

Ref No.: Finova/COMP/2022-23/129

Date: July 27, 2022

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

Subject: Outcome of Board Meeting held on Wednesday, July 27, 2022

Ref: Regulation 51 and 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

Pursuant to the provisions of the Regulation 51, 52 and other applicable provisions read with part B of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), we wish to inform you that the Board of Directors of the Company at their Meeting held on **Wednesday, July 27, 2022** has inter-alia approved the Un-audited Financial Results ("Financial Results") of the Company for the quarter ended on June 30, 2022 and took on record the Limited Review Report thereon. Please note that the Statutory Auditors of the Company have issued Limited Review Report with Unmodified Opinion on the Financial Results.

A copy of the aforementioned Financial Results along with the Limited Review Report of the Company is enclosed herewith.

Further, the disclosures/ Information for the quarter ended on June 30, 2022 as required in accordance with Regulation 52(4), 54 and other applicable regulations of SEBI LODR are enclosed with Financial Results.


Please note that the Board Meeting commenced at 04:30 P.M. (IST) and concluded at 07:15 P.M. (IST).

We request you to kindly take the same on record.

Thanking You,

Yours Sincerely,

For Finova Capital Private Limited


Jaikishan Premani
Company Secretary and 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

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

S.N. Dhawan & CO LLP

421, II Floor, Udyog Vihar Phase IV,
Gurugram, Haryana 122016, India

Chartered Accountants

Tel: +91 124 481 4444

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

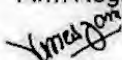
To the Board of Directors of Finova Capital Private Limited

1. We have reviewed the accompanying statement of unaudited financial results of Finova Capital Private Limited ("the Company") for the quarter ended 30 June, 2022 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 52 of the Securities and Exchange Board of India ("the SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant Rules issued thereunder, Reserve Bank of India guidelines; and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. Our responsibility is to issue a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the Company's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Ind AS and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the Listing Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Note 8 of the Statement with respect to the management's evaluation of COVID-19 pandemic impact on the future performance of the Company. This assessment and outcome of the pandemic is made by management and is highly dependent on the circumstances as they evolve in the subsequent periods. Our conclusion is not modified in respect of this matter.

Other Matter

6. The comparative financial information of the Company for the corresponding three months period ended 30 June, 2021 have not been subjected to limited review / audit, Our conclusion is not modified in respect of this matter.

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


Vinesh Jain
Partner

Membership No.: 087701
UDIN No.: 22087701ANRKA87128
Place: Mumbai
Date 27 July 2022



Finova Capital Private Limited
CIN-U65993RJ2015PTC048340

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Statement of Unaudited Financial Results for the quarter ended June 30, 2022
(All Amount in lakhs, except as stated otherwise)

S.No.	Particulars	Quarter ended June 30, 2022 (Unaudited)	Quarter ended March 31, 2022 (Audited)	Quarter ended June 30, 2021 (Unaudited)	Year ended March 31, 2022 (Audited)
A	Revenue from operations				
a)	Interest Income	6,611.93	5,306.21	3,790.47	17,585.06
b)	Fees and commission income	158.52	103.90	64.91	440.85
c)	Net gain on fair value changes	65.08	75.93	13.68	303.16
	Total revenue from operations (A)	6,835.53	5,486.04	3,869.06	18,329.07
B	Other Income	0.03	0.12	-	1.45
	Total Income (A+B)	6,835.56	5,486.16	3,869.06	18,330.52
C	Expenses				
a)	Finance Costs	1,690.32	1,508.15	1,406.96	5,883.18
b)	Impairment on financial instruments	581.08	86.62	391.01	1,567.18
c)	Employee Benefits Expense	2,030.49	1,694.69	1,238.60	5,824.99
d)	Depreciation, amortization and impairment	67.44	50.98	47.48	222.86
e)	Other expenses	402.07	358.56	185.28	969.85
	Total Expenses (C)	4,771.40	3,699.00	3,269.33	14,468.06
D	Profit before tax (A+B-C)	2,064.16	1,787.16	599.73	3,862.46
E	Tax Expense:				
(1)	Current Tax	712.02	201.29	254.68	1,132.58
(2)	Deferred Tax	(193.46)	249.81	(105.40)	(170.71)
	Total Expenses (E)	518.56	451.10	149.28	961.87
F	Profit for the period (D-E)	1,545.60	1,336.06	450.45	2,900.59
G	Other Comprehensive Income				
1)	Items that will not be reclassified to profit or loss				
(i)	Re-measurement of net defined benefit plans	(3.88)	6.90	(2.68)	4.08
2)	Income tax relating to items that will not be reclassified to profit and loss	0.99	(1.76)	0.69	(1.05)
H	Other Comprehensive Income (1-2)	(2.89)	5.14	(1.99)	3.03
I	Total comprehensive income for the period (F+H)	1,542.71	1,341.20	448.46	2,903.62
J	Earnings per equity share*				
	Basic (Rs.)	8.76	9.11	3.06	19.69
	Diluted (Rs.)	8.44	8.85	2.94	19.13
	Nominal value per share (Rs.)	10.00	10.00	10.00	10.00

* Not annualized for the quarter ended June 30, 2022, March 31, 2022 and June 30, 2021

Place: Mumbai
Date: July 27, 2022



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

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



Finova Capital Private Limited
CIN-U65993RJ2015PTC048340

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Notes

1. Finova Capital Private Limited (the "Company") has prepared unaudited financial results (the "Statement") for the quarter ended June 30, 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 July 27, 2022, in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"). The above results are being filed with BSE Limited and is also made available on the Company's website at www.finova.in

In compliance with Regulation 52 of SEBI LODR Regulations, a limited review of financial results for the quarter ended June 30, 2022 has been carried out by the Statutory Auditors.

The figures for the quarter ended March 31, 2022 represent balancing figures between the audited figures for the year ended March 31, 2022 and year to date figures for the quarter ended December 31, 2021 which were subject to limited review by statutory auditors. The figures for the quarter ended June 30, 2021 is unaudited and 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. During the period ended June 30, 2022, the company has issued 30,000 Series D-1 CCCPS of Rs. 100/- each (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 May 20, 2022.
5. In terms of Requirement as per RBI notification no. RBI/2019-20/170 DOR(NBFC).CCPD.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 June 30, 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 quarter ended June 30, 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 implementation	Increase in Provision on account of the implementation of the resolution plan (amount)
	(A)	(B)	(C)	(D)	(E)
Personal Loans	NIL	NIL	NIL	NIL	NIL
Business Loans	NIL	NIL	NIL	NIL	NIL
Small Business	NIL	NIL	NIL	NIL	NIL
Total	NIL	NIL	NIL	NIL	NIL

Disclosure as per the format (format B) prescribed under notification no. RBI/2020-21/16 DOR.NO.BP.BC/3/21.04.048/2020-21 dated August 6, 2020 for the quarter ended June 30, 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



Finova Capital Private Limited
CIN-U65993RI2015PTC048340

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- 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, DRR.No.BP.BC.108/21.04.048/2017-18 dated June 6, 2018, circular OBR.No.BP.BC.18/21.04.048/2018-19 dated January 1, 2019, circular DOR.No.BP.BC.34/21.04.048/2019-20 dated February 11, 2020 and DOR.No.BP.BC/4/21.04.048/2020-21 dated August 06, 2020

Particulars	June 30, 2022	March 31, 2022
Number of accounts restructured	79	80
Amount (Rs. in Lakhs)	502.92	524.87

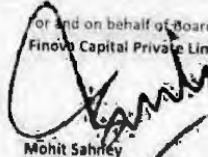
- 8 Disclosure as per format prescribed under notification number RBI/2021-22/31 OOR.STR.REC. 11/21.04.048/2021-2022 Dated May 5, 2021 for the quarter ended June 30, 2022 for the restructured loans are given below:

Sr No.	Particulars	Individual Borrowers		Small Businesses
		Personal Loans	Business Loans	
(A)	Number of requests received for invoking resolutions process	3	4	
(B)	Number of accounts where resolution plan has been implemented under this window	3	4	
(C)	Exposure to accounts mentioned at (B) before implementation of the plan (amount)	26.34	11.02	
(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)	2.63	1.10	

- 9 Estimates and associated assumptions applied in preparing these financial results, especially for determining the impairment allowance for the Company's financial assets (Loans), are based on historical experience and other emerging/forward looking factors on account of the pandemic. The Company believes that the factors considered are reasonable under the current circumstances. The company has used estimation of potential stress on probability of default and exposure at default due to Covid-19 situation in developing the estimates and assumptions to assess the impairment loss allowance on loans. Given the dynamic nature of the pandemic situation, these estimates are subjects to uncertainty and may be affected by severity and duration of the pandemic. In the event, the impacts are more severe or prolonged than anticipated, this will have a corresponding impact on the carrying value of financial value of the financial assets, the financial position and performance of the Company.
- 10 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 10of 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 ended June 30, 2022.
- 11 Disclosures in compliance with Regulation 52(4) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 for the quarter ended June 30, 2022 is attached as Annexure.
- 12 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.
- 13 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.
- 14 The comparative for previous periods have been regrouped/ reclassified wherever necessary to conform to current period presentation.

Place: Mumbai
Date: July 27, 2022



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

Mohit Sahney
(Managing Director & CEO)
DIN: 07280916



Finova Capital Private Limited
CIN:U65993RJ2015PTC048340

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Annexure

Disclosures in compliance with Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended June 30, 2022 and year ended March 31, 2022

S.No.	Particulars	Description	As at quarter ended June 30, 2022 (unaudited)	As at year ended March 31, 2022 (Audited)
a)	Debt Equity Ratio	(Debt Securities + Borrowings) / (Equity Share Capital + Other Equity)	0.66	0.70
b)	Debt service coverage ratio		Not Applicable	Not Applicable
c)	Interest service coverage ratio		Not Applicable	Not Applicable
d)	Outstanding redeemable preference shares (quantity and value)		Not Applicable	Not Applicable
e)	Capital redemption reserve/Debt redemption reserve		Not Applicable	Not Applicable
f)	Net worth (INR in Lakhs)	Equity Share Capital + Other Equity	93,415.25	91,846.54
g)	Net profit after tax (INR in Lakhs)		1,545.60	2,900.59
h)	Earnings per share			
	Basic		8.76	19.69
	Diluted		8.44	19.13
i)	Current Ratio		Not Applicable	Not Applicable
j)	Long term debt to working capital		Not Applicable	Not Applicable
k)	Fixed 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	0.39	0.40
n)	Debtors Turnover		Not Applicable	Not Applicable
o)	Inventory Turnover		Not Applicable	Not Applicable
p)	Operating Margin(%)		Not Applicable	Not Applicable
q)	Net Profit Margin(%)		Not Applicable	Not Applicable
r)	Sector specific equivalent ratios, as applicable		Not Applicable	Not Applicable
i)	Gross Stage 3 Ratio	Gross Stage 3 / Gross Loans	2.17%	1.81%
ii)	Net Stage 3 Ratio	Net Stage 3 / Gross Loans	0.87%	1.06%
iii)	Asset coverage ratio	Assets hypothecated/ outstanding debentures	1.08 Times	1.11 times
iv)	Capital to Risk Weighted Assets Ratio (CRAR)		80.85%	78.45%

Place: Mumbai
Date: July 27, 2022



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

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

