



FINOVA CAPITAL PRIVATE LIMITED

CIN: U65993RJ2015PTC048340

Regd. Office: 702, 7th Floor, Unique Aspire, Plot No. 13-14 Cosmo Colony
Amrapali Marg, Vaishali Nagar, Jaipur -302021

Corp. Office: 4th Floor, Unique Aspire, Plot No. 13-14 Cosmo Colony

Amrapali Marg, Vaishali Nagar, Jaipur -302021

Tel. No. 0141-4118202 Website: www.finova.in Email Id: info@finova.in

NOTICE

Notice is hereby given that the 07th Annual General Meeting (“AGM/Meeting”) of the members of **Finova Capital Private Limited** will be held at shorter notice on **Friday, May 20, 2022 at 11:00 A.M.** at the Corporate Office of the Company situated at Fourth Floor, Unique Aspire, Plot No. 13-14, Cosmo Colony, Amrapali Marg, Vaishali Nagar, Jaipur-302021 (Rajasthan) to transact the following business:

ORDINARY BUSINESS:

ITEM NO.1: To adopt the Audited Financial Statements of the Company for the Financial Year ended on March 31, 2022 together with the reports of Board of Directors and Auditors thereon.

ITEM NO.2: To re-appoint M/s S.N. Dhawan & Co. LLP, Chartered Accountants as Statutory Auditors of the Company.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) dated April 27, 2021 issued by the Reserve Bank of India (“RBI”) and Frequently Asked Questions dated June 11, 2021 (“RBI Guidelines”) (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force) and on the basis of recommendation of the Audit Committee and the Board of Directors of the Company, M/s S.N. Dhawan & Co. LLP, Chartered Accountants (Firm’s Registration Number: 000050N/N500045), be and are hereby appointed as the Statutory Auditors of the Company to hold office for a period of 2 consecutive years from the conclusion of this 07th Annual General Meeting (“AGM”) till the conclusion of 9th AGM to be held in the calendar year 2024, subject to their continuity of fulfilment of the applicable eligibility norms every year, at a remuneration as determined by the Board of Directors.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things or to take all the actions as may be considered necessary, desirable and expedient, as it may in its absolute discretion deem fit or necessary or desirable for such purpose including giving effect to the aforesaid resolution and to settle any questions,

difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.”

SPECIAL BUSINESS:

ITEM NO.3: To approve the limit for issuance of Non-Convertible Debentures on private placement basis under Section 42 and 71 of the Companies Act, 2013.

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 42 and 71 and other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’) read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and all other applicable rules, regulations, directions, guidelines, circulars and notifications of the Reserve Bank of India (“RBI”) in this regard (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force), and pursuant to enabling provisions of Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “the Board” which term shall be deemed to include any Committee of the Board, constituted / to be constituted / reconstituted including the powers conferred by this resolution) to offer, issue and allot in one or more tranches, Non-convertible Debentures (NCDs), whether secured or unsecured and/or listed or unlisted including but not limited to subordinate debentures, bonds, and/or other debt securities as per Section 2(30) of the Act on private placement basis, during the period of one year from the date of passing of the Special Resolution by the Members, for an amount not exceeding Rs. 1,000/- Crore (Rupees One Thousand Crore Only) on such terms and conditions and at such times at par or at such premium, as may be decided by the Board to such person(s), including to one or more Company(ies), bodies corporate(s), statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, pension/provident funds and individuals, as the case may be or such other person(s) as the Board may decide so for onward lending business of the Company and general corporate purposes.

RESOLVED FURTHER THAT the aggregate amount of funds to be raised by issue of NCDs, subordinate debentures, bonds, and/or other debt securities etc. shall not exceed the overall borrowing limits of the Company, as approved by the Board from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things or to take all the actions as may be considered necessary, desirable and expedient, as it may in its absolute discretion deem fit or necessary or desirable for such purpose including giving effect to the aforesaid resolution and to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.”

ITEM NO.4: To approve revision in overall monthly remuneration of Mr. Rahul Sahney, Chief Operating Officer (“COO”) of the Company under Section 188 of the Companies Act, 2013.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 188(1)(f) and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and on the basis of recommendations of Audit Committee and Board of Directors, approval of the members of the company, be and is hereby accorded for revision in the overall monthly remuneration limit of Mr. Rahul Sahney (being relative of Mr. Mohit Sahney, Managing Director and CEO of the company), appointed as Chief Operating Officer (“COO”) in office or place of profit, from Rs. 15,00,000/- (Rupees Fifteen Lakhs Only) per month (inclusive of all the benefits) to not exceeding Rs. 25,00,000/- (Rupees Twenty Five Lakhs Only) per month (inclusive of all the benefits) w.e.f April 01, 2022, in such a manner that overall annual remuneration shall not exceed Rs. 3,00,00,000/- p.a. (Rupees Three crore only) (inclusive of all the benefits), with liberty to the Board of Directors to alter or vary the terms and conditions of appointment and/or remuneration as it may deem fit, subject to the same, not exceeding the limits as specified above.

RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized, on behalf of the Company to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable or expedient for giving effect to the aforesaid resolution and to give such directions/ instructions as may be necessary to settle any question, difficulty or doubt that may arise in this regard.”

ITEM NO.5: To approve amendment in Employee Stock Option Plan, 2022.

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT in partial modification of the special resolution passed by the Members of the Company at their Extra Ordinary General Meeting held on April 01, 2022 and pursuant to provisions of Section 62(1)(b) and all other applicable provisions, if any, of Companies Act, 2013 read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force) and pursuant to enabling provisions of Articles of Association of the Company and subject to such approval(s)/consent(s)/permission(s)/ sanction(s), as may be required, from the appropriate regulatory authorities and further subject to such terms and conditions as may be prescribed while granting such approval(s) / consent(s) / permission(s) / sanction(s) which may be agreed to and accepted by the Board of Directors (hereinafter referred to as the “Board” which term shall be deemed to include Nomination and Remuneration Committee of the Board of Directors), the consent of the Members of the Company be and is hereby accorded for variation in the Employees Stock Option Plan 2022 (“ESOP-2022”) for revision in the number of stock options from 2,83,116 to 2,53,116 under the ESOP-2022 provided that remaining terms and conditions of the ESOP-2022 will remain unchanged.

RESOLVED FURTHER THAT Revised “ESOP - 2022” as tabled at the meeting and initialled by the chairperson for the purpose of identification, be and is hereby approved and the same shall come into effect from the date of passing of shareholders resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things or to take all the actions as may be considered necessary, desirable and expedient, as it may in its absolute discretion deem fit or necessary or desirable for such purpose including giving effect to the aforesaid resolution and to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.”

ITEM NO. 6: To approve issuance of compulsorily convertible cumulative preference shares on private placement basis to Mr. Rahul Sahney, Chief Operating Officer of the Company.

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 42, 55, 62 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) read with Rule 9 and 13 of the Companies (Share Capital and Debentures) Rules, 2014 and Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and enabling provisions in the Memorandum and Articles of Association of the Company and all other applicable rules, laws and acts, if any (including any statutory modification(s), or re-enactment(s) thereof for the time being in force) and subject to all other requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities, if any while granting such approvals, the consent of the Members be and is hereby accorded to offer, issue and allot 30,000 (Thirty Thousand) 0.0001% Series D-1 Compulsorily Convertible Cumulative Preference Shares (“Series D-1 CCCPS”) having face value of Rs. 100/- (Rupees One Hundred Only) each at a price of Rs. 743.50/- (Rupees Seven Hundred Forty Three and Fifty Paise Only) which includes premium of Rs. 643.50/- (Rupees Six Hundred Forty Three and Fifty Paise Only) per share on a preferential basis through private placement offer to Mr. Rahul Sahney, Chief Operating Officer of the Company, for cash in one or more tranches, and to issue such number of equity shares upon conversion of such Series D-1 CCCPS in accordance with the terms of the offerings as detailed here under.

RESOLVED FURTHER THAT In accordance with the provisions of Section 55 of the Act read with Rule 9 of The Companies (Share Capital and Debentures) Rules 2014, following are the terms and conditions of the Series D-1 CCCPS:

a.	the priority with respect to payment of dividend or repayment of capital vis-a-vis Equity Shares	Each Series D-1 CCCPS shall carry a preferential right vis-à-vis Equity Shares of the Company with respect to payment of dividend and repayment in case of a winding up or repayment of capital. Each holder of Series D-1 CCCPS is entitled to receive dividend at a rate of 0.0001 per cent per annum.
b.	the participation in surplus fund	Each Series D-1 CCCPS shall be non-participating in the surplus funds;
c.	the participation in	Each Series D-1 CCCPS shall be non-participating in the surplus

	surplus assets and profits, on winding-up which may remain after the entire capital has been repaid	assets and profits, on winding up which may remain after the entire capital has been repaid.
d.	the payment of dividend on cumulative or non-cumulative basis	Cumulative basis
e.	the conversion of Preference Shares into Equity Shares	<p>Each Series D-1 CCCPS shall be converted into 1 (One) Equity Share subject to the said Series D-1 CCCPS being fully paid-up.</p> <p>30,000 Series D-1 CCCPS will be converted into equity shares of face value of Rs. 10/- each in one or more tranches as per the following schedule: -</p> <ol style="list-style-type: none"> 8,000 no. of Series D-1 CCCPS to be converted into equivalent number of equity shares at any time after July 01, 2023 but in any case, not later than filing of draft Red Herring Prospectus ("DRHP") by the Company; 10,000 no. of Series D-1 CCCPS to be converted into equivalent number of equity shares at any time after July 01, 2024 but in any case, not later than filing of "DRHP" by the Company; and 12,000 no. of Series D-1 CCCPS to be converted into equivalent number of equity shares at any time after July 01, 2025 but in any case, not later than filing of "DRHP" by the Company; <p>and such Conversion may be in one or more tranches at the Option of the Series D-1 CCCPS holder and further such conversion shall not be later than twenty years from the date of issue.</p>
f.	the voting rights	Each Series D-1 CCCPS shall have voting rights only in respect of certain matters as per the provisions of Section 47(2) of the Act; and
g.	the redemption of Preference Shares	Each Series D-1 CCCPS shall not be redeemed but shall be compulsorily convertible into Equity share of the Company but not later than twenty years from the date of issue.

RESOLVED FURTHER THAT the Equity Shares to be issued on conversion of the Series D-1 CCCPS shall rank pari-passu in all respects with the existing Equity Shares of the Company.

RESOLVED FURTHER THAT an amount of Re.1/- (Rupee one) per Series D-1 CCCPS shall be payable on or before the date of allotment of the Series D-1 CCCPS as the Series D-1 CCCPS application money and the balance amount for Series D-1 CCCPS shall be payable in one or more tranches based on the conversion terms as stated above, pursuant to which the Series D-1 CCCPS holder shall be issued and allotted Equity shares (in the ratio of 1 (one) Equity shares of Rupees 10/- (Rupees Ten only) each of the Company for 1 (one) Series D-1 CCCPS).



RESOLVED FURTHER THAT in the event Series D-1 CCCPS holder does not pay the balance consideration when called for by the Board and or unable to exercise his right to convert the allotted Series D-1 CCCPS within the prescribed timelines, the Series D-1 CCCPS shall lapse and the amount paid shall stand forfeited by the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to take such steps and to do all such other acts, deeds, matters and things and accept any alteration(s) or amendment(s) or correction(s) or modification(s) as may be deemed fit and appropriate and give such directions/ instructions as may be necessary to settle any question, difficulty or doubt that may arise in regard to offer, issue and allotment of Series D-1 CCCPS and to finalize and execute all documents, papers, agreement, deeds and writings as may be necessary and desirable.

DATE: MAY 11, 2022
PLACE: JAIPUR

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

Sd/-
JAIKISHAN PREMANI
COMPANY SECRETARY & COMPLIANCE OFFICER
M. NO.: A42043

REGISTERED OFFICE: 702, SEVENTH FLOOR, UNIQUE ASPIRE, PLOT NO. 13-14
COSMO COLONY, AMRAPALI MARG VAISHALI NAGAR, JAIPUR-302021 (RAJASTHAN)

NOTES:

1. The Company has taken all the preventive/precautionary measures while making arrangement for this Annual General Meeting to ensure the safety of all its members, employees and other stakeholders participating in the Meeting in accordance with the guidelines on Preventive Measures to contain spread of COVID-19 issued by Ministry of Health and Family Welfare, Government of India.

Kindly note the following precautions to be undertaken while attending the meeting in person:

- Members are requested to wear mask at the entry and at all time during the meeting;
- Members are requested to follow the disinfectant process and make themselves subject to temperature check available at the venue of the Meeting before entering into the office premises and to sanitize their hands frequently throughout the Meeting;
- Members are requested to maintain physical distance of at least 6 feet (about 2 arm's length);
- Members are requested to cover their mouth and nose with a disposable tissue while coughing or sneezing and use the nearest waste receptacle to dispose of the tissue after use.

Note: Any member displaying symptoms of illness or being part of a risk group is specifically requested not to attend the Meeting.

2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.**
3. The duly stamped, filled and signed instrument appointing the proxy should be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the meeting.
4. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution/Authorization letter together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting. The said Resolution/Authorization should be sent either physically at the Corporate office of the company at Fourth Floor, Unique Aspire, Plot No. 13-14, Cosmo Colony, Amrapali Marg, Vaishali Nagar, Jaipur-302021, (Rajasthan) or electronically through their registered email address to the Company Secretary at cs@finova.in.
5. Members and Proxies attending the Meeting should bring the attendance slip duly filled in for attending the Meeting.
6. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts concerning the special business is annexed hereto.

7. In view of the prevailing situation and Green Initiative in the Corporate Governance taken by the Ministry of Corporate Affairs, owing to the difficulties involved in dispatching of physical copies of the Notice of AGM and Audited Financial Statements of the Company for the Financial Year ended on March 31, 2022 together with the Reports of Board of Directors and Auditors thereon and other documents attached thereto, the same shall be sent only by e-mail to the members, debenture trustees and to all the persons entitled to receive the same at their e-mail ids registered with the company. The same has also been uploaded on the website of the Company at http://www.finoval.in/annual_report.php.
8. Members who have not registered their E-mail address so far, are requested to register their e-mail for receiving all communication including Notices etc. from the Company electronically. Members can also do this by updating their e-mail addresses with their depository participants.
9. A copy of Audited Financial Statements of the Company for the Financial Year ended on March 31, 2022 together with the Reports of Board of Directors and Auditors thereon is enclosed herewith.
10. Members seeking any information with regard to the Financial Statements, accounts or any matter to be placed at AGM are requested to write to the Company at cs@finoval.in at an early date, so as to enable the Management to keep the information ready at the meeting.
11. The Registers of Directors and Key Managerial Personnel (KMP) and their shareholding and Register for Contracts or Arrangements in which Director are interested, maintained under Section 170 and 189 of the Companies Act, 2013 respectively will be available for inspection by the members at the AGM.
12. All documents referred to in the accompanying notice are open for inspection by the members of the company at the Registered Office of the Company between 11:00 am and 5:00 pm on all working days (except Saturday(s), Sunday(s) and Public Holidays) up to the date of the AGM and during the continuance of the AGM.
13. The Company has initiated the process of dematerialization of all its physical preference and equity shares and has obtained electronic connectivity services from Link Intime India Pvt. Ltd. for the same. Further, the Company has also been allotted ISIN's from NSDL for all its physical shares.
14. In this respect, the shareholders of the company are advised to get the shares held by them dematerialized. The brief procedure for dematerialization is stated below for your reference:
 - a) *Shareholders have to approach to their DP & fill the Demat Request Form & lodge it to the DP along with the original share certificate.*
 - b) *Further; DP will process the documents and generate the demat request electronically & will send the same to RTA system and will forward the documents to Issuer Company for further process / verification.*
 - c) *After receipt of the documents, Issuer Company shall provide the Demat Status Report & List of Authorised Signatories to RTA. On receipt of the Demat Status Report from Company, RTA will then verify the details and signature and process the Electronic Demat Request from system.*
 - d) *As soon as RTA process the demat request from system, within couple of hours shares will be credited into respective shareholder's Demat account.*



15. With reference to SS-2 for the convenience of recipients of notice, Route Map to the venue of Annual General Meeting of the Company is as under:

Venue of the meeting: Fourth Floor, Unique Aspire, Plot No. 13-14 Cosmo Colony, Amrapali Marg, Vaishali Nagar, Jaipur -302021 (Raj.)

Landmark: Amrapali Circle

Route Map: The Mark indicating the venue of Annual General Meeting

DATE: MAY 11, 2022
PLACE: JAIPUR

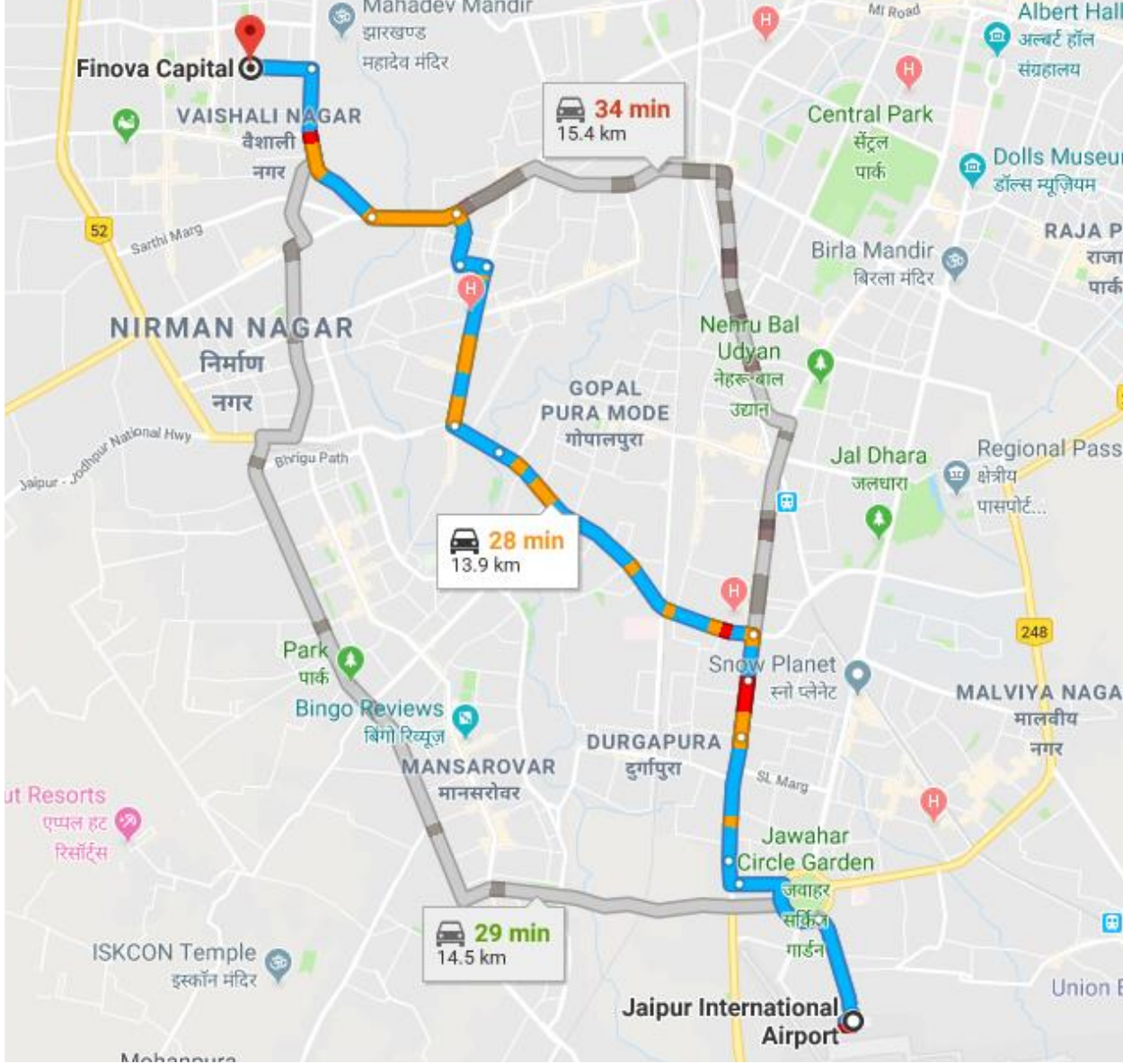
BY ORDER OF THE BOARD OF DIRECTORS
FOR FINOVA CAPITAL PRIVATE LIMITED

Sd/-
JAIKISHAN PREMANI
COMPANY SECRETARY & COMPLIANCE OFFICER
M. NO.: A42043

REGISTERED OFFICE: 702, SEVENTH FLOOR, UNIQUE ASPIRE, PLOT NO. 13-14
COSMO COLONY, AMRAPALI MARG VAISHALI NAGAR, JAIPUR-302021 (RAJASTHAN)

ROUTE MAP TO THE VENUE OF THE MEETING

Venue of the meeting: Fourth Floor, Unique Aspire, Plot No. 13-14 Cosmo Colony, Amrapali Marg, Vaishali Nagar, Jaipur -302021 (Rajasthan)



EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 (“THE ACT”)

The following statement sets out the material facts concerning the special business mentioned in the accompanying notice to be transacted at the Meeting.

ITEM NO.3:

Your Company has been issuing debentures, which may be referred to as one of the option for raising money from time to time, for onward lending business of the Company and general corporate purposes, on terms and conditions as are appropriate and in the best interest of the Company and in due compliance with the applicable provisions of the Companies Act, 2013 (“the Act”), Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and Guidelines as issued by Reserve Bank of India etc. Accordingly, the Company, subject to the approval of Members, proposes to issue Non-convertible Debentures including bonds, and/or other debt securities as per Section 2(30) of the Act to various person(s) on private placement basis, at such terms and conditions and at such price(s) in compliance with the requirements of regulatory authorities, if any and as may be finalized by the Board and/or Committee of Board. The amount to be raised by way of issue of listed or unlisted, secured/unsecured redeemable Nonconvertible Debentures on a private placement basis shall not exceed Rs. 1,000 Crore (Rupees One thousand Crore only) in aggregate, in one or more series/tranches on private placement basis

It may be noted that that as per Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 read with Section 42 of the Act, allows a Company to pass a Special Resolution once in a year for all the offer or invitation for Non-Convertible Debentures to be made during the year through a private placement basis in one or more tranches.

It is to be noted that the members of the company have passed a Special resolution at their Annual general meeting held on July 03, 2021 to approve the limit for issuance of non-convertible debentures on private placement basis under Section 42 and 71 of the Act upto an amount not exceeding Rs. 500,00,00,000/- (Rupees Five Hundred Crores Only) in aggregate in one or more tranches.

Hence, as per the aforesaid provision, the validity of the previous special resolution passed by the members of the Company on July 03, 2021 shall expire on July 02, 2022.

Therefore, consent of the Members is accordingly sought in connection with the aforesaid issue of debentures/bonds from time to time and they are requested to enable and authorize the Board (including any Committee of the Board) to issue Non-convertible Debentures on private placement basis of Rs. 1,000 crore (Rupees One thousand crore only) as stipulated above, in one or more tranches, during the period of one year from the date of passing of the Resolution set out at Item No. 3 of this Notice, within the overall borrowing limits of the Company, as approved by the Board.

The Board accordingly recommends the Special Resolution as set out at Item No. 3 of the Notice for the approval of the Members as **Special Resolution**.

None of the Directors or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolutions set out at Item No. 3 of the accompanying Notice.

ITEM NO.4:

Pursuant to the provisions of Section 188 of the Act, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company is required to obtain consent of the Board of Directors to enter into any contract or arrangement with a related party including revision in terms and conditions with respect to appointment of related party to any office or place of profit in the company under section 188(1)(f) of the Act.

Further, the Company shall also obtain prior approval of members at the general meeting in case the aforesaid related party transaction exceeds the limits prescribed under Rule 15(3)(b) of the Companies (Meetings of Board and its Powers) Rules, 2014 i.e. *“appointment to any office or place of profit in the company, its subsidiary company or associate company at a monthly remuneration exceeding two and a half lakh rupees”*.

It is hereby proposed to increase the overall monthly remuneration limit of Mr. Rahul Sahney, Chief Operating Officer being brother of Mr. Mohit Sahney (Managing Director and CEO of the Company) from Rs. 15,00,000/- (Rupees Fifteen Lakhs Only) per month (inclusive of all the benefits) to not exceeding Rs. 25,00,000/- (Rupees Twenty Five Lakhs Only) per month (inclusive of all the benefits) w.e.f April 01, 2022, in such a manner that overall annual remuneration shall not exceed Rs. 3,00,00,000/- p.a. (Rupees Three crore only) (inclusive of all the benefits), with liberty to the Board of Directors to alter or vary the terms and conditions of appointment and/or remuneration as it may deem fit, subject to the same, not exceeding the limits as specified above.

The statement containing the details of the aforesaid transaction in this regard is mentioned below

Name of the Related Party	Mr. Rahul Sahney
Nature of relationship	Brother of Mr. Mohit Sahney (Managing Director and CEO of the Company)
The nature, particulars of the contract or arrangement and the material terms of the contract or arrangement including the value, if any:	Approval for revision in remuneration paid to Mr. Rahul Sahney, Chief Operating Officer in Office or place of profit from Rs. 15,00,000/- (Rupees Fifteen Lakhs Only) per month (inclusive of all the benefits) to not exceeding Rs. 25,00,000/- (Rupees Twenty Five Lakhs Only) per month (inclusive of all the benefits) w.e.f. April 01, 2022, in such a manner that overall annual remuneration shall not exceed Rs. 3,00,00,000/- p.a. (Rupees Three crore only) (inclusive of all the benefits)
Duration of the contract	Regular
Any advance paid or received for the contract or arrangement, if any	N.A.
The manner of determining the pricing and other commercial terms both included as part of contract and not considered as part of the contract	All business transactions would be carried out as part of business requirements of the Company. Further the remuneration of Mr. Rahul Sahney, COO of the Company is as per the industry norms and standards.

Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors	Yes
Any other information relevant or important for the Board to take a decision on the proposed transaction	NIL

The aforesaid related party transaction entered into between the company and Mr. Rahul Sahney is at arm's length and the Board of Directors of the Company on the basis of recommendations of Audit Committee, have approved the revision in overall monthly remuneration limit at their respective meeting held on April 29, 2022.

The Board of Directors recommends the resolution set out at item no. 4 of the Notice for the approval by the members as **Ordinary Resolution**.

Save and except Mr. Mohit Sahney, being brother of Mr. Rahul Sahney, None of the other Directors or Key Managerial Personnel of the Company or their relatives are, directly or indirectly, financially or otherwise, concerned or interested in the said resolution.

ITEM NO. 5:

The Company had implemented Equity Stock Option Plan 2022 ("ESOP-2022"), with a view to attract and retain key talents by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability. The plan was originally approved vide members' resolution dated April 01, 2022 in due compliance of the provisions of the Companies Act, 2013 ("the Act") and the rules made thereunder. The existing plan provided for granting of 2,83,116 (Two Lakh Eighty Three Thousand One Hundred and Sixteen) employee stock options to eligible employees of the Company, in one or more tranches, from time to time under the ESOP Scheme.

Now therefore the Management has considered and proposes to rebalance the number of options and considered the variation in the ESOP-2022 for revision in the number of stock options from 2,83,116 to 2,53,116 to be in line with shareholders agreement and provided that remaining terms and conditions of the ESOP -2022 will remain unchanged.

The details of the variation in the ESOP-2022 are as under:

Clause No.	Existing Provision	New Provision
3.1	On passing the special resolution dated April 01, 2022, the Company shall be authorized by the shareholders to issue to the Employees under ESOP-2022, not exceeding 2,83,116 (Two Lakh Eighty Three Thousand One Hundred and Sixteen) Employee Stock Options convertible into not more than 2,83,116 equity shares of face value of Rs. 10/-	On passing the special resolution dated April 01, 2022, the Company shall be authorized by the shareholders to issue to the Employees under ESOP-2022, not exceeding 2,53,116 (Two Lakh Fifty Three Thousand One Hundred and Sixteen) Employee Stock Options convertible into not more than 2,53,116 equity shares of face value of Rs. 10/- (Rupees Ten) each

	(Rupees Ten) each fully paid-up, with each such Option conferring a right upon the Employee to be issued one Share of the Company, in accordance with the terms and conditions of such issue.	fully paid-up, with each such Option conferring a right upon the Employee to be issued one Share of the Company, in accordance with the terms and conditions of such issue.
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The Members are further informed that the complete amended ESOP-2022 will be available for inspection by the Members at the Registered Office of the Company between 11:00 am and 5:00 pm on all working days (except Saturday(s), Sunday(s) and Public Holidays) up to the date of the Annual General Meeting and during the continuance of the AGM.

The proposed amendments to the ESOP-2022 are not prejudicial to the interest of the option holders.

With a view to revise the number of options under ESOP-2022, the Company is required to amend the ESOP Scheme in accordance with the provisions of Section 62 (1) (b) of the Act read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and all the other applicable provisions, if any, of the Act, which is subject to approval of shareholders of the Company.

Given the details of amendments, rationale thereof and as per Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014, the Board recommends the resolution set out at Item No. 5 of this Notice to the Members for their consideration and approval by way of Special Resolution. The amended ESOP Scheme shall be applicable from the date of passing of this resolution.

None of the Director or and Key Managerial Personnel of the Company or their relatives are, directly or indirectly, financially or otherwise, concerned or interested in the resolution set out at Item No. 5 except to the extent of their shareholding and to the extent of ESOPs that may be granted under the respective ESOP scheme.

ITEM NO. 6:

The Board of Directors (“Board”) at its meeting held on April 29, 2022, had approved the offer and issuance of 30,000 (Thirty Thousand) Series D-1 Compulsorily Convertible Cumulative Preference Shares (“Series D-1 CCCPS”) having face value of Rs. 100/- (Rupees One Hundred Only) each at a price of Rs. 743.50/- (Rupees Seven Hundred Forty Three and Fifty Paise Only) which includes premium of Rs. 643.50/- (Rupees Six Hundred Forty Three and Fifty Paise Only) per share in terms of Section 42, 55, 62(1)(c) and other applicable provisions of the Companies Act, 2013 (“the Act”) as well as the relevant rules made thereunder including the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 to Mr. Rahul Sahney, Chief Operating Officer of the Company of the Company.

Section 62 of the Companies Act, 2013 provides inter alia, that when it is proposed to increase the issued capital of a Company by allotment of further shares, etc., such further shares shall be offered to the existing shareholders of the Company in the manner laid down in the Section unless the shareholders in general meeting decide otherwise by passing a special resolution. Therefore, consent of the shareholders by way of Special Resolution is being sought pursuant to the provisions of Sections 42 & 62(1)(c) and all other applicable provisions of the Act including rules framed thereunder.

The Disclosures as required under Rule 14 of The Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 9 and 13 of The Companies (Share Capital and Debentures) Rules, 2014 are as under:

- i. **The object of the Issue:** To retain, motivate senior management and to give them opportunity to participate and gain from the Company's performance as well as to align the efforts of them towards long term value creation in the organization.
- ii. **Size of the issue and the total number of shares or other securities to be issued:** 30,000 (Thirty Thousand) Series D-1 CCCPS.
- iii. **Amount which the company intends to raise by way of such securities:** The Company intends to raise Rs. 2,23,05,000.00/- by way of issue of Series D-1 CCCPS.
- iv. **Principle terms of assets charged as securities:** Not Applicable
- v. **The price or price band at/within which the allotment is proposed:** The issue price of the Series D-1 CCCPS shall be Rs. 743.50/- (Rupees Seven Hundred Forty Three and Fifty Paise Only) which includes nominal value of Rs. 100/- (Rupees One Hundred Only) and Rs. 643.50/- (Rupees Six Hundred Forty Three and Fifty Paise Only) per share as premium.
- vi. **Basis on which the price has been arrived at along with report of the registered valuer and its address:** Since the Company is in the growth phase, therefore price has been arrived on the basis of Discounted Free Cash Flow Method. A copy of the valuation certificate from M/s. Capital Square Advisors Private Limited, Merchant Banker having its office at 208, Aarpee Centre, CTS 70, MIDC Road no. 11, Andheri (East), Mumbai-400093 and Mr. Bhavesh M Rathod, Registered Valuer, having its office at A/101, Shelter CHSL, CSC Road, Dehisar East, Mumbai-400068 certifying the fair market value of the shares of the Company shall be placed before the Members of the Company at the AGM and will also be open for inspection by the Members.
- vii. **Relevant Date with reference to which the price has been arrived at:** The relevant date on the basis of which calculation/ valuation has been arrived is January 31, 2022.
- viii. **The Class or Classes of persons to whom the allotment is proposed to be made:** This preferential issue of shares is being made to the following:

Class of shares	Shares To Be allotted to	Class of Person	Shares to be allotted	Fully Paid-up/Partly Paid-Up
Preference	Mr. Rahul Sahney	Individual	30,000	Partly Paid-up

- ix. **Date of Passing of Board Resolution:** April 29, 2022.
- x. **Intention of promoters, Directors or Key Managerial Personnel to subscribe to the offer and contribution being made by the promoters or directors either as part of the offer:** None of the promoters, Directors or Key managerial personnel (KMP) are intended to participate/subscribe to the offer.
- xi. **The proposed time within which the allotment shall be completed:** The Company will complete the issue & allotment of Series D-1 CCCPS within a period of 60 days from the date of

receipt of application money. If not so allotted, the Company should repay application money within 15 days thereafter, failing which it shall be repaid along with an interest at 12% p.a. from the expiry of the sixtieth day. The allotment of securities on a preferential basis made pursuant to this special resolution will be completed within a period of twelve months from the date of passing of the special resolution. In the event all securities are not allotted within a period of twelve months from the date of passing of the special resolution, a fresh shareholders approval shall be obtained prior to allotment of remaining securities.

- xii. **The names of the proposed allottee (s) and percentage of post preferential offer capital that may be held by them:**

Sr. No.	Name of the proposed Allottee	Percentage of post private placement capital (on fully diluted basis)
1.	Mr. Rahul Sahney	0.58%

- xiii. **The change in Control if any, in the Company that would occur consequent to the preferential offer:** None

- xiv. **The number of Persons to whom allotment on preferential basis have already been made during the year, in terms of Number of Securities as well as price:** N.A.

- xv. **The justification for the allotment proposed to be made for consideration other than cash together with valuation report of registered valuer:** N.A.

- xvi. **The pre issue and post issue shareholding pattern of the Company:**

S. No.	Category	Pre Issue		Post issue (on fully diluted basis)	
		No. of shares	% of shareholding	No. of shares	% of shareholding
A	Promoters' holding:				
1.	Indian:				
	Individual	35,10,130	18.60%	35,10,130	18.60%
	Bodies Corporate	--	--	--	--
	Sub Total	35,10,130	18.60%	35,10,130	18.60%
2.	Foreign Promoters	--	--	--	--
	Sub Total (A)	35,10,130	18.60%	35,10,130	18.60%
B	Non-Promoters' holding:				
1.	Institutional Investors	24,44,564	12.95%	24,44,564	12.95%
2.	Non-Institution:				
	Private Corporate Bodies	1,05,09,148	55.68%	1,05,09,148	55.68%
	Directors and Relatives	80,000	0.42%	1,10,000	0.58%
	Indian Public	16,58,245	8.79%	16,58,245	8.79%
	Others (Including NRIs)	--	--	--	--
	Provision for ESOP	6,72,320	3.56%	6,42,320	3.40%
	Sub Total (B)	1,53,64,277	81.40%	1,53,64,277	81.40%
	Grand Total	1,88,74,407	100.00%	1,88,74,407	100.00%

- xvii. **the nature of such shares:** Compulsorily Convertible Cumulative Preference Shares;
- xviii. **the manner of issue of shares:** Private Placement through Preferential basis
- xix. **the terms of issue, including terms and rate of dividend on each share, etc.:**
- **Face value:** The Series D-1 CCCPS issued shall have a face value of Rs. 100/- per CCCPS.
 - **Coupon/Dividend:** The terms of the 0.0001% Series D-1 CCCPS confer the holders thereof a right to a preferential cumulative dividend of 0.0001% per annum.
 - **Issue and allotment period:** The Securities will be allotted within 60 days from the date of application by the shareholders of the Company.
 - **Voting Rights:** Each 0.0001% Series D-1 CCCPS holder shall have right to vote in general meeting of the Company in accordance with section 47 of the Act.
 - **Conversion Terms:** Conversion terms are defined in the resolution proposed before the Members

Process for conversion of Series D-1 CCCPS into equity shares will be as follows:-

- I. Once Series D-1 CCCPS holder elects to convert the holding of Series D-1 CCCPS into Equity Shares, he shall surrender the relevant share certificate or certificates therefore at the registered office of the Company, and shall, at the time of such surrender, give a written notice to the Company that he has elected to convert the holding of Series D-1 CCCPS and shall state in such notice the total number of Series D-1 CCCPS being converted after making it fully-paid prior to Conversion.
 - II. Within 10 (Ten) Business Days after receipt of such notice and the accompanying share certificates, the Company shall issue and deliver to the holder of the converted Series D-1 CCCPS, a share certificate or certificates for the aggregate number of Equity Shares issuable upon such conversion and the Person entitled to receive the Equity Shares issuable upon such conversion shall be treated for all purposes as the record holder of such Equity Shares on such date.
 - III. Where such aggregate number of Equity Shares includes any fractional share, such fractional share shall be disregarded. Subject to the requirements of Law, such conversion shall be deemed to have been made immediately prior to the close of business on the date of such surrender of the certificate or certificates representing the Series D-1 CCCPS, and the Person entitled to receive the Equity Shares issuable upon such conversion shall be treated for all purposes as the record holder of such Equity Shares on such date.
- **Taxation:** All payments in respect of the CCCPS shall be made less any deductions or withholding for or on account of any present or future taxes or duties as required under Applicable Laws.



- xx. **The terms of redemption, including the tenure of redemption, redemption of shares at premium and if the preference shares are convertible, the terms of conversion:** Not applicable since each 0.0001% Series D-1 CCCPS is compulsorily convertible into Equity Shares of the Company.
- xxi. **The manner and modes of redemption:** Not applicable
- xxii. **Expected dilution in equity share capital upon conversion of preference shares:** Dilution impact upon conversion of Series D-1 CCCPS, assuming entire conversion is as indicated in the above-mentioned table.
The Members are, therefore, requested to accord their approval authorizing the Board to go for the proposed Preferential Issue as set out in the resolution proposed as Item no. 6 of this Notice.

The issue of the Series D-1 CCCPS is in accordance with the provisions of the Articles of Association of the Company.

The Board of Directors believe that the issue of Securities to above mentioned investor is in the best interest of the Company and therefore recommends the resolution for your approval.

Save and except, Mr. Mohit Sahney, being related to the proposed allottee, none of the other Directors or Key Managerial Personnel and their relatives are, in any way, concerned or interested in the Resolution set out at Item no. 6 of this Notice except to the extent of their shareholding, if any, in the Company.

DATE: MAY 11, 2022
PLACE: JAIPUR

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

Sd/-
JAIKISHAN PREMANI
COMPANY SECRETARY & COMPLIANCE OFFICER
M. NO.: A42043

REGISTERED OFFICE: 702, SEVENTH FLOOR, UNIQUE ASPIRE, PLOT NO. 13-14
COSMO COLONY, AMRAPALI MARG VAISHALI NAGAR, JAIPUR-302021 (RAJASTHAN)



FORM No. MGT-11
Proxy Form

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

CIN: U65993RJ2015PTC048340

Name of the Company: Finova Capital Private Limited

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

Name of the Member (s):	
Registered address:	
E-mail Id:	Folio No / Client Id:
DP Id:	

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

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

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

3. Name: _____ Address: _____
E-mail Id: _____ Signature: _____

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 07th AGM of the Company, to be held on Friday, May 20, 2022 at 11:00 A.M. at its corporate office situated at Fourth Floor, Unique Aspire, Plot No. 13-14 Cosmo Colony, Amrapali Marg, Vaishali Nagar, Jaipur-302021 (Rajasthan) and at any adjournment thereof in respect of such resolutions as are indicated below:

S. NO.	Resolution	For	Against
1.	To adopt the Audited Financial Statements of the Company for the financial year ended on March 31, 2022 together with the reports of Board of Directors and Auditors thereon.		
2.	To re-appoint M/s S.N. Dhawan & Co. LLP, Chartered Accountants as Statutory Auditors of the Company.		
3.	To approve the limit for issuance of non-convertible debentures on private placement basis under Section 42 and 71 of the Companies Act, 2013.		
4.	To approve revision in overall monthly remuneration limit of Mr. Rahul Sahney, Chief Operating Officer ("COO") of the Company under Section 188 of the Companies Act, 2013.		
5.	To approve amendment in Employee Stock Option Plan, 2022.		
6.	To approve issue of compulsorily convertible cumulative preference shares on private placement basis to Mr. Rahul Sahney, Chief Operating Officer of the Company.		



Signed this _____ day of _____, 2022

Affix Revenue Stamp
here

Signature of Shareholder

Signature of Proxy Holder (s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the meeting.



ATTENDANCE SLIP

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

Number of shares held

I certify that I am a member /proxy/authorised representative for the member of the company. I hereby record my presence at the 07th AGM of the Company, to be held on Friday, May 20, 2022 at 11:00 A.M. at its corporate office at Fourth Floor, Unique Aspire, Plot No. 13-14 Cosmo Colony, Amrapali Marg, Vaishali Nagar, Jaipur -302021 (Rajasthan)

**Name of the member/proxy
(In Block Letters)**

Signature of the member/proxy

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