

Independent Auditors Limited Review Report on unaudited quarterly and half-year ended financial results of Finova Capital Private Limited under regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To the Board of Directors of Finova Capital Private Limited

1. We have reviewed the accompanying statement of unaudited financial results of Finova Capital Private Limited (the Company) for the quarter and half year ended 30 September 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. 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 Company 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

Chartered Accountants

Firm Registration No.: 000050N/N500045



Vinesh Jain

Partner

Membership No.: 087701

UDIN No.: 22087701BBLFOJ1362



Place: Gurugram

Date: 31 October, 2022

Finova Capital Private Limited
CIN-U65993RJ2015PTC048340

Regd. Office :702, Seventh Floor, Unique Aspire, Plot No. 13-14, Cosmo Colony, Amrapali Marg, Vaishali Nagar, Jaipur ,302021 (Rajasthan)
Corp. Office : Fourth Floor , Unique Aspire , Plot No. 13-14, Cosmo Colony, Amrapali Marg, Vaishali Nagar , Jaipur , 302021 (Rajasthan)
Tel.: 0141-4118202, www.finova.in, E-mail : Info@finova.in

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

S.No.	Particulars	Quarter ended September 30, 2022 (Unaudited)	Quarter ended June 30, 2022 (Unaudited)	Quarter ended September 30, 2021 (Unaudited)	Half year ended September 30, 2022 (Unaudited)	Half year ended September 30, 2021 (Unaudited)	Year ended March 31, 2022 (Audited)
A	Revenue from operations						
a)	Interest income	7,435.87	6,611.93	4,045.84	14,047.80	7,836.31	17,585.06
b)	Fees and commission income	144.56	158.52	103.95	303.08	168.86	440.85
c)	Net gain on fair value changes	80.75	65.08	162.31	145.83	175.99	303.16
	Total revenue from operations (A)	7,661.18	6,835.53	4,312.10	14,496.71	8,181.16	18,329.07
B	Other income	0.01	0.03	1.33	0.04	1.33	1.45
	Total income (A+B)	7,661.19	6,835.56	4,313.43	14,496.75	8,182.49	18,330.52
C	Expenses						
a)	Finance costs	1,602.41	1,690.32	1,453.57	3,292.73	2,860.53	5,883.18
b)	Impairment on financial instruments	849.92	581.08	471.92	1,431.00	862.93	1,567.18
c)	Employee benefits expense	2,336.69	2,030.49	1,431.79	4,367.18	2,670.39	5,824.99
d)	Depreciation, amortization and impairment	96.86	67.44	59.27	164.30	106.75	222.86
e)	Other expenses	449.88	402.07	194.05	851.95	379.33	969.85
	Total expenses (C)	5,335.76	4,771.40	3,610.60	10,107.16	6,879.93	14,468.06
D	Profit before tax (A+B-C)	2,325.43	2,064.16	702.83	4,389.59	1,302.56	3,862.46
E	Tax expense:						
(1)	Current tax	832.99	712.02	298.46	1,545.01	553.14	1,132.58
(2)	Deferred tax	(285.98)	(193.46)	(123.52)	(479.44)	(228.92)	(170.71)
	Total expenses (E)	547.01	518.56	174.94	1,065.57	324.22	961.87
F	Profit for the period/year (D-E)	1,778.42	1,545.60	527.89	3,324.02	978.34	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	6.75	(3.88)	(2.68)	2.87	(5.36)	4.08
2)	Income tax relating to items that will not be reclassified to profit and loss	(1.73)	0.99	0.68	(0.74)	1.37	(1.05)
H	Other comprehensive Income (1-2)	5.03	(2.89)	(2.00)	2.14	(3.99)	3.03
I	Total comprehensive Income for the period/year (F+H)	1,783.45	1,542.71	525.89	3,326.16	974.35	2,903.62
J	Earnings per equity share*						
	Basic (Rs.)	10.13	8.76	3.58	18.89	6.64	19.69
	Diluted (Rs.)	9.75	8.44	3.44	18.18	6.38	19.13
	Nominal value per share (Rs.)	10.00	10.00	10.00	10.00	10.00	10.00

* Figures for the quarter / half year ended are not annualized.

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

Place: Jaipur
Date: October 31, 2022



Mohit Sahney
(Managing Director & CEO)
DIN: 07280918



Finova Capital Private Limited
CIN-U65993RJ2015PTC048340

Regd. Office :702, Seventh Floor, Unique Aspire, Plot No. 13-14, Cosmo Colony, Amrapali Marg, Vaishali Nagar, Jaipur, 302021 (Rajasthan)
Corp. Office : Fourth Floor , Unique Aspire , Plot No. 13-14, Cosmo Colony, Amrapali Marg, Vaishali Nagar , Jaipur , 302021 (Rajasthan)
Tel.: 0141-4118202, www.finova.in, E-mail : info@finova.in

Statement of Asset and Liabilities As at September 30, 2022
(All Amount in lakhs, except as stated otherwise)

Particulars	As at September 30, 2022 (unaudited)	As at March 31, 2022 (Audited)
ASSETS		
Financial assets		
Cash and cash equivalents	681.58	6,558.43
Bank balance other than cash and cash equivalents	42,290.71	35,158.03
Loans	1,20,535.82	93,656.55
Investments	5,574.73	21,663.84
Other financial assets	210.20	149.16
Subtotal - financial assets (A)	1,69,293.04	1,57,186.01
Non- financial assets		
Current tax assets	11.18	379.03
Deferred tax assets (net)	1,065.98	586.52
Property, plant and equipment	899.81	489.22
Right of use assets	217.41	242.79
Intangible assets under development	10.19	30.46
Capital-work-in progress	-	103.76
Other Intangible assets	105.38	83.89
Other non- financial assets	61.95	92.88
Subtotal - non-financial assets (B)	2,371.91	2,008.55
Total - assets (A+B)	1,71,664.95	1,59,194.56
LIABILITIES AND EQUITY		
Liabilities		
Financial liabilities		
1) Trade payables		
- total outstanding dues of micro enterprises and small enterprises	-	5.19
- total outstanding dues of creditors other than micro enterprises and small enterprises	2,092.77	1,952.02
2) Other payables		
- total outstanding dues of micro enterprises and small enterprises	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	150.01	157.94
Debt securities	5,137.71	6,465.33
Borrowings (other than Debt securities)	68,437.88	57,962.43
Lease liabilities	265.21	285.20
Subtotal - financial liabilities (C)	76,083.58	66,828.11
Non-financial liabilities		
Provisions	158.63	103.39
Other non-financial liabilities	202.43	416.52
Subtotal - Non-financial liabilities (D)	361.06	519.91
Equity		
Equity share capital	13,038.99	13,038.69
Other equity	82,181.32	78,807.85
Subtotal - equity (E)	95,220.31	91,846.54
Total - Liabilities and equity (C+D+E)	1,71,664.95	1,59,194.56

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

Place: Jaipur
Date: October 31, 2022



Mohit Sahney
(Managing Director & CEO)
DIN: 07280918



Finova Capital Private Limited
CIN-U65993RJ2015PTC048340

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

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

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

Statement of Cash Flows for the half year ended Septemebr 30, 2022
(All Amount in lakhs, except as stated otherwise)

Particulars	Half year ended September 30, 2022 (unaudited)	Half year ended September 30, 2021 (unaudited)
A Cash flow from operating activities		
Profit before tax as per statement of profit and loss	4,389.59	1,302.56
Depreciation and amortisation of Property plant equipments, right of use assets and other intangible asset	164.30	106.75
Net gain on sale of current investments	(134.05)	(157.27)
Amortization of ancillary cost	(31.08)	(7.34)
(Reversal)/Provision for expected credit loss (ECL)	1,597.16	893.59
Loan assets written-off/ (written back)	(166.16)	(30.65)
Employee stock option expense	46.80	49.81
Loss on sale of property, plant and equipment	-	0.03
Fair value change of investments	(11.78)	(18.72)
Operating profit before working capital changes	5,854.79	2,138.76
Changes in working capital		
(Increase)/decrease in loans	(28,310.27)	(9,172.71)
(Increase)/decrease in bank balance other than cash and cash equivalents	(7,132.68)	4,023.72
(Increase)/decrease in other financial assets	(61.04)	670.14
(Increase)/decrease in non financial assets	30.93	(2.32)
(Increase)/decrease in trade and other payables	127.62	(14.73)
(Increase)/decrease in lease liabilities	(19.99)	0.55
(Increase)/decrease in provisions	57.85	52.24
(Increase)/decrease in other non-financial liabilities	(214.09)	(33.28)
Total of changes in working capital	(35,521.67)	(4,476.39)
Direct taxes paid	(1,177.16)	(416.83)
Net cash flow (used in) operating activities (A)	(30,844.05)	(2,754.46)
B Cash flow from investing activities:		
Purchase of Property, plant and equipment (including capital work-in-progress)/ intangible assets /intangible assets under development	(447.12)	(102.31)
Sale of Property, plant and equipment (including capital work-in-progress)	0.15	0.16
Purchase of investments	(10,550.30)	(6,930.00)
Sale of investments	26,785.24	12,265.45
Net cash flow from / (used in) investing activities (B)	15,787.97	5,233.30
C Cash flow from financing activities:		
Issue of equity shares (including share premium)	0.30	-
Proceeds from borrowings (Other than debt securities)	18,300.00	17,500.00
Repayment of borrowings (Debt securities)	(1,339.93)	(715.84)
Repayment of borrowings (Other than Debt securities)	(7,781.16)	(16,345.62)
Net Cash flow from financing activities (C)	9,179.21	438.54
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(5,876.85)	2,917.38
Cash and cash equivalents as at the beginning of the period/year	6,558.43	730.32
Cash and cash equivalents at the end of the period	681.58	3,647.70
Components of cash and cash equivalents		
Cash on hand	92.30	43.03
Balance with banks	589.28	3,604.67
Total cash and cash equivalents	681.58	3,647.70

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

Place: Jaipur
Date: October 31, 2022



Mohit Sahney
(Managing Director & CEO)
DIN: 07280918



Finova Capital Private Limited
CIN-U65993RJ2015PTC048340

Regd. Office :702, Seventh Floor, Unique Aspire, Plot No. 13-14, Cosmo Colony, Amrapali Marg, Vaishali Nagar, Jaipur ,302021 (Rajasthan)
Corp. Office : Fourth Floor , Unique Aspire , Plot No. 13-14, Cosmo Colony, Amrapali Marg, Vaishali Nagar , Jaipur , 302021 (Rajasthan)
Tel.: 0141-4118202, www.finova.in, E-mail : info@finova.in

Notes

- 1 Finova Capital Private Limited (the "Company") has prepared unaudited financial results for the quarter and half year ended September 30, 2022 in accordance with Regulation 52 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI LODR Regulations") 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 October 31, 2022, in accordance with the requirements of Regulation 52 of the 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 and half year ended September 30, 2022 has been carried out by the Statutory Auditors.

The figures for the quarter ended September 30, 2022 represent balancing figures between the half year ended figures for the September 30, 2022 and figures for the quarter ended June 30, 2022. The figures for the quarter ended September 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 half year ended September 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 The Company has applied its significant accounting policies in the preparation of these financial results consistent with those followed in the annual financial statements for the year ended March 31, 2022. Any circular / direction issued by RBI is implemented prospectively when it become applicable.
- 6 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, 2022 and accordingly no amount is required to be transferred to impairment reserve.
- 7 Disclosure as per format prescribed under notification number RBI/2021-22/31 DOR.STR.REC. 11/21.04.048/2021-2022 Dated May 5, 2021 for the restructured loans are given below:

(Rs. In Lakhs)					
Type of Borrower	Exposure to accounts classified as standard consequent to implementation of resolution plan-position as at March 31, 2022 (A)*	Of (A) aggregate debt that slipped into NPA during the half year ended September 30, 2022	Of (A) amount written off during the half year ended September 30, 2022	Of (A) amount paid by the borrowers during the half year ended September 30, 2022	Exposure to accounts classified as standard consequent to implementation of resolution plan-position as at September 30, 2022 (A)*
	(A)	(B)	(C)	(D)	(E)
Personal Loans	26.48	17.44	NIL	0.29	8.75
Business Loans	13.97	2.18	NIL	3.36	8.43
Small Business	NIL	NIL	NIL	NIL	NIL
Total	40.45	19.62	NIL	3.65	17.18

- 8 Disclosure pursuant to RBI Notification RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021:
 - a. The company has not transferred and acquired any loans (not in default) through assignment during the quarter and half year ended 30, September 2022
 - b. The company has not transferred and acquired any stress assets through assignment during the quarter and half year ended 30, September 2022



Finova Capital Private Limited
CIN-U65993RJ2015PTC049340

Regd. Office :702, Seventh Floor, Unique Aspire, Plot No. 13-14, Cosmo Colony, Amrapali Marg, Vaishali Nagar, Jaipur ,302021 (Rajasthan)
Corp. Office : Fourth Floor , Unique Aspire , Plot No. 13-14, Cosmo Colony, Amrapali Marg, Vaishali Nagar , Jaipur , 302021 (Rajasthan)
Tel.: 0141-4118202, www.finova.in, E-mail : info@finova.in

- 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 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 half year ended September 30, 2022.
- 11 Disclosures in compliance with Regulation 52(4) of the SEBI (LODR Regulations) Regulation, 2015 for the quarter ended September 30, 2022 and for the year ended March 31, 2022 is attached as per 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 comparative for previous periods have been regrouped/ reclassified wherever necessary to conform to current period presentation.

Place: Jaipur
Date: October 31, 2022



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

Mohit Sahney
(Managing Director & CEO)
DIN : 07280918



Finova Capital Private Limited
CIN-U65993RJ2015PTC048340

Regd. Office :702, Seventh Floor, Unique Aspire, Plot No. 13-14, Cosmo Colony, Amrapali Marg, Vaishali Nagar, Jaipur, 302021 (Rajasthan)
Corp. Office : Fourth Floor , Unique Aspire , Plot No. 13-14, Cosmo Colony, Amrapali Marg, Vaishali Nagar , Jaipur , 302021 (Rajasthan)
Tel.: 0141-4118202, www.finova.in, E-mail : info@finova.in

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 September 30, 2022 and for the year ended 31 March 2022

S.No.	Particulars	Description	For the quarter ended September 30, 2022 (unaudited)	For the year ended March 31, 2022 (Audited)
a)	Debt Equity Ratio	(Debt Securities + Borrowings) / (Equity Share Capital + Other Equity)	0.77	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/Debenture redemption reserve		Not Applicable	Not Applicable
f)	Net worth (INR in Lakhs)	Equity Share Capital + Other Equity	95,220.31	91,846.54
g)	Net profit after tax (INR in Lakhs)		1,778.42	2,900.59
h)	Earnings per share			
	- Basic		10.13	19.69
	Diluted		9.75	19.13
i)	Current Ratio		Not Applicable	Not Applicable
j)	Long term debt to working capital		Not Applicable	Not Applicable
k)	Bad debts to account receivable ratio		Not Applicable	Not Applicable
l)	Current liability ratio		Not Applicable	Not Applicable
m)	Total Debts to Total Assets	(Debt Securities + Borrowings) / Total Assets	0.43	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			
i)	Gross Stage 3 Ratio	Gross Stage 3 / Gross Loans	2.39%	1.81%
ii)	Net Stage 3 Ratio	Net Stage 3 / Gross Loans	0.60%	1.06%
iii)	Asset coverage ratio	Assets hypothicated/ outstanding debentures	1.09 Times	1.11 times
iv)	Capital to Risk Weighted Assets Ratio (CRAR)		73.86%	78.45%

For and on behalf of Board of Directors
Finova Capital Private



Mohit Sahney
(Managing Director & CEO)
DIN: 07280918

Place: Jaipur
Date: October 31, 2022

