



# **FINOVA CAPITAL PRIVATE LIMITED**

**04<sup>TH</sup> ANNUAL REPORT  
2018-2019**

# Corporate Information:

## Board of Directors

Mr. Mohit Sahney- Managing Director & CEO

DIN: 07280918

Mrs. Sunita Sahney- Whole Time Director

DIN: 02395354

Mr. Ishaan Mittal- Nominee Director

DIN: 07948671

Mr. Ravi Shankar Venkataraman Ganapathy

Agraharam-Nominee Director

DIN: 02604007

Mr. Arjun Dan Ratnoo- Independent Director

DIN: 00802613

Mr. Aditya Deepak Parekh-Nominee Director

DIN: 02848538

## Company Secretary

Ms. Garima Jhamnani

## Private Equity Partners

SCI Investments V

Faering Capital India Evolving Fund II

Faering Capital India Evolving Fund III

## Statutory Auditors

M/s. S R Batliboi and Associates LLP

Chartered Accountants

## Secretarial Advisors

M/s. V.M. & Associates

Company Secretaries

## Registered Office

702, Seventh Floor, Unique Aspire, Plot No.

13-14, Cosmo Colony, Amrapali Marg,

Vaishali Nagar, Jaipur-302021

Contact: +91141-4118202

Website: [www.finoval.in](http://www.finoval.in) E-mail: [info@finoval.in](mailto:info@finoval.in)

**Corporate Office**

Fourth Floor, Unique Aspire, Plot No.  
13-14, Cosmo Colony, Amrapali Marg,  
Vaishali Nagar, Jaipur-302021  
Contact: +91141-4118201 E-mail: [info@finova.in](mailto:info@finova.in)

**Corporate Identity Number**

U65993RJ2015PTC048340

**NOTICE**

**Notice** is hereby given that 04<sup>th</sup>Annual General Meeting (“AGM/Meeting”) of the members of **Finova Capital Private Limited** will be held on Thursday, the **11<sup>th</sup> day of July, 2019** at **11.00 A.M.** at the corporate office of the Company situated at Fourth Floor, Unique Aspire, Plot No. 13-14, Cosmo Colony, Amrapali Marg, Vaishali Nagar, Jaipur-302021, (Raj.) to transact the following business:

**ORDINARY BUSINESS:**

- 1) To consider and adopt the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2019 together with the reports of Board of Directors and Auditors thereon.

**DATE: 12.06.2019**  
**PLACE: MUMBAI**

**BY ORDER OF THE BOARD OF DIRECTORS**  
**FOR FINOVA CAPITAL PRIVATE LIMITED**

**GARIMA JHAMNANI**  
**COMPANY SECRETARY**  
**M. NO.: 43137**  
**Regd. Office: 702, Seventh Floor, Unique Aspire,**  
**Plot No. 13-14, Cosmo Colony, Amrapali Marg,**  
**Vaishali Nagar, Jaipur-302021**

**Notes:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.**
2. The duly stamped, filled and signed instrument appointing the proxy should, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the meeting.
3. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
4. Members and Proxies attending the Meeting should bring the attendance slip duly filled in for attending the Meeting.
5. A copy of Audited Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2019 together with the Reports of Board of Directors and Auditors thereon is enclosed herewith.
6. All documents referred to in the accompanying notice are open for inspection by the members at the registered office of the company on all working days between 10.00 A.M. to 5.00 P.M. up to the date of this AGM.
7. Members seeking any information with regard to the Accounts are requested to write to the Company at least seven days in advance, so as to enable the Management to keep the information ready at the meeting.
8. The Registers of Directors and Key Managerial Personnel (KMP) and their shareholding and Register for Contracts or Arrangements in which Director are interested, maintained under Section 170 and 189 of the Companies Act, 2013 respectively will be available for inspection by the members at the AGM.
9. The route map showing the direction to reach the venue of AGM is attached at the end of the Report.

**DATE: 12.06.2019**  
**PLACE: MUMBAI**

**BY ORDER OF THE BOARD OF DIRECTORS**  
**FOR FINOVA CAPITAL PRIVATE LIMITED**

**GARIMA JHAMNANI**  
**COMPANY SECRETARY**  
**M. NO.: 43137**

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

## BOARD'S REPORT

To  
The Shareholders,  
**FINOVA CAPITAL PRIVATE LIMITED**

Your Directors have pleasure to present the 04<sup>th</sup> Annual Report on the business and operations of the Company together with the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2019.

### 1) FINANCIAL PERFORMANCE OF THE COMPANY:

The Company's financial performance for the year ended 31<sup>st</sup> March, 2019 is summarized below:

PARTICULARS	(Rs. in lakhs)	
	2018-19	2017-18
<b>Income:</b>		
Revenue from operations	4065.80	1481.06
Other Income	238.97	56.97
<b>Total Income</b>	<b>4304.78</b>	<b>1538.04</b>
<b>Total Expenditure</b>	<b>3364.15</b>	<b>1036.81</b>
Profit / (Loss) before Tax	940.63	501.22
Less: Tax expenses	239.03	135.59
<b>Net Profit after Tax</b>	<b>701.60</b>	<b>365.64</b>

### 2) BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR:

During the F.Y. 2018-19, the company has recorded Total Income of Rs. **4304.78 Lakhs** as against Rs. **1538.04 Lakhs** in F.Y. 2017-18, an increase of about 180%. The total income comprised income from financing activities of Rs. 4065.80 Lakhs and Other Income of Rs. 238.97 Lakhs.

During the financial year, the Company's profit after tax ("PAT"), increased by about 92% i.e. from Rs. 365.64 Lakhs to Rs. 701.60 Lakhs

During the F.Y. 2018-19, total expenditure were Rs. 3364.15 Lakhs as against Rs. 1036.81 Lakhs in F.Y. 2017-18. The increase is on account of operation costs, Employee costs owing to increase in manpower strength to support growth in the business, higher borrowings in line with the growth in loan portfolio.

The Company is mainly engaged in the business of Non-Banking Financing Activities and has maintained a close emphasis on increasing the revenue model.

### 3) RESERVES

Since the Company is a Non-Banking Financial Company registered with Reserve Bank of India (RBI), therefore as per section 45IC of RBI Act 1934, the Company has transferred Rs. 1,40,31,949/- (Rupees One Crore Forty Lakhs Thirty-One Thousand Nine Hundred and Forty-Nine) in statutory reserve fund i.e. aggregating to 20% of its net profit during the Financial Year 2018-19.

Further, your Board of Directors does not propose to transfer any amount to general reserves.

#### 4) DIVIDEND

In order to fulfil the long term requirements and enhancing the growth of business, your directors appraise to conserve the resources of the Company. Accordingly, your Directors do not recommend any dividend for the financial year ended 31st March, 2019.

#### 5) MATERIAL CHANGES AND COMMITMENTS

There were no material changes and commitments affecting the financial position of the company, which occurred between end of financial year to which the financial statements relate and date of this report.

#### 6) CREDIT RATING

During the year under review, the Company has received its first Credit rating for Long Term Bank Facilities from CARE RATING Limited (Rating Agency), which is as follows:

Instrument	Rating
Long Term Bank Facilities	CARE BBB-; Stable (Triple B minus; Outlook: Stable) (Investment Rating)

#### 7) SHARE CAPITAL

The Authorized Share Capital as on 31<sup>st</sup> March 2019 is Rs. 71,00,00,000/- (Rupees Seventy-One Crores) and the Paid up share Capital of the Company as on 31<sup>st</sup> March, 2019 is Rs. 66,49,49,116/- (Rupees Sixty-Six Crores Forty-Nine Lakhs Forty-Nine Thousand One Hundred and Sixteen).

During the financial year under review, the Company has:

- i. Increased the Authorized Share Capital of the Company from Rs. 40,00,00,000/- (Rupees Forty Crores) divided into 60,00,000 (Sixty lakhs) Equity Shares of Rs. 10/- (Rupees Ten) each and 34,00,000 (Thirty-Four Lakhs) Preference Shares of Rs. 100/- (Rupees Hundred) each to Rs. 71,00,00,000/- (Rupees Seventy-One Crores) divided into 60,00,000 (Sixty lakhs) Equity Shares of Rs. 10/- (Rupees Ten) each and 65,00,000 (Sixty-Five Lakhs) Preference Shares of Rs. 100/- (Rupees Hundred) each vide Ordinary Resolution passed in the Extra Ordinary General Meeting ("EOGM") held on 21<sup>st</sup> February, 2019;
- ii. Issued and allotted 10 (Ten) Equity Shares and 29,83,915 (Twenty Nine Lakhs Eight Three Thousand Nine Hundred and Fifteen) CCCPS to the following on preferential basis:

S. No.	Name of Allottees	Number of Securities	Consideration (In Rupees)	Whether fully paid up or Partly paid up
1.	Mr. Rahul Sahney	28,000 Series A-1 CCCPS	49,00,000 (Rs. 28,000/- received as Share Application money and balance Rs. 48,72,000/- to be received in tranches)	Partly paid up
2.	M/s. SCI Investments V	10,85,963 Series B CCCPS	39,20,00,064.11	Fully Paid up
3.	M/s. Faering Capital India Evolving Fund II	6 Equity Shares and 11,02,059 Series B CCCPS	39,78,12,403.1	Fully Paid up
4.	M/s. Faering Capital India Evolving Fund III	4 Equity Shares and 6,29,377 Series B CCCPS	22,71,87,659.6	Fully Paid up
5.	Mr. Mohit Sahney	69,258 Series B CCCPS	2,50,00,060.26 (Rs. 69,258/- received as Share Application money and balance Rs. 2,49,30,802.26/- to be received in tranches)	Partly Paid up
6.	Mrs. Sunita Sahney	69,258 Series B CCCPS	2,50,00,060.26 (Rs. 69,258/- received as Share Application money and balance Rs. 2,49,30,802.26/- to be received in tranches)	Partly Paid up
		<b>29,83,915</b>	<b>1,07,19,00,247.25</b>	



## **8) DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

### **A. Changes in Directors:**

During the financial year under review, following changes have been made in the directorships of the Company:

- i. Mr. Ishaan Mittal and Mr. Ravi Shankar Venkataraman Ganapathy Agraharam were appointed as the Nominee Directors of the Company, representing M/s SCI Investments V, w.e.f. 11.04.2018.
- ii. Mr. Arjun Dan Ratnoo was appointed as the Independent Director of the Company w.e.f. 21.02.2019.
- iii. Mr. Aditya Deepak Parekh were appointed as the Nominee Director of the Company, representing M/s Faering Capital India Evolving Fund II and Faering Capital India Evolving Fund III, w.e.f. 26.03.2019.

### **B. Changes in Key Managerial Personnel:**

During the financial year under review, following changes have been made in the Key Managerial Personnel of the Company:

- i. Mr. Virendra Singh, Company Secretary of the Company has resigned from the post of Company Secretary of the Company w.e.f. 22.10.2018.
- ii. Ms. Garima Jhamnani, a qualified Company Secretary, having membership Number: 43137, have been appointed as the Company Secretary of the Company w.e.f. 22.10.2018.

### **C. Declaration by an independent Director(s)**

The Company has received necessary declaration from the Independent Director under Section 149(7) of the Companies Act, 2013, that he meets the criteria of Independence laid down in Section 149(6) of the Companies Act, 2013.

## **9) NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS**

During the financial year under review, the Board of the Directors of the Company met 06 (Six) times on 24.05.2018, 17.07.2018, 22.10.2018, 24.11.2018, 21.02.2019 and 25.03.2019.

The frequency and the quorum at these meetings were in conformity with the provisions of the Companies Act, 2013 and Secretarial Standard-1. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013 and Secretarial Standard-1.

The Company complies with all applicable Standards. The Directors have devised proper system to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

#### **10) STATUTORY AUDITORS:**

M/s S.R. BATLIBOI AND ASSOCIATES LLP, Chartered Accountants, (FRN: 101049W/E300004) were appointed as Statutory Auditors of the Company, in the AGM held on 17.07.2018, for a period of 5 (five) years to hold office upto 8<sup>th</sup> AGM of the Company.

As per the provisions of the Companies (Amendment) Act, 2017 notified with effect from 7<sup>th</sup> May, 2018, there is no requirement for ratification of appointment of statutory auditors at every Annual General Meeting of the Company and therefore, the Board has not proposed the ratification of appointment of the said auditor at the ensuing AGM of the Company.

#### **11) AUDITOR'S REPORT:**

Your Directors are pleased to inform that there is no reservation, qualification or adverse remark contained in the Auditor's Report attached to Financial Statements of company as at 31<sup>st</sup> March, 2019. Information referred in Auditor's Report are self-explanatory and do not call for any further comments.

There is no reservation, qualification or adverse remark contained in the Auditor's Report attached to Financial Statements of company as at 31st March, 2019. Information referred in Auditor's Report are self-explanatory and do not call for any further comments.

The Auditors have not reported any incident of fraud in the Company for the year under review under section 143(12) of the Companies Act, 2013.

#### **12) PARTICULARS OF EMPLOYEES:**

None of the employees of the Company were in receipt of remuneration exceeding the limits as prescribed under Rules 5(2) The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Therefore, particular of the employees of the Company to be given as required is NIL.

#### **13) EXTRACT OF THE ANNUAL RETURN:**

Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of The Companies (Management and Administration) Rules, 2014, an extract of annual return in form no. MGT-9 forms part of this Report as **ANNEXURE I.**

#### **14) AMENDMENTS TO MEMORANDUM & ARTICLES OF ASSOCIATION OF THE COMPANY:**

During the financial year under review:

- i. The Company has obtained the consent of the members of the Company in EOGM held on 11.04.2018 for alteration of the Main Object Clause along with the alteration of the matters necessary for furtherance of the objects specified in clause iii(a) of the Memorandum of Association of the company.
- ii. The Company has obtained the consent of the members of the Company for adoption of new set of Regulations of Articles of Association, in order to incorporate the new provisions and rights set forth in the new Shareholders' Agreement, through EOGM held on 26.03.2019.

## 15) EMPLOYEE STOCK OPTION PLAN 2018 (“ESOP 2018”)

The Company has obtained the consent of the members of the Company in EOGM held on 26.10.2018 for the approval of Employee Stock Option Plan 2018 (“ESOP 2018”) by giving the employees the opportunity to participate in the grant of 2,11,642 Stock Options and gain from the Company's performance.

The details of vesting of various schemes are as follows:

ESOP Scheme	% of vesting option
ESOP Scheme 2018	20% of total options granted at the end of first year from the grant date  20% of total options granted at the end of second year from the grant date.  30% of total options granted at the end of third year from the grant date.  30% of total options granted at the end of forth year from the grant date.
<b>Total</b>	<b>100%</b>

The Details/Summary of Existing ESOP Scheme as on 31st March 2019 is as under:

Particulars	ESOP Scheme 2018
Date of shareholders' approval	26 <sup>th</sup> October, 2018
Total number of options approved	2,11,642
Total number of options granted (during FY 2018-19)	1,26,900
Total number of options vested	NIL
Total number of options exercised	NIL
The total number of shares arising as a result of exercise of option	1,26,900
Total number of options lapsed	NIL
The exercise price	Rs. 175/-
Variation of terms of options	No
Money realized by exercise of options	NIL
Total number of options in force	1,26,900

## 16) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUT-GO:

Your Company continuously strives to conserve energy, adopt environment friendly practices and employ technology for more efficient operations.

The particulars relating to the energy conservation and technology absorption, as required under Section 134(3)(m) of The Companies Act, 2013 read with The Companies (Accounts) Rules, 2014 are given in the **ANNEXURE II** to this Report.

## **17) DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has always believed in providing a safe and harassment free workplace for every individual through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. In accordance with Sexual Harassment of Women at Work place (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under, the Company has formed an Anti-Sexual Harassment Policy. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2018-19:

- No. of complaints at the beginning of the year: NIL
- No. of complaints received during the year: Nil
- No. of complaints disposed off during the year: Nil
- No. of complaints at the end of the year: NIL

## **18) RISK MANAGEMENT**

The Company has formulated and implemented a risk management framework in line with the risk management policy which encompasses practices relating to identification, assessment monitoring and mitigation of various risks to key business objectives. The Risk management framework of the Company seeks to minimize adverse impact of risks on our key business objectives and enables the Company to leverage market opportunities effectively.

The various key risks to key business objectives are as follows:

**Liquidity Risk:** It is the risk that the Company will be unable to meet its financial commitment to a Bank/Financial Institution in any location, any currency at any point in time. Liquidity risk can manifest in three different dimensions for the Company.

**Funding Risk:** To replace net outflows due to unanticipated outflow. **Time Risk:** To compensate for non-receipt of expected inflows of funds.

**Call Risk:** Due to crystallization of contingent liabilities or inability to undertake profitable business opportunities when desirable.

**Interest Rate Risk:** It is the risk where changes in market interest rates might adversely affect the Company's financial condition. The short term/immediate impact of changes in interest rates are on the Company's Net Interest Income (NII). On a longer term, changes in interest rates impact the cash flows on the assets, liabilities and off-balance sheet items, giving rise to a risk to the net worth of the Company arising out of all repricing mismatches and other interest rate sensitive positions.

## **19) FIXED DEPOSITS:**

During the year under review, your company has neither invited nor accepted or renewed any fixed deposits from public in terms of provisions of section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

## **20) LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY**

Pursuant to Section 186(11) of the Companies Act, 2013 loans made, guarantees given or securities provided or acquisition of securities by a Non-Banking Financial company in the ordinary course of its business are exempted from disclosure in the Annual Report. Details have been covered under notes to accounts of Audited Financial Statements for the Financial Year 2018-19.

## **21) PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The particulars of contracts or arrangements with related parties referred to in section 188(1) and applicable rules of the Companies Act, 2013 in Form AOC-2 is provided as **Annexure III** to this Board's Report.

## **22) CORPORATE SOCIAL RESPONSIBILITY**

The Company has constituted the Corporate Social Responsibility Committee of the Board of Directors, in accordance with the provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility) Rules, 2014, as amended.

The brief outline of the CSR Policy, including overview of the programs undertaken by the Company, the composition of the CSR Committee, average net profits of the Company for the past three financial years, prescribed CSR expenditure and details of the amounts spent by the Company on CSR activities during the year under review, have been included in Annual report on CSR attached as **Annexure IV** to this report.

## **23) DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors, confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures from the same;
- b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts on a going concern basis; and
- e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**24) OTHER DISCLOSURES:**

Other disclosures with respect to Board's Report as required under the Companies Act, 2013 and the Rules notified thereunder are either NIL or NOT APPLICABLE.

**25) ACKNOWLEDGMENT:**

Your Board gratefully acknowledges with appreciation, the financial support and co-operation extended by Banks. The Directors place on record with pleasure their thanks to Employees, Shareholders, Advisors and all concerned for their continued commitment which has enabled the Company to achieve its goals for the year.

**DATE: 12.06.2019**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**PLACE: MUMBAI**

**FOR FINOVA CAPITAL PRIVATE LIMITED**

**FOR FINOVA CAPITAL PRIVATE LIMITED**

**SUNITA SAHNEY  
WHOLE TIME DIRECTOR  
DIN: 02395354**

**MOHIT SAHNEY  
MANAGING DIRECTOR & CEO  
DIN: 07280918**

**FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	U65993RJ2015PTC048340
2.	Registration Date	24/09/2015
3.	Name of the Company	FINOVA CAPITAL PRIVATE LIMITED
4.	Category/Sub-category of the Company	Company Limited By Shares/ Indian Non- Government Company
5.	Address of the Registered office & contact details	702, SEVENTH FLOOR, UNIQUE ASPIRE, PLOT NO. 13-14, COSMO COLONY, AMRAPALI MARG, VAISHALI NAGAR, JAIPUR-302021 CONTACT NO.: 0141-4118202
6.	Whether listed company	NO
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A.

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company (approx )
1.	Other Financial service activities, except insurance and pension funding activities, n.e.c.	64990	100.00%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

S. No.	Name and Address of the Company	CIN/GLN	HOLDING/SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
N.A.					

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity [On fully diluted basis])**

**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year[As on 01-April-2018]				No. of Shares held at the end of the year[As on 31-March-2019]				% Change during the year
	Dem at	Physical	Total	% of Total Shares	De mat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual / HUF	--	30,50,000	30,50,000	36.61%	--	32,88,516	32,88,516	29.06%	(7.55%)
b) Central Govt	--	--	--	--	--	--	--	--	--
c) State Govt(s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp.	--	--	--	--	--	--	--	--	--
e) Banks / FI	--	--	--	--	--	--	--	--	--
f) Any other	--	--	--	--	--	--	--	--	--
<b>Sub-total (A)(1):-</b>	--	<b>30,50,000</b>	<b>30,50,000</b>	<b>36.61%</b>	--	<b>32,88,516</b>	<b>32,88,516</b>	<b>29.06%</b>	<b>(7.55%)</b>
<b>(2) Foreign</b>									
a) NRIs – Individuals	--	--	--	--	--	--	--	--	--
b) Other – Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corp.	--	--	--	--	--	--	--	--	--
d) Banks / FI	--	--	--	--	--	--	--	--	--
e) Any Other	--	--	--	--	--	--	--	--	--
<b>Sub -total (A) (2): -</b>	--	--	--	--	--	--	--	--	--
<b>Total sharehold</b>	--	<b>30,50,000</b>	<b>30,50,000</b>	<b>36.61%</b>	--	<b>32,88,516</b>	<b>32,88,516</b>	<b>29.06%</b>	<b>(7.55%)</b>





i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	--	--	--	--	--	--	--	--	--
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	--	19,50,000	19,50,000	23.40%	--	18,78,000	18,78,000	16.60%	(6.8%)
c) Others (specify) Non Resident Individual	--	--	--	--	--	--	--	--	--
Sub-total (B)(2):-	--	52,80,435	52,80,435	63.39%	--	62,94,398	62,94,398	55.63%	(7.76)%
Total Public Shareholding (B)=(B)(1) + (B)(2)	--	52,80,435	52,80,435	63.39%	--	80,25,844	80,25,844	70.93%	7.55%
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	--	**83,30,435	83,30,435	100.00%	--	**1,13,14,360	**1,13,14,360	100.00%	--

\*Figures calculated on fully diluted basis.

\*\* Assuming the full conversion of 33,30,425 Series A CCCPS; 28,000 Series A-1 CCCPS & 29,55,915 Series B CCCPS, issued and allotted, to equity shares at a conversion price of Rs. 115/-; Rs. 175/- & Rs. 360.97/- respectively.

ii) Shareholding of Promoters:

S No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Mohit Sahney	25,00,000	30.01%	--	26,69,258	23.59%	--	(6.42)%
2.	Sunita Sahney	5,50,000	6.60%	--	6,19,258	5.47%	--	(1.13)%
	<b>TOTAL</b>	<b>30,50,000</b>	<b>36.61%</b>	<b>--</b>	<b>32,88,516</b>	<b>29.06%</b>	<b>--</b>	<b>(7.55)%</b>

iii) Change in Promoters' Shareholding (please specify, if there is no change):

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>At the beginning of the year</b>				
1.	Mohit Sahney	25,00,000	30.01%	25,00,000	30.01%
	<b>Date wise Increase / Decrease in Promoters Shareholding during the year</b>				
	22-10-2018 (Transfer of 1,00,000 Equity Shares from Mr. Laxmi Narain Sharma to Mr. Mohit Sahney)	1,00,000	31.21%	26,00,000	31.21%
	25-03-2019 (Allotment of 69,258 Series B CCCPS to Mr. Mohit Sahney)	69,258	23.59%	26,69,258	23.59%
	<b>At the end of the year</b>				
	Mohit Sahney	<b>26,69,258</b>	<b>23.59%</b>	<b>26,69,258</b>	<b>23.59%</b>
	<b>At the beginning of the year</b>				
2.	Sunita Sahney	5,50,000	6.60%	5,50,000	6.60%
	<b>Date wise Increase / Decrease in Promoters Shareholding during the year</b>				
	25-03-2019 (Allotment of 69,258 Series B CCCPS to Mrs. Sunita Sahney)	<b>69,258</b>	<b>5.47%</b>	6,19,258	5.47%
	<b>At the end of the year</b>	<b>6,19,258</b>	<b>5.47%</b>	<b>6,19,258</b>	<b>5.47%</b>

iv) **Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):**

S No.	For Each of the Top Ten Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company
1.	SCI Investments V				
	At the beginning of the year	33,30,435	39.98%	33,30,435	39.98%
	Date wise increase/decrease in Shareholding during the year				
	Increase (Preferential Allotment): 21.02.2019	10,85,963	39.03%	44,16,398	39.03%
	At the end of the year	44,16,398	39.03%	44,16,398	39.03%
2.	Faering Capital India Evolving Fund II				
	At the beginning of the year	--	--	--	--
	Date wise increase/decrease in Shareholding during the year				
	Increase (Preferential Allotment): 21.02.2019	11,02,065	9.74%	11,02,065	9.74%
	At the end of the year	11,02,065	9.74%	11,02,065	9.74%
3.	Faering Capital India Evolving Fund III				
	At the beginning of the year	--	--	--	--
	Date wise increase/decrease in Shareholding during the year				
	Increase (Preferential Allotment): 21.02.2019	6,29,381	5.56%	6,29,381	5.56%
	At the end of the year	6,29,381	5.56%	6,29,381	5.56%
4.	Prashant Gupta				
	At the beginning of the year	8,00,000	16.00%	8,00,000	16.00%
	Date wise increase/decrease in Shareholding during the year	--	--	--	--
	At the end of the year	8,00,000	7.07%	8,00,000	7.07%
5	Ravinder Singh Thakkar				
	At the beginning of the year	8,00,000	16.00%	8,00,000	16.00%
	Date wise increase/decrease in Shareholding during the	--	--	--	--

	year				
	At the end of the year	8,00,000	7.07%	8,00,000	7.07%
6.	Laxmi Narain Sharma				
	At the beginning of the year	3,50,000	7.00%	3,50,000	7.00%
	Date wise increase/decrease in Shareholding during the year	--	--	--	--
	Transfer of Shares (From Mr. Laxmi Narain Sharma to Mr. Mohit Sahney): 22.10.2018	(1,00,000)	3.00%	2,50,000	2.21%
	At the end of the year	2,50,000	3.00%	2,50,000	3.00%
7.	Rahul Sahney				
	At the beginning of the year	--	--	--	--
	Date wise increase/decrease in Shareholding during the year				
	Increase (Preferential Allotment): 24.11.2018	28,000	0.25%	28,000	0.25%
	At the end of the year	28,000	0.25%	28,000	0.25%

**v) Shareholding of Directors and Key Managerial Personnel:**

S No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. Of shares	% of total shares of the company
<b>1.</b>	<b>Mohit Sahney</b>				
	<b>At the beginning of the year</b>	25,00,000	30.01%	25,00,000	30.01%
	Date wise Increase / Decrease in Shareholding during the year				
	22-10-2018 (Transfer of 1,00,000 Equity Shares from Mr. Laxmi Narain Sharma to Mr. Mohit Sahney)	1,00,000	31.21%	26,00,000	31.21%
	25-03-2019 (Allotment of 69,258 Series B CCCPS to Mr. Mohit Sahney)	69,258	23.59%	26,69,258	23.59%
	<b>At the end of the year</b>	<b>26,69,258</b>	<b>23.59%</b>	<b>26,69,258</b>	<b>23.59%</b>
<b>2.</b>	<b>Sunita Sahney</b>				
	<b>At the beginning of the year</b>	5,50,000	6.60%	5,50,000	6.60%
	<b>Date wise Increase / Decrease in Shareholding during the year</b>				
	25-03-2019 (Allotment of 69,258 Series B CCCPS to Mr. Sunita Sahney)	69,258	5.47%	6,19,258	5.47%
	<b>At the end of the year</b>	<b>6,19,258</b>	<b>5.47%</b>	<b>6,19,258</b>	<b>5.47%</b>
<b>3.</b>	<b>Virendra Singh (Company Secretary till 22.10.2018)</b>				

	<b>At the beginning of the year</b>	--	--	--	--
	Date wise Increase / Decrease in Shareholding during the year	--	--	--	--
	<b>At the end of the year</b>	--	--	--	--
<b>4.</b>	<b>Mr. Ishaan Mittal</b>				
	<b>At the beginning of the year</b>	--	--	--	--
	Date wise Increase / Decrease in Shareholding during the year	--	--	--	--
	<b>At the end of the year</b>	--	--	--	--
<b>5.</b>	<b>Mr. GV Ravishankar</b>				
	<b>At the beginning of the year</b>	--	--	--	--
	Date wise Increase / Decrease in Shareholding during the year	--	--	--	--
	<b>At the end of the year</b>	--	--	--	--
<b>6.</b>	<b>Mr. Arjun Dan Ratnoo</b>				
	<b>At the beginning of the year</b>	--	--	--	--
	Date wise Increase / Decrease in Shareholding during the year	--	--	--	--
	<b>At the end of the year</b>	--	--	--	--
<b>7.</b>	<b>Mr. Aditya Deepak Parekh</b>				
	<b>At the beginning of the year</b>	--	--	--	--
	Date wise Increase / Decrease in Shareholding during the year	--	--	--	--
	<b>At the end of the year</b>	--	--	--	--
<b>8.</b>	<b>Ms. Garima Jhamnani</b>				
	<b>At the beginning of the year</b>	--	--	--	--
	Date wise Increase / Decrease in Shareholding during the year	--	--	--	--
	<b>At the end of the year</b>	--	--	--	--

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	1,89,26,47,961	--	--	1,89,26,47,961
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	1,51,20,121	--	--	1,51,20,121
<b>Total (i+ii+iii)</b>		--	--	
Change in Indebtedness during the financial year		--	--	
* Addition	1,86,50,00,000		--	1,86,50,00,000
* Reduction	63,68,98,344	--	--	63,68,98,344
<b>Net Change</b>	<b>1,22,81,01,656</b>	--	--	<b>1,22,81,01,656</b>

Indebtedness at the end of the financial year			--	
i) Principal Amount	3120749617	--	--	3120749617
ii) Interest due but not paid	17860163	--	--	17860163
iii) Interest accrued but not due		--	--	
<b>Total (i+ii+iii)</b>	<b>3138609780</b>	--	--	<b>3138609780</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S No.	Particulars of Remuneration	Name of MD/WTD/ Manager/Executive Director		Total Amount
		Mohit Sahney	Sunita Sahney	
	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,10,61,356	39,31,544	1,49,92,900
1	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	--
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	--	--	--
2	Stock Option	--	--	--
3	Sweat Equity	--	--	--
4	Commission - as % of profit - others, specify...	--	--	--
5	Others, please specify	--	--	
	<b>Total (A)</b>	<b>1,10,61,356</b>	<b>39,31,544</b>	<b>1,49,92,900</b>
	Ceiling as per the Act			

**B. Remuneration to other directors:**

S No.	Particulars of Remuneration	Name of Directors				Total Amount
		Arjun Dan Ratnoo	Ishaan Mittal	G. V. ravishankar	Aditya Deepak Parekh	
1	Independent Directors					
	• Fee for attending board committee meetings	20,000	--	--	--	20,000
	• Commission	--	--	--	--	--
	• Others, please specify	--	--	--	--	--
	Total (1)	20,000	--	--	--	20,000
2	Other Non-Executive Directors					
	• Fee for attending board committee meetings	--	--	--	--	--
	• Commission	--	--	--	--	--
	• Others, please specify	--	--	--	--	--
	Total (2)	--	--	--	--	--
	Total (B)=(1+2)	20,000	--	--	--	20,000
	Total Managerial Remuneration	20,000	--	--	--	20,000
	Overall Ceiling as per the Act	--	--	--	--	--

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD :**

S. No.	Particulars of Remuneration	Key Managerial Personnel		
		****Mr. Virendra Singh Company Secretary	****Ms. Garima Jhamnani Company Secretary	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,61,954	1,77,002	6,38,956
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	--
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--
2	Stock Option	--	--	--
3	Sweat Equity	--	--	--
4	Commission	--	--	--
	- as % of profit	--	--	--
	- others, specify...	--	--	--
5	Others, please specify	--	--	--
	<b>Total</b>	<b>4,61,954</b>	<b>1,77,002</b>	<b>6,38,956</b>



\*\*\*\* Mr. Virendra Singh ceased to be the Company secretary w.e. 22.10.2018;  
 Ms. Garima Jhamnani was appointed as the Company Secretary w.e.f. 22.10.2018

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCE: NIL**

Type	Section of the Companies Act,1956	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	N.A.	NIL	NIL	N.A.	N.A.
Punishment	N.A.	NIL	NIL	N.A.	N.A.
Compounding	N.A.	NIL	NIL	N.A.	N.A.
<b>B. DIRECTORS</b>					
Penalty	N.A.	NIL	NIL	N.A.	N.A.
Punishment	N.A.	NIL	NIL	N.A.	N.A.
Compounding	N.A.	NIL	NIL	N.A.	N.A.
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	N.A.	NIL	NIL	N.A.	N.A.
Punishment	N.A.	NIL	NIL	N.A.	N.A.
Compounding	N.A.	NIL	NIL	N.A.	N.A.

DATE: 12.06.2019  
 PLACE: MUMBAI

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

FOR FINOVA CAPITAL PRIVATE LIMITED

FOR FINOVA CAPITAL PRIVATE LIMITED

SUNITA SAHNEY  
 WHOLE TIME DIRECTOR  
 DIN: 02395354

MOHIT SAHNEY  
 MANAGING DIRECTOR & CEO  
 DIN: 07280918

## ANNEXURE II

### **(A) Conservation of energy:**

(i) The steps taken or impact on conservation of energy: The operations of your company are not energy intensive. However adequate Measures have been initiated to reduce energy consumption further. The head office and branches of the Company has been using LED Bulbs that consume less electricity as compared to CFL and incandescent bulbs.

(ii) The steps taken by the company for utilizing alternate sources of energy: Nil

(iii) The capital investment on energy conservation equipment: Nil

### **(B) Technology absorption:**

(i) The efforts made towards technology absorption: The Company has not carried out any Technology absorption

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution: N.A.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): N.A.

(a) The details of technology imported: Nil

(b) The year of import: Nil

(c) Whether the technology been fully absorbed: N.A.

(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: N.A.

(iv)The expenditure incurred on Research and Development: NIL

### **(C) Foreign exchange earnings and Outgo:**

There were no foreign exchange earnings and outgo during the financial year ended 31<sup>st</sup> March, 2019.

**DATE: 12.06.2019**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**PLACE: MUMBAI**

**FOR FINOVA CAPITAL PRIVATE LIMITED**

**FOR FINOVA CAPITAL PRIVATE LIMITED**

**SUNITA SAHNEY  
WHOLE TIME DIRECTOR  
DIN: 02395354**

**MOHIT SAHNEY  
MANAGING DIRECTOR & CEO  
DIN: 07280918**

**ANNEXURE III**

**FORM NO. AOC.2**

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto**

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL
  - (a) Name(s) of the related party and nature of relationship
  - (b) Nature of contracts/arrangements/transactions
  - (c) Duration of the contracts/arrangements/transactions
  - (d) Salient terms of the contracts or arrangements or transactions including the value, if any
  - (e) Justification for entering into such contracts or arrangements or transactions
  - (f) date(s) of approval by the Board
  - (g) Amount paid as advances, if any:
  - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188
2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of Contracts/arrangements/Transactions	Duration of the Contracts/arrangements/Transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any	Amount paid as advances, if any
Rahul Sahney (Both of Director)	Holding of office or place of Profit	Regular	Appointment of Mr. Rahul Sahney as Chief Operating Officer (to hold office or place of profit) on monthly remuneration of Rs. 2,60,000/-	21.02.2019	--
Sunita Sahney (Director)	Availing of Service	Regular	Availment of service in nature of hiring car on rent at Rs. 5,000/- p.m.	17.06.2017	--

**DATE: 12.06.2019**

**PLACE: MUMBAI**

**FOR FINOVA CAPITAL PRIVATE LIMITED**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**FOR FINOVA CAPITAL PRIVATE LIMITED**

**SUNITA SAHNEY  
WHOLE TIME DIRECTOR  
DIN: 02395354**

**MOHIT SAHNEY  
MANAGING DIRECTOR & CEO  
DIN: 07280918**

## ANNEXURE IV

### CORPORATE SOCIAL RESPONSIBILITY (“CSR”)

Annual Report on Corporate Social Responsibility Activities

[Pursuant to clause (o) of sub section (3) of Section 134 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014

**1. A brief outline of the Company’s CSR Policy, including overview of the projects or programs proposed to be undertaken and a reference to the web link to the CSR Policy and projects or programs.**

The Company believes that it has a responsibility towards society. The Company commits itself to contribute to the society through its corporate social responsibilities by taking initiatives which have a positive impact on society at large.

The CSR Policy of the Company was approved by the Board of Directors in their meeting held on 22.10.2018. This policy, which encompasses the Company’s philosophy for giving back to society as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programme for the welfare & sustainable development of the community.

**Objectives:**

The objectives of the Company’s CSR Policy are to:

- (a) To provide a robust framework for carrying out the CSR initiatives in alignment with the Act and the rules made thereunder, as applicable from time to time.
- (b) To improve the community well-being through discretionary business practices and contribution of corporate resources.
- (c) To promote greater social and environmental responsibility.
- (d) To pursue a corporate strategy that enables realization of the goals of shareholder value enhancement and societal value creation in a mutually reinforcing and synergizing manner.
- (e) To ensure that the surplus arising of CSR projects/ programs/ activities shall not form part of the business profit of the Company
- (f) To display the contents of the CSR policy and the implementation of the CSR activities on the website and the annual report of the company
- (g) To generate through its CSR initiatives, goodwill for the Company and help reinforce a positive and socially responsible image of the Company as a corporate entity.

During the Financial Year 2018-19, the Company has taken various activities in the sector of Eradicating hunger and malnutrition and sanitation and making available safe drinking water.

The Company’s Corporate Social Responsibility Policy has been hosted on the website of the Company at <http://www.finova.in/csr-policy.php>

**2. The composition of the CSR Committee:**

The Board of Directors have constituted a CSR Committee in accordance with the requirements of Section 135(1) of the Companies Act, 2013. The composition of the CSR Committee as at 31st March, 2019 was as under:

Name of the Director	Category
Mr. Mohit Sahney	Chairman
Mrs. Sunita Sahney	Member

**3. Average net profit (before Tax) of the Company for the last three financial years**

Average net profit was Rs. 2,29,70,364/- (Rupees Two Crores Twenty-Nine Lakhs Seventy Thousand Three Hundred and Sixty-Four Only)

**4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)**

The Company is required to spend Rs. 4,60,000/- (Rupees Four Lakhs and Sixty Thousand Only)

**5. Details of CSR spent during the financial year:**

- Total amount to be spent for the financial year: Rs. 4,60,000/-
- Amount unspent: NIL (No amount is unspent for the Financial Year 2018-19)
- Manner in which the amount spent during the financial year is detailed below:

-1 S. No.	-2 CSR project or activity identified	-3 Sector in which the project is covered	-4 Projects of programs 1) Local area or other 2) Specify the State and district where project or progra ms was uderta ken	-5 Amount outlay (budget) Project or programs wise	-6 Amount spent on the projects Sub heads: (1) Direct Expenditu re on projects or programs (2) Overheads	-7 Cumulative expenditure upto the reporting period	-8 Amount spent: Direct or through implementing agency
1.	Eradicating hunger, poverty and malnutrition, promoting preventive healthcare and sanitation	Installation of water coolers by making available safe drinking water	Rajasthan (Jaipur, Churu, Jodhpur, Nagaur)	3,24,000	3,47,910	3,47,910	Direct

	and making available safe drinking water						
2.	Eradicating hunger, poverty and malnutrition, promoting preventive healthcare and sanitation and making available safe drinking water	Providing mid day meals to the poor children by donation to Akshay Patra	Jaipur, Rajasthan	1,36,000	1,32,000	1,32,000	Implementing agency
	<b>Total</b>			4,60,000	4,79,910	4,79,910	

**Details of implementing agency:**

- **Akshay Patra Foundation**

The Akshay Patra Foundation is a not-for-profit organization which strives to eliminate hunger by implementing the Mid-Day Meal Scheme in the government schools and government-aided-schools. Alongside, Akshay Patra also aims at countering malnutrition and supporting the right to education of socio-economically disadvantaged children. The organization works towards its vision of “No child in India shall be deprived of education because of hunger”.

**6. Reason for not spending the amount mentioned in point 5(c):**

N.A.

**7. The implementation and monitoring of the CSR Policy is in compliance with CSR objects and policy of the Company and will be reviewed by CSR Committee and Board at periodic intervals.**

**DATE: 12.06.2019**

**PLACE: MUMBAI**

**FOR FINOVA CAPITAL PRIVATE LIMITED**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**FOR FINOVA CAPITAL PRIVATE LIMITED**

**SUNITA SAHNEY  
CSR COMMITTEE MEMBER**

**MOHIT SAHNEY  
MANAGING DIRECTOR; CEO  
& CSR COMMITTEE CHAIRMAN**

FORM No. MGT-11

Proxy Form

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

CIN: U65993RJ2015PTC048340

Name of the Company: Finova Capital Private Limited

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

Name of the Member (s):

Registered address:

E-mail Id:

Folio No / Client Id:

I / We, being the member(s) of \_\_\_\_\_ shares of the above mentioned Company, hereby appoint:

1. Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_  
Signature: \_\_\_\_\_, or failing him/her

2. Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_  
Signature: \_\_\_\_\_, or failing him/her

3. Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail Id: \_\_\_\_\_  
Signature: \_\_\_\_\_

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 04<sup>TH</sup> AGM of the Company, to be held on Thursday the 11<sup>th</sup> day of July, 2019 at 11.00 A.M at its corporate office situated at Fourth Floor, Unique Aspire, Plot No. 13-14 Cosmo Colony, Amrapali Marg, Vaishali Nagar, Jaipur-302021 (Raj.) and at any adjournment thereof in respect of such resolutions as are indicated below:

S. NO.	Resolution	For	Against
1.	To consider and adopt the Audited Financial Statements for the year ended 31 <sup>st</sup> March, 2019 together with the reports of Board of Directors and Auditors thereon.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2019

Signature of Shareholder

Signature of Proxy Holder (s)

Affix Revenue Stamp  
here

**Note: This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.**

**ATTENDANCE SLIP**

Registered Folio no./DP ID no./ Client ID No.

--

Number of shares held

--

I certify that I am a member /proxy/authorised representative for the member of the company. I hereby record my presence at the 04<sup>th</sup> AGM of the Company, held on Thursday, the 11<sup>th</sup> day of July, 2019, at 11.00 at its corporate office at Fourth Floor, Unique Aspire, Plot No. 13-14 Cosmo Colony, Amrapali Marg, Vaishali Nagar, Jaipur -302021 (Raj.)

-----

Name of the member/proxy  
(In Block Letters)

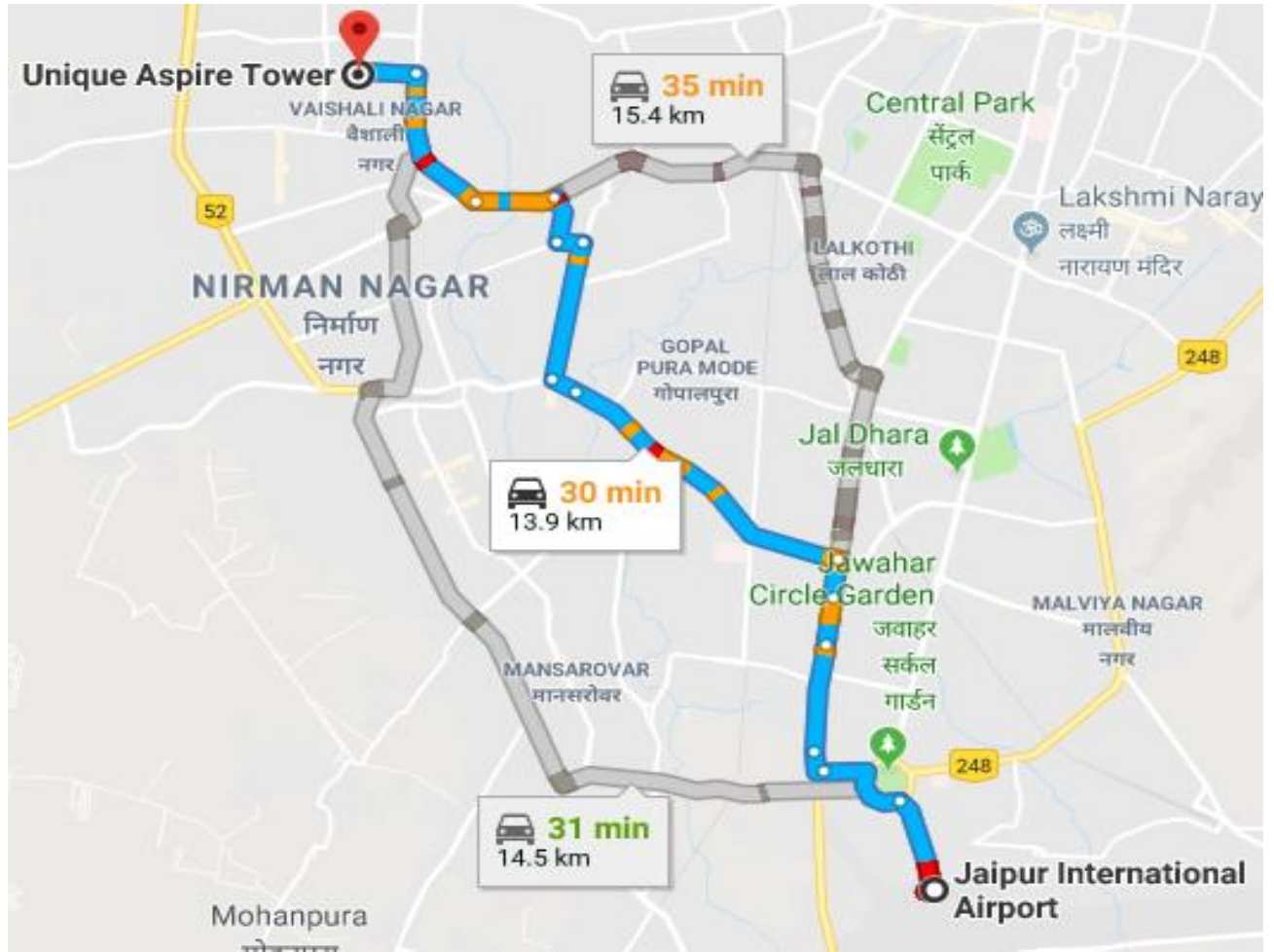
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Signature of the member/proxy

Note: Please fill up the attendance slip and hand it over at the entrance of the meeting.



**ROUTE MAP FOR THE VENUE OF THE MEETING**



**VENUE:**

**FOURTH FLOOR, UNIQUE ASPIRE, PLOT NO. 13-14,  
COSMO COLONY, AMRAPALI AMRG, VAISHALI NAGAR,  
JAIPUR-302021 (RAJASTHAN)  
LANDMARK: AMRAPALI CIRCLE**

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Finova Capital Private Limited

**Report on the Audit of the Financial Statements****Opinion**

We have audited the accompanying financial statements of Finova Capital Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2019, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as 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 Financial Statements' 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 ("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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Other Information**

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's report which is included in the Annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014 as amended. 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 the 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements 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 statements.

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

1. Identify and assess the risks of material misstatement of the financial statements, 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.
2. 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 system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of 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 financial statements 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.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements 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.

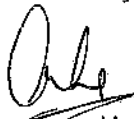
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014 as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) The provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2019;
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm Registration Number: 101049W/E300004



per Amit Kabra  
Partner  
Membership Number: 094533  
Place of Signature: Mumbai  
Date: June 12, 2019



**Annexure 1 referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) All fixed assets were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given by the management, there are no immovable properties included in property, plant and equipment/fixed assets of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of the clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the services of the Company.
- (vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, good and service tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. The provisions related to custom duty, excise duty, value added tax and wealth tax are not applicable to the Company.
  - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions related to custom duty, excise duty, value added tax and wealth tax are not applicable to the Company.
  - (c) According to the information and explanations given to us, there are no dues of income tax, sales-tax, goods and service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute.
- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

Finova Capital Private Limited  
Independent Auditor's Report for the year ended March 31, 2019

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(ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer/ further public offer/debt instruments hence not commented upon.

Further, monies raised by the Company by way of term loans, were applied for the purpose for which they were raised, though idle/surplus funds which were not required for immediate utilization have been invested in liquid assets payable on demand.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud/material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act is not applicable to the company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given by the management, the Company has complied with provisions of section 42 of the Companies Act, 2013 in respect of the private placement of shares during the year. According to the information and explanations given by the management, we report that the amounts raised, have been used for the purposes for which the funds were raised. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of fully or partly convertible debentures during the year.

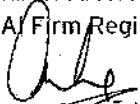
(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, we report that the Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934.

**For S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

ICA Firm Registration Number: 101049W/E300004



per Amit Kabra

Partner

Membership Number: 094533

Place of Signature: Mumbai

Date: June 12, 2019



**ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF FINOVA CAPITAL PRIVATE LIMITED**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Finova Capital Private Limited** ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these financial statements.



## Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to these Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per Amit Kabra

Partner

Membership Number: 094533

Place of Signature: Mumbai

Date: June 12, 2019





**FINOVA CAPITAL PRIVATE LIMITED**  
**BALANCE SHEET AS AT MARCH 31, 2019**

(Amounts in Rupees)

Particulars	Note	As at March 31, 2019	As at March 31, 2018
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share Capital	3	664,949,116	383,042,600
Reserves and Surplus	4	932,648,822	141,302,701
		<b>1,597,597,938</b>	<b>524,345,301</b>
<b>NON CURRENT LIABILITIES</b>			
Long Term Borrowings	5	1,429,946,109	403,610,605
Long Term Provisions	6	13,483,259	4,437,414
		<b>1,443,429,368</b>	<b>408,048,019</b>
<b>CURRENT LIABILITIES</b>			
Other Current Liabilities	7	537,029,441	304,541,716
Short Term Provisions	8	16,658,913	1,890,848
		<b>553,688,354</b>	<b>306,432,564</b>
<b>Total</b>		<b>3,594,715,660</b>	<b>1,238,825,884</b>
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Fixed Assets			
Property, Plant and Equipment	9	26,602,167	17,813,870
Intangible Assets	9	290,584	288,385
Deferred Tax Asset (Net)	10	2,305,124	785,897
Long Term Loans and Advances	11	2,219,602,911	840,826,950
Other Non Current Assets	12	20,500,000	9,000,000
		<b>2,269,300,786</b>	<b>868,715,102</b>
<b>CURRENT ASSETS</b>			
Current Investments	13	409,381,804	215,604,711
Cash and Bank Balances	14	638,419,355	29,847,542
Short Term Loans and Advances	15	238,983,033	112,432,309
Other Current Assets	16	38,630,682	12,226,220
		<b>1,325,414,874</b>	<b>370,110,782</b>
<b>Total</b>		<b>3,594,715,660</b>	<b>1,238,825,884</b>

Summary of Significant Accounting Policies 2.1

The accompanying notes are an integral part of the financial statements

As per our report of even date

For S. R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm Registration Number : 101049W/E3000044

per Amit Kabra  
 Partner  
 Membership No. 094533

For and on behalf of the Board of Directors of  
 FINOVA CAPITAL PRIVATE LIMITED

For Finova Capital Pvt. Ltd.

Mohit Sahney  
 MD & CFO  
 Director  
 DIN: 07280918

Sunita Sahney  
 Whole Time Director  
 DIN: 02395354

Director

Place: Mumbai  
 June 12, 2019

For Finova Capital Private Limited  
 Garima Jhamaani  
 Company Secretary  
 M. No: 43137  
 Place: Mumbai  
 June 12, 2019  
 Authorised Signatory



**FINOVA CAPITAL PRIVATE LIMITED**  
**STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2019**

(Amounts in Rupees)

Particulars	Note	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>REVENUES</b>			
Revenue from Operations	17	406,580,434	148,106,129
Other Income	18	23,897,310	5,697,477
<b>Total Revenue (I)</b>		<b>430,477,744</b>	<b>153,803,606</b>
<b>EXPENSES</b>			
Employee Benefit Expenses	19	123,220,141	34,276,030
Finance Costs	20	152,021,876	46,581,336
Depreciation & Amortisation	9	3,781,468	1,137,743
Other Expenses	21	50,002,427	18,159,278
Provision on Loans & Advances	22	7,389,225	3,526,919
<b>Total Expenses (II)</b>		<b>336,415,137</b>	<b>103,681,306</b>
<b>PROFIT BEFORE TAX (III)=(I)-(II)</b>		<b>94,062,607</b>	<b>50,122,300</b>
<b>Tax Expense</b>			
Current Tax		26,247,619	14,475,863
Less: Previous Year Tax		(825,532)	-
Deferred Tax		(1,519,226)	(917,245)
<b>Total Tax Expense (IV)</b>		<b>23,902,861</b>	<b>13,558,618</b>
<b>PROFIT AFTER TAX (III)-(IV)</b>		<b>70,159,746</b>	<b>36,563,682</b>
<b>Earnings per equity share of face value of Rs. 10 each</b>	23		
Basic		14.03	7.31
Diluted		8.33	6.13
<b>Summary of Significant Accounting Policies</b>	2.1		

The accompanying notes are an integral part of the financial statements

As per our report of even date .

For S. R. BATLIBOI & ASSOCIATES LLP  
Chartered Accountants  
ICAI Firm Registration Number : 101049W/E300004

per Amit Kabra  
Partner  
Membership No. 094533



Place: Mumbai  
June 12, 2019

For and on behalf of the Board of Directors of  
FINOVA CAPITAL PRIVATE LIMITED

For Finova Capital Pvt. Ltd.

For Finova Capital Pvt. Ltd.

Mohd Hanif  
MD & CEO  
DIN: 07280918

Sunita Sahney  
Whole Time Director  
DIN: 02395354

Director

For Finova Capital Private Limited

Garima Jhamnani  
Company Secretary Authorised Signatory  
M. No: 43137  
Place: Mumbai  
June 12, 2019

**FINOVA CAPITAL PRIVATE LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019**

(Amounts in Rupees)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net profit before Taxation, and extraordinary item	94,062,607	50,122,300
<b>Adjustments:</b>		
Depreciation and Amortisation	3,781,468	1,137,743
Interest on Bank Deposits/staff advance/other non-operating income	(4,382,456)	(812,805)
Profit on Sale of Investments	(19,514,854)	(4,873,342)
Loss on Sales of Fixed Assets	653,149	-
Provision on Loans	7,389,225	3,526,919
<b>Operating cash flow before working capital and other changes</b>	<b>81,989,139</b>	<b>49,100,816</b>
<b>Movement in working capital:</b>		
Decrease / (increase) in Receivable under financing activity	(1,503,173,273)	(741,045,928)
Decrease / (increase) in Short term loans and advances	(181,651)	(1,142,489)
Decrease / (increase) in Long-term loans and advances	(613,536)	(600,200)
Decrease / (increase) in Other current assets	(27,631,686)	(11,028,324)
Decrease / (increase) in Other Non current assets	(11,500,000)	(1,682,463)
(Decrease) / increase in Other long-term liabilities	1,656,620	3,618,079
(Decrease) / increase in Other current liabilities	(71,355,621)	154,861,343
<b>Cash Generated from Operations</b>	<b>(1,530,810,008)</b>	<b>(547,919,165)</b>
Net Taxes Paid	(18,500,000)	(14,750,000)
<b>Net Cash from/(used in) Operating Activities (A)</b>	<b>(1,549,310,008)</b>	<b>(562,669,165)</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets/Intangibles	(13,225,111)	(13,942,192)
Profit/(Loss) from Sale of Investments	19,514,854	4,873,342
Investment in fixed deposit	(600,000,000)	-
Interest Received	4,382,456	812,805
<b>Net cash from/(used in) Investing Activities (B)</b>	<b>(589,327,801)</b>	<b>(8,256,045)</b>
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Share Capital (including Securities Premium)	1,017,166,643	383,000,025
Share Issue Exp	(19,498,133)	(11,850,389)
Proceeds from Borrowings from Bank and Others	1,587,300,000	485,000,000
Repayments of Borrowings from Bank and Others	(243,981,796)	(55,680,883)
<b>Net Cash from/(used in) Financing Activities (C)</b>	<b>2,340,986,714</b>	<b>800,468,753</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>202,348,905</b>	<b>229,543,542</b>
Cash and cash equivalents at the beginning of the year	245,452,253	15,908,711
<b>Cash and Cash Equivalents at the end of the year</b>	<b>447,801,159</b>	<b>245,452,253</b>
<b>Components of Cash and Cash equivalents</b>		
Cash in hand and balances with banks (refer note 14)	38,419,355	29,847,542
Short Term Investment (refer note 13)	409,381,804	215,604,711
<b>Cash and Cash Equivalents at the end of year</b>	<b>447,801,159</b>	<b>245,452,253</b>

As per our report of even date

For **S. R. BATLIBOI & ASSOCIATES LLP**  
Chartered Accountants  
ICAI Firm Registration Number : 101049W/E300004

per **Amit Kabra**  
Partner  
Membership No. 094533

Place: Mumbai  
June 12, 2019



For and on behalf of the Board of Directors of  
**FINOVA CAPITAL PRIVATE LIMITED**

For **Finova Capital Pvt. Ltd.**

For **Finova Capital Pvt. Ltd.**

**Mohit Sahney**  
MD & CEO  
DIN: 07280918

**Sunita Sahney**  
Whole Time Director  
DIN: 02395354

**Director**

For **Finova Capital Private Limited**  
**Garima Jhamani**  
Company Secretary  
M. No: 43137  
Place: Mumbai  
June 12, 2019

**Authorised Signatory**

## FINOVA CAPITAL PRIVATE LIMITED

### Notes on Financial Statements for the year ended March 31, 2019

#### 1. Corporate Information

Finova Capital Private Limited is a private company ("The Company") and incorporated under the provisions of the Companies Act, 2013 having Corporate Identification No. is (CIN) U65993RJ2015PTC048340 on September 24, 2015. The Company engaged in lending activities. The Company had obtained its licence from Reserve Bank of India (RBI) to operate as Non deposit Accepting Non Banking Financial Company (NBFC-ND) on March 02, 2016 vide registration No. RBI B-10.00236.

#### 2. Basis of preparation of Financial Statement

The financial statements have been prepared in conformity with generally accepted accounting principles to comply in all material respects with the notified Accounting Standards ('AS') under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014 and provision of RBI as applicable to Non-systematically Important Non-Deposit taking Non-Banking Finance Company ('NBFC-ND-NSI'). The financial statements have been prepared under the historical cost convention on an accrual basis.

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of the products and services and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of its assets and liabilities.

#### 2.1 Summary of significant accounting policies

##### a) Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principle in India (Indian GAAP) requires the management to make judgement, estimates and assumptions that affect the reported amounts of revenue expenses, assets and liabilities and the disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions these assumptions and estimates could result in the outcomes requiring an adjustment to the carrying amounts of assets or liabilities in future periods.

##### b) Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be measured reliably.


##### (i) Income from Financing activities

- a. Interest Income is recognized on a time proportion accrual basis taking into account the amount outstanding and the interest rate implicit in the underlying agreements. Income or any other charges on non-performing assets are recognized only when realized. Any such income recognized and remaining unrealized before the asset became non-performing is reversed.

Overdue interest is recognized on realization basis. Overdue interest is treated to accrue on realization, due to the uncertainty of their realization.

- b. Loan origination income i.e. processing fee and other charges collected upfront are recognised at the inception of loan.


For Finova Capital Pvt. Ltd.

  
Director

For Finova Capital Pvt. Ltd.

  
Director

For Finova Capital Private Limited

  
Authorised Signatory



**FINOVA CAPITAL PRIVATE LIMITED****Notes on Financial Statements for the year ended March 31, 2019**

c. All other charges such as cheque return charges, legal charges, collection charges etc are recognized on realization basis. These charges are treated to accrue on realization, due the uncertainty of their realization.

**(ii) Income from deposits:**

Interest income on deposits with banks is recognised on time proportion basis taking into account the amount outstanding and the applicable interest rate.

**(iii) Income from Investment**

Interest Income on investment is recognized on accrual basis.

**c) Property, Plant and equipment/ Intangible Assets, depreciation/ Amortization and Impairment****(i) Property, Plant and Equipment**

Property, Plant and Equipment are stated at their original cost net of accumulated depreciation and impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use.

Gain or losses arising from de-recognition of property, plant and equipment are measured as the difference between net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

**Depreciation**

Leasehold improvement is amortized on a straight line basis over the period of lease.

Depreciation on fixed assets is calculated on straight line basis. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 as under:

Particular	Useful Life (years)
Leasehold Improvements	3-9
Furniture and Fixtures	10
Vehicle	8
Computer, printers	3-6
Electrical installations	10
Intangible assets	5
Office Equipment	5

Salvage Value of the assets has been taken @5% of Original Cost as prescribed in Schedule II.

Depreciation on assets acquired/ sold during the period is recognized on a pro-rata basis to the statement of profit and loss from/ upto the date of acquisition/ sale.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial period end and adjusted prospectively, if appropriate.

**(ii) Intangible Assets:**

Intangible assets are amortized on a straight-line basis over the estimated useful economic life. The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed five years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds five years, the company amortizes the intangible asset over the best estimate of its useful life.

For Finova Capital Pvt. Ltd.

Director

For Finova Capital Pvt. Ltd.

Director

For Finova Capital Private Limited

Authorised Signatory



**FINOVA CAPITAL PRIVATE LIMITED**

**Notes on Financial Statements for the year ended March 31, 2019**

(iii) **Impairment of Assets:**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the asset.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

d) **Retirement and other employee benefits**

a. **Defined contribution plans:** The provident fund and employees state Insurance are defined contribution plans and the contribution to the same are charged to the statement of profit and loss during the year in which the services are rendered.

b. **Defined Benefit plans:** Gratuity liability payable to eligible employees under the Payment of Gratuity Act, which is a defined benefit scheme, is accrued and provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year and is not externally funded.

Actuarial gains/ losses are immediately taken to the Statement of profit and loss and are not deferred.

c. The Company has provided for compensatory leaves which can be availed and not encashed as per policy of the Company as present value obligation of the benefit at related current service cost measured using the Projected Unit Credit Method on the basis of an actuarial valuation. The Company has accordingly booked ₹13.32 Lacs (previous year - Nil) in the books of accounts for the period.

e) **Tax on Income**

a. **Income Tax**

Current Income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date. Current Income Tax relating to items recognized directly in equity and not instatement of profit and loss.

b. **Deferred taxes**

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss account.

Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonablethat sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

The carrying cost of the deferred tax assets are reviewed at each balance sheet date. The Company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case that sufficient future taxable income will be available against which deferred tax asset can realised. Any such amount is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

For Finova Capital Pvt. Ltd.

Director

For Finova Capital Pvt. Ltd.

Director

For Finova Capital Private Limited

Authorised Signatory



## FINOVA CAPITAL PRIVATE LIMITED

### Notes on Financial Statements for the year ended March 31, 2019

#### f) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline, other than temporary, in the value of long-term investments.

Current quoted investments are carried at lower of cost and fair value whichever is lower determined on an individual investment basis. Unquoted investments in the units of mutual funds in the nature of current investments are valued at net asset value (NAV) as per RBI prudential norms.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of profit and loss.

#### g) Lease

Lease, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating Lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

#### h) Provisioning/ write off of assets

(i) Loans are provided for/ written off as per company's policy, as given in sub para (b) below, subject to the minimum provision required as per the Master Direction- Non Banking Financial Company – Non systematically Important Non-deposit taking Company (Reserve Bank) Directions, 2016, issued vide Master Direction DNBR.PD.007/03.10.119/2016-17 dated September 01, 2016 (the NBFC-ND-NSI Master Directions")

(ii) As per Company's policy, Loans with principle or interest overdue for more than 180 days are considered as non performing Loans and provided at following rates:

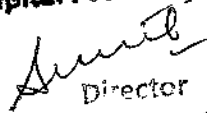
DPD	Provision on Outstanding amount
Customer with 181 days to 546 days	20%
Customer with 546 days to 911 days	40%
Customer with 911 days to 1641 days	60%
Customer more than 1641 days	100%

(iii) Provision on standard assets is made @ 0.40% pursuant to the NBFC-ND-NSI Master Directions.

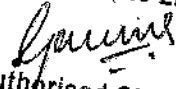
#### i) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best management estimates.

For Finova Capital Pvt. Ltd.  
  
Director

For Finova Capital Pvt. Ltd.  
  
Director



For Finova Capital Private Limited  
  
Authorised Signatory

**FINOVA CAPITAL PRIVATE LIMITED**

**Notes on Financial Statements for the year ended March 31, 2019**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

**j) Earnings Per Share**

The Company reports basic Earnings per Share (EPS) in accordance with Accounting Standard 20 on Earnings per Share. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of Equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**k) Cash and Cash equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand, short-term deposits with an original maturity of three months or less and short term investments in mutual funds.

**l) Segment Reporting**

The Company operates in a single business segment i.e. lending to borrowers, which have similar risks and returns for the purpose of AS 17 on "Segment reporting" specified under section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014, Companies (Accounting Standards) Amendment Rules, 2016. All other activities of the company revolve around these activities. The Company operates in a single geographical segment i.e. domestic.

**m) Capital Issue Expenses**

Share issue expenses incurred are expensed in the year of issue. These are adjusted (net of tax) to the securities premium account in accordance with section 52 of the act to the extent of balance available in such premium account.

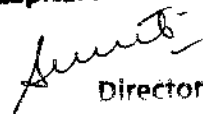
**n) Share based payments**

In case of stock option plan, measurement and disclosure of the employee share-based payment plans is done in accordance with the Guidance note on Accounting for Employee share-based Payments, issued by the institute of Chartered Accountants of India as applicable for equity- settled share based payments.

For Finova Capital Pvt. Ltd.

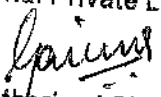
  
Director

For Finova Capital Pvt. Ltd.

  
Director



For Finova Capital Private Limited

  
Authorised Signatory



3 SHARE CAPITAL

Details of authorised, issued, subscribed and paid up share capital

(Amounts in Rupees)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Authorised Share Capital</b>		
6,000,000 (Previous year 6,000,000) Equity Shares of Rs. 10/- each	60,000,000	60,000,000
6,500,000 (Previous year 3,400,000) 0.0001% Compulsory Convertible Cumulative Preference Shares ("CCCPS") of Rs. 100/- each	650,000,000	340,000,000
	<b>710,000,000</b>	<b>400,000,000</b>
<b>Issued &amp; subscribed share capital</b>		
<b>Equity Share Capital</b>		
5,000,020 (Previous year 5,000,010) Equity Shares of Rs. 10/- each fully paid up	50,000,200	50,000,100
<b>Compulsory Convertible Cumulative Preference Share Capital</b>		
6,314,340 (Previous year 3,330,425) 0.0001% Compulsory Convertible Cumulative Preference Shares of Rs. 100/- each	631,434,000	333,042,500
	<b>681,434,200</b>	<b>383,042,600</b>
<b>Called-Up and Paid up capital</b>		
<b>Fully paid up</b>		
<b>Equity Share Capital</b>		
5,000,020 (Previous year 5,000,010) Equity Shares of Rs. 10/- each fully paid up	50,000,200	50,000,100
<b>Series A Compulsory Convertible Cumulative Preference Share Capital</b>		
3,330,425 (Previous year 3,330,425) 0.0001% Compulsory Convertible Cumulative Preference Shares of Rs. 100/- each	333,042,500	333,042,500
<b>Series B Compulsory Convertible Cumulative Preference Share Capital</b>		
2,817,399 (Previous year NIL) 0.0001% Compulsory Convertible Cumulative Preference Shares of Rs. 100/- each	281,739,900	-
<b>Partly Called-Up and Paid up Capital</b>		
<b>Series A-1 Compulsory Convertible Cumulative Preference Share Capital</b>		
28,000 (Previous year NIL) 0.0001% Compulsory Convertible Cumulative Preference Shares of Rs. 100/- each Rs 1 Paid up	28,000	-
<b>Series B Compulsory Convertible Cumulative Preference Share Capital</b>		
138,516 (Previous year NIL) 0.0001% Compulsory Convertible Cumulative Preference Shares of Rs. 100/- each Rs 1 Paid up	138,516	-
<b>Total Paid up Capital</b>	<b>664,949,116</b>	<b>383,042,600</b>

3.1 The company has only one class of Equity Shares having par value of Rs. 10/- per share. Each holder of Equity share is entitled to one vote per share. In the event of liquidation of company, the holders of Equity Shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts.

3.2 a) During the year ended 31st March, 2018, the company issued 33,30,425 Series A CCCPS of Rs. 100/- each fully paid up. The CCCPS holders are entitled to dividend of 0.0001% cumulative. Each CCCPS can be converted to Equity Shares at any time before the expiry of Twenty years from the date of issue into such number of Equity Shares as per the Investment Agreement dated September 2, 2017.

b) During the year ended 31st March, 2019, the company issued 28,17,399 Series B CCCPS of Rs. 100/- each fully paid up, 28,000 Series A-1 CCCPS of Rs. 100/- each Rs-1 Paid up and 1,38,516 Series B CCCPS of Rs. 100/- Rs 1 Paid up. The CCCPS holders are entitled to dividend of 0.0001% cumulative. Each CCCPS can be converted to Equity Shares at any time before the expiry of Twenty years from the date of issue into such number of Equity Shares as per the Investment Agreement dated March 6, 2019.

3.3 Reconciliation of number of Equity Shares outstanding is set out below:

Particulars	As at March 31, 2019	As at March 31, 2018
Shares outstanding at the beginning of the year	5,000,010	5,000,000
Shares issued during the year	10	10
Shares bought back during the year	-	-
Shares outstanding at the end of the year	<b>5,000,020</b>	<b>5,000,010</b>

3.4 Reconciliation of number of Preference Shares outstanding is set out below:

Particulars	As at March 31, 2019	As at March 31, 2018
Shares outstanding at the beginning of the year	3,330,425	-
Shares issued during the year	2,983,915	3,330,425
Shares bought back during the year	-	-
Shares outstanding at the end of the year	<b>6,314,340</b>	<b>3,330,425</b>

3.5 Details of shareholders holding more than 5% Equity Shares set out below:

Particulars	As at March 31, 2019			As at March 31, 2018		
	No. of Shares	Value	% of Holding	No. of Shares	Value	% of Holding
Mohit Sahney	2,600,000	26,000,000	52.00%	2,500,000	25,000,000	50.00%
Prashant Gupta	800,000	8,000,000	16.00%	800,000	8,000,000	16.00%
Ravinder Singh	800,000	8,000,000	16.00%	800,000	8,000,000	16.00%
Sunita Sahney	550,000	5,500,000	11.00%	550,000	5,500,000	11.00%
Laxmi Narayan	250,000	2,500,000	5.00%	350,000	3,500,000	7.00%

3.6 Details of shareholders holding more than 5% Preference Shares set out below:

Particulars	As at March 31, 2019			As at March 31, 2018		
	No. of Shares	Value	% of Holding	No. of Shares	Value	% of Holding
SCI Investments V	4,416,388	441,638,800	71.82%	3,330,425	333,042,500	100.00%
Faering Capital Fund II	1,102,059	110,205,900	17.92%	-	-	-
Faering Capital Fund III	629,377	62,937,700	10.23%	-	-	-

3.7 For details of shares reserved for issue under the employee stock option (ESOP) plan of the company, refer Note 25(ii)

For Finova Capital Pvt. Ltd.

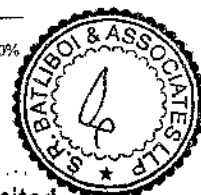
Director

For Finova Capital Pvt. Ltd.

Director

For Finova Capital Private Limited

Authorised Signatory



**FINOVA CAPITAL PRIVATE LIMITED**

Notes on Financial Statements for the year ended March 31, 2019

**4 RESERVES AND SURPLUS**

Particulars	(Amounts in Rupees)	
	As at March 31, 2019	As at March 31, 2018
<b>Securities Premium</b>		
Opening Balance	91,372,114	50,000,000
Add: Premium on Shares issued during the year	735,260,127	49,957,425
Less: Premium utilised during the year for issue of shares (Net of tax)	14,073,752	8,585,311
<b>Closing Balance</b>	<b>812,558,489</b>	<b>91,372,114</b>
<b>Statutory Reserve Fund under Section 45-IC of RBI Act, 1934</b>		
Opening Balance	9,986,117	2,673,381
Add: Transfer from Surplus in the Statement of Profit and Loss*	14,031,949	7,312,736
<b>Closing Balance</b>	<b>24,018,066</b>	<b>9,986,117</b>
<b>Surplus/(Deficit) in the Statement of Profit and Loss</b>		
Opening Balance	39,944,470	10,693,524
Add: Profit/(Loss) for the year	70,159,746	36,563,682
Less: Transfer to Reserve Fund as per Section 45-IC of RBI Act, 1934	(14,031,949)	(7,312,736)
<b>Closing Balance</b>	<b>96,072,267</b>	<b>39,944,470</b>
<b>Total Reserves and Surplus</b>	<b>932,648,822</b>	<b>141,302,701</b>


\* Represents transfer of 20% of Net profit after Tax in accordance with the provisions of Sec 45-IC of Reserve Bank of India Act, 1934

**5 LONG TERM BORROWINGS**

Particulars	(Amounts in Rupees)	
	As at March 31, 2019	As at March 31, 2018
<b>Secured Borrowings</b>		
<b>Term Loans*</b>		
from Banks	820,894,223	88,003,445
from Others	609,051,886	315,607,160
<b>Total Long Term Borrowing</b>	<b>1,429,946,109</b>	<b>403,610,605</b>

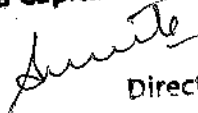
\* Term loan are secured by first pari passu charge over specific loan receivable.

For Finova Capital Pvt. Ltd.



Director

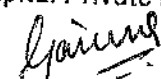
For Finova Capital Pvt. Ltd.



Director



For Finova Capital Private Limited



Authorised Signatory

**FINOVA CAPITAL PRIVATE LIMITED**

Notes on Financial Statements for the year ended March 31, 2019

**Term Loans as on March 31, 2019**

Original Maturity	Rate of Interest	Due within 1 year		Due 1 to 3 years		Due 4 to 5 years		More than 5 years		Total Amount (Rs.)
		No of Installments	Amount (Rs.)	No of Installments	Amount (Rs.)	No of Installments	Amount (Rs.)	No of Installments	Amount (Rs.)	
Secured										
Monthly Repayment Schedule										
Upto 36 months	11.40%-12.00%	24	42,102,628	19	35,977,039	-	-	-	-	78,079,668
37 to 48 months	11.00%-14.25%	131	141,357,667	185	244,462,482	25	53,610,644	-	-	439,430,793
49 to 60 months	9.55%-13.90%	136	196,706,258	265	405,239,523	157	281,334,135	-	-	883,279,916
Above 60 months	9.18%-13.90%	54	82,535,299	108	170,918,458	49	149,668,877	23	88,734,951	491,857,584

**Term Loans as on March 31, 2018**

Original Maturity	Rate of Interest	Due within 1 year		Due 1 to 3 years		Due 4 to 5 years		More than 5 years		Total Amount (Rs.)
		No of Installments	Amount (Rs.)	No of Installments	Amount (Rs.)	No of Installments	Amount (Rs.)	No of Installments	Amount (Rs.)	
Secured										
Monthly Repayment Schedule										
Upto 36 months	11.40%-12.00%	22	36,058,973	43	78,003,429	-	-	-	-	114,062,402
37 to 48 months	11.75%-14.25%	96	61,609,172	187	128,667,147	22	23,385,539	-	-	213,661,858
49 to 60 months	9.18%-13.90%	83	48,051,022	168	103,542,135	103	70,012,339	-	-	221,605,497

**6 LONG TERM PROVISIONS**

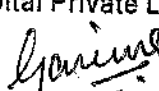
(Amounts in Rupees)

Particulars	As at March 31,	
	2019	2018
<b>Provision for Employee Benefits</b>		
Gratuity	1,440,718	528,611
Leave availment	1,238,108	-
<b>Others</b>		
Provision for standard assets	8,837,794	3,346,788
Provisions for sub standard assets	1,966,639	562,015
<b>Total Long Term Provisions</b>	<b>13,483,259</b>	<b>4,437,414</b>

For Finova Capital Pvt. Ltd.  
  
 Director

For Finova Capital Pvt. Ltd.  
  
 Director



For Finova Capital Private Limited  
  
 Authorised Signatory

**FINOVA CAPITAL PRIVATE LIMITED**

Notes on Financial Statements for the year ended March 31, 2019

**7 OTHER CURRENT LIABILITIES**


Particulars	(Amounts in Rupees)	
	As at March 31, 2019	As at March 31, 2018
<b>Current Maturities for Long Term Debts</b>		
<b>Term Loans *</b>		
from Banks	270,383,376	41,058,965
from Others	192,318,476	104,660,186
Interest Accrued but not Due	15,120,121	1,834,959
<b>Others</b>		
Statutory Liabilities	5,806,694	3,344,399
Employee Payables	11,758,122	4,286,302
Creditors for Expenses	20,355,342	3,109,892
Loans pending Disbursement	-	137,105,681
Other payables	21,287,310	9,141,332
<b>Total Other Current Liabilities</b>	<b>537,029,441</b>	<b>304,541,716</b>

\* Term loan are secured by first pari passu charge over specific loan receivable.

**8 SHORT TERM PROVISIONS**

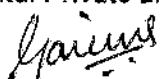
Particulars	(Amounts in Rupees)	
	As at March 31, 2019	As at March 31, 2018
<b>Provision for Employee Benefits</b>		
Gratuity	4,586	1,697
Leave availment	94,570	-
Bonus	14,000,000	1,451,700
<b>Others</b>		
Provision for Taxation (Net of Advance Tax) Ass Year 2019-20	1,628,711	-
Provision for Standard Assets	931,046	437,451
<b>Total Short Term Provisions</b>	<b>16,658,913</b>	<b>1,890,848</b>

For Finova Capital Pvt. Ltd.  
  
 Director

For Finova Capital Pvt. Ltd.  
  
 Director



For Finova Capital Private Limited

  
 Authorised Signatory

**FINOVA CAPITAL PRIVATE LIMITED**  
Notes on Financial Statements for the year ended March 31, 2019

**9. Fixed Assets as per Schedule II of Companies Act, 2013**

PARTICULARS	GROSS BLOCK				Accumulated Depreciation			NET BLOCK	
	As on 31st March 2018	Addition during the year	Depreciation during the year	As on 31st March 2019	Provided during the year	As on 31st March 2019	As on 31st March 2018	As on 31st March 2019	
<b>Property, Plant and Equipment:</b>									
Lease Hold Improvements	1,317,679	2,025,876	-	3,343,555	267,898	283,408	3,060,147	1,302,169	
Computer & Printers	2,157,676	2,786,708	-	4,944,384	1,129,433	1,462,671	3,481,713	1,824,438	
Office Equipments	2,560,327	562,321	-	3,122,648	552,195	750,471	2,372,177	2,362,051	
Electrical installations	1,437,193	437,652	-	1,874,845	150,893	170,557	1,704,288	1,417,529	
Vehicles	3,907,801	8,052,861	3,907,801	8,052,861	755,186	751,381	7,492,195	3,350,940	
Furniture & Fixtures	7,850,891	1,775,448	-	9,626,339	840,544	1,134,692	8,491,647	7,556,743	
<b>TOTAL (A)</b>	<b>19,231,567</b>	<b>15,640,866</b>	<b>3,907,801</b>	<b>30,964,632</b>	<b>3,696,149</b>	<b>4,362,465</b>	<b>26,602,167</b>	<b>17,813,870</b>	
Previous Year	5,514,027	13,717,540	-	19,231,567	1,081,634	1,417,697	17,813,870	5,177,964	
<b>Intangible Assets:</b>									
Software	333,352	87,567	-	420,919	78,148	154,885	266,034	256,615	
Copyright	23,000	-	-	23,000	4,370	8,141	14,859	19,229	
Trademark	15,000	-	-	15,000	2,850	5,309	9,691	12,541	
<b>TOTAL (B)</b>	<b>371,352</b>	<b>87,567</b>	<b>-</b>	<b>458,919</b>	<b>85,368</b>	<b>168,335</b>	<b>290,584</b>	<b>288,385</b>	
Previous Year	146,700	224,652	-	371,352	56,109	82,967	288,385	119,842	
<b>GRAND TOTAL (A+B)</b>	<b>19,602,919</b>	<b>15,728,433</b>	<b>3,907,801</b>	<b>31,423,551</b>	<b>3,781,517</b>	<b>4,530,800</b>	<b>26,892,751</b>	<b>18,102,255</b>	
Previous Year	5,660,727	13,942,192	-	19,602,919	1,137,743	1,500,664	18,102,255	5,297,806	



For Finova Capital Pvt. Ltd.  
*[Signature]*  
Director

For Finova Capital Pvt. Ltd.  
*[Signature]*  
Director

For Finova Capital Private Limited  
*[Signature]*  
Authorised Signatory

**FINOVA CAPITAL PRIVATE LIMITED**

Notes on Financial Statements for the year ended March 31, 2019

**10 DEFERRED TAX ASSETS (NET)**

Particulars	(Amounts in Rupees)	
	As at March 31, 2019	As at March 31, 2018
<b>Deferred Tax Liabilities</b>		
<b>Arising on account of timing difference</b>		
Difference between tax Depreciation and accounting Depreciation	(379,000)	(331,970)
Unrealised Gain	(838,891)	-
<b>Total Deferred Tax Liabilities</b>	<b>(1,217,891)</b>	<b>(331,970)</b>
<b>Deferred Tax Assets</b>		
<b>Arising on account of timing difference</b>		
Provision on Loans	2,717,691	971,754
Provision for Gratuity	772,835	146,113
Preliminary Exp to be written off	32,489	
<b>Total Deferred Tax Assets</b>	<b>3,523,015</b>	<b>1,117,867</b>
<b>Movement</b>		
Opening	785,897	(131,348)
Transferred to Statement of Profit and Loss during current year	1,519,227	917,245
<b>Total Deferred Tax Assets (Net)</b>	<b>2,305,124</b>	<b>785,897</b>

Deferred Tax Assets and Deferred Tax Liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

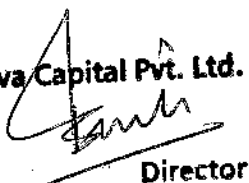
**11 LONG TERM LOANS AND ADVANCES**

Particulars	(Amounts in Rupees)	
	As at March 31, 2019	As at March 31, 2018
<b>Security Deposits</b>		
Secured, considered good		
Rental Deposits	1,308,236	694,700
	<b>1,308,236</b>	<b>694,700</b>
<b>Advance recoverable in cash or kind</b>		
Loans		
Secured, considered Standard	2,209,448,615	838,309,308
Secured, considered Sub-Standard	8,846,060	1,822,942
	<b>2,218,294,675</b>	<b>840,132,250</b>
<b>Total Long Term Loans and Advances</b>	<b>2,219,602,911</b>	<b>840,826,950</b>

**12 OTHER NON CURRENT ASSETS**

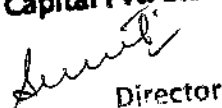
Particulars	(Amounts in Rupees)	
	As at March 31, 2019	As at March 31, 2018
Deposits - Balance held as Security against Borrowings (more than 12 months maturity)	20,500,000	9,000,000
<b>Total Other Non Current Assets</b>	<b>20,500,000</b>	<b>9,000,000</b>

For Finova Capital Pvt. Ltd.



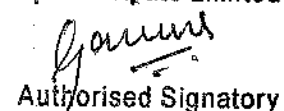
Director

For Finova Capital Pvt. Ltd.



Director

For Finova Capital Private Limited



Authorised Signatory



**FENOVA CAPITAL PRIVATE LIMITED**

Notes on Financial Statements for the year ended March 31, 2019

**13 Current Investments**

Particulars	(Amounts in Rupees)	
	As at March 31, 2019	As at March 31, 2018
<b>Investment in Liquid Funds</b>		
Investment in Liquid Funds	409,381,804	215,604,711
NIL (P.Y. 548,432) Units in ICICI Prudential Saving Growth Fund Reg. (G)	-	142,809,999
NIL (P.Y. 557,012) Units in ICICI Prudential Short term - (G)	-	20,170,701
513,375 (P.Y. 1,415,936) Units in Kotak Bond (Short term) - Growth regular plan	17,884,192	45,929,279
NIL (P.Y. 240,562) Units in Kotak Treasury Advantage Fund Growth (Regular)	-	6,694,732
370,928 (P.Y. NIL) ICICI Pru - Medium Term Bond (G)	10,552,535	-
20,176,748 (P.Y. NIL) ICICI Pru - Ultra Short Term Fund Reg (G)	380,945,077	-
<b>Total Current Investments</b>	<b>409,381,804</b>	<b>215,604,711</b>

**14 CASH AND BANK BALANCES**

Particulars	(Amounts in Rupees)	
	As at March 31, 2019	As at March 31, 2018
<b>Cash &amp; Cash Equivalents</b>		
Cash on Hand	2,873,202	310,783
Balance with Banks		
On Current Account	35,546,153	29,536,759
Total (A)	38,419,355	29,847,542
<b>Other Bank Balances</b>		
Deposits with original maturity for more than 12 months	20,500,000	9,000,000
Deposits with original maturity for more than 3 months but less than 12 months	600,000,000	-
Total (B)	620,500,000	9,000,000
Amount disclosed under non current asset (refer note 12) (C)	(20,500,000)	(9,000,000)
<b>Total Cash and Bank Balance (A+B+C)</b>	<b>638,419,355</b>	<b>29,847,542</b>

**15 SHORT TERM LOANS AND ADVANCES**

Particulars	(Amounts in Rupees)	
	As at March 31, 2019	As at March 31, 2018
<b>Advance recoverable in cash or kind</b>		
Loans		
Secured, considered Standard	232,761,453	107,750,605
Secured, considered Sub-Standard	-	-
	232,761,453	107,750,605
<b>Other Loan &amp; Advances</b>		
Balance with Statutory/Government authority	-	-
Prepaid Expenses to be amortized within 12 month	1,324,140	1,142,489
Advance Tax (Net of Provision for Income Tax)	-	-
	1,324,140	1,142,489
Advance Tax (Net of Provision) Ass Year 2018-19	4,897,440	3,539,215
	4,897,440	3,539,215
<b>Total Short Term Loans and Advances</b>	<b>238,983,033</b>	<b>112,432,309</b>

**16 OTHER CURRENT ASSETS**

Particulars	(Amounts in Rupees)	
	As at March 31, 2019	As at March 31, 2018
Interest accrued but not due Loans	29,075,305	9,863,064
Interest accrued on Fixed deposits	1,924,171	389,869
Other Debts	7,631,206	1,973,287
<b>Total Other Current Assets</b>	<b>38,630,682</b>	<b>12,226,220</b>



For Finova Capital Pvt. Ltd.  
  
 Director

For Finova Capital Pvt. Ltd.  
  
 Director

For Finova Capital Private Limited  
  
 Authorised Signatory

**FINOVA CAPITAL PRIVATE LIMITED**  
**Notes on Financial Statements for the year ended March 31, 2019**

**17 REVENUE FROM OPERATIONS**

Particulars	(Amounts in Rupees)	
	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Interest	314,987,146	110,589,049
Other Financial Services		
Processing Fee	53,581,204	23,159,085
Penal / Bounce / Foreclosure Charges	38,012,084	14,357,995
<b>Total Revenue from Operations</b>	<b>406,580,434</b>	<b>148,106,129</b>

**18 OTHER INCOME**

Particulars	(Amounts in Rupees)	
	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Interest Income from Fixed/Term Deposits	4,321,992	812,805
Profit on Sale of Investments	18,688,223	2,684,547
Unrealised Gain on Investments	826,631	2,188,794
Other Non-Operating Income	740	11,330
Interest on Staff Advance	59,724	-
<b>Total Other Income</b>	<b>23,897,310</b>	<b>5,697,477</b>

**19 EMPLOYEE BENEFIT EXPENSES**

Particulars	(Amounts in Rupees)	
	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Salaries and Wages	115,945,227	32,331,738
Contribution to Provident Fund and others	3,390,387	861,684
Gratuity	914,996	530,308
Compensated absences	1,332,678	-
Staff welfare expenses	1,636,853	552,300
<b>Total Employee Benefit Expenses</b>	<b>123,220,141</b>	<b>34,276,030</b>

For Finova Capital Pvt. Ltd.

*[Signature]*  
 Director

For Finova Capital Pvt. Ltd.

*[Signature]*  
 Director



For Finova Capital Private Limited

*[Signature]*  
 Authorised Signatory



**FINOVA CAPITAL PRIVATE LIMITED**  
Notes on Financial Statements for the year ended March 31, 2019

**20 FINANCE COSTS**

Particulars	(Amounts in Rupees)	
	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Interest Expense	140,908,502	42,823,303
Bank Charges	296,245	110,534
Ancillary Borrowing Costs	10,817,129	3,647,500
<b>Total Finance Cost</b>	<b>152,021,876</b>	<b>46,581,336</b>

**21 OTHER EXPENSES**

Particulars	(Amounts in Rupees)	
	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Rates and Taxes	4,323,767	3,723,419
Rent	7,052,093	1,948,910
Professional and Consultancy Charges	16,316,656	4,217,961
Audit Fee (Refer Note 1 below)	700,000	550,000
Travel and Conveyance	7,458,635	1,456,713
Printing & Stationery	1,347,023	799,960
Technology Expenses	2,802,617	2,145,000
Electricity Charges & Water Charges	1,148,544	321,636
Postage, telegram & Telephone Expenditure	842,127	275,483
Office & General Expense	2,802,981	722,019
Repair and Maintenance Expenditure	179,349	225,965
Business/Sales Promotion Expenses	430,249	32,580
Insurance	399,064	285,396
Miscellaneous Expenses	3,622,246	1,301,890
CSR Activities Expenses	479,910	-
Direct Marketing Exp	97,166	152,347
<b>Total Other Expenses</b>	<b>50,002,427</b>	<b>18,159,278</b>

**Note 1**

Auditors' remuneration (exclusive of tax)  
Audit fee

700,000	550,000
<b>700,000</b>	<b>550,000</b>

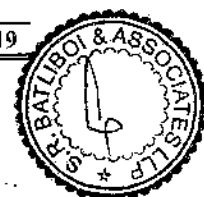
**22 PROVISION ON LOANS & ADVANCES**

Particulars	(Amounts in Rupees)	
	For the Year ended March 31, 2019	For the Year ended March 31, 2018
<b>Provision for Loans</b>		
Provision for Standard Asset	5,984,601	3,063,618
Provision for Non-Performing Assets	1,404,624	463,301
<b>Total Provision on Loans and Advances</b>	<b>7,389,225</b>	<b>3,526,919</b>

For Finova Capital Pvt. Ltd.  
*[Signature]*  
Director

For Finova Capital Pvt. Ltd.  
*[Signature]*  
Director

For Finova Capital Private Limited  
*[Signature]*  
Authorised Signatory



**FINOVA CAPITAL PRIVATE LIMITED**

Notes on Financial Statements for the year ended March 31, 2019

**23 PARTICULARS OF EARNINGS PER SHARE**

(Amounts in Rupees)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Net Profit Attributable to Equity Shareholders	70,159,746	36,563,682
Weighted Average Number of Equity Shares for Basic EPS	5,000,010	5,000,006
Basic Earnings Per Share	14.03	7.31
Weighted Average Number of Equity Shares for Diluted EPS	8,422,429	5,968,053
Diluted Earnings Per Share	8.33	6.13
Nominal value of the share	10	10

**24 RELATED PARTY DISCLOSURES**

(i) List of related parties where control exists and related parties with whom transactions have taken place and relationships -

Name of the Related Party	Country	Nature of Relationship
Mr. Mohit Sahney	India	Managing Director & CEO
Mrs. Sunita Sahney	India	Whole Time Director
Mr. Rahul Sahney	India	Relative of MD & CEO
Mr. Virendra Singh (from 01.04.18 to 21.10.18)	India	Company Secretary
Ms. Garima Jhamnani (from 22.10.18 to 31.03.19)	India	Company Secretary

(ii) Transactions during the year with related parties

(Amounts in Rupees)

Particulars	Nature of Related Party	Nature of Transaction	Country	For the Year ended March 31, 2019	For the Year ended March 31, 2018
<b>Key Management Personnel</b>					
Mr. Mohit Sahney	MD & CEO	Remuneration	India	11,061,356	6,663,402
Mrs. Sunita Sahney	Whole Time Director	Remuneration	India	3,931,544	2,541,792
Mr. Rahul Sahney	Chief operating officer	Remuneration	India	3,931,563	2,153,856
Mr. Virendra Singh (from 01.04.18 to 21.10.18)	Company Secretary	Remuneration	India	461,954	491,110
Ms. Garima Jhamnani (from 22.10.18 to 31.03.19)	Company Secretary	Remuneration	India	177,002	-

Reimbursement of Office Usage

Particulars	Nature of Related Party	Nature of Transaction	Country	For the Year ended March 31, 2019	For the Year ended March 31, 2018
<b>Key Management Personnel</b>					
Mr. Mohit Sahney	MD & CEO	Reimbursement of Exp	India	12,710	25,127
Mrs. Sunita Sahney	Whole Time Director	Reimbursement of Exp	India	60,000	175,726
Mr. Rahul Sahney	Chief operating officer	Reimbursement of Exp	India	170,430	100,729
Mr. Virendra Singh (from 01.04.18 to 21.10.18)	Company Secretary	Reimbursement of Exp	India	185,171	154,768
Ms. Garima Jhamnani (from 22.10.18 to 31.03.19)	Company Secretary	Reimbursement of Exp	India	11,000	-

**25 Gratuity & other employment benefit plans**

(i) Gratuity

In accordance with applicable India laws, the Company provides gratuity, a defined benefit retirement plan ("Gratuity Plan") covering certain categories of employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement or termination of employment. The amount of payment is based on the respective employee's last drawn salary and the years of employment with the Company.

The following table summarizes the components of net benefit expense recognized in the Statement of Profit and Loss and the status of the amounts recognized in the balance sheet for the gratuity plans of the Company.

**Expense recognized in the Statement of Profit and Loss**

(Amounts in Rupees)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Current service cost	860,281	530,308
Interest on defined benefit obligation	41,099	-
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognized in the year	13,616	-
Past service cost	-	-
Expenses Recognized in the Statement of Profit & Loss at the end of the year	914,996	530,308

**Amount recognized in Balance Sheet**

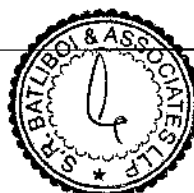
(Amounts in Rupees)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Present value of obligations	1,445,304	530,308
Fair value on plan assets	-	-
Net liability (shown under provision for gratuity)	1,445,304	530,308

For Finova Capital Pvt. Ltd.  
*[Signature]*  
Director

For Finova Capital Pvt. Ltd.  
*[Signature]*  
Director

For Finova Capital Private Limited  
*[Signature]*  
Authorised Signatory



**FINOVA CAPITAL PRIVATE LIMITED**

Notes on Financial Statements for the year ended March 31, 2019

**Changes in the present value of the defined benefit obligation are as follows**

(Amounts in Rupees)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Opening defined benefit obligation	530,308	-
Service cost	860,281	530,308
Interest cost	41,099	-
Past service cost	-	-
Benefits paid	-	-
Actuarial (gain) / loss	13,616	-
Benefit obligation at the end of the year	1,445,304	530,308

**Actuarial Assumptions**

(Amounts in Rupees)

Particulars	For the Year ended March 31, 2019	For the Year ended March 31, 2018
Discount rate (per annum)	7.75%	7.75%
Salary escalation rate (per annum)	5.00%	5.00%
Withdrawal Rate	5.00%	5.00%

**Discount Rate:** The Discount rate that has been used as at for the year ended March 31, 2019 for the purpose of the Accounting Standard 15 - Employee Benefits has been chosen by reference to Market Yields on Government Bonds as at the same date.

**Other benefits :** The Company has provided for compensatory leaves which can be availed and not encashed as per policy of the company as present value obligation of the benefit at related current service cost measured using Projected unit credit method on the basis of an actuarial valuation.

**(ii) Stock Options**

a) The Company has formulated share based payment scheme for its employees named as Employee Stock Option Plan 2018. The grants made under this scheme are represented as below:

Particulars	ESOP Scheme 2018	ESOP Scheme 2018
	(I)	(II)
Scheme Name	Employee Stock Option Plan 2018 (ESOP 2018)	Employee Stock Option Plan 2018 (ESOP 2018)
No. of options approved	103,900	23,000
Date of grant	01-Nov-18	07-Jan-19
No. of options granted	103,900	23,000
Exercise price per option (in Rs.)	175	175
Method of Settlement	Equity	Equity
Vesting period and conditions	100% options to vest on fulfillment on stipulated conditions "Fixed Vesting")	100% options to vest on fulfillment on stipulated conditions "Fixed Vesting")
<b>Fixed vesting on following dates</b>		
31-Oct-19	20,780	-
06-Jan-20	-	4,600
31-Oct-20	20,780	-
06-Jan-21	-	4,600
31-Oct-21	31,170	-
06-Jan-22	-	6,900
31-Oct-22	31,170	-
06-Jan-23	-	6,900
Exercise period	Five Year from the date of each Vesting	Five Year from the date of each Vesting

**b) Reconciliation of options**

Particulars	ESOP Scheme 2018	ESOP Scheme 2018
Options outstanding at the beginning of the year	-	-
Granted during the year	103,900	23,000
Forfeited during the year	-	-
Exercised during the year	-	-
Expired/Lapsed during the year	-	-
Outstanding at the end of the year	103,900	23,000
Exercisable at the end of the year	-	-



For Finova Capital Pvt. Ltd.  
  
 Director

For Finova Capital Pvt. Ltd.  
  
 Director

For Finova Capital Private Limited  
  
 Authorised Signatory

**FINOVA CAPITAL PRIVATE LIMITED**

Notes on Financial Statements for the year ended March 31, 2019

 Weighted average remaining life(in years) 8.29 7.48
**c) Computation of fair Value of Option Granted during the year**

The weighted average fair value of stock options granted during the year was Rs. 35.50 (ESOP scheme 2018-I), Rs. 35.21 (ESOP scheme 2018-II)

**The Black-School Model has been used for computing the weighted average fair value considering the following :**

Particulars	ESOP Scheme 2018		ESOP Scheme 2018	
	(I)	(II)	(I)	(II)
Share price on the date of grant (Rs.)	175		175	
Exercise price (Rs.)	175		175	
Expected Volatility (%)	11.70%		13.39%	
<b>Life of the option granted (Years)</b>				
First Vesting	1.25 Year		1.25 Year	
Second Vesting	2.00 Year		2.00 Year	
Third Vesting	3.00 Year		3.00 Year	
Fourth Vesting	4.00 Year		4.00 Year	
Risk Free Interest Rate (%)	7.83%		7.41%	
Expected dividend Rate (%)	0%		0%	
	Tranch I - 19.17		Tranch I - 19.56	
	Tranch II - 27.81		Tranch II - 27.90	
	Tranch III - 38.53		Tranch III - 38.13	
	Tranch IV - 48.49		Tranch IV - 47.59	
<b>Fair Value of Option (Rs.)</b>				

The company measures the cost ESOP Using the Intrinsic value method. Had the company used the fair value model to determine compensation, its profit after tax and earning per share as reported would have changed to the amounts as Indicated below:

Particulars	Year ended March	
	31,2019	31,2018
Profit after tax as reported	70,159,746	36,563,682
Add:ESOP Cost using intrinsic Value method (Net of tax)	0	0
Less: ESOP Costing using fair value method (net of tax)	493,974	0
Profit after tax adjusted	69,665,772	36,563,682
No of Shares for Basic EPS	5,000,010	5,000,006
Basic EPS	13.93	7.31
No of Shares for Diluted EPS	8,422,429	5,968,053
Diluted EPS	8.27	6.13

- 26 The Company is operating in a single reportable segment i.e. lending to urban and rural areas which have similar risks and returns for the purpose of AS 17 'Segment Reporting'. All other activities of the Company revolve around these activities. The Company Doesn't have any reportable geographical segment and hence disclosure of AS-17 are not applicable.
- 27 There are no amounts that need to be disclosed in accordance with the Micro Small and Medium Enterprise Development Act, 2006 (the 'MSMED') pertaining to micro or small enterprises. For the year ended March 31, 2019, no supplier has intimated the Company about its status as micro or small enterprises or its registration with the appropriate authority under MSMED.
- 28 There are no Contingent Liability as at March 31, 2019 (Previous year Nil).
- 29 There is no pending litigation on the company as at March 31, 2019 (Previous year Nil).
- 30 The company has no long-term contracts including derivative contracts for which there were any material foreseeable losses as on March 31, 2019 (Previous Year Nil).
- 31 The company has no foreign currency exposure For the Year ended March 31, 2019 (Previous year Nil).
- 32 The previous year figures have been regrouped/reclassified where considered necessary to conform to current year's classification.
- 33 Corporate social responsibility

Particulars	Year ended March	
	31,2019	31,2018
(a) Gross amount required to be spent by the company during the year (including deficit of the previous year)	460,000	-



For Finova Capital Pvt. Ltd.  
*[Signature]*  
 Director

For Finova Capital Pvt. Ltd.  
*[Signature]*  
 Director

For Finova Capital Private Limited  
*[Signature]*  
 Authorised Signatory

**FINOVA CAPITAL PRIVATE LIMITED**

Notes on Financial Statements for the year ended March 31, 2019

(b) Amount spent during the year

On purposes other than construction / acquisition of any asset

Paid in cash

479,910

Yet to be paid in cash

Total

479,910

As per our report of even date

**For S. R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

ICAI Firm Registration Number : 101049W/E300004



per Amit Kabra

Partner

Membership No. 094533



Place: Mumbai

June 12, 2019

For and on behalf of the Board of Directors of  
**FINOVA CAPITAL PRIVATE LIMITED**

For Finova Capital Pvt. Ltd.

For Finova Capital Pvt. Ltd.



Mohit Sahney

MD & CEO

DIN: 07280918

Director

Sanita Sahney

Whole Time Director

DIN: 02395354



Director

For Finova Capital Private Limited

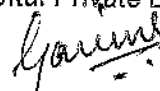
Garima Jhamnani

Company Secretary

M. No: 43137

Place: Mumbai

June 12, 2019

  
Authorised Signatory