

Date:28/01/2022

To,
BSE Limited
PhirozeJeejeebhoy Towers,
Dalal Street, Mumbai-400001 (Maharashtra)

Subject: Outcome of Board Meeting held on January 28, 2022

Dear Sir/Madam,

Pursuant to the provisions of the Regulation 51 & 52 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), this is to inform you that the Board of Directors of the Company ("Board") at their Meeting held on **Friday, January 28, 2022** has inter alia transacted the following:

1. Approved the Unaudited Financial Results of the Company for the quarter and nine months ended December 31, 2021 and took on record the Limited Review Report thereon as received from Statutory Auditors of the Company, M/s. S.N. Dhawan & Co. LLP, Chartered Accountants. The same is enclosed herewith along with the disclosures for the Quarter ended on December 31, 2021 as required in accordance with Regulation 52 and 54 of SEBI LODR Regulations as an **Annexure**;
2. Approved to increase the existing Authorized Share Capital of the Company from Rs. 111,00,00,000/- (Rupees One Hundred and Eleven Crores Only) divided into 60,00,000 (Sixty Lakh) Equity shares of Rs.10/- (Rupees Ten only) each and 1,05,00,000 (One Crore and Five Lakh) Preference Shares of Rs. 100/- (Rupees One Hundred only) each to Rs. 1,41,00,00,000/- (Rupees One hundred and forty one crore Only) divided into 60,00,000 (Sixty lakh) Equity shares of Rs.10/- (Rupees Ten only) each and 1,35,00,000 (One crore and thirty five lakh) Preference Shares of Rs. 100/- (Rupees One hundred only) each, by creating additional 30,00,000 (Thirty lakh) Preference Shares of 100/- (Rupees Hundred only) each, subject to approval of Shareholders of the Company.

Please note that the Board Meeting commenced at 01:40 PM (IST) and concluded at 02:29 PM (IST).

We request you to take the above information on record.

Thanking You,

Yours Sincerely,

For **Finova Capital Private Limited**



Jaikishan Premani

Company Secretary & Compliance Officer

M. No.: A42043

Encl: a/a



FINOVA CAPITAL PVT. LTD.

CIN : U65993RJ2015PTC048340

Regd. Office : 702, Seventh Floor, Unique Aspire, Plot No.13-14, Cosmo Colony, Amrapali Marg, Vaishali Nagar, Jaipur - 302021

Corp. Office : Fourth Floor, Unique Aspire, Plot No. 13-14, Cosmo Colony, Amrapali Marg, Vaishali Nagar, Jaipur - 302021

Tel.: 0141-4118202, www.finova.in, E-mail : info@finova.in

Independent Auditor's Limited review report on unaudited quarterly and nine months ended financial results of Finova Capital Private Limited under Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of Finova Capital Private Limited

1. We have reviewed the accompanying statement of unaudited financial results of Finova Capital Private Limited ("the Company") for the quarter ended 31 December, 2021 and nine months ended 31 December, 2021 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 52 of the Securities and Exchange Board of India ("the SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant Rules issued thereunder; and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. Our responsibility is to issue a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the Company's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Ind AS and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the Listing Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Note 9 of the Statement with respect to the management's evaluation of COVID-19 pandemic impact on the future performance of the Company. This assessment and outcome of the pandemic is made by management and is highly dependent on the circumstances as they evolve in the subsequent periods. Our conclusion is not modified in respect of this matter.



Other Matter

6. The comparative financial information of the Company for the corresponding nine months period ended 31 December, 2020 have not been subjected to limited review / audit and the financial statements of the Company for the year ended 31 March, 2021 were audited by predecessor auditor who expressed an unmodified opinion on those financial statements on 1 June, 2021. Our conclusion is not modified in respect of this matter.

For **S.N. Dhawan & CO LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

Vinesh Jain

Vinesh Jain

Partner

Membership No.: 087701

UDIN No.: 22087701AAAABG2278



Place: Gurgaon

Date: 28 January, 2022

Statement of Financial Results for the quarter and nine month ended December 31, 2021
(All Amount in lakhs, except as stated otherwise)

S.No.	Particulars	Quarter ended December 31, 2021 (Unaudited)	Quarter ended September 30, 2021 (Unaudited)	Nine months ended December 31, 2021 (Unaudited)	Nine months ended December 31, 2020 (Unaudited)	Year ended March 31, 2021 (Audited)
A	Revenue from operations					
a)	Interest Income	4,442.54	4,045.84	12,278.85	8,083.79	11,684.93
b)	Fees and commission Income	168.09	103.95	336.95	264.57	548.17
c)	Net gain on fair value changes	51.24	162.31	227.23	83.67	270.98
	Total revenue from operations (A)	4,661.87	4,312.10	12,843.03	8,432.03	12,504.08
B	Other Income		1.33	1.33	8.12	5.44
	Total Income (A+B)	4,661.87	4,313.43	12,844.36	8,440.15	12,509.52
C	Expenses					
a)	Finance Costs	1,514.50	1,453.57	4,375.03	3,251.56	4,756.58
b)	Impairment on financial instruments	617.63	471.92	1,480.56	713.55	782.37
c)	Employee Benefits Expense	1,459.91	1,431.79	4,130.30	2,640.56	3,803.52
d)	Depreciation, amortization and impairment	65.13	59.27	171.88	79.42	172.94
e)	Other expenses	231.96	194.05	611.29	432.49	786.85
	Total Expenses (C)	3,889.13	3,610.60	10,769.06	7,117.58	10,302.26
D	Profit before tax (A+B-C)	772.74	702.83	2,075.30	1,322.57	2,207.26
E	Tax Expense:					
(1)	Current Tax	378.15	298.46	931.29	324.64	547.29
(2)	Deferred Tax	(191.60)	(123.52)	(420.52)	14.13	9.82
F	Profit for the period (D-E)	586.19	527.89	1,564.53	983.80	1,650.15
G	Other Comprehensive Income					
1)	Items that will not be reclassified to profit or loss					
(i)	Re-measurement of net defined benefit plans	2.54	(2.68)	(2.82)	(7.49)	7.86
2)	Income tax relating to items that will not be reclassified to profit and loss	0.65	(0.68)	(0.71)	(1.88)	2.01
H	Other Comprehensive Income (1-2)	1.88	(2.00)	(2.11)	(5.61)	5.85
I	Total comprehensive income for the period (F+H)	588.07	525.89	1,562.42	978.19	1,656.00
J	Earnings per equity share*					
	Basic (Rs.)	4.01	3.58	10.65	8.30	13.09
	Diluted (Rs.)	3.85	3.44	10.22	8.12	12.77
	Nominal value per share (Rs.)	10.00	10.00	10.00	10.00	10.00

* Not annualized for the quarter ended and nine month ended December 31, 2021, September 30, 2021 and December 31, 2020

Place: Jaipur
Date: January 28, 2022



For and on behalf of Board of Directors of
Finova Capital Private Limited
Mehit Sahney
Mehit Sahney
(Managing Director & CEO)
DIN: 07280918



Finova Capital Private Limited
CIN-U65993RJ2015PTC048340

Regd Office: 702; Seventh Floor, Unique Aspire, Plot No. 13-14 Cosmo Colony, Amrapali Marg, Vaishali Nagar, Jaipur, Rajasthan 302021 India
Tel:-0141-4118202 :Website:www.finova.in

Notes

- 1 Finova Capital Private Limited (the "Company") has prepared unaudited financial results (the "Statement") for the quarter and nine month ended December 31, 2021 in accordance with Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015") and the Accounting standards specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and the relevant provisions of the Companies Act, 2013, as applicable.
- 2 The above results have been reviewed by audit committee and approved by the Board of Directors at their meeting held on January 28, 2022, in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The above results are being filed with the Bombay stock exchange ("BSE") and is also available on the Company's website www.finova.in.

In compliance with Regulation 52 of the Securities Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, a limited review of financial results for the quarter and nine month ended December 31, 2021 has been carried out by the Statutory Auditors. The figures for the nine months ended December 31, 2020 is unaudited or not subject to limited review by auditors.

As per SEBI circular SEBI/HO/DOHS/CIR/2021/00000 00637 dated October 05, 2021, since the Company does not have the corresponding quarterly financial results for the quarter ended December 31, 2020, columns related to these corresponding figures for such quarter are not applicable and hence not disclosed.
- 3 The Company operates in a single reportable segment i.e. lending to retail customers having similar risks and returns for the purpose of Ind AS 108 on "Operating Segments". The Company operates in a single geographic segment i.e. domestic.
- 4 In terms of Requirement as per RBI notification no. RBI/2019-20/170 DOR(NBFC).CC.PD.NO.109/22.10.106/2019-20 dated March 13, 2020 on Implementation of Indian Accounting standards, Non-banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset classification and provisioning (IRACP) norms (including provision on Standard Asset). The impairment allowances under Ind AS 109 made by Company exceeds the total Provision required under IRACP (including Standard Asset provisioning), as at December 31, 2021 and accordingly no amount is required to be transferred to impairment reserve.
- 5 In accordance with Reserve Bank of India guidelines relating to CoVID-19 Regulatory package dated March 27, 2020 April 17, 2020 and May 23, 2020, the Company had offered moratorium on the payment of all instalments and/or interest, as applicable, falling due between March 1, 2020 to August 31, 2020 to all eligible borrowers. Further, the Company has not offered resolution plan to any of its customers pursuant to RBI's guideline "Resolution framework for COVID-19 related stress" and "Micro, Small and Medium Enterprises (MSME) sector – Restructuring of Advances" dated August 6, 2020.

Disclosure as per the format (Format A) prescribed under notification no. RBI/2020-21/16 DOR.NO.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 for the nine month ended December 31, 2021 for restructured loans are given below:

Type of Borrower	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 Provision on account of the implementation of the resolution plan (amount)
	(A)	(B)	(C)	(D)	(E)
Personal Loans	NIL	NIL	NIL	NIL	NIL
Business Loans	NIL	NIL	NIL	NIL	NIL
Small Business	NIL	NIL	NIL	NIL	NIL
Total	NIL	NIL	NIL	NIL	NIL

Disclosure as per the format (Format B) prescribed under notification no. RBI/2020-21/16 DOR.NO.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 for the nine month ended December 31, 2021 for restructured loans are given below:

Type of Borrower	Exposure to accounts classified as standard consequent to implementation of resolution plan-position as at the end of the previous nine-month (A)*	Of (A) aggregate debt that slipped into NPA during the nine-month	Of (A) amount written off during the nine-month	Of (A) amount paid by the borrowers during the nine-month	Exposure to accounts classified as standard consequent to implementation of resolution plan-position as at the end of this nine-month
	(A)	(B)	(C)	(D)	(E)
Personal Loans	NIL	NIL	NIL	NIL	NIL
Business Loans	NIL	NIL	NIL	NIL	NIL
Small Business	NIL	NIL	NIL	NIL	NIL
Total	NIL	NIL	NIL	NIL	NIL

- 6 The Company has restructured the accounts as per RBI circular circulars DBR.No.BP.BC.100/21.04.048/2017-18 dated February 07, 2018, DBR.No.BP.BC.108/21.04.048/2017-18 dated June 6, 2018, circular DBR.No.BP.BC.18/21.04.048/2018-19 dated January 1, 2019, circular DOR.No.BP.BC.34/21.04.048/2019-20 dated February 11, 2020 and DOR.No.BP.BC/4/21.04.048/2020-21 dated August 06, 2020

Particulars	December 31, 2021	March 31, 2021
Number of accounts restructured	83	-
Amount (Rs. In Lakhs)	548.18	-



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- 7 Disclosure as per format prescribed under notification number RBI/2021-22/31 DOR.STR.REC. 11/21.04.048/2021-2022 Dated May 5, 2021 for the nine month ended December 31, 2021 for the restructured loans are given below:

Sr No.	Particulars	Individual Borrowers		(Rs. In Lakhs)
		Personal Loans	Business Loans	Small Businesses
(A)	Number of requests received for invoking resolutions process	3	5	-
(B)	Number of accounts where resolution plan has been implemented under this window	3	5	-
(C)	Exposure to accounts mentioned at (B) before implementation of the plan (amount)	27.13	14.69	-
(D)	Of (C), aggregate amount of debt that was converted into other securities	-	-	-
(E)	Additional funding sanctioned, if any, including between invocation of the plan and implementation	-	-	-
(F)	Increase in Provision on account of the implementation of the resolution plan (amount)	2.71	1.47	-

- 8 During the nine-month period ended December 31, 2021,
- a. Under the Employees Stock Option Scheme (ESOP) 2020 ("ESOP 2020 Scheme"), under which the Company has granted 1,93,592 Options to its employees. The total outstanding options under ESOP 2020 Scheme as on December 31, 2021 are 1,91,342 (NIL as at March 31, 2021).
- b. Under the Employees Stock Option Scheme (ESOP) 2018 ("ESOP 2018 Scheme"), under which the Company has granted 76,542 Options to its employees. The total outstanding options under ESOP 2018 Scheme as December 31, 2021 are 1,94,892 (2,05,400 as at March 31, 2021).
- 9 Estimates and associated assumptions applied in preparing these financial results, especially for determining the impairment allowance for the Company's financial assets (Loans), are based on historical experience and other emerging/forward looking factors on account of the pandemic. The Company believes that the factors considered are reasonable under the current circumstances. The company has used estimation of potential stress on probability of default and exposure at default due to Covid-19 situation in developing the estimates and assumptions to assess the impairment loss allowance on loans. Given the dynamic nature of the pandemic situation, these estimates are subjects to uncertainty and may be affected by severity and duration of the pandemic. In the event, the impacts are more severe or prolonged than anticipated, this will have a corresponding impact on the carrying value of financial value of the financial assets, the financial position and performance of the Company.
- 10 All the secured, listed, Non- Convertible Debentures issued by the Company are secured by way of exclusive hypothecation of specified receivables as per the terms of Offer Documents. Further, the Company has maintained asset cover as stated in the offer document which is sufficient to discharge the principal amount at all times for the non-convertible debt securities issued.
- 11 The date on which the Code on Social Security, 2020 (the "Code") relating to employee benefits during employment benefits will come into effect is yet to be notified and the related rules are yet to be finalised. The Company will evaluate the code and its rules, assess the impact, if any, and account for the same when they become effective.
- 12 The comparative for previous periods have been regrouped/ reclassified wherever necessary to conform to current period presentation.

For and on behalf of Board of Directors of
Finova Capital Private Limited

Mohit Sahney
(Managing Director & CEO)
DIN : 07280918



Place: Jaipur
Date: January 28, 2022



Annexure

Disclosers in compliance with Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015 for the nine month ended December 31, 2021 and year ended March 31, 2021

S.No.	Particulars	Description	As at nine month ended December 30, 2021 (unaudited)	As at year ended March 31, 2021 (Audited)
a)	Debt Equity Ratio	(Debt Securities + Borrowings) / (Equity Share Capital + Other Equity)	1.40	1.18
b)	Debt service coverage ratio		Not Applicable	Not Applicable
c)	Interest service coverage ratio		Not Applicable	Not Applicable
d)	Outstanding redeemable preference shares (quantity and value)		Not Applicable	Not Applicable
e)	Capital redemption reserve/Debt redemption reserve		Not Applicable	Not Applicable
f)	Net worth (INR in Lakhs)	Equity Share Capital + Other Equity	45,826.96	44,190.01
g)	Net profit after tax (INR in Lakhs)		1,562.42	1,656.00
h)	Earnings per share			
	-Basic		10.65	13.09
	Diluted		10.22	12.77
i)	Current Ratio		Not Applicable	Not Applicable
j)	Long term debt to working capital		Not Applicable	Not Applicable
k)	Bad debts to account receivable ratio		Not Applicable	Not Applicable
l)	Current liability ratio		Not Applicable	Not Applicable
m)	Total Debts to Total Assets	(Debt Securities + Borrowings) / Total Assets	0.57	0.53
n)	Debtors Turnover		Not Applicable	Not Applicable
o)	Inventory Turnover		Not Applicable	Not Applicable
p)	Operating Margin(%)		Not Applicable	Not Applicable
q)	Net Profit Margin(%)		Not Applicable	Not Applicable
r)	Sector specific equivalent ratios, as applicable		Not Applicable	Not Applicable
i)	Gross Stage 3 Ratio	Gross Stage 3 / Gross Loans	4.24%	0.68%
ii)	Net Stage 3 Ratio	Net Stage 3 / Gross Loans	1.84%	0.40%
iii)	Asset coverage ratio	Assets hypothecated/ outstanding debentures	1.10 times	1.11 times
iv)	Capital to Risk Weighted Assets Ratio (CRAR)		48.71%	62.60%

For and on behalf of Board of Directors of
Finova Capital Private Limited

Mohit Sahney
(Managing Director & CEO)
DIN: 07280918



Mohit Sahney



Place: Jaipur
Date: January 28, 2022