kind of borrowing (including hybrid debt like FCCB, optionally convertible debentures or preference shares) as on March 31, 2023.

**11.8 DETAILS OF ALL DEFAULT/S AND/OR DELAY IN PAYMENTS OF INTEREST AND PRINCIPAL OF ANY KIND OF TERM LOANS, DEBT SECURITIES AND OTHER FINANCIAL INDEBTEDNESS INCLUDING CORPORATE GUARANTEE ISSUED BY THE ISSUER, IN THE PAST 3 (THREE) YEARS, AS ON MARCH 31, 2023**

The Issuer has not defaulted and/or delayed payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Issuer, in the past 3 (three) years, as on March 31, 2023.

**11.9 DETAILS OF ANY OUTSTANDING BORROWINGS TAKEN / DEBT SECURITIES ISSUED WHERE TAKEN / ISSUED (I) FOR CONSIDERATION OTHER THAN CASH, WHETHER IN WHOLE OR PART, (II) AT A PREMIUM OR DISCOUNT, OR (III) IN PURSUANCE OF AN OPTION, AS ON MARCH 31, 2023**

The Issuer does not have any outstanding borrowings taken / debt securities issued where taken / issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option, as on March 31, 2023.

**11.10 DETAILS OF DEFAULT, IF ANY, INCLUDING THEREIN THE AMOUNT INVOLVED, DURATION OF DEFAULT AND PRESENT STATUS, IN REPAYMENT OF (I) STATUTORY DUES; (II) DEBENTURES AND INTEREST THEREON; (III) DEPOSITS AND INTEREST THEREON; (IV) LOAN FROM ANY BANK OR FINANCIAL INSTITUTION AND INTEREST THEREON**

In respect of statutory dues, there is no material litigation which will impact the business of the Issuer. The Issuer has not defaulted on payments in respect of (i) debentures and interest thereon, (ii) deposits and interest thereon, and (iii) loan from any bank or financial institution and interest thereon.

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**CHAPTER 12**  
**LITIGATION AND MATERIAL FRAUDS**

- 12.1 DETAILS OF ANY LITIGATION OR LEGAL ACTION PENDING OR TAKEN BY ANY MINISTRY OR DEPARTMENT OF THE GOVERNMENT OR A STATUTORY AUTHORITY AGAINST ANY PROMOTER OF THE ISSUER DURING THE LAST THREE YEARS IMMEDIATELY PRECEDING THE YEAR OF THE CIRCULATION OF THE PLACEMENT MEMORANDUM AND ANY DIRECTION ISSUED BY SUCH MINISTRY OR DEPARTMENT OR STATUTORY AUTHORITY UPON CONCLUSION OF SUCH LITIGATION OR LEGAL ACTION SHALL BE DISCLOSED.**

There are no litigation or legal action initiated against PFL, the Promoter of the Issuer, by any ministry or department of the government of a statutory authority as on the date of the Placement Memorandum.

- 12.2 DETAILS OF ANY INQUIRY, INSPECTIONS OR INVESTIGATIONS INITIATED OR CONDUCTED UNDER THE COMPANIES ACT OR ANY PREVIOUS COMPANY LAW IN THE LAST THREE YEARS IMMEDIATELY PRECEDING THE YEAR OF CIRCULATION OF THE PLACEMENT MEMORANDUM IN THE CASE OF THE ISSUER AND ALL OF ITS SUBSIDIARIES. ALSO IF THERE WERE ANY PROSECUTIONS FILED (WHETHER PENDING OR NOT) FINES IMPOSED, COMPOUNDING OF OFFENCES IN THE LAST THREE YEARS IMMEDIATELY PRECEDING THE YEAR OF THE PLACEMENT MEMORANDUM AND IF SO, SECTION-WISE DETAILS THEREOF FOR THE ISSUER AND ALL OF ITS SUBSIDIARIES.**

There have not been any inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last three years immediately preceding the year of circulation of this Placement Memorandum in the case of the Issuer. Further, there have not been any prosecutions filed under the Companies Act (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of the Placement Memorandum.

- 12.3 DETAILS OF ACTS OF MATERIAL FRAUDS COMMITTED AGAINST THE ISSUER IN THE LAST THREE YEARS, IF ANY, AND IF SO, THE ACTION TAKEN BY THE ISSUER.**

There are no material frauds committed against the Issuer in the last three years prior to the circulation of this Placement Memorandum.

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**CHAPTER 13**  
**DISCLOSURES PERTAINING TO WILFUL DEFAULT**

Neither the Issuer, Promoters, nor any of the current Directors of the Issuer has been declared as wilful defaulter.

Name of Bank declaring entity to be wilful defaulter	Year in which entity is declared as wilful defaulter	Outstanding amount at the time of declaration	Name of entity declared as wilful defaulter	Steps taken for removal from list of wilful defaulters	Other disclosures	Any other disclosures
None	Not Applicable	Not Applicable	Not Applicable	Not Applicable	None	None

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## **CHAPTER 14** **ISSUE RELATED INFORMATION**

The terms of the Issue are set out under Annexure I “*Issue Details*”. This chapter sets out certain disclosures in respect of the Debentures and the Issue.

The Issuer proposes to issue the Series I Debentures and the Series II Debentures on the terms set out in the Private Placement Offer Letter and the Placement Memorandum. The Series I Debentures and the Series II Debentures being offered pursuant to the Placement Memorandum and the Private Placement Offer Letter follow the NCS Regulations, Companies Act, SEBI LODR, RBI HFC Master Directions, SEBI Operational Circular, BSE EBP Guidelines, and the Memorandum and Articles of Association of the Issuer and other applicable laws.

Eligible Investors should check their eligibility under applicable law before making any investment. This section applies to only those QIBs and any Non-QIB Investors specifically mapped to the Issue who are Eligible Investors as set out in Annexure I “*Issue Details*”. All Eligible Investors are required to make payment of the full application amount in accordance with the SEBI Operational Circular and BSE EBP Guidelines.

This Placement Memorandum is neither a prospectus nor a statement in lieu of a prospectus, and neither is it an offer and invitation under Section 42 of the Companies Act 2013. The Draft Placement Memorandum is uploaded on the electronic book provider platform of the BSE. An offer or invitation to subscribe to the Debentures was made to Investors specifically identified by the Issuer pursuant to a serially numbered and specifically addressed Private Placement Offer Letter..

### **INSTRUMENT SPECIFIC DETAILS**

#### ***Issue / instrument specific regulations-relevant details (Companies Act, RBI guidelines, etc.)***

The Issue of Debentures shall be in conformity with the applicable provisions of the Act including the notified rules thereunder and applicable regulatory guidelines including the NCS Regulations and the RBI HFC Master Directions.

### **RANKING**

The Series I Debentures and the Series II Debentures constitute direct and secured obligations of the Issuer. Subject to any obligations preferred by provisions of Applicable Law prevailing from time to time, the Series I Debentures, as regards the principal amount of the Series I Debentures, Interest and all other monies secured in respect of the Series I Debentures, and the Series II Debentures, as regards the principal amount of the Series II Debentures, Interest and all other monies secured in respect of the Series II Debentures, shall also each rank *pari passu* with all other present direct and secured obligations (including secured credit facilities provided to the Issuer) of the Issuer. The Issuer’s payments obligations under the Transaction Documents for the Series I Debentures and the Series II Debentures shall be superior to the claims of the unsecured creditors of the Issuer, except for obligations mandatorily preferred by Applicable Law. The Series I Debentures and the Series II Debentures shall be senior debt of the Issuer and shall not be classified as a subordinate debt.

### **MARKET LOT**

The market lot for the Series I Debentures will be 1 (one) Series I Debenture. The market lot for the Series II Debentures will be 1 (one) Series II Debenture. Since the Debentures are being issued only in dematerialised form, the odd lots will not arise either at the time of issuance or at the time of transfer of any Series I Debentures or Series II Debentures.

### **TRADING OF DEBENTURES**

The marketable lot for the purpose of trading Series I Debentures shall be 1 (one) Series I Debenture that is, in denomination of Rs. 1,00,000 (Rupees One Lakh) (however, following the payment of principal on each Series I Redemption Date, the face value of the Series I Debentures will be reduced to the extent of the outstanding principal amount). The marketable lot for the purpose of trading of Series II Debentures shall be 1 (one) Series II Debenture that is, in denomination of Rs. 1,00,000 (Rupees One Lakh). Trading of Debentures will be permitted in dematerialised mode only and such trades shall be cleared and settled in recognised stock exchange(s) subject to conditions specified by SEBI. In the event of trading in Debentures which has been made over the counter, the trades shall be executed and reported on a recognized stock exchange having a nation-wide trading terminal or such other platform as may be specified by SEBI.

### **TRANSFER OF DEBENTURES**

All Debentures (when issued) shall be in dematerialised form, freely transferable and the Debenture Holders shall be entitled to transfer the Debentures at their own cost, in whole or in part, without intimation to the Issuer or without consent of the Issuer

and upon completion of any transfer, the transferee shall be entitled to all rights as a Debenture Holder under the applicable Transaction Documents (in relation to the Series I Debentures or the Series II Debentures, as the case may be), subject to such transferee being an investor eligible to acquire the Debentures in accordance with Applicable Law.

## **RECOVERY EXPENSE FUND**

The Issuer shall create and maintain the Recovery Expense Funds in relation to the Series I Debentures and the Series II Debentures with the Stock Exchange equal to 0.01% of the issue size subject to maximum of Rs. 25,00,000 (Indian Rupees Twenty Five lakhs only) each, to be used by the Debenture Trustee in accordance with the relevant SEBI circular, in accordance with and within the timelines prescribed in the relevant SEBI circular. The amounts in the Recovery Expense Funds shall be utilised in the manner as may be prescribed by the respective Majority Debenture Holders in respect of the Series I Debentures and the Series II Debentures. On and after the occurrence of an Event of Default, the Debenture Trustee shall follow the procedure set out in relevant SEBI circular for utilisation of the Recovery Expense Funds.

## **DEBENTURE REDEMPTION RESERVE**

The Issuer is not mandatorily required to create a debenture redemption reserve (“DRR”) in accordance with provisions of the Act and/or any guidelines issued by the SEBI/RBI. If however, during the currency of these presents, any guidelines are formulated (or modified or revised) by any Governmental Authority having authority under the law in respect of creation of the DRR, the Issuer shall abide by such guidelines and execute all such supplemental letters, agreements and deeds of modification as may be required by the Debenture Holder(s) or the Debenture Trustee of the Series I Debentures or by the Debenture Holder(s) or the Debenture Trustee of the Series II Debentures.

## **INTEREST**

The Issuer shall pay Series I Interest on the Series I Debentures on each Interest Payment Date. The Series I Interest shall be calculated and payable by the Issuer in accordance with the provisions of the Series I Debenture Trust Deed. The Issuer shall pay Series II Interest on the Series II Debentures on each Interest Payment Date. The Series II Interest shall be calculated and payable by the Issuer in accordance with the provisions of the Series II Debenture Trust Deed.

## **STEP UP / STEP DOWN INTEREST**

The step up / step down interest rate in respect of the Series I Debentures and the Series II Debentures is set out in Annexure I (*Issue Details*) of this Placement Memorandum.

## **PUT OR CALL OPTION**

There is no put or call option in respect of the Debentures.

## **DEFAULT INTEREST**

The default interest payable is set out in Annexure I (*Issue Details*) of this Placement Memorandum.

## **REDEMPTION**

The Issuer agrees and undertakes to redeem 25% (twenty five percent) of the principal amount of the Series I Debentures on March 16, 2025, 50% (fifty percent) of the principal amount of the Series I Debentures on June 16, 2025, and 25% (twenty five percent) of the principal amount of the Series I Debentures along with outstanding interest due on September 16, 2025, being the Series I Redemption Dates. The Issuer agrees and undertakes to redeem the Series II Debentures along with outstanding interest due on September 16, 2024, being the Series II Redemption Date.

## **PROCESS OF DUE DILIGENCE (DD) TO BE CARRIED OUT BY THE DEBENTURE TRUSTEE**

DD will be carried out as per Applicable Laws issued by SEBI from time to time to the Debenture Trustee. This would broadly include the following:

- Chartered Accountant (CA) appointed by the Debenture Trustee will conduct independent DD as per scope provided, regarding Security offered by the Issuer.
- CA will ascertain, verify, and ensure that the asset offered as security by the Issuer is free from any encumbrances or necessary permission / consent / NOC has been obtained from all existing charge holders.
- CA will conduct independent DD on the basis of data / information provided by the Issuer.
- CA will, periodically, undertake DD as envisaged in SEBI circulars depending on the nature of security.

- On the basis of the CA's report / finding, a DD certificate will be issued by the Debenture Trustee and will be filed with the Stock Exchange.
- Disclaimers would be incorporated to the effect that:
  - a. While the Debentures are secured in accordance with the terms of the Placement Memorandum and Private Placement Offer Letter and charge is held in favour of the Debenture Trustee, the extent of recovery would depend upon realization of asset value and the Debenture Trustee in no way guarantees / assures full recovery / partial or either principal or interest.
  - b. DD conducted is premised on data / information made available to the Debenture Trustee or its appointed agency and there is no onus of responsibility on the Debenture Trustee or its appointed agency for any acts of omission / commission on the part of the Issuer.

## **REPURCHASE AND RE-ISSUE OF DEBENTURES**

Subject to and in accordance with Applicable Law, the Issuer will have the power exercisable at its discretion from time to time to repurchase some or all the Series I Debentures or Series II Debentures, on such terms and conditions as may be agreed between the Issuer and the sellers of the Series I Debenture(s) or Series II Debentures, at any time prior to the applicable Final Redemption Date. The Debentures which are in dematerialized form, can be repurchased by the Issuer through its beneficiary demat account in accordance with the norms prescribed by the Depository. This right does not constitute a call option. In the event of the Series I Debentures or the Series II Debentures being bought back, or redeemed before maturity in any circumstance whatsoever, the Issuer shall be deemed to always have the right, subject to the provisions of the Act, to re-issue such debentures either by re-issuing the same debenture(s) or by issuing other debentures in their place. Such Debenture(s) may, at the option of the Issuer, be cancelled, held or resold at such price and on such terms and conditions as the Issuer may deem fit and in accordance with Applicable Laws.

## **RESOLUTION OF CONFLICTS**

The obligations of the Issuer for the Series I Debentures shall be governed by the provisions contained in the Series I Transaction Documents, and in the event of there being any inconsistency or repugnancy between the Placement Memorandum, Private Placement Offer Letter and Series I Transaction Documents, the Series I Transaction Documents shall prevail. The obligations of the Issuer for the Series II Debentures shall be governed by the provisions contained in the Series II Transaction Documents, and in the event of there being any inconsistency or repugnancy between the Placement Memorandum, Private Placement Offer Letter and Series II Transaction Documents, the Series II Transaction Documents shall prevail.

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**CHAPTER 15**  
**TRANSACTION DOCUMENTS AND KEY TERMS**

**15.1 TRANSACTION DOCUMENTS**

The following documents shall be executed in relation to the Series I Debentures (each a **Series I Transaction Document**):

- (i) Debenture Trustee Agreement, which will confirm the appointment of Catalyst Trusteeship Limited as the Debenture Trustee;
- (ii) Series I Debenture Trust Deed, which will set out the terms upon which the Series I Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer;
- (iii) Series I Deed of Hypothecation executed between the Issuer and the Debenture Trustee;
- (iv) Such other documents as agreed between the Issuer and the Debenture Trustee.

The following documents shall be executed in relation to the Series II Debentures (each a **Series II Transaction Document**):

- (i) Debenture Trustee Agreement, which will confirm the appointment of Catalyst Trusteeship Limited as the Debenture Trustee;
- (ii) Series II Debenture Trust Deed, which will set out the terms upon which the Series II Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer;
- (iii) Series II Deed of Hypothecation executed between the Issuer and the Debenture Trustee;
- (iv) Such other documents as agreed between the Issuer and the Debenture Trustee.

**15.2 COVENANTS OF THE ISSUER**

In respect of the Series I Debentures, the Issuer shall comply with the covenants as specified in Annexure I (*Issue Details*) of this Placement Memorandum and also as specified under other Series I Transaction Documents. In respect of the Series II Debentures, the Issuer shall comply with the covenants as specified in Annexure I (*Issue Details*) of this Placement Memorandum and also as specified under other Series II Transaction Documents.

**15.3 EVENTS OF DEFAULT**

Events of Default and consequences of it are as set out in Annexure I (*Issue Details*) of this Placement Memorandum.

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## **CHAPTER 16** **APPLICATION PROCESS**

The Debentures being offered as part of the Issue are subject to the provisions of the Companies Act, 2013, the NCS Regulations, the RBI HFC Master Directions, the Memorandum and Articles of Association of the Issuer, the terms of the Placement Memorandum, the Private Placement Offer Letter, the Application Form and other terms and conditions as incorporated in the Series I Transaction Documents for the Series I Debentures and the Series II Transaction Documents for the Series II Debentures. This Issue of Debentures does not form part of ‘non-equity regulatory capital’ as set out under Chapter V of the NCS Regulations.

### **Issue Procedure**

The Issue will be open on the BSE EBP Platform, on the Issue Opening Date, in accordance with the SEBI Operational Circular and BSE EBP Guidelines for issuance of debentures.

Following the Issue Closing Date, an offer will be made by the Issuer to Eligible Investors to subscribe to the Debentures by way of a serially numbered and specifically addressed Private Placement Offer Letter and Application Form.

The Issuer reserves the right to change the Issue schedule including the Deemed Date of Allotment at its sole discretion, without giving any reasons or prior notice. The Issue will be open for subscription during the banking hours on each day during the period covered by the issue schedule for the Debentures.

### **Procedure for Applying for Dematerialized Facility**

- (i) The applicant must have at least one beneficiary account with any of the DPs of NSDL/CDSL prior to making the application.
- (ii) The applicant must necessarily fill in the details (including the beneficiary account number and DP - ID) appearing in the Application Form under the heading “Details for Issue of Debentures in Electronic/Dematerialised Form”.
- (iii) Debentures allotted to an applicant will be credited to the applicant’s respective beneficiary account(s) with the DP.
- (iv) For subscribing to the Debentures, names in the Application Form should be identical to those appearing in the details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details maintained with the DP.
- (v) Non-transferable allotment advice/refund orders will be directly sent to the applicant by the Registrar and Transfer Agent to the Issue.
- (vi) If incomplete/incorrect details are given under the heading “Details for Issue of Debentures in Electronic/Dematerialised Form” in the Application Form, it will be deemed to be an incomplete application and the same may be held liable for rejection at the sole discretion of the Issuer.
- (vii) For allotment of Debentures, the address, nomination details and other details of the applicant as registered with his/her DP shall be used for all correspondence with the applicant. The applicant is therefore responsible for the correctness of his/her demographic details given in the Application Form vis-a-vis those with his/her DP. In case the information is incorrect or insufficient, the Issuer would not be liable for the losses, if any.
- (viii) The redemption amount or other benefits would be paid to those Debenture Holder(s) whose names appear on the list of beneficial owners maintained by the R&T Agent as on the Record Date applicable for the Series I Debentures or the Series II Debentures, as the case may be. In case of those Debentures for which the beneficial owner is not identified in the records of the R&T Agent as on the Record Date applicable for the Series I Debentures or the Series II Debentures, as the case may be, the Issuer would keep in abeyance the payment of the redemption amount or other benefits, until such time that the beneficial owner is identified by the R&T Agent and conveyed to the Issuer, whereupon the redemption amount and benefits will be paid to the beneficiaries, as identified.

### **Who Can Apply?**

The QIBs and any Non-QIB Investors specifically mapped to the Issue and are Eligible Investors as specified in Annexure I “Issue Details” and Chapter 6 “Regulatory Disclosures” are eligible to apply for the Debentures. All Applicants are required to comply with the relevant regulations/guidelines applicable to them for investing in the Issue in accordance with the norms approved by GoI, RBI or any other statutory body from time to time, including but not limited to BSE EBP Guidelines as published by BSE on its website for investing in this Issue. The contents of the Placement Memorandum and any other information supplied in connection with the Placement Memorandum are intended to be used only by those Investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced or disseminated by the recipient.

**THE ISSUER MAY, BUT IS NOT BOUND TO, REVERT TO ANY ELIGIBLE INVESTOR FOR ANY ADDITIONAL DOCUMENTS OR INFORMATION. INVESTMENT BY ELIGIBLE INVESTORS FALLING IN THE**

CATEGORIES MENTIONED IN THE PLACEMENT MEMORANDUM ARE MERELY INDICATIVE AND THE ISSUER DOES NOT WARRANT THAT THEY ARE PERMITTED TO INVEST IN ACCORDANCE WITH EXANT LAWS, RULES, REGULATIONS, OR GUIDELINES. EACH OF THE ELIGIBLE INVESTORS ARE REQUIRED TO CHECK AND COMPLY WITH EXANT LAWS, RULES, REGULATIONS OR GUIDELINES GOVERNING OR REGULATING THEIR INVESTMENTS AS APPLICABLE TO THEM AND THE ISSUER IS NOT, IN ANY WAY, DIRECTLY OR INDIRECTLY, RESPONSIBLE FOR ANY STATUTORY OR REGULATORY BREACHES BY AN ELIGIBLE INVESTOR.

#### **Documents to be provided by Eligible Investors**

To be able to bid under the BSE EBP Platform, Eligible Investors must have provided the requisite documents (including but not limited to KYC) in accordance with the SEBI Operational Circular and BSE EBP Guidelines or applicable law or as requested by the Issuer. The Issuer is entitled at any time to require an Eligible Investor to provide any KYC or other documents as may be required to be maintained by it or delivered to a third party by it in accordance with applicable laws.

Eligible Investors need to submit the following documents, as applicable:

- (i) Memorandum and Articles of Association or other constitutional documents;
- (ii) Resolution authorising investment;
- (iii) Power of Attorney to custodian;
- (iv) Specimen signatures of the authorised signatories;
- (v) SEBI registration certificate (for Mutual Funds);
- (vi) Copy of PAN card; and
- (vii) Application Form (including RTGS details).

#### **Permanent Account Number**

Every applicant should mention its PAN allotted under Income Tax Act, 1961, as amended on the Application Form and attach a self-attested copy as evidence. Application forms without PAN will be considered incomplete and are liable to be rejected.

#### **Application under Power of Attorney or by Eligible Investors**

In case of Applications made under a power of attorney or by a company or a body corporate or registered society or mutual fund, and scientific and/or industrial research organizations or trusts etc., the relevant power of attorney or the relevant resolution or authority to make the Application, as the case may be, together with the certified true copy thereof along with the certified copy of the memorandum and articles of association and/or bye-laws, as the case may be, shall be attached to the Application Form or lodged for scrutiny separately with the photocopy of the Application Form, quoting the serial number of the Application Form, failing which the applications are liable to be rejected.

#### **Applications to be accompanied with Bank Account Details**

Every application shall be required to be accompanied by the bank account details of the applicant and the magnetic ink character reader code of the bank for the purpose of availing direct credit of redemption amount and all other amounts payable to the Debenture Holder(s) through EFT/RTGS.

#### **Procedure for Multiple Applications**

In case of applications by mutual funds and venture capital funds, a separate application must be made in respect of each scheme of an Indian mutual fund/venture capital fund registered with the SEBI and such applications will not be treated as multiple application, provided that the application made by the asset management company/trustee/custodian clearly indicated their intention as to the scheme for which the application has been made.

The application forms duly filled shall clearly indicate the name of the concerned scheme for which application is being made and must be accompanied by certified true copies of:

- (i) SEBI registration certificate;
- (ii) Resolution authorizing investment and containing operating instructions;
- (iii) Specimen signature of authorized signatories.

## How to Apply or Bid

**Only those Eligible Investors, as set out in Annexure I “Issue Details” and Chapter 6 “Regulatory Disclosures”, as permitted by applicable law, are permitted to apply or bid for the Issue.**

Subject to applicable law, QIBs and any Non-QIB Investors specifically mapped to the Issue which are Eligible Investors are permitted to apply and bid for the Issue.

Eligible Investors should refer the SEBI Operational Circular and BSE EBP Guidelines for issuance of debt securities on private placement basis through an electronic book mechanism as available on the website of BSE. Eligible Investors will also have to complete the mandatory KYC verification process. Eligible Investors should refer to the SEBI Operational Circular and BSE Operational Guideline in this respect.

All potential Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of the Series I Debentures and the Series II Debentures. Without prejudice to the aforesaid, where the selection of the Eligible Investors is required to be done pursuant to the SEBI Operational Circular and BSE EBP Guidelines, only those persons, who are registered on the BSE EBP Platform and are eligible to make bids for Series I Debentures and make bids for Series II Debentures of the Issuer and who are Eligible Investors in terms of the SEBI Operational Circular and BSE EBP Guidelines shall be considered as “identified persons” for the purposes of Section 42 (2) of the Companies Act, to whom the Issuer shall make private placement of the Debentures (whether Series I Debentures, Series II Debentures or both) and only such “identified persons” shall receive a direct communication from the Issuer with an offer, and shall be entitled, to subscribe to the Debentures (whether Series I Debentures, Series II Debentures or both).

All Eligible Investors are required to check and comply with applicable law(s) including the relevant rules or regulations or guidelines applicable to them for investing in this Issue of Debentures. Eligible Investors are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Eligible Investors ought to seek independent legal and regulatory advice in relation to the laws applicable to them. The Issuer is not in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any investor, neither is the Issuer required to check or confirm the same.

The Issue details shall be entered on the BSE EBP Platform by the Issuer at least 2 (two) Business Days prior to the Issue Opening Date, in accordance with the SEBI Operational Circular and BSE EBP Guidelines.

The Issue will be open for bidding for the duration of the bidding window that would be communicated through the Issuer’s bidding announcement on the BSE EBP Platform, at least 1 (one) Business Day before the start of the Issue Opening Date.

## Anchor Portion

The details of the anchor investor is set out in Annexure I (*Issue Details*) of this Placement Memorandum. 30% (Thirty Percent) of the Series I Debentures and 30% (Thirty Percent) of the Series II Base Issue are reserved for the anchor investors as set out in Annexure I (*Issue Details*) of this Placement Memorandum. There shall be no bidding for anchor portions on the BSE EBP Platform. The remaining portions of the issue of the Series I Debentures and the Series II Debentures (i.e. the non-anchor portions within the base issue size and the green shoe portion), shall be open for bidding by the eligible participants at the chosen time slot on the BSE EBP platform. The anchor investor(s) may also participate in the said portions of the issue. The settlement amount for the anchor investor(s) shall be determined on the basis of the SEBI Operational Circular and BSE EBP Guidelines.

## Key Guidelines in terms of the SEBI Operational Circular and BSE EBP Guidelines

Some of the key guidelines in terms of the current SEBI Operational Circular and BSE EBP Guidelines on issuance of securities on private placement basis through an EBP mechanism, are as follows:

### (i) Bidding Process

- (a) The bidding process on the BSE Bond - EPB Platform shall be on an anonymous order driven system.
- (b) Investors should refer to the BSE EBP Guidelines in respect of the bidding process.

### (ii) Modification of Bid

- (a) Eligible Investors may note that modification of bid is allowed during the bidding period.

(b) However, in the last 10 (ten) minutes of the bidding period, revision of bid is only allowed for:

- (A) downward revision of coupon/ interest / spread or upward modification of price; and/or
- (B) upward revision in terms of the bid size.

(iii) **Cancellation of Bid**

Investors may note that cancellation of bid is allowed during the bidding period. However, in the last 10 (ten) minutes of the bidding period, no cancellation of bids is permitted.

(iv) **Multiple Bids**

Investors may note that multiple bids are permitted.

(v) **Offer or Issue of executed Private Placement Offer Letter to successful Eligible Investors**

The signed copy of the Private Placement Offer Letter along with the Application Form was issued to the successful Eligible Investors, who are required to complete and submit the Application Form to the Issuer in order to accept the offer of the Debentures.

Only Eligible Investors identified by the Issuer may apply for the Debentures by completing the Application Form in the prescribed format in block letters in English as per the instructions contained therein. The minimum number of Series I Debentures and minimum number of Series II Debentures that can be applied for and the multiples thereof shall be set out in the Application Form. No application can be made for a fraction of a Debenture. Application Forms should be duly completed in all respects and applications not completed in the said manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be duly completed by the applicant. This is required for the applicant's own safety and these details will be printed on the refund orders and/or redemptions warrants. The applicant should transfer payments required to be made in any relation by EFT/RTGS, to the bank account of the Issuer in accordance with the details mentioned in the Application Form.

However, Investors should refer to the SEBI Operational Circular and BSE EBP Guidelines as prevailing on the date of the bid.

**Bids by the Arranger**

There is no arranger to this issue of Debentures.

**Withdrawal of Issue/ Force Majeure:**

The Issuer reserves the right to withdraw the Issue (whether of the Series I Debentures, Series II Debentures or both) prior to the Issue Closing Date, at its discretion, and including but not limited to the event of any unforeseen development adversely affecting the economic and regulatory environment or any other force majeure condition including any change in applicable law, due to pandemic, epidemic, etc., pursuant to the conditions set out under the SEBI Operational Circular and BSE EBP Guidelines.

Further, the Issuer shall be permitted to withdraw from the Issue process of the Series I Debentures on the following events:

- (i) The Issuer is unable to receive the bids on the Series I Debentures up to the issue size of the Series I Debentures; or
- (ii) A bidder has defaulted on payment towards the Allotment, within stipulated timeframe, due to which the Issuer is unable to fulfil the issue of Series I Debentures; or
- (iii) The cut-off yield (i.e. the highest yield at which a bid is accepted) in the Issue of the Series I Debentures is higher than the estimated cut-off yield (i.e. the yield estimated by the Issuer, prior to opening of the Issue) disclosed to the EBP, where the Series I Debentures are fully subscribed.

The Issuer shall be permitted to withdraw from the Issue process of the Series II Debentures on the following events:

- (i) The Issuer is unable to receive the bids on the Series II Debentures up to the Series II Base Issue; or
- (ii) A bidder has defaulted on payment towards the Allotment, within stipulated timeframe, due to which the Issuer is unable to fulfil the Series II Base Issue; or
- (iii) The cut-off yield (i.e. the highest yield at which a bid is accepted) in the Issue of the Series II Debentures is higher than the estimated cut-off yield (i.e. the yield estimated by the Issuer, prior to opening of the Issue) disclosed to the EBP, where the Series II Base Issue is fully subscribed.

Disclosure of estimated cut-off yield on the BSE EBP Platform to the Eligible Investors, pursuant to closure of the Issue, shall be at the discretion of the Issuer.

If the Issuer has withdrawn the Issue pursuant to point (iii) above (in respect of the Series I Debentures), where the cut-off yield of the Issue of the Series I Debentures is higher than the estimated cut-off yield of the Series I Debentures disclosed to the BSE EBP Platform, the estimated cut-off yield of the Series I Debentures shall be mandatorily disclosed by the BSE EBP Platform to the Eligible Investors of the Series I Debentures. If the Issuer has withdrawn the Issue pursuant to point (iii) above (in respect of the Series II Debentures), where the cut-off yield of the Issue of the Series II Debentures is higher than the estimated cut-off yield of the Series II Debentures disclosed to the BSE EBP Platform, the estimated cut-off yield of the Series II Debentures shall be mandatorily disclosed by the BSE EBP Platform to the Eligible Investors of the Series II Debentures.

However, Eligible Investors should refer to the SEBI Operational Circular and BSE EBP Guidelines prevailing on the date of the bid.

### **Determination of Interest Rate**

The Series I Interest rate for the Series I Debentures and the Series II Interest rate for the Series II Debentures are each fixed by the Issuer.

### **Right to Accept or Reject Applications**

The Issuer reserves its full, unqualified and absolute right to accept or reject the application, in part or in full, without assigning any reason thereof. The rejected Applicant will be intimated along with the refund warrant, if applicable. No interest on Application money will be paid on rejected Applications. The Application Form that is not complete in all respects is liable to be rejected and would not be paid any interest on the Application money. For further instructions regarding the application for the Debentures, Eligible Investors are requested to read the instructions provided in the Application Form.

In the event, if any Debentures applied for is or are not allotted in full, the excess application monies of such Debentures will be refunded, as may be permitted.

Application would be liable to be rejected on one or more technical grounds, including but not restricted to:

- (i) Number of Debentures applied for is less than the minimum application size; and
- (ii) Debentureholder details as may be required is not given.

### **Basis of Allocation**

Allocation shall be made as approved by the Issuer in accordance with applicable SEBI regulations, SEBI Operational Circular and BSE EBP Guidelines, and applicable laws. Post completion of bidding process, the Issuer will upload the provisional allocation on the BSE EBP Platform. Post receipt of details of the successful Eligible Investors, the Issuer will upload the final allocation file on the BSE EBP Platform. For issuances with open bidding, the details of bids shall be disseminated on a real time basis; however, for issuances with closed bidding, the information shall be disseminated after closure of bidding.

The Issuer shall have an option at its sole discretion to retain over-subscription the Series II Debentures up to the size of the Issue of the Series II Debentures. The Issuer confirms that the green shoe option for the Issue of the Series II Debentures does not exceed five times the Series II Base Issue.

The allotment of valid applications received on the closing day shall be done in the following manner (for the Series I Debentures and the Series II Debentures separately):

- (i) all bids shall be arranged in accordance with “price time priority” basis, further,
  - (a) in case of ‘uniform yield allotment’, allotment and settlement value shall be based on the cut-off price determined in the bidding process;
  - (b) in case of ‘multiple yield allotment’, allotment and settlement value shall be based on the price quoted by each Eligible Investor in the bidding process.
- (ii) where two or more bids have the same Interest/price/spread and time, then allotment shall be done on “pro-rata” basis.

### **Applications by Successful Investors**

All successful Eligible Investors under the SEBI Operational Circular and BSE EBP Guidelines had received the executed version of the Private Placement Offer Letter and the Application Form. This Application Form will need to be completed and delivered to the Issuer with the relevant documents on the terms and within the timelines set out therein.

Original Application Forms complete in all respects must be submitted to the corporate office of Issuer before the last date indicated in the Issue time-table or such extended time as decided by the Issuer accompanied by details of remittance of the Application money. The Application Form will constitute the acceptance required under Section 42 of the Companies Act and the PAS Rules.

### **Payment Mechanism**

The payment shall be done through the electronic bidding process mechanism of the Securities Exchange Board of India and provided by the BSE and requiring payment to the designated account ("Designated Bank Account") of the Indian Clearing Corporation Limited ("ICCL"). Payment of subscription money for the Debentures should be made by the successful Eligible Investor as notified by the Issuer (to whom the Issuer has given the offer by issue of a serially numbered and specifically addressed Private Placement Offer Letter). The details of the Designated Bank Account will be provided by BSE to the successful Eligible Investors separately and will also be available on the electronic bidding platform of the BSE.

Successful Eligible Investors should do the funds pay-in for the subscription amount to the Designated Bank Account by way of electronic transfer of funds through RTGS for credit on or before 10:30 a.m. on the Pay In Date ("Pay In Time") in the Designated Bank Account of the ICCL. All payments must be made through RTGS to the Designated Bank Account, whose details are mentioned on the electronic bidding platform of the BSE.

Successful Eligible Investors should ensure to make payment of the subscription amount for the Debentures from their same bank account which is updated by them in the electronic bidding platform of the BSE while placing the bids. In case of a mismatch in the bank account details between electronic bidding platform of the BSE and the bank account from which payment is done by the successful Eligible Investor, the payment would be returned.

**Note:** In the event of failure of any successful Eligible Investor to complete the funds pay-in by the Pay In Time or the funds are not received in the Designated Bank Account by the Pay In Time for any reason whatsoever, the bid will liable to be rejected and the Issuer shall not be liable to the successful Eligible Investor. Funds pay-out on will be made by ICCL to the bank account of the Issuer.

Cheque(s), demand draft(s), money orders, postal orders will not be accepted. The entire amount of Rs. 1,00,000 (Rupees One Lakh) per Debenture is payable on application only through RTGS. Applications should be for the number of Debentures applied by the Eligible Investor.

### **PLEASE NOTE FOR APPLICANTS APPLYING THROUGH RTGS, THE NAME OF THE APPLICANT AND THE APPLICATION FORM NUMBER MUST BE INCLUDED IN THE RTGS INSTRUCTION SLIP FOR TRANSFER OF FUNDS.**

Applications not completed in the manner required are liable to be rejected.

The date of subscription shall be the date of realisation of proceeds of subscription money in the Designated Bank Account, as listed above.

**Note:** In case of failure of any successful Investor to complete the funds pay-in by the Pay-in Time or the funds are not received in the Designated Bank Account of the clearing corporation of the relevant Exchanges by the Pay-in Time for any reason whatsoever, the bid will liable to be rejected and the Issuer shall not be liable to the successful Investor.

Further, in case of non-fulfillment of pay-in obligations by Eligible Investors, such Eligible Investors shall be debarred from accessing the bidding platform across all EBPs for a period of 30 (thirty) days from the date of such default.

### **Settlement Process**

Upon final allocation by the Issuer, and confirmation by the Issuer to go ahead with the Allotment, the Issuer or the Registrar on behalf of the Issuer shall instruct the Depositories on the pay-in date, and the Depositories shall accordingly credit the allocated Debentures to the demat account of the successful Investor(s). Upon instructions of the Registrar or the Issuer, the Depositories shall confirm to the ICCL that the Debentures have been transferred to the demat account(s) of the successful Investor(s). Upon confirmation from the Depository, the clearing corporation of the relevant Exchanges shall transfer funds to the Designated Bank Account of the Issuer.

### **Post-Allocation Disclosures by the EBP**

Upon final allocation by the Issuer, the Issuer shall disclose the total issue size, coupon/interest rate, ISIN, number of successful bidders, category of the successful bidder(s), etc., in accordance with the Chapter VI of the SEBI Operational Circular. The EBP shall upload such data, as provided by the Issuer, on its website to make it available to the public.

### **Terms of Payment**

The full-face value of the Series I Debentures applied for is to be paid along with the Application Form as set out above. The full-face value of the Series II Debentures applied for is to be paid along with the Application Form as set out above.

### **Acknowledgements**

No separate receipts will be provided by the Issuer for the Application money.

### **Deemed Date of Allotment**

The cut-off date declared by the Issuer from which all benefits under the Series I Debentures including Series I Interest on the Series I Debentures shall be available to the Series I Debenture Holders is the Deemed Date of Allotment. The actual allotment of the Series I Debentures may take place on a date other than the Deemed Date of Allotment. The cut-off date declared by the Issuer from which all benefits under the Series I Debentures including Series II Interest on the Series II Debentures shall be available to the Series II Debenture Holders is the Deemed Date of Allotment. The actual allotment of the Series II Debentures may take place on a date other than the Deemed Date of Allotment. The Issuer reserves the right to keep multiple allotment date(s)/deemed date(s) of allotment at its sole and absolute discretion without any notice. If in case, the Issue Closing Date changes (i.e. prepended/postponed), then the Deemed Date of Allotment may also be changed (prepended/ postponed) by the Issuer, at its sole and absolute discretion.

### **Letter(s) of Allotment/ Debenture Certificate(s)**

The beneficiary account of the Investor(s) with NSDL or CDSL or Depository Participant will be given initial credit within 2 (two) days from the Deemed Date of Allotment. The initial credit in the account will be akin to a letter of Allotment. On completion of the all-statutory formalities, such credit in the account will be akin to a Debenture certificate.

### **Allotments or Refunds**

Allotment of the Debentures shall be made in dematerialized form to the demat accounts in accordance with the details provided in the Application Form. Pending Allotment, all monies received for subscription of the Debentures shall be kept by the Issuer and be utilized only for the purposes permitted under the Placement Memorandum. In case no demat details are provided in the Application Form or such details are incomplete or insufficient, the Issuer reserves the right to hold the Application money until such details are provided accurately. In case the Issuer has received money from applicants for Debentures in excess of the aggregate of the Application money relating to the Debentures in respect of which allotments have been made, the Registrar shall upon receiving instructions in relation to the same from the Issuer repay the money to the extent of such excess, if any. If any application is rejected in full, the whole of the Application money received, and if the application is rejected in part, the excess Application money, after adjustment of Application money if any, will be refunded to the Applicant in its bank account mentioned with Depositories. In the event the Registrar is unable to retrieve the Applicant's bank account details from the Depositories or is unable to credit the amount to the Applicant's bank account as above, the Issuer shall make the refund to the Applicant's bank account as mentioned in the Application Form. If no bank account details are provided on the Application Form, then refund through demand draft or pay order or bankers cheques or such other similar mode shall be dispatched by registered post or speed post.

However, the Issuer shall not be liable to pay any interest on any Application monies or refunds, except as required by applicable law.

### **Interest on Application Money**

The Companies Act requires the Issuer to pay interest on application money on failure to repay the application money in cases of non-allotment to subscribers, within 15 (fifteen) days from the 60<sup>th</sup> (sixtieth) day from the Pay-In Date. However, as the Issue is pursuant to the SEBI Operational Circular and BSE EBP Guidelines, the Pay-In Date and the Deemed Date of Allotment fall on the same date, and accordingly payment of interest on application money is not required under law. Further, no interest on application money for the Series I Debentures will be payable in case the Issue of Series I Debentures is withdrawn by the Issuer and no interest on application money for the Series II Debentures will be payable in case the Issue of Series II Debentures

is withdrawn by the Issuer, each in accordance with the SEBI Operational Circular and BSE EBP Guidelines.

### **Fictitious applications**

Any person who makes, in fictitious name, any application to a body corporate for acquiring, or subscribing to, the Debentures, or otherwise induced a body corporate to allot, register any transfer of Debentures therein to them or any other person in a fictitious name, shall be punishable under the extant laws.

### **Dematerialisation**

The Issuer is issuing the Debentures only in the dematerialized form and hence there is no physical holding of the Debentures being issued in terms of the final Placement Memorandum. The Issuer shall issue the Debentures in dematerialized form and has made necessary arrangements with NSDL and CDSL for the same and shall apply for the ISIN code for the Debentures. Investors shall hold the Debentures in demat form and deal with the same in accordance with the provisions of the Depositories Act and the rules as notified by NSDL and/or CDSL, from time to time. Investors should, therefore, mention their DP's name, DP's identification number and beneficiary account number at the appropriate places in the Application Form.

### **Anti-Money Laundering**

Since these Debentures are issued in "compulsory demat mode" and the Issuer uses depository system for allotment of the Debentures, KYC checks conducted by depository participants at the time of accepting the customer or transaction under the prevention of money laundering policy adopted by depositories or depository participant shall be considered adequate irrespective of risk level of the customer or transaction. However, as a matter of a good practice, the Issuer may examine transactions/clients that may fall under "suspicious transactions" category as defined under Prevention of Money Laundering Act, 2002 and seek further information from the Eligible Investors.

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**CHAPTER 17**  
**DECLARATION**

The Issuer undertakes that this Placement Memorandum contains full disclosures in conformity with Form PAS-4 under Section 42 of the Companies Act, Rule 14 (1) of Companies (Prospectus and Allotment of Securities) Rules, 2014 (as amended), NCS Regulations and the RBI HFC Master Directions.

It is hereby declared that:

- (i) the Issuer is in compliance with the provisions of the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992, and Companies Act and the rules and regulations made thereunder.
- (ii) the compliance with the Companies Act and the rules does not imply that payment of interest or repayment of Debentures, is guaranteed by the central government of India.
- (iii) the monies received under the Issue shall be utilized only for the purposes and 'Objects of the Issue' indicated in the Placement Memorandum.
- (iv) whatever is stated in the Placement Memorandum and in the Annexures is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is in accordance with the original records maintained by the Promoter subscribing to the Memorandum of Association and Articles of Association of the Issuer.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to the Placement Memorandum.

I, Ms. Vaishnavi Suratwala, Company Secretary, am authorized by the Management Committee of the Board of Directors of the Issuer vide resolution dated June 9, 2023, to sign this Placement Memorandum and declare that all the requirements of Companies Act and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with.

**For Poonawalla Housing Finance Limited**  
(Formerly, Magma Housing Finance Limited)

VAISHNAVI  
Digitally signed by  
VAISHNAVI BHUPENDRA  
BHUPENDRA  
SURATWALA  
Date: 2023.06.15  
19:33:46 +05'30'

Ms. Vaishnavi Suratwala,  
Company Secretary  
Place: Pune  
Date: June 15, 2023

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**CHAPTER 18  
ANNEXURES**

**A. ISSUE DETAILS**

Annexed as Annexure – I

**B. MATERIAL CONTRACTS AND AGREEMENTS FOR THE ISSUE**

Annexed as Annexure – II

**C. CONSENT, DUE DILIGENCE AND FEE LETTER OF DEBENTURE TRUSTEE**

Annexed as Annexure – III

**D. CREDIT RATING LETTER, PRESS RELEASE AND RATING RATIONALE**

Annexed as Annexure – IV

**E. COPY OF BOARD RESOLUTIONS AND COMMITTEE RESOLUTION**

Annexed as Annexure – V

**F. COPY OF SHAREHOLDER RESOLUTIONS**

Annexed as Annexure – VI

**G. AUDITED FINANCIAL STATEMENTS (PROFIT AND LOSS STATEMENT, BALANCE SHEET AND CASH FLOW STATEMENT) OF THE ISSUER FOR EACH OF THE FINANCIAL YEARS ENDED MARCH 31, 2023, MARCH 31, 2022, MARCH 31, 2021 AND AUDITORS REPORTS**

Annexed as Annexure – VII

**H. RELATED PARTY TRANSACTIONS**

Annexed as Annexure – VIII

**I. ALM STATEMENTS AS ON MARCH 31, 2023**

Annexed as Annexure – IX

**J. IN-PRINCIPLE APPROVAL OF THE BSE**

Annexed as Annexure – X

**ANNEXURE – I**

**ISSUE DETAILS**

## TERM SHEET

Particulars	Details for Series I Debentures	Details for Series II Debentures
Security Name <i>(Name of the non-convertible securities which includes Coupon / dividend, Issuer Name and maturity year)</i>	PHFL 8.65% 2025	PHFL 8.50% 2024
Series	PHFL16062023SERIESI	PHFL16062023SERIESII
Issuer	Poonawalla Housing Finance Limited (the “Issuer”/ the “Company”)	
Type of Instrument	<p>(i) Secured, rated, listed, redeemable, non-convertible debentures of a face value of ₹1,00,000 each for cash at par, aggregating to Rs. 200 Crore (Rupees Two Hundred Crores) (“Series I Debentures”); and (ii) secured, rated, listed, redeemable, non-convertible debentures of a face value of ₹1,00,000 each for cash at par, with a base issue size of Rs. 100 Crore (Rupees One Hundred Crores), and a green shoe option of Rs. 100 Crore (Rupees One Hundred Crores), aggregating to Rs. 200 Crore (Rupees Two Hundred Crores) (“Series II Debentures”).</p> <p>The Series I Debentures and the Series II Debentures, are each, the “Debentures” or “Series of Debentures”.</p>	
Nature of instrument	Secured	
Seniority	Series I Debentures shall be secured by way of first ranking <i>pari-passu</i> charge with the existing debt securities issued by the Issuer and/ or secured rupee term loan facility availed by the Issuer. The Series I Debentures shall be a part of senior debt and not subordinated.	Series II Debentures shall be secured by way of first ranking <i>pari-passu</i> charge with the existing debt securities issued by the Issuer and/ or secured rupee term loan facility availed by the Issuer. The Series II Debentures shall be a part of senior debt and not subordinated.
Mode of Issue	Private Placement	
Eligible Investors	<p>1. Qualified institutional buyers (as defined under Regulation 2(1)(ss) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, which comprises of the following investors:</p> <ul style="list-style-type: none"> <li>• a mutual fund, venture capital fund, alternative investment fund and foreign venture capital investor registered with the Securities and Exchange Board of India (“SEBI”);</li> <li>• foreign portfolio investor other than individuals, corporate bodies and family offices;</li> <li>• a public financial institution;</li> <li>• a scheduled commercial bank;</li> <li>• a multilateral and bilateral development financial institution;</li> <li>• a state industrial development corporation;</li> <li>• an insurance company registered with the Insurance Regulatory and Development Authority of India;</li> <li>• a provident fund with minimum corpus of Rs. 25 Crore;</li> <li>• a pension fund with minimum corpus of Rs. 25 Crore registered with Pension Fund Regulatory and Development Authority;</li> <li>• National Investment Fund set up by resolution no. F.No.2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India;</li> <li>• insurance funds set up and managed by army, navy or air force of the Union of India;</li> <li>• insurance funds set up and managed by the Department of Posts, India; and</li> <li>• systemically important non-banking financial company registered with Reserve Bank of India (“RBI”).</li> </ul> <p>2. Non-qualified institutional buyers specifically mapped by the Issuer to the issue on the electronic book platform of the BSE.</p>	
Total Issue Size	Rs. 200 Crore	Rs. 150 Crore
Base Issue Size	Rs. 200 Crore (“Series I Base Issue Size”)	Rs. 100 Crore (“Series II Base Issue Size”)
Option to retain Oversubscription	Not applicable	Rs. 50 Crore
Anchor Portion Details	Name of anchor investor for the Series I Debentures: SBI EQUITY HYBRID FUND	Name of anchor investor for the Series II Debentures: SBI EQUITY HYBRID FUND

Anchor Portion Details	Name of anchor investor for the Series I Debentures: <b>SBI EQUITY HYBRID FUND</b>	Name of anchor investor for the Series II Debentures: <b>SBI EQUITY HYBRID FUND</b>
	Anchor portion (within the Series I Base Issue Size subject to a maximum of 30% of Series I Base Issue Size): Rs. 60 Crore	Anchor portion (within the Series II Base Issue Size subject to a maximum of 30% of Series II Base Issue Size): Rs. 30 Crore
Rating of the Instrument	“CARE AAA (RWN) (Rating Watch with Negative Implications)” by CARE Ratings Limited	
Minimum subscription	The minimum subscription for the issue of Series I Debentures shall be 100 (One Hundred) Series I Debentures and in multiples of 1 Series I Debenture thereafter.	The minimum subscription for the issue of Series II Debentures shall be 100 (One Hundred) Series II Debentures and in multiples of 1 Series II Debenture thereafter.
Minimum Application and in multiples of ___ Debt securities thereafter	100 (One Hundred) Series I Debentures and in multiples of 1 (One) Series I Debenture thereafter	100 (One Hundred) Series II Debentures and in multiples of 1 (One) Series II Debenture thereafter
Objects of the Issue / Purpose for which there is requirement of funds	<p>The proceeds of the Series I Debentures shall be utilized by the Issuer for the purpose of onward lending, working capital purposes and loan repayments (“Series I Purpose”).</p> <p>The Issuer undertakes that no part of the monies received from the subscription of the Series I Debentures shall be utilized by the Issuer directly or indirectly towards (A) any capital market instrument such as equity, debt, debt linked and equity linked instruments or any other capital market related activities; or (B) any speculative purposes; or (C) land acquisition or usages specifically restricted for bank financing by RBI and other regulatory/bodies and updated from time to time.</p> <p>The Issuer undertakes that the proceeds of the Series I Debentures shall not be utilised in contravention of Applicable Law including the applicable regulations of RBI / SEBI / other regulatory guidelines.</p> <p>However, the Issuer may utilise the proceeds of the Series I Debentures to invest in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks or temporarily deploy the funds in investment grade interest bearing securities in accordance with the investment policy of the Issuer until the utilization of proceeds of the Series I Debentures for the Series I Purpose.</p>	<p>The proceeds of the Series II Debentures shall be utilized by the Issuer for the purpose of onward lending, working capital purposes and loan repayments (“Series II Purpose”).</p> <p>The Issuer undertakes that no part of the monies received from the subscription of the Series II Debentures shall be utilized by the Issuer directly or indirectly towards (A) any capital market instrument such as equity, debt, debt linked and equity linked instruments or any other capital market related activities; or (B) any speculative purposes; or (C) land acquisition or usages specifically restricted for bank financing by RBI and other regulatory/bodies and updated from time to time.</p> <p>The Issuer undertakes that the proceeds of the Series II Debentures shall not be utilised in contravention of Applicable Law including the applicable regulations of RBI / SEBI / other regulatory guidelines.</p> <p>However, the Issuer may utilise the proceeds of the Series II Debentures to invest in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks or temporarily deploy the funds in investment grade interest bearing securities in accordance with the investment policy of the Issuer until the utilization of proceeds of the Series II Debentures for the Series II Purpose.</p>
Details of the utilization of the Proceeds	The proceeds of the Series I Debentures will be utilized in accordance with the Series I Purpose. Up to 100% funds will be utilized within the categories mentioned in the Series I Purpose.	The proceeds of the Series II Debentures will be utilized in accordance with the Series II Purpose. Up to 100% funds will be utilized within the categories mentioned in the Series II Purpose.
In case the Issuer is a NBFC and the objects of the issue entail loan to any entity who is a ‘group company’ then disclosures shall be made in the following format:	Not Applicable	

<p>Description regarding Security (where applicable) including type of security (movable / immovable / tangible etc.), type of charge (pledge / hypothecation / mortgage etc.), date of creation of security / likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer Document / Information Memorandum.</p>	<p>The Series I Debentures shall be secured by way of a first-ranking, pari passu, non-exclusive charge created in favor of the Debenture Trustee (for the benefit of the Debenture Holders for the Series I Debentures), by way of hypothecation over the 'eligible standard receivables' of the Issuer (as more particularly defined in the Series I Deed of Hypothecation for the Series I Debentures) ("Series I Hypothecated Assets"). "Series I Security" means the security interest created over the Series I Hypothecated Assets (as set out in the Series I Deed of Hypothecation) to secure the Series I Debentures. Any Series I Security or Series II Security comprises a "Security".</p> <p>Criteria for eligible standard receivables:</p> <ul style="list-style-type: none"> <li>• The receivables advanced are standard and as permitted by RBI as on the date of hypothecation and all "Know Your Customer" norms with respect to the receivables have been complied with as prescribed by RBI. The receivables/assets are existing at the time of selection and have not been terminated or pre-paid.</li> <li>• The receivables shall exclude those book debts and receivables charged / to be charged in favour of National Housing Bank for refinance availed / to be availed from them along with any other charge which has been given exclusively to existing or prospective lenders.</li> <li>• Outstanding security receipt instruments shall not form part of standard receivables.</li> </ul> <p>This charge shall be a first-ranking charge to be shared on a <i>pari-passu</i> basis with the existing and/or future secured lenders (including secured issuances) for the benefit of the Debenture Holders for the Series I Debentures, such that the security interest created over the eligible standard receivables under the Series I Deed of Hypothecation for the Series I Debentures, provides a 1.10x cover (of the aggregate outstanding principal of the Series I Debentures and outstanding Coupon thereon) ("Series I Required Security Cover"). The agreement for creation of security i.e. security interest over the Series I Hypothecated Assets of the Issuer ("Series I Deed of Hypothecation") and the Series I Debenture Trust Deed for the Series I Debentures, shall be executed on or prior to the Deemed Date of Allotment.</p> <p>In case the actual security cover falls below the Series I Required Security Cover, the Issuer shall restore the security cover to the Series I Required Security Cover within 15 (Fifteen) calendar days from when such shortfall has occurred</p> <p>It is clarified that the Issuer shall be at liberty, at any time during the continuation of the aforesaid security:</p>	<p>The Series II Debentures shall be secured by way of a first-ranking, pari passu, non-exclusive charge created in favor of the Debenture Trustee (for the benefit of the Debenture Holders for the Series II Debentures), by way of hypothecation over the 'eligible standard receivables' of the Issuer (as more particularly defined in the Series II Deed of Hypothecation for the Series II Debentures) ("Series II Hypothecated Assets"). "Series II Security" means the security interest created over the Series II Hypothecated Assets (as set out in the Series II Deed of Hypothecation) to secure the Series II Debentures. Any Series I Security or Series II Security comprises a "Security".</p> <p>Criteria for eligible standard receivables:</p> <ul style="list-style-type: none"> <li>• The receivables advanced are standard and as permitted by RBI as on the date of hypothecation and all "Know Your Customer" norms with respect to the receivables have been complied with as prescribed by RBI. The receivables/assets are existing at the time of selection and have not been terminated or pre-paid.</li> <li>• The receivables shall exclude those book debts and receivables charged / to be charged in favour of National Housing Bank for refinance availed / to be availed from them along with any other charge which has been given exclusively to existing or prospective lenders.</li> <li>• Outstanding security receipt instruments shall not form part of standard receivables.</li> </ul> <p>This charge shall be a first-ranking charge to be shared on a <i>pari-passu</i> basis with the existing and/or future secured lenders (including secured issuances) for the benefit of the Debenture Holders for the Series II Debentures, such that the security interest created over the eligible standard receivables under the Series II Deed of Hypothecation for the Series II Debentures, provides a 1.10x cover (of the aggregate outstanding principal of the Series II Debentures and outstanding Coupon thereon) ("Series II Required Security Cover"). The agreement for creation of security i.e. security interest over the Series II Hypothecated Assets of the Issuer ("Series II Deed of Hypothecation") and the Series II Debenture Trust Deed for the Series II Debentures, shall be executed on or prior to the Deemed Date of Allotment.</p> <p>In case the actual security cover falls below the Series II Required Security Cover, the Issuer shall restore the security cover to the Series II Required Security Cover within 15 (Fifteen) calendar days from when such shortfall has occurred</p> <p>It is clarified that the Issuer shall be at liberty, at any time during the continuation of the aforesaid security:</p>
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	<p>i. so long as the Series I Required Security Cover is maintained by the Issuer and no Event of Default in respect of the Series I Debentures has occurred and is continuing, the Issuer shall have all the rights to deal with the Series I Hypothecated Assets in normal course of business including inter alia the right to transfer, securitise, lien mark, assign the Series I Hypothecated Assets for which the Debenture Trustee (on behalf of the Debenture Holders for the Series I Debentures) gives its express approval and subject to the aforesaid conditions being met, the Issuer shall not be required to obtain any additional consent/ approval from the Debenture Trustee (on behalf of the Debenture Holders for the Series I Debentures) for the same.</p> <p>ii. so long as the borrowing is within the aggregate borrowing limit and the Series I Required Security Cover is maintained and no Event of Default in respect of the Series I Debentures has occurred and is continuing, the Issuer shall be entitled to create further non-exclusive, first/ second ranking, pari passu/ subservient charge on the Series I Hypothecated Assets in favour of other lenders/ debenture holders/ other instrument holders, and the Issuer shall not be required to obtain any consent/ approval from the Debenture Trustee for the purpose of creating such charge.</p> <p>iii. In case of any continuing Event of Default in respect of the Series I Debentures, the Issuer may raise additional debt subject to the consent of the Debenture Trustee (acting for the benefit of the majority of Debenture Holders for the Series I Debentures) and which consent shall be provided to the Issuer within 2 Business Days from the date of the request for such consent provided such additional debt shall be used solely for the purpose of redeeming all amounts in respect of the Series I Debentures and Series II Debentures and such additional debt / issue proceeds shall be directly credited / transferred to the account of the Debenture Trustee or Debenture Holder.</p>	<p>i. so long as the Series II Required Security Cover is maintained by the Issuer and no Event of Default in respect of the Series II Debentures has occurred and is continuing, the Issuer shall have all the rights to deal with the Series II Hypothecated Assets in normal course of business including inter alia the right to transfer, securitise, lien mark, assign the Series II Hypothecated Assets for which the Debenture Trustee (on behalf of the Debenture Holders for the Series II Debentures) gives its express approval and subject to the aforesaid conditions being met, the Issuer shall not be required to obtain any additional consent/ approval from the Debenture Trustee (on behalf of the Debenture Holders for the Series II Debentures) for the same.</p> <p>ii. so long as the borrowing is within the aggregate borrowing limit and the Series II Required Security Cover is maintained and no Event of Default in respect of the Series II Debentures has occurred and is continuing, the Issuer shall be entitled to create further non-exclusive, first/ second ranking, pari passu/ subservient charge on the Series II Hypothecated Assets in favour of other lenders/ debenture holders/ other instrument holders, and the Issuer shall not be required to obtain any consent/ approval from the Debenture Trustee for the purpose of creating such charge.</p> <p>iii. In case of any continuing Event of Default in respect of the Series II Debentures, the Issuer may raise additional debt subject to the consent of the Debenture Trustee (acting for the benefit of the majority of Debenture Holders for the Series II Debentures) and which consent shall be provided to the Issuer within 2 Business Days from the date of the request for such consent provided such additional debt shall be used solely for the purpose of redeeming all amounts in respect of the Series I Debentures and Series II Debentures and such additional debt / issue proceeds shall be directly credited / transferred to the account of the Debenture Trustee or Debenture Holder.</p>
Tenor	2 (Two) years and 3 (Three) months from the Deemed Date of Allotment. However, the principal amount of the Series I Debentures are redeemable at par in accordance with the following Series I Redemption Dates: (i) 25% on 16 <sup>th</sup> March 2025, (ii) 50% on 16 <sup>th</sup> June 2025, and (iii) 25% on 16 <sup>th</sup> September 2025 (“Series I Tenor”).	1 (One) year and 3 (Three) months from the Deemed Date of Allotment (“Series II Tenor”)
Interest / Coupon Rate	8.65% per annum (“Series I Interest Rate”)	8.50% per annum (“Series II Interest Rate”)

	The interest / coupon accrued and payable on the Series I Debentures at the Series I Interest Rate shall constitute the “ <b>Series I Interest</b> ”. Any Series I Interest or Series II Interest comprises a “ <b>Interest</b> ”.	The interest / coupon accrued and payable on the Series II Debentures at the Series II Interest Rate shall constitute the “ <b>Series II Interest</b> ”. Any Series I Interest or Series II Interest comprises a “ <b>Interest</b> ”.
Interest / Coupon Payment Frequency	First coupon payment shall be after 12 months from the Deemed Date of Allotment and the last coupon payment shall be made on the Series I Final Redemption Date.	First coupon payment shall be after 12 months from the Deemed Date of Allotment and last coupon payment shall be made on the Series II Redemption Date.
Interest / Coupon Payment Dates	The first interest payment date for the Series I Debentures will be on 16 June 2024, and subsequently, on each Series I Redemption Date, up to the Series I Final Redemption Date, being 16 September 2025 (“ <b>Series I Interest Payment Date</b> ” together with any Series II Interest Payment Date, comprises a “ <b>Interest Payment Date</b> ”)	The first interest payment date for the Series II Debentures will be on 16 June 2024, and subsequently, on the Series II Redemption Date, being 16 September 2024 (“ <b>Series II Interest Payment Date</b> ”, together with any Series I Interest Payment Date, comprises a “ <b>Interest Payment Date</b> ”)
Interest / Coupon Type	Fixed	
Redemption Date	<p>The principal amount of the Series I Debentures are redeemable at par in accordance with the following redemption dates:</p> <ul style="list-style-type: none"> <li>(i) 25% on 16 March 2025;</li> <li>(ii) 50% on 16 June 2025; and</li> <li>(iii) 25% on 16 September 2025.</li> </ul> <p>each of the above, being, a Series I Redemption Date and together the “<b>Series I Redemption Dates</b>”. 16 September 2025 being the final date on which any Series I interest is payable is the “<b>Series I Final Redemption Date</b>”.</p> <p>Any Series I Redemption Date or Series II Redemption Date comprises a “Redemption Date”.</p>	<p>16 September 2024 (“<b>Series II Redemption Date</b>”)</p> <p>Any Series I Redemption Date or Series II Redemption Date comprises a “Redemption Date”.</p>
Redemption Amount	<p>The “<b>Series I Redemption Amount</b>” comprises all principal amounts outstanding on the Series I Debentures along with all the accrued and unpaid Series I Interest, Series I Default Interest, costs, charges, expenses and other Series I Debenture Obligations due in respect of the Series I Debentures due and payable on the Series I Redemption Date, as applicable.</p> <p>Following the payment of principal on each Series I Redemption Date, the face value of the Series I Debentures will be reduced to the extent of the outstanding principal amount.</p> <p>Any Series I Redemption Amount or Series II Redemption Amount comprises a “Redemption Amount”.</p>	<p>The “<b>Series II Redemption Amount</b>” comprises all principal amounts outstanding on the Series II Debentures along with all the accrued and unpaid Series II Interest, Series II Default Interest, costs, charges, expenses and other Series II Debenture Obligations due in respect of the Series II Debentures due and payable on the Series II Redemption Date, as applicable.</p> <p>Any Series I Redemption Amount or Series II Redemption Amount comprises a “Redemption Amount”.</p>
Redemption Premium / Discount	At par	
Step Up/Step Down Interest / Coupon Rate	Up to 0.25% (Zero Decimal Point Two Five Percent) for every notch of upgrade and downgrade, as particularly set out in the Series I Debenture Trust Deed for the Series I Debentures and Series II Debenture Trust Deed for the Series II Debentures	
Interest / Coupon Reset Process (Including rates,	As set out in the paragraph on “Step Up/Step Down Coupon Rate”.	

spread, effective date, interest rate cap and floor etc)		
Default Interest Rate	<p><b>Default in Payment</b></p> <p>If the Issuer has failed to pay any amount of Series I Interest or Series I Redemption Amount on the date it is required to be paid, then the Issuer shall pay a default rate on the Series I Debentures at a rate which is 2% (Two percent) per annum over and above the Series I Interest Rate computed on the entire Series I Debenture Obligations for the period commencing from the date of the default and expiring on the date on which the default ceases or has been remedied or waived or cured to the satisfaction of the Debenture Trustee (acting on the instructions of the Majority Debenture Holder(s) for the Series I Debentures). The default interest under the terms of this paragraph may be waived by the Majority Debenture Holder(s) for the Series I Debentures (as defined in the Series I Debenture Trust Deed) in the event the failure by the Issuer in the performance of its payment obligations is for the following technical reasons below and does not exceed 3 (Three) Business Days from the date of such failure to pay. “<i>Technical Reasons</i>” means when the payment infrastructure i.e. RTGS transfers, experiences any downtime causing the delay in payment. The above constitutes the “<b>Series I Default Interest</b>”.</p>	<p><b>Default in Payment</b></p> <p>If the Issuer has failed to pay any amount of Series II Interest or Series II Redemption Amount on the date it is required to be paid, then the Issuer shall pay a default rate on the Series II Debentures at a rate which is 2% (Two percent) per annum over and above the Series II Interest Rate computed on the entire Series II Debenture Obligations for the period commencing from the date of the default and expiring on the date on which the default ceases or has been remedied or waived or cured to the satisfaction of the Debenture Trustee (acting on the instructions of the Majority Debenture Holder(s) for the Series II Debentures). The default interest under the terms of this paragraph may be waived by the Majority Debenture Holder(s) for the Series II Debentures (as defined in the Series II Debenture Trust Deed) in the event the failure by the Issuer in the performance of its payment obligations is for the following technical reasons below and does not exceed 3 (Three) Business Days from the date of such failure to pay. “<i>Technical Reasons</i>” means when the payment infrastructure i.e. RTGS transfers, experiences any downtime causing the delay in payment. The above constitutes the “<b>Series II Default Interest</b>”.</p>
	<p><b>Delay in Listing</b></p> <p>In the event of delay in listing of the Series I Debentures issued on privately placement basis, if the Issuer fails to list the Series I Debentures on BSE within 3 (Three) trading days from the respective Issue Closing Date, then the Issuer shall pay interest on the Series I Debentures at a rate which is 1% (One percent) over the Series I Interest Rate from the Deemed Date of Allotment until listing of the Series I Debentures.</p> <p>.</p>	<p><b>Delay in Listing</b></p> <p>In the event of delay in listing of the Series II Debentures issued on privately placement basis, if the Issuer fails to list the Series II Debentures on BSE within 3 (Three) trading days from the respective Issue Closing Date, then the Issuer shall pay interest on the Series II Debentures at a rate which is 1% (One percent) over the Series II Interest Rate from the Deemed Date of Allotment until listing of the Series II Debentures.</p>
	<p><b>Delay in execution of the Series I Debenture Trust Deed or Security Creation for the Series I Debentures</b></p> <p>If the Issuer fails to execute the Series I Debenture Trust Deed for the Series I Debentures within the stipulated timeline by SEBI, without prejudice to the provisions of the Companies Act 2013 and the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended or prior to the listing of the Series I Debentures or to create the Series I Security for the Series I Debentures, then the Issuer shall, pay Series I Interest on the Series I Debentures at a rate which is 2% (Two percent) per annum over and above the Series I Interest Rate for the Series I Debentures</p>	<p><b>Delay in execution of the Series II Debenture Trust Deed or Security Creation for the Series II Debentures</b></p> <p>If the Issuer fails to execute the Series II Debenture Trust Deed for the Series II Debentures within the stipulated timeline by SEBI, without prejudice to the provisions of the Companies Act 2013 and the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended or prior to the listing of the Series II Debentures or to create the Series II Security for the Series II Debentures, then the Issuer shall, pay Series II Interest on the Series II Debentures at a rate which is 2% (Two percent) per annum over and above the Series II Interest Rate for the Series II</p>

	until the Series I Debenture Trust Deed or Series I Deed of Hypothecation for the Series I Debentures, as the case may be, is executed to the satisfaction of the Debenture Trustee (acting on the instructions of the majority Debenture Holder(s) of the Series I Debentures).	Debentures until the Series II Debenture Trust Deed or Series II Deed of Hypothecation for the Series II Debentures, as the case may be, is executed to the satisfaction of the Debenture Trustee (acting on the instructions of the majority Debenture Holder(s) of the Series II Debentures).
Face Value	Rs.1,00,000/- (Rupees One Lakh only) per Series I Debenture at the time of issuance. Following the payment of principal on each Series I Redemption Date, the face value of the Series I Debentures will be reduced to the extent of the outstanding principal amount.	Rs.1,00,000/- (Rupees One Lakh only) per Series II Debenture
Issue Price	Rs.1,00,000/- (Rupees One Lakh only)	
Manner of Bidding	Open bidding	
Pay-in Amount	Rs.1,00,000/- (Rupees One Lakh only)	
Issue Timing	Issue Opening Date: 15 June, 2023 Issue Closing Date: 15 June, 2023 Pay-in Date: 16 June, 2023 Deemed Date of Allotment: 16 June, 2023	
Bidding Time	10:00 am to 11:00 am	
Interest Rate Parameter	Fixed Coupon (Bidding for Issue Price)	
Issuance mode of the Instrument	Demat only	
Trading mode of the Instrument	Demat only	
Settlement mode of the Instrument	The pay-in of subscription monies for the Debentures shall be made by way of transfer of funds from the bank account(s) of the eligible investors (whose bids have been accepted) as registered with the EBP Platform into the account of the relevant clearing corporation, as specified below.  For amounts payable by the Issuer to any Debenture Holder pursuant to the terms of the Transaction Documents, cheque(s)/ electronic clearing services (ECS)/credit through RTGS system/funds transfer shall be made to the specified bank account of the Debenture Holder.	
Premium/Discount at which security is issued and the effective yield as a result of such discount.	At par.	
Put Option Date	Not Applicable	
Put Option Price	Not Applicable	
Call Option Date	Not Applicable	
Call Option Price	Not Applicable	
Put Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)	Not Applicable	
Call Notification Time (Timelines by which the Issuer need to intimate investor before exercising the call)	Not Applicable	
Debenture Obligations	The principal amount of the Series I Debentures, interest thereon, default interest and all other costs, charges, expenses, and payments in respect of the Series I Debentures and payable by the Issuer in accordance with the terms of the Series I Transaction Documents (“ <b>Series I Debenture Obligations</b> ”).	

	<p>The principal amount of the Series II Debentures, interest thereon, default interest and all other costs, charges, expenses, and payments in respect of the Series II Debentures and payable by the Issuer in accordance with the terms of the Series II Transaction Documents (“<b>Series II Debenture Obligations</b>”).</p> <p>“<b>Debenture Obligations</b>” means the Series I Debenture Obligations or Series II Debenture Obligations, as the case may be.</p>
Debenture Holder(s)	<p>The holder(s) of the Series I Debenture(s) issued by the Issuer and shall include the registered transferees of the Series I Debenture(s) from time to time (“<b>Series I Debenture Holder(s)</b>”). For sake of clarity, it is clarified that the ‘Debenture Holder(s)’ shall be determined separately for the Series I Debentures and the Series II Debentures under each respective ISIN.</p>
Majority Debenture Holder(s)	<p>The Series I Debenture Holder(s) holding an aggregate amount representing not less than 51% (Fifty One Percent) of the outstanding value of the Series I Debentures under the Series I Debenture Trust Deed at such time (“<b>Series I Majority Debenture Holder(s)</b>”). For sake of clarity, it is herein clarified that the ‘majority’ shall be determined as majority of debenture holders under each respective ISIN.</p>
Transaction Documents	<p>The Issuer has executed/ shall execute the documents including but not limited to the following, as required, for issuance of Series I Debentures through Private Placement (“<b>Series I Transaction Documents</b>”):</p> <ol style="list-style-type: none"> <li>1. Debenture trustee agreement to be executed on or around June 12, 2023, by and between the Debenture Trustee and the Issuer for the purposes of appointment of the Debenture Trustee to act as debenture trustee in connection with the issuance of the Debentures (“<b>Debenture Trustee Agreement</b>”);</li> <li>2. Debenture trust deed to be executed on or around June 15, 2023, by and between the Debenture Trustee and the Issuer, which will set out the terms upon which the Series I Debentures are being issued and shall include the representations and warranties and the covenants to be provided by the Issuer, and as amended from time to time (“<b>Series I Debenture Trust Deed</b>”);</li> <li>3. Unattested deed of hypothecation to be executed on or around June 15, 2023, by and between the Issuer and the Debenture Trustee, and as amended from time to time (“<b>Series I Deed of Hypothecation</b>”); and</li> <li>4. Such other documents as agreed in writing between the Debenture Trustee and the Issuer.</li> </ol> <p>Any Series I Transaction Document or Series II Transaction Document comprises a “Transaction Document”.</p>

	<p>Any Series I Debenture Trust Deed or Series II Debenture Trust Deed comprises a “Debenture Trust Deed”.</p> <p>Any Series I Deed of Hypothecation or Series II Deed of Hypothecation comprises a “Deed of Hypothecation”.</p>	<p>Any Series I Debenture Trust Deed or Series II Debenture Trust Deed comprises a “Debenture Trust Deed”.</p> <p>Any Series I Deed of Hypothecation or Series II Deed of Hypothecation comprises a “Deed of Hypothecation”.</p>
Disclosure Documents	<p>1. Placement Memorandum;</p> <p>2. Private Placement Offer Letter (Form PAS 4).</p>	
Business Day	<p>A ‘working day’ as defined under the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended and shall refer to a day when commercial banks are open for business in Mumbai.</p> <p>Explanation: For the purpose of this definition, in respect of:</p> <ul style="list-style-type: none"> <li>Announcement of bid/issue period: ‘Business Day’ shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the city as notified in the Placement Memorandum are open for business;</li> <li>Time period between the Issue Closing Date and the listing of the Debentures on the Stock Exchange: ‘Business Day’ shall mean all trading days of the Stock Exchange for non-convertible securities, excluding Saturdays, Sundays and bank holidays, as specified by the SEBI.</li> </ul>	
Business Day Convention	<p>Whenever any Interest Payment Date (other than the ones falling on a Redemption Date) falls on a day other than a Business Day, such payment shall be made on the immediately following Business Day, which becomes the Interest Payment Date for that Interest without changing the Interest Payment Date for subsequent payment obligations of Interest.</p> <p>Whenever any Redemption Date falls on a day other than a Business Day, the relevant Redemption Amount shall be paid by the Issuer on the immediately preceding Business Day which becomes the new Redemption Date, along with accrued but unpaid Interest, Default Interest accrued for the relevant Series of Debentures, costs, charges, expenses and other Debenture Obligations on the relevant Series of Debentures.</p> <p>The Business Day Convention will be as per SEBI Circular – SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021</p>	
Depositories	NSDL and CDSL	
Final Settlement Date	<p><b>“Series I Final Settlement Date”</b> means the date on which all Series I Debenture Obligations are irrevocably and unconditionally discharged and paid in full (including the redemption in full of all Series I Debentures), whether or not as the result of enforcement, and the Debenture Holders of Series I Debentures and the Debenture Trustee are under no further obligation to subscribe to any Series I Debentures or receive any payments under the Series I Transaction Documents and the Debenture Trustee confirms the same in writing.</p> <p><b>“Series II Final Settlement Date”</b> means the date on which all Series II Debenture Obligations are irrevocably and unconditionally discharged and paid in full (including the redemption in full of all Series II Debentures), whether or not as the result of enforcement, and the Debenture Holders of Series II Debentures and the Debenture Trustee are under no further obligation to subscribe to any Series II Debentures or receive any payments under the Series II Transaction Documents and the Debenture Trustee confirms the same in writing.</p>	
Stock Exchange	BSE Limited (“BSE”)	
EBP Platform	The electronic book provider platform of the BSE.	
Information Covenants	<p>The Issuer shall, until the Series I Final Settlement Date in respect of the Series I Debentures and until the Series II Final Settlement Date in respect of the Series II Debentures (for the avoidance of doubt, the covenants set out below are applicable in respect of each Series of Debentures on an individual basis and several basis only):</p> <ol style="list-style-type: none"> <li>supply to the Debenture Trustee (with sufficient copies for all Debenture Holder(s)) all documents despatched by it to its shareholders (or any class of them) or its creditors generally at the same time as they are despatched;</li> <li>promptly upon becoming aware, supply to the Debenture Trustee (and sufficient copies for all Debenture Holder(s)), the details of any event which may have a Material Adverse Effect;</li> </ol>	

	<ol style="list-style-type: none"> <li>3. forthwith give notice in writing to the Debenture Trustee of commencement of any proceedings directly affecting the Security of Series I Debentures or Series II Debentures. The Debenture Trustee shall immediately inform the Series I debenture holders upon receipt of the same;</li> <li>4. promptly notify of any breach of Financial Covenants or any other Covenants, Events of Default, cross default or early redemption events as mentioned in the Debenture Trust Deed of that Series of Debentures or otherwise, within 2 (two) days of occurrence and any steps taken or proposed to remedy such situation;</li> <li>5. promptly provide all know-your customer requirements, documents and any other information as required by the Debenture Trustee or Debenture Holders;</li> <li>6. comply with all requirements and provide all documents/information as may be required in accordance with the SEBI Debenture Trustee Operational Circular in respect of the Debentures and the transactions contemplated in the Transaction Documents;</li> <li>7. to the extent required or applicable, the Issuer shall provide intimation to the Debenture Trustee regarding (i) any default in timely payment of Interest or redemption or both in respect of either series of the non-convertible debt securities issued by the Issuer, and (ii) all covenants of the Issue of the respective Series of Debentures (including side letters, event of default provisions/clauses etc.); and</li> <li>8. promptly disclose and furnish to the Debenture Trustee, all documents/ information about or in relation to the Issuer or the Debentures, as requested by the Debenture Trustee to fulfil its obligations hereunder or to comply with any applicable law, including in relation to filing of its reports/ certification to the Stock Exchange within the prescribed timelines; and</li> <li>9. The Issuer shall provide its audited/unaudited standalone financial statements to the Debenture Trustee within 45 (forty five) days from the end of first 3 quarters and within 60 (sixty) days from the end of the financial year. Publishing of the financial statements in accordance with the applicable regulatory requirement within the statutory period shall be deemed to satisfy the above requirement.</li> <li>10. The security cover certificate in respect of the applicable Series of Debentures shall be provided on a quarterly basis (on June 30, September 30, December 31 and March 31 of every financial year) by a certified chartered accountant with a written validation of the respective security cover being maintained.</li> </ol>
Financial Covenants	<p>During the Tenor of the Series of Debentures, in addition to the requirements as set out in the Debenture Trust Deed for the relevant Series of Debentures, the Issuer shall maintain the below mentioned covenants in respect of the relevant Series of Debentures, each of which shall be verified with a written validation of covenant testing from the Issuer on a quarterly basis (on June 30, September 30, December 31 and March 31 of every financial year) and from a qualified chartered accountant on a half yearly basis every year (on September 30 and March 31 of every financial year).</p> <ol style="list-style-type: none"> <li>1. The Issuer shall maintain a Capital Adequacy Ratio and Tier 1 Capital Adequacy Ratio of at-least 5% over the regulatory threshold prescribed by RBI from time to time;</li> <li>2. The Issuer shall maintain a Gross Debt To Equity Ratio of less than 6:1;</li> </ol> <p><b>“Capital Adequacy Ratio”</b> shall mean the capital adequacy ratio as defined and prescribed by the RBI for housing finance companies.</p> <p><b>“Tier 1 Capital Adequacy Ratio”</b> shall mean the tier 1 capital adequacy ratio as defined and prescribed by the RBI for housing finance companies.</p> <p><b>“Debt”</b> shall mean the aggregate of: (i) consolidated long term debt outstanding including current maturities, whether secured or unsecured; (ii) consolidated short-term debt outstanding, whether secured or unsecured; (iii) debt in the form of securitized portfolio, which remain on the balance sheet of the Issuer under applicable accounting standards; (iv) redeemable preference shares outstanding, debentures outstanding plus corporate guarantees, contingent liabilities, accrued interest and subordinated debt.</p> <p><b>“Equity”</b> shall mean “Owned fund” as prescribed by the RBI for housing finance companies.</p> <p><b>“Gross Debt To Equity Ratio”</b> shall mean the ratio of (i) Debt; and (ii) Equity as mentioned above.</p>
Other Covenants	The Issuer shall maintain and comply with the following until the Final Settlement Date for each Series of Debentures respectively:

	<ol style="list-style-type: none"> <li>1. Obtain, comply with and do all that is necessary to maintain in full force and effect, and supply certified copies to the Debenture Trustee of, any authorisation required under any law or regulation to enable it to perform its obligations under the Transaction Documents.</li> <li>2. Make all necessary filings of the resolutions and other authorisations to comply with and do all that is necessary to maintain in full force and effect and supply certified copies to the Debenture Trustee of proof of filing of such authorisation as required in connection with the Issue of the relevant Series of Debentures.</li> <li>3. Comply in all respects with applicable law to which the Issuer may be subject, in respect of the Issue of the relevant Series of Debentures.</li> <li>4. Ensure that the rating obtained from the Rating Agency in relation to the relevant Series of Debentures, is periodically reviewed at least once a year or such other frequency as prescribed under applicable law.</li> <li>5. Ensure that the Security is and shall continue to have the ranking and priority it is required to have under the Transaction Documents for that Series of Debentures.</li> <li>6. Do all acts, deeds and things, make all filings and registrations and take any action as may be necessary or desirable to:             <ol style="list-style-type: none"> <li>(a) establish and perfect the rights of the Debenture Trustee and give effect to the Security, including any recording, filing, registration, giving of notice or other similar action; and</li> <li>(b) create, perfect, protect and maintain in full force and effect the Security and its priority.</li> </ol> </li> <li>7. Execute all the Transaction Documents for that Series of Debentures within the stipulated timelines.</li> <li>8. Undertake that it shall apply for SEBI Redressal System (SCORES) authentication in the format specified by SEBI and shall use the same for all issuance of that Series of Debentures.</li> <li>9. Ensure that it treats all applicants to the Issue of that Series of Debentures in a fair and equitable manner in accordance with the procedures as may be specified by SEBI.</li> </ol>
Negative Covenants	<p>The Issuer shall, until the Series I Final Settlement Date in respect of the Series I Debentures and until the Series II Final Settlement Date in respect of the Series II Debentures not do or undertake any of the following as set out below without the prior written consent of the Majority Debenture Holders for that Series of Debentures (for the avoidance of doubt, the covenants set out below are applicable in respect of each Series of Debentures on an individual basis and several basis only):</p> <ol style="list-style-type: none"> <li>1. The Issuer shall not make any amendment to its constitutional documents where such amendment could have a Material Adverse Effect.</li> <li>2. The Issuer shall not declare or pay any dividend to its shareholders during any financial year unless it has paid or made satisfactory provision for the payment of the instalments of the outstanding principal amounts and Interest due on the relevant Series of Debentures up to the date on which the dividend is proposed to be declared or paid, provided no Event of Default has occurred or is subsisting.</li> <li>3. The Issuer shall not alter its financial year so that such financial year ends on any date other than on March 31 of each calendar year without the prior written consent of the Debenture Trustee unless such changes are mandated by applicable law.</li> <li>4. The Issuer shall not utilise the subscription proceeds of the relevant Series of Debentures for any purpose other for the relevant Purpose.</li> <li>5. The Issuer shall not, following the occurrence of an Event of Default without the prior consent of the Debenture Trustee (acting on behalf of the Majority Debenture Holders), enter into a single transaction or a series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise encumber or charge or dispose the Hypothecated Assets or any part thereof. Other than as set out in the Deeds of Hypothecation, the Issuer shall not create further encumbrance of the Hypothecated Assets.</li> </ol>
Listing (name of stock exchange(s) where it will be listed and timeline for listing)	Each Series of Debentures are to be listed on the debt market segment of the BSE Limited within 3 (Three) trading days from the issue closing date as set out in the paragraph on "Issue Timing"
Debenture Trustee	Catalyst Trusteeship Limited
Events of Default (including manner of voting)	The occurrence of any one of the following events shall constitute an " <b>Event of Default</b> " by the Issuer in respect of a Series of Debentures as more specifically defined and described in each of the Debenture Trust Deeds for the

Series I Debentures and the Series II Debentures to be executed between the Issuer and the Debenture Trustee (in accordance with the cure periods stipulated).

### **1. Default in Redemption of Debentures**

Default by the Issuer in the payment of all or any of the Redemption Amount of the Debentures as and when it was due and payable in accordance with the applicable Debenture Trust Deed (unless it is due to Technical Reasons beyond the control of the Issuer and such failure is rectified within 3 (Three) Business Days). “*Technical Reasons*” means when the payment infrastructure i.e. RTGS transfers, experiences any downtime causing the delay in payment.

### **2. Default in Payment of Interest or Other Amounts**

Default by the Issuer in the payment of all or any part of any Interest, Default Interest or any other amounts in respect of the Debenture Obligations in respect of the Debentures, as and when it is due and payable in accordance with the applicable Debenture Trust Deed (unless it is due to Technical Reasons beyond the control of the Issuer and such failure is rectified within 3 (Three Business Days). “*Technical Reasons*” means when the payment infrastructure i.e. RTGS transfers, experiences any downtime causing the delay in payment.

### **3. Default in Redemption of Debentures following Early Redemption Event**

Failure on the part of the Issuer in the payment of all or any of the Interest and Redemption Amount of the Debentures in accordance with the provisions of early redemption event.

### **4. Default in Performance of Covenants and Conditions**

- (a) The Issuer breaches any of its financial covenants and equity covenants under the applicable Debenture Trust Deed and the same is not cured within 45 (Forty Five) days from the end of the respective reporting quarter.
- (b) The Issuer breaches any of the early redemption events and the Debentures, together with any accrued Interest (including Default Interest, and all other amounts accrued or outstanding under the Transaction Documents) are not repaid to the Debenture Holders of the applicable Series of Debentures in accordance with the provisions of early redemption event.
- (c) The Issuer breaches any other terms, conditions, representations, warranty or agreements (other than payment defaults under the Debenture Trust Deed of the applicable Series of Debentures) set out in the Debenture Trust Deed or the other Transaction Documents or deeds entered into between the Issuer and the Debenture Holder(s) or Debenture Trustee of the applicable Series of Debentures and the same is not cured within 15 (Fifteen) days of occurrence.
- (d) The Majority Debenture Holders shall have the right to waive any of the covenants (financial or otherwise) or early redemption events within 7 (Seven) days post the above-mentioned timelines. If the same is not waived within 7 (Seven) days, or the intent to not waive any of the covenants (financial or otherwise) or early redemption events is communicated earlier than 7 (Seven) days, it shall lead to an Event of Default.

### **5. Misrepresentation**

Any representation or warranty or statement made or deemed to be made by the Issuer in the applicable Transaction Documents or any other document delivered by or on behalf of the Issuer under or in connection with any Transaction Documents applicable to a Series of Debentures, is or proves to have been untrue, incorrect, incomplete or misleading in any material respect when made or deemed to be made.

### **6. Issuer Ceases to Carry on Business**

If the Issuer ceases with or without the consent of the Debenture Holder(s), or threatens (in writing) to cease to carry on its business or gives notice of its intention to do so.

### **7. Inability to Pay Debts**

If the Issuer is unable to or admits in writing its inability to pay its debts as they mature or proceedings for taking it into insolvency or liquidation have been admitted by any competent court/ regulatory authority or a special resolution has been passed by the shareholders for winding up of the Issuer or for filing an application to initiate insolvency resolution process, or any similar process, of the Issuer or it is certified by the statutory auditors that the liabilities of the Issuer exceed its assets indicating the inability of the Issuer to discharge its obligations under the applicable Debenture Trust Deed.

## **8. Proceedings against the Issuer**

Any of the following occur with respect to the Issuer:

- (a) The Issuer shall have voluntarily or involuntarily become the subject of proceedings under bankruptcy or insolvency law, or has suffered any action taken for its reorganization, insolvency, liquidation or dissolution;
- (b) A receiver or resolution professional or liquidator or administrator is appointed or allowed to be appointed in respect of all or any part of the undertaking of the Issuer;
- (c) a composition, compromise, assignment or arrangement with any creditor of the Issuer;
- (d) the suspension of payments, a moratorium of any Indebtedness (as defined in the applicable Debenture Trust Deed), winding- up, dissolution, administration or re-organisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Issuer;
- (e) any enquiry or proceedings commenced before the National Companies Law Tribunal or under any mechanism or prescription of the RBI in respect of resolution/restructuring of stressed assets (including without limitation, under the RBI's circular no. DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019 on "Prudential Framework for Resolution of Stressed Assets");
- (f) All or a material part of the undertaking, assets, rights or revenues of the Issuer are condemned, seized, nationalised, expropriated or compulsorily acquired, or shall have assumed custody or control of the business or operations of the Issuer, or shall have taken any action for the dissolution of the Issuer, or any action that would prevent the Issuer, their member, or their officers from carrying on their business or operations or a substantial part thereof, by or under the authority of any Government or Government authority; or
- (g) The Issuer fails to comply with any applicable law in relation to the Debentures, unless the failure to comply is, in the opinion of the Debenture Trustee (acting on the instructions of the Majority Debenture Holders for the applicable series of Debentures), capable of remedy and is remedied within 15 (fifteen) days of the breach or violation.

## **9. Security is in Jeopardy/ Security**

- (a) Any Security to be created in relation to the Debentures is not created within the timelines set out in the applicable Transaction Documents;
- (b) In respect of a Series of Debentures, any Transaction Document is not (once entered into) in full force and effect or any Transaction Document does not (once entered into) create in favour of the Debenture Trustee (for the benefit of the Debenture Holders), the Security which it is expressed to create, fully perfected in accordance with applicable law with the ranking and priority it is expressed to have and such defect in the Transaction Document or imperfection in the Security is not cured/rectified by the Issuer within 30 days from the date of such defect/imperfection;
- (c) The Security is in jeopardy or the Issuer creates any charge on the Series I Hypothecated Assets or the Series II Hypothecated Assets, as applicable, or any part thereof, other than (i) as set out in the Transaction Documents or (ii) security interest created in its ordinary course of business including in connection with any future borrowing or in connection with any future issuance of debt securities;

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|  | <ul style="list-style-type: none"> <li>(d) The Series I Required Security Cover or Series II Required Security Cover, as the case may be, is not maintained as required under the applicable Transaction Documents and the Issuer fails to reinstate/restore the Series I Required Security Cover or Series II Required Security Cover, as the case may be, within 15 (Fifteen) Business Days from the date on which the asset cover ratio goes below the Series I Required Security Cover or Series II Required Security Cover, as the case may be; or</li> <li>(e) In respect of a Series of Debentures, if any Transaction Document once executed and delivered, ceases to be in full force and effect or fails to provide the Debenture Trustee and the Debenture Holder(s) with the Security intended to be created thereby and such defect in the Transaction Document is not cured/rectified by the Issuer within 15 (Fifteen) days from the date of such defect coming to the knowledge of the Issuer or the date on which Debenture Trustee notifies the Issuer of such defect or imperfection.</li> </ul> |
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#### **10. Change or Cessation of Business**

The Issuer changes or suspends carrying on its business or there is any withdrawal, revocation, failure to renew or failure to obtain any Authorisation from any Governmental Authority in relation to the business and operations of an Issuer or the Debentures or any Security created under any Deed of Hypothecation.

#### **11. Wilful Default**

If the Issuer or any of its Director(s) or Promoter(s) is/are declared as ‘wilful defaulter’ by any competent authority.

#### **12. Listing and Delisting of Debentures**

- (a) Without prejudice to the SEBI listing timelines requirements, if the Issuer fails to list the Debentures within 3 (Three) Business Days from the Issue Closing Date.
- (b) If the Debentures cease to be listed or are suspended from trading on the debt market segment of the Stock Exchange at any time after the first date of listing and the Issuer fails to get relisted within 2 (Two) Business Days from the date of such delisting.

#### **13. Cross Default**

Cross default shall be triggered upon occurrence of any of the following events:

- (a) The Issuer is unable or has admitted in writing its inability to pay any of its financial indebtedness as they mature or when due;
- (b) An event of default, howsoever described, occurs and is subsisting under any agreement or document;
- (c) Any financial indebtedness of the Issuer is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default or early redemption event or any provision having a similar effect (howsoever described);
- (d) If any lender, including any financial institution or bank with whom the Issuer has entered into agreement(s) for financial assistance, has in the anticipation of an event of default (except arising solely out of the financial position or financial inability of such bank or financial institution) recalled its/ their assistance;
- (e) The Majority Debenture Holders or an affiliate of the Majority Debenture Holders becomes entitled to declare a default under any other agreement that is made between the Issuer and that affiliate or a Debenture Holder;
- (f) Any creditor of the Issuer declares or becomes entitled to declare any financial indebtedness of the Issuer due and payable prior to its specified maturity as a result of any actual or potential default, event of default, credit review event or similar event (however described).

#### **14. Illegality**

It is or becomes unlawful for the Issuer to perform any of its material obligations under the Transaction Documents relating to the Debentures outstanding and/or the security interests or if the Transaction Documents

	<p>or any part thereof ceases, for any reason whatsoever, to be valid and binding or in full force and effect or is alleged by any party to it to be ineffective for any reason and the cessation individually or cumulatively materially and adversely affects the interests of the Debenture Holders under the Transaction Documents.</p> <p><b>15. Transaction Documents become Unlawful</b></p> <p>Any Transaction Document once executed and delivered, ceases to be in full force and effect or becomes unlawful, invalid or unenforceable or fails to provide the Debenture Trustee and the Debenture Holders/ Beneficial Owners with the interests in the applicable Hypothecated Assets intended to be created thereby unless cured in 15 (Fifteen) calendar days.</p> <p><b>16. Material Adverse Effect</b></p> <p>The occurrence of any event or condition or any series of events or conditions which, in the opinion of the Debenture Trustee, acting solely on the instructions of the Majority Debenture Holders constitutes or might constitute a material adverse effect affecting the Issuer's ability to comply with their respective obligations under the Transaction Documents unless the occurrence of such Material Adverse Effect is, in the discretion of the Debenture Trustee (acting solely on the instructions of the Majority Debenture Holders), capable of remedy and is not remedied within 15 (Fifteen) days of the notice issued by the Debenture Trustee to the Issuer.</p> <p><b>"Material Adverse Effect"</b> means the effect or consequence of an event, circumstance, occurrence or condition which has caused, as of any date of determination, or could reasonably be expected to cause a material and adverse effect on (a) the financial condition, business or operation of the Issuer, environmental, social or otherwise, or prospects of the Issuer; (b) the ability of the Issuer to perform its obligations under the Transaction Documents; or (c) the validity or enforceability of any of the Transaction Documents (including the ability of any party to enforce any of its remedies thereunder); or (d) the rights or remedies of the Debenture Trustee acting for the benefit of the Debenture Holders hereunder or under any other Transaction Document.</p> <p><b>17. Any other events as may be specified in the Debenture Trust Deed applicable for the relevant Series of Debentures.</b></p>
Due diligence certificate from the Debenture Trustee	<p>(a) Due diligence certificate from the Debenture Trustee in the format as specified in Schedule IV of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended.</p> <p>(b) Due diligence certificate from the Debenture Trustee as per the format specified the SEBI Debenture Trustee Operational Circular.</p>
Conditions precedent to subscription of Debentures	<p>The following constitute the conditions precedent for the issue of each Series of Debentures and subscription by the subscribers:</p> <ol style="list-style-type: none"> <li>1. A certified true copy of latest certificate of incorporation, memorandum of association and articles of association of the Issuer.</li> <li>2. A certified true copy of the registration of the Issuer with the National Housing Bank or RBI.</li> <li>3. A certified true copy of the resolution of the Issuer under Section 179 of the Companies Act 2013, approving the issuance of Debentures and execution of the transaction documents, including authorizing a specified person or persons to do all the acts for consummation of the transaction contemplated therein.</li> <li>4. A certified true copy of the special resolution of the Issuer under Section 180(1)(a) and Section 180(1)(c) of the Companies Act 2013.</li> <li>5. Execution by the Issuer of the Series I Transaction Documents and delivery of certified true copies of the Series I Transaction Documents in respect of the Series I Debentures and the Series II Transaction Documents and delivery of certified true copies of the Series II Transaction Documents in respect of the Series II Debentures.</li> <li>6. Copy of application form to the Issuer, for subscription of Debentures by the applicants.</li> <li>7. Consent letter and engagement letter from the Registrar confirming its appointment as registrar and transfer agent for the Issue of the relevant Series of Debentures.</li> </ol>

	<ol style="list-style-type: none"> <li>8. Submission of credit rating of AAA (RWN) from CARE Ratings Limited for the Debentures, which has been obtained not more than 30 (Thirty) calendar days prior to the Deemed Date of Allotment, along with rating rationale and rating press release has been submitted to the Debenture Trustee.</li> <li>9. Evidence on appointment of Debenture Trustee and submission of consent letter of the Debenture Trustee to act as the debenture trustee for the Issue of the relevant Series of Debentures.</li> <li>10. Executed Tripartite Agreements, uniform listing agreement and Debenture Trustee Agreement.</li> <li>11. Submission of the signed private placement offer letter and delivered to each identified investor (serially numbered and addressed specifically to each identified investor) under the Companies Act 2013, as amended.</li> <li>12. Submission of in-principle approval of the Stock Exchange for listing of the relevant Series of Debentures.</li> <li>13. Evidence of payment of the stamp duty on the relevant Series of Debentures, by the Issuer to the concerned Depository.</li> <li>14. Evidence of receipt of an ISIN from the Depository in relation to the issuance of the relevant Series of Debentures in dematerialised form.</li> <li>15. Evidence on the opening of a separate bank account by the Issuer for deposit of the subscription proceeds.</li> <li>16. Submission of audited account statements for the most recent financial year to the Debenture Trustee.</li> <li>17. A certificate from an authorised officer of the Issuer addressed to the Debenture Trustee and the legal counsel in the form agreed in the Series I Debenture Trust Deed or Series II Debenture Trust Deed, as the case may be.</li> <li>18. Certified true copies of all ‘know your customer’ requirements to the satisfaction of the Debenture Trustee.</li> <li>19. The Issuer shall submit to the Debenture Trustee a letter/ email or any other document from the Stock Exchange evidencing creation and form of recovery expense fund prior to the opening of the Issue.</li> <li>20. Due diligence certificate to be issued by the Debenture Trustee in the format specified in the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, to the Issuer and Issuer to file it with the Stock Exchange at the time of filing the Placement Memorandum.</li> <li>21. Confirmation from the Issuer that no Event of Default has occurred and / or is subsisting.</li> <li>22. Any other documents or undertaking that may be requested by the Debenture Trustee and/or the Debenture Holders.</li> </ol>
Conditions subsequent to subscription of Debentures	<p>The following constitute the conditions subsequent to the issue of each Series of Debentures:</p> <ol style="list-style-type: none"> <li>1. Allotment of the relevant Series of Debentures and credit in demat accounts of the subscribers within 2 (Two) Business Days from the Deemed Date of Allotment.</li> <li>2. Within 7 (Seven) calendar days of the Deemed Date of Allotment, entering the particulars of the Debenture Holders of the relevant Series of Debentures in the register of debenture holders maintained by the Issuer and providing a certified true copy of the updated register of debenture holders to the Debenture Trustee.</li> <li>3. Filing of Form PAS-3 within 15 (Fifteen) calendar days from the Deemed Date of Allotment but in any case, prior to the utilization of proceeds of the relevant Series of Debentures by the Issuer in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, along with the requisite fee with the Registrar of Companies.</li> <li>4. Maintaining a complete record of private placement offers in Form PAS-5 and filing the such record in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended, along with the requisite fee with the Registrar of Companies.</li> <li>5. The Issuer shall provide the evidence of listing of the relevant Series of Debentures on the debt market segment within 3 (Three) trading days of the issue closing date on the Stock Exchange.</li> <li>6. Filing of details of the security interest created/ to be created by way of the Series I Deed of Hypothecation or the Series II Deed of Hypothecation, as the case may be, with CERSAI, Registrar of Companies (CHG-9) and/ or any information utility within 30 (Thirty) days from the date of execution of the Series I Deed of Hypothecation or the Series II Deed of Hypothecation, as the case may be.</li> <li>7. Updating of the register of charges of the Issuer in the Form CHG-7 as required under the Companies Act 2013, as amended.</li> <li>8. Submission of the Series I Debenture Trust Deed or the Series II Debenture Trust Deed, as the case may be and/or other necessary document(s), in favour of the Debenture Trustee to the Stock Exchange.</li> </ol>

Consequences of breach of covenants / Events of default (as specified in the Debenture Trust Deed)	<p>On and at any time after the occurrence of an Event of Default in relation to a specific Series of Debentures, the Debenture Trustee may, and shall, if so directed by the Majority Debenture Holders of that specific Series of Debentures, by a notice in writing to the Issuer, take, or instruct the Debenture Trustee to take, any action including but not limited to the following (for the avoidance of doubt, the actions set out below are applicable in respect of each Series of Debentures):</p> <ol style="list-style-type: none"> <li>1. declare all or a part of the Redemption Amount outstanding of that Series of Debentures, together with any Interest, accrued or otherwise (including Default Interest, and all other amounts accrued or outstanding under the Transaction Documents) to be immediately due and payable, whereupon they shall become immediately due and payable (including the Redemption Amount) for that Series of Debentures;</li> <li>2. exercise any or all of its rights, discretions, powers and remedies under the Transaction Documents of that specific Series of Debentures and under applicable law including, if so directed by the Majority Debenture Holders of that specific Series of Debentures, to enforce the Security or any other rights under the Transaction Documents, to take or institute proceedings against the Issuer and apply all monies standing to the credit of the account created for payments under the Series of Debentures, towards the satisfaction of the Debenture Obligations), including the utilisation of the Recovery Expense Fund thereof in accordance with the applicable laws of the SEBI;</li> <li>3. accelerate the redemption of that specific Series of Debentures;</li> <li>4. enforce such Security, if so directed by the Majority Debenture Holders of that specific Series of Debentures, in such a manner as the Majority Debenture Holders of that specific Series of Debentures may deem fit;</li> <li>5. to enter upon and take possession of the Hypothecated Assets of that specific Series of Debentures in accordance with the provisions of the Debenture Trust Deed applicable to that specific Series of Debentures;</li> <li>6. if so directed by the Majority Debenture Holders of that specific Series of Debentures, to enforce any Security created pursuant to the Transaction Documents in accordance with the terms thereof, as may be set out therein, towards repayment of the Debenture Obligations;</li> <li>7. to transfer the Hypothecated Assets of that specific Series of Debentures by way of lease/sub-lease or license or sale upon occurrence of Event of Default in accordance with the terms hereof;</li> <li>8. exercise all the rights and remedies available to it in such manner as Debenture Holders of that specific Series of Debentures may deem fit without intervention of the court and without having to obtain any consent of the Issuer;</li> <li>9. initiate, insolvency proceedings / recovery proceedings/ exercise rights available to recover the amounts in relation to the Debenture Obligations;</li> <li>10. at the cost of the Issuer, appoint additional auditors and other consultants or professional advisers;</li> <li>11. at the cost of the Issuer, appoint a receiver in respect of the Hypothecated Assets of that specific Series of Debentures;</li> <li>12. disclose the name and details of the Issuer to Credit Information Bureau (India) Limited or RBI or Central Repository of Information on Large Credits and publish the name of the Issuer as a defaulter through print and electronic media or in any other form and manner as the Debenture Trustee may deem fit, at their absolute discretion and also notify other creditors of the Issuer, and the Stock Exchange where the Issuer's securities are listed, of such default;</li> <li>13. take any actions in respect of the SEBI circular bearing reference number SEBI/HO/DDHS/PCIR/2023/50 dated March 31, 2023 on "Operational Circular for Debenture Trustees", as amended ("SEBI Debenture Trustee Operational Circular") in accordance with the provisions of the Debenture Trust Deed of that specific Series of Debentures;</li> <li>14. to appoint a nominee director in accordance with the SEBI (Debenture Trustees) Regulations 1993, as amended, on the board of directors of the Issuer in the manner more particularly set out in the Debenture Trust Deed of that specific Series of Debentures;</li> <li>15. if so directed by the Majority Debenture Holders of that specific Series of Debentures, to initiate any enforcement action including without limitation under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002, Insolvency and Bankruptcy Code 2016 or any other applicable law;</li> <li>16. to levy default interest on overdue amounts in accordance with the terms of the Debenture Trust Deed of that specific Series of Debentures; and</li> <li>17. to exercise such other rights as the Debenture Holder(s) of that specific Series of Debentures may deem fit under applicable law.</li> </ol>
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	In this clause, Majority Debenture Holders shall mean Debenture Holder(s) holding an aggregate amount representing not less than 51% (Fifty One Percent) of the outstanding value of the respective Series of Debentures
Creation of recovery expense fund	The Issuer shall create a recovery expense fund in respect of the Series I Debentures and the Series II Debentures in accordance with the applicable SEBI regulations, including but not limited to the SEBI Debenture Trustee Operational Circular.
Provisions related to Cross Default Clause	As set out in the paragraph on 'Events of Default'
Conflict	It is hereby clarified that the terms and conditions set out in the Series I Debenture Trust Deed or the Series II Debenture Trust Deed, as the case may be, shall supersede the terms and conditions set out in this Term Sheet or Placement Memorandum or any other document in respect of either respective Series of Debentures.
Risk Factors pertaining to the Issue	As set out in the Placement Memorandum under the Section on 'Risk Factors'
Role and Responsibilities of Debenture Trustee	To oversee and monitor the overall transaction for and on behalf of the Debenture Holder(s).
Manner of Settlement	Through Indian Clearing Corporation Limited (ICCL)
Settlement Cycle	Settlement shall be on T + 1 day
Manner of allotment	Multiple Price / Yield
Minimum bid lot	Rs. 1,00,00,000 (Rupees One Crore Only) and in the multiples of Rs. 1,00,000 (Rupees One Lakhs Only) thereafter
Governing Law and Jurisdiction	The Debentures are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of courts of New Delhi.
Permitted Action	The board of directors of Poonawalla Fincorp Limited (formerly Magma Fincorp Limited) ("PFL"), the holding company of the Issuer at their meeting held on December 14, 2022 had accorded their consent to the transaction for the divestment by way of sale of equity shares of the entire stake held by PFL in the Issuer to Perseus SG Pte. Ltd., an entity affiliated with TPG ("Perseus") ("Proposed Transaction"). In view of the same, the Board of the Issuer at their meeting held on December 14, 2022 had taken note of the Proposed Transaction and executed a share purchase agreement amongst PFL, Perseus and the Issuer on December 14, 2022, for the proposed sale of controlling stake i.e. 99.02% by PFL at total equity value of ₹ 3,900 Crores, subject to regulatory approvals and satisfaction of other customary conditions. Subsequently, the Issuer filed an application with the RBI seeking the requisite prior approvals for the transfer of shareholding of the Issuer, together with the acquisition of control of the Issuer and change in the composition of the Board of the Issuer pursuant to Chapter VIII (Acquisition/Transfer of Control) of the RBI HFC Master Directions. The RBI has granted approval for the change in shareholding on May 30, 2023. Consequently, the Issuer is currently in the final phase of consummating the Proposed Transaction, subject to the completion of certain regulatory and compliance requirements. The Issuer is a housing finance company, in accordance with the Reserve Bank of India, Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, as amended ("RBI HFC Master Directions").

Note:

If there is any change in Interest Rate pursuant to any event then such new Interest Rate and events which lead to such change shall be disclosed. The list of documents which has been executed in connection with the issue and subscription of each Series of Debentures are set out in Annexure II of the Placement Memorandum.

While each Series of Debentures are secured to the tune of 110% of the principal and interest amount in accordance with the Placement Memorandum, in favor of the Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained.

The Issuer has provided granular disclosures in the relevant Placement Memorandum, with regards to the "Object of the Issue" including the percentage of the issue proceeds earmarked for each of the "Object of the Issue".

## MANNER OF SETTLEMENT

- The eligible investors should complete the funds pay-in to the designated bank account of the Indian Clearing Corporation Ltd (ICCL) by 10:30 am on T+1 day.
- The participants must ensure to do the funds pay-in from the same bank account which is updated by them in the electronic book provider platform while placing the bids.
- The Designated Bank Accounts of ICCL are as under:

Name of Bank	HDFC BANK
IFSC Code	HDFC0000060
Account number	ICCLEB

<b>Name of beneficiary</b>	INDIAN CLEARING CORPORATION LIMITED
<b>Name of Bank</b>	ICICI Bank Ltd.
<b>IFSC Code</b>	ICIC0000106
<b>Account number</b>	ICCLEB
<b>Name of beneficiary</b>	INDIAN CLEARING CORPORATION LTD
<b>Name of Bank</b>	YES BANK
<b>IFSC Code</b>	YESB0CMSNOC
<b>Account number</b>	ICCLEB
<b>Name of beneficiary</b>	INDIAN CLEARING CORPORATION LTD

- In the event of the issue getting withdrawn, the funds refund would be initiated on T+1 day.
- In case of mismatch in the bank account details between bidding platform and the bank account from which payment is done by the eligible investors, the payment would be returned back. Further, pay-in received from any other bank account may lead to cancellation of bid and consequent debarment of the bidder from accessing EBP Platform for 30 days.
- Securities Settlement: Depositories will credit the securities to the demat account of the respective investor.

*Cash Flow to change on the basis of actual dates.*

#### **Illustration of Cash Flows for Series I Debentures**

Name of the Issuer	Poonawalla Housing Finance Limited
Security Name	PHFL 8.65% 2025
Face Value (per security)	Rs. 1,00,000/- (Rupees One Lakh only) per Series I Debenture at the time of issuance. Following the payment of principal on each Series I Redemption Date, the face value of the Series I Debentures will be reduced to the extent of the outstanding principal amount.
Deemed Date of Allotment	Friday, June 16, 2023
Tenor	2 (Two) years and 3 (Three) months from the Deemed Date of Allotment. However, the principal amount of the Series I Debentures are redeemable at par in accordance with the following Series I Redemption Dates: (i) 25% on 16 <sup>th</sup> March 2025, (ii) 50% on 16 <sup>th</sup> June 2025, and (iii) 25% on 16 <sup>th</sup> September 2025.
Redemption Date	<p>The principal amount of the Series I Debentures are redeemable at par in accordance with the following redemption dates:</p> <p>(i) 25% on Sunday, 16 March 2025;</p> <p>(ii) 50% on Monday, 16 June 2025; and</p> <p>(iii) 25% on Tuesday, 16 September 2025.</p> <p>each of the above, being, a Series I Redemption Date and together the “<b>Series I Redemption Dates</b>”. 16 September 2025 being the final date on which any Series I interest is payable is the “<b>Series I Final Redemption Date</b>”.</p>
Coupon Rate	8.65% per annum
Frequency of the interest payment with specified dates	The first interest payment date for the Series I Debentures will be on 16 June 2024, and subsequently, on each Series I Redemption Date, up to the Series I Final Redemption Date, being 16 September 2025.
Day Count Convention	Actual/Actual

#### **Day Count Convention**

<b>From</b>	<b>To</b>	<b>Number of days</b>
1 January 2023	31 December 2023	365
1 January 2024	31 December 2024	366
1 January 2025	31 December 2025	365

### Illustrative Bond Cash Flows

Particulars	Scheduled Payment Date	Actual Payment Date*	Number of days in coupon period	Number of days in the year^	Amount per Debenture (in Rs.) #
Deemed Date of Allotment	Friday, 16 June, 2023	Friday, 16 June, 2023	-	-	(1,00,000)
1st Coupon / Interest	Sunday, 16 June, 2024	Monday, 17 June, 2024	366	366	8,650
Redemption 25%	Sunday, 16 March, 2025	Friday, 14 March, 2025	-	-	25,000
2nd Coupon / Interest	Sunday, 16 March, 2025	Friday, 14 March, 2025	273	365	6,470
Redemption 50%	Monday, 16 June, 2025	Monday, 16 June, 2025	-	-	50,000
3rd Coupon / Interest	Monday, 16 June, 2025	Monday, 16 June, 2025	92	365	1,635
4th Coupon / Interest	Tuesday, 16 September, 2025	Tuesday, 16 September, 2025	92	365	545
Redemption	Tuesday, 16 September, 2025	Tuesday, 16 September, 2025	-	-	25,000

\* after adjusting for Non-Business Days. The interest/redemption payments shall be made only on a day on which commercial banks are open for business in the city of Mumbai, Maharashtra and when the money market is functioning in Mumbai.

As per Business Day Convention, if any of the Interest Payment Date(s), other than the ones falling on the Redemption Date, falls on a day that is not a Business Day, the payment shall be made by the Issuer on the immediately succeeding Business Day, which becomes the Interest Payment Date for that Interest. However, the future Interest Payment Date(s) would be as per the schedule originally stipulated at the time of issuing the Series I Debentures. In other words, the subsequent Interest Payment Date(s) would not be changed merely because the payment date in respect of one particular Interest payment has been postponed earlier because of it having fallen on a non-Business Day.

If the Redemption Date and the last Interest Payment Date of the Series I Debentures falls on a day that is not a Business Day, the redemption amount shall be paid by the Issuer on the immediately preceding Business Day which becomes the new redemption date, along with interest accrued on the Series I Debentures until but excluding the date of such payment.

^ In case of scheduled payment date falling during a leap year, number of days for interest working have been reckoned as 366 days for the entire calendar year.

# In the event, the interest / pay-out of total interest / redemption amount is a fraction and not an integer, such amount will be rounded off to the nearest integer.

### Illustration of Cash Flows for Series II Debentures

Name of the Issuer	Poonawalla Housing Finance Limited
Security Name	PHFL 8.50% 2024
Face Value (per security)	Rs.1,00,000/- (Rupees One Lakh only) per Series II Debenture.
Deemed Date of Allotment	Friday, June 16, 2023
Tenor	1 (One) year and 3 (Three) months from the Deemed Date of Allotment
Redemption Date	Monday, 16 September, 2024
Coupon Rate	8.50% per annum
Frequency of the interest payment with specified dates	The first interest payment date for the Series II Debentures will be on 16 June 2024, and subsequently, on the Series II Redemption Date, being 16 September 2024.
Day Count Convention	Actual/Actual

### Day Count Convention

From	To	Number of days
1 January 2023	31 December 2023	365
1 January 2024	31 December 2024	366

### Illustrative Bond Cash Flows

Particulars	Scheduled Payment Date	Actual Payment Date*	Number of days in coupon period	Number of days in the year^	Amount per Debenture (in Rs.) #
Deemed Date of Allotment	Friday, 16 June, 2023	Friday, 16 June, 2023	-	-	(1,00,000)
1st Coupon / Interest	Sunday, 16 June, 2024	Monday, 17 June, 2024	366	366	8,500
2nd Coupon / Interest	Monday, 16 September, 2024	Monday, 16 September, 2024	92	366	2,142
Redemption	Monday, 16 September, 2024	Monday, 16 September, 2024	-	-	1,00,000

\* after adjusting for Non-Business Days. The interest/redemption payments shall be made only on a day on which commercial banks are open for business in the city of Mumbai, Maharashtra and when the money market is functioning in Mumbai.

As per Business Day Convention, if any of the Interest Payment Date(s), other than the ones falling on the Redemption Date, falls on a day that is not a Business Day, the payment shall be made by the Issuer on the immediately succeeding Business Day, which becomes the Interest Payment Date for that Interest. However, the future Interest Payment Date(s) would be as per the schedule originally stipulated at the time of issuing the Series II Debentures. In other words, the subsequent Interest Payment Date(s) would not be changed merely because the payment date in respect of one particular Interest payment has been postponed earlier because of it having fallen on a non-Business Day.

If the Redemption Date and the last Interest Payment Date of the Series II Debentures falls on a day that is not a Business Day, the redemption amount shall be paid by the Issuer on the immediately preceding Business Day which becomes the new redemption date, along with interest accrued on the Series II Debentures until but excluding the date of such payment.

^ In case of scheduled payment date falling during a leap year, number of days for interest working have been reckoned as 366 days for the entire calendar year.

# In the event, the interest / pay-out of total interest / redemption amount is a fraction and not an integer, such amount will be rounded off to the nearest integer.

**ANNEXURE – II**

**MATERIAL CONTRACTS AND AGREEMENTS FOR THE  
ISSUE**

**ANNEXURE II**  
**MATERIAL CONTRACTS AND AGREEMENTS FOR THE ISSUE**

By very nature of its business, the Issuer is involved in a large number of transactions involving financial obligations and therefore it may not be possible to furnish details of all material contracts and agreements involving financial obligations of the Issuer. However, the contracts referred below (not being contracts entered into in the ordinary course of the business carried on by the Issuer) which are or may be deemed to be material have been entered into by the Issuer. Copies of these contracts together with the copies of documents referred below may be inspected at the corporate office of the Issuer between 10.00 a.m. and 2.00 p.m. on any working day until the Issue closing date.

**MATERIAL CONTRACTS AND AGREEMENTS FOR THE ISSUE**

1. Memorandum and Articles of Association of the Issuer, as amended to date.
2. Certificate of incorporation of the Issuer.
3. Board resolution dated January 21, 2023 and revalidated on April 24, 2023.
4. Management committee resolution dated June 9, 2023.
5. The shareholder resolution dated June 2, 2023.
6. Letter of consent from the Debenture Trustee.
7. Tripartite agreement between the Issuer, RTA and each of the Depositories.
8. Debenture Trustee agreement.
9. Series I Debenture Trust Deed.
10. Series I Deed of Hypothecation.
11. Series II Debenture Trust Deed.
12. Series II Deed of Hypothecation.
13. Electronic bidding platform agreement with BSE.
14. Credit rating letter issued by CARE Ratings Limited.
15. Standalone financial statements for the Financial Years ended March 31, 2023, 2022, and 2021.
16. Annual report of the Issuer for the last three Financial Years.

### **ANNEXURE – III**

### **CONSENT, DUE DILIGENCE AND FEE LETTER OF DEBENTURE TRUSTEE**



CL/DEB/23-24/320

Date : 12-Jun-2023

To,  
**NILESH GHOLAP,**  
**Poonawalla Housing Finance Limited,**  
**101, Lunkad Sky Station, Datta Mandir Chowk,,**  
**Viman Nagar,**  
**Pune,**  
**Maharashtra,**  
**India 411014.**

Dear Sir/ Madam,

**Re: Consent to act as a Debenture Trustee for Private Placement of Fully Paid, Rated, Listed, Issue of (I)30,000 (Thirty Thousand) Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of Face Value of Rs. 1,00,000 (Rupees One Lakh Only) each for cash at par, with a base issue size of Rs. 200 Crore (Rupees Two Hundred Crores Only) ("Series I Base Issue"), and a Green Shoe Option of Rs. 100 Crore (Rupees One Hundred Crores Only), aggregating to Rs. 300 Crore (Rupees Three Hundred Crores Only) ("Series I Debentures"); and (II) 20,000 (Twenty Thousand) Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of Face Value of Rs. 1,00,000 (Rupees One Lakh Only) each for cash at par, with a base issue size of Rs. 100 Crore (Rupees One Hundred Crore Only) ("Series II Base Issue"), and a green shoe option of Rs. 100 Crore (Rupees One Hundred Crore Only), aggregating to Rs. 200 Crore (Rupees Two Hundred Crore Only) ("Series II Debentures") on Private Placement by Poonawalla Housing Finance Limited.**

We refer to your letter dated 12.06.2023 , requesting us to convey our consent to act as the Debenture Trustee for captioned issue of Debentures.

We hereby convey our acceptance to act as Debenture Trustees for the said issue Debentures, subject to execution of Debenture Trustee Agreement as per Regulation 13 of SEBI (Debenture Trustee) Regulations, 1993, thereby agreeing to execute Debenture Trust Deed and to create the security if applicable within the timeline as per relevant Laws / Regulations and in the Offer Document / Information Memorandum / Disclosure Document / Placement Memorandum and company agreeing / undertaking to comply with the provisions of SEBI ( Debenture Trustee ) Regulations, 1993, SEBI ( Issue and Listing o f Non-Convertible Securities) Regulations 2021, SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, Companies Act, 2013 and Rules thereunder and other applicable laws as amended from time to time.

Fee Structure for the proposed transaction will be as per annexure A.

Assuring you of the best professional services.

Thanking you.

Yours faithfully,



Name : Ramanujam Yadav

Designation : Manager



**Annexure A****Fee Structure for transaction CL/DEB/23-24/320**

PARTICULARS	AMOUNT / PERCENTAGE
Acceptance fees (one-time, non-refundable, payable on our appointment)	₹ 350000.00000
Annual Trusteeship Fees(Amount/Percentage)	₹ 350000.00000

Annual Trusteeship Fees are payable in advance each year from date of execution till termination of the transaction. Pro-rata charges would apply for the first year till FY end, as applicable.

The taxes on above fee structure are payable at applicable rates from time to time.

All out of pocket expenses incurred towards legal fees, travelling, inspection charges, etc shall be levied and re-imbursed on actual basis.

Please return the second copy this letter duly signed by Authorized Officer from your company.

Yours Faithfully,

We accept the above terms.

For Catalyst Trusteeship Limited



Name : Ramanujam Yadav

Designation : Manager

For Poonawalla Housing Finance Limited

Name : Rakesh Asawa

Designation : VP - Treasury



CTL/ 23-24/01089

(Annexure II A)

**DUE DILIGENCE CERTIFICATE TO BE GIVEN BY THE DEBENTURE TRUSTEE AT THE TIME OF FILING THE DRAFT OFFER DOCUMENT OR PRIVATE PLACEMENT MEMORANDUM/ INFORMATION MEMORANDUM  
(Applicable for Secured and Unsecured Issuances)**

To,  
The Manager,  
**BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street,  
Mumbai- 400001.  
Dear Sir / Madam,

**SUB.: Issue of (I)30,000 (Thirty Thousand) Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of Face Value of Rs. 1,00,000 (Rupees One Lakh Only) each for cash at par, with a base issue size of Rs. 200 Crore (Rupees Two Hundred Crores Only) ("Series I Base Issue"), and a Green Shoe Option of Rs. 100 Crore (Rupees One Hundred Crores Only), aggregating to Rs. 300 Crore (Rupees Three Hundred Crores Only) ("Series I Debentures"); and (II) 20,000 (Twenty Thousand) Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of Face Value of Rs. 1,00,000 (Rupees One Lakh Only) each for cash at par, with a base issue size of Rs. 100 Crore (Rupees One Hundred Crore Only) ("Series II Base Issue"), and a green shoe option of Rs. 100 Crore (Rupees One Hundred Crore Only), aggregating to Rs. 200 Crore (Rupees Two Hundred Crore Only) ("Series II Debentures") on Private Placement by Poonawalla Housing Finance Limited.**

We, the debenture trustee(s) to the above-mentioned forthcoming Issue state as follows:

- 1) We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.
- 2) On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports and certifications:

We confirm that:

- a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued and listed.
- b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies).
- c) The Issuer has made all the relevant disclosures about the security and its continued obligations towards the holders of debt securities.
- d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document or private placement memorandum/ information memorandum and all disclosures made in the offer document or private placement memorandum/ information





memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement.

- e) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application.
- f) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document or private placement memorandum/ information memorandum and given an undertaking that debenture trust deed would be executed before filing of listing application.
- g) All disclosures made in the draft offer document or private placement memorandum/ information memorandum with respect to the debt securities are true, fair and adequate to enable the investors to make a well-informed decision as to the investment in the proposed issue.

We have satisfied ourselves about the ability of the Issuer to service the debt securities.

**Place: Mumbai**

**Date: June 12, 2023**

**For Catalyst Trusteeship Limited**

For CATALYST TRUSTEESHIP LIMITED



Kalyani Pandey  
Authorised Signatory



**Ms. Kalyani Pandey**  
**Compliance Officer**



**ANNEXURE – IV**

**CREDIT RATING LETTER, PRESS RELEASE AND RATING  
RATIONALE**

**Mr. Pankaj Rathi**  
**Chief Financial Officer**  
**Poonawalla Housing Finance Limited**  
602, 6th Floor, Zero One IT Park,  
Sr No 79/1, Ghorpadi,  
Pune  
Maharashtra 411036



June 08, 2023

**Confidential**

Dear Sir,

**Credit rating for Non-Convertible Debentures**

Please refer to our letter no. CARE/HO/RL/2023-24/1229 dated May 02, 2023, and your request for revalidation of the rating assigned to the company, for a limit of Rs.1,500.00 crore

2. The following rating(s) have been reviewed:

Sr. No.	Instrument	Amount (Rs. crore)	Rating	Rating Action
1	<b>Non-Convertible Debentures</b>	280	CARE AAA (RWN)	Continues to be on Rating Watch with Negative Implications
2	<b>Non-Convertible Debentures - proposed</b>	1,220.00	CARE AAA (RWN)	Continues to be on Rating Watch with Negative Implications
	<b>Total Instruments</b>	<b>1,500.00 (Rs. One Thousand Five Hundred Crore Only)</b>		

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Complete definitions of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and in other CARE Ratings Ltd.'s publications

CARE Ratings Limited

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4th Floor, Godrej Coliseum, Somaiya Hospital Road, Off Eastern Express Highway, Sion (East), Mumbai  
Phone: +91-22-6754 3456 • [www.careedge.in](http://www.careedge.in)

CIN-L67190MH1993PLC071691

3. CARE Ratings Ltd. will take a view on the ratings once the exact implications of the stake sale to Perseus SG Pte Ltd, an entity affiliated to TPG Global LLC (TPG) on the credit risk profile of the company are clear.
  
4. Please arrange to get the rating revalidated in case the proposed issue is not made within **six months** from the date of this letter.
  
5. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument.

<b>Instrument type</b>	<b>ISIN</b>	<b>Issue Size (Rs cr.)</b>	<b>Coupon Rate</b>	<b>Coupon Payment Dates</b>	<b>Terms of Redemption</b>	<b>Redemption date</b>	<b>Name and contact details of Trustee/IPA</b>	<b>Details of top 10 investors</b>
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6. CARE Ratings Ltd. reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
  
7. CARE Ratings Ltd. reserves the right to revise/reaffirm/withdraw the rating assigned as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE Ratings Ltd. warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE Ratings Ltd. so as to enable it to carry out continuous monitoring of the rating of the debt instruments, CARE Ratings Ltd. shall carry out the review on the basis of best available information throughout the lifetime of such instruments. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE Ratings Ltd. shall also be entitled to publicize/disseminate all the aforementioned rating actions in any manner considered appropriate by it, without reference to you.
  
8. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.
  
9. Users of this rating may kindly refer our website [www.careedge.in](http://www.careedge.in) for latest update on the outstanding rating.
  
10. CARE Ratings Ltd. ratings are **not** recommendations to buy, sell, or hold any securities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,

**Disha Balkrishna Potagevan**  
Lead Analyst  
[disha.potagevan@careedge.in](mailto:disha.potagevan@careedge.in)

**Geeta Chainani**  
Associate Director  
[geeta.chainani@careedge.in](mailto:geeta.chainani@careedge.in)

Encl.: As above

**Disclaimer**

The ratings issued by CARE Ratings Limited are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings Limited has based its ratings/outlooks based on information obtained from reliable and credible sources. CARE Ratings Limited does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings Limited have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings Limited or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE Ratings Limited is, inter-alia, based on the capital deployed by the partners/proprietor and the current financial strength of the firm. The rating/outlook may undergo a change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE Ratings Limited is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE Ratings Limited's rating. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

## Poonawalla Housing Finance Limited

December 23, 2022

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long-term bank facilities	5,200.00	CARE AAA (RWN) (Triple A) (Rating Watch with Negative Implications)	Placed on Rating Watch with negative implications
<b>Total bank facilities</b>	<b>5,200.00 (₹ Five thousand two hundred crores only)</b>		
Non-convertible debentures	280.00	CARE AAA (RWN) (Triple A) (Rating Watch with Negative Implications)	Placed on Rating Watch with negative implications
Non-convertible debentures-Proposed	1,220.00	CARE AAA (RWN) (Triple A) (Rating Watch with Negative Implications)	Placed on Rating Watch with negative implications
<b>Total long-term instruments</b>	<b>1,500.00 (₹ One thousand five hundred crores only)</b>		
Commercial paper	600.00	CARE A1+ (A One Plus)	Reaffirmed
<b>Total short-term instruments</b>	<b>600.00 (₹ Six hundred crore only)</b>		

Details of instruments/facilities in Annexure-1.

### Detailed rationale and key rating drivers

Poonawalla Housing Finance Limited (PHFL) has intimated Bombay Stock Exchange (BSE) that the Board of Directors of the Poonawalla Fincorp Limited (PFL), the holding company, at its meeting held on December 14, 2022, has accorded its consent for the sale of 24,98,21,117 equity shares held in its housing subsidiary to Perseus SG Pte Ltd, an entity affiliated to TPG Global LLC (TPG) for a pre money equity valuation of ₹ 3900 crore. Post the consummation of the transaction TPG will hold 99.02% stake in PHFL as against indirect shareholding of 61.49% owned by Poonawalla Group through Rising Sun Holdings. The transaction is invested through TPG Capital Asia, subject to regulatory approvals. Further, as per the BSE update, TPG shall also infuse additional equity of ₹ 1000 crore to support growth. This is TPG's strategic investment in financial services space in India with a controlling stake in an entity. TPG is backing the existing management team led by Mr. Manish Jaiswal, Managing Director and Chief Executive Officer, who has previously worked at some of India's leading foreign and private banks, NBFCs and credit rating agencies.

TPG is a leading global alternative asset management firm, founded in San Francisco in 1992, with US\$135 billion of assets under management and investment and operational teams in 12 offices globally. TPG invests across five multi-product platforms: Capital, Growth, Impact, Real Estate, and Market Solutions and our unique strategy is driven by collaboration, innovation, and inclusion. TPG teams combine deep product and sector experience with broad capabilities and expertise to develop differentiated insights and add value for the fund investors, portfolio companies, management teams, and communities. As per the information available in public domain, in India, TPG has multiple investments in financial services space which includes prominent names such as Jana Small Finance Bank, Five Star Business Finance, SK Finance, Shriram Finance, Easy Salary, etc.

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

CARE Ratings Limited (CARE Ratings) has placed the ratings assigned to the long-term instruments of PHFL on 'Rating Watch with Negative Implications' on account of the transaction. CARE will also have discussion with the Management and TPG to understand their strategy, business plan and its possible impact on the overall business and financial profile of the company. CARE Ratings will continue to monitor the developments in this regard and will take a view on the ratings once the transaction is consummated and exact implications of the same on the company are clear including assessment of support to be extended by new parent entity.

However, the current rating reflects the strong support from the Cyrus Poonawalla Group, and the healthy financial flexibility of the Group. This is derived from the fact that the promoter, i.e., the Cyrus Poonawalla Group holds 61.49% stake through their core investment company (CIC), Rising Sun Holdings Private Limited (RSHPL), with Mr Adar Poonawalla, as the Chairman of the Board. The ratings continue to draw strength from PHFL's long track record of operations, wide branch network and healthy scale up of business with improving share of granular home loans. PHFL carries secured, geographically diversified, granular portfolio with more than 50,000 customers having average ticket size of around ₹ 10 lakhs.

Poonawalla Fincorp has articulated its intent to continue support the PHFL as owners till the transaction is concluded, further it has agreed with TPG that PHFL can use the brand for one year post the change in shareholding.

The Cyrus Poonawalla group is one of the leading players in the Pharmaceuticals & Biotechnology segment. The group's flagship company, Serum Institute of India Pvt Ltd (rated 'CARE AAA; Stable/CARE A1+'), is one of the world's largest manufacturers of Measles/DTP vaccines. The group has also set up Serum Institute Life Sciences Pvt. Ltd. (SLS; rated 'CARE AAA; Stable/CARE A1+') to fulfil the group's adequate response to COVID-19. SIPL has diverse product offerings in vaccine segment, including the COVID-19 vaccine, 'Covishield'.

### **Rating sensitivities**

#### **Positive factors – Factors that could individually or collectively lead to positive rating action/upgrade:**

Not applicable

#### **Negative factors – Factors that could individually or collectively lead to negative rating action/downgrade:**

- Weakening of linkages with the Cyrus Poonawalla Group.
- Any change in the rating of its parent, PFL.

### **Detailed description of the key rating drivers**

#### **Key rating strengths**

##### **Strong and resourceful promoter**

Till the transaction is consummated, the ratings continue to reflect the expectation of continued strong support from its majority owner, PFL, which is ultimately held by RSHPL through 61.49% of ownership. RSHPL, a special purpose vehicle owned and controlled by Mr Adar Poonawalla, is a part of the Cyrus Poonawalla Group, whose flagship company is Serum Institute of India Private Limited. RSHPL is the core investment company (CIC) of Poonawalla group having investments in Insurance, retail, pharma and financial services segment. During FY21 and FY22, the group's flagship company, Serum Institute of India Pvt Ltd (SIPL) (rated 'CARE AAA; Stable/CARE A1+') invested around ₹5,000 crore in RSHPL through compulsorily convertible cumulative preference shares. This capital was used to infuse funds in various businesses of the Poonawalla group including Poonawalla Fincorp Ltd, with RSHPL making equity infusion of ₹3,206 crore in PFL in May 2021. Subsequently, PFL infused additional capital of ₹500 crore in PHFL in May 2021 showering up its net worth to ₹1,082 crore as on March 31, 2022.

In addition to this, PFL is strategically important to the group as indicated by sharing of the 'Poonawalla' name, Adar Poonawalla being the Chairman of the board, and the large investment made by the group to diversify into financial services segment with acquisition of retail lending, housing finance and general insurance business of erstwhile Magma.

The Cyrus Poonawalla group is one of India's reputed business houses and are a leading player in the Pharmaceuticals & Biotechnology segment. The group's flagship company, SIIPL is one of the world's largest manufacturers of vaccines supplying to around 170 countries. SIIPL has a robust financial profile with total operating income (TOI) of ₹25,634 crore with profit after tax (PAT) of ₹10,849 crore, along with healthy net worth of ₹32,689 crore as on March 31, 2022.

SIIPL floated SLS (rated 'CARE AAA; Stable/CARE A1+'), which is currently engaged in the marketing and distribution of 'Covishield', the COVID-19 vaccine. Apart from 'Covishield', SIIPL has a diverse product basket in the vaccine segment. Over the years, the group has operated with minimal debt and has one of the lowest leverage ratios amongst business groups in India.

SIIPL has a healthy liquid investment portfolio to the tune of ₹23,313 crore as on March 31, 2022. Furthermore, SIIPL had generated gross cash accruals (GCA) of ₹12,065 crore and is expected to generate significant GCA in the medium term. Thus, the group has a robust financial profile with healthy cash accruals and minimal debt obligations.

### **Experienced senior management**

PFL and PHFL are led by Mr Adar Poonawalla as the Chairman and Non-Executive Director of the Board along with a team of seasoned professionals having specialisation in financial services business with a track record of successful market leadership, which are stable at all levels.

PHFL continues to be headed by Mr. Manish Jaiswal as the Managing Director & CEO, who has over 30 years of industry experience, with over 4 years being served in erstwhile Magma Housing. Mr. Jaiswal has previously worked at some of India's leading foreign and private banks, NBFCs and credit rating agencies. Mr. Jaiswal has spearheaded the Company for last five years since FY18 and has been entrusted to lead the company for a fresh term of five years from the current financial year. Mr. Jaiswal has been instrumental in complete transformation of the Company over these years

PHFL has inducted Mr. Pankaj Rathi as Chief Financial Officer in July' 2021 who has led the liability strategy for the Company since last 18 months. Over the last one year, PHFL has demonstrated efficient liability management and has delivered one of the industry best cost of borrowings.

### **Synergies with the parent, PFL**

PHFL is a subsidiary of PFL and derives significant amount of support from PFL in terms of financial synergies and use of common brand name. PHFL has its own branch network, technology platform, collections and operations team and derives business support from PFL.

### **Pan-India presence with wide branch network and digitising its operations**

PHFL is a national scale affordable housing finance company with presence through 128 branches across 20 states/Union Territories as on March 31, 2022. PHFL's loan book is diversified geographically with north contributing around 33%, east around 6%, south around 26% and west around 35% as on September 30, 2022. Over last one year, PHFL has significantly invested on capacity building and capability enhancements towards its mission for a self-reliant and independent organisation architecture with its missive of 'Go-Direct, Go-HL and Go-Deeper'.

The parent, PFL, has pan-India presence through a network of over 242 branches (as on March 31, 2022) spread across 21 States/Union Territories. The consolidated loan book of the company was diversified geographically with north contributing around 26%, east around 13%, south around 30% and west contributing around 31% as on September 30, 2022. PFL's business plan aims to rationalise the branch network suiting the needs of its realigned product suite. Furthermore, the company

plans to intensify its use of technology and digitalisation in its entire customer life cycle, which is likely to achieve operating efficiencies.

### **Improved access to funding**

With a strong parent coupled with strong management team, PHFL has a wider access to more diversified liability market along with a significant reduction in the cost of funds. PHFL has received large fresh sanctions (from various banks and financial institutions including National Housing Bank [NHB]) at much lower rates of interest and has replaced the entire re-priceable high-cost legacy debt. It is also expected that PHFL shall be able to gainfully approach lending institutions who have not been associated with erstwhile Magma Housing Finance Limited (MHFL). This is expected to give the company stable borrowings profile, with better access to funding and lower cost of funds going forward. The same has witnessed consistent decline in cost of borrowings over the last four quarters and has reported competitive cost of borrowings @ 7.05% for the quarter ended September 30, 2022.

### **Low leverage and diversified resource profile**

PHFL has a diversified resource profile in terms mix of bank and debt capital markets borrowings. PHFL's borrowings as on September 30, 2022, were in the form of 68% of term loans from banks, 20% from NHB, 7% in the form of NCDs and 5% in the form of sub debt and pass-through certificates (PTCs). Moreover, the overall gearing stood at 3.34x as on September 30, 2022 as against 5.15x as on March 31, 2021, primarily due to equity infusion. PHFL had an equity infusion of ₹500 crore by way of a preferential issue of equity shares which has resulted in low leverage of 2.96x and a comfortable liquidity position as on March 31, 2022.

The consolidated borrowings of the parent, PFL, as on March 31, 2022, were in the form of 55% of term loans, 22% in the form of cash credit and working capital demand loans, 10% in the form of NCDs, 7% in the form of securitisation and balance 6% in the form of perpetual and sub-debt. Moreover, the overall gearing continues to remain lower at 1.7x primarily due to equity infusion.

The resource profile has seen improvement since March 2021, and the company has increased its lender base by onboarding private and foreign banks and has commenced capital market borrowings by tapping the CP market and issuing its maiden NCD under 'Poonawalla Fincorp' name in July 2022.

### **Improved asset quality with adequate provisioning and aggressive write off policy**

PHFL's Gross stage III and Net Stage III assets decreased substantially from 1.59% and 0.76%, respectively, as on March 31, 2021, to 0.84% and 0.53%, respectively, as on Sept 30, 2022. The Stage III provision coverage was moderate at 36.7% as on September 30, 2022, as compared with 51.8% as on March 31, 2021.

On a consolidated basis, the parent PFL, reported Gross Stage III and Net Stage III assets decreased substantially from ₹914 crore and ₹580 crore, respectively, as on March 31, 2020, to ₹264 crore and ₹143 crore, respectively, as on Sept 30, 2022 (₹413 crore and ₹170 crore as on March 31, 2022). The Gross Stage III and Net Stage III assets as a percentage of advances thus reduced to 1.52% and 0.83% as of Sept 30, 2022 (2.66% and 1.11%, respectively, as on March 31, 2022, as compared with 6.44% and 4.19%, respectively, as on March 31, 2020). With the new management taking over control in May 2021, the company has remodelled its underwriting practices and implemented an aggressive write off and provision coverage policy. The Stage III provision coverage was healthy at 45.7 as on September 30, 2022, as compared with 36.54% as on March 31, 2020. (58.9% as on March 31, 2022; 68.6% as of March 2021).

## **Key rating weaknesses**

### **Moderate AUM, scale of operations and market position:**

As on September 30, 2022, PFL's consolidated AUM stood at ₹18,560 crore, as compared with ₹16,579 crore as on March 31, 2022, and ₹14,225 crore, as on March 31, 2021, registering a growth of around 30% from March 31, 2021. Of which, the AUM of PHFL stood at ₹5,612 crore as on September 30, 2022, as against ₹5,060 crore as on March 31, 2022, and ₹3,978 crore as on March 31, 2021. However, the consolidated AUM is spread across six asset classes. While this gives PFL the benefit of diversity, the scale of operations and market position remains moderate within each asset classes. However, there is a growth in AUM in all asset classes quarter on quarter.

PHFL's total share in consolidated AUM has grown from 12% in FY18 to 31% in FY22. PHFL has delivered a consistent annual compounded growth of around 30% during the similar period.

Furthermore, PFL reported consolidated PAT of ₹304 crore for H1FY23 (₹375 crore for March 2022).

### **Liquidity: Strong**

The group (on consolidated basis) had strong liquidity of ₹4,812 crore (including cash & cash equivalent and undrawn lines) as on September 30, 2022. The proceeds from equity infusion were utilised for debt repayment creating headroom for borrowings. As on September 30, 2022, the asset liability maturity (ALM) profile of both PFL and PHFL shows significant surplus position across all time buckets aided by large equity base, reduced debt level and inherently short-to-medium duration of assets. With RSHPL now being the largest shareholder, financial flexibility is improved significantly.

### **Analytical approach**

CARE Ratings has taken a standalone view of PHFL along with factoring in the synergies with its parent PFL in the form of financial, managerial, and operational support and a shared brand name till the transaction consummates.

CARE Ratings has also factored in the benefits derived from the ultimate parentage of Cyrus Poonawalla group with the expectation of need-based timely support, given the majority ownership and high strategic importance, the shared brand name and managerial control till the transaction consummates.

### **Applicable criteria**

[Financial Ratios- Financial Sector](#)

[Factoring Linkages Parent Subsidiary](#)

[Rating Methodology- Housing Finance Companies](#)

[Rating Outlook and Credit Watch](#)

[Short Term Instruments](#)

[Policy on Withdrawal of Ratings](#)

[Policy on Default Recognition](#)

### **About the company**

Poonawalla Housing Finance Limited (PHFL) was initially promoted as GE Money Housing Finance (GEMHF) by GE Capital Corporation, which is a 100% subsidiary of General Electric Company, USA. Subsequently, in February 2013, the company was acquired by the erstwhile Magma Fincorp Limited (now PFL), through its wholly-owned subsidiary, Magma Advisory Services Ltd (MASL). The name of GEMHF was changed to Magma Housing Finance in March 2013 and as Magma Housing Finance Limited (MHFL) in April 2017. MASL merged with PFL (appointed date of April 01, 2017) post which it became a direct subsidiary of PFL. In May 2021, PFL was acquired by the Poonawalla group, and subsequently, the name of the company was changed to PHFL. The company commenced disbursements under MFL from June 2013. PHFL is engaged in providing housing loans and home

equity loans (loan against property) to individuals in the affordable segment. The company is registered as a non-deposit taking Housing Finance Company.

Poonawalla Housing Finance Limited (PHFL) has intimated Bombay Stock Exchange that the Board of Directors of the Poonawalla Fincorp Limited (PFL), the holding company, at its meeting held on December 14, 2022, has accorded its consent for the sale of its housing subsidiary to Perseus SG Pte Ltd, an entity affiliated to TPG for a pre money equity valuation of Rs 3900 crore. The transaction is invested through TPG Capital Asia, subject to regulatory approvals. Further, TPG shall also infuse additional equity of Rs 1000 crore to support growth.

#### **Standalone-PHFL**

Brief Financials (₹ crore)	March 31, 2021 (A)	March 31, 2022 (A)	H1FY23 (UA)
Total income	473	470	316
PAT	11	77	63
Overall gearing (times)	5.15	2.96	3.34
Assets under management	3978	5060	5612
Net NPA (%)	0.76	0.60	0.53
ROTA (%)	0.39	2.06	2.65

A: Audited; UA: Unaudited

#### **Consolidated-PFL**

Brief Financials (₹ crore)	March 31, 2021 (A)	March 31, 2022 (A)	H1FY23 (UA)
Total income	2352	2041	1227
PAT	-559	375	304
Overall gearing (times)	5.59	1.70	1.99
Assets under management (AUM)	14,225	16,579	18,560
Net NPA (%)	1.20	1.10	0.83
ROTA (%)	-3.93	2.53	3.40

A: Audited; UA: Unaudited

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

**Rating history for the last three years:** Please refer Annexure-2

**Covenants of the rated instruments/facilities:** Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

**Complexity level of various instruments rated for this company:** Annexure-4

**Annexure-1: Details of instruments/facilities**

Name of the Instrument	ISIN	Date of Issuance	Coupon	Maturity Date	Size of the Issue (Rs Crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Term loan	NA	NA	NA	01-April-2032	3359.22	CARE AAA (RWN)
Fund-based - LT-Cash credit	NA	NA	NA	NA	300.00	CARE AAA (RWN)
Fund-based - LT-Fund-based limits (Proposed)	NA	NA	NA	NA	1540.78	CARE AAA (RWN)
Non-convertible debentures	INE055I07107	06-July-2020	8.75%	21-April-23	20.00	CARE AAA (RWN)
Non-convertible debentures	INE055I07107	06-July-2020	8.75%	21-April-2023	75.00	CARE AAA (RWN)
Non-convertible debentures	INE055I07115	31-July-2020	9.00%	31-July-2023	50.00	CARE AAA (RWN)
Non-convertible debentures	INE055I07099	26-June-2020	9.00%	26-June-2023	75.00	CARE AAA (RWN)
Non-convertible debentures	INE055I07099	26-June-2020	9%	26-June-2023	50.00	CARE AAA (RWN)
Non-convertible debentures	INE055I07065	30-Mar-2016	10.00%	31-March-2023	10.00	CARE AAA (RWN)
Non-convertible debentures-(Proposed)	NA	NA	NA	NA	1220.00	CARE AAA (RWN)
Commercial paper (Proposed)	NA	NA	NA	NA	600.00	CARE A1+

**Annexure-2: Rating history for the last three years**

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Debentures-Non Convertible Debentures	LT	-	-				
2	Short Term Instruments-STD	ST	-	-				
3	Fund-based - LT-Term Loan	LT	3359.22	CARE AAA (RWN)	1)CARE AAA; Stable (30-Sep-22) 2)CARE AA+; Stable	1)CARE AA+; Stable (24-Sep-21) 2)CARE AA+; Stable	1)CARE AA- (CW with Developing Implications) (16-Feb-21)	1)CARE AA-; Stable (05-Jul-19)

					(24-Aug-22)	(26-Aug-21)	2)CARE AA-; Negative (06-Jul-20)	
							3)CARE AA-; Negative (10-Jun-20)	
							4)CARE AA-; Negative (28-Apr-20)	
4	Fund-based - LT-Cash Credit	LT	300.00	CARE AAA (RWN)	1)CARE AAA; Stable (30-Sep-22)  2)CARE AA+; Stable (24-Aug-22)	1)CARE AA+; Stable (24-Sep-21)  2)CARE AA+; Stable (26-Aug-21)	1)CARE AA- (CW with Developing Implications) (16-Feb-21)  2)CARE AA-; Negative (06-Jul-20)  3)CARE AA-; Negative (10-Jun-20)  4)CARE AA-; Negative (28-Apr-20)	1)CARE AA-; Stable (05-Jul-19)
5	Debentures-Non Convertible Debentures	LT	20.00	CARE AAA (RWN)	1)CARE AAA; Stable (30-Sep-22)  2)CARE AA+; Stable (24-Aug-22)	1)CARE AA+; Stable (24-Sep-21)  2)CARE AA+; Stable (26-Aug-21)	1)CARE AA- (CW with Developing Implications) (16-Feb-21)  2)CARE AA-; Negative (06-Jul-20)  3)CARE AA-; Negative (10-Jun-20)  4)CARE AA-; Negative (28-Apr-20)	1)CARE AA-; Stable (05-Jul-19)
6	Debentures-Non Convertible Debentures	LT	-	-	1)Withdrawn (24-Aug-22)	1)CARE AA+; Stable (24-Sep-21)  2)CARE AA+; Stable (26-Aug-21)	1)CARE AA- (CW with Developing Implications) (16-Feb-21)  2)CARE AA-; Negative (06-Jul-20)  3)CARE AA-; Negative (10-Jun-20)  4)CARE AA-; Negative (28-Apr-20)	1)CARE AA-; Stable (05-Jul-19)
7	Debentures-Non Convertible	LT	-	-	1)Withdrawn (24-Aug-22)	1)CARE AA+; Stable	1)CARE AA- (CW with	1)CARE AA-; Stable

	Debentures					(24-Sep-21) 2)CARE AA+; Stable (26-Aug-21)	Developing Implications) (16-Feb-21) 2)CARE AA-; Negative (06-Jul-20) 3)CARE AA-; Negative (10-Jun-20) 4)CARE AA-; Negative (28-Apr-20)	(05-Jul-19)
8	Debentures-Non Convertible Debentures	LT	-	-	1)Withdrawn (24-Aug-22)	1)CARE AA+; Stable (24-Sep-21) 2)CARE AA+; Stable (26-Aug-21)	1)CARE AA- (CW with Developing Implications) (16-Feb-21) 2)CARE AA-; Negative (06-Jul-20) 3)CARE AA-; Negative (10-Jun-20) 4)CARE AA-; Negative (28-Apr-20)	1)CARE AA-; Stable (05-Jul-19)
9	Debentures-Non Convertible Debentures	LT	-	-	-	-	1)Withdrawn (28-Apr-20)	1)CARE AA-; Stable (05-Jul-19)
10	Debentures-Non Convertible Debentures	LT	75.00	CARE AAA (RWN)	1)CARE AAA; Stable (30-Sep-22) 2)CARE AA+; Stable (24-Aug-22)	1)CARE AA+; Stable (24-Sep-21) 2)CARE AA+; Stable (26-Aug-21)	1)CARE AA- (CW with Developing Implications) (16-Feb-21) 2)CARE AA-; Negative (06-Jul-20) 3)CARE AA-; Negative (22-Jun-20)	-
11	Debentures-Non Convertible Debentures	LT	50.00	CARE AAA (RWN)	1)CARE AAA; Stable (30-Sep-22) 2)CARE AA+; Stable (24-Aug-22)	1)CARE AA+; Stable (24-Sep-21) 2)CARE AA+; Stable (26-Aug-21)	1)CARE AA- (CW with Developing Implications) (16-Feb-21) 2)CARE AA-; Negative (06-Jul-20)	-
12	Debentures-Non Convertible Debentures	LT	75.00	CARE AAA (RWN)	1)CARE AAA; Stable (30-Sep-22) 2)CARE AA+; Stable (24-Aug-22)	1)CARE AA+; Stable (24-Sep-21) 2)CARE AA+; Stable (26-Aug-21)	1)CARE AA- (CW with Developing Implications) (16-Feb-21) 2)CARE AA-;	-

							Negative (06-Jul-20)	
13	Debentures-Non Convertible Debentures	LT	50.00	CARE AAA (RWN)	1)CARE AAA; Stable (30-Sep-22) 2)CARE AA+; Stable (24-Aug-22)	1)CARE AA+; Stable (24-Sep-21) 2)CARE AA+; Stable (26-Aug-21)	1)CARE AA- (CW with Developing Implications) (16-Feb-21) 2)CARE AA-; Negative (06-Jul-20)	-
14	Debentures-Non Convertible Debentures	LT	10.00	CARE AAA (RWN)	1)CARE AAA; Stable (30-Sep-22) 2)CARE AA+; Stable (24-Aug-22)	1)CARE AA+; Stable (24-Sep-21) 2)CARE AA+; Stable (26-Aug-21)	1)CARE AA- (CW with Developing Implications) (16-Feb-21) 2)CARE AA-; Negative (17-Aug-20)	-
15	Debentures-Non Convertible Debentures	LT	1220.00	CARE AAA (RWN)	1)CARE AAA; Stable (30-Sep-22) 2)CARE AA+; Stable (24-Aug-22)	1)CARE AA+; Stable (24-Sep-21) 2)CARE AA+; Stable (26-Aug-21)	1)CARE AA- (CW with Developing Implications) (16-Feb-21)	-
16	Commercial Paper-Commercial Paper (Standalone)	ST	600.00	CARE A1+	1)CARE A1+ (30-Sep-22) 2)CARE A1+ (24-Aug-22)	1)CARE A1+ (24-Sep-21) 2)CARE A1+ (26-Aug-21)	-	-
17	Fund-based - LT-Proposed fund based limits	LT	1540.78	CARE AAA (RWN)	1)CARE AAA; Stable (30-Sep-22) 2)CARE AA+; Stable (24-Aug-22)	1)CARE AA+; Stable (24-Sep-21) 2)CARE AA+; Stable (26-Aug-21)	-	-
18	Fund-based - LT-Proposed fund based limits	-	-	-	-	1)CARE AA+; Stable (24-Sep-21) 2)CARE AA+; Stable (26-Aug-21)	-	-

\*Long term/Short term.

#### Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities: Not applicable

#### Annexure-4: Complexity level of various instruments rated for this company

Sr. No.	Name of Instrument	Complexity Level
1	Commercial Paper	Simple
2	Debentures-Non-Convertible Debentures	Simple
3	Fund-based - LT-Cash Credit	Simple
4	Fund-based - LT-Proposed fund-based limits	Simple
5	Fund-based - LT-Term Loan	Simple

#### Annexure-5: Bank lender details for this company

To view the lender wise details of bank facilities please [click here](#)

**Note on complexity levels of the rated instruments:** CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

## Contact us

### Media contact

Name: Mradul Mishra  
Phone: +91-22-6754 3596  
E-mail: mradul.mishra@careedge.in

### Analysts contact 1

Name: Gaurav Dixit  
Phone: +91-11-4533-3235  
E-mail: gaurav.dixit@careedge.in

### Analysts contact 2

Name: Niketa Kalan  
Phone: +91-22-6754-1638  
E-mail: niketa.Kalan@careedge.in

### Relationship contact

Name: Aakash Jain  
Phone: 8106400001  
E-mail: aakash.jain@careedge.in

### About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

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**\*\*For detailed Rationale Report and subscription information, please contact us at [www.careedge.in](http://www.careedge.in)**

**ANNEXURE – V**

**COPY OF BOARD RESOLUTIONS AND COMMITTEE  
RESOLUTION**

**CERTIFIED TRUE COPY OF THE EXTRACT OF THE MINUTES OF MEETING OF THE BOARD OF DIRECTORS OF  
POONAWALLA HOUSING FINANCE LIMITED (FORMERLY MAGMA HOUSING FINANCE LIMITED) HELD  
THROUGH AUDIO VISUAL MEANS ON 21 JANUARY 2023**

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**Authorization for issuance of debt securities on private placement basis of upto Rs.1500 crore for FY 2023-24**

**"RESOLVED THAT** pursuant to the provisions of Sections 42, 71, 179 and 180(1)(c) of the Companies Act, 2013 read with relevant rules thereunder, in accordance with the Company's Policy for Resource Planning, relevant RBI Regulations and such other applicable laws (including any amendment(s), statutory modification(s) or re-enactment thereof) and subject to the prior approval of shareholders, if required, consent of the Board be and is hereby accorded for issue, on private placement basis, in one or more series or tranches, in such classes and with such rights or terms as may be considered necessary, of one or more of the following Non-Convertible Debt Securities, that is to say, Secured Debentures, Unsecured Debentures, Bonds, Subordinated Debt Securities, Covered Bonds, or other debt securities, whether constituting a charge (including in the nature of pledge) on any specific or general assets of the company or not (herein inclusively referred to as "Debt Securities"), such that the aggregate value of such Debt Securities during financial year 2023-24 shall not exceed, excluding any Debt Securities already issued earlier or any re-issuance thereof, an amount of **Rs.1500 crore** (Rupees One Thousand Five Hundred crore only) as per the following terms and conditions:

SI No.	Particulars	Terms and Conditions
1	Type of securities proposed to be issued	Non Convertible Debt Securities, that is to say, Secured Debentures, Unsecured Debentures, Bonds, Subordinated Debt Securities, Covered Bonds, or other debt securities
2	Type of issuance	Private placement
3	Total issue size	Upto Rs. 1500 crore in one or more tranches
	To be offered to	Banks, Pension Funds, Mutual Funds and other entities/individuals including but not limited to Multilateral Development Organizations, institutional investors, financial institutions, companies etc.
4	If Listed, name of Stock Exchange	BSE Ltd and/or National Stock Exchange of India Ltd or any other stock exchange as may be decided by the Board or any Committee thereof.
5	Tenure of the instrument	For Secured – Not exceeding 10 years For Subordinated – atleast 5 years For Unsecured – Not exceeding 10 years and/or Perpetual
6	Coupon/interest offered, schedule of payment of coupon/interest and principal	As per the terms and conditions of Offer Document, as may be finalized by the Management Committee from time to time.
7	Special right/interest/privileges attached to the instrument and changes thereof	As per the terms and conditions of Offer Document, as may be finalized by the Management Committee from time to time.

**RESOLVED FURTHER THAT** the said various types of Debt Securities as referred above may be secured by such security as may be prescribed under the terms and conditions of the said Debt Securities and as may be approved by the Board or any Committee thereof.

**RESOLVED FURTHER THAT** Catalyst Trusteeship Limited or any other Trustee be appointed as the Debenture Trustees with respect to the said various types of Debt Securities as referred above and Mr. Manish Jaiswal -

**Poonawalla Housing Finance Limited**  
(Formerly known as Magma Housing Finance Limited)  
**CIN:** U65922PN2004PLC208751

**Registered Office:** 602, 6<sup>th</sup> Floor, Zero One IT Park, Survey No. 79/1, Ghorpadi, Mundhwa Road, Pune - 411036, Maharashtra  
**T:** +91 020 67808091 | **E:** [customercare@poonawallahousing.com](mailto:customercare@poonawallahousing.com) | **W:** [www.poonawallahousing.com](http://www.poonawallahousing.com)

Managing Director & Chief Executive Officer, Mr. Pankaj Rathi - Chief Financial Officer, Mr. Naveen Manghani – Chief Compliance Officer, Ms. Priti Saraogi - Company Secretary, Ms. Mauli Agarwal – Deputy Vice President Compliance, Ms. Aditi Shetty – Chief Manager Compliance, Mr. Rakesh Asawa – Vice President Treasury, Mr. Vivek Gupta – Finance Controller and Mr. Nilesh Gholap – Senior Manager Treasury of the Company be and are hereby severally authorized to sign and execute the agreement or any other document(s) and the Common Seal of the Company, if required, be affixed on the agreement or any other document(s) in relation to the proposed appointment of the Trustee in the presence of any one of the above named Authorized Signatories of the Company.

**RESOLVED FURTHER THAT** authority and approval of the Board of Directors be and is hereby accorded to the Management Committee of the Board of Directors (hereinafter referred to as “the Committee”) to deal with the matters relating to issue and allotment of various types of Debt Securities and finalization of the terms and conditions of such Debt Securities to be issued and allotted from time to time within the aggregate limit above, and as per the provisions of Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 deciding the terms of the issue, deciding the Issue Date, Redemption, Minimum Application Money, Interest on Application Money, Put and Call Options, Security and Allotment date, if any and on listing the Debentures on the Stock Exchanges on private placement basis, amount payable on application and calls from time to time, and offer the same on private placement basis to any one or more investors including any Banks, Pension Funds, Mutual Funds and other entities/individuals including but not limited to Multilateral Development Organizations, institutional investors, financial institutions, companies or other person.

**RESOLVED FURTHER THAT** the Committee be and is hereby authorized and empowered to consider, transact and decide matters, from time to time, pertaining to the private placement of Debt Securities, including finalization and issuance of any offer document, opening of a separate bank account and allot the Debt Securities in one or more tranches, including, where so considered appropriate, amount payable on application and further amounts as may be called from time to time and the allotment thereof, to sign, verify, execute and file all necessary forms and documents, if any, with any governmental authority including but not limiting to the Registrar of Companies, Pune, Maharashtra, Securities and Exchange Board of India and/or such other authorities as may be required from time to time and to do all such acts, deeds, matters and things necessary or expedient to give effect to the issue of Debt Securities and ensuring compliance and/or any actions as may be required under applicable law.

**RESOLVED FURTHER THAT** a certified copy of this resolution duly signed by any of the directors or the Company Secretary of the Company be forwarded to relevant statutory and regulatory authorities, as and when required.”

**For Poonawalla Housing Finance Limited**  
(Formerly, Magma Housing Finance Limited)

VAISHNAVI  
Digitally signed by  
VAISHNAVI BHUPENDRA  
BHUPENDRA  
SURATWALA  
Date: 2023.06.12  
10:58:33 +05'30'

**Vaishnavi Suratwala**  
**Company Secretary**  
**ACS – 41827**

**Date: 12/06/2023**

**CERTIFIED TRUE COPY OF THE EXTRACT OF THE MINUTES OF MEETING OF THE BOARD OF DIRECTORS OF  
POONAWALLA HOUSING FINANCE LIMITED (FORMERLY MAGMA HOUSING FINANCE LIMITED) HELD AT  
BOARD ROOM, 2<sup>ND</sup> FLOOR, AP81, KOREGAON PARK ANNEX, MUNDHWA, PUNE- 411036 ON 24 APRIL  
2023**

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**Revalidation of resolution w.r.t Authorization for issuance of debt securities on private placement basis  
of upto Rs. 1500 crore during FY 2023-24 in accordance with RBI Master Directions**

**“RESOLVED THAT** pursuant to the provisions of Sections 42, 71, 179 and 180(1)(c) of the Companies Act, 2013 read with relevant rules thereunder, in accordance with the Company’s Policy for Resource Planning, Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and such other applicable laws (including any amendment(s), statutory modification(s) or re-enactment thereof) and subject to the prior approval of shareholders, if required, consent of the Board be and is hereby accorded for issue, on private placement basis, in one or more series or tranches, in such classes and with such rights or terms as may be considered necessary, of one or more of the following Non-Convertible Debt Securities, that is to say, Secured Debentures, Unsecured Debentures, Bonds, Subordinated Debt Securities, Covered Bonds, or other debt securities, whether constituting a charge (including in the nature of pledge) on any specific or general assets of the Company or not (herein inclusively referred to as “Debt Securities”), such that the aggregate value of such Debt Securities during financial year 2023-24 shall not exceed, excluding any Debt Securities already issued earlier or any re-issuance thereof, an amount of **Rs.1500 crores** (Rupees One Thousand Five Hundred crore only) as per the following terms and conditions be and is hereby revaluated:

Sl No.	Particulars	Terms and Conditions
1	Type of securities proposed to be issued	Non Convertible Debt Securities, that is to say, Secured Debentures, Unsecured Debentures, Bonds, Subordinated Debt Securities, Covered Bonds, or other debt securities
2	Type of issuance	Private placement
3	Total issue size	Rs. 1500 Crores
	To be offered to	Banks, Pension Funds, Mutual Funds and other entities/individuals including but not limited to Multilateral Development Organization, institutional investors, financial institutions, companies etc.
4	If Listed, name of Stock Exchange	BSE Ltd. and/or National Stock Exchange of India Ltd. or any other stock exchange(s) as may be decided by the Board or any Committee thereof.
5	Tenure of the instrument	For Secured – Not exceeding 10 years

Poonawalla Housing Finance Limited  
(Formerly known as Magma Housing Finance Limited)  
**CIN:** U65922PN2004PLC208751

**Registered Office:** 602, 6<sup>th</sup> Floor, Zero One IT Park, Survey No. 79/1, Ghorpadi, Mundhwa Road, Pune - 411036, Maharashtra  
**T:** +91 020 67808091 | **E:** [customercare@poonawallahousing.com](mailto:customercare@poonawallahousing.com) | **W:** [www.poonawallahousing.com](http://www.poonawallahousing.com)

Sl No.	Particulars	Terms and Conditions
		For Subordinated – atleast 5 years  For Unsecured – Not exceeding 10 years and/or Perpetual
6	Coupon/interest offered, schedule of payment of coupon/interest and principal	As per the terms and conditions of Offer Document, as may be finalized by the Management Committee from time to time.
7	Special right/interest/privileges attached to the instrument and changes thereof	As per the terms and conditions of Offer Document, as may be finalized by the Management Committee from time to time.

**RESOLVED FURTHER THAT** the said various types of Debt Securities as referred above may be secured by such security as may be prescribed under the terms and conditions of the said Debt Securities and as may be approved by the Board or any Committee thereof.

**RESOLVED FURTHER THAT** Catalyst Trusteeship Limited or any other Trustee be appointed as the Debenture Trustees with respect to the said various types of Debt Securities as referred above and Mr. Manish Jaiswal - Managing Director & Chief Executive Officer, Mr. Pankaj Rathi - Chief Financial Officer, Mr. Naveen Manghani - Chief Compliance Officer & Nodal Officer, Mr. Rakesh Asawa – Vice President Treasury, Mr. Vivek Gupta – Finance Controller, Mr. Nilesh Gholap – Senior Manager Treasury and Company Secretary of the Company be and are hereby severally authorized to sign and execute the agreement and other document and the Common Seal of the Company be affixed on the agreement in relation to the proposed appointment of the Trustee in the presence of any one of the above named Authorized Signatories of the Company.

**RESOLVED FURTHER THAT** authority and approval of the Board of Directors be and is hereby accorded to the Management Committee of the Board of Directors (hereinafter referred to as “the Committee”) to deal with the matters relating to issue and allotment of various types of Debt Securities and finalization of the terms and conditions of such Debt Securities to be issued and allotted from time to time within the aggregate limit above, and as per the provisions of Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 deciding the terms of the issue, the Issue Date, Redemption, Minimum Application Money, Interest on Application Money, Put and Call Options, Security and Allotment date, if any and on listing the Debentures on the Stock Exchange on private placement basis, amount payable on application and calls from time to time, and offer the same on private placement basis to any one or more investors including any Banks, Pension Funds, Mutual Funds and other entities/individuals including but not limited to Multilateral Development Organization, institutional investors, financial institutions, companies or other person.

**RESOLVED FURTHER THAT** the Committee be and is hereby authorized and empowered to consider, transact and decide matters, from time to time, pertaining to the private placement of Debt Securities, including finalization and issuance of any offer document, opening of a separate bank account and allot

the Debt Securities in one or more tranches, including, where so considered appropriate, amount payable on application and further amounts as may be called from time to time and the allotment thereof, to sign, verify, execute and file all necessary forms and documents, if any, with any governmental authority including but not limiting to the Registrar of Companies, Securities and Exchange Board of India and/or such other authorities as may be required from time to time and to do all such acts, deeds, matters and things necessary or expedient to give effect to the issue of Debt Securities and ensuring compliance and/or any actions as may be required under applicable law.

**RESOLVED FURTHER THAT** a certified copy of this resolution duly signed by any of the directors or the Chief Financial Officer or the Chief Compliance Officer and Nodal Officer or the Company Secretary of the Company be forwarded to relevant statutory and regulatory authorities, as and when required.”

**For Poonawalla Housing Finance Limited**  
(Formerly, Magma Housing Finance Limited)

VAISHNAVI  
BHUPENDRA  
SURATWALA  
Digitally signed by  
VAISHNAVI BHUPENDRA  
SURATWALA  
Date: 2023.06.12 10:59:07  
+05'30'

**Vaishnavi Suratwala**  
**Company Secretary**  
**ACS – 41827**

**Date: 12/06/2023**



**CERTIFIED TRUE COPY OF THE EXTRACT OF THE MINUTES OF THE MANAGEMENT COMMITTEE MEETING OF  
THE BOARD OF DIRECTORS OF POONAWALLA HOUSING FINANCE LIMITED (FORMERLY MAGMA HOUSING  
FINANCE LIMITED) HELD THROUGH AUDIO VISUAL MEANS ON 9 JUNE, 2023**

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**Approval of draft Placement Memorandum and other relevant documents for issue of up to 50,000 Secured,  
Rated, Listed, Redeemable, Non-Convertible Debentures for an amount of up to Rs. 500 Crores only**

**"RESOLVED THAT** pursuant to provision of section 23, 42, 71 of the Companies Act, 2013 read with the Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules 2014, Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (as amended from time to time) ("NCS Regulations"), the circular bearing reference number SEBI/HO/DDHS/P/CIR/2021/613, dated August 10, 2021 on "*Operational Circular for issue and listing of Non-Convertible Securities (NCS), Securitised Debt Instruments (SDI), Security Receipts (SR), Municipal Debt Securities and Commercial Paper (CP)*" issued by the Securities and Exchange Board of India ("SEBI") (as amended from time to time), the SEBI circular bearing reference number SEBI/HO/DDHS/PCIR/2023/50 dated March 31, 2023 on "*Operational Circular for Debenture Trustees*" (as amended from time to time) and other applicable provisions of law, and in accordance with the Memorandum and Articles of Association of the Company, and the listing agreement entered with the BSE Limited where the Debentures are proposed to be listed and whose electronic book mechanism will be utilized for issue of Debentures, and other provisions of applicable laws and pursuant to the resolution of the Board of Directors of the Company passed at its meeting held on 21 January, 2023, as revalidated on 24 April, 2023, authorizing the Management Committee to deal with the matters relating to, the allotment of one or more of the secured debentures, unsecured debentures, bonds, subordinated debt securities, covered bonds, or other debt securities, whether constituting a charge (including in the nature of pledge) on any specific or general assets of the company or not or other security interest (including in the nature of pledge) on a private placement basis, in such classes and with such rights or terms as may be considered necessary, such that the aggregate value of such debt securities during financial year 2023-24 shall not exceed INR 1500 Crores (Indian Rupees Fifteen Hundred Crores only), the Placement Memorandum for an aggregate amount of upto Rs. 500 Crores (Rupees Five Hundred Crore only) along with other documents as required, a draft of which has been presented before the Management Committee for the issue of upto 50,000 Secured, Rated, Listed, Redeemable, Non-Convertible Debentures having a face value of Rs. 1,00,000 (Rupees One Lac only) each ("Debentures"), in one or more series, aggregating upto Rs. 500 Crore (Rupees Five Hundred Crore only), be and is hereby approved for submission to the Stock Exchange and/or Registrar of Companies as may be required, and for obtaining in-principal approval for the issue and listing of Debentures to the investors as may be identified by the Company and for any other action as may be required for *inter alia*, issue, allotment, listing and trading of the Debentures.

**RESOLVED FURTHER THAT** the consent of the Management Committee be and is hereby granted for the appointment of Catalyst Trusteeship Limited as the Debenture Trustees with respect to the issue of Debentures for an aggregate amount of upto Rs. 500 Crore (Rupees Five Hundred Crores only) and any one from 'Group A' jointly with any one from 'Group B' as stated below ("Authorised Signatories"), be and are hereby authorized to sign and execute the Debenture Trustee Agreement, the Debenture Trust Deed, the Deed of Hypothecation, including any powers of attorney in relation thereto, and such other documents as may be required and the said Deed of Hypothecation and any other documents be filed with the Registrar of Companies, Ministry of Corporate Affairs, to secure the charge on the Debentures.

Poonawalla Housing Finance Limited  
(Formerly known as Magma Housing Finance Limited)  
**CIN:** U65922PN2004PLC208751

**Registered Office:** 602, 6<sup>th</sup> Floor, Zero One IT Park, Survey No. 79/1, Ghorpadi, Mundhwa Road, Pune - 411036, Maharashtra  
**T:** +91 020 67808091 | **E:** [customercare@poonawallahousing.com](mailto:customercare@poonawallahousing.com) | **W:** [www.poonawallahousing.com](http://www.poonawallahousing.com)

**Group A:** Mr. Pankaj Rathi - Chief Financial Officer, Mr. Rakesh Asawa - Vice President, Treasury, Mr. Bhushan Kotecha, Deputy Vice President, Finance PMO and Ms. Ritu Jawa, Senior Manager - PMAY.

**Group B:** Mr. Mohit Saboo – Chief Manager, Treasury, Mr. Nilesh Gholap, Senior Manager, Treasury, Mr. Nikul Ahir – Manager, Treasury, and Mr. Yash Doshi – Deputy Manager, Treasury.

**RESOLVED FURTHER THAT** the consent of the Management Committee be and is hereby granted for appointment of Link Intime India Private Limited to act as registrar and transfer agents with respect to the issue of the Debentures in accordance with agreement entered into by the Company with the said registrar and transfer agents and any of the Authorized Signatories as defined hereinbefore or Mr. Naveen Manghani, Chief Compliance Officer or Ms. Vaishnavi Suratwala, Company Secretary, be and are hereby severally authorized to sign and execute such documents, papers and deeds as may be required for the said purposes.

**RESOLVED FURTHER THAT** the Authorized Signatories as defined hereinabove, or Mr. Naveen Manghani, Chief Compliance Officer or Ms. Vaishnavi Suratwala, Company Secretary, be and are hereby severally authorized to sign, execute and deliver and upload the Placement Memorandum related to the issue of Debentures, as may be required on the Electronic Bidding Platform and to file the required documents with the Registrar of Companies, Securities and Exchange Board of India and such other authority(ies), if so required, and to do all such other acts, deeds and things as may be required from time to time.

**RESOLVED FURTHER THAT** the Authorised Signatories as defined hereinabove or Mr. Naveen Manghani, Chief Compliance Officer or Ms. Vaishnavi Suratwala, Company Secretary, be and are hereby severally authorized to (i) identify investors following the bidding on the Electronic Bidding Platform; and (ii) upload/send the Placement Memorandum, along with the private placement offer letters and preprinted application form serially numbered and addressed along with all other documents as required in this regard, to the potential investors, either in writing or in electronic mode for the issue of the Debentures on a private placement basis following the bidding on the Electronic Bidding Platform.

**RESOLVED FURTHER THAT** the Bank Account, bearing number 33904430909, maintained with the State Bank of India be and is hereby identified and earmarked for the purpose of receipt of application money through Clearing Corporation of BSE Limited i.e. the Indian Clearing Corporation Limited (ICCL), for adjustment thereof against allotment of the Debentures or for the repayment of monies if the Company is unable to allot the Debentures. Monies received or to be received in this regard be held in the said account until the Debentures are allotted to the identified investor in terms of Section 42 of the Companies Act, 2013 read with rule 14 of the Companies (Prospectus and Allotment of Securities) Rules 2014, and upon such allotment, any of the Authorized Signatories be and are hereby severally authorized to enable transfer of the funds held in said account to such other account of the Company as may deem fit appropriate in the best interest of the Company.

**RESOLVED FURTHER THAT** any of the Authorized Signatories as defined hereinabove or Mr. Naveen Manghani, Chief Compliance Officer or Ms. Vaishnavi Suratwala, Company Secretary, be and are hereby severally authorized to sign and execute all the documents related to creation of ISIN with the Depositories including execution of Master Creation Form and to do all such acts as may be required in this regard.

**RESOLVED FURTHER THAT** the Company do hereby take all necessary steps including but not limited to making application for listing of the Debentures on the debt market segment of any of the stock exchanges as it may deem fit, such that the said Debentures are actually listed within a period of three trading days from the issue closing date of such Debentures, and any of the Authorized Signatories be and are hereby severally authorized to do all such deeds, things, file all such documents, make such applications, do such revisions, make such modifications or do such alterations as may be necessary in respect of the offer, issue, listing, and allotment of the Debentures.

**RESOLVED FURTHER THAT** the Authorized Signatories as defined hereinabove, be and are hereby severally authorized to:

- (1) settle any question or difficulties that may arise in the matter of the said issue of Debentures as may be considered necessary or expedient in the best interest of the Company, without requiring any further approval of the Board and to do all acts, deeds and things as may be deemed necessary or expedient in connection therewith and incidental thereto including any modification in the terms and conditions of the aforesaid issue of Debentures;
- (2) severally, delegate any of their powers to such officer(s) or personnel of the Company as any of the Authorised Signatories may deem fit, to do all such acts, deeds and things and to sign and execute such agreement(s), document(s), deed(s) as may be considered necessary or expedient in relation to the issue of Debentures.

**RESOLVED FURTHER THAT** the Authorised Signatories as defined above are hereby severally authorised to prepare, negotiate and finalize the detailed terms and conditions of the Debentures, including the tranches, price, coupon, base issue size and green shoe option, tenor, issue opening date, issue closing date, objects of the issue, allotment option, bidding type, record date for payment, and all other related matters in connection with the issue of the Debentures.

**RESOLVED FURTHER THAT** a certified true copy of this resolution be issued under the signature of any of the Directors or the Chief Financial Officer or the Company Secretary of the Company.”

**For Poonawalla Housing Finance Limited**  
(Formerly, Magma Housing Finance Limited)

VAISHNAVI  
BHUPENDRA  
SURATWALA  


Digitally signed by  
VAISHNAVI BHUPENDRA  
SURATWALA  
Date: 2023.06.12 10:59:37  
+05'30'

**Vaishnavi Suratwala**  
**Company Secretary**  
**ACS – 41827**

**Date: 12/06/2023**

**ANNEXURE – VI**

**COPY OF SHAREHOLDER RESOLUTIONS**

**CERTIFIED TRUE COPY OF THE EXTRACTS OF THE SPECIAL RESOLUTION PASSED AT THE 19<sup>th</sup> ANNUAL GENERAL MEETING OF POONAWALLA HOUSING FINANCE LIMITED (FORMERLY, MAGMA HOUSING FINANCE LIMITED) HELD ON FRIDAY, 02 JUNE, 2023**

**Increase in Borrowing limit under section 180(1)(c) of the Companies Act, 2013 upto Rs. 8000 Crores.**

**"RESOLVED THAT** in supersession of the earlier resolution passed by the Members of the Company at the Extra-Ordinary General Meeting held on 24 May, 2021 and pursuant to provisions of Section 180(1)(c) of the Companies Act, 2013 (the Act) and rules framed thereunder or other applicable provisions of the Act, if any (including any statutory modification(s) or re-enactment thereof), the consent of the shareholders of the Company be and is hereby accorded to borrow sum or sums of money which, together with the money already borrowed by the Company (apart from temporary loans obtained from the bankers of the Company in the ordinary course of business) does not exceed Rs.8,000 crores (Rupees Eight Thousand Crores only) notwithstanding that such aggregate amount of moneys borrowed and outstanding at any one time may exceed the aggregate, for the time being, of the paid-up capital of the Company, free reserves, that is to say, reserves not set apart for any specific purpose and securities premium.

**RESOLVED FURTHER THAT** the Directors or the Chief Financial Officer or the Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be required to give effect to this resolution."

**For Poonawalla Housing Finance Limited  
(Formerly, Magma Housing Finance Limited)**

VAISHNAVI | Digitally signed by  
VAISHNAVI  
BHUPENDRA | BHUPENDRA  
SURATWALA | SURATWALA  
Date: 2023.06.02  
18:53:50 +05'30'

**Vaishnavi Suratwala  
Company Secretary  
Membership No.: 41827  
Date: 02/06/2023**

**Poonawalla Housing Finance Limited  
(Formerly known as Magma Housing Finance Limited)  
CIN: U65922PN2004PLC208751**

**Registered Office:** 602, 6<sup>th</sup> Floor, Zero One IT Park, Survey No. 79/1, Ghorpadi, Mundhwa Road, Pune - 411036, Maharashtra  
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### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

Section 180(1)(c) of the Companies Act, 2013 (the Act) provides that a company can borrow money in excess of the aggregate of its paid-up share capital, free reserves and securities premium, only after obtaining approval of the shareholders by way of a special resolution. The shareholders at their meeting held on 28 September, 2007 had passed a resolution and authorized the Board of Directors to borrow money to the extent of Rs. 4000 crores (Rupees Four thousand crore only) (excluding temporary loans obtained from the Company's Bankers in the ordinary course of business) by way of Ordinary resolution. Since Section 180(1)(c) of the Act (corresponding to Section 293(1)(d) of Companies Act 1956) required such approval by the shareholders by way of a special resolution, the shareholders of the Company at their meeting held on 26 July, 2014 had passed a special resolution to this effect without changing the limit. Thereafter, the shareholders of the Company had approved the extension of the said borrowing limits upto an amount not exceeding Rs. 6,000 crore (Rupees Six thousand crore only) at their meeting held on 24 May, 2021.

Considering the volume of business and the corresponding borrowings by the Company, it is proposed to increase the authorization under Section 180(1)(c) of the Companies Act, 2013 for borrowing upto an amount not exceeding Rs. 8,000 crore (Rupees Eight Thousand Crore only).

Accordingly, the Board at their meeting held on 24 April, 2023, recommended the passing of the resolution as set out in Item 3 for approval of the members as a special resolution.

**For Poonawalla Housing Finance Limited  
(Formerly, Magma Housing Finance Limited)**

VAISHNAVI  
Digitally signed by  
BHUPENDRA  
VAISHNAV BHUPENDRA  
SURATWALA  
SURATWALA  
Date: 2023.06.02 18:54:12  
+05'30'

**Vaishnavi Suratwala  
Company Secretary  
Membership No.: 41827  
Date: 02/06/2023**

**Poonawalla Housing Finance Limited  
(Formerly known as Magma Housing Finance Limited)  
CIN: U65922PN2004PLC208751**

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## **ANNEXURE – VII**

**AUDITED FINANCIAL STATEMENTS (PROFIT AND LOSS  
STATEMENT, BALANCE SHEET AND CASH FLOW  
STATEMENT) OF THE ISSUER FOR EACH OF THE  
FINANCIAL YEARS ENDED MARCH 31, 2023, MARCH 31,  
2022, MARCH 31, 2021 AND AUDITORS REPORTS**

**Independent Auditor's Report on audit of Quarterly and Annual Financial Results of Poonawalla Housing Finance Limited (Formerly Magma housing Finance Limited) Pursuant to the Regulation 52 of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015**

**The Board of Directors  
Poonawalla Housing Finance Limited  
(Formerly Magma Housing Finance Limited)**

**Opinion**

We have audited the accompanying financial results of Poonawalla Housing Finance Limited ("the Company") for the quarter and year ended March 31, 2023 ("the Financial Results") 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").

In our opinion and to the best of our information and according to the explanations given to us, these financial results:

- i. are presented in accordance with the requirements of Regulation 52 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, RBI guidelines and other accounting principles generally accepted in India of the net profit, total comprehensive income and other financial information for the quarter and year ended March 31, 2023.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the "Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Management's Responsibilities for the Financial Results**

These financial results have been prepared on the basis of the annual financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit, other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under

Section 133 of the Act read with relevant rules issued thereunder, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time (“RBI Guidelines”), other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial results, the Board of Directors are responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company’s financial reporting process.

#### **Auditor’s Responsibilities for the Audit of the Financial Results**

Our objectives are to obtain reasonable assurance about whether the financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going

concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Other Matter**

The financial results include the results for the quarter ended March 31, 2023 being the balancing figures between audited figures in respect of the financial year ended March 31, 2023 and the year to date figures up to the third quarter of the financial year, which were subjected to limited review by us.

Our opinion is not modified in respect of the above matter.

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

CHINTAMAN  
MAHADEV  
DIXIT

Digital signature of CHINTAMAN MAHADEV DIXIT  
Date: 2023.04.24  
19:05:36 +05'30'

C. M. Dixit  
Partner  
Membership Number: 017532  
UDIN: 23017532BGYLNX5257  
Place: Pune  
Date: 24<sup>th</sup> April 2023



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

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

**Statement of Audited Financial Results for the quarter and year ended 31 March 2023**

(₹ in Crores )

Particulars	Quarter ended			Year ended	
	31/03/2023	31/12/2022	31/03/2022	31/03/2023	31/03/2022
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1. <b>Revenue from Operations</b>					
(a) Interest income	175.14	178.52	122.64	635.30	448.14
(b) Fees and commission income	6.69	5.02	5.23	20.19	15.37
(c) Net gain on fair value changes	-	1.44	0.55	-	0.86
(d) Net gain on derecognition of financial instruments under amortised cost category	12.70	14.32	-	48.13	-
<b>Total revenue from operations</b>	<b>194.53</b>	<b>199.30</b>	<b>128.42</b>	<b>703.62</b>	<b>464.37</b>
(e) Other income	5.61	0.52	1.83	12.43	5.78
<b>Total Income</b>	<b>200.14</b>	<b>199.82</b>	<b>130.25</b>	<b>716.05</b>	<b>470.15</b>
2. <b>Expenses</b>					
(a) Finance costs	85.43	74.76	48.29	279.77	207.53
(b) Net loss on fair value changes	0.68	-	-	0.53	-
(c) Net loss on derecognition of financial instruments	-	-	5.47	-	5.47
(d) Impairment on financial instruments	12.07	15.10	(4.74)	36.39	8.95
(e) Employee benefits expense	47.73	46.25	30.57	168.69	103.79
(f) Depreciation, amortisation and impairment	3.66	2.20	1.20	8.97	3.81
(g) Other expenses	25.65	15.95	13.18	67.51	39.44
<b>Total Expenses</b>	<b>175.22</b>	<b>154.26</b>	<b>93.97</b>	<b>561.86</b>	<b>368.99</b>
3. <b>Profit/(Loss) before tax (1-2)</b>	<b>24.92</b>	<b>45.56</b>	<b>36.28</b>	<b>154.19</b>	<b>101.16</b>
4. <b>Tax expense</b>					
(a) Current tax	6.21	8.86	5.06	31.34	23.89
(b) Deferred tax (credit)/charge	0.53	2.50	2.13	7.63	(0.12)
<b>Total tax expense</b>	<b>6.74</b>	<b>11.36</b>	<b>7.19</b>	<b>38.97</b>	<b>23.77</b>
5. <b>Profit/(Loss) for the period (3-4)</b>	<b>18.18</b>	<b>34.20</b>	<b>29.09</b>	<b>115.22</b>	<b>77.39</b>
6. <b>Other comprehensive income</b>					
(a) (i) Items that will not be reclassified to profit or loss	(0.06)	(0.11)	(0.25)	0.19	(0.59)
(ii) Income tax relating to items that will not be reclassified to profit or loss	0.01	0.03	0.06	(0.05)	0.15
(b) (i) Items that will be reclassified to profit or loss	-	-	7.62	-	8.30
- Cash flow hedge reserve	-	-	(0.03)	-	(0.08)
- Changes in fair valuation of financial assets	-	-	7.65	-	8.38
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	(1.92)	-	(2.09)
- Cash flow hedge reserve	-	-	0.01	-	0.02
- Changes in fair valuation of financial assets	-	-	(1.93)	-	(2.11)
<b>Total other comprehensive income</b>	<b>(0.05)</b>	<b>(0.08)</b>	<b>5.51</b>	<b>0.14</b>	<b>5.77</b>
7. <b>Total comprehensive income for the period (5+6)</b>	<b>18.13</b>	<b>34.12</b>	<b>34.60</b>	<b>115.36</b>	<b>83.16</b>
8. <b>Paid-up equity share capital (Face value of ₹ 10/- each)</b>	<b>252.29</b>	<b>252.29</b>	<b>251.79</b>	<b>252.29</b>	<b>251.79</b>
9. Earnings per share*					
(a) Basic (in ₹)	0.72	1.36	1.23	4.57	3.27
(b) Diluted (in ₹)	0.72	1.35	1.23	4.56	3.26

\* Not annualised for the quarters



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

**Statement of Audited Financial Results for the quarter and year ended 31 March 2023**

<b>Statement of Assets and Liabilities as at 31 March 2023</b>		<b>(₹ in Crores )</b>	
<b>Particulars</b>		<b>As at 31 March 2023</b>	<b>As at 31 March 2022</b>
		<b>(Audited)</b>	<b>(Audited)</b>
<b>A. ASSETS</b>			
<b>1. Financial Assets</b>			
(a) Cash and cash equivalents		154.81	19.53
(b) Bank balances other than cash and cash equivalents		40.38	41.95
(c) Derivative financial instruments		-	0.51
(d) Loans		5,438.57	4,176.91
(e) Investments		97.35	-
(f) Other financial assets		143.96	85.76
<b>Total Financial Assets</b>		<b>5,875.07</b>	<b>4,324.66</b>
<b>2. Non-financial Assets</b>			
(a) Current tax assets (Net)		0.99	10.35
(b) Property, plant and equipment		15.01	8.34
(c) Intangible assets under development		1.28	-
(d) Other intangible assets		3.05	1.53
(e) Right of use assets		48.86	15.72
(f) Assets held for sale		-	2.05
(g) Other non-financial assets		26.51	24.34
<b>Total Non-financial Assets</b>		<b>95.70</b>	<b>62.33</b>
<b>Total Assets</b>		<b>5,970.77</b>	<b>4,386.99</b>
<b>B. LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>1. Financial Liabilities</b>			
(a) Derivative financial instruments		-	0.27
(b) Payables			
(I) Trade payables		-	-
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		6.26	2.42
(II) 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		15.02	7.07
(c) Debt securities		283.49	293.20
(d) Borrowings (other than debt securities)		4,227.45	2,804.79
(e) Subordinated liabilities		99.71	99.61
(f) Lease liabilities		51.31	16.99
(g) Other financial liabilities		43.24	51.49
<b>Total Financial Liabilities</b>		<b>4,726.48</b>	<b>3,275.84</b>
<b>2. Non-Financial Liabilities</b>			
(a) Provisions		2.61	2.40
(b) Deferred tax liabilities (net)		15.55	8.11
(c) Other non financial liabilities		17.55	18.85
<b>Total Non-Financial Liabilities</b>		<b>35.71</b>	<b>29.36</b>
<b>3. Equity</b>			
(a) Equity share capital		252.29	251.79
(b) Other equity		956.29	830.00
<b>Total equity</b>		<b>1,208.58</b>	<b>1,081.79</b>
<b>Total Liabilities and Equity</b>		<b>5,970.77</b>	<b>4,386.99</b>



**POONAWALLA  
HOUSING FINANCE**  
Apna Ghar, Apni Pehchan  
POONAWALLA HOUSING FINANCE LIMITED  
(FORMERLY MAGMA HOUSING FINANCE LIMITED)

Statement of Audited Financial Results for the quarter and year ended 31 March 2023

Cash flow statement for the year ended 31 March 2023		(₹ in Crores)	
	Particulars	Year ended 31 March 2023 (Audited)	Year ended 31 March 2022 (Audited)
<b>A</b>	<b>Cash flow from operating activities</b>		
	Profit before tax	154.19	101.16
	<b>Adjustments for:</b>		
	Depreciation and amortisation expense	8.97	3.81
	Net loss/(gain) on financial instruments at fair value through profit or loss	3.32	(0.38)
	Allowance for impairment loss	36.39	8.95
	Liability no longer required written back	(0.76)	(0.51)
	Loss on sale of property, plant and equipment	0.05	0.05
	Net (gain)/ loss on derecognition of financial instruments	(48.13)	5.47
	Finance cost	279.77	207.53
	Interest received on investments	(1.06)	-
	Interest on income tax refund	(0.40)	-
	Gain on redemption of mutual fund	(2.79)	(0.48)
	Expense on employee stock option scheme	10.86	0.40
	<b>Operating profit before working capital changes</b>	<b>440.41</b>	<b>326.00</b>
	<b>Changes in working capital:</b>		
	(Increase) in loans	(1,249.92)	(1,375.93)
	(Increase)/Decrease in other financial assets	(60.49)	44.62
	Decrease/(Increase) in other non financial assets	0.58	(5.27)
	Decrease in held for sale assets	1.08	1.59
	Decrease in other bank balances	1.57	28.85
	(Decrease)/Increase in derivative financial instrument	0.24	(3.07)
	Increase/(Decrease) in trade and other payables	12.55	(5.47)
	(Decrease)/Increase in other financial liabilities	(8.25)	2.16
	(Decrease)/Increase in other non financial liabilities	(1.30)	3.71
	Increase/ ( Decrease) in provisions	1.00	(0.02)
	<b>Cash generated from/(used in) operating activities</b>	<b>(862.53)</b>	<b>(982.83)</b>
	Income tax paid (net of refunds)	(21.58)	(26.65)
	<b>Net cash generated from/(used in) operating activities (A)</b>	<b>(884.11)</b>	<b>(1,009.48)</b>
<b>B</b>	<b>Cash flow from investing activities</b>		
	Purchase of property, plant and equipment including capital advances	(10.09)	(8.11)
	Sale of property, plant and equipment	0.01	0.01
	Purchase in intangible assets and intangible assets under development	(3.30)	(0.12)
	Purchase of investments measured at amortised cost	(1,411.24)	-
	Interest received on investments	1.06	-
	Net proceeds from redemption in Mutual fund	1,317.76	0.48
	<b>Net cash generated from/(used in) investing activities (B)</b>	<b>(105.80)</b>	<b>(7.74)</b>
<b>C</b>	<b>Cash flow from financing activities</b>		
	Proceeds from issue of equity shares including securities premium (Net of issue expenses)	0.49	504.61
	Repayment of debt securities	(10.00)	(160.00)
	Proceeds from borrowings other than debt securities	3,369.96	2,858.15
	Repayment of borrowings other than debt securities	(1,949.32)	(2,040.42)
	Finance Cost Paid	(279.40)	(215.28)
	Payment of lease liability	(6.54)	(3.32)
	<b>Net cash generated from/(used in) financing activities (C )</b>	<b>1,125.19</b>	<b>943.74</b>
	<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>135.28</b>	<b>(73.48)</b>
	<b>Cash and cash equivalents at the beginning of the year</b>	<b>19.53</b>	<b>93.01</b>
	<b>Cash and cash equivalents at the closing of the year*</b>	<b>154.81</b>	<b>19.53</b>
	<b>*Components of cash and cash equivalents:</b>		
	Cash on hand	-	1.67
	Balances and deposits with banks	154.81	17.86
		<b>154.81</b>	<b>19.53</b>



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

POONAWALLA HOUSING FINANCE LIMITED

(FORMERLY MAGMA HOUSING FINANCE LIMITED)

Statement of Audited Financial Results for the quarter and year ended 31 March 2023

**Notes :**

- 1] The above audited 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 24 April 2023.
- 2] The audited 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 financial results have been audited by the Statutory Auditors of the Company. The Statutory Auditors have expressed an unmodified opinion on these financial results. The information presented above is extracted from the audited financial statements as stated.
- 4] 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.
- 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/ or by mortgage created over the immovable property, 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 I.

- 6] [Disclosure pursuant to RBI Notification - RBI/2020-21/16 DOR No BP BC/3/21/04.048/2020-21 dated August 6, 2020 for the year ended 31 March 2023.](#)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of 30th Sep 2022 (A)	Of (A), aggregate debt that slipped into NPA during six month period ended 31st Mar 2023	Of (A) amount written off during six month period ended 31st Mar 2023 #	Of (A) amount paid by the borrowers during six month period ended 31st Mar 2023 ##	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of 31st Mar 2023
Personal Loans	201.44	9.67	2.07	24.68	167.09
Corporate persons*	-	-	-	-	-
Of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
<b>Total</b>	<b>201.44</b>	<b>9.67</b>	<b>2.07</b>	<b>24.68</b>	<b>167.09</b>

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

# represents amount slipped into NPA and subsequently written off during the half year ended March 31, 2023.

## Amount paid by the borrower during the half year is net off additions in the borrower account including additions due to interest capitalisation & adjustments for realisation made through sale of stress assets.

- 7] 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.

- 8] [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 year ended 31 March 2023 :](#)

Entity/Assignee	Bank
Count of Loan accounts Assigned	3438 Loans
Amount of Loan accounts Assigned	₹ 324.02 Crores
Retention of beneficial economic interest (MRR)*	10%
Weighted Average Maturity (Residual Maturity)**	136 Months
Weighted Average Holding Period	17 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 year ended 31 March 2023:](#)

Entity/Assignor	HFC/NBFC
Count of Loan accounts Assigned	3059 Loans
Amount of Loan accounts Assigned	₹ 272.95 Crores
Retention of beneficial economic interest (MRR)*	10%
Weighted Average Maturity (Residual Maturity)**	156 Months
Weighted Average Holding Period	14 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 financial year ended 31 March 2023:](#)

Particulars	To ARCs	To permitted transferees	To other transferees
No of accounts	745	-	-
Aggregate principal outstanding of loans transferred (at the time of transfer)*	₹ 87.10 Crores	-	-
Weighted average residual tenor of the loans transferred	140 Months	-	-
Net book value of loans transferred (at the time of transfer)*	₹ 65.64 Crores	-	-
Aggregate consideration	₹ 72.92 Crores	-	-
Additional consideration realized in respect of accounts transferred in earlier years	Nil	-	-

\* 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.

- 9] The Board of Directors of Poonawalla Fincorp Limited (formerly Magma Fincorp Limited) ("PFL"), Holding Company at their 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 Global, LLC ("Perseus"). In view of the same, the Board of the Company at its meeting held on 14 December 2022 have 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 at total equity value of ₹ 3,900 Crores, subject to regulatory approvals and satisfaction of other customary conditions. The Company has 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 pursuant to Chapter VIII - Acquisition/Transfer of Control of RBI HFC Master Directions as amended from time to time. The RBI approval is 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.



**POONAWALLA**

**HOUSING FINANCE**

**Apna Ghar, Apni Pehchan**

**POONAWALLA HOUSING FINANCE LIMITED**

**(FORMERLY MAGMA HOUSING FINANCE LIMITED)**

**Statement of Audited Financial Results for the quarter and year ended 31 March 2023**

- 10] Post announcement of the transaction as mentioned in the point no.9 above, 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).
- 11] 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.
- 12] The above financial results have been prepared in compliance with the Regulation 52 of the Listing Regulations as amended from time to time.
- 13] The figures of the last quarter in each of the financial years are the balancing figures in respect of the full financial year and the published year to date figures up to the end of the third quarter of the respective financial year.
- 14] 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)

**MANISH  
JAISWAL**

Digitally signed by MANISH  
JAISWAL  
Date: 2023.04.24 19:01:34  
+05 30'

**Manish Jaiswal**  
*Managing Director & Chief Executive Officer*  
DIN: 07859441

Place : Pune  
Date : 24 April 2023

**Registered Office :** 602, 6<sup>th</sup> Floor, Zero One IT Park, Survey No. 79/1, Ghorpadi Mundhwa Road, Pune-411 036, Maharashtra  
**Website :** [www.poonawallahousing.com](http://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 31 March 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 e.g. 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 e.g. 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	-			-	-	-	15.01	-	-	15.01	-	-	-	-	-
Capital Work-in Progress	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Right of Use Assets	-	-	-	-	-	-	48.86	-	-	48.86	-	-	-	-	-
Goodwill	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intangible Assets	-	-	-	-	-	-	1.28	-	-	1.28	-	-	-	-	-
Intangible Assets under Development	-	-	-	-	-	-	3.05	-	-	3.05	-	-	-	-	-
Investments	-	-	-	-	-	-	97.35	-	-	97.35	-	-	-	-	-
Loans (Note 1)	Represents Loan given under financial activity	290.29	997.04	-	-	4,145.06	46.14	-	19.32	5,497.85	-	290.29	-	-	290.29
Inventories	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade Receivables	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash and Cash Equivalents	-	-	-	-	-	-	154.81	-	-	154.81	-	-	-	-	-
Bank Balances other than Cash and Cash Equivalents	-	-	-	-	-	-	40.38	-	-	40.38	-	-	-	-	-
Others	-	-	-	-	-	-	171.46	-	-	171.46	-	-	-	-	-
<b>Total</b>		<b>290.29</b>				<b>4,145.06</b>	<b>578.34</b>		<b>19.32</b>	<b>6,030.05</b>		<b>290.29</b>			<b>290.29</b>

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 31 March 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 e.g. 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 e.g. Bank Balance, DSRA market value is not applicable)	Total Value(=L+M+N+O)		
Relating to Column F															
LIABILITIES		Book Value	Book Value	Yes / No	Book Value	Book Value									
Debt securities to which this certificate pertains		283.53		-	-			(0.04)	283.49	-	283.53	-	-	283.53	
Other debt sharing pari-passu charge with above debt				-	-	-	-	-	-	-	-	-	-	-	
Other Debt				-	-	275.00	-	-	275.00	-	-	-	-	-	
Subordinated debt				-	-	-	100.03	-	(0.32)	99.71	-	-	-	-	
Borrowings				-	-	-	-	-	-	-	-	-	-	-	
Bank Term Loan		643.42		-	-	3,241.13	-	(4.98)	3,879.57	-	-	-	-	-	
Debt Securities				-	-	-	-	-	-	-	-	-	-	-	
Others-PTC		72.97		-	-	-	-	(0.09)	72.88	-	-	-	-	-	
Trade payables				-	-	-	6.26	-	6.26	-	-	-	-	-	
Lease Liabilities				-	-	-	-	51.31	-	51.31	-	-	-	-	
Provisions	Represents provision for compensated absences	-		-	-	-	2.61	-	2.61	-	-	-	-	-	
Provision on Impairment on Loans	Represents ECL provision on Financial Assets	-	-	-	-	-	59.28	-	59.28	-	-	-	-	-	
Others		-	-	-	-	-	91.36	-	91.37	-	-	-	-	-	
<b>Total</b>		<b>283.53</b>	<b>716.39</b>	-	-	<b>3,516.13</b>	<b>310.85</b>	-	<b>(5.43)</b>	<b>4,821.48</b>	-	<b>283.53</b>	-	<b>283.53</b>	
Cover on Book Value		1.02										1.02			
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.

**Independent Auditor's Report on audit of Quarterly and Annual Financial Results of Poonawalla Housing Finance Limited (Formerly Magma housing Finance Limited) Pursuant to the Regulation 52 of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015**

**The Board of Directors**  
**Poonawalla Housing Finance Limited**  
**(Formerly Magma housing Finance Limited)**

**Report on the audit of the Financial Results**

**Opinion**

We have audited the accompanying financial results of Poonawalla Housing Finance Limited ("the Company") for the quarter and year ended March 31, 2022 ("the Financial Results") 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").

In our opinion and to the best of our information and according to the explanations given to us, these financial results:

- i. are presented in accordance with the requirements of Regulation 52 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, RBI guidelines and other accounting principles generally accepted in India of the net profit, total comprehensive income and other financial information for the quarter and year ended March 31, 2022.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the "Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Management's Responsibilities for the Financial Results**

These financial results have been prepared on the basis of the annual financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit, other comprehensive income and other financial information in accordance with

# G. D. Apte & Co.

Chartered Accountants

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the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ("RBI Guidelines"), other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related

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**Pune Office:** GDA House, Plot No.85, Right Bhusari Colony, Paud Road, Kothrud, Pune – 411 038,

Phone – 020 – 66807200, Email – [audit@gdaca.com](mailto:audit@gdaca.com)

**Mumbai Office:** Windsor, 6<sup>th</sup> Floor, OfficeNo-604, C.S.T. Road, Kalina, Santacruz (East), Mumbai-400 098

# G. D. Apte & Co.

Chartered Accountants

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to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

## Other Matters

- i. The figures for the quarter and year ended March 31, 2021 have been considered from the unmodified audit report dated May 24, 2021 issued by Walker Chandiok & Co. LLP (the erstwhile statutory auditors) in terms of regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.
- ii. The financial results include the results for the quarter ended March 31, 2022 being the balancing figures between audited figures in respect of the financial year ended March 31, 2022 and the year to date figures up to the third quarter of the financial year, which were subject to limited review by us.

Our opinion is not modified in respect of these matters.

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

CHINTAMAN  
MAHADEV  
DIXIT

Digitaly signed by  
CHINTAMAN  
MAHADEV DIXIT  
Date: 2022.05.11  
19:47:35 +05'30'

C. M. Dixit  
Partner  
Membership Number: 017532  
UDIN: 22017532AIURGN6006  
Place : Pune  
Date: 11<sup>th</sup> May 2022

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Pune Office: GDA House, Plot No.85, Right Bhusari Colony, Paud Road, Kothrud, Pune – 411 038,

Phone – 020 – 66807200, Email – [audit@gdaca.com](mailto:audit@gdaca.com)

Mumbai Office: Windsor, 6<sup>th</sup> Floor, OfficeNo-604, C.S.T. Road, Kalina, Santacruz (East), Mumbai-400 098



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

Statement of Audited Financial Results for the quarter and Year ended 31 March 2022

Particulars	(₹ in Lacs)				
	Quarter ended		Year ended		
	31 March 2022	31 December 2021	31 March 2021	31 March 2022	31 March 2021
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1. Revenue from Operations					
(a) Interest income	12,263.51	11,534.62	10,639.54	44,813.57	40,465.57
(b) Fees and commission income	523.00	388.91	446.73	1,536.79	1,115.25
(c) Net gain on fair value changes	55.68	5.69	-	86.84	-
(d) Net gain on de-recognition of financial instruments under amortised cost category	-	-	2,759.47	-	5,127.67
<b>Total revenue from operations</b>	<b>12,842.19</b>	<b>11,929.22</b>	<b>13,845.74</b>	<b>46,437.20</b>	<b>46,708.49</b>
(e) Other income	183.28	91.61	254.33	578.42	545.84
<b>Total Income</b>	<b>13,025.47</b>	<b>12,020.83</b>	<b>14,100.07</b>	<b>47,015.62</b>	<b>47,254.33</b>
2. Expenses					
(a) Finance costs	4,828.62	5,757.29	5,981.66	20,753.06	22,585.84
(b) Net loss on fair value changes	-	-	71.10	-	95.58
(c) Net loss on derecognition of financial instruments	547.39	-	-	547.39	-
(d) Impairment on financial instruments	(473.56)	(776.81)	7,743.67	895.02	12,936.63
(d) Employee benefits expense	3,057.11	3,001.07	2,034.45	10,378.90	7,038.28
(e) Depreciation and amortisation expense	120.12	108.73	62.17	381.40	186.69
(f) Other expenses	1,317.85	1,129.36	922.48	3,943.61	2,975.52
<b>Total expenses</b>	<b>9,397.53</b>	<b>9,219.64</b>	<b>16,815.53</b>	<b>36,899.38</b>	<b>45,818.54</b>
3. Profit/(Loss) before tax (1-2)	3,627.94	2,801.19	(2,715.46)	10,116.24	1,435.79
4. Tax expense					
(a) Current tax	506.32	951.76	556.19	2,389.34	1,179.79
(b) Deferred tax (credit)/charge	213.25	(246.83)	(1,226.13)	(11.62)	(832.91)
<b>Total tax expense</b>	<b>719.57</b>	<b>704.93</b>	<b>(669.94)</b>	<b>2,377.72</b>	<b>346.88</b>
5. Profit/(Loss) for the period (3+4)	2,908.37	2,096.26	(2,045.52)	7,738.52	1,088.91
6. Other comprehensive income					
(a) (i) Items that will not be reclassified to profit or loss	(24.95)	(28.04)	37.53	(59.12)	9.96
(ii) Income tax relating to items that will not be reclassified to profit or loss	6.28	7.06	(9.45)	14.88	(2.51)
(b) (i) Items that will be reclassified to profit or loss	761.92	(1,727.42)	283.58	830.29	371.56
- Cash flow hedge reserve	(3.32)	(35.21)	-	(8.12)	-
- Changes in fair valuation of financial assets	765.24	(1,692.21)	283.58	838.41	371.56
(ii) Income tax relating to items that will be reclassified to profit or loss	(191.76)	434.79	(71.36)	(208.97)	(93.51)
- Cash flow hedge reserve	0.84	8.86	-	2.04	-
- Changes in fair valuation of financial assets	(192.60)	425.93	(71.36)	(211.01)	(93.51)
<b>Total other comprehensive income</b>	<b>551.49</b>	<b>(1,313.61)</b>	<b>240.30</b>	<b>577.08</b>	<b>285.50</b>
7. Total comprehensive income for the period (5+6)	3,459.86	782.65	(1,805.22)	8,315.60	1,374.41
8. Paid-up equity share capital (Face value of ₹ 10/- each)	25,179.45	25,179.45	16,582.99	25,179.45	16,582.99
9. Earnings per share (not annualised)					
(a) Basic (in ₹)	1.23	0.83	(1.23)	3.27	0.66
(b) Diluted (in ₹)	1.23	0.83	(1.22)	3.26	0.65



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

Statement of Audited Financial Results for the quarter and Year ended 31 March 2022

**Balance Sheet as at 31 March 2022**

Particulars	As at 31 March 2022		As at 31 March 2021	
	(Audited)	(Audited)	(Audited)	(Audited)
<b>A. ASSETS</b>				
1. <b>Financial Assets</b>				
(a) Cash and cash equivalents	1,953.48		9,300.64	
(b) Bank balances other than cash and cash equivalents	4,195.46		7,080.19	
(c) Derivative financial instruments	50.63		-	
(d) Loans	417,690.55		280,701.58	
(e) Other financial assets	8,576.14		12,990.02	
<b>Total Financial Assets</b>	<b>432,466.26</b>		<b>310,072.43</b>	
2. <b>Non-financial Assets</b>				
(a) Current tax assets	1,035.28		759.26	
(b) Property, plant and equipment	833.97		101.13	
(c) Other intangible assets	152.75		185.45	
(d) Right of use assets	1,571.61		724.71	
(e) Assets held for sale	205.63		364.70	
(f) Other non-financial assets	2,433.86		1,152.70	
<b>Total Non-financial Assets</b>	<b>6,233.10</b>		<b>3,287.95</b>	
<b>Total Assets</b>	<b>438,699.36</b>		<b>313,360.38</b>	
<b>B. LIABILITIES AND EQUITY</b>				
<b>Liabilities</b>				
1. <b>Financial Liabilities</b>				
(a) Derivative financial instruments	26.87		-	
(b) Payables				
(I) Trade payables	-		-	
(i) total outstanding dues of micro enterprises and small enterprises	-		-	
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	242.44		951.50	
(II) 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	707.22		493.85	
(c) Debt securities	29,320.07		45,998.84	
(d) Borrowings (Other than debt securities)	280,479.26		198,243.33	
(e) Subordinated liabilities	9,960.56		9,949.86	
(f) Lease liability	1,698.84		789.14	
(g) Other financial liabilities	5,149.25		4,932.91	
<b>Total Financial Liabilities</b>	<b>327,584.51</b>		<b>261,359.43</b>	
2. <b>Non-Financial Liabilities</b>				
(a) Provisions	239.61		172.90	
(b) Deferred tax liabilities (net)	811.33		628.87	
(c) Other non financial liabilities	1,884.88		1,514.26	
<b>Total Non-Financial Liabilities</b>	<b>2,935.82</b>		<b>2,316.03</b>	
3. <b>Equity</b>				
(a) Equity share capital	25,179.45		16,582.99	
(b) Other equity	82,999.58		33,101.93	
<b>Total equity</b>	<b>108,179.03</b>		<b>49,684.92</b>	
<b>Total Liabilities and Equity</b>	<b>438,699.36</b>		<b>313,360.38</b>	



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

Statement of Audited Financial Results for the quarter and Year ended 31 March 2022

**Cash flow statement for the year ended 31 March 2022**

Particulars	Year ended 31 March 2022 (Audited)	Year ended 31 March 2021 (Audited)
<b>Cash flow from operating activities</b>		
Profit before tax	10,116.24	1,435.79
<b>Adjustments for:</b>		
Depreciation and amortisation expense	381.40	186.69
Interest on lease liability	133.02	50.12
Net (Gain)/loss on financial instruments at fair value through profit or loss	(38.66)	95.58
Allowance for impairment loss	895.02	12,936.63
Liability no longer required written back	(50.83)	(69.72)
Loss on sale of Property, Plant and Equipment	4.92	9.98
Net loss on derecognition of financial instruments	547.39	-
Finance Cost	20,753.06	22,585.84
Gain on Redemption of Mutual Fund	(48.18)	-
Expense on employee stock option scheme	39.93	252.07
<b>Operating profit before working capital changes</b>	<b>32,733.31</b>	<b>37,482.98</b>
<b>Changes in working capital:</b>		
(Increase) in loans	(137,592.97)	(55,432.60)
Decrease/(Increase) in other financial assets	4,461.85	(5,257.28)
(Increase)/Decrease in other non financial assets	(526.52)	144.42
Decrease in held for sale assets	159.07	0.01
Decrease/(Increase) in other bank balances	2,884.73	(1,198.95)
Increase in Derivative financial instrument	(306.91)	-
(Decrease)/Increase in trade and other payables	(546.52)	745.78
Increase/(Decrease) in other financial liabilities	216.34	(774.57)
Increase in other non financial liabilities	370.62	911.89
(Decrease)/Increase in provisions	(2.37)	85.40
<b>Cash generated from/(used in) operating activities</b>	<b>(98,149.37)</b>	<b>(23,292.92)</b>
Income tax paid (net of refunds)	(2,665.36)	(1,359.89)
<b>Net cash generated from/(used in) operating activities (A)</b>	<b>(100,814.73)</b>	<b>(24,652.81)</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment, including CWIP and capital advances	(811.33)	(5.00)
Sale of property, plant and equipment	0.87	1.24
Purchase in intangible assets and intangible assets under development (net)	(11.55)	(57.74)
Net proceeds from redemption in Mutual fund	48.18	-
<b>Net cash generated from/(used in) investing activities (B)</b>	<b>(773.83)</b>	<b>(61.50)</b>
<b>Cash flow from financing activities</b>		
Proceeds from issue of equity shares including securities premium (net of issue expenses)	50,460.83	-
Proceeds from debt securities	-	41,000.00
Repayment of debt securities	(16,000.00)	(2,500.00)
Proceeds from borrowings other than debt securities	285,815.22	258,371.10
Repayment of borrowings other than debt securities	(204,042.07)	(242,059.62)
Finance Cost Paid	(21,660.60)	(20,754.42)
Payment of lease liability	(331.98)	(152.60)
<b>Net cash generated from/(used in) financing activities (C )</b>	<b>94,241.40</b>	<b>33,904.46</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(7,347.16)</b>	<b>9,190.15</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>9,300.64</b>	<b>110.49</b>
<b>Cash and cash equivalents at the closing of the year</b>	<b>1,953.48</b>	<b>9,300.64</b>



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

Statement of Audited Financial Results for the quarter and Year ended 31 March 2022

**Notes :**

- 1] The above audited 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 11 May 2022.
- 2] The audited 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 financial results have been audited by the statutory auditors of the Company. The statutory auditors have expressed an unmodified opinion on these financial results. The information presented above is extracted from the audited financial statements as stated.
- 4] The figures of the last quarter in each of the financial years are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the end of the third quarter of the respective financial year.
- 5] The Nomination and Remuneration Committee of the Board at its meeting held on 07 May 2022, has granted 60,50,000 options to the eligible employees under Poonawalla Housing - Employee Stock Option Plan 2021.
- 6] The Company carried a management overlay of ₹ 5,090.54 lacs as at 31 March 2021, to manage the potential impact of COVID-19 pandemic. For the quarter and year ended 31 March 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 ₹ 1202.17 lacs against future potential impact of COVID-19, which basis management estimate is adequate to cover the impact of COVID-19 on the entire loan portfolio. Further, during the quarter and year ended 31 March 2022, apart from the technical write-offs as per the adopted policy, the Company has additionally written-off loans aggregating to ₹ 658.53 lacs and ₹ 4,614.10 lacs respectively. The underlying forecasts and assumptions applied by the Company in determination of ECL provision (including additional COVID-19 provision) are subject to uncertainties which are often outside the control of the Company and accordingly, actual results may differ from these estimates. 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.
- 7] RBI vide circular dated November 12, 2021 and dated February 15, 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 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 year ended 31 March 2022 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".
- 8] 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.
- 9] 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.

- 10] [Disclosure pursuant to RBI/2020-21/16 DOR No BP BC/3/21.04.048/2020-21 dated August 6, 2020 for the year ended 31 March 2022](#)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of September 2021 (A) #	Of (A), aggregate debt that slipped into NPA during Oct'21 to Mar'22	Of (A) amount written off during Oct'21 to Mar'22##	Of (A) amount paid by the borrowers during Oct'21 to Mar'22###	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of Mar'22
Personal Loans	26,336.97	2,145.62	296.95	41.03	24,150.32
Corporate persons*	-	-	-	-	-
Of which MSMEs	-	-	-	-	-
Others	-	-	-	-	-
<b>Total</b>	<b>26,336.97</b>	<b>2,145.62</b>	<b>296.95</b>	<b>41.03</b>	<b>24,150.32</b>

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

# Includes restructuring done in respect of requests received as of September 30, 2021 processed subsequently.

## represents amount slipped into NPA and subsequently written off during the half year ended March 31, 2022.

### Amount paid by the borrower during the half year is net off additions in the borrower account including additions due to interest capitalisation.

- 11] 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.



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

Statement of Audited Financial Results for the quarter and Year ended 31 March 2022

12] 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 year ended 31 March 2022:

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 year ended 31 March 2022:

Entity/Assignor	HFC/NBFC
Count of Loan accounts Assigned	6590 Loans
Amount of Loan accounts Assigned	₹ 49281.42 lacs
Retention of beneficial economic interest (MRR)*	10%
Weighted Average Maturity (Residual Maturity)**	171 Months
Weighted Average Holding Period	25 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 year ended 31 March 2022:

Particulars	To ARCs	To permitted transferees	To other transferees
No of accounts	297	303	-
Aggregate principal outstanding of loans transferred*	-	₹ 2,147.36 lacs	-
Weighted average residual tenor of the loans transferred	-	143	-
Net book value of loans transferred (at the time of transfer)*	-	₹ 1,388.39 lacs	-
Aggregate consideration	₹ 1,229.91 lacs	₹ 1,561.00 lacs	-
Additional consideration realized in respect of accounts transferred in earlier years	-	-	-

\* Includes transfer of assets which have been fully written off before the sale transaction, hence the aggregate principal outstanding and the net book value of such loans is NIL.

- 13] During the quarter ended 31 March 2022, the members at the Extra Ordinary General Meeting held on 25.01.2022, vide Special Resolution approved amendment in the Poonawalla Housing - Restricted Stock Option Plan-2018 of the Company and also approved additional grant of 5,00,000 (Five Lakhs) Restricted Stock options (RSOs) not exceeding 5% of the paid-up equity share capital of the company in one or more tranches.
- 14] Subsequent to receiving the order of Hon'ble Regional Director, Eastern Region, Kolkata dated 13.12.2021 for shifting of Registered Office of the Company from the state of West Bengal to state of Maharashtra, the Company received the Certificate of Registration of Regional Director order for Change of State (COR) dated 18.02.2022 from the Registrar of Companies, Pune. Pursuant to the COR, the registered office address of the Company has been shifted to 602, 6th Floor, Zero One IT Park, Survey No. 79/1, Ghorpadi, Mundhwa Road, Pune - 411 036, Maharashtra and the Corporate Identification Number (CIN) of the Company has been changed to U65922PN2004PLC208751.
- 15] Disclosure requirements for large corporates as per SEBI circular SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018 has been made to the stock exchanges and is enclosed as Annexure.
- 16] The above financial results have been prepared in compliance with the Regulation 52 of SEBI (Listing Obligations and Disclosures Requirement) 2015 as amended.
- 17] 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)

MANISH  
JAISWAL

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JAISWAL  
Date: 2022-05-11 19:36:27  
+05'30"

**Manish Jaiswal**

*Managing Director & Chief Executive Officer*  
DIN: 07859441

Place : Pune  
Date : 11 May 2022

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

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**Walker Chandiok & Co LLP**

10C Hungerford Street,  
5th Floor, Kolkata,  
West Bengal - 700017  
India

T +91 33 4050 8000  
F +91 33 4050 8000

## **Independent Auditor's Report on Annual Financial Results of the Company Pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

**To the Board of Directors of Magma Housing Finance Limited**

### **Opinion**

1. We have audited the accompanying annual financial results ('the Statement') of **Magma Housing Finance Limited** ('the Company') for the year ended 31 March 2021, 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'), including relevant circulars issued by SEBI from time to time.
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - a. presents financial results in accordance with the requirements of Regulation 52 of the Listing Regulations, and
  - b. gives a true and fair view in conformity with the applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with relevant rules issued thereunder, and other accounting principles generally accepted in India, of the net profit after tax and other comprehensive income and other financial information of the Company for the year ended 31 March 2021.

### **Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statement section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion.

# Walker Chandiok & Co LLP

## Magma Housing Finance Limited

### Independent Auditor's Report on Annual Financial Results of the Company Pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (cont'd)

#### Emphasis of Matter

4. We draw attention to Note 6 of the accompanying Statement, which describes the uncertainty relating to the effects of Covid-19 pandemic on the Company's operations and the impact on the appropriateness of impairment losses recognised towards the loan assets outstanding as at 31 March 2021. Our opinion is not modified in respect of this matter.

#### Responsibilities of Management and Those Charged with Governance for the Statement

5. This Statement has been prepared on the basis of the annual audited financial statements and has been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income and other financial information of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India, and in compliance with Regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
6. In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### Auditor's Responsibilities for the Audit of the Statement

8. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing, specified under section 143(10) of the Act, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.
9. As part of an audit in accordance with the Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has in place an adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls.

# Walker Chandiok & Co LLP

## Magma Housing Finance Limited

### Independent Auditor's Report on Annual Financial Results of the Company Pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (cont'd)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
  - Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### Other Matter

12. The Statement includes the financial results for the half year ended 31 March 2021, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited figures for the half year ended 30 September 2020, which were subject to limited review by us. Our opinion is not modified in respect of this matter.

#### For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013

VIKRAM

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DHANANIA

Date: 2021.05.24  
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Vikram Dhanania

Partner

Membership No. 060568

UDIN: 21060568AAAACA1229

Place: Kolkata

Date: 24 May 2021

**MAGMA HOUSING FINANCE LIMITED**  
**Statement of Audited Financial Results for the Half Year and Year Ended 31 March 2021**

₹ in lacs

Particulars	Half Year Ended		Year Ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	(Unaudited) (Refer note 4)	(Unaudited) (Refer note 4)	(Audited)	(Audited)
1. <b>Revenue from operations</b>				
(a) Interest income	21,220.58	16,421.94	40,465.57	30,553.18
(b) Fees and commission income	803.47	665.19	1,115.25	1,213.43
(c) Net gain on fair value changes	-	-	-	-
(d) Net gain on de-recognition of financial instruments	5,127.67	1,094.03	5,127.67	3,074.39
<b>Total revenue from operations</b>	<b>27,151.72</b>	<b>18,181.16</b>	<b>46,708.49</b>	<b>34,841.00</b>
(e) Other income	425.95	440.36	545.84	795.65
<b>Total revenue</b>	<b>27,577.67</b>	<b>18,621.52</b>	<b>47,254.33</b>	<b>35,636.65</b>
2. <b>Expenses</b>				
(a) Finance costs	11,798.53	9,528.18	22,585.84	17,668.95
(b) Net loss on fair value changes	69.63	232.08	95.58	225.13
(c) Impairment on financial instruments	11,431.25	1,856.89	12,936.63	2,174.26
(d) Employee benefits expense	3,701.67	3,360.50	7,038.28	6,997.57
(e) Depreciation and amortisation expense	123.74	60.54	186.69	110.62
(f) Other expenses	1,799.93	1,515.73	2,975.52	3,031.56
<b>Total expenses</b>	<b>28,924.75</b>	<b>16,553.92</b>	<b>45,818.54</b>	<b>30,208.09</b>
3. <b>Profit/ (Loss) before tax (1-2)</b>	<b>(1,347.08)</b>	<b>2,067.60</b>	<b>1,435.79</b>	<b>5,428.56</b>
4. <b>Tax expense</b>				
(a) Current tax	770.05	(614.50)	1,179.79	494.15
(b) Deferred tax	(1,096.51)	813.36	(832.91)	669.57
<b>5. Profit/ (Loss) for the period/year (3-4)</b>	<b>(1,020.62)</b>	<b>1,868.74</b>	<b>1,088.91</b>	<b>4,264.84</b>
6. <b>Other comprehensive income</b>				
(a) (i) Items that will not be reclassified to profit or loss	(2.39)	4.12	9.96	(1.01)
(ii) Income tax relating to items that will not be reclassified to profit or loss	0.60	(1.05)	(2.51)	0.44
(b) (i) Items that will be reclassified to profit or loss	333.51	569.65	371.56	(653.63)
(ii) Income tax relating to items that will be reclassified to profit or loss	(83.93)	(213.70)	(93.51)	142.52
<b>Total other comprehensive income</b>	<b>247.79</b>	<b>359.02</b>	<b>285.50</b>	<b>(511.68)</b>
7. <b>Total comprehensive income for the period/year (5+6)</b>	<b>(772.83)</b>	<b>2,227.76</b>	<b>1,374.41</b>	<b>3,753.16</b>
8. <b>Paid-up equity share capital (face value of ₹ 10/- each)</b>	16,582.99	16,582.99	16,582.99	16,582.99
9. Earnings per share				
(a) Basic (in ₹)	(0.62)	1.25	0.66	2.87
(b) Diluted (in ₹)	(0.61)	1.23	0.65	2.82

**MAGMA HOUSING FINANCE LIMITED**
**Statement of Audited Financial Results for the Half Year and Year Ended 31 March 2021**
**Balance Sheet as at 31 March 2021**

<b>Particulars</b>		<b>₹ in lacs</b>	
		<b>As at</b>	<b>As at</b>
		<b>31 March 2021</b>	<b>31 March 2020</b>
		<b>(Audited)</b>	<b>(Audited)</b>
<b>A.</b>	<b>ASSETS</b>		
1.	<b>Financial Assets</b>		
	(a) Cash and cash equivalents	9,300.64	110.49
	(b) Other bank balances	7,080.19	5,881.24
	(c) Loans	280,701.58	237,834.04
	(d) Other financial assets	12,990.02	7,866.21
	<b>Total Financial Assets</b>	<b>310,072.43</b>	<b>251,691.98</b>
2.	<b>Non-financial Assets</b>		
	(a) Current tax assets (net)	759.26	579.16
	(b) Property, plant and equipment	101.13	126.28
	(c) Intangible assets under development	-	108.46
	(d) Other intangible assets	185.45	57.96
	(e) Right of use assets	724.71	449.27
	(f) Assets held for sale	364.70	364.71
	(g) Other non-financial assets	1,152.70	1,989.56
	<b>Total Non-financial Assets</b>	<b>3,287.95</b>	<b>3,675.40</b>
	<b>Total Assets</b>	<b>313,360.38</b>	<b>255,367.38</b>
<b>B.</b>	<b>LIABILITIES AND EQUITY</b>		
	<b>Liabilities</b>		
1.	<b>Financial Liabilities</b>		
	(a) Payables		
	(I) Trade payables		
	(i) total outstanding dues of micro enterprises and small enterprises	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	951.50	539.21
	(II) 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	1,603.71	1,339.94
	(b) Debt securities	45,998.84	5,491.93
	(c) Borrowings (Other than debt securities)	198,243.33	182,848.31
	(d) Subordinated Liabilities	9,949.86	9,939.18
	(e) Lease liability	789.14	486.15
	(f) Other financial liabilities	3,823.05	4,597.62
	<b>Total Financial Liabilities</b>	<b>261,359.43</b>	<b>205,242.34</b>
2.	<b>Non-Financial Liabilities</b>		
	(a) Provisions	172.90	98.47
	(b) Deferred tax liabilities (net)	628.87	1,365.76
	(c) Other non-financial liabilities	1,514.26	602.37
	<b>Total Non-Financial Liabilities</b>	<b>2,316.03</b>	<b>2,066.60</b>
3.	<b>Equity</b>		
	(a) Equity share capital	16,582.99	16,582.99
	(b) Other equity	33,101.93	31,475.45
	<b>Total equity</b>	<b>49,684.92</b>	<b>48,058.44</b>
	<b>Total Liabilities and Equity</b>	<b>313,360.38</b>	<b>255,367.38</b>

**MAGMA HOUSING FINANCE LIMITED**  
**Statement of Audited Financial Results for the Half Year and Year Ended 31 March 2021**

**Notes :**

- 1] The above audited financial results have been reviewed by the Audit Committee and approved by the Board of Directors of Magma Housing Finance Limited ('the Company') at their respective meetings held on 24 May 2021.
- 2] The audited 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 by the Companies (Indian Accounting Standards) (Amendment) Rules, 2016.
- 3] The Statutory Auditors have audited the financial statements for the year ended 31 March 2021 and have issued an unmodified opinion thereon. The information presented above is extracted from the audited financial statements as stated.
- 4] The figures for the half-year ended 31 March 2021 and 31 March 2020 are the balancing figures between the audited figures in respect of full financial year ended 31 March 2021 and 31 March 2020 respectively and the published half-year ended 30 September 2020 and 30 September 2019 respectively, which were subject to limited review by the statutory auditors.
- 5] During the half year ended 31 March 2021, the Nomination and Remuneration Committee of the Board has granted 12,00,000 options to the eligible employees at an exercise price of ₹ 58.39 per share under Magma Housing - Employee Stock Option Plan 2018.
- 6] **Covid 19 Wave 1:**
  - In accordance with the Reserve Bank of India (RBI) COVID-19 Regulatory Package announced on 27 March 2020, 17 April 2020 and 23 May 2020 and the Board approved moratorium policy, the Company offered moratorium on payment of all installments and / or interest, as applicable, falling due between 1 March 2020 and 31 August 2020 to eligible borrowers as per the Company's policy. For all loans where moratorium was availed by the borrowers, the Company had kept ageing of such loans and their asset classification at standstill during the moratorium period. The Company's business was adversely impacted during the period of lockdown in March-June 2020 period, and the impact continued for some time even subsequently.

There was an adverse impact of COVID on the credit loss incurred by the Company for the year ended March 2021. This being first such incident, the impact was additionally factored in our books of accounts by stressing the Expected Credit Loss (ECL) parameters, where required. At the end of March 2021, the impact of COVID on our estimate of credit losses has become part of the ECL model and has already been included in the overall provisions.

**Covid 19 Wave 2:**

- The COVID wave 2 induced significant rise in infections and death cases including spread in hinterland tier towns and resulting lockdowns that have caused disturbance in the overall operations and impacted the collections from the existing customers of the Company and once again disturbed the operations of the Company significantly. It may lead to higher credit losses and worsening of portfolio quality. Further, the management expects muted response on the recent restructuring guidelines announced by RBI on 6 May 2021, requiring physical connect with the customers, which is not feasible until the lockdowns are lifted. It will result in flow forwards of cases to higher buckets during lock down periods in the subsequent first quarter and will take time thereafter to return to normalcy thereby causing significant increase in credit risk.

In view of above, the management has taken a conservative stand and decided to implement a stricter write off policy of NPA accounts and also provide additionally as on 31 March 2021 for credit losses that are likely on account of the second wave. Accordingly,

- (a) the Company has made an additional COVID provision of ₹ 4,429.80 lacs as at 31 March 2021. The Company holds cumulative provision against the potential impact of COVID-19 to the tune of ₹ 5,090.54 lacs (₹ 735.34 lacs as on 31 March 2020) and the management is confident of the adequacy of the same to counter the impact of second wave on the entire loan portfolio.
- (b) The Company has also moved to more stringent write off policy at 730+ days past due (dpd) on all contracts and has charged-off ₹ 881.30 lacs (net of provision ₹ 584.47 lacs) during the half year ended and year ended 31 March 2021. The recovery efforts will nonetheless continue and any recoveries made out of written off contracts will be treated as income in the subsequent quarters in line with the applicable accounting policies.

Had the Company had not moved to more stringent write off at 730+ dpd and not taken the additional Covid provision impact, the profit before tax and profit after tax for the year ended 31 March 2021 would have been ₹ 6,375.46 lacs and ₹ 4,835.18 lacs respectively.

The Company has been duly servicing its debt obligations. The Company's capital and liquidity position remains sufficient and would continue to be the focus area for the Company; accordingly, the Company does not expect a stress on its liquidity situation in the immediate future.

- 7] In view of the Hon'ble Supreme Court of India interim order dated September 03, 2020 (PIL by Gajendra Sharma Vs Union of India & ANR), no additional borrower accounts were classified as impaired (Non-Performing Assets ("NPA")), which were not declared non-performing till 31 August 31 2020. Basis the said interim order, the Company has not classified any additional borrower account as NPA as per RBI or other regulatory prescribed norms, after 31 August 2020 which was not NPA as of 31 August 2020. The interim order granted to not declare accounts as NPA stood vacated on 23 March 2021. In accordance with the instructions in paragraph 5 of the RBI circular dated April 07, 2021 issued in this connection, the Company has complied with the asset classification of borrower accounts as per extant RBI instructions/IRAC norms.
- 8] In accordance with the instructions vide RBI circular dated April 07 2021, and the Indian Banks' Association ('IBA') advisory letter dated 19 April 2021, the Company has put in place a Board approved policy to refund / adjust the 'interest on interest' charged to borrowers during the moratorium period i.e., 1 March 2020 to 31 August 2020. The Company has estimated the said amount and made a provision in the financial statements for the year ended 31 March 2021.
- 9] 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.
- 10] As per Regulation 54(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), debentures are secured by first charge ranking pari-passu with each other on the Company's book debts and loan instalment receivables along with mortgage created over the immovable property. The total asset cover is hundred percent or above of the principal amount of the said debentures.
- 11] During the year, 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 6 August 2020

(i) Disclosure as per format prescribed under notification no. RBI/2020-21/16 DOR No.BP BC/3/21/04/048/2020-21 for the year ended 31 March 2021

₹ In lacs

Type of borrower	(A)	(B)	(C)	(D)	(E)
	Number of accounts where resolution plan has been implemented under this window	exposure to accounts mentioned at (A) before implementation of the plan	Of (B), aggregate amount of debt that was converted into other securities	Additional funding sanctioned, if any, including between invocation of the plan and implementation	Increase in provisions on account of the implementation of the resolution plan***
Personal Loans	884	10,783.51	-	-	666.74
Corporate persons*	-	-	-	-	-
Of which, MSMEs	282	2,883.64	-	-	184.88
Others	-	-	-	-	-
Total	884	10,783.51	-	-	666.74

**MAGMA HOUSING FINANCE LIMITED**  
**Statement of Audited Financial Results for the Half Year and Year Ended 31 March 2021**

(ii) Disclosure as per format prescribed under notification no. RBI/2020-21/17 DOR No.BP.BC/4/21.04.048/2020-21 (for restructuring of accounts of Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances having exposure less than or equal to ₹ 25 crores) for the year ended 31 March 2021.

No. of accounts restructured	Amount (₹ in lacs)
282	3,841.52**

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

\*\* This figure represents amount outstanding as on 31 March 2021.

\*\*\* Includes management's overlay.

- 12] Disclosure requirements for large corporates as per SEBI circular SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018 has been made to the stock exchanges and is enclosed as Annexure.
- 13] The Company had made an application to the RBI seeking their prior approval in relation to the 'change in control' pursuant to the proposed acquisition of control of Magma Fincorp Limited ('MFL' or 'the Holding Company') by Rising Sun Holdings Private Limited ('RSHPL') which has since been approved by RBI. MFL has completed the allotment of its shares to RSHPL and existing promoters and the open offer process, pursuant to which the Company is now a step-down subsidiary of RSHPL.
- 14] The Indian Parliament 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 became effective.

Place : Mumbai  
Date : 24 May 2021

**Manish Jaiswal**   
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by Manish Jaiswal  
Date: 2021.05.24  
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**Manish Jaiswal**  
*Managing Director & Chief Executive Officer*  
DIN: 07859441

Registered Office : Development House, 24, Park street, Kolkata - 700016  
CIN : U65922WB2004PLC229849 ; Website : <http://www.magmahfc.co.in>

**ANNEXURE – VIII**  
**RELATED PARTY TRANSACTIONS**

**Related party disclosures**

Information on related party transactions as required by Ind AS - 24 - Related Party Disclosures are as follows :

(a) List of related parties with whom transactions have been entered

(i) Parties where control exists

Name of the related party	Nature of Relationship	Country of incorporation	% of holding as on 31 Mar 2023	% of holding as on 31 Mar 2022
(a) Rising Sun Holdings Pvt Ltd.	Ultimate Holding Company	India		
(b) Poonawalla Fincorp Limited (Formerly Known as Magma Fincorp Limited)	Holding Company	India	99.02%	99.22%

(ii) Subsidiary of holding company to which Company is also a subsidiary

Poonawalla Finance Private Limited

(iii) Entities Under Common Control

Magma HDI General Insurance Company Limited <sup>1</sup>

(iv) Director & Key management personnel

Name of the related party	Nature of Relationship
Adar Poonawalla	Chairman & Non-Executive Director (w.e.f 08.07.2021)
Manish Jaiswal	Managing Director and Chief Executive Officer
Bhama Krishnamurthy	Non Executive Independent Director (w.e.f 24.05.2021)
Prabhakar Ramchandra Dalal	Non Executive Independent Director (w.e.f 24.05.2021)
Amar Deshpande	Non Executive Director (w.e.f 20.07.2021)
Pankaj Mahesh Kumar Rathi	Chief Financial Officer (w.e.f. 01.07.2021)
Priti Saraoji	Company Secretary (up to 05.04.2023)
Sajid Fazalbhoy	Non Executive Independent Director (w.e.f. 24.05.2021 up to 14.01.2022)
Sanjay Channa	Non Executive Director (up to 23.11.2021)
Raman Uberoi	Non Executive Independent Director (up to 09.06.2021)
Deena Mehta	Non Executive Independent Director (up to 09.06.2021)
Abhay Bhutada	Non-Executive Director( w.e.f. 08.07.2021 and up to 16.09.2021)
Ajay Arun Tendulkar	Chief Financial Officer (up to 30.06.2021)

(b) Transactions with related parties

Name of the party	Nature of transaction	Year ended 31 March 2023	Year ended 31 March 2022
(i) Holding Company			
Poonawalla Fincorp Limited (Formerly Magma Fincorp Limited)	Common cost allocation (expense)	5.47	12.67
	Inter Corporate Loan taken	-	250.00
	Inter Corporate Loan refunded	-	250.00
	Equity Share Capital	-	83.99
	Share Premium	-	416.01
	Interest paid on Inter Corporate Loan taken	-	0.65
	Direct Assignment Servicing Fees received	0.21	0.26
(ii) Subsidiary of holding company to which Company is also a subsidiary			
Poonawalla Finance Private Limited	Advance given for Assets Purchase	-	0.88
	Advance adjusted for Assets Purchase	-	0.88
(iii) Entities Under Common Control			
Magma HDI General Insurance Company Limited <sup>1</sup>	Advance recoverable	8.78	14.10
	Premium adjusted against advance given <sup>3</sup>	15.32	10.33
	Advance Insurance premium paid (Including Mediclaim)	0.88	0.30
	Claim Received (Mediclaim)	-	0.13
	Premium for Employees Mediclaim <sup>4</sup>	2.69	1.91
(iv) Director & Key management personnel			
Manish Jaiswal <sup>2,5</sup>	Directors' remuneration	4.05	4.23
	Equity Share Capital	0.49	1.97
Pankaj Rathi <sup>5</sup>	Salary	1.52	0.49
Priti Saraoji <sup>5</sup>	Salary	0.27	0.25
Ajay Arun Tendulkar	Salary	-	0.26
All KMPs	Mediclaim paid recoverable	-	0.01
Adar Poonawalla	Sitting Fees	0.01	0.03
Amar Deshpande	Sitting Fees	0.25	0.16
Bhama Krishnamurthy	Sitting Fees	0.23	0.17
Prabhakar Ramchandra Dalal	Sitting Fees	0.22	0.18
Deena Asit Mehta	Sitting Fees	-	0.02
Raman Uberoi	Sitting Fees	-	0.02
Sajid Fazalbhoy	Sitting Fees	-	0.08
Abhay Bhutada	Sitting Fees	-	0.02
(v) Others			
Celica Developers Private Limited (CDPL) <sup>6</sup>	Interest income	-	2.70
	Repayment of loan	-	24.45

(c) Balances with related parties

Name of the party	Nature of balance	Year ended 31 March 2023	Year ended 31 March 2022
(i) Holding Company			
Poonawalla Fincorp Limited (Formerly Magma Fincorp Limited)	Collection fees receivable	0.01	0.02
(ii) Entities Under Common Control			
Magma HDI General Insurance Company Limited <sup>1</sup>	Loans and advances given	0.08	6.62
	Premium for Employees Mediclaim	2.69	
	Insurance Premium for policies underwritten	0.06	-

(d) Compensation of key Managerial Personnel	Year ended 31 March 2023	Year ended 31 March 2022
Short-term employee benefits (including remuneration)	5.76	5.18
Post-employment benefits <sup>5</sup>	0.09	0.05

<sup>1</sup> MHDI ceased to be a Joint Venture of PFL w.e.f. 09.06.2022, however MHDI continues to be related party of the Company as per IND AS.

<sup>2</sup> Share application money received on 29.06.2022, the allotment for which was approved by the Nomination & Remuneration Committee (NRC) on 13.07.2022. The remuneration excludes perquisites value of ₹ 3.05 crores (FY 22- ₹ 9.77 crores) on account of 4,93,333 no (FY 22- 19,73,333 no) of Restricted Stock Options exercised during the year

<sup>3</sup> Includes advance refunded of Rs 7.70 crores

<sup>4</sup> Premium amount was paid on 31.03.2023, policy effective from 01.04.2023

<sup>5</sup> As provisions for gratuity and leave benefits are made for the company as a whole, the amount pertaining to key management personnel is not specifically identified and hence are not included above Further KMP remuneration excludes all provisions

<sup>6</sup> Celica Properties Private Limited (CPPL) ceased to be a related party w.e.f. 09.06.2020. CPPL had provided its underlying property for one of the loans to CDPL as security provider. The said loan has been repaid by CDPL on 10.11.2021.

**Magma Housing Finance Limited**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amounts in ₹ lacs, unless otherwise stated)

**Related party disclosures**

Information on related party transactions as required by Ind AS - 24 - Related Party Disclosures are as follows :

**(a) List of related parties**

**(i) Parties where control exists**

Name of the related party	Nature of Relationship	Country of incorporation	% of holding as on	
			31 March 2021	31 March 2020
Magma Fincorp Limited	Holding Company	India	100%	100%

**(ii) Joint venture of Holding Company**

Magma HDI General Insurance Company

**(iii) Key management personnel**

Name of the related party	Nature of Relationship
Sanjay Chamria	Chairman, Non Executive Director
Manish Jaiswal	Managing Director and Chief Executive Officer
Kailash Baheti	Director (upto 09.06.2020)
Mayank Poddar	Non Executive Independent Director (upto 09.06.2020)
Mamta Binani	Non Executive Independent Director (upto 27.03.2020)
Raman Uberoi	Non Executive Independent Director (w.e.f 20.03.2020)
Deena Mehta	Non Executive Independent Director (w.e.f 20.03.2020)
Satya Brata Ganguly	Non Executive Director (upto 12.07.2020)
Ian Gerard Desouza	Chief Financial Officer (upto 30.06.2020)
Ajay Arun Tendulkar	Chief Financial Officer (w.e.f 01.07.2020)
Priti Saraoji	Company Secretary

**(iv) Other related parties - With whom transactions have been taken place during the year**

Name of the related party	Nature of Relationship
CLP Business LLP	LLP in which Director is a Designated partner (upto 09.06.2020)
Celica Developers Private Limited	Private Company in which Director is Member or Director
Moh Jaiswal	Relative of Key Managerial Personnel

**(b) Transactions with related parties**

Name of the party	Nature of transaction	Year ended 31 March 2021	Year ended 31 March 2020
<b>(i) Holding Company</b>			
Magma Fincorp Limited	Common cost allocation (expense)	1,262.39	1,163.50
	Loan taken	-	57,000.00
	Loan taken refunded	-	57,000.00
	Amount received towards share capital (including premium)	-	10,000.00
	Interest expense	-	683.87
	Sale of financial assets through direct assignment/Loan sold	-	22,946.51
	Collection & support fees	29.18	31.29
<b>(ii) Joint venture of holding company</b>			
Magma HDI General Insurance Company	Advance recoverable	1,137.86	1,347.89
	Adjustments of loans and advances given	1,153.28	1,165.91
	Insurance premium paid	30.93	-
<b>(iii) Key management personnel</b>			
Manish Jaiswal	Directors' remuneration	125.07	126.71
	Repayment of loan	258.88	4.91
	Installment received in advance	-	2.41
	Interest income	15.78	24.07
Ian Gerard Desouza	Remuneration	38.66	185.47
Ajay Arun Tendulkar	Remuneration	65.82	-
Priti Saraoji	Salary	11.04	11.04
All KMPs	Mediclaim paid recoverable	0.21	-
Mamta Binani	Sitting Fees	-	5.30
Satya Brata Ganguly	Sitting Fees	0.90	4.70
Deena Mehta	Sitting Fees	12.70	-
Raman Uberoi	Sitting Fees	8.80	-
<b>(iv) Others</b>			
Celica Developers Private Limited	Loan given	-	2,490.00
	Interest income	367.92	179.72
	Repayment of loan	40.57	94.65
CLP Business LLP	Rent expense	3.81	15.22
Moh Jaiswal	Repayment of loan received	216.26	3.30
	Installment Received in advance	-	1.95
	Interest income	13.20	20.07

**Magma Housing Finance Limited**

**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

(All amounts in ₹ lacs, unless otherwise stated)

**Related party disclosures (cont'd)**

**(c) Balances with related parties**

Name of the party	Nature of balance	As at 31 March 2021	As at 31 March 2020
<b>(i) Holding Company</b> Magma Fincorp Limited	Collection fees receivable	2,26	2.72
<b>(ii) Joint venture of holding company</b> Magma HDI General Insurance Company	Loans and advances given	284.03	299.46
<b>(iii) Key management personnel</b> Manish Jaiswal	Loan given Installment received in advance	- -	258.88 2.41
<b>(iv) Others</b> Celica Developers Private Limited CLP Business LLP Moh Jaiswal	Loan given Security deposit given Loan given Installment received in advance	2,444.60 NA - -	2,395.35 6.45 216.26 1.95

<b>(d) Compensation of key managerial personnel</b>	Year ended 31 March 2021	Year ended 31 March 2020
Short-term employee benefits (including remunerations)	236.44	318.34
Post-employment benefits	4.15	4.87

\*As provisions for gratuity and leave benefits are made for the Company as a whole, the amount pertaining to key management personnel are not specifically identified and hence are not included above;

*This space has been intentionally left blank*

**ANNEXURE – IX**

**ALM STATEMENTS AS ON MARCH 31, 2023**

## **PART-1: STATEMENT OF STRUCTURAL LIQUIDITY AS ON PERIOD ENDING**

## **PART-1: STATEMENT OF STRUCTURAL LIQUIDITY AS ON PERIOD ENDING**

**PART-1: STATEMENT OF STRUCTURAL LIQUIDITY AS ON PERIOD ENDING**

RESIDUAL MATURITY	1 day to 7 days	8 days to 14 days	15 days to 30/31 days (one month)	Over one month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years and upto 5 years	Over 5 years	Total
i) All installments of principal falling due during the next five years as also all overdues	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	198.28
ii) Entire principal amount due beyond the next five years	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	198.28
<b>7. Inflows from assets on lease</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>8. fixed assets (excluding assets on lease)</b>	17.29	16.45	37.60	70.51	211.53	432.41	1552.03	1076.39	2807.30	6332.02	
<b>9. Other assets :</b>	<b>4394.76</b>	<b>0.00</b>	<b>416.51</b>	<b>4909.64</b>	<b>4854.89</b>	<b>14117.28</b>	<b>26847.86</b>	<b>84609.00</b>	<b>59032.46</b>	<b>112574.20</b>	<b>311756.60</b>
(a) Intangible assets and items not representing cash inflows.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	433.03
(b) Other items (such as accrued income, other receivables, staff loans, etc.)	4394.76	0.00	381.70	4909.64	4854.89	14117.28	26811.47	84485.21	54503.88	112141.17	306600.00
C) Others (Please specify, if any)	0.00	0.00	34.81	0.00	0.00	0.00	36.39	123.79	4528.58	0.00	4723.57
<b>10. Lines of credit committed by other institutions (inflows)</b>	20000.00	10000.00	14000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	44000.00
11.Bills rediscounted (inflow)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12.Inflows on account of forward exchange contracts, dollar/rupee swaps, (sell/buy)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13.Others (Please specify, if any)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	480.97	759.98	0.00	1006.16
<b>(B) TOTAL INFLOWS</b>	<b>35673.15</b>	<b>10016.45</b>	<b>2896.41</b>	<b>12133.05</b>	<b>16808.40</b>	<b>33464.48</b>	<b>79797.15</b>	<b>219393.42</b>	<b>16176.33</b>	<b>346255.04</b>	<b>944203.88</b>
<b>C. Mismatch (B-A)</b>	<b>34707.31</b>	<b>9755.32</b>	<b>1438.28</b>	<b>-1090.26</b>	<b>-14782.63</b>	<b>2711.49</b>	<b>-5032.14</b>	<b>-14691.87</b>	<b>8964.71</b>	<b>153971.05</b>	<b>175951.26</b>
<b>D. Cumulative mismatch</b>	<b>34707.31</b>	<b>44462.63</b>	<b>44810.65</b>	<b>30028.02</b>	<b>32739.51</b>	<b>27707.37</b>	<b>13015.50</b>	<b>21980.21</b>	<b>175951.26</b>	<b>351902.52</b>	
<b>E. Mismatch as % to Outflows (C as % of A)</b>	<b>3593.48%</b>	<b>3735.81%</b>	<b>5.23%</b>	<b>-8.24%</b>	<b>-46.79%</b>	<b>8.82%</b>	<b>-5.93%</b>	<b>-6.28%</b>	<b>5.87%</b>	<b>80.07%</b>	<b>22.90%</b>
<b>F. Cumulative Mismatch as % to Cumulative Outflows (D as % to A)</b>	<b>3593.48%</b>	<b>3623.77%</b>	<b>159.74%</b>	<b>106.80%</b>	<b>40.83%</b>	<b>31.39%</b>	<b>14.65%</b>	<b>3.08%</b>	<b>3.82%</b>	<b>22.90%</b>	<b>15.94%</b>

**ANNEXURE – X**

**IN-PRINCIPLE APPROVAL OF THE BSE**

DCS/COMP/PG/IP-PPDI/113/23-24

June 12, 2023

**Poonawalla Housing Finance Limited**  
602, 6th Floor, Zero One IT Park  
Survey No. 79/1, Ghorapadi  
Mundhwa Road, Pune 411036

Dear Sir/Madam

**Re: Private Placement Of 30,000 Secured, Rated, Listed, Redeemable, Non-Convertible Debentures Of A Face Value Of Rs.1 Lakh Each For Cash At Par, With A Base Issue Size Of Rs.200 Crore, And A Green Shoe Option Of Rs.100 Crore, Aggregating To Total Issue Size of Rs.300 Crore Series I**  
**And (II) 20,000 Secured, Rated, Listed, Redeemable, Non-Convertible Debentures Of Face Value Of Rs.1 Lakh Each For Cash At Par, With A Base Issue Size Of Rs.100, And A Green Shoe Option Of Rs.100 Crore, Aggregating To Total Issue Size of Rs.200 Crore Series II Debentures And Complete Issue Size Aggregating to Rs.500 Crores (The Issue)**

We acknowledge receipt of your application on the online portal on June 12, 2023 seeking In-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant In-principle approval for listing of captioned security subject to fulfilling the following conditions at the time of seeking listing:

1. Filing of listing application.
2. Payment of fees as may be prescribed from time to time.
3. Compliance with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder and also Compliance with provisions of Companies Act 2013.
4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.
5. Compliance with change in the guidelines, regulations, directions, circulars of the Exchange, SEBI or any other statutory authorities, documentary requirements from time to time.
6. Compliance with below mentioned circular dated June 10, 2020 issued by BSE before opening of the issue to the investors.:  
<https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20200610-31>
7. Issuers, for whom use of EBP is not mandatory, specific attention is drawn towards compliance with Chapter XV of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and BSE Circular No 20210519-29 dated May 19, 2021. Accordingly, Issuers of privately placed debt securities in terms of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 or ILDM Regulations for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any

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one of the EBPs within one working day of such issuance. The details can be uploaded using the following links [Electronic Issuance - Bombay Stock Exchange Limited \(bseindia.com\)](#).

8. It is advised that Face Value of NCDs issue through private placement basis should be kept as per Chapter V of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and SEBI Circular No. SEBI/HO/DDHS/P/CIR/2022/00144 dated October 28, 2022.

9. *Issuers are hereby advised to comply with signing of agreements with both the depositories as per Regulation 7 of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.*

10. *Company is further requested to comply with SEBI Circular SEBI/HO/DDHS/DDHS-RACPOD1/CIR/P/2023/56 dated April 13, 2023, (if applicable) read along with BSE Circular <https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20230428-18> and ensure compliance of the same.*

This In-Principle Approval is valid for a period of 1 year from the date of issue of this letter or period of 1 year from the date of opening of the first offer of debt securities under the shelf placement memorandum, which ever applicable. The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

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Yours faithfully,

For BSE Limited

Mangesh Tayde  
Deputy General Manager

Raghavendra Bhat  
Associate Manager

DCS/COMP/PG/IP-PPDI/113/23-24

June 12, 2023

**Poonawalla Housing Finance Limited**  
602, 6th Floor, Zero One IT Park  
Survey No. 79/1, Ghorapadi  
Mundhwa Road, Pune 411036

Dear Sir/Madam

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**And (II) 20,000 Secured, Rated, Listed, Redeemable, Non-Convertible Debentures Of Face Value Of Rs.1 Lakh Each For Cash At Par, With A Base Issue Size Of Rs.100, And A Green Shoe Option Of Rs.100 Crore, Aggregating To Total Issue Size of Rs.200 Crore Series II Debentures And Complete Issue Size Aggregating to Rs.500 Crores (The Issue)**

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4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.
5. Compliance with change in the guidelines, regulations, directions, circulars of the Exchange, SEBI or any other statutory authorities, documentary requirements from time to time.
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<https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20200610-31>
7. Issuers, for whom use of EBP is not mandatory, specific attention is drawn towards compliance with Chapter XV of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and BSE Circular No 20210519-29 dated May 19, 2021. Accordingly, Issuers of privately placed debt securities in terms of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 or ILDM Regulations for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any

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9. *Issuers are hereby advised to comply with signing of agreements with both the depositories as per Regulation 7 of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.*

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Yours faithfully,

For BSE Limited

Mangesh Tayde

Deputy General Manager

Raghavendra Bhat  
Associate Manager