

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 Unaudited Financial Results for the half year ended September 30, 2020

Particulars	(Amounts in Rs. Lacs)	
	For the half year ended September 30, 2020 (unaudited)	For the half year ended September 30, 2019 (unaudited)
A. Revenue from operations		
Interest Income	5,262.48	3,681.80
Net gain on fair value changes	38.62	113.75
Total Revenue from operations (A)	5,301.10	3,795.55
B. Other Income	7.54	0.00
Total income (A+B)	5,308.64	3,795.55
C. Expenses		
Finance Costs	1,983.10	1,337.06
Impairment on financial instruments	369.92	184.75
Employee Benefits Expenses	1,747.60	1,251.20
Depreciation, amortization and impairment	54.42	54.93
Others expenses	422.29	436.46
Total expenses (C)	4,577.33	3,264.40
Profit before exceptional items and tax (A+B-C)	731.31	531.15
Exceptional Items	0.00	0.00
Profit before taxes (A+B-C)	731.31	531.15
D. Tax expenses		
- Current Taxes	240.58	191.01
Less: Previous Year Tax		
- Deferred Taxes	-74.35	-52.06
Profit for the period (A+B-C-D)	565.08	392.20
E. Other Comprehensive Income		
A (i) Items that will not be reclassified to profit or loss		
(a) Re-measurements of net defined benefit plans	-7.49	0.00
(ii) Income tax relating to items that will not be reclassified to profit or loss	-1.88	0.00
Other Comprehensive Income (E)	-5.60	0.00
Total Comprehensive Income for the period (net of tax) (A+B-C-D+E)	559.48	392.20
Earnings per equity share		
Basic (Rs.)	5.02	3.52
Diluted (Rs.)	4.90	3.45

Place: Jaipur
 Date: December 10, 2020

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

MOHIT
 SAHNEY

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 Date: 2020.12.10
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Mohit Sahney
 (Managing Director & CEO)
 DIN : 07280918

Finova Capital Private Limited
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Tel:-0141-4118202 :Website:www.finova.in
Statement of Unaudited Financial Results for the half year ended September 30,2020

Particulars	(Amounts in Rs. Lacs)
	As at September 30, 2020 (unaudited)
ASSETS	
A. Financial Assets	
Cash and cash equivalents	21,017.92
Bank Balances other than cash and cash equivalents	7,231.95
Loans	42,733.19
Investments	2,187.36
Other financial assets	3,162.61
Sub-total-Financial assets (A)	76,333.03
B. Non-Financial Assets	
Current Tax Assets (net)	119.47
Deferred Tax Assets (net)	501.02
Property, plant and equipment	362.47
Right to use Asset	263.65
Other Intangible Assets	1.78
Intangible assets under development	60.16
Other non-financial assets	21.40
Sub-total-Non-financial assets (B)	1,329.95
Total - Assets (A+B)	77,662.98
LIABILITIES AND EQUITY	
LIABILITIES	
A. Financial Liabilities	
Debt securities	2,500.00
Borrowings (Other than debt securities)	34,805.36
Lease liabilities	285.76
Other financial liabilities	1,143.26
Sub-total-Financial liabilities (A)	38,734.38
B. Non-Financial liabilities	
Provisions	58.97
Other non-financial liabilities	63.64
Sub-total-Non-financial liabilities (B)	122.61
C. EQUITY	
Equity share capital	6,649.49
Share application money pending allotment	21,680.00
Other equity	10,476.50
Sub-total - Equity (C)	38,805.99
Total - Liabilities and Equity (A+B+C)	77,662.98

Place: Jaipur
Date: December 10, 2020

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

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Mohit Sahney
(Managing Director & CEO)
DIN : 07280918

Notes

1 Finova Capital Private Limited (the "Company") has prepared unaudited financial results (the "Statement") for the half year ended September 30, 2020 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 approved by the Board of Directors at their meeting held on December 10, 2020, in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The above results for the half year ended September 30, 2020 have been reviewed by the statutory Auditors of the Company. The report is being filed with the Bombay stock exchange ("BSE") and is also available on the Company's website www.finova.in.

3 The Company has adopted Indian Accounting Standards (Ind AS) notified under section 133 of the companies act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 from April 1, 2020 and effective date of the transition is April 1, 2019. Such transition has been carried out from the erstwhile accounting standards under the Act, read with relevant rules issued there under and guidelines issued by the Reserve bank of India ("RBI") (collectively refereed as "the previous GAAP"). Accordingly the impact of transition has been recorded in the opening reserves as on April 1, 2019.

The corresponding period figures presented in these results have been prepared and presented solely based on the information compiled by the management under the previous GAAP duly restated to Ind As. These comparative results prepared under previous GAAP and Ind AS adjustments have not been audited or reviewed by the statutory auditors. However the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of the Company's affairs.

These financial results have been drawn on the basis of Ind AS that are applicable to the Company as at September 30, 2020 based on MCA notification G.S.R.111 (E) and G.S.R. 365 (E) dated February 16,2015 and March 31,2016 respectively. There is a possibility that these financial results for the current and previous period may require adjustments due to change in the financial reporting requirements arising from new standards, modification to the existing standards, guidelines issued by Ministry of Corporate Affairs and RBI or changes in the use of one or more optional exemptions from full retrospective application of certain Ind AS permitted under Ind AS – 101.

4 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.

5 As required by the paragraph 32 of Ind AS 101, reconciliation of the financial results to those reported under previous GAAP is summarized as follows:

Reconciliation of the financial results as per previous GAAP	Half year ended September 30, 2019 (Rs. In Lacs)
Profit after tax as per previous GAAP	546.99
Effective interest Rate Impact on Financial Assets	(140.14)
Expected Credit Loss (ECL) on financial assets	(111.43)
Effective interest Rate impact on financial liabilities	59.73
Impact of Lease liability and ROU asset recognition under Ind AS 116	(7.21)
Remeasurement of defined benefit obligation	(7.79)
Tax impact of the above adjustments	52.06
Profit after tax as per Ind AS	392.20
Other comprehensive income (net of taxes) on account of remeasurment of defined benefit obligation	
Total comprehensive income as per Ind AS	392.20

6 The company has availed the exemption provided by Securities and Exchange board of India (SEBI) vide circular no. CIR/IMD/DFI/69/2016 in respect of disclosure requirements pertaining to disclosure of financial results and statement of Assets and Liabilities for the year ended and as at March 31, 2020. Accordingly, the Financial Results and the Statement of Assets & Liabilities for the year ended and as at March 31, 2020 is not disclosed.

7 Effective April 1,2019 the Company has adopted Ind AS 116- Lease and applied it to applicable lease contracts existing as on April 1, 2019 using the modified retrospective approach. Based on the same and as permitted under the specific transitional provision in the standard, the Company is not required to restate the comparative figures.

8 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 September 30,2020 and accordingly no amount is required to be transferred to impairment reserve.

- 9 In accordance with Reserve Bank of India ("RBI") guidelines relating to 'COVID-19- Regulatory Package' dated March 27,2020 and subsequent guidelines on EMI Moratorium dated April 17,2020 and May 23,2020 ("RBI Regulatory Package "), the company has offered moratorium on the payment of instalments falling due between March 1,2020 to August 31,2020("moratorium period") to all eligible borrowers. In accordance with the RBI Guidelines, the moratorium period ,wherever granted, is excluded from no. of days past dues for the purpose of asset classification. The Company holds provision as at September 30,2020 against the potential impact of COVID-9 based on the information available up to a point in time.

Disclosures as required by RBI circular dated April 17,2020 'COVID-19 Regulatory Package -Asset Classification and Provisioning are given below:

Particulars	(Rs. In 'lacs')
	As at September 30,2020
Advance outstanding in SMA/Overdue categories where the moratorium/deferment was extended, in terms of paragraph 2 & 3 of the circular*	1,983.95
Respective amounts where assets classification benefit was extended*	511.78
Provision made in terms of paragraph 5 of the circular (As per paragraph 4 applicable to NBFC's covered under IND AS)**	42.93
Provision adjusted against slippages in terms of paragraph 6 of the circular	-
Residual provision in terms of paragraph 6 of the circular	42.93

*.Principal outstanding of accounts under SMA /Overdue Category is as of September 30, 2020.

** Above provisioning does not include management overlay provision of Rs 575.00 lacs on overall stage 1 & 2 assets on account of COVID-19 as of September 30,2020

- 10 Consequent to the outbreak of COVID-19 pandemic, the Indian Government had announced a lockdown in March 2020. Subsequently, the lockdown has been lifted by the government for certain activities in a phased manner outside specific containment zones. While there have been some improvements in economic activity during the current half year, the continued slowdown has led to a decrease in loan origination and impacted efficiency in collection efforts during the half year. Further in accordance with the Reserve Bank of India guidelines relating to COVID-19 Regulatory package dated March 27,2020 ,April 17, 2020 and May 23, 2020 the Company has 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 the eligible borrowers.

Further,the Hon'able Supreme Court, in a public interest litigation ,vide an interim order dated September 3, 2020 ('Interim Order') has directed that accounts classified which were not declared NPA till August 31,2020 shall not be declared as NPA till further orders. Basis the said interim order,the Company has not declared any account as NPA as per RBI Norms after August 31,2020 which was not NPA till August 31,2020. However,such loans have been classified as stage 3 and provided accordingly.

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.

The Company holds impairment allowance of Rs. 1325.87 lacs as at September 30, 2020 including the potential impact of COVID-19 based on the Information available at this point in time.

- 11 The Government of India, Ministry of Finance,vide its notification dated October 23,2020 had announced COVID-19 Relief Scheme for grant of ex-gratia payment of difference between compound interest & simple interest for six months to borrowers in specified loan accounts ("the Scheme"), as per the eligibility criteria and other aspects specified therein and irrespective of whether RBI moratorium was availed or not. The Company has worked upon the operational aspects of the Scheme.
- 12 The figures for the previous periods have been regrouped/ rearranged wherever necessary to conform to current period presentation.

Place: Jaipur
Date: December 10, 2020

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

MOHIT
SAHNEY

Mohit Sahney
(Managing Director & CEO)
DIN : 07280918

**Review Report to
The Board of Directors
Finova Capital Private Limited**

10 December 2020

**Independent Auditor's Review Report on the Half-yearly Unaudited
Financial Results of the Company Pursuant to Regulation 52 of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015, as
amended**

Dear Sirs,

1. We have reviewed the accompanying statement of unaudited financial results of Finova Capital Private Limited (the "Company") for the half year ended 30 September 2020 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express 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 of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as, 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 Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

5. We have not audited or reviewed the amounts appearing in the accompanying results for the corresponding half year ended 30 September 2019, which have been presented solely based on the information compiled by management.
6. We draw attention to Note 10 to the Statement, which describes the uncertainty arising from COVID 19 pandemic and impacting the Company's operations and estimates related to impairment of assets, which are dependent on future developments regarding the severity and duration of the pandemic.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

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by AMIT KABRA

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Date: 2020.12.10
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per Amit Kabra

Partner

Membership No.: 094533

UDIN: 20094533AAAAKL8679

Place: Mumbai

Annexure III

S.No.	Particulars	For the Half Year ended September 30,2020 (Unaudited)
1	Credit Rating	
	(a) Non-Convertible Debentures	Acuite BBB+
	(b) Bank Facilities	Acuite BBB+ CARE BBB BWR A- (CE)
2	Asset cover available, in case of non-convertible debt securities	The Company is maintaining an adequate asset cover by way of creation of exclusive charges by hypothecation on the receivables or lien of FDR with respect to its secured listed Non-convertible debentures.
3	Debt Equity Ratio	0.96 : 1.00
4	Previous due date for the payment of interest/dividend for Non-Convertible Redeemable Preference Shares/repayment of principal of non convertible preference shares/ Non Convertible Debt Securities and whether the same has been paid or not	Refer to Annexure -1
5	Next due date for the payment of interest/ dividend of Non Convertible Preference Shares / principal along with the amount of interest/dividend of Net Convertible Preference Shares payable and the redemption amount:	Refer to Annexure -1
6	Debt Service Coverage Ratio	Not Applicable
7	Interest Service Coverage Ratio	Not Applicable
8	Outstanding redeemable debentures (quantity and value)	Refer to Annexure -1
9	Debenture Redemption Reserve	Not Applicable
10	Net worth	38,805.99
11	Net Profit after tax	559.48
12	Earnings Per Share (of Rs. 10/- each) (for continuing and discontinued operations) -	
	1. Basic:	5.02
	2. Diluted:	4.90

For Finova Capital Private Limited

For Finova Capital Pvt. Ltd.



Director

Sunita Sahney
Wholetime Director
DIN: 02395354

FINOVA CAPITAL PVT. LTD.

CIN : U65993RJ2015PTC048340

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Following is the information regarding interest and principle repayment of non-convertible debentures

ISIN	Outstanding as on September 30, 2020	Previous due date for repayment of principle	Previous due date for repayment of interest	Whether the previous interest payment has been paid or not	Next due date and amount of interest and principle			
					Principle		Interest / Premium	
					Date	Amount	Date	Amount
INE0D7012	15000000	NA	NA	NA	18-08-2021	5000000	18-08-2021	16290000
INE0D7020	10000000	NA	NA	NA	21-04-2023	10000000	18-12-2020	2707600

For Finova Capital Private Limited

For Finova Capital Pvt. Ltd.



Director

Sunita Sahney
Wholetime Director
DIN: 02395354

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