JANA HOLDINGS LIMITED

4^{TH} ANNUAL REPORT

FY 2019-20

CIN: U74900KA2016PLC086838
Registered office:
No.4/1 to 4/8, Meanee Avenue Road,
Old Tank Road, Ulsoor, Bangalore - 560042
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To

The Members of

Jana Holdings Limited

Your Directors are pleased to present the 4th Annual Report on the business and state of affairs of the Company together with the audited financial statement of the Company for the financial year ended March 31, 2020.

1. **Financial Highlights based on the Standalone and Consolidated financials of the Company**

Amount in Lakh Rupees

	Standalone		**Consolidated**	
Particulars	**Year ended 31.3.2020**	**Year ended 31.3.2019**	**Year ended 31.3.2020**	**Year ended 31.3.2019**
Revenue from Operations	-	-	-	-
Other Income	3.37	7.31	3.37	7.31
Total Revenue	3.37	7.31	3.37	7.31
Total Expenditure	19,961.26	42,983.18	19,961.27	13,570.61
Profit/(Loss) before Taxation	19,961.26	42,983.18	19,961.27	13,570.61
Tax expenses	-	-	-	-
Profit/(Loss) after Taxation	(19,957.89)	(42,975.86)	(36,924.04)	(42,360.3)
Surplus/(deficit) carried to the Balance Sheet	(19,957.89)	(42,975.86)	(36,924.04)	(42,360.3)

2. **General information about the Financial Performance of the Company**

The Company is a Non-Operating Financial Holding Company (NOFHC) which holds the investment in Jana Small Finance Bank Limited, Associate Company. The Company does not have any other operations except holding the Investments in its Associate Company. The Company is a registered with the RBI as NBFC-ND-SI.

During the year under review, the total expenditure was Rs. 19,961.26 lakhs as against 42,983.18 lakhs for the financial year ended 31st March 2019. The reduction in the total expenditure was on account of no impairment of shares held in the Associate Company. The finance cost increased from ₹ 13,504.51 lakhs (FY 2018-19) to ₹ 19,804.58 lakhs (FY 2019-20), which was mainly due to the interest accruals for the non-convertible debentures issued by the Company. The Capital to Risk Asset Ratio (CRAR) improved to (4.06%) as on March 31, 2020 against (8.52%) on March 31, 2019.

3. **Dividend**

During the year under review, your Directors did not declare any dividends as the Company has suffered losses.

4. **Amount proposed to be carried to reserves**

No amount was carried to reserves during the year under review in view of losses as stated above.

5. State of Company's Affairs:

a. Share Capital

The Authorised share capital of the Company as on 31st March 2019 was Rs. 2,00,00,000/- divided into 20,00,000 Equity shares of Rs. 10/- each. During the year under review, the Company increased the authorised share capital to Rs. 50,00,00,000/- consisting of 3,50,00,000 equity shares having face value of Rs.10 each amounting to Rs. 35,00,00,000/- and 1,50,00,000 preference shares of face value of Rs. 10 each amounting to Rs. 15,00,00,000/-.

The Issued, subscribed and paid up share capital of the Company as on 31st March 2019 was Rs. 1,99,21,140 divided into 19,92,114 Equity shares of Rs. 10 each. During the year under review the Company allotted 3,88,830 Equity shares of Rs. 10 each at a premium of Rs. 3,822/- per equity share to Jana Capital Limited, Holding Company. Accordingly, the Issued, Subscribed and Paid up capital as on 31st March 2020 stood at Rs. 2,38,09,440/- divided into 23,80,944 equity shares of Rs. 10 each.

b. Debentures

During the year there were no Debentures issued by the Company.

c. Directors & Key Managerial Personnel

The composition of the Board is in compliant with the applicable provisions of the Companies Act, 2013, ("Act") and the rules framed thereunder, guideline(s) issued by the Reserve Bank of India and other applicable laws.

There was no change in the composition of the Board of Directors of the Company, during the year under review.

Policy on Appointment of Directors and Senior Management Personnel

In terms of Section 178 of the Companies Act, 2013 read with rules framed thereunder and the RBI Master Directions, the Board has adopted, 'Policy on "Fit & Proper" Criteria for appointment of Directors. The said policy has been updated on the website (http://janaholdings.co.in) of the Company.

Board of Directors

There was no change in constitution of the Board of Directors during the year under review. The Board of Directors of the Company as on 31st March 2020 are as follows:

Name of the Director	Category
Mr. Ramesh Ramanathan	Non-Executive Chairman
Mr. Rajamani Muthuchamy	MD and CEO
Mr. Abraham Chacko	Independent Director
Mrs. Saraswathy Athmanathan	Independent Director

Declarations from the Directors

Based on the declarations and confirmations received in terms of the applicable provisions of the Act, circulars, notifications and directions issued by the Reserve Bank of India and the Companies Act, 2013 none of the Directors of the Company are disqualified from being appointed as Directors of the Company. The Company has received necessary declarations from the Independent Directors, affirming compliance with the criteria of independence stipulated under Section 149(6) of the Act.

Director(s) retiring by rotation

In accordance with the provisions of the Companies Act, 2013 read along with the applicable Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Ramesh Ramanathan, Non-Executive Chairman and Director retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

Key Managerial Personnel

Mrs. Vidya Sridharan, Company Secretary was appointed as the Company Secretary of the Company with effect from 1st October 2019 in place of Mrs. Jyoti Rao, Company Secretary who resigned with effect from 1st October 2019.

The Company appointed Mr. Krishnan Iyer as the Chief Financial Officer (CFO) with effect from 10th December 2019 who resigned with effect from 30th March 2020. The Company further appointed Mr. Gopalakrishnan. S as the CFO with effect from 1st April 2020.

Mr. Rajamani Muthuchamy, MD and CEO, Mr. Gopalakrishnan. S, CFO and Mrs. Vidya Sridharan, Company Secretary are the Key Managerial Personnel of the Company in terms of Section 203 of the Act.

d. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of the various Committees. A Board evaluation form consisting of structured questionnaire covering various aspects of the Board’s functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance etc. were prepared and the same was sent through email to all the Directors for carrying out the evaluation exercise for evaluating the performance of individual Directors including the Chairman of the Board. The Directors were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company etc. The evaluation forms received from the Directors were compiled and the overall rating was shared with all the Directors.

e. Subsidiaries / Joint Venture / Associate Companies

Jana Small Finance Bank Limited continues to be the Associate Company in accordance with the provisions of the Act. Statement containing salient features of the financial statement of Associate Company in form AOC-1 is attached as **Annexure-1.**

Brief contribution and performance of Jana Small Finance Bank Limited is as follows:

The total income increased from Rs. 1,368.27 crores (FY 2018-19) to Rs. 2,424.77 crores (FY 2019-20). The total expenditure reduced from Rs. 3,317.33 crores (FY 2018-19) to Rs. 2,394.64 crores (FY 2019-20). The Net profit was Rs. 30.13 crores (FY 2019-20) as against Net loss of Rs. 1,949.06 (FY 2018-19). The reserves and surplus increased from Rs. 197.16 crores (FY 2018-19) to Rs. 200.72 crores (FY 2019-20).

f. Transfer of Unclaimed Dividend etc to Investor Education and Protection Fund (IEPF)

Since there was no amount lying with respect to the unpaid/ unclaimed Dividend, the provisions of Section 125 of the Companies Act, 2013 do not apply.

g. Compliance Monitoring System.

In terms of provisions of Section 134(5)(f) of the Act, the Company has right resources for effectively monitoring to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

h. Amalgamation

The Board of Directors have approved to adopt the Fast track method of amalgamation of the Company with the Holding Company. The Company had submitted necessary documents on January 9, 2020, sought by the RBI vide their letter dated October 2019 and had applied for the in-principle approval and subsequently received the In-principle approval from the RBI on 10th August 2020. As per the existing guidelines, the requirement of having a NOFHC has been dispensed with by the RBI for setting up Small Finance Banks and Universal Banks. Further, such a merger of the wholly owned subsidiary with the Holding Company will simplify the compliances to be reported to various Regulatory Authorities, besides resulting in lower operating costs. The Company is eligible to adopt Fast track method for the merger as envisaged under Section 233 of the Companies Act, 2013 as it is the merger of the wholly-owned subsidiary with the Holding Company.

Subsequent to the receipt of the In-principle approval from the RBI the Board of Directors of the transferor and the Transferee Company met on 24th August 2020, approved the Scheme of Amalgamation of the Company (Wholly Owned subsidiary) with Jana Capital Limited (Holding Company).

The Company has also served notices (CAA-9) along with the proposed Scheme with Registrar of Companies, Karnataka and Official Liquidator, Ministry Of Corporate Affairs by letter dated 25th August 2020 seeking their objections / suggestions to the said scheme as required under section 233(1)(a) of the Act and rules made thereunder. However, the company has not received any objections and suggestions to the proposed scheme from the said authorities within the stipulated timeline. As the debentures of the company are listed on the Bombay

Stock Exchange (BSE), the company has initiated steps for obtaining the approval from the Stock Exchange.

The Company held the Extra-Ordinary General Meeting of the Shareholders on 30th October 2020 for the approval of the Scheme. Jana Capital Limited, being the Holding Company and the Transferee Company has submitted necessary application with the Regional Director, South-east Region, Ministry of Corporate Affairs, Hyderabad on 6th November 2020 for obtaining approval of Amalgamation under Section 233 of the Companies Act, 2013.

On and from the effective date of Amalgamation the Company will be dissolved without the process of winding up and all the Assets and Liabilities of the Company with effect from 1st April 2019 (Appointed date) will be transferred to Jana Capital Limited (Holding Company) as stipulated in the Scheme of Amalgamation.

i. Credit Rating:

During the year under review, there were no change in the ratings assigned earlier and the Company retained the following ratings from ICRA and India Ratings for the ongoing debt programme of the Company: -

- PP-MLD [ICRA]B+ (Negative) by ICRA
- IND B+/ Stable by India Rating.

6. Particulars of Deposits:

The Company has been granted Certificate of Registration by the RBI to carry on the business of non-banking financial Institution without accepting public deposits. Accordingly, the provisions of Section 73 and Section 74 of the Act read with Rule 8(5)(v) & (vi) of the Companies (Accounts) Rules, 2014, are not applicable to the Company. During the year under review, the Company had neither accepted nor held any deposits from the public and shall not accept any deposits from the public without obtaining prior approval from the Reserve Bank of India.

7. Extracts of the Annual Return:

In accordance with the notification by MCA dated 28th August 2020, the Company is not required to attach the extract of the Annual return with the Board's report in form MGT-9, if the web link of such annual return has been disclosed in the Board's report in accordance with sub-section (3) of Section 92 of the Companies Act, 2013. Accordingly, the Company having the website has uploaded its Annual Return and the same can be accessed from the website (http://janaholdings.co.in) of the Company.

8. Particulars of contracts or arrangements with related parties:

The Company did not enter any new contract or arrangement with related parties. All the Related Party contracts have been disclosed in Form AOC-2 and the details of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 are given in **Annexure 2** of this Report.

9. **Particulars of Loans, Guarantees and Investments:**

During the year under review, the Company made investment to the extent of Rs. 147 Crores towards the rights issue in Jana Small Finance Bank Limited. The provisions of Section 186 of the Companies Act pertaining to granting of loans to any persons or body corporate and giving of guarantees or providing security in connection with the loan to any other body corporate or persons are not applicable to the Company, since the Company is a Non-Banking Financial Company, registered with Reserve Bank of India.

10. **Internal Financial Control Systems:**

Pursuant to Section 134(5)(e) your Company has a proper and adequate system of Internal Financial Control, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Company has appointed Ramesh Ashwin & Karanth, Chartered Accountants as Internal Auditor who conducted the Internal Audit of the Company for the Financial Year 2019-20. The Internal Auditor appointed as aforesaid monitors and evaluates the efficacy and adequacy of internal financial control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company. Based on the internal audit report, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions, if any, are presented to the Audit Committee of the Board. During the year under review, such controls were tested by the Internal Auditors of the Company and no material weaknesses in the design or operations were observed.

11. **Conservation of energy, technology absorption, foreign exchange earnings and outgo:**

A. Conservation of Energy:

Your Company, with a view to conserving energy wherever possible and practicable, has implemented suitable devices. As far as possible, natural light is used during the daytime. CFL/ LED lamps/ monitors are used to save power consumption. Further, awareness is also created among the employees on the need to conserve the energy in their workplace. There was no capital investment in this regard.

B. Technology Absorption:

Your Company be Non-Operating Financial Holding Company does not have any operation except for holding investment in Jana Small Finance Bank (JSFB). As such the Company have updated technology to work effectively as far as the extent and scope for which the Company is concerned.

C. Research & Development Activities (R & D):

Since the Company does not have operations on its own no research and development activities are carried out.

D. Foreign exchange earnings and Outgo:

There were no foreign exchange earnings and outgo during the year under review.

12. Risk Management:

The Company's principal financial liabilities comprise debt securities and sundry payables. The main purpose of these financial liabilities is to invest in its operating entity. The Company's principal financial assets include investment in associate company, cash and cash equivalents, balances in banks other than cash and cash equivalents.

The Risk Management Committee oversees various risks affecting the Company. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Risk Management Committee and the Board of Directors reviews and agrees policies for managing each of these risks. The Company has formulated a policy for Risk management.

13. Nomination and Remuneration policy.

Disclosure of remuneration & particulars of employees:

In terms of Section 178 of the Companies Act, 2013, your Board have adopted a 'Nomination and Remuneration Policy' inter-alia setting out the criteria for deciding remuneration of Executive Directors, Non-Executive Directors and Key Management Personnel. The said Policy is available on the website (http://janaholdings.co.in) of the Company.

In terms of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the disclosures with respect to the remuneration of Directors, Key Managerial Personnel and Employees of the Company have been provided in **Annexure 3.**

The Board hereby confirm that the remuneration paid to the Directors is as per the Remuneration Policy of the Company.

14. Corporate Social Responsibility (CSR)

In accordance with the provisions of Section 135 of the Act, the Company has constituted CSR committee consisting of the following members:

1. Saraswathy Athmanathan (Committee Chairperson)
2. Ramesh Ramanathan (Member)
3. Rajamani Muthuchamy (Member)

The Company has formulated CSR policy pursuant to Section 135 of the Companies Act, 2013 and the said policy is attached as **Annexure 4**. The Policy adopted by the Company on Corporate Social Responsibility (CSR) is placed on the website (http://janaholdings.co.in) of the Company. During the year under review, there was no amount to be spent on CSR.

15. Whistle Blower / Vigil Mechanism:

The Company as part of the 'vigil mechanism' has in place a 'Whistle Blower Policy' to deal with instances of fraud and mismanagement, if any. The Whistle Blower Policy has been placed on the website (http://janaholdings.co.in) of the Company. Audit Committee oversees the vigil mechanism of the Company and provides adequate safeguard against victimization of employees. The Vigil mechanism provides direct access to the Chairperson of the Audit

Committee in exceptional circumstances. During the year under review, there were no whistle blowers.

16. Management Discussions and Analysis

The Management Discussion and Analysis is annexed herewith as **Annexure 5** to this Report.

17. Maintenance of cost records.

The Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, accordingly such accounts and records are not made and maintained.

18. Compliance with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Board of Directors have adopted POSH policy. The Company is not required to constitute Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 since the number of employees are less than 10.

19. Secretarial Standards:

The Company has complied with the applicable Secretarial Standards viz. SS-1 and SS-2 during the year.

20. Meetings of the Board of Directors and Committees.

The Board meets at periodical intervals and the gap between two Board meetings does not exceed 120 days as required under the Companies Act, 2013. During the financial year 2019-20, the Company held 7 meetings of the Board of Directors as per Section 173 of Companies Act, 2013 as mentioned below:

Date of Board meeting	No. of Directors eligible to attend the meeting	No. of Directors attended the meeting
30th May 2019	4	4
26th July 2019	4	3
23rd September 2019	4	4
21st October 2019	4	4
12th November 2019	4	4
9th December 2019	4	4
30th March 2020	4	3

The Company has also constituted mandatory committees as required to under the Companies Act, 2013 viz., Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee and Committees as required under the Master Directions of the Reserve Bank of India such as Risk Management Committee, Asset and Liability Management Committee and IT strategy committee. The details of meeting of committees constituted under the Companies Act, 2013 such as Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee are provided below:

Date of Audit committee	No. of Members eligible to attend the meeting	No. of Members attended the meeting
30th May 2019	3	3
23rd September 2019	3	3
21st October 2019	3	3
12th November 2019	3	3
30th March 2020	3	2

Date of Risk management Committee	No. of Members eligible to attend the meeting	No. of Members attended the meeting
30th March 2020	3	3

Date of Nomination and Remuneration Committee	No. of Members eligible to attend the meeting	No. of Members attended the meeting
23rd September 2019	4	4
9th December 2019	4	4
30th March 2020	4	3

Date of CSR Committee	No. of Members eligible to attend the meeting	No. of Members attended the meeting
21st October 2019	3	3

21. Meeting of Independent Directors:

A separate meeting of Independent Directors of the Company was held on 9th February 2020 without the presence of the Non-Independent Directors, or any other Management Personnel to evaluate the performance of the non-independent Directors, the Board and that of the Chairman.

22. Statutory Auditors

In accordance with the provisions of Section 139 of the Companies Act, 2013 and the Rules framed thereunder, R.K Kumar & Co., Chartered Accountants, Chennai (Firm Registration number 001565S) were appointed as Statutory Auditors of the Company to hold office until the conclusion of 4th Annual General Meeting. The Audit Committee and the Board have recommended the re-appointment of MSKC & Associates (formerly R.K Kumar & Co.) as the Statutory Auditors of the Company to hold office from the conclusion of the 4th Annual General Meeting until the 9th Annual General Meeting for the purpose of conducting the Statutory Audit upto the FY 2024-25. M/s MSKC & Associates, Chartered Accountants have given their consent and confirmed their eligibility to act as the statutory auditors of the Company.

During the year under review, the statutory auditors have not reported any incident of fraud to the Audit Committee.

23. Qualification made by the Statutory Auditor's in the Audit report of Standalone and Consolidated Financial Statements.

Following are the qualifications/observations made by the statutory Auditors in the Statutory Audit report on Standalone financial statements for the Financial Year 2019-20:

(i) The Company is a Non-operating Financial Holding Company ('NOFHC') of Jana Small Finance Bank Limited ('JSFB' or 'the Bank'). As per the terms and conditions of the license issued to the Bank to commence small finance bank business under Section 22 of the Banking Regulation Act, 1949, the Company is required to comply with Capital Adequacy Requirements ('CAR') on a consolidated basis as per RBI guidelines.

For the year ended 31 March 2020, the Company is in breach of the regulatory minimum CAR on a consolidated basis. Capital adequacy computed on a consolidated basis as on 31st March 2020, is in -4.06 %, which is below the regulatory minimum of 15%. The consequential impact of such non-compliances on the standalone financial statements is presently unascertainable. (Refer Note 33 to the audited standalone financial statements).

Our reply: The above-mentioned qualification appeared in the last year Auditors' report as well. This issue can be addressed if the Company amalgamates with Jana Capital Limited (JCL) Core Investment Company as the requirement of CAR at 15% is not a requirement for Core Investment Company and hence the Company approached the RBI to seek their consent for the amalgamation of the Company with JCL. . Subsequently, the Company received the In-Principle approval from the RBI on 10th August 2020. The Company is eligible to adopt Fast track route for merger and has initiated a number of steps subsequent to the receipt of the RBI In-Principle approval. Your Company endeavours to complete the amalgamation process within this financial year.

ii. The terms and conditions of the Certificate of registration issued to the Company by the RBI vide letter no. N-02.00275 dated 27 January 2017, requires Company to comply with prescribed net owned fund requirement in accordance with Section 45-IA of the Reserve Bank of India Act,1934 and RBI's Master Direction DNBR.PD.008/03.10.119/2016-17 dated 1 September 2016. The net owned funds of the Company as on 31 March 2020, is in a deficit of Rs. 1,24,66,741 thousand, which is below the regulatory minimum of Rs. 20,000 thousand. The consequential impact of such non-compliance on the standalone financial statements is presently unascertainable. (Refer note 34 to the audited standalone financial statements).

Our reply: JHL is an NOFHC established as per the requirement of the RBI, as an intermediate entity between the CIC and Associate Company, with the sole purpose of raising money and investing in Jana Small Finance Bank Ltd.(JSFB), Associate Company . The entire investment is in the form of equity in JSFB. Obviously, the Net owned funds calculated under section 45-1A of the Reserve Bank of India Act 1934 which negates excess of investment over 10% of Net worth will result in lower or negative Net owned funds. The proposed Amalgamation of the Company with JCL, Holding Company, will address this issue as well.

iii. The terms and conditions of the license issued to the Bank to commence small finance bank business under Section 22 of the Banking Regulation Act, 1949 requires the Company to comply with the provisions of paragraph 2(H)(i) of the Guidelines for Licensing of New Banks in the Private Sector dated 22 February 2013, which refers to compliance of regulatory threshold of leverage ratio on a standalone basis by the NOFHC as per RBI guidelines.

Our Reply: For the year ended 31st March 2020, the Company had a leverage ratio of 1.85 which is above the regulatory threshold of 1.25 on a standalone basis. This issue will also get addressed after the amalgamation of JHL with JCL.

The qualifications stated by the Auditors in the Audit report of Consolidated Financial Statements is same as standalone for which the reply is made as mentioned above.

24. Internal Auditors

In terms of provisions of Section 138 of the Companies Act, 2013 and other applicable laws, M/s Ramesh Ashwin & Karanth, Chartered Accountants, Firm Registration No. 010680S were appointed as the Internal Auditors of the Company for the FY 2019-20. The Internal Audit reports are reviewed by the Audit Committee.

25. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Nagendra. D. Rao, Practising Company Secretary, Bangalore to conduct the secretarial audit for the financial year ended March 31, 2020. The Report of the Secretarial Auditor is provided as **Annexure 6** to this Report. The following are the qualifications made by the Secretarial Auditors in their report:

a) The company is required to maintain a minimum Net owned funds ('NOF') of Rs. 200 lakhs in order to continue as a NBFC. The company has not maintained the minimum NOF.

The aforesaid qualification is also made by the Statutory Auditor and the same is addressed in Sl. No. 23 to this report.

b) There has been a delay in filing returns with the RBI with respect to:

(i) Quarterly Return on the details of Assets and Liabilities (NBFC – ND – SI – 500cr) for the quarters ended June 2019 and March 2020.

For the quarter ended June 2019, the Company was required to submit the NBFC-ND-SI-500 returns within 15 days from the end of the quarter i.e by 15th July 2019. However, the said return was submitted to the RBI through email on 30th July 2019 as there was a technical glitch while validating the return. This was subsequently uploaded by the RBI in the COSMOS website on 1st October 2019.

For the quarter ended March 2020 NBFC-ND-SI-500cr return was due to be filed on 15th May 2020. However, due to technical glitch the return could not be uploaded on the COSMOS portal on 15th May 2020 and hence the Company had sent an email on 15th May 2020 to consider the returns as submitted, which was subsequently uploaded by the RBI on 18th May 2020.

However, we will endeavour to file the Return within the due date in future.

(ii) Quarterly Return on short Term Dynamic Liquidity (ALM_STDL) for the quarter ended June 2019.

The return was due for filing by 10th July 2019, but was filed on 5th August 2019. We will avoid the delay.

(iii) Quarterly return of Branch details for the quarters ended June 2019 and December 2019.

The Company does not have any branches and hence the Company was required to file a NIL return. We note to avoid the delay going forward. The said form was then filed on 14th July 2020.

26. Change in nature of business

During the period under review, there was no change in the nature of business of the Company.

27. Material changes after the closure of financial year.

There have been no material changes and commitments, which affect the financial position of the company that have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

28. Material adverse orders, if any

There are no significant and material orders passed by the Reserve Bank of India or the Ministry of Corporate Affairs or Courts or Tribunals or other Regulatory/ Statutory authorities which will have an impact on the going concern status of the Company and Company's operations in future.

29. Directors responsibility statement

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

(a) That in the preparation of the annual financial statements for the year under review, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.

(b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit and loss of the company for that period.

c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

(d) The directors have prepared the annual accounts on a going concern basis.

(e) The directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively and

(f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Acknowledgement

The Board wishes to place on record their appreciation for the dedication and hard work put in by the employees of the Company at all levels and the support extended by Investors, Bankers and stakeholders of the Company. The Board is also thankful to the Reserve Bank of India and other regulatory authorities for their cooperation, guidance and support extended by them to the Company in its endeavours.

For and on behalf of board of directors of
Jana Holdings Limited

Rajamani Muthuchamy	Ramesh Ramanathan
MD & CEO (DIN: 08080999)	Chairman (DIN: 00163276)
Place: Chennai	Place: USA
Date: 10.11.2020	Date: 10.11.2020

FORM AOC I

Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries:

1. Sl. No. 2. Name of the Subsidiary 3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period 4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries. 5. Share capital (Rs.) 6. Reserves & surplus 7. Total assets 8. Total Liabilities 9. Investments 10. Turnover 11. Profit before taxation 12. Provision for taxation 13. Profit after taxation 14. Proposed Dividend 15. % of shareholdings	Not applicable as the Company has no subsidiary.

1. Names of subsidiaries which are yet to commence operations – NIL
2. Names of subsidiaries which have been liquidated or sold during the year- NIL

For and on behalf of board of directors of
Jana Holdings Limited

Rajamani Muthuchamy MD & CEO (DIN: 08080999) Place: Chennai Date: 10.11.2020	Ramesh Ramanathan Chairman (DIN: 00163276) Place: USA Date: 10.11.2020

Part "B": Associates and Joint Ventures :
Statement pursuant to section 129 (3) of the Companies Act, 2013 related to Associates and Joint Ventures:

Name of Associates/~~Joint Ventures~~	Jana Small Finance Bank Limited
1. Latest audited Balance Sheet Date	31st March 2020
2. Shares of Associate/Joint Ventures held by the company on the year end	2,13,44,374 equity shares
Amount of Investment in Associates/~~Joint Venture~~ (in-thousand)	Rs.2,03,00,420.67
Extent of Holding %	42.08%
3. Description of how there is significant influence	Shareholding
4. Reason why the associate/joint venture is not consolidated	Not applicable
5. Net worth attributable to Shareholding as per latest audited Balance Sheet (Amount in thousand)	
6. Profit / Loss for the year	
i. Considered in Consolidation	Rs. (16,96,6.15) lakhs
ii. Not Considered in Consolidation	-

1. Names of associates or joint ventures which are yet to commence operations : NIL
2. Names of associates or joint ventures which have been liquidated or sold during the year : NIL

For and on behalf of board of directors of
Jana Holdings Limited

Rajamani Muthuchamy
MD & CEO (DIN: 08080999)
Place: Chennai
Date: 10.11.2020

Ramesh Ramanathan
Chairman (DIN: 00163276)
Place: USA
Date: 10.11.2020

Annexure- 2

FORM NO. AOC -2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto:

1. **Details of contracts or arrangements or transactions not at Arm's length basis:**

Sr.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	NA
2.	Nature of contracts /arrangements /transaction	
3.	Duration of the contracts /arrangements /transaction	
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	
5.	Justification for entering into such contracts or arrangements or transactions'	
6.	Date of approval by the Board	
7.	Amount paid as advances, if any	
	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. **Details of material contracts or arrangement or transactions at arm's length basis:**

	Particulars	**Details**	**Details**
1	Names(s) of the related party & nature of relationship	Jana Small Finance Bank Ltd. Associate Company	Janaadhar (India) Pvt. Ltd. Common Director
2	Nature of contracts /arrangements /transaction	Availing of services	Leasing of property
3	Duration of the tracts/arrangements/transaction	3 years from the effective date	54months from 12th November 2018
4	Salient terms of the contracts or arrangements or transaction including the value, if any	As detailed in service provider agreement dated 2nd March 2018 Rs. 10,000 per month	As per the Sub lease agreement Rs. 4388 per month
5	Date of approval by the Board	8th March 2018	28th Sept 2018
6	Amount paid as advances, if any	Nil	Nil

For and on behalf of board of directors of
Jana Holdings Limited

Rajamani Muthuchamy
MD & CEO (DIN: 08080999)

Place: Chennai
Date: 10.11.2020

Ramesh Ramanathan
Chairman (DIN: 00163276)

Place: USA
Date: 10.11.2020

Annexure 3

The statement relating to particulars of employees of the Company in terms of Section 197 of the Companies Act, 2013 read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014,

(i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	1: 8.74
(ii) There percentage increase in the remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, during the financial year;	There was no change in remuneration during the year under review.
(iii) the percentage increase in the median remuneration of employees in the financial year;	There were no increase in the remuneration of employees in the financial year.
(iv) the number of permanent employees on the rolls of company;	At the beginning of the Financial Year the number of permanent employees were 3. During the year under review a new position was created and thus the number of employees as at the end of the Financial Year was 4.
(v) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Nil

For and on behalf of board of directors of
Jana Holdings Limited

Rajamani Muthuchamy
MD & CEO (DIN: 08080999)

Place: Chennai
Date: 10.11.2020

Ramesh Ramanathan
Chairman (DIN: 00163276)

Place: USA
Date: 10.11.2020

Annexure 4

Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2019-20

1	A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs	As per CSR policy attached
2	Composition of CSR committee	The CSR committee comprises of the following Directors: 1. Mrs. Saraswathy Athmanathan (Committee Chairperson) 2. Mr. Ramesh Ramanathan 3. Mr. Rajamani Muthuchamy
3	Average net profit of the Company for last three financial years	Rs. (55,06,22,985)
4	Prescribed CSR expenditure (two percent of the amount mentioned in item 3 above)	Nil
Details of CSR spent during the financial year		
5	Total amount to be spent for the financial year	Nil
6	Amount unspent, if any	Not applicable
	Manner in which the amount spent during the financial year	Nil
7	Reasons for unspent CSR expenditure	Not applicable

Sl. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs 1. Local area or others 2. Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (in Rs.)	Amount spent on the projects or programs Sub-heads (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period (in Rs.)	Amount spent: Direct or through implementing Agency (give details of implementing Agency)
1	NA	NA	NA	NA	NA	NA	NA

RESPONSIBILITY STATEMENT

It is hereby affirmed that the implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company.

For and on behalf of board of directors of
Jana Holdings Limited

Rajamani Muthuchamy
MD & CEO (DIN: 08080999)

Place: Chennai
Date: 10.11.2020

Saraswathy Athmanathan
Chairman of the Committee
(DIN: 06798837)

Place: Chennai
Date: 10.11.2020

Annexure-4

JANA HOLDINGS LIMITED

POLICY ON CORPORATE SOCIAL RESPONSIBILITY

Company Overview

The Company was incorporated on 10th March 2016 to carry on the business of an Investment Company and to invest, buy, sell, transfer, deal in and dispose any shares, stocks, debentures, whether perpetual or redeemable debentures, debenture stocks, securities of any Government, Local Authority, Bonds and Certificates.

The Company is a wholly-owned subsidiary of Jana Capital Limited. The Company has received Certificate of Registration for Non-Banking Financial Company (NBFC) Non-Operating Financial Holding Company (NOFHC) from the Reserve Bank of India on 27th January 2017, as per the Guidelines of licencing of new Banks in the private sector issued by the Reserve Bank of India. The Company, a NOFHC, holds the investment in Jana Small Finance Bank (formerly known as Janalakshmi Financial Services Limited.

Objective

As per Section 135 (1), every company having a net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.

(3) The Corporate Social Responsibility Committee shall-
(a) formulate and recommend to the Board, a policy on Corporate Social Responsibility which shall indicate the activities to be undertaken by the company in areas or subjects specified in Schedule VII;
(b) recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
(c) monitor the implementation of Corporate Social Responsibility Policy of the company from time to time.

Responsibilities, Roles and powers of the CSR committee:

- Formulate CSR policy and seek approval from the Board of Directors of the company and review the policy on a yearly basis.
- Formulate and share the CSR action plan with budget for the year with the Board of Directors and seek approval if the requirement of spending arises in terms of Section 135(5) of the Companies Act 2013 and implement the activities either through the Implementation Partner or directly through its own team.
- Spend the allocated amount on CSR activities once approved by the Board of Directors and create a transparent monitoring mechanism of CSR initiatives.
- Submit periodic reports to the Board for the activities undertaken

Responsibility of Board of Directors:

In line with the provisions of Section 135 of the Act, the Board of Directors of the Company will be responsible for the following:

- Approve the CSR policy;
- Make sure the company spends, in every financial year, at least 2% of its average net profit during the three preceding financial years, in pursuance of this policy.
- Approve the CSR action plan and budget as proposed by the CSR committee in accordance with Schedule VII of the Companies Act, 2013
- Make disclosures in the Board report as per clause (o) of sub-section (3) of section 134 including particulars specified in Annexures to the CSR rules. If the company fails to spend the amount, reasons for not spending to be specified in the above report.

Amendments to the policy

The Board of Directors on its own and/or as per the recommendations of the CSR committee can amend this policy, as and when deemed fit, any or all the provisions of this CSR policy, subject to the applicable provisions of the Companies Act, 2013 and any subsequent amendments made thereof from time to time.

Activities to be undertaken as and when the applicability along with spending arises as per Section 135 of the Companies Act 2013

The Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities. The broad framework of activities which may be undertaken by the CSR committee, when the applicability and spending requirements as per the Companies Act 2013 arise, is given below:

(i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.

(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.

(iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.

(iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.

(v) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;

(vi) measures for the benefit of armed forces veterans, war widows and their dependents;

(vii) training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports

(viii) contribution to the prime minister's national relief fund or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;

(ix) Contribution to incubators funded by Central Government or State Government or any agency or Public Sector Undertaking of Central Government or State Government, and contributions to public-funded Universities, Indian Institute of Technology (IITs), National Laboratories and Autonomous Bodies (established under the auspices of Indian Council of Agricultural Research (ICAR), Indian Council of Medical Research (ICMR), Council of Scientific and Industrial Research (CSIR), Department of Atomic Energy (DAE), Defence Research and Development Organisation (DRDO), Department of Science and Technology (DST), Ministry of Electronics and Information Technology) engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).

(x) rural development projects

(xi) slum area development.

Explanation.- For the purposes of this item, the term `slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

(xii) disaster management, including relief, rehabilitation and reconstruction activities.

For and on behalf of board of directors of
Jana Holdings Limited

Rajamani Muthuchamy	Ramesh Ramanathan
MD & CEO (DIN: 08080999)	Chairman (DIN: 00163276)
Place: Chennai	Place: USA
Date: 10.11.2020	Date: 10.11.2020

ANNEXURE 5

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

a) About the Economy

The COVID-19 pandemic and the economic shutdown across the globe have disrupted several lives and are jeopardizing decades of development progress. COVID-19 has been declared as a pandemic by the World Health Organisation. It affected India too during the last week of March 2020 which compelled the Government to enforce series of lock-down all over the country, which was slowly liberalised by lifting the lock-down in some of the states later on, depending on the severity at which the pandemic. This has led to an overall slow-down of the entire economy affecting various Industries at large excepting few Industrial sectors. However, shutdown was indispensable to protect the health of citizens in the country.

During this pandemic, the government has taken several steps to support the Industries by reducing the corporate tax rates, providing various concessions to Micro, Small and Medium Enterprises (MSME), liberalising various laws, extension of timelines for complying with the various statutes, improving ease of doing business etc., to support the Indian Economy,. The Government is also focusing more on the digitalisation across various sectors and organisation and thus enabling speedier, easily accessible and paper less, less human interface modes of communication.

b) Industry structure and developments.

The Company being a Non-Operating Financial Holding Company and registered as NBFC with the RBI has no operations of its own except investment in its Associate company. The Company do not accept the deposits from public. However, the investment made by the Company has an impact based on the performance of Operating entity i.e Jana Small Finance Bank. The Small finance business is picking up at a fast pace and growth-oriented development.

c) Opportunities and Threats.

The Company does not envisage any opportunity or treat at the moment.

d) Segment–wise or product-wise performance.

The Company is Non-Operating Financial Holding Company (NOFHC) having investment in the Associate Company and has classified this as its business segment and accordingly there are no separate reportable segments. Since the Company does not have any other operations on its own or any product on its own, product-wise performance is not applicable for the Company.

e) Outlook

As mentioned above, the Company being a NOFHC does not have any other operations except holding the investment in Jana Small Finance Bank Limited ("Bank"), Associate Company. There has been a significant improvement in the performance of the Bank during the Financial Year 2019-20 when compared to the previous years as envisaged in the Audited Financial Statements of the Bank. Your Directors hope that such progressive improvement in the Associate entity will help the Company to maintain investment value.

f) Internal control systems and their adequacy.

Your Company has an efficient Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Company has appointed the Internal Auditors of the Company for the Financial Year 2019-20. The

Internal Auditor appointed as aforesaid monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company. Based on the internal audit report, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions, if any, are presented to the Audit Committee of the Board. The Company has right amount of resources having specialized knowledge in their respective fields which helps the Company keep abreast of the developments in the constantly changing environment.

g) Discussion on financial performance with respect to operational performance.

The Company's financial performance and operational performance is dependent upon the performance of the Bank. There has been considerable improvement in the performance of the Bank as compared to that of the previous year and the Bank is optimistic to continue the same in the years to come.

h) Material developments in Human Resources / Industrial Relations front, including number of people employed.

Your Company has required number of human resources having requisite knowledge, skills and experience for efficiently discharging his/her duties and responsibilities. The Company has well defined roles and responsibilities for each employee in executing their functions and thus enables the Company to maintain effective Corporate Governance.

For and on behalf of board of directors of
Jana Holdings Limited

Rajamani Muthuchamy	Ramesh Ramanathan
MD & CEO (DIN: 08080999)	Chairman (DIN: 00163276)
Place: Chennai	Place: USA
Date: 10.11.2020	Date: 10.11.2020

CS Nagendra D. Rao, B.Com., LL.B., F.C.S.
Practising Company Secretary

To

The Members of Jana Holdings Limited,
No.4/1 to 4/8, Meanee Avenue Road,
Old Tank Road, Ulsoor,
Bengaluru - 560 042.

My report of even date is to be read along with this letter.

Management's Responsibility

It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

1. My responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

2. I believe that audit evidence and information obtained from the Company's management is adequate and appropriate for me to provide a basis for my opinion.

3. Wherever required, I have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, etc.

Disclaimer

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

NAGENDRA D RAO
FCS: 5553
CP : 7731
COMPANY SECRETARY

Nagendra D. Rao
Practicing Company Secretary
Membership No.: FCS - 5553
Certificate of Practice No.: 7731
UDIN: F005553B001186766

Date : November 10, 2020
Place : Bengaluru.

"Vaghdevi", 543/A, 7th Main, 3rd Cross, S.L. Bhyrappa Road, Hanumantha Nagar, Bengaluru - 560 019
Telephone: 080-2650 9004, Mobile: 99451 75787, E-mail : nagendradrao@gmail.com / nagendra_d_rao@yahoo.co.in
GSTIN : 29ADAPRO287M1Z2

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

[Pursuant to section 204(1) of the Companies Act 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014]

To

The Members of Jana Holdings Limited
No.4/1 to 4/8, Meanee Avenue Road,
Old Tank Road, Ulsoor,
Bengaluru – 560 042.

I have conducted the secretarial audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by Jana Holdings Limited (hereinafter called the company). Secretarial Audit was conducted in the manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of the secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

(i) The Companies Act 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act 1992 ('SEBI Act'):-

"Vaghdevi", 543/A, 7th Main, 3rd Cross, S.L. Bhyrappa Road, Hanumantha Nagar, Bengaluru - 560 019
Telephone: 080-2650 9004, Mobile: 99451 75787, E-mail : nagendradrao@gmail.com / nagendra_d_rao@yahoo.co.in
GSTIN : 29ADAPRO287M1Z2

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 2011 [Not Applicable];

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015 [Not Applicable];

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 [Not Applicable];

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines 1999 [Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014 (effective 28th October 2014); [Not Applicable];

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations 1993 regarding the Companies Act and dealing with clients [Not Applicable];

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2009 [Not Applicable]; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations 2018 [Not Applicable];

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 [Only Chapter III and V are applicable]

(vi) The Laws as are applicable specifically to the Company are as under,

a) The Reserve Bank of India (RBI) Act 1934.
b) the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions 2007.
c) Prevention of Money-Laundering Act (PMLA) 2002 and The Prevention of Money-Laundering (Maintenance of Records, etc.) Rules 2005.
d) RBI Master Direction on Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions 2016.
e) Monitoring of Frauds in NBFCs (Reserve Bank) Directions 2016.

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective 1st July 2015).

NAGENDRA D. RAO
COMPANY SECRETARY

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., mentioned above except as stated below:

a) *The company is required to maintain a minimum Net owned funds ('NOF') of Rs. 200 lakhs in order to continue as a NBFC. The company has not maintained the minimum NOF.*

b) *There has been a delay in filing returns with the RBI with respect to:*
   i. *Quarterly Return on the details of Assets and Liabilities (NBFC – ND – SI – 500cr) for the quarters ended June 2019 and March 2020.*
   ii. *Quarterly Return on short Term Dynamic Liquidity (ALM_STDL) for the quarter ended June 2019.*
   iii. *Quarterly return of Branch details for the quarters ended June 2019 and December 2019.*

I further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the Minutes of the Board of Directors duly recorded and signed by the Chairman, the decisions were unanimous and no dissenting views have been recorded.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the Audit period under review:

a) *The company has sought in-principle approval from the RBI for the merger of the company with Jana Capital Limited ('JCL'). The approval from RBI is awaited.*
b) *The company has voluntarily filed before Registrar of Companies, Karnataka, an application seeking for adjudication for the delay in the appointment of Chief Financial Officer and compounding the delay in the appointment of Internal Auditor.*

NAGENDRA D. RAO
COMPANY SECRETARY

I further report that during the audit period the company has, <u>in compliance with the Act,</u>:

a) *The company has modified on January 09th, 2020, the terms of Redeemable Non-Convertible Debentures issued on a Private Placement basis during the period under review by pledging 24,131 (Twenty-Four Thousand One Hundred and Thirty-One) Equity shares in addition to the shares already pledged. The total equity shares pledged in favour of Catalyst Trusteeship Limited by the Company as on March 31st, 2020 is 3,49,945 (Three lakhs forty-nine thousand nine hundred and forty-five) Equity Shares of Jana Small Finance Bank Limited held by the company.*

b) *Allotted 388,830 (Three lakh Eighty-eight thousand Eight hundred and Thirty) Equity Shares of Rs. 10/- each to Jana Capital Limited by way of a Rights Issue and*

c) *Increased the Authorized Share capital of the Company from Rs. 2 crores (Two crores) to Rs. 50 crores (Fifty Crores).*

NAGENDRA D RAO
FCS: 5553
CP : 7731
COMPANY SECRETARY

Nagendra D. Rao
Practicing Company Secretary
Membership No.: FCS – 5553
Certificate of Practice No.: 7731
UDIN: F005553B001186766

Date : November 10, 2020
Place : Bengaluru.

MSKC
& Associates
Chartered Accountants

Floor 3, Enterprise Centre, Nehru Road
Near Domestic Airport, Vile Parle (E)
Mumbai -400099
Tel: +91 22 3358 9800

INDEPENDENT AUDITOR'S REPORT

To the Members of Jana Holdings Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the standalone financial statements of Jana Holdings Limited ("the Company"), which comprise the Balance sheet as at 31 March 2020, and the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, and its loss, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

i. The Company is a Non operating Financial Holding Company ('NOFHC') of Jana Small Finance Bank Limited ('JSFB' or 'the Bank'). As per the terms and conditions of the license issued to the Bank to commence small finance bank business under Section 22 of the Banking Regulation Act, 1949, the Company is required to comply with Capital Adequacy Requirements ('CAR') on a consolidated basis as per RBI guidelines.

   For the year ended 31 March 2020, the Company is in breach of the regulatory minimum CAR on a consolidated basis. Capital adequacy computed on a consolidated basis as on 31 March 2020, is in -4.06 %, which is below the regulatory minimum of 15%. The consequential impact of such non-compliances on the standalone financial statements is presently unascertainable. (Refer Note 33 to the audited standalone financial statements)

ii. The terms and conditions of the Certificate of registration issued to the Company by the RBI vide letter no. N-02.00275 dated 27 January 2017, requires Company to comply with prescribed net owned fund requirement in accordance with Section 45-IA of the Reserve Bank of India Act,1934 and RBI's Master Direction DNBR.PD.008/03.10.119/2016-17 dated 1 September 2016. The net owned funds of the Company as on 31 March 2020, is in a deficit of Rs. 1,24,66,741 thousand, which is below the regulatory minimum of Rs. 20,000 thousand. The consequential impact of such non-compliance on the standalone financial statements is presently unascertainable. (Refer note 34 to the audited standalone financial statements).

iii. The terms and conditions of the license issued to the Bank to commence small finance bank business under Section 22 of the Banking Regulation Act, 1949 requires the Company to comply with the provisions of paragraph 2(H)(i) of the Guidelines for Licensing of New Banks in the Private Sector dated 22 February 2013, which refers to compliance of regulatory threshold of leverage ratio on a standalone basis by the NOFHC as per RBI guidelines.

    For the year ended 31 March 2020, the Company had a leverage ratio of 1.85 which is above the regulatory threshold of 1.25 on a standalone basis. The consequential impact of such non-compliances on the standalone financial statements is presently unascertainable. (Refer Note 35 to the audited standalone financial statements).

The matter stated under (i) above was also qualified in the report of the predecessor auditors on the standalone financial statements for the year ended 31 March 2019.

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

Emphasis of Matter

We draw attention to the following matters in the Notes to the standalone financial statements:

i. We draw attention to Note 31 to the standalone financial statements which describes the extent to which the SARS-Cov-2 virus responsible for the COVID-19 Pandemic will impact the associate's financial statements. Consequentially, the impact on the carrying value of investment of associate in the books of the Company will depend on the future developments which the Company is unable to assess currently. Accordingly, no adjustments have been made to the standalone financial statements.

ii. We draw attention to Note 32 of the audited standalone financial statements, which describes the merger of the Company with its holding Company, Jana Capital Limited.

Our opinion is not modified in respect of these matters.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the standalone financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance under SA 720 'The Auditor's responsibilities Relating to Other Information.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.

Impairment Assessment of Investment in Associate:

Refer Note 2 of standalone financial statement with respect to the disclosures of Investment in Associate. On March 31, 2020, Investment in Associate amounts to Rs. 2,32,41,678 thousand against which provision of Rs. 29,41,257 thousand was made towards impairment in the books of account.

We have considered this as a key audit matter due to the fact that process and methodology for assessing and determining the recoverable amount of investment are based on complex assumptions, that by their nature imply the use of the management's judgment, in particular with reference to identification of impairment indicators, forecast of future cash flows relating to the period covered by the Company's strategic business plan, normalized cash flows assumed as a basis for terminal value, as well as the long-term growth rates and discount rates applied to such forecasted cash flows.

Our audit procedures in respect of this area include but are not limited to:

i. Verified the design, implementation and operating effectiveness of key internal controls over approval, recording and monitoring of Impairment in Investments.
ii. Obtained valuation report of the Associate provided by the external valuer.
iii. Evaluated the appropriateness of the assumptions considered and key inputs used to arrive at the fair value of the investment.
iv. Verified the infusion of funds by the independent third-party investor in the Associate to assess whether the fair value used for impairment is appropriate.
v. Verified completeness, arithmetical accuracy and validity of the data used in the calculations.
vi. Assessed the arithmetical accuracy of the calculations and evaluated the adequacy of the disclosures.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The standalone financial statements of the Company for the year ended 31 March 2019, were audited by another auditor. They had qualified their report dated 30 May 2019 with respect to breach of regulatory minimum capital adequacy requirements on a consolidated basis.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

(d) Except for the matter described in the Basis of Qualified Opinion section above, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) The matter described in Basis of Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.

(f) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

(g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company does not have any pending litigations which would impact its financial position as at 31 March 2020.
   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

MSKC & Associates (Formerly known as R K Kumar & Co)
Chartered Accountants
ICAI Firm Registration Number: 001595S

Tushar Kurani

Tushar Kurani
Partner
Membership No. 118580
UDIN: 20118580AAAAEE3528

Place: Mumbai
Date: 27, July 2020

MSKC
& Associates
Chartered Accountants

Floor 3, Enterprise Centre, Nehru Road
Near Domestic Airport, Vile Parle (E)
Mumbai -400099
Tel: +91 22 3358 9800

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF JANA HOLDINGS LIMITED FOR THE YEAR ENDED 31 MARCH 2020

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report]

i. In respect of Property, plant and equipment:

(a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.

(b) Property, plant and equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given to us, there are no immovable properties, and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

ii. The Company is a Non-Banking Financial Company ('NBFC') Non-Operating Financial Holding Company ('NOFHC'). Accordingly, it does not hold any physical inventories. Accordingly, the provisions stated in paragraph 3(ii) of the Order are not applicable to the Company.

iii. The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions stated in paragraph 3 (iii) (a) to (c) of the Order are not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act. The Company has complied with Section 186(1) of the Act, in relation to investment made by the Company. The remaining provisions related to Section 186 of the Act do not apply to the Company as it is an NBFC.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.

vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act for the business activities carried out by the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.

vii. In respect of statutory dues:

(a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax, goods and service tax, cess and any other statutory dues applicable to it. The Company did not have any dues on account of sales tax, provident fund, employees' state insurance and duty of customs.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of income tax, goods and service tax, cess and any other statutory dues which have not been deposited on account of any dispute.

viii. In our opinion and according to the information and explanations given to us, the Company did not have any outstanding dues to debenture holders during the year. The Company does not have any loans or borrowings from any financial institution, banks, government during the year.

ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions stated in paragraph 3 (ix) of the Order are not applicable to the Company.

x. During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into transactions with the related parties as stated in the provisions of the sections 177 and 188 of the Act. Accordingly, provisions stated in paragraph 3(xiii) of the Order are not applicable to the Company.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (xiv) of the Order are not applicable to the Company.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.

xvi. The Company is required to and has been registered under Section 45-IA of the Reserve Bank of India Act, 1934 as NBFC-ND-NOFHC.

MSKC & Associates (Formerly known as R K Kumar & Co)
Chartered Accountants
ICAI Firm Registration Number: 001595S

Tushar Kurani

Tushar Kurani
Partner
Membership No. 118580
UDIN: 20118580AAAAEE3528

Place: Mumbai
Date: 27, July 2020

MSKC & Associates
Chartered Accountants

Floor 3, Enterprise Centre, Nehru Road
Near Domestic Airport, Vile Parle (E)
Mumbai -400099
Tel: +91 22 3358 9800

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF JANA HOLDINGS LIMITED

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of Jana Holdings Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls With Reference to Standalone Financial Statements

A Company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2020, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

MSKC & Associates (Formerly known as R K Kumar & Co)
Chartered Accountants
ICAI Firm Registration Number: 001595S

Tushar Kurani

Tushar Kurani
Partner
Membership No. 118580
UDIN: 20118580AAAAEE3528

Place: Mumbai
Date: 27, July 2020

JANA HOLDINGS LIMITED
Standalone Balance Sheet as at 31 March 2020

(Rs. In thousands)

	Particulars	Note	As at 31-Mar-20	As at 31-Mar-19
	ASSETS			
(1)	**Financial Assets**			
(a)	Cash and cash equivalent	1(i)	30,494.75	45,483.27
(b)	Bank balance other than (a) above	1(ii)	-	327.36
(c)	Investments	2	2,03,00,420.67	1,88,30,419.76
(d)	Other financial assets	3	141.87	1.00
(2)	**Non- Financial Assets**			
(a)	Current tax assets	4	33.44	73.19
(b)	Property, plant and equipment	5	332.66	120.23
(c)	Other intangible assets	6	44.11	19.49
(d)	Other non financial assets	7	152.01	-
	Total Assets		**2,03,31,619.51**	**1,88,76,444.30**
	LIABILITIES AND EQUITY			
	LIABILITIES			
(1)	**Financial Liabilities**			
(a)	Payables	8		
	(I) Trade Payables			
	(a) total outstanding dues of micro enterprises and small enterprises		-	-
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises		857.11	1,389.45
(b)	Debt Securities	9	1,32,08,569.37	1,12,41,091.12
(c)	Other financial liabilities	10	330.00	100.00
(2)	**Non-Financial Liabilities**			
(a)	Other non-financial liabilities	11	152.45	930.09
(b)	Provisions	12	139.60	-
(3)	**EQUITY**			
(a)	Equity share capital	13	23,809.44	19,921.14
(b)	Other equity	14	70,97,761.54	76,13,012.50
	Total Liabilites and Equity		**2,03,31,619.51**	**1,88,76,444.30**

Summary of significant accounting policies
See accompanying notes to the standalone financial statements 1-41
The accompanying notes are an integral part of the standalone financial statements

As per our report of even date
For MSKC & Associates
(Formerly known as R.K. Kumar & Co.)
Chartered Accountants
ICAI Firm Registration No.:001595S

Tushar Kurani

Tushar Kurani
Partner
Membership No: 118580

Place: Mumbai
Date: 27 July 2020

For and on behalf of the Board of Directors of **Jana Holdings Limited**
CIN:U74900KA2016PLC086838

Rajamani Muthuchamy
Managing Director and CEO
DIN:08080999

Place: Bangalore
Date: 27 July 2020

Ramesh Ramanathan
Chairman
DIN:00163276

Place: Bangalore
Date: 27 July 2020

Gopalakrishnan S
Chief Financial officer
ICAI Membership No: 021783

Place: Bangalore
Date: 27 July 2020

Vidya

Vidya Sridharan
Company Secretary
ICSI Membership No: A44354

Place: Bangalore
Date: 27 July 2020

JANA HOLDINGS LIMITED
Standalone Statement of Profit and Loss for the year ended 31 March 2020

	Particulars	Note	For the year ended 31-March-2020	For the year ended 31-March-2019
	Revenue from Operations			
(i)	Dividend income		-	-
(I)	**Total Revenue from Operations**		**-**	**-**
(II)	Other income	15	337.35	731.84
(III)	**Total Income (I+II)**		**337.35**	**731.84**
	Expenses			
(i)	Finance costs	16	19,80,458.24	13,50,451.34
(ii)	Impairment on financial instruments	17	-	29,41,257.39
(iii)	Employee benefits expenses	18	8,688.67	2,059.44
(iv)	Depreciation and amortization	19	123.68	15.48
(v)	Others expenses	20	6,855.98	4,534.89
(IV)	**Total Expenses (IV)**		**19,96,126.57**	**42,98,318.53**
(V)	Loss before tax		(19,95,789.22)	(42,97,586.69)
(VI)	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
(VII	Loss for the year (V-VI)		**(19,95,789.22)**	**(42,97,586.69)**
(VII	**Other Comprehensive Income**			
	loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Subtotal (A)		-	-
	(B) (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Subtotal (B)		-	-
	Other Comprehensive Income (A + B)		-	-
(IX)	**Total Comprehensive Loss for the period (VII+VIII)**		**(19,95,789.22)**	**(42,97,586.69)**
(X)	**Earnings per equity share**	21		
	Basic (Rs.)		(838.23)	(2,157.30)
	Diluted (Rs.)		(838.23)	(2,157.30)

Summary of significant accounting policies
See accompanying notes to the standalone financial state 1 - 41
The accompanying notes are an integral part of the standalone financial statements

As per our report of even date
For MSKC & Associates
(Formerly known as R.K. Kumar & Co.)
Chartered Accountants
ICAI Firm Registration No.:001595S

Tushar Kurani

Tushar Kurani
Partner
Membership No: 118580

Place: Mumbai
Date: 27 July 2020

For and on behalf of the Board of Directors of **Jana Holdings Limited**
CIN:U74900KA2016PLC086838

Rajamani Muthuchamy
Managing Director and CEO
DIN:08080999

Place: Bangalore
Date: 27 July 2020

Ramesh Ramanathan
Chairman
DIN:00163276

Place: Bangalore
Date: 27 July 2020

Gopalakrishnan S
Chief Financial officer
ICAI Membership No: 021783

Place: Bangalore
Date: 27 July 2020

Vidya Sridharan
Company Secretary
ICSI Membership No: A44354

Place: Bangalore
Date: 27 July 2020

JANA HOLDINGS LIMITED

Statement of standalone cash flows for the year ended 31 March 2020
(Amount in INR thousands, unless otherwise stated)

	Year ended 31-Mar-20	Year ended 31-Mar-19
Cash flow from operating activities		
Loss after tax	(19,95,789.22)	(42,97,586.69)
Adjustments for:	-	
Depreciation and amortization expenses	123.68	15.48
Impairment on financial instruments	-	29,41,257.39
Provisions	139.60	-
Finance cost	19,67,478.25	13,50,451.34
	-	-
adjustments	**(28,047.69)**	**(5,862.49)**
Changes in working capital		
(Decrease) / Increase in payables	(532.34)	1,379.77
Decrease/ (increase) in other financial assets	(140.87)	-
(Decrease) / Increase in other financial liabilities	230.00	(754.00)
(Decrease) / Increase in other non-financial liabilities	(777.65)	874.09
Decrease/ (increase) in other non financial assets	(152.01)	-
Cash from (used in) operations	**(1,372.86)**	**1,499.86**
Income tax paid / Current tax assets (net)	39.75	(73.19)
Net cash flows used in operating activities (A)	**(29,380.80)**	**(4,435.81)**
Cash flow from Investing activities		
Payment for property, plant and equipment and intangible assets	(360.73)	(155.20)
Investment in associate	(14,70,000.91)	(29,83,201.35)
Net cash flow used in investing activities (B)	**(14,70,361.64)**	**(29,83,356.54)**
Cash flow from Financing activities		
Proceeds from issuance of equity share capital	14,89,996.56	-
Proceeds from debt securities issued	-	29,25,649.04
Others	327.36	-
Share issue expenses	(5,570.00)	-
Net cash flow from financing activities (C)	**14,84,753.92**	**29,25,649.04**
Net increase in cash and cash equivalents (A+B+C)	**(14,988.52)**	**(62,143.32)**
Cash and cash equivalents at the beginning of the year	**45,483.27**	**1,07,626.59**
Cash and cash equivalents at the end of the year	**30,494.75**	**45,483.27**
Cash and cash equivalents comprise (Refer note 1)		
Balances with banks		
On current accounts	10,193.77	45,483.27
On deposits with Banks	20,300.98	-
Total cash and bank balances at end of the year	**30,494.75**	**45,483.27**

See accompanying notes to the standalone financial statemer 1 - 41
The accompanying notes are an integral part of the financial statements.

As per our report of even date
For MSKC & Associates
(Formerly known as R.K. Kumar & Co.)
Chartered Accountants
ICAI Firm Registration No.:001595S

Tushar Kurani

Tushar Kurani
Partner
Membership No: 118580

Place: Mumbai
Date: 27 July 2020

For and on behalf of the Board of Directors of **Jana Holdings Limited**
CIN:U74900KA2016PLC086838

Rajamani Muthuchamy
Managing Director and CEO
DIN:08080999

Place: Bangalore
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DIN:00163276

Place: Bangalore
Date: 27 July 2020

Gopalakrishnan S
Chief Financial officer
ICAI Membership No: 021783

Place: Bangalore
Date: 27 July 2020

Vidya

Vidya Sridharan
Company Secretary
ICSI Membership No: A44354

Place: Bangalore
Date: 27 July 2020

JANA HOLDINGS LIMITED

Statement of changes in equity for the year ended 31 March 2020

(Amount in INR thousands, unless otherwise stated)

(A) Equity share capital	**As at 31-Mar-20**		**As at 31-Mar-19**	
	No. of shares	**Amount**	**No. of shares**	**Amount**
Equity shares of Rs.10 each issued, subscribed and fully paid				
Opening balance	19,92,114	19,921.14	19,92,114	19,921
Add: Issued during the year	3,88,830	3,888.30	-	-
Closing balance	**23,80,944**	**23,809.44**	**19,92,114**	**19,921**

(B) Other equity

01 April 2019 to 31 March 2020

Particulars	**Securities Premium**	**Statutory Reserve**	**Retained Earnings**	**Total**
Balance at the beginning of the reporting period	1,22,66,639.66	30,339.16	(46,83,966.32)	76,13,012.50
Total Comprehensive Income for the year	-	-	(19,95,789.22)	(19,95,789.22)
Premium on issue of equity shares	14,86,108.26	-	-	14,86,108.26
Less: Share Issue Expenses	5,570.00	-	-	5,570.00
Balance at the end of the reporting period	**1,37,47,177.92**	**30,339.16**	**(66,79,755.54)**	**70,97,761.54**

01 April 2018 to 31 March 2019

Particulars	**Securities Premium**	**Statutory Reserve**	**Retained Earnings**	**Total**
Balance at the beginning of the reporting period	1,22,66,639.66	30,339.16	(3,86,379.63)	1,19,10,599.19
Total Comprehensive Income for the year	-	-	(42,97,586.69)	(42,97,586.69)
Balance at the end of the reporting period	**1,22,66,639.66**	**30,339.16**	**(46,83,966.32)**	**76,13,012.50**

The accompanying notes are an integral part of these financial statemen 1 - 41

As per our report of even date
For MSKC & Associates
(Formerly known as R.K. Kumar & Co.)
Chartered Accountants
ICAI Firm Registration No.:001595S

Tushar Kurani

Tushar Kurani
Partner
Membership No: 118580

Place: Mumbai
Date: 27 July 2020

For and on behalf of the Board of Directors of **Jana Holdings Limited**
CIN:U74900KA2016PLC086838

Rajamani Muthuchamy
Managing Director and CEO
DIN:08080999

Place: Bangalore
Date: 27 July 2020

Ramesh Ramanathan
Chairman
DIN:00163276

Place: Bangalore
Date: 27 July 2020

Gopalakrishnan S
Chief Financial officer
ICAI Membership No: 021783

Place: Bangalore
Date: 27 July 2020

Vidya Sridharan
Company Secretary
ICSI Membership No: A44354

Place: Bangalore
Date: 27 July 2020

JANA HOLDINGS LIMITED

Notes to the financial statements for the year ended 31 March 2020

1 Company Overview

1.1 Background

The Company was incorporated on 10 March 2016 to carry on the business of an Investment Company and to invest, buy, sell, transfer, deal in and dispose of any shares, stocks, debentures, whether perpetual or redeemable debenture, debentures, stocks, securities of any Government, Local Authority, Bonds and Certificates. The Company is a wholly owned subsidiary of Jana Capital Limited. The Company has received certificate of registration for Non-Banking Financial Company ('NBFC') Non Operating Financial Holding Company ('NOFHC') from Reserve Bank of India, on 27 January 2017. As per the guidelines for licensing of new banks in the private sector issued by Reserve Bank of India, the company, a Non-Operating Financial Holding Company Limited holds the investment in Jana Small Finance Bank (formerly known as 'Janalakshmi Financial Services Limited').

The Board in its meeting held on October 21, 2019, and November 12, 2019, have approved Fast track method for merging the Company, being the wholly-owned Non-Operating Financial Holding Company (NOFHC), with its Holding as well as Core Investment Company, Jana Capital Limited. The Company has submitted necessary documents on January 9, 2020, sought by the RBI vide their letter dated October 2019 and has applied for the in-principle approval. The Company is awaiting in-principle approval from the RBI. As per the existing guidelines, the requirement of having a NOFHC has been dispensed with by the RBI for setting up Small Finance Banks and Universal Banks. Further, such a merger of the wholly-owned subsidiary with the Holding Company will simplify the compliances to be reported to various Regulatory Authorities, besides resulting in lower operating costs. The Company is eligible to adopt Fast track method for the merger as envisaged under Section 233 of the Companies Act, 2013 as it is the merger of the wholly-owned subsidiary with the Holding Company. The Company will proceed to obtain other approvals stipulated under the Companies Act, 2013 required for completing the merger process after the receipt of in-principle approval from the RBI.

1.2 Statement of compliance

These financial statements are separate financial statements prepared in accordance with Indian Accounting Standards ("Ind AS"), the provisions of the Companies Act, 2013 ("the Act") (as amended). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendments Rules, 2016.

Jana Capital Limited ('the Parent Company' or 'the Holding Company') is a company incorporated in India, which holds 100% of Jana Holdings Limited ('the Company'). The Company holds 42.08% of Equity shares of Jana Small Finance Bank ('Associate'). The Holding Company will be consolidating the Company and its Associate to prepare consolidated financials for the year ended 31 March 2020.

1.3 Basis of preparation

These financial statements have been prepared in accordance with 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 and Companies (Indian Accounting Standards) Amendment Rules, 2016. (As Amended from time to time)

The financial statements up to year ended 31 March 2018 were prepared in accordance with the accounting standards notified under the section 133 of the Act, read with with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

The financial statements for the year ended 31 March 2019 were the first set of financial statements prepared in accordance with Ind AS.
The Company is regulated by the Reserve Bank of India ('RBI'). RBI periodically issues/amends directions, regulations and/or guidance (collectively "Regulatory Framework") covering various aspects of the operation of the Company, including those relating to accounting for certain types of transactions. The Regulatory Framework contains specific instructions that need to be followed by the Company in preparing its financial statements. The financial statements for the current and previous year may need to undergo changes in measurement and / or presentation upon receipt of clarifications on the Regulatory Framework or changes thereto.The financial statements for the year ended 31 March 2019 have been prepared by the Company in accordance with Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016, as amended from time to time, in this regard.

1.4 Functional and Presentation currency

These Ind AS Financial Statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts are rounded off to the nearest thousands, unless otherwise indicated.

1.5 Basis of measurement

The financial statements have been prepared on a historical cost basis.

1.6 Significant areas of estimation, critical judgments and assumptions in applying accounting policies

The preparation of financial statements in accordance with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. The Company's management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of the changes in circumstances surrounding the estimates. Any changes in the accounting estimates are reflected in the period in which such change in circumstances are made and, if material their effect are disclosed in the notes to the financial statements.

The key estimates and assumptions used in preparation of financial statements are;

i. Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items.

ii. Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized.

Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. Use of assumptions is also made by the Company for assessing whether an asset may be capitalized and which components of the cost of the asset may be capitalized.

2 Significant accounting policies

The Company has applied the following accounting policies to all periods presented in these financial statements.

i. Revenue recognition

Interest on fixed deposits is recognized on a time proportion basis taking into account the amount outstanding and the applicable rate.
Dividend is recognised when the right to receive the dividend is established.

ii. Finance Cost

Interest expense on financial liabilities is recognized on an accrual basis using effective interest rate (EIR) method.
The EIR is the rate that discounts the estimated future cash flows through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial liability adjusted for upfront expenses. The interest expense is recognized on EIR method on a time proportion basis applied on the carrying amount for financial liability.
Arranger fees, stamp duty charges and other fees that are integral to the effective interest rate on a liability are included in the effective interest rate.
Other fees and expenses such are recognized as and when they are incurred.

iii. Financial assets and liabilities

a. Financial assets

Initial recognition and measurement

Except for items at fair value through profit or loss (FVTPL), all financial assets are recognized initially at fair value plus or minus transaction costs that are directly attributable and incremental to the origination/acquisition of the financial asset.

Financial assets at amortised cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest outstanding on the principal amount outstanding (SPPI).

After initial measurement, such financial assets are subsequently measured at amortized cost using the EIR method. Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR and reported as part of interest income in the Statement of Profit or Loss. The losses if any, arising from impairment are recognized in the Statement of Profit or Loss.

Financial assets at fair value through other comprehensive income

A financial asset is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI.

The loss allowance is recognized in other comprehensive income and does not reduce the carrying value of the financial asset. When the financial asset is derecognized the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial assets at fair value through profit or loss (FVPL)

Any financial instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified to be measured at FVTPL.
In addition, the Company may also elect to classify a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is done only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').
Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in profit or loss.

Classification and subsequent measurement

The Company classifies its financial assets as subsequently measured at either amortized cost or fair value based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

b. Financial Liabilities

Initial recognition and measurement

Except for items at fair value through profit or loss (FVTPL), all financial liabilities are recognized initially at fair value plus or minus transaction costs that are directly attributable and incremental to the issue of the financial liabilities.

Subsequent measurement

All financial liabilities are subsequently measured at amortized cost except for financial liabilities at FVTPL. Such liabilities including derivatives that are liabilities are subsequently measured at fair value.

c. De-recognition of financial assets and financial liabilities

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognized) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in Statement of Profit or Loss.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

d. Modifications of financial assets and financial liabilities

Financial assets

If the terms of a financial asset are modified, the Company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognized and a new financial asset is recognized at fair value adjusted for any eligible transaction costs.

If the cash flows of the modified asset carried at amortized cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Company recalculates the gross carrying amount of the financial asset and recognizes the amount arising from adjusting the gross carrying amount as a modification gain or loss in Statement of profit or loss.

Financial liabilities

The Company derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in statement of profit or loss.

e. Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is presented in the statement of financial position when the Company has a legal right to offset the amounts and intends to settle on net basis or to realize the asset and settle the liability simultaneously.

f. Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

iv. Employee Benefits

i. Short term employee benefits

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

v. Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment loss if any. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and borrowing costs on qualifying assets.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within the statement of profit or loss.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

v. Property, plant and equipment (continued)

Depreciation

Depreciation is calculated on the cost of items of property, plant and equipment less their estimated residual values (at 0.01% except for leasehold improvements which are fully depreciated) using the straight-line method over their estimated useful lives, and is recognized in Statement of profit or loss.

The estimated useful lives for the current and comparative periods are as follows:

Particulars	Useful Life
Computers and Printers	3 Years

The depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Depreciation on additions /disposals is provided on a pro-rata basis i.e. from / up to the date on which asset is ready for use /disposed of.

vi. Other intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets, comprising of software are amortized on the basis of written down value method over the estimated useful life of the asset.

Particulars	Useful Life
Computer Software	3 Years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

vii. Impairment (non-financial asset)

The carrying amounts of the Company's non-financial assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

Impairment exists when the carrying value of an asset or cash generating unit ('CGU') exceeds the recoverable amount, which is the higher of the fair value less costs to sell and value in use. The fair value less costs to sell is arrived based on available data from binding sales transactions at arm's length, for similar assets. The value in use is based on a discounted cash flow (DCF) model, whereby the future expected cash flows discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

Impairment losses are recognized in statement of profit or loss, when the carrying value of an asset or cash generating unit ('CGU') exceeds the estimated recoverable amount. Impairment losses recognized in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

viii. Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currency of the Company at exchange rates at the dates of the transactions or at the average rate if such rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognized in Statement of profit or loss.

ix. Provisions and contingencies related to claims, litigation, etc.

A provision is recognised if, as a result of a past event, the Company has a present obligation (legal or constructive) that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

a. Onerous contracts

A contract is considered as onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

b. Contingencies related to claims, litigation, etc.

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred, and the amount can be estimated reliably. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

x. Income taxes

Income tax expense comprises current and deferred tax. It is recognized in statement of profit and loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

a. Current tax:

Current tax is measured at the amount expected to be paid in respect of taxable income for the year in accordance with the Income Tax Act, 1961. Current tax comprises the expected tax payable on the taxable income for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the balance sheet date.

Current tax assets and liabilities are offset only if, the Company:

a) has a legally enforceable right to set off the recognized amounts; and

b) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

b. Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and its tax base.

Deferred tax assets are reviewed at each reporting date and based on management's judgment, are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the balance sheet date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the balance sheet date, to recover or settle the carrying amount of its assets and liabilities.

The effect of changes in the tax rates on deferred tax assets and liabilities is recognised as income or expense in the period that includes the enactment or substantive enactment date.

Deferred tax assets and liabilities are offset only if:

a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

xi. Earnings per share

The Company presents basic and diluted earning per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss that is attributable to ordinary shareholders of the Company by the weighted-average number of ordinary shares outstanding during the period.

Diluted earnings per share is determined by adjusting the profit or loss that is attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, except where the results are anti-dilutive.

xii. Cash and cash equivalents

Cash and cash equivalents include balance with banks and fixed deposits with an original maturity of three months or less. Cash and cash equivalents are carried at amortized cost in the balance sheet.

xiii. Statement of cash flows

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash transactions, any deferrals or accruals of past or future operating cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. For the purpose of presentation in the statement of cash flows, Cash and cash equivalents includes bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

xiv. Impairment of financial assets

The Company recognises impairment allowances for Expected Credit Loss (ECL) on all the financial assets that are not measured at FVTPL:

ECL are probability weighted estimate of future credit losses based on the staging of the financial asset to reflect its credit risk. They are measured as follows:

• Financial assets that are not credit impaired – as the present value of all cash shortfalls that are possible within 12 months after the reporting date.

• Financial assets with significant increase in credit risk but not credit impaired – as the present value of all cash shortfalls that result from all possible default events over the expected life of the financial asset.

• Financial assets that are credit impaired – as the difference between the gross carrying amount and the present value of estimated cash flows

Financial assets are fully provided for or written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof.

The Company accounts for investments in associates at cost and tests for impairment at each reporting date. At each reporting date, the Company assesses whether financial assets carried at amortised cost are impaired. The financial assets are tested for impairment and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated.

xv. Segment Reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses whose results are regularly reviewed by the Company's chief operating decision maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Company's CEO (being the CODM) include items that are directly attributable to a segment as well as those that can be allocated on a reasonable basis.

xvi. Recent accounting pronouncement

Following are the new standards and amendments to existing standards (as notified by Ministry of Corporate Affairs (MCA) on 30 March 2019) which are effective for annual period beginning after 1 April, 2019. The Company has adopted these standards or amendments from the effective date.

Ind AS 116, Leases

The Company is required to adopt Ind AS 116, Leases from 1 April 2019. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. It replaces existing leases guidance, Ind AS 17, Leases. The Company does not have any impact on account of this amendment.

Amendment to Ind AS 12 Income Taxes: Appendix C – Uncertainty over Income Tax Treatments

On 30 March 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or Company of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after 1 April 2019. The Company does not have any impact on account of this amendment.

Amendments to Ind AS 12 Income Taxes

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after 1 April 2019. The Company does not have any impact on account of this amendment.

Amendments to Ind AS 19 Employee Benefits – plan amendment, curtailment or settlement

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity:

• to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and

• to recognize in Statement of profit and loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after 1 April 2019. The Company does not have any impact on account of this amendment.

Amendments to Ind AS 109 Financial Instruments - Prepayment Features with Negative Compensation

On 30 March 2019, Ministry of Corporate Affairs issued amendments to Ind AS 109, as per the amendment a debt instrument can be measured at amortized cost or at fair value through other comprehensive income, provided that the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding' (the SPPI criterion) and the instrument is held within the appropriate business model for that classification. The amendments to Ind AS 109 clarify that a financial asset passes the SPPI criterion regardless of the event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract. The Company does not have any impact on account of this amendment.

JANA HOLDINGS LIMITED

Notes forming part of the Financial Statements for the year ended 31 March , 2020

(Rs. In thousands)

			31-Mar-20	31-Mar-19
1	<u>Cash and Cash Equivalents</u>			
	Cash on hand			
	Balances with banks		10,193.76	45,483.27
	Fixed deposits with banks - *(Refer Note-1 below)		20,300.98	-
	Total	(I)	**30,494.75**	**45,483.27**
	<u>Bank Balance other than cash and cash equivalent</u>			
	Earmarked balances with banks		-	327.36
	Total other bank balances	**II**	**-**	**327.36**
	Total Cash and bank balances	**(I+II)**	**30,494.75**	**45,810.63**

*** Note-1**

Fixed Deposits with banks represents the deposits including the interest accrued on deposits placed with its associate company Jana Small Finance Bank Limited being 8 deposits each of INR 25 Lakhs amounting to INR 2 crores maturing on 02 June 2021.

JANA HOLDINGS LIMITED

Notes forming part of the Financial Statements for the year ended 31 March , 2020

2 Investments

Particulars	As at 31 March 2020			As at 31 March 2019		
	Amortised cost	At Fair Value		Amortised cost	At Fair Value	
		Through Other Comprehensive Income	Through Profit or Loss		Through Other Comprehensive Income	Through Profit or Loss
	1	2	3	1	2	3
Equity instruments	-	-	-	-	-	-
Jana small finance bank (Associate)* Unquoted (fully paid-up of Rs. 10/- each)	2,32,41,678.05	-	-	2,17,71,677.14	-	-
Total – Gross (A)	**2,32,41,678.05**	-	-	**2,17,71,677.14**	-	-
(i) Investments outside India	-	-	-	-	-	-
(ii) Investments in India	2,32,41,678.05	-	-	2,17,71,677.14	-	-
Total (B)	**2,32,41,678.05**	-	-	**2,17,71,677.14**	-	-
Less: Allowance for Impairment loss (C)	**29,41,257.39**	**-**	**-**	29,41,257.39	**-**	**-**
Total – Net D= (A)-(C)	**2,03,00,420.67**	**-**	**-**	**1,88,30,419.76**	**-**	**-**
*** Other basis of measurement such as cost may be explained as a footnote**						

***Basis of Measurement**

The Company has subscribed to rights shares being 1,545,596 equity shares during the current year amounting to INR 1,470,000.89 thousands at INR 951.09 per share (previous year: 2,156,396 equity shares amounting to INR 2,983,201.35 thousands at INR 1,383.42 per share) of Jana Small Finance Bank (formerly known as Janalakshmi Financial Services Limited).

* Management of the company has elected the to avail the exemption as per Ind AS 101 and measures the investment at Deemed cost i.e previous IGAAP carrying amount as on the Ind AS transition date i.e. April 01, 2017.

#Based on the para 41A and 41C of Ind AS 28, there is an objective evidence of Impairment based on the observable data with respect to investment made by the company in Jana Small Finance Bank Limited (JSFB) based on the below mentioned factors:

(i) the Bank reported profit 30.13 crores, Networth of bank increased as compared to March 31, 2019 and significant increase in interest income from last year

(ii) the fair value of the Bank shares for the year ended March 31, 2020 has increased by Rs. 9.50 per share from Rs. 951.09 per share (March 31, 2019) to Rs. 960.59 per share (March 31, 2020).

In light of the above indicators, the company has estimated the recoverable amount of the investment in the bank as INR 960.59 per share which is more than it carrying amount i.e. INR 951.09 per share.

The fair value of the bank equity shares INR 960.59 per share has been determined by Management based on the third party valuation report issued by Kunal L Kalantri. Based on the above indicators no further impairment loss recognised during the financial year 2019-2020. Further the management decided that the increase is not in the nature of a permanent increase and hence the impairment loss recognised has not been reversed to the extent of its increase in per value share in accordance with IND AS 28-Investment in Associates and Joint Ventures.

Foot Notes

i. Details of investments

(Face Value per share - Rs.10)

In INR

Details of investments	As at March 31, 2020	As at March 31, 2019
Carrying value of Investment (A)	23,24,16,78,053.64	21,77,16,77,143.99
No. of Shares (B)	2,13,44,374	1,97,98,778
Book Value per share (C=A/B)	1,088.89	1,099.65
Fair Market Value per share (D)	960.59	951.09
Impairment loss per share (E=C-D)	128.30	148.56
Total Impairment loss per share	2,03,00,420.67	1,88,30,419.76

Particulars	Number of shares		Fair Value per share		Amount (in thousands)	
	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019	As at 31 March 2020	As at 31 March 2019
Investments in Equity Instruments Jana Small Finance Bank Limited (Associate)* Unquoted (fully paid-up of Rs. 10/- each)	**2,13,44,374**	**1,97,98,778**	**960.59**	**951.09**	**2,03,00,420.67**	**1,88,30,419.76**

(Rs. In thousands)

			31-Mar-20	31-Mar-19
3	**Other financial assets**			
	(I) Security Deposits	**(I)**	1.00	1.00
	(II) Others Receivables			
	Considered good -Unsecured from related parties *(Refer Note below)		139.17	-
	Considered good -Unsecured other than related parties		1.69	-
			140.87	**-**
	Less: Impairment loss allowance		-	-
	Total Other receivables	**(II)**	**140.87**	**-**
	Total		**141.87**	**1.00**

Note:

The entity has entered into transactions with its Holding Company Jana Capital Limited (JCL) for the FY 2019-2020. These are in the nature of payments made by JCL on behalf of Jana Holdings Limited (JHL) and vice versa. The list of transactions entered into between the two entities are provided in detail in Note 23.

		31-Mar-20	31-Mar-19
4	**Current tax assets**		
	TDS Receivable	33.44	73.19
	Total	**33.44**	**73.19**

JANA HOLDINGS LIMITED
Notes forming part of the Financial Statements for the year ended 31 March,2020

(Rs. In thousands)

5 **Property, Plant and Equipment-Tangible assets**

	Gross block				Depreciation				Net block	
	As at 01-Apr-19	Additions/ Adjustments	Deductions/ Adjustments	Up to 31-Mar-20	As at 01-Apr-19	For the year	On Deductions/ Adjustments	Up to 31-Mar-20	As at 31-Mar-20	As at 31-Mar-19
Owned assets										
Computers and Printers	133.97	318.25	-	452.22	13.73	105.82	-	119.55	332.66	120.23
Total	**133.97**	**318.25**	**-**	**452.22**	**13.73**	**105.82**	**-**	**119.55**	**332.66**	**120.23**

6 **Other - Intangible assets**

(Rs. In thousands)

	Gross block				Amortization				Net block	
	As at 01-Apr-19	Additions/ Adjustments	Deductions/ Adjustments	Up to 31-Mar-20	As at 01-Apr-19	For the year	On Deductions/ Adjustments	Up to 31-Mar-20	As at 31-Mar-20	As at 31-Mar-19
Computer Software	21.24	42.48	-	63.72	1.75	17.86	-	19.61	44.11	19.49
Total	21.24	42.48	-	63.72	1.75	17.86	-	19.61	44.11	19.49

JANA HOLDINGS LIMITED

Notes forming part of the Financial Statements for the year ended 31 March , 2020

(Rs. In thousands)

7	Other Non-financial assets	31-Mar-20	31-Mar-19
	Prepaid expenses	149.51	-
	Advance to suppliers	2.50	-
	Total	**152.01**	**-**

JANA HOLDINGS LIMITED
Notes forming part of the Financial Statements for the year ended 31 March , 2020

(Rs. In thousands)

		As at 31 March 2020	As at 31 March 2019
8	<u>Payables</u>		
(I)	**Trade payables**		
(a)	Total outstanding dues of micro enterprises and small enterprises	-	-
(b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
	Total Trade payables	**-**	**-**
(II)	**Other payables**		
(a)	Total outstanding dues of micro enterprises and small enterprises	-	-
(b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	857.11	1,389.45
	Total Other payables	**857.11**	**1,389.45**

Based on the information available with the NBFC, there are no outstanding dues and payments made to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. There is no interest payable or paid to any suppliers under the said Act.

JANA HOLDINGS LIMITED
Notes forming part of the Financial Statements for the year ended 31st March , 2020

(Rs. In thousands)

9 **Debt Securities**

Particulars	As at March 31, 2020				As at March 31, 2019			
	At Amortised Cost	At Fair Value Through profit or Loss	Designated at Fair value through profit or loss	Total	At Amortised Cost	At Fair Value Through profit or Loss	Designated at Fair value through profit or loss	Total
	1	2	3	4=1+2+3	5	6	7	8=5+6+7
Others - Non Convertible Debentures	1,32,08,569.37	-	-	1,32,08,569.37	1,12,41,091.12	-	-	1,12,41,091.12
Total (A)	**1,32,08,569.37**	-	-	**1,32,08,569.37**	**1,12,41,091.12**	-	-	**1,12,41,091.12**
Debt securities in India	58,50,092.89	-	-	58,50,092.89	49,29,008.02	-	-	49,29,008.02
Debt securities outside India	73,58,476.49	-	-	73,58,476.49	63,12,083.10	-	-	63,12,083.10
Total (B)	**1,32,08,569.37**	**-**	**-**	**1,32,08,569.37**	**1,12,41,091.12**	**-**	**-**	**1,12,41,091.12**

Particulars	**31-Mar-20**	**31-Mar-19**
Debt securities in India (Secured)	40,78,062.82	49,29,008.02
Debt securities in India (Unsecured)	17,72,030.07	-
Debt securities outside India (Secured)	-	63,12,083.10
Debt securities outside India (Unsecured)	73,58,476.49	-
Total	**1,32,08,569.37**	**1,12,41,091.12**

a) Schedule of privately placed redeemable non-convertible debentures (at amortised cost)

(Amounts are in INR thousands)

Name of the Subscriber	No. of Debentures*	Series Name	Face Value	Balance as at 31 March 2020	Balance as at 31 March 2019	Issue Date	Maturity Date	XIRR
Manipal Health Systems Private Limited	1,450	Series I	1,000.00	17,72,030.07	15,19,100.70	30-Nov-18	30-Nov-23	16.50%
TPG ASIA VI India Markets Pte. Ltd (400 NCD) &Government of Singapore (100 NCD)	500	Series A	1,000.00	7,32,206.76	6,28,046.40	28-Sep-17	27-May-23	16.50%
TPG ASIA VI India Markets Pte. Ltd	600	Series B	1,000.00	8,78,648.11	7,53,655.68	28-Sep-17	27-May-23	16.50%
Government of Singapore	600	Series C	1,000.00	8,78,648.20	7,53,655.68	28-Sep-17	27-May-23	16.50%
TPG ASIA VI India Markets Pte. Ltd (800 NCD) &Government of Singapore (200 NCD)	1,000	Series D	1,000.00	14,64,413.52	12,56,092.80	28-Sep-17	27-May-23	16.50%
TPG ASIA VI India Markets Pte. Ltd (400 NCD) &Government of Singapore (100 NCD)	500	Series E	1,000.00	7,32,206.76	6,28,046.40	28-Sep-17	27-May-23	16.50%
TPG ASIA VI India Markets Pte. Ltd	1,000	Series F	1,000.00	14,60,302.26	12,52,779.32	06-Oct-17	27-May-23	16.50%
Government of Singapore	830	Series G	1,000.00	12,12,050.88	10,39,806.83	06-Oct-17	27-May-23	16.50%
ECL Finance Limited	1,550	Series H	1,000.00	22,51,339.95	18,68,436.14	27-Mar-18	26-May-23	20.35%
Centrum Financial Services Limited (280 NCD) & Centrum Retail Services Limited (220 NCD)	500	Series J1	1,000.00	5,91,587.69	4,98,945.59	21-Dec-18	21-Dec-21	16.61%
Centrum Retail Services Limited	400	Series J2	1,000.00	4,72,525.31	3,98,807.47	27-Dec-18	21-Dec-21	16.61%
Centrum Retail Services Limited	400	Series J3	1,000.00	4,70,790.68	3,97,350.16	04-Jan-19	04-Jan-22	16.61%
Centrum Financial Services Limited (100 NCD) & Centrum Retail Services Limited (50 NCD)	150	Series J4	1,000.00	1,75,642.06	1,48,316.28	17-Jan-19	17-Jan-22	16.61%
Centrum Retail Services Limited	100	Series J5	1,000.00	1,16,177.13	98,051.68	01-Feb-19	01-Feb-22	16.61%
				1,32,08,569.37	**1,12,41,091.12**			

* The Company has issued rated, redeemable, non-convertible debentures on private placement basis which are listed on the wholesale debt market of Bombay Stock Exchange (BSE).
Series H and Series J1 to J5 Debentures are secured through first ranking exclusive pledge created over (a) the Pledged Shares of the Jana Small Finance Bank ("Target Company") by the Issuer under the Small Finance Bank Pledge Agreement, (b) the Parent Company Pledged Shares of Jana Capital Limited ("Parent Company") by Jana Urban Foundation under the Parent Pledge Agreement, and (c) Parent Company Shareholders' Undertaking, each in favour of the Debenture Trustee (acting for the benefit of the Debenture Holders) under or pursuant to the relevant Pledge Agreement.
In case of certain Non convertible debentures, redemption premium payable is linked to share price of the JSFB shares subject to a cap of 50% and floor of 16.5%. This constitutes an embedded derivative under Ind AS 109. To record this derivative in the books of account of the Company, the fair value of JSFB equity shares INR 951.09 per share has been determined by Management based on external valuation report issued during the year. This per share valuation is also consistent with the equity share issuance done by JSFB in November 2019.

10 **Other Financial Liabilities**	**31-Mar-20**	**31-Mar-19**
Provision for professional fees	100.00	
Audit fee payable	230.00	100.00
Total	**330.00**	**100.00**

11 **Other Non - Financial Liabilities**	**31-Mar-20**	**31-Mar-19**
Statutory dues	152.45	930.09
Total	**152.45**	**930.09**

12 **Other Non - Financial Liabilities**	**31-Mar-20**	**31-Mar-19**
Provision for Leave Encashment (Refer note-18 for details)	139.60	-
Total	**139.60**	**-**

(Rs. In thousands)

13 Equity Share capital

	31-Mar-20	31-Mar-19
Authorized *		
Equity Share Capital (As at 31 March 2020-Rs.350,000,000 (35,000,000 Equity shares at par value of Rs.10 each), As at 31 March 2019 : Rs. 2,00,00,000 (2,000,000 Equity Shares of Rs. 10/- each)*	3,50,000.00	20,000.00
Preference Share Capital (As at 31 March 2020-Rs.150,000,000 (15,000,000 Preference shares at par value of Rs.10 each), As at 31 March 2019 : NIL	1,50,000.00	-
Total	**5,00,000.00**	**20,000.00**

* The company has increased its authorized share capital from Rs.2,00,00,000 (Two crores) to Rs.50,00,00,000 (Rs. Fifty crores) divided into Rs.35,00,00,000 (3,50,00,000 Equity shares at par value of Rs.10 each and Rs.15,00,00,000 (1,50,00,000 Preference shares at par value of Rs.10 each; vide an Extraordinary General Meeting conducted on 22nd May 2019.

	31-Mar-20	31-Mar-19
Issued, subscribed and paid up		
Equity Share Capital (As at 31 March 2020: Rs. 23,809,440 (2,380,944 Equity shares of Rs.10 each fully paid up) ; As at 31 March 2019: 1,992,114) Equity Shares of Rs. 10/- each, fully paid-up	23,809.44	19,921.14
Total	**23,809.44**	**19,921.14**

(Rs. In thousands)

(a) Reconciliation of shares outstanding at the beginning and at the end of the year

	31-Mar-20		31-Mar-19	
	Number of shares	**Amount**	**Number of shares**	**Amount**
Outstanding at the beginning of the year	19,92,114	19,921.14	19,92,114	**19,921.14**
Add: Issued during the year	3,88,830	3,888.30	-	**-**
Outstanding at the end of the year	**23,80,944**	**23,809.44**	**19,92,114**	**19,921.14**

(b) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares being issued, subscribed and fully paid up having a par value of ₹ 10/- each. Each holder of equity share is entitled to one vote per share.
The Company declares and pays dividend on equity shares in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the assets of the Company. The distribution will be in proportion to the number of equity shares held by the equity shareholders.
The company has issued rights shares to its existing shareholders on October 30, 2019 being 388,830 shares at a premium (par value being Rs.10 per share and a premium of Rs.3,822 per share) amounting to Rs.1,48,99,96,560.

(Rs. In thousands)

(c) Shares held by holding company/ultimate holding company	**31-Mar-20**	**31-Mar-19**
Jana Capital Limited and its nominees ('the Parent Company' or 'the Holding Company' or ' the Ultimate Holding Company")		
Equity Share Capital (As at 31 March 2020: Rs. 23,809,440 (2,380,944 Equity shares of Rs.10 each fully paid up) ; As at 31 March 2019: 1,992,114) Equity Shares of Rs. 10/- each, fully paid-up	23,809.44	19,921.14
Total	**23,809.44**	**19,921.14**

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	**31-Mar-20**		**31-Mar-19**	
	Number of shares	**% of holding in the class**	**Number of shares**	**% of holding in the class**
Jana Capital Limited and its nominees ('the Parent Company' or 'the holding company')	**23,80,944**	**100**	**19,92,114**	**100**

As per records of the NBFC, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.
The Company has not issued bonus shares or shares for consideration other than cash during the five year period immediately preceding the reporting date.

JANA HOLDINGS LIMITED
Notes forming part of the Financial Statements for the year ended 31 March , 2020

(Rs. In thousands)

14	Other Equity	31-Mar-20	31-Mar-19
(a)	**Securities Premium Account**		
	Opening balance	1,22,66,639.66	1,22,66,639.66
	Add : Securities premium credited on share issue	14,86,108.26	-
	Less : Premium utilized for various reasons	-	-
	Premium on redemption of debentures	-	-
	For share issue expenses	5,570.00	-
	Closing balance	**1,37,47,177.92**	**1,22,66,639.66**
(b)	**Statutory Reserve**		
	Opening balance	30,339.16	30,339.16
	Add: Transferred during the year	-	-
	Less: Utilization on account of / Transfer to	-	-
	Closing balance	**30,339.16**	**30,339.16**
(c)	**Retained Earning and Surplus/(deficit) in the Statement of Profit and Loss**		
	Opening balance	(46,83,966.32)	(3,86,379.63)
	Add: Net Profit/(Net Loss) for the current year	(19,95,789.22)	(42,97,586.69)
	Transfer from reserves	-	-
	Less: Proposed dividends	-	-
	Interim dividends	-	-
	Closing balance	**(66,79,755.54)**	**(46,83,966.32)**
	Total Reserves and surplus	**70,97,761.54**	**76,13,012.50**

Nature and purpose of reserves

(a) Securities Premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

(b) Statutory Reserve

In terms of Section 45-IC of the RBI Act, NBFCs are required to create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year. The above requirement is to give intrinsic strength to the balance sheets of the NFBCs. This reserve could be used for purposes as stipulated by the Reserve Bank of India from time to time. However, no transfer has been made to reserves for the financial year ended 31 March 2020 as the Company has incurred losses.

(c) Retained Earnings

Retained earnings are the profits/ (losses) that the Company has earned to date, less any dividends or other distributions paid to shareholders.

(d) Debenture redemption reserve

THe Entity being an NBFC is exempted from creation of Debenture Redemption Reserve for Debentures issued through Private Placement Avenue.
Further the entity shall on or before the 30th day of April in each year, in respect of debentures issued, invest or deposit, as the case may be, a sum which shall not be less than fifteen per cent., of the amount of its debentures maturing during the year, ending on the 31st day of March of the next year in any one or more methods of investments or deposit. The applicable dates for such investment for each of its series of debentures is provided as

Debenture Series Reference	**Applicable date for investment (on or before)**
Series J1 to J5	30-Apr-21
Series A to I	30-Apr-23

(e) **Contingent Liabilities and commitments**

		31-Mar-20	31-Mar-19
a	**Contingent Liabilities**		
	Claims against the NBFC not acknowledged as debt	-	-
	Guarantees excluding financial guarantees	-	-
	Other money for which the NBFC is contingently Liable	-	-
	Total	-	-
b	**Commitments**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for;	-	-
	Uncalled liability on shares and other investments partly paid;	-	-
	Other commitments (specify nature).	-	-
	Total	-	-

(Rs. In thousands)

15 Other Income

Particulars	For the year ended 31-March-2020	For the year ended 31-March-2019
Interest on deposit with Banks	334.42	731.84
Interest on Income tax refund	2.93	-
Total	**337.35**	**731.84**

16 Finance Cost

Particulars	For the year ended 31-March-2020	For the year ended 31-March-2019
Interest on debt securities	19,67,478.24	13,50,451.34
Other Finance cost charges *(Refer Note-1 below)	12,980.00	-
Total	19,80,458.24	13,50,451.34

* The amount pertains to compensation charges plus applicable taxes paid for the delays in the timely fulfilment of some of the conditions precedent and condition subsequent contained in the transaction documents relating to an NCD series. The delays caused in the fulfillment of the said conditions were mostly attributable to the actions of external agencies which were beyond the control of the Company. These payments have been approved at the meetings of the Board of Directors held on September 23, 2019 and October 21, 2019.

17 Impairment on Financial Instruments

Particulars	For the year ended 31-March-2020	For the year ended 31-March-2019
Investments in equity shares of associate	-	29,41,257.39
Total	**-**	**29,41,257.39**

18 Employee Benefit Expenses

Particulars	For the year ended 31-March-2020	For the year ended 31-March-2019
Salaries and wages	8,549.06	2,059.44
Provision for leave encashment (Refer Note-1 below)	139.60	-
Total	**8,688.67**	**2,059.44**

Note:1

The company has a Leave policy defined as per which employees are entitled to 21 workings days of privilege/earned leave during a financial year. The leave shall be credited at the beginning of the financial year for existing employees as at 01st April and for employees joined during the year the leave shall be credited on a proportionate basis.

As per the company policy only 5 days of privilege leave from the current financial year can be carried forward to the next financial year: unused privilege leaves will be lapsed. Encashment of privilege leave will be possible at the time of separation on a pro rata basis.

During the current financial year the earned leave for eligible employees of the company were carried forward and accordingly a leave encashment provision to such effect has been provided.

19 Depreciation and amortization expense	For the year ended 31-March-2020	For the year ended 31-March-2019
on tangible assets (Refer note 6)	105.82	13.73
on intangible assets (Refer note 7)	17.86	1.75
Total Depreciation and amortization expense	**123.68**	**15.48**

JANA HOLDINGS LIMITED

Notes forming part of the Financial Statements for the year ended 31 March , 2020

(Rs. In thousands)

20 Other Expenses

		For the year ended 31-March-2020	For the year ended 31-March-2019
a)	Rent, taxes and energy costs	443.64	220.49
	Repairs and maintenance	10.79	99.12
	Communication costs	28.87	1.19
	Printing and stationery	23.72	9.14
	Advertisement and publicity	39.43	-
	Directors' fees, allowances and expenses	708.00	1,062.00
	Auditor’s fees and expenses	300.00	234.03
	Legal and professional charges	4,102.70	946.36
	Insurance	49.21	-
	Bank charges	0.63	45.70
	Stamps and franking charges	1.56	22.10
	Surveillance Fee	970.55	1,106.25
	Travelling expenses	67.91	492.38
	Internal audit	80.00	-
	Acceptance Fee	-	275.60
	Other expenditure	28.96	20.53
	Total	**6,855.98**	**4,534.89**

Note : The following is the break-up of Auditor's remuneration (inclusive/exclusive of service tax)

		For the year ended 31-March-2020	For the year ended 31-March-2019
b)	**As auditor:**		
	Audit Fees	125.00	234.03
	Other services	175.00	-
	Total	**300.00**	**234.03**

JANA HOLDINGS LIMITED

Notes forming part of the Financial Statements for the year ended 31 March , 2020
(Amount in INR thousands, unless otherwise stated)

21 Earnings/ Loss per share

Basic earnings /(loss) per share amounts are calculated by dividing the profit/loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings /(loss) per share amounts are calculated by dividing the profit/loss attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Net Loss as per the statement of Profit and Loss	(19,95,789.22)	(42,97,586.69)
Less: preference dividend after-tax (Refer Note 14(f))	-	-
Loss attributable to equity holders after preference dividend	(19,95,789.22)	(42,97,586.69)
Add: Interest on convertible preference shares	-	-
Loss attributable to equity holders adjusted for the effect of dilution	**(19,95,789.22)**	**(42,97,586.69)**
Weighted average number of equity shares for basic EPS*	19,92,114.00	19,92,114.00
Effect of dilution:	-	
Rights Shares Issued	3,88,830.00	
Weighted average number of equity shares adjusted for the effect of dilution	**23,80,944.00**	**19,92,114.00**
Basic loss per share (INR)	(838.23)	(2,157.30)
Diluted loss per share (INR)	(838.23)	(2,157.30)

* The weighted average number of shares takes into account the weighted average effect of changes in treasury share transactions during the year.

22 Leases

The Entity has considered and evaluated the applicability of the standard IND AS 116 Leases which has been made effective from 01 April 2019 by the Governement of India, through Ministry of Corporate Affairs Notification.

- As per Para 5 of INDAS 116, A lessee may elect not to apply the requirements in paragraphs 22–49 (Recognition and measurement criteria for leases) to
  (a) short-term leases; and
  (b) leases for which the underlying asset is of low value (as described in paragraphs B3–B8).
- Further as per Para 6 of the said standard If a lessee elects not to apply the requirements in paragraphs 22–49 to either short-term leases or leases for which the underlying asset is of low value, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee’s benefit.

Considering the effect of the aforesaid paragraphs the entity determines the lease rental payments made to Janaadhar India Private Limited as low value in nature since the monthly rental payments amounts to Rs.4,050 per month only, thereby the said payments has been recognised as an expense in the statement of profit and loss for the financial year 2019-2020. This is in line with the treatment adopted by the entiy for the previous financial year 2018-2019.

23 Related Party Disclosures: 31 March 2020

A) Name of Related Parties and Relationship with related parties

The Entity has identified and entered into transactions with the related parties. The details of the same is disclosed as under in accordance with IND AS 24 - Related Party Disclosures

A) Names of the related party	Nature of Relationship
i. Jana Capital Limited	Holding Company
ii. Jana Small finance Bank Limited (formerly known as Janalakshmi Financial Services Limited)	Associate Company
iii. Janaadhar (India) Private Limited	Group Company
iv. Jana Urban Foundation	Group Company
v. Mr. Ramesh Ramanathan	Non-Executive Chairman and Director
vi. Mr. Abraham Chacko	Independent Director
vii. Mrs. Saraswathy Athmanathan	Independent Director
viii Mr. Rajamani Muthuchamy	Managing Director and CEO
ix. Mr. Krishnan Iyer	KMP - Chief Financial Officer (w.e.f 9th December 2019 and upto 30th March 2020)
x. Mr. Gopalakrishnan S	KMP - Chief Financial Officer (w.e.f 30th March 2020)
xi. Ms. Jyoti Rao	KMP - Company Secretary (Upto 31st October 2019)
xii. Ms. Vidya Sridharan	KMP - Company Secretary (w.e.f 1st October 2019)

B) Related Parties - with whom transactions have taken place during the year	Nature of Relationship
i. Jana Capital Limited	Holding Company
ii. Jana Small finance Bank (formerly known as Janalakshmi Financial Services Limited)	Associate Company
iii. Janaadhar (India) Private Limited	Private company in which director or his relative is member or director
iv. Mr. Krishnan Iyer	KMP - Chief Financial Officer (w.e.f 9th December 2019 and upto 30th March 2020)
v. Mr. Gopalakrishnan S	KMP - Chief Financial Officer (w.e.f 30th March 2020)
vi. Ms. Jyoti Rao	KMP - Company Secretary (Upto 30th October 2019)
vii. Ms. Vidya Sridharan	KMP - Company Secretary (w.e.f 1st October 2019)

B) **Nature of Transactions entered with related parties**

(Amount in INR thousands)

Name of Related Party	Nature of Transaction	Transaction Value for the FY 2019-2020	Amount Outstanding as at 31 March 2020	Transaction Value for the FY 2018-2019	Amount Outstanding as at 31 March 2019
A) Related Entities					
i) Jana Capital Limited (JCL)	Receipt for issue of shares at premium. Note: The amount outstanding represents the Equity share capital component and premium amount.	14,89,996.56	1,37,70,987.36	-	1,22,86,560.80
	Insurance Expenses paid by JCL on behalf of JHL	-	(161.83)	-	-
	Salary expenses paid by JCL on behalf of JHL and repaid back during the year	(57.45)	-	-	-
	Salary expenses paid by JHL on behalf of JCL for the month of March-2020	-	136.00	-	-
	CSR expenses paid to Vidyaniketan by JHL on behalf of JCL	-	165.00	-	-
ii) Jana Small Finance Bank Limited	Investment in equity shares (net of impairment loss)	(14,70,000.90)	2,03,00,420.67	29,49,999.27	1,88,30,419.76
	Amount paid towards creation of 8 Fixed Deposit	(20,000.00)	-	-	-
	Fixed Deposits (8) created during the year	20,000.00	20,000.00	-	-
	Bank Current Account Balance	-	0.19	-	-
	Interest accrued on fixed deposit placed	300.98	300.98	-	-
	Amount paid towards professional services	(118.80)	(21.60)	-	-
	Professional services received	-	-	120.00	10.00
	Reimbursement of expense	(2,755.61)	-	3,863.77	1,379.45
	Liability booked towards TDS, GST & stamp paper expenses payable	(1,095.77)	(600.00)	-	-
iii. Janaadhar (India) Private Limited	Rent and Maintenance charges paid	(56.95)	(5.18)	23.99	-
B) Key Management Personnel					
i) Mr. Gopalakrishnan S	Salary paid on behalf of JCL	(99.80)	-	-	-
ii) Mr. Krishnan Iyer	Salary	(396.82)	-	-	-
iii) Ms. Vidya Sridharan	Salary	(333.90)	-	-	-
	Salary paid on behalf of JCL	(24.80)	-	-	-
	Salary paid to JCL on account of salary payments made for the month of Oct-2019	(57.45)	-	-	-
	Reimbursement of expense	(3.04)	-	-	-
iv) Ms. Jyoti Rao	Salary	(231.93)	-	133.33	-
	Reimbursement of expense	(20.53)	-	-	-
v) Ms. Gayathri Nagaraj	Salary	-	-	100.00	-
C) Directors					
i. Mr. Ramesh Ramanathan	-	-	-	-	-
ii. Mr. Abraham Chacko	Sitting fees	(270.00)	(45.00)	450.00	
	Reimbursement of expense	(14.99)	-	-	-
iii. Mrs. Saraswathy Athmanathan	Sitting fees	(225.00)	-	450.00	
	Reimbursement of expense	(1.90)	-	-	-
iv Mr. Rajamani Muthuchamy	Salary	(4,549.84)	-	1,826.10	-
	Salary paid on behalf of JCL	(0.00)	-	-	-
	Car EMI Expenses paid to JSFB on behalf of Mr.Rajamani Muthuchamy	(852.52)	-	-	-
	Reimbursement of expense	(42.41)	-	-	-

24 Fair values of financial assets and financial liabilities

The fair value of other current financial assets, cash and cash equivalents, trade receivables ,investments trade payables, short-term borrowings and other financial liabilities approximate the carrying amounts because of the short term nature of these financial instruments.

The amortized cost using effective interest rate (EIR) of non-current financial assets consisting of security and term deposits are not significantly different from the carrying amount.
Financial assets that are neither past due nor impaired include cash and cash equivalents, security deposits, term deposits, and other financial assets.

25 Fair value hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:
•Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

•Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
•Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).
No financial assets/liabilities have been valued using level 1 fair value measurements.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

Fair value measurement hierarchy of assets as at March 31, 2020

(Amount are in INR thousands)

Particulars	Level 1	Level 2	Level 3	Total Fair Value	Total Carrying Amount
Financial Assets					
Cash and cash equivalents	30,494.75	-	-	**30,494.75**	**30,494.75**
Bank balance other than cash and cash equivalents	-	-	-	-	-
Investment in associates	-	-	2,03,00,420.67	**2,03,00,420.67**	**2,03,00,420.67**
Other Financial Assets	-	-	141.87	**141.87**	**141.87**
Financial Liabilities					
Payables	-	-	857.11	**857.11**	**857.11**
Debt securities	-	-	1,32,08,569.37	**1,32,08,569.37**	**1,32,08,569.37**
Other financial liabilities	-	-	330.00	**330.00**	**330.00**

Fair value measurement hierarchy of assets as at March 31, 2019

(Amount are in INR thousands)

Particulars	Level 1	Level 2	Level 3	Total Fair Value	Total Carrying Amount
Financial Assets					
Cash and cash equivalents	45,483.27	-	-	**45,483.27**	**45,483.27**
Bank balance other than cash and cash equivalents	327.36	-	-	**327.36**	**327.36**
Receivables					
(I) Trade Receivables	-	-	-	-	-
(II) Other Receivables	-	-	-	-	-
Investment in associates	-	-	1,88,30,419.76	**1,88,30,419.76**	**1,88,30,419.76**
Other Financial Assets	-	-	1.00	**1.00**	**1.00**
Financial Liabilities					
Payables	-	-	1,389.45	**1,389.45**	**1,389.45**
Debt securities	-	-	1,12,41,091.12	**1,12,41,091.12**	**1,12,41,091.12**
Other financial liabilities	-	-	100.00	**100.00**	**100.00**

The carrying amount of cash and cash equivalents, trade receivables, fixed deposits, trade payables, other payables and short-term borrowings are considered to be the same as their fair values. The fair values of borrowings were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own and counterparty credit risk.

26 Financial risk management objectives and policies

The Company's principal financial liabilities comprise debt securities, Trade and other payables. The main purpose of these financial liabilities is to invest in its operating entity. The Company's principal financial assets include investment in associate company, cash and cash equivalents, balances in banks other than cash and cash equivalents, refundable deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

I Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices such as foreign exchange rate and interest rate.

(a) Interest rate risk

Interest rate risk is the probability of unexpected fluctuations in interest rates. The Company has no exposure to interest rate risk as the debt securities of the Company are at fixed interest rates and not at variable rates.

(b) Foreign currency risk

Currency risk is the risk that the value of an receivable/ payable will fluctuate due to changes in foreign exchange rates. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The Company does not have any foreign currency transactions that would impact the profitability of the Company.

II Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from Cash and cash equivalent, company's investment in associates & other financial assets. The carrying amounts of financial assets represent the maximum credit risk exposure.

i) Credit risk management approach

The Company's senior management oversees the management of these risks. The senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks. It is their responsibility to review and manage credit risk. It periodically reviews performance of investments in associates.

The below table shows the carrying amount of investments along with corresponding impairment losses and the net carrying amount:

31-Mar-20 **(Amount in thousands)**

Particulars	Asset Group	Carrying Amount	Allowance for Impairment Loss	Carrying Amount and net of provision
Investments in Associate	Investments at amortized cost	2,03,00,420.67	-	2,03,00,420.67

31-Mar-19 **(Amount in thousands)**

Particulars	Asset Group	Carrying Amount	Allowance for Impairment Loss	Carrying Amount and net of provision
Investments in Associate	Investments at amortized cost	2,17,71,677.15	29,41,257.39	1,88,30,419.77

The below table shows the maximum exposure to credit risk by class of financial assets.

31-Mar-20			**(Amount in thousands)**
Particulars	**Maximum Exposure to Credit risk**	**Fair Value of Collateral**	**Net Exposure**
Financial Asset			
Cash and cash equivalents	30,494.75	-	30,494.75
Bank balance other than cash and cash equivalents	-	-	-
Investment in associates	2,03,00,420.67	-	2,03,00,420.67
Other Financial Assets	141.87	-	141.87
Total	**2,03,31,057.28**	**-**	**2,03,31,057.28**

31-Mar-19			**(Amount in thousands)**
Particulars	**Maximum Exposure to Credit risk**	**Fair Value of Collateral**	**Net Exposure**
Financial Asset			
Cash and cash equivalents	45,483.27	-	45,483.27
Bank balance other than cash and cash equivalents	327.36	-	327.36
Receivables	-	-	-
(I) Trade Receivables	-	-	-
(II) Other Receivables	-	-	-
Investment in associates	1,88,30,419.76	-	1,88,30,419.76
Other Financial Assets	1.00	-	1.00
Total	**1,88,76,231.39**	**-**	**1,88,76,231.39**

Expected credit loss on other financial assets

Other financial assets represents security deposits. Security deposits are measured at amortised cost. Based on the past trends, the Company has not written off any amount of receivable from the party. Such receivables carry insignificant probability of default, hence the credit risk is also very low.

Cash and cash equivalents and Bank balance

The Company holds cash and cash equivalents and bank balance of INR 30,494.75 thousands as at 31 March 2020 (31 March 2019: INR 45,483.27 thousands). The cash and cash equivalents are held with bank and financial institution counterparties with acceptable credit ratings.

JANA HOLDINGS LIMITED

Notes forming part of the Financial Statements for the year ended 31 March , 2020

Note-26 continued

(Amount in INR thousands, unless otherwise stated)

III Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises from mismatches in the timing of amounts of cash flows, which is inherent to the nature of Company's operations. Liquidity risk could lead to situations where the Company needs to raise funds and/or assets need to be liquidated under unfavorable market conditions. Measuring and managing liquidity needs are vital for effective operation of the Company by assuring the ability to meet its liabilities as they become due.
The liquidity risk can be either (i) institution specific or (ii) market specific.

i. **Liquidity risk management**

Liquidity has to be tracked through maturity or cash flow mismatches. For measuring and managing net funding requirements, the use of a maturity ladder and calculation of cumulative surplus or deficit of funds at selected maturity dates is adopted as a standard tool commonly referred to as Structural Liquidity. The Maturity Profile, are used for measuring the future cash flows of the Company in different time buckets. The time buckets distributed considered are as per RBI guidelines and monitored by the Board.

ii. **Maturity of financial liabilities**

The following are the remaining contractual cashflows of financial assets and liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest receipts and payments.

31-Mar-20 **Amount in INR thousands**

Particulars	Note no.	Contractual cash flows								
		Carrying Amount	Gross Nominal Outflow/Inflow	Upto 30/31 days	Over 1 month upto 2 Month	Over 2 months upto 3 months	Over 3 month & up to 6 month	Over 6 Month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years
Financial liabilities											
Payables	8	857.11	857.11	-	58.77	798.34	-	-	-	-	-
Debt securities	9	1,32,08,569.37	1,32,08,569.37	-	-	-	-	-	18,26,722.86	1,13,81,846.51	-
Other financial liabilities	10	330.00	330.00	100.00	-	230.00	-	-	-	-	-
Total		**1,32,09,756.48**	**1,32,09,756.48**	**100.00**	**58.77**	**1,028.34**	**-**	**-**	**18,26,722.86**	**1,13,81,846.51**	**-**
Financial assets											
Cash and cash equivalents	1	30,494.75	30,494.75	10,193.76	-	-	-	-	20,300.98	-	-
Bank balance other than cash and cash equivalents		-	-								
Investments	2	2,03,00,420.67	2,03,00,420.67	-	-	-	-	-	18,26,722.86	1,13,81,846.51	70,91,851.30
Other financial assets	3	141.87	141.87	-	140.87	-	-	-	-	1.00	-
Total		**2,03,31,057.28**	**2,03,31,057.28**	**10,193.76**	**140.87**	**-**	**-**	**-**	**18,47,023.85**	**1,13,81,847.51**	**70,91,851.30**

31-Mar-19 **Amount in INR thousands**

Particulars	Note no.	Contractual cash flows								
		Carrying Amount	Gross Nominal Outflow/Inflow	Upto 30/31 days	Over 1 month upto 2 Month	Over 2 months upto 3 months	Over 3 month & up to 6 month	Over 6 Month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years
Financial liabilities											
Payables	9	1,389.45	1,389.45	-	-	-	-	1,389.45	-	-	-
Debt securities	10	1,12,41,091.12	1,12,41,091.12	-	-	-	-	-	15,41,471.18	96,99,619.94	-
Other financial liabilities	11	100.00	100.00	-	-	-	100.00	-	-	-	-
Total		**1,12,42,580.57**	**1,12,42,580.57**	**-**	**-**	**-**	**100.00**	**1,389.45**	**15,41,471.18**	**96,99,619.94**	**-**
Financial assets											
Cash and cash equivalents	1	45,483.27	45,483.27	45,483.27	-	-	-	-	-	-	-
Bank balance other than cash and cash equivalents		327.36	327.36	-	-	-	-	327.36	-	-	-
Investments	2	1,88,30,419.76	1,88,30,419.76	-	-	-	-	-	15,41,471.18	96,99,619.94	75,89,328.63
Other financial assets	3	1.00	1.00	-	-	-	-	-	-	1.00	-
Total		**1,88,76,231.39**	**1,88,76,231.39**	**45,483.27**	**-**	**-**	**-**	**327.36**	**15,41,471.18**	**96,99,620.94**	**75,89,328.63**

iii. **Public Disclosure on Liquidity Risk**

(i) Funding concentration based on significant counterparty (both Deposits and Borrowings)

S.No	Number of significant counterparties	Amount (Rs.crore)	% of Total deposits	% of Total Liabilities
1	6	1,320.86	NA	64.97%

(ii) Top 20 large deposits (amount in Rs. crore and % of total deposits) - Not Applicable

(iii) Top 10 borrowings (amount in Rs. crore and % of total borrowings)

S.No	Name of the Party	Amount (in crores)	% of Total borrowings
1	TPG ASIA VI India Markets Pte. Ltd	589.40	44.62%
2	Government of Singapore	146.44	11.09%
3	ECL Finance Limited	225.13	17.04%
4	Manipal Health Systems Private Limited	177.20	13.42%
5	Centrum Retail Services Limited	137.83	10.44%
6	Centrum Financial Services Limited	44.84	3.39%
	Total	**1,320.86**	**100.00%**

(iv) Funding Concentration based on significant instrument/product

S.No	Name of the instrument/product	Amount (Rs.crore)	% of Total Liabilities
1	Non Convertible Debentures	1,320.86	64.97%

(v) Stock Ratios

S.No	Particulars	Ratio
1	Commercial paper as a % of total liabilities	NIL
2	Commercial paper as a % of total assets	NIL
3	Non-convertible debentures (original maturity of less than 1 year) as a % of total liabilities	NIL
4	Non-convertible debentures (original maturity of less than 1 year) as a % of total assets	NIL
5	Other short term liabilities, if any as a % of total liabilities	0.01%
6	Other short term liabilities, if any as a % of total assets	0.01%

(vi) Institutional Set-up for liquidity risk management

- The company's Board of Directors has the overall responsibility of management of liquidity risk. The board decides the strategic policies and procedures of the company to manage liquidity risk in accordance with the risk tolerance/limits decided by it
- The company also has a Risk Management Committee, which reports to the Board and is responsible for evaluating the overall risks faced by the company including liquidity risk.
- The company also has a Asset Liability Committee of the company which is responsible for ensuring adherence to the risk tolerance/limits for the company.

Notes forming part of the Financial Statements for the year ended 31 March , 2020
(Amount in INR thousands, unless otherwise stated)

27 Capital management

The Company maintains an actively managed capital base to cover risks inherent in the business and meets the capital adequacy requirements (CRAR) of the Reserve Bank of India (RBI). The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI. The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value. The funding requirements are met through equity and non convertible debentures. The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

The Company is a NOFHC of Jana Small Finance Bank Limited ('JSFB' or 'the Bank') and has no operation of its own. As per the terms and conditions of the license issued to the Bank to commence small finance bank business under Section 22 of the Banking Regulation Act, 1949 vide letter DBR.NBD.(SFB-JFS) No. 12881/16.13216/2016-17 dated 28 April 2017 ('Licensing letter'), the Company is required to comply with the provisions of paragraph 2(H)(ii)\ of the Guidelines for Licensing Of New Banks in the Private Sector dated 22 February 2013 which refers to Capital Adequacy ('CAR') compliance on a consolidated basis by the NOFHC as per RBI guidelines.

For the year ended 31 March 2020, the Company CAR computed on consolidated basis is below the regulatory minimum of 15%. This is due to the fact that Non-Convertible Debentures ('NCD') that have been issued by JHL and invested as equity in JSFB, which are not considered as capital on a consolidated basis.

(i) Gearing Ratio

Particulars		**31-Mar-20**	**31-Mar-19**
Equity Share Capital		23,809.44	19,921.14
Other Equity		70,97,761.54	76,13,012.50
Total equity	(i)	**71,21,570.98**	**76,32,933.64**
Borrowings other than convertible preference shares		1,32,08,569.37	1,12,41,091.12
Less: cash and cash equivalents		-30,494.75	-45,483.27
Total debt	(ii)	**1,31,78,074.62**	**1,11,95,607.85**
Overall financing	(iii) = (i) + (ii)	**2,02,99,645.61**	**1,88,28,541.49**
Gearing ratio	(ii)/ (iii)	**0.65**	**0.59**

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2020, 31 March 2019.

(ii) Consolidated CAR

Particulars	**31-Mar-20**	**31-Mar-19**
Common Equity Tier1 (CET1) capital	(31,16,634.28)	(45,88,637.82)
Other Tier 2 capital instruments	-	-
Total Capital	**(31,16,634.28)**	**(45,88,637.82)**
Risk weighted assets	7,67,12,741.81	5,38,84,812.46
CET1 capital ratio	-4.06%	-8.52%
Total capital ratio	-4.06%	-8.52%

28 Change in liabilities arising from financing activities

Particulars	01-Apr-19	Cash flows	Others*	Changes in fair values	Exchange difference	31-Mar-20
Debt securities	1,12,41,091.12	-	19,67,478.25	-	-	1,32,08,569.37
Total liabilities from financing activities	1,12,41,091.12	-	19,67,478.25	-	-	1,32,08,569.37

Particulars	01-Apr-18	Cash flows	Others*	Changes in fair values	Exchange difference	31-Mar-19
Debt securities	69,64,990.75	29,22,431.06	13,53,669.31	-	-	1,12,41,091.12
Total liabilities from financing activities	**69,64,990.75**	**29,22,431.06**	**13,53,669.31**	**-**	**-**	**1,12,41,091.12**

*Others includes the effect of accrued but not paid interest on debt securities, amortisation of processing fees etc.

29 Segment Reporting

The Company is NOFHC and has classified this as its business segment and accordingly there are no separate reportable segments in accordance with Ind AS 108 "Operating Segment".

30 Foreign Exchange Transaction

The Company does not have any foreign currency transactions entered during the year and hence there are no foreign currency earnings, outflows and forex gain or loss during the year.

Particulars	Amount
Foreign Currency Earnings	-
Foreign Currency Outflow	-
Forex Gain / Loss	-

31 Disclosure on COVID-19

The SARS-COV-2 virus responsible for COVID-19 continues to spread across the globe and India, which has contributed to a significant decline and volatility in global and Indian financial markets. Governments including the bank, have introduced a variety of measures to contain the spread of virus.

The company being a NOFHC does not perform any operations and its primarily into the business of an Investment Company to invest, buy, sell, transfer, deal in and dispose of any shares, stocks, debentures, whether perpetual or redeemable debenture, debentures, stocks, securities of any Government, Local Authority, Bonds and Certificates. The Company is a wholly owned subsidiary of Jana Capital Limited. The company has issued NCD which is the primary debt incurred and the funds realizable from its Investment in associate company (Jana Small Finance Bank) shall be utilized to repay off the debts. The extent to which the COVID-19 pandemic will impact the Bank's results will depend on future developments, which are highly uncertain at this point in time. This shall invariably affect the Investment valuation of the company JHL.

In accordance with the RBI guidelines relating to COVID-19 Regulatory package dated March 27, 2020 and April 17, 2020, the bank had granted a moratorium of three months on the payment of all instalments and / or interest, as applicable, falling due between March 1, 2020 and May 31, 2020 to all eligible borrowers. For all such accounts where the moratorium is granted, the asset classification shall remain stand still during the moratorium period (i.e the number of days past due shall exclude the moratorium period for the purpose of asset classification under the Income Recognition, Asset classification and Provisioning norms).

The Bank holds provisions as at March 31, 2020 against the potential impact of COVID-19 based on the information available at the point in time. The provisions held by the bank are in excess of the RBI prescribed norms.

32 Disclosure on Merger with Holding Company

The Board in its meeting held on October 21, 2019, and November 12, 2019, have approved Fast track method for merging the Company, being the wholly-owned Non-Operating Financial Holding Company (NOFHC), with its Holding as well as Core Investment Company, Jana Capital Limited. The Company has submitted necessary documents on January 9, 2020, sought by the RBI vide their letter dated October 2019 and has applied for the in-principle approval. The Company is awaiting in-principle approval from the RBI. As per the existing guidelines, the requirement of having a NOFHC has been dispensed with by the RBI for setting up Small Finance Banks and Universal Banks. Further, such a merger of the wholly-owned subsidiary with the Holding Company will simplify the compliances to be reported to various Regulatory Authorities, besides resulting in lower operating costs. The Company is eligible to adopt Fast track method for the merger as envisaged under Section 233 of the Companies Act, 2013 as it is the merger of the wholly-owned subsidiary with the Holding Company. The Company will proceed to obtain other approvals stipulated under the Companies Act, 2013 required for completing the merger process after the receipt of in-principle approval from the RBI.

33 Capital to Risk Assets Ratio

The Company is a Non operating Financial Holding Company ('NOFHC') of Jana Small Finance Bank Limited ('JSFB' or 'the Bank') and has no operation of its own. As per the terms and conditions of the license issued to the Bank to commence small finance bank business under Section 22 of the Banking Regulation Act, 1949 vide letter DBR.NBD.(SFB-JFS) No. 12881/16.13216/2016-17 dated 28 April 2017 ('Licensing letter'), the Company is required to comply with the provisions of paragraph 2(H)(ii) of the Guidelines for Licensing Of New Banks in the Private Sector dated 22 February 2013 which refers to Capital Adequacy ('CAR') compliance on a consolidated basis by the NOFHC as per RBI guidelines.
For the year ended 31 March 2020, the Company CAR computed on consolidated basis is below the regulatory minimum of 15%. This is due to fact that Non-Convertible Debentures ('NCD') that have been issued by the Company and invested as equity in bank, which are not considered as capital on a consolidated basis. In order to resolve the issue, the Company has evaluated merger option with Jana Capital Limited (the holding Company and a Core Investment Company) and had filed an application with Reserve Bank of India ("RBI") on January 9 2020, for its in principle approval. The approval is presently awaited.

34 Net Owned Fund

The Company is a NOFHC of Jana Small Finance Bank Limited ('JSFB' or 'the Bank') and has no operation of its own. As per the licensing conditions and in accordance with Section 45-IA of the RBI Act 1934, and Master Direction DNBR.PD.008/03.10.119/2016-17 dated September 1, 2016, the Company is required to adhere the prescribed net owned funds requirement of INR 200 Lakhs to carry on the business of a non-banking financial institution.
The Company has shortfall of the prescribed minimum net owned fund as of March 31, 2020. The main reason for shortfall is on account of accumulated losses which consists of cost of borrowings.
In order to resolve the issue, the Company has evaluated merger option with Jana Capital Limited (the holding Company and a Core Investment Company) had filed an application with Reserve Bank of India ("RBI") on January 9 2020, for its in principle approval. The approval is presently awaited.

35 Breach of Leverage Ratio on a Standalone basis

The Company is a Non operating Financial Holding Company ('NOFHC') of Jana Small Finance Bank Limited ('JSFB' or 'the Bank') and has no operation of its own. As per the terms and conditions of the license issued to the Bank to commence small finance bank business under Section 22 of the Banking Regulation Act, 1949 vide letter DBR.NBD.(SFB-JFS) No. 12881/16.13216/2016-17 dated 28 April 2017 ('Licensing letter'), the Company is required to comply with the provisions of paragraph 2(H)(i) of the Guidelines for Licensing Of New Banks in the Private Sector dated 22 February 2013 which refers to compliance of regulatory threshold of leverage ratio on a standalone basis by the NOFHC as per RBI guidelines.

For the year ended 31 March 2020, the Company had a leverage ratio of 1.85 vis-à-vis the regulatory threshold of 1.25 on a standalone basis. This is due to fact that Non-Convertible Debentures ('NCD') that have been issued by the Company has resulted in accumulated interest costs and the investments in equity of the bank has been impaired, which has resulted in breach of leverage ratio on a standalone basis. In order to resolve the issue, the Company has evaluated merger option with Jana Capital Limited (the holding Company and a Core Investment Company) and had filed an application with Reserve Bank of India ("RBI") on January 9 2020, for its in principle approval. The approval is presently awaited.

JANA HOLDINGS LIMITED

Notes to financial statements for the year ended 31 March 2020 (continued)

36 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

	Assets	31 March 2020			31 March 2019		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
	Financial assets						
(a)	Cash and cash equivalents	30,494.75	-	30,494.75	45,483.27	-	45,483.27
(b)	Bank balance other than cash and cash equivalents	-	-	-	327.36	-	327.36
(c)	Investments	-	2,03,00,420.67	2,03,00,420.67	-	1,88,30,419.76	1,88,30,419.76
(d)	Other financial assets	140.87	1.00	141.87	-	1.00	1.00
	Total financial assets	**30,635.61**	**2,03,00,421.67**	**2,03,31,057.28**	**45,810.63**	**1,88,30,420.76**	**1,88,76,231.39**
	Non-financial assets						
(a)	Current tax assets (net)	33.44	-	33.44	-	73.19	73.19
(b)	Property, plant and equipment	-	332.66	332.66	-	120.23	120.23
(c)	Other intangible assets	-	44.11	44.11	-	19.49	19.49
(d)	Other non-financial assets	152.01	-	152.01	-	-	-
	Balances with government authorities (goods and service tax)	16.59	25.10	41.69	5.00	-	5.00
	Prepaid expenses	34.41	-	34.41	27.41	-	27.41
	Advance payment to vendors	21.53	-	21.53	13.49	-	13.49
	Stamp and stamp papers on hand	2.28	-	2.28	2.46	-	2.46
	Advance payment to employees	0.98	-	0.98	0.04	-	0.04
	Repossessed assets (at realisable value)*	0.61	-	0.61	3.48	-	3.48
	Other advances	3.53	-	3.53	2.61	-	2.61
	Total non-financial assets	**185.45**	**376.77**	**562.23**	**-**	**212.92**	**212.92**
	Total Assets	**30,821.07**	**2,03,00,798.44**	**2,03,31,619.51**	**45,810.63**	**1,88,30,633.67**	**1,88,76,444.30**
	Liabilities and Equity						
	Liabilities						
	Financial liabilities						
(a)	Payables						
	Trade payables						
	(i) total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	857.11	-	857.11	1,389.45	-	1,389.45
(b)	Debt securities	-	1,32,08,569.37	1,32,08,569.37	-	1,12,41,091.12	1,12,41,091.12
(c)	Other financial liabilities	330.00	-	330.00	100.00	-	100.00
	Total financial liabilities	**1,187.11**	**1,32,08,569.37**	**1,32,09,756.48**	**1,489.45**	**1,12,41,091.12**	**1,12,42,580.57**
	Non-financial liabilities						
(a)	Other non-financial liabilities	152.45	-	152.45	930.09	-	930.09
(b)	Provisions	-	139.60	139.60			
	Total non-financial liabilities	152.45	-	292.05	930.09	-	930.09
	Equity						
(a)	Equity share capital	-	23,809.44	23,809.44	-	19,921.14	19,921.14
(b)	Other equity	-	70,97,761.54	70,97,761.54	-	76,13,012.50	76,13,012.50
	Total Equity	**-**	**71,21,570.98**	**71,21,570.98**	**-**	**76,32,933.64**	**76,32,933.64**
	Total Liabilities and Equity	**1,339.56**	**2,03,30,140.36**	**2,03,31,619.51**	**2,419.54**	**1,88,74,024.76**	**1,88,76,444.30**

JANA HOLDINGS LIMITED

Notes forming part of the Financial Statements for the year ended 31 March , 2020
(Amount in INR thousands, unless otherwise stated)

37 Asset Liability Management (ALM)

Amount in INR thousands

Maturity pattern of Financial assets and Financial liabilities as on 31 March 2020

Particulars	Upto 1 month	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Not sensitive to ALM*	Total
Financial assets										
Cash and Cash Equivalent	10,193.76	-	-	-	-	20,300.98	-	-	-	30,494.75
Bank Balance other than above	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	2,03,00,420.67	-	2,03,00,420.67
Other Financial Assets	-	140.87	-	-	-	-	1.00	-	-	141.87
Total	**10,193.76**	**140.87**	**-**	**-**	**-**	**20,300.98**	**1.00**	**2,03,00,420.67**	**-**	**2,03,31,057.28**
Financial liabilities										
Payables	-	58.77	798.34	-	-	-	-	-	-	857.11
Debt Securities	-	-	-	-	-	18,26,722.86	1,13,81,846.51	-	-	1,32,08,569.37
Other financial liabilities	100.00	-	230.00	-	-	-	-	-	-	330.00
Total	**100.00**	**58.77**	**1,028.34**	**-**	**-**	**18,26,722.86**	**1,13,81,846.51**	**-**	**-**	**1,32,09,756.48**

*represents adjustments on account of EIR/ECL

Maturity pattern of assets and liabilities as on 31 March 2019

Particulars	Upto 1 month	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Not sensitive to ALM*	Total
Financial assets										
Cash and Cash Equivalent	45,483.27	-	-	-	-	-	-	-	-	45,483.27
Bank Balance other than above	-	-	-	-	327.36	-	-	-	-	327.36
Receivables										
(I) Trade Receivables	-	-	-	-	-	-	-	-	-	-
(II) Other Receivables	-	-	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	1,88,30,419.76	-	1,88,30,419.76
Other Financial Assets	-	-	-	-	-	-	1.00	-	-	1.00
Total	**45,483.27**	**-**	**-**	**-**	**327.36**	**-**	**1.00**	**1,88,30,419.76**	**-**	**1,88,76,231.39**
Financial liabilities										
Payables	-	-	-	-	1,389.45	-	-	-	-	1,389.45
Debt Securities	-	-	-	-	-	15,41,471.18	96,99,619.94	-	-	1,12,41,091.12
Other financial liabilities	-	-	-	100.00		-	-	-	-	100.00
Total	**-**	**-**	**-**	**100.00**	**1,389.45**	**15,41,471.18**	**96,99,619.94**	**-**	**-**	**1,12,42,580.57**

*represents adjustments on account of EIR/ECL

(Amounts are in INR thousands)

38 Disclosure required in terms of the Revised Regulatory Framework for NBFC issued by RBI on 10 November 2014-
(Amounts included herein are based on current and previous year financials as per Ind AS)

a) Capital

S.No	Particulars	31 March 2020	31 March 2019
i)	CRAR (%)*	-4.06%	-8.52%
ii)	CRAR - Tier I Capital (%)*	-4.06%	-8.52%
iii)	CRAR - Tier II Capital (%)	-	-
iv)	Amount of Subordinated debt raised as Tier-II Capital	-	-
v)	Amount raised by issue of Perpetual Debt Instruments	-	-

b) Investments

S.No	Particulars	31 March 2020	31 March 2019
1	Value of Investments		
	(i) Gross Value of Investments		
	(a) In India	2,03,00,420.67	2,17,71,677.14
	(b) Outside India	-	-
	(ii) Provisions for Depreciation#		
	(a) In India	-	29,41,257.39
	(b) Outside India	-	-
	(iii) Net Value of Investments		
	(a) In India	2,03,00,420.67	1,88,30,419.76
	(b) Outside India	-	-
2	Movement of provisions held towards depreciation on investments		
	(i) Opening balance	29,41,257.39	-
	(ii) Add: Provisions made during the year#	-	29,41,257.39
	(iii) Less : Write-off / write-back of excess provisions during the year	-	-
	(iv) Closing balance#	**29,41,257.39**	**29,41,257.39**

This relates to impairment loss. Refer note 2 on Investment for details on impairment allowance.

39 Disclosure required in terms of the Revised Regulatory Framework for NBFC issued by RBI on 10 November 2014 (continued)
(Amounts included herein are based on current and previous year financials as per Ind AS)

c) Derivatives (Amounts are in INR thousands)

(i) Forward Rate Agreement/ Interest Rate Swap

S.No	Particulars	31 March 2020	31 March 2019
(i)	The notional principal of swap agreements	-	-
(ii)	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	-	-
(iii)	Collateral required by the NBFC upon entering into Swaps	-	-
(iv)	Concentration of credit risk arising from the swaps	-	-
(v)	The fair value of the swap book	-	-

(ii) Exchange Traded Interest Rate (IR) Derivatives

S.No	Particulars	31 March 2020	31 March 2019
(i)	Notional principal amount of exchange traded IR derivatives undertaken during the year	-	-
(ii)	Notional principal amount of exchange traded IR derivatives outstanding as on 31st March of respective years	-	-
(iii)	Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective"	-	-
(iv)	Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective"	-	-

39 Disclosure required in terms of the Revised Regulatory Framework for NBFC issued by RBI on 10 November 2014 (continued)
(Amounts included herein are based on current and previous year financials as per Ind AS)

c) Derivatives (Continued)

(iii) Disclosures on Risk Exposure in Derivatives

(A) Quantitative Disclosures
Disclosure relating to risk management policies pertaining to derivatives is not applicable to the Company as the Company has not used derivatives during the year and previous year.

(B) Quantitative Disclosures

		31 March 2020		31 March 2019	
S.No.	Particular	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount)				
	For hedging	-	-	-	-
(ii)	Marked to Market Positions [1]				
	a) Asset (+)	-	-	-	-
	b) Liability (-)	-	-	-	-
(iii)	Credit Exposure [2]	-	-	-	-
(iv)	Unhedged Exposures	-	-	-	-

39 Disclosure required in terms of the Revised Regulatory Framework for NBFC issued by RBI on 10 November 2014 (continued)
(Amounts included herein are based on current and previous year financials as per Ind AS)

d) Exposures

(i) Exposure to Real Estate Sector **(Amounts are in INR thousands)**

Category	**31 March 2020**	**31 March 2019**
Direct Exposure		
(i) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	-	-
(ii) Commercial Real Estate -	-	-
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits	-	-
(iii) Investments in Mortgage Backed Securities(MBS) and other securitised exposures -	-	-
a. Residential	-	-
b. Commercial Real Estate	-	-
Total Exposure to Real Estate Sector	-	-

(ii) Exposure to Capital Market

Particulars		**31 March 2020**	**31 March 2019**
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii)	Bridge loans to companies against expected equity flows / issues;	-	-
(viii)	All exposures to Venture Capital Funds (both registered and unregistered)	-	-
Total Exposure to Capital Market		-	-

Annexure 1 forming part of the financial statements for the year ended 31 March 2020

(Amounts are in INR thousands)

Schedule to the Balance Sheet of the non-deposit taking Non-Banking Financial Company

(as required in terms of Paragraph 18 of Master Direction -Non-Banking Financial Company- Systemically Important Non- Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016)

Liabilities side :

(i)

Loans and advances availed by company inclusive of interest accrued thereon but not paid:	**As at 31 March 2020**		**As at 31 March 2019**	
	Amount outstanding	**Amount overdue**	**Amount outstanding**	**Amount overdue**
(a) Debentures#				
Secured*	40,78,062.82	-	1,12,41,091.12	-
Unsecured	91,30,506.55	-	-	-
(other than falling within the meaning of public deposits)				
(b) Deferred credits	-	-	-	-
(c) Term loans	-	-	-	-
(d) Inter-corporate loans and borrowings	-	-	-	-
(e) Commercial paper	-	-	-	-
(f) Other loans	-	-	-	-
	1,32,08,569.37	**-**	**1,12,41,091.12**	**-**

(ii)

	As at 31 March 2020		**As at 31 March 2019**	
Break-up of (i)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid:	**Amount outstanding**	**Amount overdue**	**Amount outstanding**	**Amount overdue**
(a) In the form of Unsecured Debentures	-	-	-	-
(b) In the form of partly secured Debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c) Other public deposits	-	-	-	-
	-	**-**	**-**	**-**

*This amount comprises of face value of Non Covertible Debentures, redemption premium and interest accrued as on date.

Balances as per financials as computed under IND AS under Effective Interest Rate ('EIR').

Assets side :

(iii)

Break-up of loans and advances including bills receivable	**As at 31 March 2020**	**As at 31 March 2019**
	Amount outstanding	**Amount outstanding**
(a) Secured	-	-
(b) Unsecured	-	-
	-	-

(iv)

Break up of leased assets and stock on hire and hypothecation loans counting towards AFC activities	**As at 31 March 2020**	**As at 31 March 2019**
	Amount outstanding	**Amount outstanding**
(i) Lease assets including lease rentals under sundry debtors :		
(a) Financial lease	-	-
(b) Operating lease	-	-
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire	-	-
(b) Repossessed assets	-	-
(iii) Other loans counting towards AFC activities		
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-

(v) **Break-up of investments :**

Current investments	**As at 31 March 2020**	**As at 31 March 2019**
	Amount outstanding	**Amount outstanding**
1. Quoted		
(i) Shares :		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds		
(iv) Government securities	-	-
(v) Others (please specify)	-	-

2. Unquoted		
(i) Shares :		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government securities	-	-
(v) Others (please specify)	-	-

Long-term investments	**As at 31 March 2020**	**As at 31 March 2019**
	Amount outstanding	**Amount outstanding**
1. Quoted		
(i) Shares :		
(a) Equity*	-	-
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds		
(iv) Government Securities	-	-
(v) Others (please specify)	-	-
2. Unquoted		
(i) Shares :		
(a) Equity	2,03,00,420.67	1,88,30,419.76
(b) Preference	-	-
(ii) Debentures and Bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government Securities	-	-
(v) Others (please specify)	-	-

* Net of impairment loss, refer note 5 on Investment for details

(vi)

Borrower group-wise classification of assets financed as in (b) and (c)	**As at 31 March 2020**		
	Amount net of provisions		
Category	**Secured**	**Unsecured**	**Total**
1. Related parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	-	-	-
	-	**-**	**-**

Borrower group-wise classification of assets financed as in (b) and (c)	**As at 31 March 2019**		
	Amount net of provisions		
Category	**Secured**	**Unsecured**	**Total**
1. Related parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	-	-	-
	-	**-**	**-**

(vii) Investor group-wise classification of all investments (current and long-term) in shares and securities (both quoted and unquoted):

Category	**As at 31 March 2020**		**As at 31 March 2019**	
	Book Value (Net of impairment)	**Market value/ Break up or fair value or NAV ***	**Book Value (Net of impairment)**	**Market value/ Break up or fair value or NAV ***
1. Related parties				
(a) Subsidiaries				
(b) Companies in the same group	-	-	-	-
(c) Other related parties	2,03,00,420.67	2,05,03,192.22	1,88,30,419.76	1,88,30,419.76
2. Other than related parties	-	-	-	-
	2,03,00,420.67	**2,05,03,192.22**	**1,88,30,419.76**	**1,88,30,419.76**

(Amounts are in INR thousands)

40 Disclosure required in terms of the Revised Regulatory Framework for NBFC issued by RBI on 10 November 2014 (continued)

(Amounts included herein are based on current and previous year financials as per Ind AS)

(e) Miscellaneous

(i) Registration obtained from other financial sector regulators

The Company has not obtained registration from other financial sector regulators.

(ii) Disclosure of Penalties imposed by RBI and other regulators

Penalties imposed by RBI and other regulators on the Company is Nil (Previous Year: Nil)

(iii) Ratings assigned by credit rating agencies and migration of ratings during the year

S. No.	Instrument	Date of Rating	Rating	Previous Rating
1	Redeemable Non-Convertible Debentures (Series A - H)	28 March 2020	PP-MLD [ICRA]B+ (Negative)	PP-MLD [ICRA]B+ (Negative)
2	Redeemable Non-Convertible Debentures (Series I - J)	07 October 2019	IND B+/ Stable	IND B+/ Stable

(iv) Net Profit or Loss for the period, prior period items and changes in accounting policies

There are no prior period items included in the current year's statement of profit and loss.

(v) Revenue Recognition

There is no revenue which has been postponed pending the resolution of significant uncertainties.

(vi) Draw Down from Reserves

The Company has not made any draw down from reserves.

(vii) Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

The Company does not have any Overseas Assets (for those with Joint Ventures and Subsidiaries abroad).

(viii) Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

The Company does not have any off-balance sheet SPVs sponsored.

(f) Disclosure of Customer Complaints

(Amounts are in INR thousands)

Sl.No.	Particulars	31 March 2020	31 March 2019
(a)	No. of complaints pending at the beginning of the year	-	-
(b)	No. of complaints received during the year	-	-
(c)	No. of complaints redressed during the year	-	-
(d)	No. of complaints pending at the end of the year	-	-

(g) **Disclosure of Frauds reported during the year vide DNBS.PD.CC NO.256/03.10.042/2011-12 Dated 02 March 2012**

(Amounts are in INR thousands)

Particulars	31 March 2020	31 March 2019
a. Persons involved		
Customers	-	-
Collection Agency	-	-
Dealer	-	-
Total	**-**	**-**
b. Type of Fraud		
Misappropriation and criminal breach of trust	-	-
Fraudulent encashment/ manipulation of books of account	-	-
Cheating and forgery	-	-

41 Prior year comparatives

Previous year figures have been re-grouped / reclassified wherever necessary to correspond with the current year's classification/ disclosure.

As per our report of even date
For MSKC & Associates
(Formerly known as R.K. Kumar & Co.)
Chartered Accountants
ICAI Firm Registration No.:001595S

Tushar Kurani
Partner
Membership No: 118580

Place: Mumbai
Date: 27 July 2020

For and on behalf of the Board of Directors of **Jana Holdings Limited**
CIN:U74900KA2016PLC086838

Rajamani Muthuchamy
Managing Director and CEO
DIN:08080999

Place: Bangalore
Date: 27 July 2020

Ramesh Ramanathan
Chairman
DIN:00163276

Place: Bangalore
Date: 27 July 2020

Gopalakrishnan S
Chief Financial officer
ICAI Membership No: 021783

Place: Bangalore
Date: 27 July 2020

Vidya Sridharan
Company Secretary
ICSI Membership No: A44354

Place: Bangalore
Date: 27 July 2020

MSKC
& Associates
Chartered Accountants

Floor 3, Enterprise Centre, Nehru Road
Near Domestic Airport, Vile Parle (E)
Mumbai -400099
Tel: +91 22 3358 9800

INDEPENDENT AUDITOR'S REPORT

To the Members of Jana Holdings Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying consolidated financial statements of Jana Holdings Limited (the "Company"), its associate, which comprise the Consolidated Balance Sheet as at 31 March 2020, and the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies. (hereinafter referred to as "the consolidated financial statements")

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of their consolidated state of affairs of the Company and its associate, as at 31 March 2020, consolidated loss, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Qualified Opinion

i. The Company is a Non Operating Financial Holding Company ('NOFHC') of Jana Small Finance Bank Limited ('JSFB' or 'the Bank'). As per the terms and conditions of the license issued to the Bank to commence small finance bank business under Section 22 of the Banking Regulation Act, 1949, the Company is required to comply with Capital Adequacy Requirements ('CAR') on a consolidated basis as per RBI guidelines. For the year ended 31 March 2020, the Company is in breach of the regulatory minimum CAR on a consolidated basis. Capital adequacy computed on a consolidated basis as on 31 March 2020, is in -4.06 %, which is below the regulatory minimum of 15%. The consequential impact of such non-compliances on the consolidated financial statements is presently unascertainable. (Refer Note 32 to the audited consolidated financial statements)

ii. The terms and conditions of the Certificate of registration issued to the Company by the RBI vide letter no. N-02.00275 dated 27 January 2017, requires Company to comply with prescribed net owned fund requirement in accordance with Section 45-IA of the Reserve Bank of India Act,1934 and RBI's Master Direction DNBR.PD.008/03.10.119/2016-17 dated 1 September 2016. The net owned funds of the Company as on 31 March 2020, is in a deficit of Rs. 1,24,66,741 thousand, which is below the regulatory minimum of Rs. 20,000 thousand. The consequential impact of such non-compliance on the consolidated financial statements is presently unascertainable. (Refer note 33 to the audited consolidated financial statements).

iii. The terms and conditions of the license issued to the Bank to commence small finance bank business under Section 22 of the Banking Regulation Act, 1949 requires the Company to comply with the provisions of paragraph 2(H)(i) of the Guidelines for Licensing of New Banks in the Private Sector dated 22 February 2013, which refers to compliance of regulatory threshold of leverage ratio on a standalone basis by the NOFHC as per RBI guidelines. For the year ended 31 March 2020, the Company had a leverage ratio of 1.85 which is above the regulatory threshold of 1.25 on a standalone basis.

The consequential impact of such non-compliances on the consolidated financial statements is presently unascertainable. (Refer Note 34 to the audited consolidated financial statements).

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its associate in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountant of India ("ICAI") and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note no. 35 of the consolidated financial statements, which states that the Company has accumulated losses amounting to Rs. 1,13,10,581 thousand as on 31 March 2020 which has fully eroded its net worth. Such event/condition, along with other matters as set forth in the note, indicate that a material uncertainty exists that may cast significant doubt on Company's ability to continue as a going concern. However, as stated in the note, Company's management has concluded the appropriateness of going concern assumption in the preparation of financials, based on key changes in the Associate, such as return to profitability, raising of further equity capital and maintenance of adequate liquidity surplus on an ongoing basis. Accordingly, the consolidated financial statements have been prepared under the going concern assumption.

Our opinion is not qualified in respect of this matter.

Emphasis of Matter

We draw attention to the following matters in the Notes to the consolidated financial statements:

i. We draw attention to Note 30 to the consolidated financial statements which describes the extent to which the SARS-Cov-2 virus responsible for the COVID-19 Pandemic will impact the associate's financial statements. Consequentially, the impact on the carrying value of investment of associate in the books of the Company will depend on the future developments which the Company is unable to assess currently. Accordingly, no adjustments have been made to the consolidated financial statements.

ii. We draw attention to Note 31 of the audited consolidated financial statements, which describes the merger of the Company with its holding Company, Jana Capital Limited.

Our opinion is not qualified in respect of these matters.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. The other information included in the Director's Report have not been adjusted for the impacts as described in the Basis for Qualified section above Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Basis for Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.

Impairment Assessment of Investment in Associate:

Refer Note 2 of consolidated financial statements with respect to the disclosures of Investment in Jana Small Finance Bank Limited ("Associate"). On 31 March 2020, Investment in Associate amounts to Rs.18,92,078 thousand.

We have considered this as a key audit matter due to the fact that process and methodology for assessing and determining the recoverable amount of investment are based on complex assumptions, that by their nature imply the use of the management's judgment, in particular with reference to identification of impairment indicators, forecast of future cash flows relating to the period covered by the Company's strategic business plan, normalized cash flows assumed as a basis for terminal value, as well as the long-term growth rates and discount rates applied to such forecasted cash flows.

Our audit procedures in respect of this area include but are not limited to:

i. Verified the design, implementation and operating effectiveness of key internal controls over approval, recording and monitoring of Impairment in Investments.

ii. Obtained valuation report of the Associate provided by the external valuer.

iii. Evaluated the appropriateness of the assumptions considered and key inputs used to arrive at the value of the investment.

iv. Verified the infusion of funds by the independent third-party investor in the Associate to assess whether the value used for impairment is appropriate.

v. Verified completeness, arithmetical accuracy and validity of the data used in the calculations.

vi. Assessed the arithmetical accuracy of the calculations and evaluated the adequacy of the disclosures.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company and its Associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The Board of Directors of the company and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Company and of its associates are responsible for assessing the ability of the Company and of its associate and to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Company and of its associates are responsible for overseeing the financial reporting process of the Company and of its associate.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and its associate to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entity and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The consolidated financial statements of the Company for the year ended 31 March 2019, were not audited and were approved by the Board of Directors.

Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

a. We have sought and, except for the possible effect of the matter described in the Basis for Qualified Opinion above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b. Except for the effects of the matter described in the Basis for Qualified Opinion section above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d. Except for the effects of the matter described in Basis for Qualified Opinion section above, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015.

e. The matter described in Basis of Qualified Opinion and Material Uncertainty Related to Going Concern section of our report, in our opinion, may have an adverse effect on the functioning of the Company.

f. On the basis of the written representations received from the directors of the Company as on 31 March, 2020 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its associate company, none of the directors of the Company, its associate company is disqualified as on 31 March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

g. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.

h. With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A".

i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Company and its associate. Refer Note 14(e) to the consolidated financial statements.

   ii. The Company and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company and its associate company incorporated in India.

2. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company and its associate to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

MSKC & Associates (Formerly known as R K Kumar & Co)
Chartered Accountants
ICAI Firm Registration Number: 001595S

Tushar Kurani

Tushar Kurani
Partner
Membership No. 118580
UDIN: 20118580AAAAHE1545

Place: Mumbai
Date: 10 November 2020

MSKC & Associates
Chartered Accountants

Floor 3, Enterprise Centre, Nehru Road
Near Domestic Airport, Vile Parle (E)
Mumbai -400099
Tel: +91 22 3358 9800

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF JANA HOLDINGS LIMITED

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of Jana Holdings Limited on the consolidated Financial Statements for the year ended 31 March 2020]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2020, we have audited the internal financial controls with reference to consolidated financial statements of Jana Holdings Limited (hereinafter referred to as "the Company") and its associate company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company, its associate company are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Company and its associate company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Company and its associate company.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements
A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls With Reference to Consolidated Financial Statements
Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion
In our opinion, and to the best of our information and according to the explanations given to us, the Company and its associate company, which are companies incorporated in India, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2020, based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

MSKC & Associates (Formerly known as R K Kumar & Co)
Chartered Accountants
ICAI Firm Registration Number: 001595S

Tushar Kurani

Tushar Kurani
Partner
Membership No. 118580
UDIN: 20118580AAAAHE1545

Place: Mumbai
Date: 10 November 2020

JANA HOLDINGS LIMITED
Consolidated Balance Sheet as at 31 March 2020
(Amount in INR thousands, unless otherwise stated)

	Particulars	Note	As at 31-Mar-20	As at 31-Mar-19
	ASSETS			
(1)	**Financial Assets**			
(a)	Cash and Cash Equivalent	1(i)	30,494.75	45,483.27
(b)	Bank Balance other than (a) above	1(ii)	-	327.36
(c)	Investments in Associate	2	18,92,078.39	21,36,710.73
(d)	Other Financial Assets	3	141.87	1.00
(2)	**Non- Financial Assets**			
(a)	Current tax assets (Net)	4	33.44	73.19
(b)	Property, Plant and Equipment	5	332.66	120.23
(c)	Other Intangible assets	6	44.11	19.49
(d)	Other Non financial assets	7	152.01	-
(3)	**Non-current assets and disposal group held for sale**		-	-
	Total Assets		**19,23,277.23**	**21,82,735.27**
	LIABILITIES AND EQUITY			
	LIABILITIES			
(1)	**Financial Liabilites**			
(a)	Payables	8		
	(I) Trade Payables			
	(a) total outstanding dues of micro enterprises and small enterprises		-	-
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises		857.11	1,389.45
(b)	Debt Securities	9	1,32,08,569.38	1,12,41,091.12
(c)	Other financial liabilities	10	330.00	100.00
(2)	**Non-Financial Liabilites**			
(a)	Other non-financial liabilities	11	152.45	930.09
(b)	Provisions	12	139.60	
(3)	**Non-current liability and disposal group held for sale**		-	-
(4)	**EQUITY**			
(a)	Equity Share capital	13	23,809.44	19,921.14
(b)	Other Equity*	14	(1,13,10,580.75)	(90,80,696.53)
	Total Liabilites and Equity		**19,23,277.23**	**21,82,735.27**

Summary of significant accounting policies
The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date
For MSKC & Associates
(Formerly known as R.K. Kumar & Co.)
Chartered Accountants
ICAI Firm Registration No.:001595S

Tushar Kurani

Tushar Kurani
Partner
Membership No: 118580

Place: Mumbai
Date: 10-11-2020

For and on behalf of the Board of Directors of **Jana Holdings Limited**
CIN:U74900KA2016PLC086838

Rajamani Muthuchamy
Managing Director and CEO
DIN:08080999

Place: Chennai
Date: 10-11-2020

Ramesh Ramanathan
Chairman and Director
DIN:00163276

Place: USA
Date: 10-11-2020

Gopalakrishnan S
Chief Financial officer
ICAI Membership No: 021783

Place: Bangalore
Date: 10-11-2020

Vidya

Vidya Sridharan
Company Secretary
ICSI Membership No: A44354

Place: Bangalore
Date: 10-11-2020

JANA HOLDINGS LIMITED
Statement of Consolidated Profit and Loss for the year ended 31 March 2020
(Amount in INR thousands, unless otherwise stated)

	Particulars	Note	For the year ended 31-March-2020	For the year ended 31-March-2019
	Revenue from Operations			
(i)	Interest Income		-	-
(I)	**Total Revenue from Operations**		-	-
(II)	Other Income	15	337.35	731.84
(III)	**Total Income (I+II)**		**337.35**	**731.84**
	Expenses			
(i)	Finance Costs	16	19,80,458.24	13,50,451.33
(ii)	Impairment on financial instruments	17	-	-
(iii)	Employee Benefits Expenses	18	8,688.67	2,059.44
(iv)	Depreciation and amortization	19	123.68	15.48
(v)	Others expenses	20	6,855.98	4,534.89
(IV)	**Total Expenses (IV)**		**19,96,126.57**	**13,57,061.14**
(V)	Loss before exceptional items, tax and share of loss of Associate (III -IV)		(19,95,789.22)	(13,56,329.30)
(VI)	Exceptional items		-	-
(VII)	Loss before tax and share of loss of Associate (V-VI)		(19,95,789.22)	(13,56,329.30)
(VIII)	Share of Profit/(loss) of the associate accounted for using equity method		(16,96,615.53)	(28,79,699.52)
(IX)	Tax Expense:			
	(1) Current Tax		-	-
	(2) Deferred Tax		-	-
(X)	Loss for the year (VII-VIII-IX)		**(36,92,404.75)**	**(42,36,028.82)**
(X)	**Other Comprehensive Income**			
	(A) (i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Subtotal (A)		-	-
	(B) (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Subtotal (B)		-	-
	Other Comprehensive Income (A + B)		-	-
(XI)	**Total Comprehensive Income / (Loss) for the period (IX+X)**		**(36,92,404.75)**	**(42,36,028.82)**
(XII)	**Earnings per equity share (for continuing operations)**	21		
	Basic (Rs.)		(1,550.82)	(2,126.40)
	Diluted (Rs.)		(1,550.82)	(2,126.40)

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date
For MSKC & Associates
(Formerly known as R.K. Kumar & Co.)
Chartered Accountants
ICAI Firm Registration No.:001595S

Tushar Kurani

Tushar Kurani
Partner
Membership No: 118580

Place: Mumbai
Date: 10-11-2020

For and on behalf of the Board of Directors of **Jana Holdings Limited**
CIN:U74900KA2016PLC086838

Rajamani Muthuchamy
Managing Director and CEO
DIN:08080999

Place: Chennai
Date: 10-11-2020

Ramesh Ramanathan
Chairman and Director
DIN:00163276

Place: USA
Date: 10-11-2020

Gopalakrishnan S
Chief Financial officer
ICAI Membership No: 021783

Place: Bangalore
Date: 10-11-2020

Vidya

Vidya Sridharan
Company Secretary
ICSI Membership No: A44354

Place: Bangalore
Date: 10-11-2020

JANA HOLDINGS LIMITED

Statement of Consolidated Cash Flows for the year ended 31 March 2020

(Amount in INR thousands, unless otherwise stated)

	Year ended 31-Mar-20	Year ended 31-Mar-19
Cash flow from operating activities		
Profit / Loss before tax		
Adjustments for:	(36,92,404.75)	(42,36,028.82)
	-	
Depreciation and amortization expenses	123.68	15.48
Share of loss of the associate accounted for using equity method	16,96,615.53	28,79,699.52
Impairment on financial instruments	-	-
Provisions	139.60	
Finance cost (Interest on debt securities)	19,67,478.25	13,50,451.33
Interest income in respect of investing activity	-	-
Operating Loss before working capital changes and adjustments for interest received, interest paid and dividend received	**(28,047.69)**	**(5,862.49)**
Changes in working capital		
(Decrease) / Increase in payables	(532.34)	1,379.77
Decrease/ (increase) in other financial assets	(140.87)	-
(Decrease) / Increase in other financial liabilities	230.00	(754.00)
(Decrease) / Increase in other non-financial liabilities	(777.65)	874.09
Decrease/ (increase) in other non financial assets	(152.01)	-
Cash used in operations before adjustments for interest received, interest paid and dividend received	**(1,372.86)**	**1,499.86**
Interest received	-	-
Cash used in operations	(1,372.86)	1,499.86
Income tax paid / Current tax assets (net)	39.75	(73.18)
Net cash flows from (used in) operating activities (A)	**(29,380.80)**	**(4,435.81)**
Cash flow from Investing activities		
Payment for property, plant and equipment and intangible assets	(360.73)	(155.20)
Purchase of investment in associate at amortised cost	(14,70,000.91)	(29,83,201.35)
Interest income from Fixed Deposits	-	
Net cash flow from / (Used in) investing activities (B)	**(14,70,361.64)**	**(29,83,356.55)**
Cash flow from Financing activities		
Proceeds from issuance of equity share capital	14,89,996.56	-
Proceeds from Debt securities issued		29,25,649.04
Receipt on account of transfer of funds earmarked for interim divdend	327.36	
Share Issue Expenses	(5,570.00)	
Net cash flow from financing activities (C)	**14,84,753.92**	**29,25,649.04**
Net increase in cash and cash equivalents (A+B+C)	**(14,988.52)**	**(62,143.32)**
Cash and cash equivalents at the beginning of the year	**45,483.27**	**1,07,626.59**
Cash and cash equivalents at the end of the year	**30,494.75**	**45,483.27**
Cash and cash equivalents comprise (Refer note 1)		
Balances with banks		
On current accounts	10,193.76	45,483.27
On Deposits with Banks	20,300.99	-
Total cash and bank balances at end of the year	**30,494.75**	**45,483.27**

See accompanying notes to the consolidated financial statements

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date
For MSKC & Associates
(Formerly known as R.K. Kumar & Co.)
Chartered Accountants
ICAI Firm Registration No.:001595S

Tushar Kurani
Partner
Membership No: 118580

Place: Mumbai
Date: 10-11-2020

For and on behalf of the Board of Directors of **Jana Holdings Limited**
CIN:U74900KA2016PLC086838

Rajamani Muthuchamy
Managing Director and CEO
DIN:08080999

Place: Chennai
Date: 10-11-2020

Ramesh Ramanathan
Chairman and Director
DIN:00163276

Place: USA
Date: 10-11-2020

Gopalakrishnan S
Chief Financial officer
ICAI Membership No: 021783

Place: Bangalore
Date: 10-11-2020

Vidya Sridharan
Company Secretary
ICSI Membership No: A44354

Place: Bangalore
Date: 10-11-2020

JANA HOLDINGS LIMITED
Consolidated Statement of changes in equity for the year ended 31 March 2020
(Amount in INR thousands, unless otherwise stated)

(A) Equity share capital*

	As at 31-Mar-20		As at 31-Mar-19	
	No. of shares	Amount	No. of shares	Amount
Equity shares of Rs.10 each issued, subscribed and fully paid				
Opening	19,92,114	19,921.14	19,92,114	19,921
Add: Issued during the year	3,88,830	3,888.30	-	-
Closing	**23,80,944**	**23,809.44**	**19,92,114**	**19,921**

(B) Other equity
01 April 2019 to 31 March 2020

Particulars	Securities Premium	Statutory Reserve	Retained Earnings	Other comprehensive income	Total
Balance at the beginning of the reporting period	1,22,66,639.66	30,339.16	(2,13,77,675.35)	-	(90,80,696.54)
Total Comprehensive Income for the year	-	-	(36,92,404.74)	(18,017.72)	(37,10,422.47)
Premium on issue of equity shares	14,86,108.26	-	-		14,86,108.26
Less: Share Issue Expenses	5,570.00				5,570.00
Balance at the end of the reporting period	**1,37,47,177.92**	**30,339.15**	**(2,50,70,080.10)**	**(18,017.72)**	**(1,13,10,580.75)**

01 April 2018 to 31 March 2019

Particulars	Securities Premium	Statutory Reserve	Retained Earnings	Other comprehensive income	Total
Balance at the beginning of the reporting period	1,22,66,639.66	30,339.16	(1,71,41,646.53)	-	(48,44,667.72)
Total Comprehensive Income for the year	-	-	(42,36,028.82)		(42,36,028.82)
Balance at the end of the reporting period	**1,22,66,639.66**	**30,339.16**	**(2,13,77,675.35)**		**(90,80,696.54)**

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date
For MSKC & Associates
(Formerly known as R.K. Kumar & Co.)
Chartered Accountants
ICAI Firm Registration No.:001595S

Tushar Kurani
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Membership No: 118580

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Vidya Sridharan
Company Secretary
ICSI Membership No: A44354

Place: Bangalore
Date: 10-11-2020

JANA HOLDINGS LIMITED

Notes to the Consolidated Financial Statements for the year ended 31 March 2020

1 Company Overview

1.1 Reporting Entity

The Company was incorporated on 10 March 2016 to carry on the business of an Investment Company and to invest, buy, sell, transfer, deal in and dispose of any shares, stocks, debentures, whether perpetual or redeemable debenture, debentures, stocks, securities of any Government, Local Authority, Bonds and Certificates. The Company is a wholly owned subsidiary of Jana Capital Limited. The Company has received certificate of registration for Non-Banking Financial Company ('NBFC') Non Operating Financial Holding Company ('NOFHC') from Reserve Bank of India, on 27 January 2017. As per the guidelines for licensing of new banks in the private sector issued by Reserve Bank of India, the company, a Non-Operating Financial Holding Company Limited holds the investment in Jana Small Finance Bank (formerly known as 'Janalakshmi Financial Services Limited').

1.2 Statement of compliance

These financial statements are consolidated financial statements prepared in accordance with Indian Accounting Standards ("Ind AS"), the provisions of the Companies Act, 2013 ("the Act") (as amended). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendments Rules, 2016.

1.3 Basis of preparation

The consolidated financial statements for the year ended 31 March 2020 have been prepared by the Company in accordance with Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016, as amended from time to time, in this regard.

1.4 Principles of consolidation

The consolidated financial statements comprise the financial statements of the Company and Associates as at and for the year ended 31 March 2020. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If associate uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that associate's financial statements in preparing the consolidated financial statements to ensure conformity with the Company's accounting policies.

The financial statements of all entities used for the purpose of consolidation are same reporting date as that of the parent company, i.e., year ended on March 31, 2020.

1.5 Consolidation procedure:

Assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105. Under the equity method, the investment in an associate is initially recognised at cost and adjusted thereafter to recognise the company's share of the profit or loss and other comprehensive income of the associates. Dividend received from associates is recognised as reduction in the carrying amount of the investments.

After application of the equity method, the company determines whether there is any objective evidence that the investment in the associate is impaired. If there is such evidence, the company calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'Share of profit/loss of an associate in the Statement of Profit and Loss'.

When a company transacts with an associate, profit or losses resulting from the transactions with associate are recognised in the company's consolidated financial statements only to the extent of interests in the associate that are not related to the company.

1.6 Functional and Presentation currency

These Ind AS Consolidated Financial Statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts are rounded off to the nearest thousands, unless otherwise indicated.

1.7 Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis.

1.8 Significant areas of estimation, critical judgments and assumptions in applying accounting policies

The preparation of consolidated financial statements in accordance with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, as well as the disclosure of contingent liabilities. The Company's management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of the changes in circumstances surrounding the estimates. Any changes in the accounting estimates are reflected in the period in which such change in circumstances are made and, if material their effect are disclosed in the notes to the consolidated financial statements.

The key estimates and assumptions used in preparation of consolidated financial statements are;

i. **Fair value of financial instruments**

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items.

ii. **Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalized.**

Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. Use of assumptions is also made by the Company for assessing whether an asset may be capitalized and which components of the cost of the asset may be capitalized.

Estimation of uncertainties relating to the global health 'pandemic from COVID-19

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of its assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

2 Significant accounting policies

The Company has applied the following accounting policies to all periods presented in these consolidated financial statements.

i. **Revenue recognition**

Interest on fixed deposits is recognized on a time proportion basis taking into account the amount outstanding and the applicable rate.
Dividend is recognised when the right to receive the dividend is established.

ii. **Finance Cost**

Interest expense on financial liabilities is recognized on an accrual basis using effective interest rate (EIR) method.
The EIR is the rate that discounts the estimated future cash flows through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial liability adjusted for upfront expenses. The interest expense is recognized on EIR method on a time proportion basis applied on the carrying amount for financial liability.
Arranger fees, stamp duty charges and other fees that are integral to the effective interest rate on a liability are included in the effective interest rate.
Other fees and expenses such are recognized as and when they are incurred.

iii. **Financial assets and liabilities**

a. **Financial assets**

Initial recognition and measurement

Except for items at fair value through profit or loss (FVTPL), all financial assets are recognized initially at fair value plus or minus transaction costs that are directly attributable and incremental to the origination/acquisition of the financial asset.

Financial assets at amortised cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest outstanding on the principal amount outstanding (SPPI).

After initial measurement, such financial assets are subsequently measured at amortized cost using the EIR method. Amortized cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR and reported as part of interest income in the Statement of Profit or Loss. The losses if any, arising from impairment are recognized in the Statement of Profit or Loss.

Financial assets at fair value through other comprehensive income

A financial asset is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:
- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI.

The loss allowance is recognized in other comprehensive income and does not reduce the carrying value of the financial asset. When the financial asset is derecognized the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial assets at fair value through profit or loss (FVPL)

Any financial instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified to be measured at FVTPL.

In addition, the Company may also elect to classify a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is done only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in profit or loss.

Classification and subsequent measurement

The Company classifies its financial assets as subsequently measured at either amortized cost or fair value based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

b. Financial Liabilities

Initial recognition and measurement

Except for items at fair value through profit or loss (FVTPL), all financial liabilities are recognized initially at fair value plus or minus transaction costs that are directly attributable and incremental to the issue of the financial liabilities.

Subsequent measurement

All financial liabilities are subsequently measured at amortized cost except for financial liabilities at FVTPL. Such liabilities including derivatives that are liabilities are subsequently measured at fair value.

c. De-recognition of financial assets and financial liabilities

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognized when

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognized) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in Statement of Profit or Loss.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

d. Modifications of financial assets and financial liabilities

Financial assets

If the terms of a financial asset are modified, the Company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognized and a new financial asset is recognized at fair value adjusted for any eligible transaction costs.

If the cash flows of the modified asset carried at amortized cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Company recalculates the gross carrying amount of the financial asset and recognizes the amount arising from adjusting the gross carrying amount as a modification gain or loss in Statement of profit or loss.

Financial liabilities

The Company derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in statement of profit or loss.

e. Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is presented in the statement of financial position when the Company has a legal right to offset the amounts and intends to settle on net basis or to realize the asset and settle the liability simultaneously.

f. Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

iv. Employee Benefits

i. Short term employee benefits

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

v. Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment loss if any. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and borrowing costs on qualifying assets.
When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.
Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within the statement of profit or loss.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

Depreciation

Depreciation is calculated on the cost of items of property, plant and equipment less their estimated residual values (at 0.01% except for leasehold improvements which are fully depreciated) using the straight-line method over their estimated useful lives, and is recognized in Statement of profit or loss.

The estimated useful lives for the current and comparative periods are as follows:

Particulars	Useful Life
Computers and Printers	3 Years

The depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.
Depreciation on additions /disposals is provided on a pro-rata basis i.e. from / up to the date on which asset is ready for use /disposed of.

vi. Other intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets, comprising of software are amortized on the basis of written down value method over the estimated useful life of the asset.

Particulars	Useful Life
Computer Software	3 Years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

vii. Impairment (non-financial asset)

The carrying amounts of the Company's non-financial assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

Impairment exists when the carrying value of an asset or cash generating unit ('CGU') exceeds the recoverable amount, which is the higher of the fair value less costs to sell and value in use. The fair value less costs to sell is arrived based on available data from binding sales transactions at arm's length, for similar assets. The value in use is based on a discounted cash flow (DCF) model, whereby the future expected cash flows discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

Impairment losses are recognized in statement of profit or loss, when the carrying value of an asset or cash generating unit ('CGU') exceeds the estimated recoverable amount. Impairment losses recognized in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (company of units) on a pro rata basis.

Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

viii. Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currency of the Company at exchange rates at the dates of the transactions or at the average rate if such rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences are generally recognized in Statement of profit or loss.

ix. Provisions and contingencies related to claims, litigation, etc.

A provision is recognised if, as a result of a past event, the Company has a present obligation (legal or constructive) that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

a. Onerous contracts

A contract is considered as onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

b. Contingencies related to claims, litigation, etc.

Provision in respect of loss contingencies relating to claims, litigation, assessment, fines, penalties, etc. are recognised when it is probable that a liability has been incurred, and the amount can be estimated reliably. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

x. Income taxes

Income tax expense comprises current and deferred tax. It is recognized in statement of profit and loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

a. Current tax:

Current tax is measured at the amount expected to be paid in respect of taxable income for the year in accordance with the Income Tax Act, 1961. Current tax comprises the expected tax payable on the taxable income for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the balance sheet date.

Current tax assets and liabilities are offset only if, the Company:

a) has a legally enforceable right to set off the recognized amounts; and

b) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

b. Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and its tax base.

Deferred tax assets are reviewed at each reporting date and based on management's judgment, are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the balance sheet date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the balance sheet date, to recover or settle the carrying amount of its assets and liabilities.

The effect of changes in the tax rates on deferred tax assets and liabilities is recognised as income or expense in the period that includes the enactment or substantive enactment date.

Deferred tax assets and liabilities are offset only if:

a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and

b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

xi. Earnings per share

The Company presents basic and diluted earning per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss that is attributable to ordinary shareholders of the Company by the weighted-average number of ordinary shares outstanding during the period.

Diluted earnings per share is determined by adjusting the profit or loss that is attributable to ordinary shareholders and the weighted-average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, except where the results are anti-dilutive.

xii. Cash and cash equivalents

Cash and cash equivalents include balance with banks and fixed deposits with an original maturity of three months or less. Cash and cash equivalents are carried at amortized cost in the balance sheet.

xiii. Statement of cash flows

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash transactions, any deferrals or accruals of past or future operating cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. For the purpose of presentation in the statement of cash flows, Cash and cash equivalents includes bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

xiv. Impairment of financial assets

The Company recognises impairment allowances for Expected Credit Loss (ECL) on all the financial assets that are not measured at FVTPL:

ECL are probability weighted estimate of future credit losses based on the staging of the financial asset to reflect its credit risk. They are measured as follows:

• Financial assets that are not credit impaired – as the present value of all cash shortfalls that are possible within 12 months after the reporting date.

• Financial assets with significant increase in credit risk but not credit impaired – as the present value of all cash shortfalls that result from all possible default events over the expected life of the financial asset.

• Financial assets that are credit impaired – as the difference between the gross carrying amount and the present value of estimated cash flows

Financial assets are fully provided for or written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof.

The Company accounts for investments in associates at cost and tests for impairment at each reporting date. At each reporting date, the Company assesses whether financial assets carried at amortised cost are impaired. The financial assets are tested for impairment and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated.

xv. Investment in associate:

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The results, assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105.

Under the equity method, the investment in an associate is initially recognised at cost and adjusted thereafter to recognise the Company's share of the profit or loss and other comprehensive income of the associates. Dividend received from associates is recognised as reduction in the carrying amount of the investments.

After application of the equity method, the company determines whether there is any objective evidence that the investment in the associate is impaired. If there is such evidence, the company calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'Share of profit/loss of an associate in the Statement of Profit and Loss'.

Upon loss of significant influence over the associate, the company measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal, is recognised in profit or loss. If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in OCI are reclassified to profit or loss where appropriate. Changes in investor's interest in other component of equity in such cases are being directly recognised in Equity.

When a company entity transacts with an associate of the company, profit or losses resulting from the transactions with associate are recognised in the company's consolidated financial statements only to the extent of interests in the associate that are not related to the company.

xvi. Segment Reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses whose results are regularly reviewed by the Company's chief operating decision maker (CODM) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Company's CEO (being the CODM) include items that are directly attributable to a segment as well as those that can be allocated on a reasonable basis.

xvii. Leases

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116

The Company as a lessee

The Company enters into an arrangement for lease. Such arrangements are generally for a fixed period but may have extension or termination options. The Company assesses, whether the contract is, or contains, a lease, at its inception. A contract is, or contains, a lease if the contract
conveys the right to –
a) control the use of an identified asset,
b) obtain substantially all the economic benefits from use of the identified asset, and
c) direct the use of the identified asset

The Company determines the lease term as the non-cancellable period of a lease, together with periods covered by an option to extend the lease, where the Company is reasonably certain to exercise that option.
The Company at the commencement of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term leases) and low-value assets. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.
The cost of the right-of-use asset comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease, plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets are measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful life of right-of-use assets are determined on the same basis as those of property, plant and equipment.
The Company applies Ind AS 36 to determine whether an RoU asset is impaired and accounts for any identified impairment loss as described in the impairment of non-financial assets below.
For lease liabilities at the commencement of the lease, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate that the Company would have to pay to borrow funds, including the consideration of factors such as the nature of the asset and location, collateral, market terms and conditions, as applicable in a similar economic environment.
After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.
The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss. Lease liability payments are classified as cash used in financing activities in the statement of cash flows.

xviii. Standards (including amendments) issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. The MCA has notified below amendments on July 24 2020 which would be effective from annual reporting periods beginning on or after April 1, 2020.

a. Ind AS 1, Presentation of Financial Statements and Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Error: Refined definition of term 'material'.
b. Ind AS 103, Business Combinations: Revised definition of a 'business' and introduction of an optional concentration test to permit a simplified assessment of whether an acquired set of activities and assets is not a business. Ind AS 116, Leases: Practical expedient which permits lessees not to account for COVID-19 related rent concessions as a lease modification.
c. Ind AS 109, Financial Instruments: Modification to some specific hedge accounting requirements to provide relief to the potential effects of uncertainty caused by the interest rate benchmark (IBOR) reform.
d. Ind AS 116, Leases: Practical expedient which permits lessees not to account for COVID-19 related rent concessions as a lease modification. However, with respect to Ind AS 116, in case a lessee has not yet approved the financial statements for issue before the issuance of the amendments, then the same may be applied for annual reporting periods beginning on or after 1 April 2019.

The impact on account of above applicable amendments is insignificant to the financial statements.

xix. New Accounting standards adopted by the Company:

On April 1, 2019, the Company has adopted Ind AS 116, Leases, which, applied to all lease contracts outstanding as at April 1, 2019. The impact was insignificant.

JANA HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31st March , 2020

(Rs. In thousands)

1	**Cash and Cash Equivalents**		**31-Mar-20**	**31-Mar-19**
	Cash on hand			
	Balances with banks (of the nature of cash and cash equivalents)		10,193.76	45,483.27
	Others (Fixed Deposits with Banks) - *(Refer Note-1 below)		20,300.99	-
	Total	(I)	**30,494.75**	**45,483.27**
	Bank Balance other than cash and cash equivalent			
	Earmarked balances with banks (for example, for unpaid dividend)		-	327.36
	Total other bank balances	**II**	**-**	**327.36**
	Total Cash and bank balances	**(I+II)**	**30,494.75**	**45,810.63**

*** Note-1**

Fixed Deposits with banks represents the deposits including the interest accrued on deposits placed with its associate company Jana Small Finance Bank Limited being 8 deposits each of INR 25Lakh amounting to INR 2 crores maturing on 02 June 2021.

JANA HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31st March , 2020

(Rs. In thousands)

2 Investments

Particulars	As at 31 March 2020			As at 31 March 2019		
	Measured at cost (accounted for using equity method)	At Fair Value		Measured at cost (accounted for using equity method)	At Fair Value	
		Through Other Comprehensive Income	Through Profit or Loss		Through Other Comprehensive Income	Through Profit or Loss
	1	2	3	4	5	6
Equity instruments	-	-	-	-	-	-
Jana Small Finance Bank Limited (Associate)* Unquoted (fully paid-up of Rs. 10/- each) (31 March 2020 : 21,344,374 31 March 2019 : 19,798,778)	21,36,710.73	-	-	20,33,208.89	-	-
Investment made during the year	14,70,000.91			29,83,201.36		
Share in the loss of associates	-16,96,615.53			-28,79,699.52		
Share in Other comprehensive Income	-18,017.72			-		
Dividend from Jana small finance bank	-			-		
Total – Gross (A)	**18,92,078.39**	-	-	**21,36,710.73**	-	-
(i) Investments outside India	-	-	-	-	-	-
(ii) Investments in India	18,92,078.39	-	-	21,36,711	-	-
Total (B)	**18,92,078.39**	-	-	**21,36,711**	-	-
Less: Allowance for Impairment loss (C)		-	-		-	-
Total - Net D= (A)-(C)	**18,92,078.39**	-	-	**21,36,711**	-	-

The Company has subscribed to rights shares being 1,545,596 equity shares during the current year amounting to INR 1,470,000.89 thousands at INR 951.09 per
share (previous year: 2,156,396 equity shares amounting to INR 2,983,201.35 thousands at INR 1,383.42 per share) of Jana Small Finance Bank (formerly known as
Janalakshmi Financial Services Limited). The Investment in associate was accounted under equity method.

Name of Associate	Nature of Business	**As at**	**Original cost of Investment**	**Amount of goodwill / (capital reserve) in original cost**	**Share of post acquisition Reserves & Surplus**	**Carrying amount of Investment**
Jana Small Finance Bank Limited (Associate)	Banking	31-03-2020	2,32,41,678	1,35,258	-2,12,14,341	18,92,079
	Banking	31-03-2019	2,17,71,677	1,35,258	-1,94,99,708	21,36,711

Jana Small Finance Bank Ltd. for the purposes of its statutory compliance prepares and presents its financial statements under the historical cost convention and accrual basis of accounting in accordance with Generally Accepted Accounting Principles in India (‘GAAP’), statutory requirements prescribed under the Banking Regulation Act, 1949, circulars and guidelines issued by the Reserve Bank of India (‘RBI’) from time to time, Accounting Standards (‘AS’) specified under Section 133 of the Companies Act, 2013, read together with relevant rules, in so far as they apply to banks. These financial statements are largely referred to as the Indian GAAP (‘IGAAP’) financial statements of the Bank. The Ministry of Corporate Affairs, India, in its press release dated January 18, 2016, had issued a roadmap for implementation of IFRS converged Indian Accounting Standards (‘Ind-AS’). The timelines for the said implementation have since been deferred.

Jana Small Finance Bank Ltd, being an associate of Jana Capital Limited ("Holding company"), has prepared this consolidated financial information (‘fit-for consolidation information’), in accordance with the recognition and measurement principles of IND-AS as specified under Section 133 of the Companies Act, 2013, for the purposes of preparing the consolidated financial statements of the Company.

(Rs. In thousands)

			31-Mar-20	31-Mar-19
3	**Other financial assets**			
	(I) Security Deposits	**(I)**	1.00	1.00
	(II) Others Receivables			
	Considered good -Unsecured from related parties *(Refer Note below)		139.17	-
	Considered good -Unsecured other than related parties		1.70	-
			140.87	**-**
	Less: Impairment loss allowance		-	-
	Total Other receivables	**(II)**	**140.87**	**-**
	Total		**141.87**	**1.00**

Note:

The entity has entered into transactions with its parent company Jana Capital Limited (JCL) for the FY 2019-2020. These are in the nature of payments made by JCL on behalf of Jana Holdings Limited (JHL) and vice versa. The list of transactions entered into between the two entities are provided in detail in Note 23.

		31-Mar-20	31-Mar-19
4	**Current tax assets (net)**		
	TDS receivable (Refer Note-1 below)	33.44	73.19
	Total	**33.44**	**73.19**

(Rs. In thousands)

5 Property, Plant and Equipment-Tangible assets

	Gross block				Depreciation				Net block	
	As at 01-Apr-19	Additions/ Adjustments	Deductions/ Adjustments	Up to 31-Mar-20	As at 01-Apr-19	For the year	On Deductions/ Adjustments	Up to 31-Mar-20	As at 31-Mar-20	As at 31-Mar-19
Owned assets										
Computers and Printers	133.97	318.25	-	452.22	13.73	105.82	-	119.55	332.66	120.23
Total	**133.97**	**318.25**	**-**	**452.22**	**13.73**	**105.82**	**-**	**119.55**	**332.66**	**120.23**

6 Other - Intangible assets

(Rs. In thousands)

	Gross block				Amortization				Net block	
	As at 01-Apr-19	Additions/ Adjustments	Deductions/ Adjustments	Up to 31-Mar-20	As at 01-Apr-19	For the year	On Deductions/ Adjustments	Up to 31-Mar-20	As at 31-Mar-20	As at 31-Mar-19
Computer Software	21.24	42.48	-	63.72	1.75	17.86	-	19.61	44.11	19.49
Total	21.24	42.48	-	63.72	1.75	17.86	-	19.61	44.11	19.49

JANA HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31st March , 2020

(Rs. In thousands)

7	**Other Non-financial assets**	**31-Mar-20**	**31-Mar-19**
	Prepaid Expenses	149.51	-
	Advance to suppliers	2.50	-
	Total	**152.01**	**-**

(Rs. In thousands)

		As at 31 March 2020	As at 31 March 2019
8	**Payables**		
(I)	**Trade payables**		
(a)	Total outstanding dues of micro enterprises and small enterprises	-	-
(b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
	Total Trade payables	**-**	**-**
(II)	**Other payables**		
(a)	Total outstanding dues of micro enterprises and small enterprises	-	-
(b)	Total outstanding dues of creditors other than micro enterprises and small enterprises	857.11	1,389.45
	Total Other payables	**857.11**	**1,389.45**

Based on the information available with the NBFC, there are no outstanding dues and payments made to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. There is no interest payable or paid to any suppliers under the said Act.

JANA HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31st March , 2020

(Rs. In thousands)

9 Debt Securities

Particulars	As at March 31, 2020				As at March 31, 2019			
	At Amortised Cost	At Fair Value Through profit or Loss	Designated at Fair value through profit or loss	Total	At Amortised Cost	At Fair Value Through profit or Loss	Designated at Fair value through profit or loss	Total
	1	2	3	4=1+2+3	5	6	7	8=5+6+7
Others - Non Convertible Debentures	1,32,08,569.38	-	-	1,32,08,569.38	1,12,41,091.12	-	-	1,12,41,091.12
Total (A)	**1,32,08,569.38**	-	-	**1,32,08,569.38**	**1,12,41,091.12**	-	-	**1,12,41,091.12**
Debt securities in India	58,50,092.89	-	-	58,50,092.89	49,29,008.02	-	-	49,29,008.02
Debt securities outside India	73,58,476.49	-	-	73,58,476.49	63,12,083.10	-	-	63,12,083.10
Total (B)	**1,32,08,569.38**	**-**	**-**	**1,32,08,569.38**	**1,12,41,091.12**	**-**	**-**	**1,12,41,091.12**

Particulars	**31-Mar-20**	**31-Mar-19**
Debt securities in India (Secured)	40,78,062.82	49,29,008.02
Debt securities in India (Unsecured)	17,72,030.07	-
Debt securities outside India (Secured)	-	63,12,083.10
Debt securities outside India (Unsecured)	73,58,476.49	-
Total	**1,32,08,569.38**	**1,12,41,091.12**

a) Schedule of privately placed redeemable non-convertible debentures (at amortised cost)

(Amounts are in INR thousands)

Name of the Subscriber	No. of Debentures*	Series Name	Face Value	Balance as at 31 March 2020	Balance as at 31 March 2019	Issue Date	Maturity Date	XIRR
Manipal Health Systems Private Limited	1,450	Series I	1,000.00	17,72,030.07	15,19,100.70	30-Nov-18	30-Nov-23	16.50%
TPG ASIA VI India Markets Pte. Ltd (400 NCD) &Government of Singapore (100 NCD)	500	Series A	1,000.00	7,32,206.76	6,28,046.40	28-Sep-17	27-May-23	16.50%
TPG ASIA VI India Markets Pte. Ltd	600	Series B	1,000.00	8,78,648.11	7,53,655.68	28-Sep-17	27-May-23	16.50%
Government of Singapore	600	Series C	1,000.00	8,78,648.20	7,53,655.68	28-Sep-17	27-May-23	16.50%
TPG ASIA VI India Markets Pte. Ltd (800 NCD) &Government of Singapore (200 NCD)	1,000	Series D	1,000.00	14,64,413.52	12,56,092.80	28-Sep-17	27-May-23	16.50%
TPG ASIA VI India Markets Pte. Ltd (400 NCD) &Government of Singapore (100 NCD)	500	Series E	1,000.00	7,32,206.76	6,28,046.40	28-Sep-17	27-May-23	16.50%
TPG ASIA VI India Markets Pte. Ltd	1,000	Series F	1,000.00	14,60,302.26	12,52,779.32	06-Oct-17	27-May-23	16.50%
TPG ASIA VI India Markets Pte. Ltd	830	Series G	1,000.00	12,12,050.88	10,39,806.83	06-Oct-17	27-May-23	16.50%
ECL Finance Limited	1,550	Series H	1,000.00	22,51,339.95	18,68,436.14	27-Mar-18	26-May-23	20.35%

(Rs. In thousands)

Centrum Financial Services Limited (280 NCD) & Centrum Retail Services Limited (220 NCD)	500	Series J1	1,000.00	5,91,587.69	4,98,945.59	21-Dec-18	21-Dec-21	16.61%
Centrum Retail Services Limited	400	Series J2	1,000.00	4,72,525.31	3,98,807.47	27-Dec-18	21-Dec-21	16.61%
Centrum Retail Services Limited	400	Series J3	1,000.00	4,70,790.68	3,97,350.16	04-Jan-19	04-Jan-22	16.61%
Centrum Financial Services Limited (100 NCD) & Centrum Retail Services Limited (50 NCD)	150	Series J4	1,000.00	1,75,642.06	1,48,316.28	17-Jan-19	17-Jan-22	16.61%
Centrum Retail Services Limited	100	Series J5	1,000.00	1,16,177.13	98,051.68	01-Feb-19	01-Feb-22	16.61%
				1,32,08,569.38	**1,12,41,091.12**			

* The Company has issued rated, redeemable, non-convertible debentures on private placement basis which are listed on the wholesale debt market of Bombay Stock Exchange (BSE).
Series H and Series J1 to J5 Debentures are secured through first ranking exclusive pledge created over (a) the Pledged Shares of the Jana Small Finance Bank ("Target Company") by the Issuer under the Small Finance Bank Pledge Agreement, (b) the Parent Company Pledged Shares of Jana Capital Limited ("Parent Company") by Jana Urban Foundation under the Parent Pledge Agreement, and (c) Parent Company Shareholders' Undertaking, each in favour of the Debenture Trustee (acting for the benefit of the Debenture Holders) under or pursuant to the relevant Pledge Agreement.

The debt securities shall be redeemed on maturity date and the funds invested in the associate company being Jana Small Finance Bank shall be utilized to repay the debts. Considering the same the debt securities shall be considered as an Embedded Derivative in accordance with IND AS 109 Financial Instruments.
As per Paragraph 4.3 of IND AS 109 An embedded derivative is a component of a hybrid contract that also includes a non-derivative host—with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract.

		31-Mar-20	31-Mar-19
10	**Other Financial Liabilities**		
a	Provision for Professional fees	100.00	
b	Audit Fee Payable	230.00	100.00
	Total	**330.00**	**100.00**

		31-Mar-20	31-Mar-19
11	**Other Non - Financial Liabilities (to be Specified)**		
a	Statutory dues	152.45	930.09
	Total	**152.45**	**930.09**

		31-Mar-20	31-Mar-19
12	**Other Non - Financial Liabilities (to be Specified)**		
a	Provision for Leave Encashment (Refer note-17 for details)	139.60	-
	Total	**139.60**	**-**

(Rs. In thousands)

13 Equity Share capital

	31-Mar-20	31-Mar-19
Authorized *		
Equity Share Capital (As at 31 March 2020-Rs.350,000,000 (35,000,000 Equity shares at par value of Rs.10 each), As at 31 March 2019 : Rs. 2,00,00,000 (2,000,000 Equity Shares of Rs. 10/- each)*	3,50,000.00	20,000.00
Preference Share Capital (As at 31 March 2020-Rs.150,000,000 (15,000,000 Preference shares at par value of Rs.10 each), As at 31 March 2019 : NIL	1,50,000.00	-
Total	**5,00,000.00**	**20,000.00**

* The company has increased its authorized share capital from Rs.2,00,00,000 (Two crores) to Rs.50,00,00,000 (Rs. Fifty crores) divided into Rs.35,00,00,000 (3,50,00,000 Equity shares at par value of Rs.10 each and Rs.15,00,00,000 (1,50,00,000 Preference shares at par value of Rs.10 each; vide an Extraordinary General Meeting conducted on 22nd May 2019.

	31-Mar-20	31-Mar-19
Issued, subscribed and paid up		
Equity Share Capital (As at 31 March 2020: Rs. 23,809,440 (2,380,944 Equity shares of Rs.10 each fully paid up) ; As at 31 March 2019: 1,992,114) Equity Shares of Rs. 10/- each, fully paid-up	23,809.44	19,921.14
Total	**23,809.44**	**19,921.14**

(Rs. In thousands)

(a) Reconciliation of shares outstanding at the beginning and at the end of the year

	31-Mar-20		31-Mar-19	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	19,92,114	19,921.14	19,92,114	**19,921.14**
Add: Issued during the year	3,88,830	3,888.30	-	-
Outstanding at the end of the year	**23,80,944**	**23,809.44**	**19,92,114**	**19,921.14**

(b) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares being issued, subscribed and fully paid up having a par value of ₹ 10/- each. Each holder of equity share is entitled to one vote per share.

The Company declares and pays dividend on equity shares in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the assets of the Company. The distribution will be in proportion to the number of equity shares held by the equity shareholders.

The company has issued rights shares to its existing shareholders on October 30, 2019 being 388,830 shares at a premium (par value being Rs.10 per share and a premium of Rs.3,822 per share) amounting to Rs.1,48,99,96,560.

(Rs. In thousands)

(c) Shares held by holding company/ultimate holding company	31-Mar-20	31-Mar-19
Jana Capital Limited and its nominees ('the Parent Company' or 'the Holding Company' or ' the Ultimate Holding Company'')		
Equity Share Capital (As at 31 March 2020: Rs. 23,809,440 (2,380,944 Equity shares of Rs.10 each fully paid up) ; As at 31 March 2019: 1,992,114) Equity Shares of Rs. 10/- each, fully paid-up	23,809.44	19,921.14
Total	**23,809.44**	**19,921.14**

(d) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	31-Mar-20		31-Mar-19	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Jana Capital Limited and its nominees ('the Parent Company' or 'the holding company')	**23,80,944**	**100**	**19,92,114**	**100**

As per records of the NBFC, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

The Company has not issued bonus shares or shares for consideration other than cash during the five year period immediately preceding the reporting date.

JANA HOLDINGS LIMITED
Notes forming part of the Consolidated Financial Statements for the year ended 31st March , 2020

(Rs. In thousands)

14	Other Equity	31-Mar-20	31-Mar-19
(a)	**Securities Premium Account**		
	Opening balance	1,22,66,639.66	1,22,66,639.66
	Add : Securities premium credited on share issue	14,86,108.26	-
	Less : Premium utilized for various reasons	-	-
	Premium on redemption of debentures	-	-
	For share issue expenses	5,570.00	-
	Closing balance	**1,37,47,177.92**	**1,22,66,639.66**
(b)	**Statutory Reserve**		
	Opening balance	30,339.16	30,339.16
	Add: Transferred during the year	-	-
	Less: Utilization on account of / Transfer to	-	-
	Closing balance	**30,339.16**	**30,339.16**
(c)	**Retained Earning and Surplus/(deficit) in the Statement of Profit and Loss**		
	Opening balance	(46,22,408.44)	(3,86,379.62)
	Add: Net Profit/(Net Loss) for the current year	(36,92,404.75)	(42,36,028.82)
	Transfer from reserves	-	-
	Less: Proposed dividends	-	-
	Interim dividends	-	-
	Closing balance	**(83,14,813.19)**	**(46,22,408.44)**
	Total Reserves and surplus	**54,62,703.88**	**76,74,570.37**

Nature and purpose of reserves

(a) Securities Premium reserve
Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.

(b) Statutory Reserve
In terms of Section 45-IC of the RBI Act, NBFCs are required to create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year. The above requirement is to give intrinsic strength to the balance sheets of the NFBCs. This reserve could be used for purposes as stipulated by the Reserve Bank of India from time to time. However, no transfer has been made to reserves for the financial year ended 31 March 2020 as the Company has incurred losses.

(c) Retained Earnings
Retained earnings are the profits/ (losses) that the Company has earned to date, less any dividends or other distributions paid to shareholders.

(d) Debenture redemption reserve
The Entity being an NBFC is exempted from creation of Debenture Redemption Reserve for Debentures issued through Private Placement Avenue.
Further the entity shall on or before the 30th day of April in each year, in respect of debentures issued, invest or deposit, as the case may be, a sum which shall not be less than fifteen per cent., of the amount of its debentures maturing during the year, ending on the 31st day of March of the next year in any one or more methods of investments or deposit. The applicable dates for such investment for each of its series of debentures is provided as under:

Debenture Series Reference	Applicable date for investment (on or before)
Series J1 to J5	30-Apr-21
Series A to I	30-Apr-23

(e)	Contingent Liabilities and commitments		
a	**Contingent Liabilities**	**31-Mar-20**	**31-Mar-19**
	Claims against the NBFC not acknowledged as debt	3,59,100	3,88,500
	Guarantees excluding financial guarantees	12,500	1,27,500
	Other money for which the NBFC is contingently Liable	-	-
	Total	3,71,600	5,16,000
b	**Commitments**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for;	-	-
	Uncalled liability on shares and other investments partly paid;	-	-
	Other commitments (specify nature).	-	-
	Total	-	-

JANA HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31st March , 2020

(Rs. In thousands)

15 Other Income

Particulars	For the year ended 31-March-2020	For the year ended 31-March-2019
Interest on deposit with Banks	334.42	731.84
Interest on Income tax refund	2.93	-
Total	**337.35**	**731.84**

16 Finance Cost

Particulars	For the year ended 31-March-2020	For the year ended 31-March-2019
Interest on debt securities	19,67,478.24	13,50,451.33
Other Finance cost charges *(Refer Note-1 below)	12,980.00	-
Total	19,80,458.24	13,50,451.33

* The amount pertains to Compensation Charges + applicable taxes paid for delay in the fulfilment of conditions precedent and conditions subsequent contained in the transaction documents relating to an NCD series. These payments have been approved at the meeting of the Board of Directors held on September 23, 2019 and October 21, 2019.

17 Impairment on Financial Instruments

Particulars	For the year ended 31-March-2020	For the year ended 31-March-2019
Investments in Equity Shares of Associate (Jana Small Finance Bank)	-	29,41,257.39
Total	-	**29,41,257.39**

18 Employee Benefit Expenses

Particulars	For the year ended 31-March-2020	For the year ended 31-March-2019
Salaries and wages	8,549.07	2,059.44
Provision for Leave Encashment (Refer Note-1 below)	139.60	-
Total	**8,688.67**	**2,059.44**

Note:1

The company has a Leave policy defined as per which employees are entitled to 21 workings days of privilege/earned leave during a financial year. The leave shall be credited at the beginning of the financial year for existing employees as at 01st April and for employees joined during the year the leave shall be credited on a proportionate basis.

As per the company policy only 5 days of privilege leave from the current financial year can be carried forward to the next financial year: unused privilege leaves will be lapsed. Encashment of privilege leave will be possible at the time of separation on a pro rata basis.

During the current financial year the earned leave for eligible employees of the company where carried forward and accordingly leave encashment provision to such effect has been provided.

(Rs. In thousands)

		For the year ended 31-March-2020	For the year ended 31-March-2019
19	Depreciation and amortization expense		
	on tangible assets (Refer note 6)	105.82	13.73
	on intangible assets (Refer note 7)	17.86	1.75
	Total Depreciation and amortization expense	**123.68**	**15.48**

20 Other Expenses

		For the year ended 31-March-2020	For the year ended 31-March-2019
a)	Rent, taxes and energy costs	443.64	220.49
	Repairs and maintenance	10.79	99.12
	Communication Costs	28.87	1.19
	Printing and stationery	23.73	9.14
	Advertisement and publicity	39.43	-
	Director’s fees, allowances and expenses	708.00	1,062.00
	Auditor’s fees and expenses	804.42	234.03
	Legal and Professional charges	3,671.76	946.36
	Insurance	49.21	-
	Bank Charges	0.63	45.70
	Subscription fees for software	6.52	-
	Stamps and Franking Charges	1.56	22.10
	Surveillance Fee	970.55	1,106.25
	Travelling expenses	67.91	492.38
	Acceptance Fee	-	275.60
	Other expenditure	28.96	20.53
	Total	**6,855.98**	**4,534.89**

* Any item under the subhead ‘Others expenditure’ which exceeds one per cent of the total income to be presented separately.

Note : The following is the break-up of Auditors remuneration (inclusive/exclusive of service tax)

		For the year ended 31-March-2020	For the year ended 31-March-2019
b)	**As auditor:**		
	As Auditor	599.31	200.00
	For taxation Matters	-	-
	For Internal Audit	80.00	-
	For other services	118.00	-
	for reimbursement of expenses	7.11	34.03
	Total	**804.42**	**234.03**

21 Earnings/ Loss per share

Basic earnings /(loss) per share amounts are calculated by dividing the profit/loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings /(loss) per share amounts are calculated by dividing the profit/loss attributable to equity holders (after adjusting for interest on the convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

(Rs. In thousands)

	31-Mar-20	31-Mar-19
Net Loss as per the statement of Profit and Loss	(36,92,404.75)	(42,36,028.82)
Less: preference dividend after-tax (Refer Note 14(f))	-	-
Loss attributable to equity holders after preference dividend	(36,92,404.75)	(42,36,028.82)
Add: Interest on convertible preference shares	-	-
Loss attributable to equity holders adjusted for the effect of dilution	**(36,92,404.75)**	**(42,36,028.82)**
Weighted average number of equity shares for basic EPS*	19,92,114.00	19,92,114.00
Effect of dilution:	-	
Rights Shares Issued	3,88,830.00	
Weighted average number of equity shares adjusted for the effect of dilution	**23,80,944.00**	**19,92,114.00**
Basic loss per share (INR)	(1,550.82)	(2,126.40)
Diluted loss per share (INR)	(1,550.82)	(2,126.40)

* The weighted average number of shares takes into account the weighted average effect of changes in treasury share transactions during the year.

22 Leases

The Entity has considered and evaluated the applicability of the standard IND AS 116 Leases which has been made effective from 01 April 2019 by the Government of India, through Ministry of Corporate Affairs Notification.

- As per Para 5 of INDAS 116, ***A lessee may elect not to apply the requirements in paragraphs 22-49 (Recognition and measurement criteria for lessees) to***
  (a) short-term leases; and
  (b) leases for which the underlying asset is of low value (as described in paragraphs B3-B8).
- Further as per Para 6 of the said standard ***If a lessee elects not to apply the requirements in paragraphs 22-49 to either short-term leases or leases for which the underlying asset is of low value, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.***

Considering the effect of the aforesaid paragraphs the entity determines the lease rental payments made to Janadhar India Private Limited as low value in nature since the monthly rental payments amounts to Rs.4,050 per month only, thereby the said payments has been recognised as an expense in the statement of profit and loss for the financial year 2019-2020. This is in line with the treatment adopted by the entity for the previous financial year 2018-2019.

JANA HOLDINGS LIMITED
Notes forming part of the Consolidated Financial Statements for the year ended 31st March , 2020

23 Related Party Disclosures: 31 March 2020

A) Name of Related Parties and Relationship with related parties

The Entity has identified and entered into transactions with the related parties. The details of the same is disclosed as under in accordance with IND AS 24 - Related Party Disclosures

A) Names of the related party	Nature of Relationship
i. Jana Capital Limited	Holding Company
ii. Jana Small finance Bank (formerly known as Janalakshmi Financial Services Limited)	Associate Company
iii. Janaadhar (India) Private Limited	Group Company
iv. Jana Urban Foundation	Group Company
v. Mr. Ramesh Ramanathan	Non-Executive Chairman and Director
vi. Mr. Abraham Chacko	Independent Director
vii. Mrs. Saraswathy Athmanathan	Independent Director
viii Mr. Rajamani Muthuchamy	Managing Director and CEO
ix. Mr. Krishnan Iyer	KMP - Chief Financial Officer (w.e.f 10th December 2019 and upto 30th March 2020)
x. Mr. Gopalakrishnan S	KMP - Chief Financial Officer (w.e.f 01st April 2020)
xi. Ms. Jyoti Rao	KMP - Company Secretary (Upto 31st October 2019)
xii. Ms. Vidya Sridharan	KMP - Company Secretary (w.e.f 01st October 2019)

B) Related Parties - with whom transactions have taken place during the year	Nature of Relationship
i. Jana Capital Limited	Holding Company
ii. Jana Small finance Bank (formerly known as Janalakshmi Financial Services Limited)	Associate Company
iii. Janaadhar (India) Private Limited	Private company in which director or his relative is member or director
iv. Mr. Krishnan Iyer	KMP - Chief Financial Officer (w.e.f 10th December 2019 and upto 30th March 2020)
v. Mr. Gopalakrishnan S	KMP - Chief Financial Officer (w.e.f 01st April 2020)
vi. Ms. Jyoti Rao	KMP - Company Secretary (Upto 30th October 2019)
vii. Ms. Vidya Sridharan	KMP - Company Secretary (w.e.f 01st October 2019)

JANA HOLDINGS LIMITED
Notes forming part of the Consolidated Financial Statements for the year ended 31st March , 2020

B) Nature of Transactions entered with related parties

(Rs. In thousands)

Name of Related Party	Nature of Transaction	Transaction Value for the FY 2019-2020	Amount Outstanding as at 31 March 2020	Transaction Value for the FY 2018-2019	Amount Outstanding as at 31 March 2019
A) Related Entities					
i) Jana Capital Limited (JCL)	Receipt for issue of shares at premium. Note: The amount outstanding represents the Equity share capital component and premium amount.	14,89,996.56	1,37,70,987.36	-	1,22,86,560.80
	Insurance Expenses paid by JCL on behalf of JHL	-	(161.83)	-	-
	Salary expenses paid by JCL on behalf of JHL and repaid back during the year	(57.45)	-	-	-
	Salary expenses paid by JHL on behalf of JCL for the month of March-2020	-	136.00	-	-
	CSR expenses paid to Vidyaniketan by JHL on behalf of JCL	-	165.00	-	-
ii) Jana Small Finance Bank	Investment in equity shares (net of impairment loss)	(14,70,000.90)	2,03,00,420.67	29,49,999.27	1,88,30,419.76
	Amount paid towards creation of 8 Fixed Deposit	(20,000.00)	-	-	-
	Fixed Deposits (8) created during the year	20,000.00	20,000.00	-	-
	Bank Current Account Balance	-	0.19	-	-
	Interest accrued on fixed deposit placed	300.98	300.98	-	-
	Amount paid towards professional services	(118.80)	(21.60)	-	-
	Professional services received	-	-	120.00	10.00
	Reimbursement of expense	(2,755.61)	-	3,863.77	1,379.45
	Liability booked towards TDS, GST & stamp paper expenses payable	(1,095.77)	(600.00)	-	-
iii. Janaadhar (India) Private Limited	Rent and Maintenance charges paid	(56.95)	(5.18)	23.99	-
B) Key Management Personnel					
i) Mr. Gopalakrishnan S	Salary paid on behalf of JCL	(99.80)	-	-	-
ii) Mr. Krishnan Iyer	Salary	(396.82)	-	-	-
iii) Ms. Vidya Sridharan	Salary	(333.90)	-	-	-
	Salary paid on behalf of JCL	(24.80)	-	-	-
	Salary paid to JCL on account of salary payments made for the month of Oct-2019	(57.45)	-	-	-
	Reimbursement of expense	(3.04)	-	-	-
iv) Ms. Jyoti Rao	Salary	(231.93)	-	133.33	-
	Reimbursement of expense	(20.53)	-	-	-
v) Ms. Gayathri Nagaraj	Salary	-	-	100.00	-
C) Directors					
i. Mr. Ramesh Ramanathan	-	-	-	-	-
ii. Mr. Abraham Chacko	Sitting fees	(270.00)	(45.00)	450.00	
	Reimbursement of expense	(14.99)	-	-	-
iii. Mrs. Saraswathy Athmanathan	Sitting fees	(225.00)	-	450.00	
	Reimbursement of expense	(1.90)	-	-	-
iv Mr. Rajamani Muthuchamy	Salary	(4,549.84)	-	1,826.10	-
	Salary paid on behalf of JCL	(0.00)	-	-	-
	Car EMI Expenses paid to JSFB on behalf of Mr.Rajamani Muthuchamy	(852.52)	-	-	-
	Reimbursement of expense	(42.41)	-	-	-

24 Fair values of financial assets and financial liabilities

The fair value of other current financial assets, cash and cash equivalents, trade receivables ,investments trade payables, short-term borrowings and other financial liabilities approximate the carrying amounts because of the short term nature of these financial instruments.

The amortized cost using effective interest rate (EIR) of non-current financial assets consisting of security and term deposits are not significantly different from the carrying amount.
Financial assets that are neither past due nor impaired include cash and cash equivalents, security deposits, term deposits, and other financial assets.

25 Fair value hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:
•Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

•Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
•Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).
No financial assets/liabilities have been valued using level 1 fair value measurements.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

Fair value measurement hierarchy of assets as at March 31, 2020

(Rs. In thousands)

Particulars	**Level 1**	**Level 2**	**Level 3**	**Total Fair Value**	**Total Carrying Amount**
Financial Assets					
Cash and cash equivalents	30,494.75	-	-	**30,494.75**	**30,494.75**
Bank balance other than cash and cash equivalents	-	-	-	-	-
Investment in associates	-	-	18,92,078.39	**18,92,078.39**	**18,92,078.39**
Other Financial Assets	-	-	141.87	**141.87**	**141.87**
Financial Liabilities					
Payables	-	-	857.11	**857.11**	**857.11**
Debt securities	-	-	1,32,08,569.38	**1,32,08,569.38**	**1,32,08,569.38**
Other financial liabilities	-	-	330.00	**330.00**	**330.00**

Fair value measurement hierarchy of assets as at March 31, 2019

(Rs. In thousands)

Particulars	**Level 1**	**Level 2**	**Level 3**	**Total Fair Value**	**Total Carrying Amount**
Financial Assets					
Cash and cash equivalents	45,483.27	-	-	**45,483.27**	**45,483.27**
Bank balance other than cash and cash equivalents	327.36	-	-	**327.36**	**327.36**
Receivables					
(I) Trade Receivables	-	-	-	-	-
(II) Other Receivables	-	-	-	-	-
Investment in associates	-	-	21,36,710.73	**21,36,710.73**	**21,36,710.73**
Other Financial Assets	-	-	1.00	**1.00**	**1.00**
Financial Liabilities					
Payables	-	-	1,389.45	**1,389.45**	**1,389.45**
Debt securities	-	-	1,12,41,091.12	**1,12,41,091.12**	**1,12,41,091.12**
Other financial liabilities	-	-	100.00	**100.00**	**100.00**

The carrying amount of cash and cash equivalents, trade receivables, fixed deposits, trade payables, other payables and short-term borrowings are considered to be the same as their fair values. The fair values of borrowings were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own and counterparty credit risk.

26 Financial risk management objectives and policies

The Company's principal financial liabilities comprise debt securities, Trade and other payables. The main purpose of these financial liabilities is to invest in its operating entity. The Company's principal financial assets include investment in associate company, cash and cash equivalents, balances in banks other than cash and cash equivalents, refundable deposits that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

I Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices such as foreign exchange rate and interest rate.

(a) Interest rate risk

Interest rate risk is the probability of unexpected fluctuations in interest rates. The Company has no exposure to interest rate risk as the debt securities of the Company are at fixed interest rates and not at variable rates.

(b) Foreign currency risk

Currency risk is the risk that the value of an receivable/ payable will fluctuate due to changes in foreign exchange rates. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities denominated in a currency that is not the Company's functional currency (INR). The Company does not have any foreign currency transactions that would impact the profitability of the Company.

II Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from Cash and cash equivalent, company's investment in associates & other financial assets. The carrying amounts of financial assets represent the maximum credit risk exposure.

i) Credit risk management approach

The Company's senior management oversees the management of these risks. The senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks. It is their responsibility to review and manage credit risk. It periodically reviews performance of investments in associates.

The below table shows the carrying amount of investments along with corresponding impairment losses and the net carrying amount:

31-Mar-20 **(Rs. In thousands)**

Particulars	Asset Group	Carrying Amount	Allowance for Impairment Loss	Carrying Amount and net of provision
Investments in Associate	Investments at amortized cost	18,92,078.39	-	18,92,078.39

31-Mar-19 **(Rs. In thousands)**

Particulars	Asset Group	Carrying Amount	Allowance for Impairment Loss	Carrying Amount and net of provision
Investments in Associate	Investments at amortized cost	2,17,71,677.15	29,41,257.39	1,88,30,419.77

The below table shows the maximum exposure to credit risk by class of financial assets.

31-Mar-20 **(Rs. In thousands)**

Particulars	Maximum Exposure to Credit risk	Fair Value of Collateral	Net Exposure
Financial Asset			
Cash and cash equivalents	30,494.75	-	30,494.75
Bank balance other than cash and cash equivalents	-	-	-
Investment in associates	18,92,078.39	-	18,92,078.39
Other Financial Assets	141.87	-	141.87
Total	**19,22,715.01**	**-**	**19,22,715.01**

31-Mar-19 **(Rs. In thousands)**

Particulars	Maximum Exposure to Credit risk	Fair Value of Collateral	Net Exposure
Financial Asset			
Cash and cash equivalents	45,483.27	-	45,483.27
Bank balance other than cash and cash equivalents	327.36	-	327.36
Receivables	-	-	-
(I) Trade Receivables	-	-	-
(II) Other Receivables	-	-	-
Investment in associates	21,36,710.73	-	21,36,710.73
Other Financial Assets	1.00	-	1.00
Total	**21,82,522.36**	**-**	**21,82,522.36**

Expected credit loss on other financial assets

Other financial assets represents security deposits. Security deposits are measured at amortised cost. Based on the past trends, the Company has not written off any amount of receivable from the party. Such receivables carry insignificant probability of default, hence the credit risk is also very low.

Cash and cash equivalents and Bank balance

The Company holds cash and cash equivalents and bank balance of INR 30,494.75 thousands as at 31 March 2020 (31 March 2019: INR 45,483.27 thousands). The cash and cash equivalents are held with bank and financial institution counterparties with acceptable credit ratings.

III Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises

i. Liquidity risk management

Liquidity has to be tracked through maturity or cash flow mismatches. For measuring and managing net funding requirements, the use of a maturity ladder and calculation of cumulative surplus or deficit of funds

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Notes forming part of the Consolidated Financial Statements for the year ended 31st March , 2020

ii. Maturity of financial liabilities

The following are the remaining contractual cashflows of financial assets and liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest receipts and payments.

31-Mar-20 **(Rs. In thousands)**

Particulars	Note no.	Contractual cash flows									
		Carrying Amount	Gross Nominal Outflow/Inflow	Upto 30/31 days	Over 1 month upto 2 Month	Over 2 months upto 3 months	Over 3 month & up to 6 month	Over 6 Month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years
Financial liabilities											
Payables	8	857.11	857.11	-	58.77	798.34	-	-	-	-	-
Debt securities	9	1,32,08,569.38	1,32,08,569.38	-	-	-	-	-	18,26,722.86	1,13,81,846.51	-
Other financial liabilities	10	330.00	330.00	100.00	-	230.00	-	-	-	-	-
Total		**1,32,09,756.49**	**1,32,09,756.49**	**100.00**	**58.77**	**1,028.34**	**-**	**-**	**18,26,722.86**	**1,13,81,846.51**	**-**
Financial assets											
Cash and cash equivalents	1	30,494.75	30,494.75	10,193.76	-	-	-	-	20,300.99	-	-
Bank balance other than cash and cash equivalents		-	-								
Investments	2	18,92,078.39	18,92,078.39	-	-	-	-	-	18,26,722.86	65,355.53	-
Other financial assets	3	141.87	141.87	-	140.87	-	-	-	-	1.00	-
Total		**19,22,715.01**	**19,22,715.01**	**10,193.76**	**140.87**	**-**	**-**	**-**	**18,47,023.85**	**65,356.53**	**-**

31-Mar-19 **(Rs. In thousands)**

Particulars	Note no.	Contractual cash flows									
		Carrying Amount	Gross Nominal Outflow/Inflow	Upto 30/31 days	Over 1 month upto 2 Month	Over 2 months upto 3 months	Over 3 month & up to 6 month	Over 6 Month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years
Financial liabilities											
Payables	9	1,389.45	1,389.45	-	-	-	-	1,389.45	-	-	-
Debt securities	10	1,12,41,091.12	1,12,41,091.12	-	-	-	-	-	15,41,471.18	96,99,619.94	-
Other financial liabilities	11	100.00	100.00	-	-	-	100.00	-	-	-	-
Total		**1,12,42,580.57**	**1,12,42,580.57**	**-**	**-**	**-**	**100.00**	**1,389.45**	**15,41,471.18**	**96,99,619.94**	**-**
Financial assets											
Cash and cash equivalents	1	45,483.27	45,483.27	45,483.27	-	-	-	-	-	-	-
Bank balance other than cash and cash equivalents		327.36	327.36	-	-	-	-	327.36	-	-	-
Investments	2	21,36,710.73	21,36,710.73	-	-	-	-	-	15,41,471.18	5,95,239.55	-
Other financial assets	3	1.00	1.00	-	-	-	-	-	-	1.00	-
Total		**21,82,522.36**	**21,82,522.36**	**45,483.27**	**-**	**-**	**-**	**327.36**	**15,41,471.18**	**5,95,240.55**	**-**

JANA HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31st March , 2020

27 Capital management

The Company maintains an actively managed capital base to cover risks inherent in the business and meets the capital adequacy requirements (CRAR) of the Reserve Bank of India (RBI). The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI. The primary objectives of the Company's capital management policy are to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximise shareholder value. The funding requirements are met through equity and non convertible debentures. The Company manages its capital structure and makes adjustments to it according to changes in economic conditions and the risk characteristics of its activities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

The Company is a NOFHC of Jana Small Finance Bank Limited ('JSFB' or 'the Bank') and has no operation of its own. As per the terms and conditions of the license issued to the Bank to commence small finance bank business under Section 22 of the Banking Regulation Act, 1949 vide letter DBR.NBD.(SFB-JFS) No. 12881/16.13216/2016-17 dated 28 April 2017 ('Licensing letter'), the Company is required to comply with the provisions of paragraph 2(H)(ii)\ of the Guidelines for Licensing Of New Banks in the Private Sector dated 22 February 2013 which refers to Capital Adequacy ('CAR') compliance on a consolidated basis by the NOFHC as per RBI guidelines.

For the year ended 31 March 2020, the Company CAR computed on consolidated basis is below the regulatory minimum of 15%. This is due to the fact that Non-Convertible Debentures ('NCD') that have been issued by JHL and invested as equity in JSFB, which are not considered as capital on a consolidated basis.

(i) Consolidated CAR

(Rs. In thousands)

Particulars	31-Mar-20	31-Mar-19
Common Equity Tier1 (CET1) capital	(31,16,634.28)	(45,88,637.82)
Other Tier 2 capital instruments	-	-
Total Capital	**(31,16,634.28)**	**(45,88,637.82)**
Risk weighted assets	7,67,12,741.81	5,38,84,812.46
CET1 capital ratio	-4.06%	-8.52%
Total capital ratio	-4.06%	-8.52%

28 Change in liabilities arising from financing activities

(Rs. In thousands)

	01-Apr-19	Cash flows	Others*	Changes in fair values	Exchange difference	31-Mar-20
	1,12,41,091.12	-	19,67,478.26	-	-	1,32,08,569.38
Total liabilities from financing activities	1,12,41,091.12	-	19,67,478.26	-	-	1,32,08,569.38

	01-Apr-18	Cash flows	Others*	Changes in fair values	Exchange difference	31-Mar-19
Debt securities	69,64,990.75	29,22,431.06	13,53,669.31	-	-	1,12,41,091.12
Total liabilities from financing activities	**69,64,990.75**	**29,22,431.06**	**13,53,669.31**	-	-	**1,12,41,091.12**

*Others includes the effect of accrued but not paid interest on debt securities, amortisation of processing fees etc.

29 Segment Reporting

The Company is a NOFHC-NBFC and has classified this as its business segment and accordingly there are no separate reportable segments in accordance with Ind AS 108 "Operating Segment".

30 Disclosure on COVID-19

The company has investment which comprises Investment made in associate, Jana Small Finance Bank Limited ("the Bank"). The SARS- CoV-2 virus responsible for COVID-19 continues to spread across the globe and India, which has contributed to a significant decline and volatility in global and Indian financial markets and a significant decrease in global and local economic activities. On March 11, 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organization. On March 24, 2020, the Indian government announced a strict 21-day lockdown which was further extended by 46 days up till May 31, 2020 across the country to contain the spread of the virus.

Numerous government and companies, including our associate, have introduced a variety of measures to contain the spread of virus. Further, in accordance with the RBI guidelines relating to 'COVID-19 Regulatory Package' dated March 27, 2020 and April 17, 2020, the Bank has granted a moratorium of three months on the payment of all instalments and / or interest, as applicable, falling due between March 1, 2020 and May 31, 2020 to all eligible borrowers. This will be further extended based on the latest RBI guidelines dated May 22, 2020.

The extent to which the COVID-19 pandemic will impact the Bank's results will depend on future developments, which are incapable of assessment at this point in time, including among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Bank. During the period of lockdown, the Company has implemented work from home in respect of all its employees in a secure IT environment and has complied with all statutory and regulatory reporting requirements.

There is no material impact of COVID-19 on the Company other than the fall in the market value of its investment in Bank. The Company has adequate liquidity and resources to service its obligations in the near future. Consequentially, the impact on the carrying value of Investment in associate in the books of the Company will depend on the future developments which the Company is unable to assess currently.

31 Disclosure on Proposed Merger with Wholly Owned Subsidiary

The Board in their meetings held on October 21, 2019, and December 9, 2019, have approved Fast track method for merging itself with Jana Capital Limited (Holding Company). As per the existing guidelines, the RBI has dispensed with the requirement of having a Non-Operating Financial Holding Company (NOFHC) for setting up of Small Finance Banks as well as Universal Banks. Further, such a merger of the subsidiary with Holding Company will simplify the compliances to be reported to various Regulatory Authorities, besides resulting in lower operating costs. The Company is eligible to adopt Fast track method for the merger as envisaged under Section 233 of the Companies Act, 2013 as it involves the merger of the wholly-owned subsidiary with the Holding Company. The Company had filed an application with Reserve Bank of India ("RBI") on January 9 2020, for its in principle approval. The company has obtained an in principle approval from RBI dated 10-August-2020 for its merger with holding company and is in the process of enabling the necessary compliances in relation to the merger.

32 The Company is a Non operating Financial Holding Company ('NOFHC') of Jana Small Finance Bank Limited ('JSFB' or 'the Bank') and has no operation of its own. As per the terms and conditions of the license issued to the Bank to commence small finance bank business under Section 22 of the Banking Regulation Act, 1949 vide letter DBR.NBD.(SFB-JFS) No. 12881/16.13216/2016-17 dated 28 April 2017 ('Licensing letter'), the Company is required to comply with the provisions of paragraph 2(H)(ii) of the Guidelines for Licensing Of New Banks in the Private Sector dated 22 February 2013 which refers to Capital Adequacy ('CAR') compliance on a consolidated basis by the NOFHC as per RBI guidelines. For the year ended 31 March 2020, the Company CAR computed on consolidated basis is below the regulatory minimum of 15%. This is due to fact that Non-Convertible Debentures ('NCD') that have been issued by the Company and invested as equity in bank, which are not considered as capital on a consolidated basis. In order to resolve the issue, the Company has evaluated merger option with Jana Capital Limited ("Holding Company") and had filed an application with regulatory authorities and approval is presently awaited.

33 The Company is a NOFHC of Jana Small Finance Bank Limited ('JSFB' or 'the Bank') and has no operation of its own. As per the licensing conditions and in accordance with Section 45-IA of the RBI Act 1934, and Master Direction DNBR.PD.008/03.10.119/2016-17 dated September 1, 2016, the company is required to adhere the prescribed net owned funds requirement of INR 200 Lakhs to carry on the business of a non-banking financial institution. The company has shortfall of the prescribed minimum net owned fund as of March 31, 2020. The main reason for shortfall is on account of accumulated losses which consists of cost of borrowings.

In order to resolve the issue, the Company has evaluated merger option with Holding Company and had filed an application with regulatory authorities and approval is presently awaited.

34. The Company is a Non operating Financial Holding Company (‘NOFHC’) of Jana Small Finance Bank Limited (‘JSFB’ or ‘the Bank’) and has no operation of its own. As per the terms and conditions of the license issued to the Bank to commence small finance bank business under Section 22 of the Banking Regulation Act, 1949 vide letter DBR.NBD.(SFB-JFS) No. 12881/16.13216/2016-17 dated 28 April 2017 (‘Licensing letter’), the Company is required to comply with the provisions of paragraph 2(H)(i) of the Guidelines for Licensing Of New Banks in the Private Sector dated 22 February 2013 which refers to compliance of regulatory threshold of leverage ratio on a standalone basis by the NOFHC as per RBI guidelines. For the year ended 31 March 2020, the Company had a leverage ratio of 1.85 vis-à-vis the regulatory threshold of 1.25 on a standalone basis. This is due to fact that Non-Convertible Debentures (‘NCD’) that have been issued by the Company has resulted in accumulated interest costs and the investments in equity of the bank has been impaired, which has resulted in breach of leverage ratio on a standalone basis. In order to resolve the issue, the Company has evaluated merger option with Holding Company and had filed an application with regulatory authorities and approval is presently awaited.

35. **Going concern assertion**
The Consolidated net-worth of the company is negative for the year ended 31 March 2020 mainly on account of continuing losses of associate entity 'Jana Small Finance Bank' ("the Bank"). In this context, the company and its associate management has concluded the appropriateness of the going concern assumption in the preparation of the consolidated financial statement, based on the key actions undertaken at the bank level such as return to operating profitability, raising of further equity capital and maintenance of adequate liquidity surplus on an ongoing basis. During the year ended March 31 2020, the Bank has raised equity capital of Rs.339 crores from the existing investors through rights issue.

36. The Consolidated Financial Statements for the year ended 31 March 2019 were not audited but approved by the board in its meeting held on November 10, 2020

37. Previous year figures have been re-companied / reclassified wherever necessary to correspond with the current year's classification/ disclosure.

As per our report of even date
For MSKC & Associates
(Formerly known as R.K. Kumar & Co.) Chartered Accountants
ICAI Firm Registration No.:001595S

Tushar Kurani

Tushar Kurani
Partner
Membership No: 118580

Place: Mumbai
Date: 10-11-2020

For and on behalf of the Board of Directors of **Jana Holdings Limited**
CIN:U74900KA2016PLC086838

Rajamani Muthuchamy
Managing Director and CEO DIN:08080999

Place: Chennai
Date: 10-11-2020

Ramesh Ramanathan
Chairman and Director
DIN:00163276

Place: USA
Date: 10-11-2020

Gopalakrishnan S
Chief Financial officer
ICAI Membership No: 021783

Place:Bangalore
Date: 10-11-2020

Vidya Sridharan
Company Secretary
ICSI Membership No: A44354

Place:Bangalore
Date: 10-11-2020