

April 29, 2022

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

**Subject: Disclosure of Asset Cover as per Regulation 54 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir/Madam,

Pursuant to Regulation 54 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Audited Financial Results along with Auditor's Report for the quarter and year ended on March 31, 2022. The asset cover is disclosed in the enclosed Financial Results and the same is reproduced below for reference:

*"All the secured, listed, Non-Convertible Debentures issued by the Company are secured by way of exclusive hypothecation of specified receivables as per the terms of Offer Documents. Further, the Company has maintained asset cover as stated in the offer document which is sufficient to discharge the principal amount at all times for the non-convertible debt securities issued."*

We request you to kindly take the same on record.

Thanking you  
Yours Sincerely,

For Finova Capital Private Limited

  
Jaikishan Premani  
Company Secretary & Compliance Officer  
M. No.: A42043



Encl: a/a

**FINOVA CAPITAL PVT. LTD.**

CIN : U65993RJ2015PTC048340

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

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

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



## **Independent Auditor's Report**

**To the Board of Directors of  
Finova Capital Private Limited**

### **Report on the Audit of Financial Results**

#### **Opinion**

We have audited the Financial Results of Finova Capital Private Limited ("the Company") for the year ended 31 March, 2022 included in the accompanying Statement of Financial Results for the quarter and year ended period 31 March, 2022' ("the Financial Results"), being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Financial Results:

- i. is presented in accordance with the requirements of Regulation 52 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act 2013 ("the Act") read with relevant rules issued thereunder, RBI guidelines and other accounting principles generally accepted in India, of the net profit and total comprehensive income and other financial information of the Company for the year ended 31 March 2022.

#### **Basis for Opinion**

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

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

These Financial Results has been prepared on the basis of the annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of these Financial Results that give a true and fair view of the net profit and total comprehensive income and other financial information of the Company in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Results, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.





The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

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

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

We also:

- Identify and assess the risks of material misstatement of the Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Results, including the disclosures, and whether the Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

### **Other Matters**

The Financial Results include the results for the quarter ended 31 March 2022 being the reporting figure between the audited figures in respect of the full financial year and the published unaudited year



to date figures up to the third quarter of the current financial year which were subject to limited review by us.

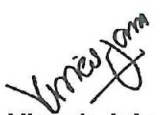
The comparative financial information of the Company for the corresponding quarter ended 31 March, 2021 have not been subject to limited review / audit and the financial statements of the Company for the year ended 31 March, 2021 were audited by predecessor auditor who expressed an unmodified opinion on those financial statements on 1 June, 2021.

Our conclusion is not modified in respect of these matters.

For **S.N. Dhawan & Co LLP**

Chartered Accountants

Firm Registration No.: 000050N/N500045

  
Vinesh Jain

Partner

Membership No.: 087701

UDIN No.: 22087701AIBAUO3183



Place: Gurugram

Date: 29 April, 2022

Annexure I

Finova Capital Private Limited  
 CIN-U65993RJ2015PTC048340  
 Regd Office: 702; Seventh Floor, Unique Aspire, Plot No. 13-14 Cosmo Colony, Amrapali Marg, Vaishali Nagar, Jaipur, Rajasthan 302021 India  
 Tel:-0141-4118202 ;Website:www.finova.in

Statement of Financial Results for the quarter and year ended March 31, 2022  
 (All Amount In lakhs, except as stated otherwise)

S. No.	Particulars	Quarter ended March 31, 2022 (Unaudited)	Quarter ended December 31, 2021 (Unaudited)	Quarter ended March 31, 2021 (Unaudited)	Year ended March 31, 2022 (Audited)	Year ended March 31, 2021 (Audited)
A	Revenue from operations					
a)	Interest income	5,306.21	4,442.54	3,601.14	17,585.06	11,684.93
b)	Fees and commission income	103.90	168.09	75.65	440.85	340.22
c)	Net gain on fair value changes	75.93	51.24	187.31	303.16	270.98
	<b>Total revenue from operations (A)</b>	<b>5,486.04</b>	<b>4,661.87</b>	<b>3,864.10</b>	<b>18,329.07</b>	<b>12,296.13</b>
B	Other Income	0.12	-	(2.68)	1.45	5.44
	<b>Total income (A+B)</b>	<b>5,486.16</b>	<b>4,661.87</b>	<b>3,861.42</b>	<b>18,330.52</b>	<b>12,301.57</b>
C	Expenses					
a)	Finance costs	1,508.15	1,514.50	1,505.02	5,883.18	4,756.58
b)	Impairment on financial instruments	86.62	617.63	68.82	1,567.18	782.37
c)	Employee benefits expense	1,694.69	1,459.91	1,162.96	5,824.99	3,803.52
d)	Depreciation, amortization and impairment	50.98	65.13	93.52	222.86	172.94
e)	Other expenses	358.56	231.96	146.41	969.85	578.90
	<b>Total expenses (C)</b>	<b>3,699.00</b>	<b>3,889.13</b>	<b>2,976.73</b>	<b>14,468.06</b>	<b>10,094.31</b>
D	Profit before tax (A+B-C)	1,787.16	772.74	884.69	3,862.46	2,207.26
E	Tax Expense:					
(1)	Current tax	201.29	378.15	222.65	1,132.58	547.29
(2)	Deferred tax	249.81	(191.60)	(4.31)	(170.71)	9.82
		451.10	186.55	218.34	961.87	557.11
F	Profit for the period / year (D-E)	1,336.06	586.19	666.35	2,900.59	1,650.15
G	Other comprehensive Income					
1)	Items that will not be reclassified to profit or loss					
(i)	Re-measurement of net defined benefit plans	6.90	2.54	15.35	4.08	7.86
2)	Income tax relating to items that will not be reclassified to profit and loss	(1.76)	(0.66)	(3.89)	(1.05)	(2.01)
H	Other comprehensive income ( 1+2 )	5.14	1.88	11.46	3.03	5.85
I	Total comprehensive income for the period / year (F+H)	1,341.20	588.07	677.81	2,903.62	1,656.00
J	Earnings per equity share*					
	Basic (Rs.)	9.11	4.01	5.36	19.69	13.09
	Diluted (Rs.)	8.85	3.85	5.23	19.13	12.77
	Nominal value per share (Rs.)	10.00	10.00	10.00	10.00	10.00

\* Not annualized for the quarter ended March 31, 2022, December 31, 2021 and March 31, 2021

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



Mohit Sahney  
 (Managing Director & CEO)  
 DIN: 07280918

Place: Jaipur  
 Date: April 29, 2022





(All Amount in lakhs, except as stated otherwise)

Particulars	As at March 31, 2022 (Audited)	As at March 31, 2021 (Audited)
<b>ASSETS</b>		
<b>Financial assets</b>		
Cash and cash equivalents	6,558.43	730.32
Bank balance other than cash and cash equivalents	35,158.03	27,048.58
Loans	93,656.55	57,758.00
Investments	21,663.84	10,563.07
Other financial assets	149.16	924.68
<b>Subtotal - financial assets (A)</b>	<b>157,186.01</b>	<b>97,024.65</b>
<b>Non-financial assets</b>		
Current tax assets (net)	379.03	159.97
Deferred tax assets (net)	586.52	416.86
Property, plant and equipment	489.22	428.77
Right of use assets	242.79	278.79
Intangible assets under development	30.46	21.63
Capital-work-in progress	103.76	-
Other intangible assets	83.89	70.52
Other non-financial assets	92.88	30.91
<b>Subtotal - Non-financial assets (B)</b>	<b>2,008.55</b>	<b>1,407.45</b>
<b>Total - Assets (A+B)</b>	<b>159,194.56</b>	<b>98,432.10</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Liabilities</b>		
<b>Financial liabilities</b>		
<b>Payables</b>		
1) Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises	5.19	1.77
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,952.02	1,055.34
2) Other Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	157.94	215.04
Debt Securities	6,465.33	8,451.29
Borrowings (other than debt securities)	57,962.43	43,908.02
Lease liabilities	285.20	305.39
<b>Subtotal - financial liabilities (C)</b>	<b>66,828.11</b>	<b>53,936.85</b>
<b>Non-financial liabilities</b>		
Provisions	103.39	61.18
Other non-financial liabilities	416.52	244.06
<b>Subtotal - non-financial liabilities (D)</b>	<b>519.91</b>	<b>305.24</b>
<b>Equity</b>		
Equity share capital	13,038.69	10,161.21
Other equity	78,807.85	34,028.80
<b>Subtotal - equity (E)</b>	<b>91,846.54</b>	<b>44,190.01</b>
<b>Total - liabilities and equity (C+D+E)</b>	<b>159,194.56</b>	<b>98,432.10</b>

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



Mohit Sahney  
(Managing Director & CEO)  
DIN: 07280918

Place: Jaipur  
Date: April 29, 2022



**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022**

(All Amount in lakhs, except as stated otherwise)

Particulars	Year ended March 31, 2022 (Audited)	Year ended March 31, 2021 (Audited)
<b>A Cash flow from operating activities:</b>		
Net profit before tax as per statement of profit and loss	3,862.46	2,207.26
Adjustment to reconcile profit before tax to net cash flow:		
Depreciation and amortisation of PPE, ROU & Other intangible asset	222.86	172.94
Net gain on sale of current investments	(331.41)	(219.22)
Amortization of ancillary cost	293.79	-
(Reversal)/Provision for Expected Credit Loss (ECL)	338.78	(121.88)
Loan assets written-off	1,228.40	904.25
Interest on income tax refund	-	(3.80)
Employee stock option expense	105.25	11.66
Loss on sale of property, plant and equipment	1.65	0.46
Fair Value change of Investments	28.25	(51.76)
<b>Operating profit before working capital changes</b>	<b>5,750.03</b>	<b>2,899.89</b>
<b>Changes in working capital</b>		
(Increase)/decrease in financial and other assets	(44,799.66)	(44,136.00)
(Increase)/decrease in non financial assets	(61.97)	(76.96)
Increase/(decrease) in financial and other liabilities	822.81	906.13
Increase/(decrease) in non financial liabilities	218.75	115.79
<b>Total of changes in working capital</b>	<b>(43,820.07)</b>	<b>(43,191.04)</b>
Direct taxes paid	(1,351.64)	(562.20)
<b>Net cash flow (used in) operating activities (A)</b>	<b>(39,421.68)</b>	<b>(40,853.35)</b>
<b>B Cash flow from investing activities:</b>		
Inflow (outflow) on account of :		
Purchase of property, plant and equipment (including capital work-in-progress)/ intangible assets	(374.92)	(210.45)
Purchase of investments		
Mutual funds	(46,913.03)	(44,194.21)
Sale of investments		
Mutual funds	36,115.42	34,610.03
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(11,172.53)</b>	<b>(9,794.63)</b>
<b>C Cash flow from financing activities:</b>		
Issue of equity shares (including share premium)	45,002.39	26,051.62
Share issue expenses	(354.73)	(81.76)
Proceeds from borrowings		
Debt securities	-	8,605.45
Borrowings (other than debt securities)	40,100.00	24,860.12
Repayment of borrowings		
Debt securities	(1,985.96)	(163.78)
Borrowings (other than debt securities)	(26,339.38)	(12,135.89)
<b>Net Cash flow from financing activities (C)</b>	<b>56,422.32</b>	<b>47,135.76</b>
<b>Net Increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>5,828.11</b>	<b>(3,512.22)</b>
Cash and cash equivalents as at the beginning of the year	730.32	4,242.54
Cash and cash equivalents at the end of the year	<b>6,558.43</b>	<b>730.32</b>



*Handwritten signature*



**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022**

(All Amount in lakhs, except as stated otherwise)

Particulars	Year ended March 31, 2022 (Audited)	Year ended March 31, 2021 (Audited)
<b>Components of cash and cash equivalents</b>		
Cash on hand	63.11	51.11
Balance with banks		
In current accounts	5,995.32	679.21
In deposit account	500.00	-
<b>Total cash and cash equivalents</b>	<b>6,558.43</b>	<b>730.32</b>
<b>Operational Cash Flow from Interest</b>		
Interest received	13716.27	9,258.99
Interest paid	4829.95	4,231.53

Place: Jaipur  
 Date: April 29, 2022



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

*Mohit Sahney*  
 Mohit Sahney  
 (Managing Director & CEO)  
 DIN: 07280918





**Notes**

- 1 Finova Capital Private Limited (the "Company") has prepared audited financial results (the "Statement") for the quarter and year ended March 31, 2022 in accordance with Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015") and the Accounting standards specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and the relevant provisions of the Companies Act, 2013, as applicable.
- 2 The above results have been reviewed by audit committee and approved by the Board of Directors at their meeting held on April 29, 2022, in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The above results are being filed with the BSE Limited ("BSE") and is also available on the Company's website www.finova.in.  
  
In compliance with Regulation 52 of the Securities Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, a limited review of financial results for the quarter and audit for the year ended March 31, 2022 has been carried out by the Statutory Auditors. The figures for the quarter ended March 31, 2021 is unaudited or not subject to limited review by auditors.
- 3 The Company operates in a single reportable segment i.e. lending to retail customers having similar risks and returns for the purpose of Ind AS 108 on "Operating Segments". The Company operates in a single geographic segment i.e. domestic.
- 4 a) During the year ended on March 31, 2022, The company has issued 65,300 Equity Shares of Rs. 10/- each fully paid-up. 65,200 Equity Shares were allotted to the Norwest Capital, LLC and 100 equity shares were allotted to MAJ Invest Financial Inclusion Fund III K/S. (In the previous year ended on March 31, 2021, The company has issued 16,040 Equity Shares of Rs. 10/- each fully paid-up. 10 Equity Shares were allotted to the SCI Growth Investments III and 16030 equity shares were allotted under the ESOP Scheme 2018 by way of conversion of Employee Stock Options into Equity Shares).  
b) Further During the year ended March 31, 2022, the company has issued 2,39,108 Series C-2 CCCPS of Rs. 100/- (Rs/- 1 partly paid up). The CCCPS holders are entitled to a cumulative dividend of 0.0001%. 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 Private Placement Offer cum Application Letter dated March 19, 2022.  
c) Further During the year ended March 31, 2022, the company has issued 2,868,551 Series D CCCPS of Rs. 100/- fully paid up. The CCCPS holders are entitled to a cumulative dividend of 0.0001%. 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 Private Placement Offer cum Application Letter dated March 23, 2022.
- 5 In terms of Requirement as per RBI notification no. RBI/2019-20/170 DOR(NBFC).CC.PD.NO.109/22.10.106/2019-20 dated March 13, 2020 on implementation of Indian Accounting standards, Non-banking Financial Companies (NBFCs) are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset classification and provisioning (IRACP) norms (including provision on Standard Asset). The impairment allowances under Ind AS 109 made by Company exceeds the total Provision required under IRACP (including Standard Asset provisioning) as at March 31, 2022 and accordingly no amount is required to be transferred to impairment reserve.
- 6 In accordance with Reserve Bank of India guidelines relating to COVID-19 Regulatory package dated March 27, 2020 April 17, 2020 and May 23, 2020, the Company had offered moratorium on the payment of all instalments and/or interest, as applicable, falling due between March 1, 2020 to August 31, 2020 to all eligible borrowers. Further, the Company has not offered resolution plan to any of its customers pursuant to RBI's guideline 'Resolution framework for COVID-19 related stress' and 'Micro, Small and Medium Enterprises (MSME) sector - Restructuring of Advances' dated August 6, 2020.

Disclosure as per the format (Format A) prescribed under notification no. RBI/2020-21/16 DOR.NO.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 for the year ended March 31, 2022 for restructured loans are given below:

Type of Borrower	Number of accounts where resolution plan has been implemented under this window	Exposure to accounts mentioned at (A) before implementation of the plan	Of (B), aggregate amount of debt that was converted into other securities	Additional funding sanctioned, if any, including between invocation of the plan and	Increase in Provision on account of the implementation of the resolution plan (amount)
	(A)	(B)	(C)	(D)	(E)
Personal Loans	NIL	NIL	NIL	NIL	NIL
Business Loans	NIL	NIL	NIL	NIL	NIL
Small Business	NIL	NIL	NIL	NIL	NIL
Total	NIL	NIL	NIL	NIL	NIL



*[Handwritten signature]*

Disclosure as per the format (Format B) prescribed under notification no. RBI/2020-21/16 DOR.NO.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 for the year ended March 31, 2022 for restructured loans are given below:

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

- 7 The Company has restructured the accounts as per RBI circular circulars DBR.No.BP.BC.100/21.04.048/2017-18 dated February 07, 2018, DBR.No.BP.BC.108/21.04.048/2017-18 dated June 6, 2018, circular DBR.No.BP.BC.18/21.04.048/2018-19 dated January 1, 2019, circular DOR.No.BP.BC.34/21.04.048/2019-20 dated February 11, 2020 and DOR.No.BP.BC/4/21.04.048/2020-21 dated August 05, 2020

Particulars	March 31, 2022	March 31, 2021
Number of accounts restructured	80	-
Amount (Rs. In Lakhs)	524.87	-

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

Sr.No.	Particulars	Individual Borrowers		Small Businesses
		Personal Loans	Business Loans	
(A)	Number of requests received for invoking resolutions	3	5	-
(B)	Number of accounts where resolution plan has been	3	5	-
(C)	Exposure to accounts mentioned at (B) before	26.48	13.97	-
(D)	Of (C), aggregate amount of debt that was converted into other securities	-	-	-
(E)	Additional funding sanctioned, if any, including between invocation of the plan and implementation	-	-	-
(F)	Increase in Provision on account of the implementation of the resolution plan (amount)	2.65	1.40	-

- 9 During the year ended March 31, 2022,

a. Under the Employees Stock Option Scheme (ESOP) 2020 ("ESOP 2020 Scheme"), under which the Company has granted 2,19,342 Options to its employees. The total outstanding options under ESOP 2020 Scheme as on March 31, 2022 are 1,77,592 (NIL as at March 31, 2021).

b. Under the Employees Stock Option Scheme (ESOP) 2018 ("ESOP 2018 Scheme"), under which the Company has granted 90,082 Options to its employees. The total outstanding options under ESOP 2018 Scheme as March 31, 2022 are 1,93,892 (2,05,400 as at March 31, 2021).

- 10 Estimates and associated assumptions applied in preparing these financial results, especially for determining the impairment allowance for the Company's financial assets (loans), are based on historical experience and other emerging/forward looking factors on account of the pandemic. The Company believes that the factors considered are reasonable under the current circumstances. The company has used estimation of potential stress on probability of default and exposure at default due to Covid-19 situation in developing the estimates and assumptions to assess the impairment loss allowance on loans. Given the dynamic nature of the pandemic situation, these estimates are subjects to uncertainty and may be affected by severity and duration of the pandemic. In the event, the impacts are more severe or prolonged than anticipated, this will have a corresponding impact on the carrying value of financial value of the financial assets, the financial position and performance of the Company.

- 11 All the secured, listed, Non-Convertible Debentures issued by the Company are secured by way of exclusive hypothecation of specified receivables as per the terms of Offer Documents. Further, the Company has maintained asset cover as stated in the offer document which is sufficient to discharge the principal amount at all times for the non-convertible debt securities issued.

- 12 Disclosures in compliance with Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31 March 2022 is attached as Annexure 1.

- 13 Pursuant to the RBI circular dated 12 November 2021 - "Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances - Clarifications" on 15 February 2022, RBI allowed deferment till 30th September 2022 of Para 10 of this circular pertaining to upgrade of non performing accounts. However, the company has not opted for this deferment and such alignment does not have any significant impact on the financial results for the quarter and year ended 31 March 2022.

- 14 The financial results for the year ended 31 March 2021 were audited by the previous statutory auditors S.R. Batliboi & Associates LLP.

- 15 The date on which the Code on Social Security, 2020 (the "Code") relating to employee benefits during employment benefits will come into effect is yet to be notified and the related rules are yet to be finalised. The Company will evaluate the code and its rules, assess the impact, if any, and account for the same when they become effective.

- 16 The comparative for previous periods have been regrouped/ reclassified wherever necessary to conform to current period presentation.

Place: Jaipur  
Date: April 29, 2022

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

Mohit Sehney  
(Managing Director & CEO)  
DIN : 07280918





**Annexure 1**

Disclosures in compliance with Regulation 52(4) if the Securities and Exchange Board of India ( Listing Obligations and Disclosure Requirements ) Regulations, 2015 for the year ended March 31, 2022 and year ended March 31, 2021

S.No.	Particulars	Description	As at year ended March 31, 2022 (Audited)	As at year ended March 31, 2021 (Audited)
a)	Debt Equity Ratio	(Debt Securities + Borrowings) / (Equity Share Capital + Other Equity)	0.70	1.18
b)	Debt service coverage ratio		Not Applicable	Not Applicable
c)	Interest service coverage ratio		Not Applicable	Not Applicable
d)	Outstanding redeemable preference shares (quantity and		Not Applicable	Not Applicable
e)	Capital redemption reserve/Debt redemption		Not Applicable	Not Applicable
f)	Net worth (INR in Lakhs)	Equity Share Capital + Other Equity	91,846.54	44,190.01
g)	Net profit after tax (INR in Lakhs)		2,900.59	1,650.15
h)	Earnings per share			
	-Basic		19.69	13.09
	Diluted		19.13	12.77
i)	Current Ratio		Not Applicable	Not Applicable
ii)	Long term debt to working capital		Not Applicable	Not Applicable
k)	Bad debts to account receivable ratio		Not Applicable	Not Applicable
l)	Current liability ratio		Not Applicable	Not Applicable
m)	Total Debts to Total Assets	(Debt Securities + Borrowings) / Total Assets	0.40	0.53
n)	Debtors Turnover		Not Applicable	Not Applicable
o)	Inventory Turnover		Not Applicable	Not Applicable
p)	Operating Margin(%)		Not Applicable	Not Applicable
q)	Net Profit Margin(%)		Not Applicable	Not Applicable
r)	Sector specific equivalent ratios, as applicable			
i)	Gross Stage 3 Ratio	Gross Stage 3 / Gross Loans	1.81%	0.68%
ii)	Net Stage 3 Ratio	Net Stage 3 / Gross Loans	1.06%	0.40%
iii)	Asset coverage ratio	Assets hypothecated/ outstanding debentures	1.11 times	1.11 times
iv)	Capital to Risk Weighted Assets Ratio (CRAR)		78.45%	62.60%

For and on behalf of Board of  
Finova Capital Private Limited

Mohit Sahney  
(Managing Director & CEO)  
DIN: 07280918

Place: Jaipur  
Date: April 29, 2022

