

## NOTICE

Notice is hereby given that the Third Annual General Meeting of the Members of Jana Holdings Limited will be held on Monday, 24<sup>th</sup> day of June 2019 at 2:00 p.m at the Fairway Business Park", # 10/1, 11/2 & 12/2B Off Domlur, Koramangala Inner Ring road, Next to EGL Business Park, Challaghatta, Bengaluru - 560071, to transact the following.

### ORDINARY BUSINESS:

1. Adoption of the Audited Financial Statements of the Company for the year ended 31<sup>st</sup> March 2019 along with Auditors' Report and Directors' Report:

To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2019 and Profit and Loss Account of the Company for the year ended 31<sup>st</sup> March 2019, together with Cash Flow Statement for the year ended 31<sup>st</sup> March 2019, Notes to Financial Statements, Directors' Report and Auditors' Report thereon and if thought fit, to pass the following resolution with or without modification, as an Ordinary Resolution.

"RESOLVED THAT the Company do hereby adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2019, the Profit & Loss Account for the year ended on that date along with Cash Flow Statement, Notes to Financial Statements, Directors' Report and Auditors' Report thereon for the year ending on that date."

2. Re-appointment of Mr. Rajamani Muthuchamy as a director who retires by rotation:

To consider and if thought fit, to pass the following resolution with or without modification as an Ordinary Resolution.

"RESOLVED THAT pursuant to the provisions of the Section 152 of the Companies Act, 2013, Mr. Rajamani Muthuchamy, who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a director of the Company."

Place : Bangalore  
Date : 22<sup>nd</sup> -Jun-2019



By and Order of the Board  
For Jana Holdings Limited



Jyoti Rao  
Company Secretary

**Notes :**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.
2. The proxy in order to be valid shall be lodged at the registered office address of the Company not less than 48 hours before the meeting.
3. M/s. BSR & Associates, LLP (Firm Registration No. 116231W/W-100024), were appointed as statutory auditors of the Company, to hold office from the conclusion of this 1<sup>st</sup> Annual General Meeting (AGM) until the conclusion of the 5<sup>th</sup> Annual General Meeting(AGM), subject to ratification by members every year. Pursuant to Companies Amendment Act, 2017 read with the Companies (Audit and Auditors) Second Amendment Rules, 2018, with effect from 7th May, 2018, the requirement for placing the matter relating to Appointment of Statutory Auditors for ratification by members at every annual general meeting, during the term of their appointment, has been done away with. In view of the above M/s. BSR & Associates, LLP (Firm Registration No. 116231W/W-100024), continuous to be the statutory auditors of the Company, till the conclusion of the 5th AGM.

By and Order of the Board  
For Jana Holdings Limited



Place : Bangalore  
Date : 22<sup>nd</sup> -Jun-2019



Jyoti Rao  
Company Secretary

## BOARD REPORT

### To the Shareholders,

The Directors have the pleasure in presenting the Third Annual Report of the Company together with the Audited Statements of Accounts for the financial year 2019.

### 1. FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS, STATE OF AFFAIRS: (Amount in Thousand)

Particulars	FY 2018-2019	FY 2017-2018
Revenue from operations	732	12,952
Profit Before Interest and Depreciation	(2,94,71,121)	(12,090)
Finance Charges	13,50,451	3,99,834
Gross Profit (Loss)	<b>(13,49,719)</b>	<b>(3,86,882)</b>
Depreciation	15,480	-
Profit/(loss) before Tax	(42,97,587)	(38,77,44,018)
Profit/(loss) for the Year	(42,97,587)	(38,77,44,018)
Other Comprehensive Income	-	-
Total Comprehensive Income for the year net of tax	(42,97,587)	(38,77,44,018)

### 2. GENERAL INFORMATION ABOUT THE COMPANY, BOARD'S PERCEPTION OF THE FUTURE CONSIDERING MARKET COMPETITION, PRODUCTION CONSTRAINTS, AND GOVERNMENT POLICES, ETC.

Jana Holdings Limited is a Non-Operating Financial Holdings Company which is engaged in the activity of holding the investments in the group company. Hence, your management does not see the market competition for the Company. Further, as the Company is not into production and manufacturing activities, it is not foreseeing any production constraints.

### 3. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

There were no material changes subsequent to the date of Financial Statements.

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**4. CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

The Company continued to carry on its business as a Non-Operating Financial Holding Company.

**5. DIVIDEND AND RESERVE:**

Since the Company has incurred losses during the FY 2018-19, no dividend has been recommended by the Board of Directors of the Company. Further, no amount has been transferred to General Reserve.

**6. BOARD MEETINGS:**

The Board of Directors met 7 times during the financial year. The Board meetings were held on 22-May-2018; 07-Aug-2018; 28-Sep-2018; 4-Oct-2018; 14-Nov-2018; 30-Nov-2018; and 11-Feb-2019.

**7. DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

The following Director was appointed on the Board during the financial year.

1. Mr. Rajamani Muthuchamy.

Subsequently, Mr. Rajamani Muthuchamy was appointed as MD and CEO of the Company during the FY 2018-19.

The following Director resigned during the financial year.

1. Mr. Rangarajan C.P.

**8. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS**

The Company has received declarations from all Independent Directors of the Company under Section 149(7) of the Companies Act, 2013 that they meet with the criteria of their independence as laid down in Section 149(6) of the Companies Act, 2013.

**9. COMPOSITION OF AUDIT COMMITTEE AND NOMINATION & REMUNERATION COMMITTEE:**

The composition of Audit Committee as on 31<sup>st</sup> March 2019 is as follows:

Mr. Abraham Chacko - Chairman  
Mrs. Saraswathy Athmanathan- Member  
Mr. Ramesh Ramanathan - Member

The terms of reference of the Audit Committee are as per the provisions of Section 177 of the Companies Act, 2013.

During the year under review the Committee met 3 times on dated 22<sup>nd</sup> May, 2018, 14<sup>th</sup> Nov 2018 and 11<sup>th</sup> Feb 2019.



The composition of Nomination and Remuneration Committee as on 31<sup>st</sup> March 2019 is as follows:

Mrs. Saraswathy Athmanathan - Chairperson  
Mr. Abraham Chacko - Member  
Mr. Ramesh Ramanathan - Member  
Mr. Rajamani Muthuchamy-Member

The scope of activities / terms of reference of the Nomination and Remuneration Committee are as per the provisions of Section 178 of the Companies Act, 2013.

The Committee has met once on 28<sup>th</sup> Sep 2018 during the FY 2018-19.

The Committee in its meeting held on 28<sup>th</sup> Sep 2018 recommended remuneration payable to the MD & CEO which was approved by the Board in its meeting held on 28<sup>th</sup> Sep 2018. The Committee formulated Fit and Proper Policy for the appointment of persons as directors in the company and the same was approved by the Board on 11<sup>th</sup> Feb 2019.

#### **10. VIGIL MECHANISM:**

The Company is not required to frame any vigil mechanism policy as per the Provisions of section 177(9) & (10) of the Companies Act, 2013 as the Company is a non-operating and non-deposit taking financial holding company. Further, the Company has not taken any loan from Banks or Public Financial Institutions.

#### **11. DIRECTOR'S RESPONSIBILITY STATEMENT:**

**In pursuance of section 134 (5) of the Companies Act, 2013, the Directors hereby confirm that:**

(a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(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 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 this 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 had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(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.

## **12. INFORMATION ABOUT THE FINANCIAL PERFORMANCE /FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES/ JV:**

The Company has an Associate Company – Jana Small Finance Bank Limited (formerly known as Janalakshmi Financial Services Limited), that is carrying on the business as a Small Finance Bank as per the guidelines of the RBI.

## **13. EXTRACT OF ANNUAL RETURN:**

As required under Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in the form **MGT 9** as a part of this Annual Report is attached (FORMAT IN **ANNEXURE-D**)

## **14. AUDITORS:**

The Auditors, M/s BSR and Associates, LLP, Chartered Accountants, were appointed at the Annual General Meeting held on 28-Sep-2017 as the Statutory Auditors of the company to hold office till the conclusion of the 5th AGM (2021-22) of the Company.

## **15. SECRETARIAL AUDIT:**

Secretarial audit report as issued by Mr. Nagendra D Rao; Practising Company Secretary is annexed to this Report as **ANNEXURE II**.

## **16. QUALIFICATIONS IN AUDIT REPORTS:**

The auditors have given their qualified opinion stating that the Company is in breach of the regulatory minimum capital adequacy requirements on a consolidated basis. Capital adequacy computed on a consolidated basis as on 31<sup>st</sup> March 2019 is -8.52% which is below the regulatory minimum of 15%.

The Board directed the Company to inform the regulator by 14<sup>th</sup> June 2019 regarding the breach of the regulatory minimum capital adequacy requirements on a consolidated basis along with plans to resolve the same.

## **17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:**

(A) Conservation of energy: Not applicable

(B) Technology absorption: Not Applicable

(C) Foreign exchange earnings and Outgo:

- There is an outgo of foreign exchange of USD equivalent of Rs. 3,32,02,080 towards the purchase of 24000 Class A equity shares held by M/s North Haven Private Equity Asia Platinum Pte Ltd. in our associate Company i.e. Jana Small Finance Bank Limited.

## **18. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH RESPECT TO THE FINANCIAL STATEMENTS:**

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Companies policies, the safeguard 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 disclosures.

## **19. RISK MANAGEMENT POLICY:**

Jana Holdings Limited is a non-operating financial holding company which has been incorporated for the purpose of holding shares in Jana Small Finance Bank Limited (Formerly known as Janalakshmi Financial Services Limited). Jana Small Finance Bank Limited is in receipt of a licence from Reserve Bank of India to carry on small finance bank business in India.

The business carried out by Jana Small Finance Bank is affected by conditions in the economy, financial markets and is subject to uncertainties typical to the financial services industry. These include volatility in borrowing and lending interest rates, availability of adequate funding, the regulatory framework governing the underlying business and competition, amongst others. While the Company has put in place policies, processes, governance and technology to effectively mitigate these risks, the Company's revenues and financial condition may be adversely impacted in the event that any of these risks materialise.

## **20. CORPORATE SOCIAL RESPONSIBILITY POLICY:**

Provisions of Section 135 of the Companies Act, 2013, regarding Corporate social responsibility is not applicable.

## **21. RELATED PARTY TRANSACTIONS:**

During the FY 2018-19 the Company has continued the related party transactions at arm length as the service provider agreement was executed during the FY 2017-18 w.e.f. 2<sup>nd</sup> March 2018 for a period of 3 Years between the Jana Holdings Limited and Jana Small Finance Bank Limited for availing services and to manage the corporate related matters and regulatory/statutory related matters of the Company inter-alia the services of principal officer under the provisions of Prevention of Money Laundering Act and Rules at a reimbursement of cost of Rs. 10,000/- which has been enhanced to Rs. 10,800/- p.m.

Further, the Company has also executed the sub-lease agreement dated 14<sup>th</sup> Nov 2018 with the Janaadhar India Pvt. Ltd., i.e. one of the group Companies at a monthly rent and

maintenance charges of Rs. 4388/- p.m. excluding applicable taxes subject to 5% escalation at the expiry of every 12 calendar months.

## 22. FORMAL ANNUAL EVALUATION:

During the year under review, the Company has made the annual evaluation of the performance of the Board, its Committees and of individual directors.

## 23. RATIO OF REMUNERATION TO EACH DIRECTOR:


Remuneration has been paid to the Managing Director for the year 2018-19 as per the terms of appointment and sitting fees has been paid to the Independent Directors for attending the Board and Committee Meetings.

## 24. LISTING WITH STOCK EXCHANGES:

The Company has listed its Non-Convertible Debentures with Bombay Stock Exchange and has paid listing fees for the financial year 2018-19.

## 25. CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

The company is committed to ensure high standards of transparency and accountability in all its activities. The best management practices and high levels of integrity in decision-making are followed to ensure sustained wealth generation and creation of value for all the stakeholders.



**Ramesh Ramanathan**  
Chairman

**Date: 30th May 2019**  
**Place: Bangalore**





FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014,

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U74900KA2016PLC086838
2.	Registration Date	10-Mar-2016
3.	Name of the Company	Jana Holdings Limited
4.	Category/Sub-category of the Company	Public Limited Company by Shares
5.	Address of the Registered office & contact details	#4/1-4/8, Meanee Avenue Road, Old Tank Road, Ulsoor csraojyoti@janaholdings.in Ph No. 080 4256 6100
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Karvy Computershare Pvt. Ltd. Karvy Selenium Tower B, Plot No 31 & 32 Gachibowli, Financial District, Nanakramguda, Serilingampally Hyderabad – 500 032, Telangana State (TS) Ph no. : +91 040 67161602

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Activities of Holding Company	64200	100%

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE
1	Jana Capital Limited	U67100KA2015PLC079488	Holding Company
2	Jana Small Finance Bank Limited (formerly known as Janalakshmi Financial Services Limited)	U65923KA2006PLC040028	Associate Company

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

#### A. Category-wise Share Holding

[illegible]

h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify) Private Equity Fund	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	Nil	60	60	0.00%	Nil	60	60	0.00%	
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	
c) Others (specify)-HUF	-	-	-	-	-	-	-	-	
Non Resident Indians	-	-	-	-	-	-	-	-	
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	
Foreign Nationals	-	-	-	-	-	-	-	-	
Clearing Members	-	-	-	-	-	-	-	-	
Trusts	-	-	-	-	-	-	-	-	
Foreign Bodies - D R	-	-	-	-	-	-	-	-	
Sub-total (B)(2):-	Nil	60	60	0.00%	Nil	60	60	0.00%	
Total Public Shareholding (B)=(B)(1)+ (B)(2)	Nil	60	60	0.00%	Nil	60	60	0.00%	
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	
Grand Total (A+B+C)	Nil	19,92,114	19,92,114	100.00%	Nil	19,92,114	19,92,114	100.00%	

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Jana Capital Limited	1,992,054	100%	NA	1,992,054	100%	NA	-

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1,992,054	100%	1,992,054	100%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
	At the end of the year	1,992,054	100%	1,992,054	100%

D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	Refer Attachment A			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year				

V) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	Refer Attachment B			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase				



specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
At the end of the year				

VI INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment. :

Particulars	Secured Loans excluding deposits	Unsecured Loans	Total Indebtedness
Indebtedness at the beginning of the financial year	6,56,83,70,687		6,56,83,70,687
i) Principal Amount	-	-	-
ii) Interest due but not paid	-	-	-
iii) Interest accrued but not Due	39,98,34,427	-	39,98,34,427
Total (i+ii+iii)	6,96,49,90,840	-	6,96,49,90,840
Change in Indebtedness during the financial year			
• Addition	**2,92,24,31,061	-	**2,92,24,31,061
• Reduction	-	-	-
Net Change		-	-
Indebtedness at the end of the financial year			
i) Principal Amount	9,88,74,21,901	-	9,88,74,21,901
ii) Interest due but not paid	-	-	-
iii) Interest accrued but not due	***1,35,36,65,614	-	1,35,04,51,340
Total (i+ii+iii)	11,24,10,87,515	-	11,24,10,87,515

\* Rs. 6,56,83,70,687/- has been arrived after deducting transaction cost i.e Rs.1,16,29,313/- from the face value Rs. 6,58,00,00,000/- as per IND-AS.

\*\* Rs. 2,92,24,31,061/- has been arrived after deducting transaction cost i.e Rs. 7,75,68,939/- from the face value of Rs.300,00,00,000 as per IND-AS.

\*\*\* The amount of Rs.1,35,36,614/- has been contained the amount of TDS Rs. 32,14,274/- which was inadvertently deducted from the amount of interest accrued of the previous FY 2017-18, hence, added back during the year and the balance amount i.e. Rs. 1,35,04,51,340/- is the interest accrued for the FY 2018-19.

# VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

## A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Rajamani Muthuchamy	
1	Gross salary	18,39,304	18,39,304
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	8,82,000	8,82,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	-
2	Stock Option	Nil	-
3	Sweat Equity	Nil	-
4	Commission - as % of profit - others, specify...	Nil	-
5	Others, please specify	9,57,304	9,57,304
	Total (A)	18,39,304	18,39,304
	*Ceiling as per the Act	-	-

\*Complied as per the provision of Companies Act, 2013

## B. Remuneration to other directors:

SN.	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors	Saraswathy Athmanthan	Abraham Chacko	-	-
	Fee for attending board committee meetings	4,50,000	4,50,000	-	9,00,000
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	-	-	-	-

2	Other Non-Executive Directors	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	4,50,000	4,50,000	-	9,00,000
	Total (B)=(1+2)	4,50,000	4,50,000	-	9,00,000
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act	NA	NA	NA	NA

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:**

SN	Particulars of Remuneration	Key Managerial Personnel				
		Amount (Rs.)				Total
1	Gross salary	1,32,532				1,32,532
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	53,332	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-

	- as % of profit	-	-	-	-	-
	others, specify...	-	-	-	-	-
5	Others, please specify (HRA and Special Allowance)	80,000	-	-	-	-
	Total	1,32,532				1,32,532

VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY - NIL					
Penalty					
Punishment					
Compounding					
B. DIRECTORS - NIL					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT - NIL					
Penalty					
Punishment					
Compounding					

  
Ramesh Ramanathan  
Chairman

Date: 30<sup>th</sup> May 2019  
Place: Bangalore



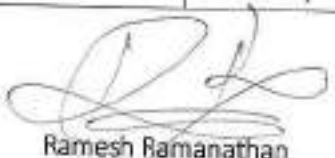
## Attachment A

Shareholding Pattern as on 01-Apr-2018 and 31-Mar-2019 (Top 10 shareholders other than directors, promoters, GDRs and ADRs)

Sr No.	Shareholder	No of Shares (31-Mar-2018)	% holding	No of Shares (31-Mar-2019)	% holding
1	Santanu Mukherjee	10	0.00%	10	0.00%
2	N. S. Rajan	10	0.00%	10	0.00%
3	C. P. Rangarajan	10	0.00%	10	0.00%
4	K. S. Ramdas	10	0.00%	10	0.00%
5	Ramesh Ramanathan	10	0.00%	10	0.00%
6	R. Srinivasan	10	0.00%	10	0.00%

## Attachment B

Name of Director/KMP	Designation	No. of Shares(01-Apr-2018)	% of total shares of the Company	No. of Shares(31-Mar-2019)	% of total shares of the Company
Ramesh Ramanathan	Director	Nil	Nil	Nil	Nil
Rajamani Muthuchamy	Managing Director and CEO	Nil	Nil	Nil	Nil
Abraham Chacko	Independent Director	Nil	Nil	Nil	Nil
Saraswathy Athmanathan	Independent Director	Nil	Nil	Nil	Nil
Jyoti Rao	Company Secretary	Nil	Nil	Nil	Nil

  
Ramesh Ramanathan  
Chairman

Date: 30<sup>th</sup> May 2019  
Place: Bangalore





### FORM AOC I

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

Part "A": Subsidiaries: Does not arise.

(Information in respect of each subsidiary to be presented with amount in Rs.)

1. S. 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	

The following information shall be furnished:-

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

**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	31 <sup>st</sup> March 2019
2. Shares of Associate/Joint Ventures held by the company on the year end No.	1,97,98,778 equity shares
Amount of Investment in Associates/Joint Venture (in thousand)	Rs.1,883,04,197.60
Extend of Holding %	41.99%
3. Description of how there is significant influence	Shareholding
4. Reason why the associate/joint venture is not consolidated	Consolidation has not yet been done at the level of Jana Capital Limited (JCL) which is the 100% holding company of Jana Holdings Limited as the financials of the associate company i.e Jana Small Finance Bank Limited are yet to be converted into IND-AS financials to be in line with the IND-AS financials of JCL.
5. Net worth attributable to Shareholding as per latest audited Balance Sheet (Amount in thousand)	Rs. 27,74,728.63 ( Amount as per IGAAP)
6. Profit / Loss for the year i. Considered in Consolidation ii. Not Considered in Consolidation	Yet to be considered as consolidation is to be done at the level of Jana Capital Limited i.e 100% holding company of Jana Holdings Limited. (Ref point no 4 above)

The following informations shall be furnished:-

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

  
**Ramesh Ramanathan**  
**Chairman**

**Date : 30-May-2019**  
**Place : Bangalore**





**Nagendra D. Rao, B.Com., LL.B., F.C.S.**

**Practising Company Secretary**

Form No. MR-3

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2018**

[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,

Jana Holdings Limited.

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 31<sup>st</sup> March 2018 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 31<sup>st</sup> March 2018 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'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 [Not Applicable];





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

To,

The Members

Jana Holdings Limited

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  
Practicing Company Secretary  
Membership No. : FCS - 5553  
Certificate of Practice No. : 7731

Date: May 22, 2018  
Place: Bengaluru



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 the company has in compliance with the Act:

- i. Issued / Allotted Secured, Rated, Listed, Redeemable Non Convertible Debentures on a Private Placement basis during the period under review.
- ii. Appointed Ms. Lakshmi R N as the Company Secretary of the company vide Board Resolution dated March 08, 2018.



A handwritten signature in black ink, appearing to be "NDR" with a stylized flourish.

Place: Bengaluru  
Date: May 22, 2018

Name of Company Secretary in Practice: Nagendra D. Rao  
FCS No. : 5553  
C P No.: 7731

**Note:** My report of even date is to be read along with my letter of even date which is annexed as Annexure - 1 and forms an integral part of this report.

(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, 2009 [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, 1998 [Not Applicable];

(i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [Not 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) FEMA Rules, Regulations and notifications issued from time to time;
- e) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952

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).

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

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



# B S R & Associates LLP

Chartered Accountants

Maruthi Info-Tech Centre  
11-12/1 Inner Ring Road  
Koramangala  
Bangalore 560 071 India

Telephone: + 91 80 3980 6000  
Fax: + 91 80 3980 6999

## INDEPENDENT AUDITORS' REPORT

To the Members of Jana Holdings Limited

Report on the Audit of the Financial Statements

### Qualified Opinion

We have audited the financial statements of Jana Holdings Limited ("the Company"), which comprise the balance sheet as at 31 March 2019, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the 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 financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Qualified Opinion

As per the terms and conditions of the license issued to Jana Small Finance Bank Limited ("JSFB") to commence small finance bank business under section 22 of the Banking Regulation Act, 1949 by Reserve Bank of India ('RBI') vide letter DBR.NBD.(SFB-JFS) No. 12881/16.13.261/2016-17 dated 28 April 2017, one of the condition requires that the Company shall 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 states that, the Company shall maintain capital adequacy and other requirements at a consolidated level based on the prudential guidelines on Capital Adequacy and Market Discipline – New Capital Adequacy Framework (NCAF) issued under Basel II framework and Guidelines on Implementation of Basel III Capital Regulations in India, when implemented. As explained in the note 31 to the financial statements, the Company is in breach of the regulatory minimum capital adequacy requirements on a consolidated basis. Capital adequacy computed on a consolidated basis as on 31 March 2019 is -8.52%, which is below the regulatory minimum of 15%. Further, the note also describes that the Company is in the process of finalising a resolution plan to address this breach. We are unable to determine whether any adjustments are necessary to the financial statements in this respect.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

**Jana Holdings Limited****Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<b>Transition date accounting policies</b>	
<b>Refer to the accounting policies in the financial statement: Significant Accounting Policies- "Basis of preparation" and "Note 30 to the financial statement, First time adoption of Ind AS"</b>	
<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
<p><b>Adoption of new accounting framework (Ind AS)</b></p> <p>Effective 1 April 2018, the Company adopted the Indian Accounting Standard ("Ind AS") notified by the Ministry of Corporate Affairs with the transition date of 1 April 2017.</p> <p>The following are the major impact areas for the Company upon transition:</p> <ul style="list-style-type: none"> <li>• Classification and measurement of financial asset and financial liabilities</li> <li>• Accounting for transactions costs relating to debt securities at Effective Interest Rate ('EIR')</li> </ul> <p>The migration to the new accounting framework (Ind AS) is a complicated process involving multiple decision points upon transition. Ind AS 101, first time adoption prescribes choices and exemptions for first time application of Ind AS principles at the transition date.</p> <p>We identified transition date accounting as a key audit matter because of degree of management judgement and choices available under Ind AS on transition.</p>	<p>Our key audit procedures included:</p> <p><b>Design / Controls</b></p> <p>We have confirmed the approvals of Board/Audit Committee for the choices and exemptions made by the Company for compliance under Ind AS 101 and accounting policies changes as required by Ind AS.</p> <p><b>Substantive tests:</b></p> <ul style="list-style-type: none"> <li>• Evaluated management's transition date choices and exemptions for compliance with under Ind AS 101.</li> <li>• Assessed the methodology implemented by management to give impact on the transition</li> <li>• Assessed the accuracy of the computations.</li> <li>• Assessed areas of significant estimates and management judgement in line with principles under Ind AS.</li> </ul>

## Key Audit Matters (continued)

Impairment testing of investments See Note 5 to the financial statements	
The key audit matter	How the matter was addressed in our audit
<p>The Company has recorded investment in Jana Small Finance Bank ("the associate") of INR 18,830,420 thousands, net of impairment loss as at 31 March 2019 (31 March 2018: INR 18,788,476 thousands)</p> <p>The annual impairment testing of investment in the associate is considered to be a key audit matter due to the size of the investment for the Company and the significant judgement required in determining the assumptions to be used to estimate the recoverable amount.</p>	<p>Our key audit procedures included:</p> <ul style="list-style-type: none"> <li>– Obtaining the share valuation certificate performed by the external valuer from the associate;</li> <li>– evaluating the appropriateness of the assumptions considered and key inputs used to arrive at the fair value of the investment;</li> <li>– verified the infusion of funds by the independent third party investor in the Associate at the above fair value to assess whether the fair value used for impairment is at arm's length;</li> <li>– assessed the accuracy of the impairment loss and evaluated the adequacy of the financial statement disclosures.</li> </ul>

## Information Other than the Financial Statements and Auditors' Report Thereon

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

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Company's Board report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.





### **Management's Responsibility for the Financial Statements**

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 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 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 adequate 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.

of

**Auditor's Responsibilities for the Audit of the Financial Statements (continued)**

- 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 standalone 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 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 comparative financial information of the Company for the transition date opening balance sheet as at 1 April 2017 included in these Ind AS financial statements, are based on the previously issued statutory financials statements prepared in accordance with the accounting principles generally accepted in India, including the accounting standard specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 audited by the predecessor auditor whose report for the year ended 31 March 2017 dated 01 September 2017 expressed an unmodified opinion on those financial statements, as adjusted for the difference in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of this matter.



**Independent Auditors' Report (continued)**  
**Jana Holdings Limited**

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) 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.

(A) 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 (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditors' 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.
  - 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.
  - iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2019.

Of

B S R & Associates LLP

**Independent Auditors' Report (continued)**

**Jana Holdings Limited**

**Report on Other Legal and Regulatory Requirements (continued)**

(C) With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 read with Schedule V of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

**For B S R & Associates LLP**

*Chartered Accountants*

ICAI Firm Registration Number: 116231 W/ W-10024



**N Sampath Ganesh**

*Partner*

Membership No: 042554

Mumbai

30 May 2019

**Jana Holdings Limited**

**Annexure A to the Independent Auditor's Report of even date on financial statements of Jana Holdings Limited**

The Annexure referred to in the Independent Auditor's Report to the members of Jana Holdings Limited ("the Company") on the financial statements for the year ended 31 March 2019, we report the following:

- (i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- h) The Company has a regular programme of physical verification of its fixed assets, by which all fixed assets are verified every year. Pursuant to the programme, all the fixed assets have been physically verified during the year and no material discrepancies were observed on such verification. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company does not hold any immovable properties as on the reporting date. Therefore, the provisions of Clause 3(i) (c) of the Companies (Auditors' Report) Order, 2016 ("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. Therefore, the provisions of Clause 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ("the Act"). Accordingly, the provisions of Clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not undertaken any transaction in respect of loans, guarantees and securities covered under Section 185 of the Act. The Company has complied with Section 186(1) of the Act in relation to investments 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) According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the rules framed thereunder. Accordingly, Clause 3(v) of the Order is not applicable to the Company.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Companies Act, 2013, for any of the services rendered by the Company. Accordingly Clause 3(vi) of the Order is not applicable to the Company.



**Annexure A to the Independent Auditor's Report of even date on financial statements of Jana Holdings Limited (Continued)**

- (vii) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Income-tax, goods and service tax, cess and any other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales-tax, duty of customs, duty of excise, provident fund and employees state insurance.

According to the information and explanations given to us, there are no undisputed amounts payable in respect of Income-tax, goods and services tax, cess and other material statutory dues were in arrears, as at 31 March 2019, for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, there are no dues of Income-tax, goods and services tax, cess and other material statutory dues which have not been deposited by the Company with the appropriate authorities on account of any disputes.
- (viii) 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 did not have any borrowings from any financial institutions, banks and government during the year.
- (ix) According to the information and explanations given to us and based on examination of the records of the Company, the debentures were applied for the purpose for which the same were obtained. The Company has not raised any money by way of initial public offer, further public offer or term loans during the year.
- (x) During the course of our 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 explanation and information 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, noticed or reported during the year, nor have we informed been informed of any such case by the Management.
- (xi) In our opinion and 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 provision of clause 3 (xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable, and details of such transactions have been disclosed in the financial statements, as required by the applicable accounting standards.

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B S R & Associates LLP

**Annexure A to the Independent Auditor's Report of even date on financial statements of Jana Holdings Limited (Continued)**

- (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 of shares or private placement of shares or fully or partly convertible debentures during the year. Accordingly, Clause 3(xiv) of the Order is 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 any non-cash transactions with the director or persons connected with him. Accordingly, Clause 3(xv) of the Order is not applicable to the Company.
- (xvi) The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and such registration has been obtained by the Company on 27 January 2017.

**For B S R & Associates LLP**

*Chartered Accountants*

Firm Registration No: 116231W/ W-100024



**N Sampath Ganesh**

*Partner*

Membership No. 042554

Place: Mumbai

Date: 30 May 2019



**Annexure B to the Independent Auditors' report on the financial statements of Jana Holdings Limited for the year ended 31 March 2019.**

**Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013**

**(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**Opinion**

We have audited the internal financial controls with reference to financial statements of Jana Holdings Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to 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 (the "Guidance Note").

**Management's Responsibility for Internal Financial Controls**

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in 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 Companies Act, 2013 (hereinafter referred to as "the Act").

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.



**Annexure B to the Independent Auditors' report on the Financial Statements of Jana Holdings Limited for the year ended 31 March 2019 (continued)**

**Auditors' Responsibility (continued)**

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, 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 financial statements.

**Meaning of Internal Financial controls with Reference to Financial Statements**

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial controls with Reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For B S R & Associates LLP**

*Chartered Accountants*

Firm Registration No: 116231 W/ W-100024



**N Sanpath Ganesh**

*Partner*

Membership No. 042554

Place: Mumbai  
Date: 30 May 2019

**JANA HOLDINGS LIMITED**  
Balance Sheet as at 31 March 2019

(Amounts are in INR thousands)

	Note	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
<b>ASSETS</b>				
<b>1 Financial assets</b>				
(a) Cash and cash equivalents	3	45,483.27	107,626.60	1,012.82
(b) Bank balance (other than (a) above)	4	327.36	327.36	32,377.48
(c) Investments	5	18,830,419.76	18,788,475.80	12,298,475.80
(d) Other financial assets	6	1.00	1.00	1.00
<b>Total financial assets</b>		<b>18,876,231.39</b>	<b>18,896,430.76</b>	<b>12,331,867.10</b>
<b>2 Non-financial assets</b>				
(a) Current tax assets (net)	7	73.19	-	-
(b) Property, plant and equipment	8	120.23	-	-
(c) Other intangible assets	9	19.49	-	-
<b>Total non-financial assets</b>		<b>212.91</b>	<b>-</b>	<b>-</b>
<b>Total Assets</b>		<b>18,876,444.30</b>	<b>18,896,430.76</b>	<b>12,331,867.10</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Liabilities</b>				
<b>1 Financial liabilities</b>				
(a) Payables				
(i) Trade payables	10			
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,389.45	9.68	-
(b) Debt securities	11	11,241,091.12	6,964,990.75	-
(c) Other financial liabilities	12	100.00	854.00	650.00
<b>Total financial liabilities</b>		<b>11,242,580.57</b>	<b>6,965,854.43</b>	<b>650.00</b>
<b>2 Non-financial liabilities</b>				
(a) Other non-financial liabilities	13	930.09	56.00	1.03
<b>Total non-financial liabilities</b>		<b>930.09</b>	<b>56.00</b>	<b>1.03</b>
<b>Equity</b>				
(a) Equity share capital	14	19,921.14	19,921.14	19,921.14
(b) Other equity	15	7,613,012.50	11,910,599.19	12,311,294.93
<b>Total equity</b>		<b>7,632,933.64</b>	<b>11,930,520.33</b>	<b>12,331,216.07</b>
<b>Total Liabilities and Equity</b>		<b>18,876,444.30</b>	<b>18,896,430.76</b>	<b>12,331,867.10</b>
Significant accounting policies	2			
Notes to the financial statements	3-33			

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For **B S R & Associates LLP**

Chartered Accountants

ICAI Firm registration no.: 116231W/W-100024

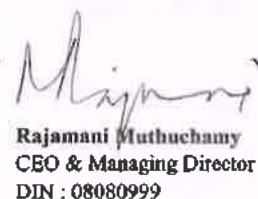


**N Sampath Ganesh**  
Partner  
Membership No.: 042554

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



**Ramesh Ramanathan**  
Director  
DIN:00163276



**Rajamani Muthuchamy**  
CEO & Managing Director  
DIN : 08080999



**Jyoti Rao**  
Company Secretary  
ACS : 55978

Place : Mumbai  
Date : 30 May 2019

Place : Bangalore  
Date : 30 May 2019



**JANA HOLDINGS LIMITED**  
Statement of Profit and Loss for the year ended 31 March 2019

			(Amounts are in INR thousands)
	Note	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>Revenue from operations</b>			
(i) Interest income	16	731.84	-
(ii) Dividend income	17	-	12,951.72
(I) <b>Total Revenue from operations</b>		<b>731.84</b>	<b>12,951.72</b>
(II) Other income		-	-
(III) <b>Total income (I+II)</b>		<b>731.84</b>	<b>12,951.72</b>
<b>Expenses</b>			
(i) Finance costs	18	1,350,451.34	399,834.43
(ii) Impairment on financial instruments	5	2,941,257.39	-
(iii) Employee benefits expenses	19	2,059.44	-
(iv) Depreciation, amortisation and impairment	8 & 9	15.48	-
(v) Other expenses	20	4,514.88	861.31
(IV) <b>Total expenses</b>		<b>4,298,318.53</b>	<b>400,695.74</b>
(V) <b>Profit / (loss) before tax (III-IV)</b>		<b>(4,297,586.69)</b>	<b>(387,744.02)</b>
(VI) <b>Tax expense:</b>			
(i) Current tax		-	-
(ii) Deferred tax		-	-
(VII) <b>Profit / (loss) for the year (V-VI)</b>		<b>(4,297,586.69)</b>	<b>(387,744.02)</b>
(VIII) <b>Other comprehensive income</b>			
A Items that will not be reclassified to profit or loss			
(i) Remeasurements of the defined benefit plans		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Subtotal (A)		-	-
B Items that will be reclassified to profit or loss (specify items and amounts)			
(i) Debt Instruments through Other comprehensive income		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Subtotal (B)		-	-
<b>Other comprehensive income (A + B)</b>		-	-
(IX) <b>Total comprehensive income for the year, net of tax</b>		<b>(4,297,586.69)</b>	<b>(387,744.02)</b>
(X) <b>Earnings per equity share</b>			
Basic (₹)	21	(2,157.30)	(194.64)
Diluted (₹)	21	(2,157.30)	(194.64)
Significant accounting policies	2		
Notes to the financial statements	3-33		

The accompanying notes are an integral part of these financial statements

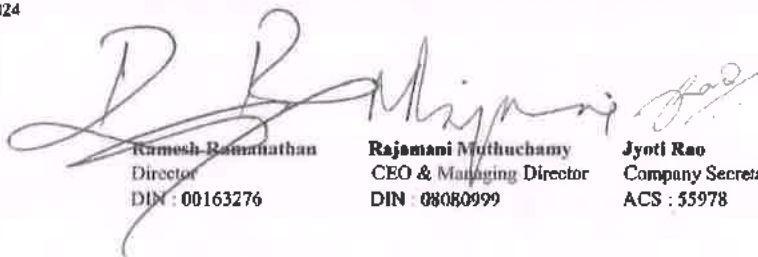
As per our report of even date attached

For BSR & Associates LLP  
Chartered Accountants  
(CAI Firm registration no.: 116231W/W-100024)



**N Sampath Ganesh**  
Partner  
Membership No.: 042554

For and on behalf of the Board of Directors of Jana Holdings Limited



**Ramesh Ramiahathan**  
Director  
DIN : 00163276

**Rajamani Muthuchamy**  
CEO & Managing Director  
DIN : 08080999

**Jyoti Rao**  
Company Secretary  
ACS : 55978

Place : Mumbai  
Date : 30 May 2019

Place : Bangalore  
Date : 30 May 2019



**JANA HOLDINGS LIMITED**

Statement of Cash Flows for the year ended 31 March 2019

(Amounts are in INR thousands)

	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>A. Cash flow from operating activities</b>		
Profit/(Loss) for the year	(4,297,586.69)	(387,744.02)
Adjustments for :		
Depreciation, amortisation and impairment	15.48	-
Impairment loss on financial instruments	2,941,257.39	-
Interest on Debt securities	1,350,451.34	399,834.43
	(5,862.48)	12,090.41
Purchase of Investment	(2,983,201.35)	(6,490,000.00)
<b>Operating cash flow before working capital changes</b>	<b>(2,989,063.83)</b>	<b>(6,477,909.59)</b>
<b>Changes in working capital :</b>		
(Increase)/decrease in other bank balances	-	32,050.12
Increase/(decrease) in trade payables	1,379.77	9.68
Increase/(decrease) in other financial liabilities	(754.00)	258.97
Increase/(decrease) in other non financial liabilities	874.09	-
<b>Net cash used in operating activities before taxes</b>	<b>(2,987,563.97)</b>	<b>(6,445,590.82)</b>
Taxes paid (including tax deducted at source) (net of refund received)	(73.18)	-
<b>Net cash used in operating activities (A)</b>	<b>(2,987,637.16)</b>	<b>(6,445,590.82)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(133.96)	-
Purchase of Intangible assets	(21.24)	-
<b>Net cash used in investing activities (B)</b>	<b>(155.20)</b>	<b>-</b>
<b>C. Cash flow from financing activities</b>		
Net proceeds from issue of debt securities	2,925,649.04	6,365,156.32
Dividend paid (including tax thereon)	-	(12,951.72)
<b>Net cash provided by financing activities (C)</b>	<b>2,925,649.04</b>	<b>6,552,204.60</b>
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>(62,143.32)</b>	<b>106,613.78</b>
Cash and cash equivalents at the beginning of the year	107,626.60	1,012.82
<b>Cash and cash equivalents at the end of the year</b>	<b>45,483.27</b>	<b>107,626.60</b>

**Notes to the statement of cash flow :****1) Cash and cash equivalents comprise of:**

Balances with banks  
- in current accounts

45,483.27	107,626.60
<b>45,483.27</b>	<b>107,626.60</b>

- 2) The Company has not taken bank overdraft, therefore the cash and cash equivalent for cash flow statement is same as cash and for cash equivalent given above.
- 3) The above statement of cash flow has been prepared under the indirect method set out in IND AS 7 on Cash Flow Statements specified under Section 133 of the Companies Act, 2013.
- 4) Figures in bracket indicate cash outflow.

As per our report of even date attached


For **BSR & Associates LLP**

Chartered Accountants

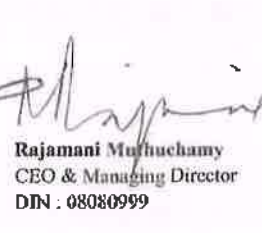
ICAI Firm registration no.: 116231W/W-100024




**N Sampath Ganesh**  
Partner  
Membership No.: 042554

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


**Ramesh Ramanathan**  
Director  
DIN: 00163276



**Rajamani Muthuchamy**  
CEO & Managing Director  
DIN : 08080999



**Jyoti Rao**  
Company Secretary  
ACS : 55978

Place : Mumbai  
Date : 30 May 2019

Place : Bangalore  
Date : 30 May 2019





**JANA HOLDINGS LIMITED**
**Statement of Changes in Equity for the year ended 31 March 2019**
**a. Equity share capital**

(Amounts are in INR thousands)				
Balance as at 01 April 2017	Changes in equity share capital during the year	Balance as at 31 March 2018	Changes in equity share capital during the year	Balance as at 31 March 2019
19,921.14	-	19,921.14	-	19,921.14

**b. Other equity**

(Amounts are in INR thousands)				
Particulars	Reserve and Surplus			Total
	Statutory Reserves	Securities Premium	Retained Earnings	
Balance as at 01 April 2017	30,339.16	12,266,639.66	14,316.11	12,311,294.93
Transfer to/from retained earnings	-	-	(387,744.02)	(387,744.02)
Dividend declared (including dividend distribution tax)	-	-	(12,951.72)	(12,951.72)
Balance as at 31 March 2018	30,339.16	12,266,639.66	(386,379.63)	11,910,599.19
Transfer to/from retained earnings	-	-	(4,297,586.69)	(4,297,586.69)
Balance as at 31 March 2019	30,339.16	12,266,639.66	(4,683,966.32)	7,613,012.50

Note 15 describes the purpose of each reserve within equity.

Significant accounting policies 2  
Notes to financial statements 3-33

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For B S R & Associates LLP  
Chartered Accountants  
ICAI Firm registration no.: 116231W/W-100024



**N Sampath Ganesh**  
Partner  
Membership No.: 042554

Place : Mumbai  
Date : 30 May 2019

For and on behalf of the Board of Directors of Jana Holdings Limited



**Ramesh Ramakrishnan**  
Director  
DIN:00163276

Place : Bangalore  
Date : 30 May 2019



**Rajamani Muthuchamy**  
CEO & Managing Director  
DIN : 08080999



**Jyoti Rao**  
Company Secretary  
ACS : 55978



## JANA HOLDINGS LIMITED

Notes to the financial statements for the year ended 31 March 2019

### 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 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 41.99% 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 2019. As the Holding Company will be preparing the consolidated financial statements, hence the same is not prepared at the Company's level.

#### 1.3 Basis of preparation

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.

The financial statements up to year ended 31 March 2018 were prepared in accordance with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended], other relevant provisions of the Companies Act, 2013 and guidelines issued by Reserve Bank of India for Non-Banking Finance Companies.

These financial statements are the first financial statements of the Company in accordance with Ind AS, Ind AS 101 - First time adoption of Indian Accounting Standard has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flow of the Company is provided in Note 30.

#### 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.





## JANA HOLDINGS LIMITED

Notes to the financial statements for the year ended 31 March 2019 (continued)

### Significant accounting policies (continued)

#### 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 (FVTPL)

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.



## JANA HOLDINGS LIMITED

Notes to the financial statements for the year ended 31 March 2019 (continued)

### Significant accounting policies (continued)

#### iii. Financial assets and liabilities (continued)

##### 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

##### 1. Short term employee benefits

Short term employee benefits are expensed as the related service is provided. A liability is recognized 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.



**JANA HOLDINGS LIMITED**

Notes to the financial statements for the year ended 31 March 2019 (continued)

**Significant accounting policies (continued)****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 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.



## JANA HOLDINGS LIMITED

Notes to the financial statements for the year ended 31 March 2019 (continued)

### Significant accounting policies (continued)

#### x. Income taxes (continued)

##### 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 earnings 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.





## JANA HOLDINGS LIMITED

Notes to the financial statements for the year ended 31 March 2019 (continued)

### Significant accounting policies (continued)

#### 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 intends to adopt 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 to financial statements for the year ended 31 March 2019 (continued)

(Amounts are in INR thousands)

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
<b>3 Cash and cash equivalents</b>			
Cash on hand	-	-	-
Balances with banks			
- In current accounts	45,483.27	107,626.60	1,012.82
<b>Total</b>	<b>45,483.27</b>	<b>107,626.60</b>	<b>1,012.82</b>

The Company has not taken bank overdraft, therefore the cash and cash equivalent for statement of cash flow is same as cash and for cash equivalent given above.

The Company's exposure to currency and liquidity risk are disclosed in note no. 24

**4 Bank balance other than cash and cash equivalents**

Unclaimed dividend account (Earmarked)	327.36	327.36	32,377.48
	<u>327.36</u>	<u>327.36</u>	<u>32,377.48</u>

The Company's exposure to currency and liquidity risk are disclosed in note no. 24



**JANA HOLDINGS LIMITED**  
Notes to financial statements for the year ended 31 March 2019 (continued)

**5 Investment**

Particulars	As at 31 March 2019			As at 31 March 2018			(Amounts are in INR thousands) As at 1 April 2017		
	Amortised Cost	At Fair Value		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		Through other comprehensive income	Through profit or Loss
	(1)	(2)	(3)	(1)	(2)	(3)	(1)	(2)	(3)
<b>Equity Instruments</b>									
Jana small finance bank (Associate)*									
Unquoted (fully paid-up of Rs. 10/- each)	21,771,677.15	-	-	18,788,475.80	-	-	12,298,475.80	-	-
<b>Total – Gross (A)</b>	21,771,677.15	-	-	18,788,475.80	-	-	12,298,475.80	-	-
(i) Investments outside India	-	-	-	-	-	-	-	-	-
(ii) Investments in India	21,771,677.15	-	-	18,788,475.80	-	-	12,298,475.80	-	-
<b>Total (B)</b>	21,771,677.15	-	-	18,788,475.80	-	-	12,298,475.80	-	-
Less: Allowance for impairment loss (C)*	(2,941,257.39)	-	-	-	-	-	-	-	-
<b>Total – Net D= (A)-(C)</b>	18,830,419.76	-	-	18,788,475.80	-	-	12,298,475.80	-	-

The Company has invested in 2,156,396 equity shares during the current year amounting to INR 2,983,201.35 thousands at INR 1,383.42 per share (previous year: 4,690,662 equity shares amounting to INR 6,490,000 thousands at INR 1,383.60 per share) of Jana Small Finance Bank (formerly known as Janalakshmi Financial Services Limited).

The Debentures of the Company are secured through first ranking exclusive pledge created over the Pledged Shares of the Associate by the Issuer under the Small Finance Bank Pledge Agreement.

\*Management of the Company has elected to avail the exemption as per Ind AS 101 and measure the investment at Deemed Cost i.e. previous GAAP carrying amount as on the Ind AS transition date i.e. 1 April 2017 (Refer Note 31 – First time adoption of Ind AS).

#Based on 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 ("the Bank") based on the below factors:

- The Bank is reporting continuing losses, net worth has declined significantly when compared to 31 March 2018, interest income has declined when compared to 31 March 2018 and credit rating agencies have downgraded the long term rating of the Bank due to tightened liquidity condition and negative outlook.
- The fair value of the Bank shares during the year ended 31 March 2019 has declined significantly (decrease of 31.25% in fair value) from INR 1,383 per share to INR 951 per share (based on valuation for fresh equity issuances by the Bank).

In light of the above indicators, the Company has estimated the recoverable amount of the investment in the Bank as INR 951.09 per share which is less than its carrying amount i.e. INR 1,099.65 per share.

The fair value of the Bank equity shares INR 951.09 per share has been determined by Management based on a third party valuation report issued by Saffron Capital Advisors Private Limited in 23 February 2019. This per share valuation is also consistent with the equity share issuance done by the Bank in March 2019.

The carrying amount has been reduced to its recoverable amount and the reduction which is an impairment loss has been recognized in the statement of profit and loss for the year ended 31 March 2019 as detailed below.

Impairment details	As at 31 March 2019
Carrying value of Investment [A]	21,771,677.15
No of Shares [B]	19,798,778.00
Book value per share [C = A/B]	1,099.65
Fair market value per share [D]	951.09
Impairment loss per share [E = C-D]	148.56
<b>Total Impairment loss [F = E*B]</b>	<b>2,941,257.39</b>





**JANA HOLDINGS LIMITED**

Notes to financial statements for the year ended 31 March 2019 (continued)

(Amounts are in INR thousands)

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
<b>6 Other financial assets</b>			
Unsecured, considered good			
Security deposits	1.00	1.00	1.00
	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>

The Company's exposure to currency and liquidity risk are disclosed in note no. 24

<b>7 Current tax assets (net)</b>			
Considered good			
Advance tax and tax deducted at source (refer note below)	73.19	-	-
	<u>73.19</u>	<u>-</u>	<u>-</u>

**Note:**

The Company has not recognised deferred tax asset or deferred tax liability for the current year and previous year. Deferred tax assets are reviewed at each Balance Sheet date and appropriately adjusted to reflect the amount that is virtually certain to be realized.



**JANA HOLDINGS LIMITED**

Notes to financial statements for the year ended 31 March 2019 (continued)

**8 Property, plant and equipment**

(Amounts are in INR thousands)

Particulars	Computers and printers	Total
<b>Cost:</b>		
At 1 April 2017	-	-
Additions	-	-
Disposals	-	-
At 31 March 2018	-	-
Additions	133.96	133.96
Disposals	-	-
At 31 March 2019	133.96	133.96
<b>Depreciation and Impairment:</b>		
At 1 April 2017	-	-
Depreciation charge for the year	-	-
At 31 March 2018	-	-
Depreciation charge for the year	13.73	13.73
At 31 March 2019	13.73	13.73
<b>Net Book Value:</b>		
At 1 April 2017	-	-
At 31 March 2018	-	-
At 31 March 2019	120.23	120.23

**9 Other intangible assets**

(Amounts are in INR thousands)

Particulars	Computer Software	Total
<b>Cost:</b>		
At 1 April 2017	-	-
Additions	-	-
Disposals	-	-
At 31 March 2018	-	-
Additions	21.24	21.24
Disposals	-	-
At 31 March 2019	21.24	21.24
<b>Amortisation and Impairment:</b>		
At 1 April 2017	-	-
Amortisation charge for the year	-	-
At 31 March 2018	-	-
Amortisation charge for the year	1.75	1.75
At 31 March 2019	1.75	1.75
<b>Net Book Value:</b>		
At 1 April 2017	-	-
At 31 March 2018	-	-
At 31 March 2019	19.49	19.49



**JANA HOLDINGS LIMITED****Notes to financial statements for the year ended 31 March 2019 (continued)****(Amounts are in INR thousands)**

	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>31 March 2019</b>	<b>31 March 2018</b>	<b>1 April 2017</b>

**10 Payables****(I) 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#

	-	-	-
	1,389.45	9.68	-
	<u>1,389.45</u>	<u>9.68</u>	<u>-</u>

The Company's exposure to currency and liquidity risk are disclosed in note no. 24

\*The Company has no dues to micro and small enterprises covered under the Micro, Small and Medium Enterprises Development Act, 2006, as at 31 March 2019, 31 March 2018 and 1 April 2017. This information is required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, and has been determined to the extent such parties have been identified on the basis of information available with the Company.

# Includes dues from related parties (refer note no. 22)



**JANA HOLDINGS LIMITED**
**Notes to financial statements for the year ended 31 March 2019 (continued)**

(Amounts are in INR thousands)

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
<b>11 Debt securities (at amortised cost)</b>			
Redeemable non-convertible debentures (Secured)	11,241,091.12	6,964,990.75	-
<b>Total (A)</b>	<b>11,241,091.12</b>	<b>6,964,990.75</b>	<b>-</b>
Debt securities in India (Secured)	4,929,008.02	1,551,445.86	-
Debt securities outside India (Secured)	6,312,083.10	5,413,544.89	-
<b>Total (B)</b>	<b>11,241,091.12</b>	<b>6,964,990.75</b>	<b>-</b>

The Company's exposure to currency and liquidity risk are disclosed in note no. 24

a) Schedule of privately placed redeemable non-convertible debentures (at amortised cost)						(Amounts are in INR thousands)		
No. of Debentures*	Series Name	Face Value	Balance as at 31 March 2019	Balance as at 31 March 2018	Balance as at 01 April 2017	Issue Month	Maturity Month	XIRR
1,450	Series I	1,000.00	1,519,100.70	-	-	Nov-18	Nov-23	16.50%
500	Series A	1,000.00	628,046.40	535,714.95	-	Sep-17	May-23	16.50%
600	Series B	1,000.00	753,655.68	646,715.18	-	Sep-17	May-23	16.50%
600	Series C	1,000.00	753,655.68	646,715.18	-	Sep-17	May-23	16.50%
1,000	Series D	1,000.00	1,256,092.80	1,077,858.63	-	Sep-17	May-23	16.50%
500	Series E	1,000.00	628,046.40	538,929.32	-	Sep-17	May-23	16.50%
1,000	Series F	1,000.00	1,252,779.32	1,075,197.56	-	Oct-17	May-23	16.50%
830	Series G	1,000.00	1,039,806.83	892,413.98	-	Oct-17	May-23	16.50%
1,550	Series H	1,000.00	1,868,436.14	1,551,445.95	-	Mar-18	May-23	20.35%
500	Series J1	1,000.00	498,945.59	-	-	Dec-18	Dec-21	16.61%
400	Series J2	1,000.00	398,807.47	-	-	Dec-18	Dec-21	16.61%
400	Series J3	1,000.00	397,350.16	-	-	Jan-19	Jan-22	16.61%
150	Series J4	1,000.00	148,316.28	-	-	Jan-19	Jan-22	16.61%
100	Series J5	1,000.00	98,051.68	-	-	Feb-19	Feb-22	16.61%
			<b>11,241,091.13</b>	<b>6,964,990.75</b>	<b>-</b>			

\* The Company has issued secured, rated, redeemable, non-convertible debentures on private placement basis, listed on the wholesale debt market of Bombay Stock Exchange (BSE). These 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 interest for the above secured, rated, redeemable, non-convertible debentures are compounded annually and payable at the time of maturity.



**JANA HOLDINGS LIMITED****Notes to financial statements for the year ended 31 March 2019 (continued)****(Amounts are in INR thousands)**

	<b>As at 31 March 2019</b>	<b>As at 31 March 2018</b>	<b>As at 1 April 2017</b>
<b>12 Other financial liabilities</b>			
Audit fee payable	100.00	854.00	650.00
	<b>100.00</b>	<b>854.00</b>	<b>650.00</b>

The Company's exposure to credit, currency and liquidity risk are disclosed in note no. 24

**13 Other non-financial liabilities**

Statutory liabilities	930.09	56.00	1.03
	<b>930.09</b>	<b>56.00</b>	<b>1.03</b>



## Notes to financial statements for the year ended 31 March 2019 (continued)

As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
------------------------	------------------------	-----------------------

**Authorized equity share capital**

20.000,00	20.000,00	20.000,00
-----------	-----------	-----------

20.000.00	20.000.00	20.000.00
-----------	-----------	-----------

## Equity share capital

19.921.14 19.921.14 15.921.14

19.921.14	19.921.14	19.921.14
-----------	-----------	-----------

### Particulars

31 March 2018

Number

**Amount**

Number

**Amount**

Number

**Amount**

At the commencement of the period

1.992,114

19,921.14

1.992.114

19.921.14

1.992.114

15,921.14

Add: Issued during the year

1,992,114

19,921.14

1,992,114

19.921.14

1.992.114

19,921.14

## 1.992.114

19921.14

1992.114

19.921.14

1.992.114

15.921.14

The Company has only one class of equity shares 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 remaining assets of the Company, after distribution to preference shareholders. The distribution will be in proportion to the number of equity shares held by the equity shareholders.





**JANA HOLDINGS LIMITED**

Notes to financial statements for the year ended 31 March 2019 (continued)

**14 Equity share capital (Continued)**

Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates:

Out of equity shares issued by the company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

(Amounts are in INR thousands)

Name of the shareholder	31 March 2019 Amount	31 March 2018 Amount	01 April 2017 Amount
<b>Equity shares</b>			
Jana Capital Limited and its nominees ('the Parent Company' or 'the Holding Company')	19,921.14	19,921.14	19,921.14
19,92,114 (31 March 2018 -19,92,114, 1 April 2017 - 19,92,114) Equity Shares			

Shareholders holding more than 5% shares:

Name of the shareholder	31 March 2019 % No. of shares	31 March 2018 % No. of shares	01 April 2017 % No. of shares
<b>Equity shares</b>			
Jana Capital Limited and its nominees ('the Parent Company' or 'the holding company')	100 1,992,114	100 1,992,114	100 1,992,114

Shares allotted as fully paid-up without payment being received in cash / by way of bonus 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.

(Amounts are in INR thousands)

**15 Other equity**

	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
Statutory reserve - (refer note no. 1 below)	30,339.16	30,339.16	30,339.16
Security premium account - (refer note no. 2 below)	12,266,639.66	12,266,639.66	12,266,639.66
Retained earnings - (refer note no. 3 below)	(4,683,966.32)	(386,379.63)	14,316.11
	<u>7,613,012.50</u>	<u>11,910,599.19</u>	<u>12,311,294.93</u>

For detailed movement of reserve refer statement of changes in equity.

**Note:****Nature and Purpose of Reserves****1. 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 NBFCs. 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 2019 as the Company has incurred losses.

**2. Securities Premium**

Securities premium reserve is used to record the premium on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

**3. Retained Earnings**

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



**JANA HOLDINGS LIMITED**

Notes to financial statements for the year ended 31 March 2019 (continued)

(Amounts are in INR thousands)

	For the year ended 31 March 2019	For the year ended 31 March 2018
<b>16 Interest income</b>		
Interest on deposits with banks (on financial assets measured at amortised cost)	731.84	-
	<u>731.84</u>	<u>-</u>
<b>17 Dividend income</b>		
Dividend from associate	-	12,951.72
	<u>-</u>	<u>12,951.72</u>
<b>18 Finance cost</b>		
Interest on debt securities (on financial liabilities measured at amortised cost)	1,350,451.34	399,834.43
	<u>1,350,451.34</u>	<u>399,834.43</u>
<b>19 Employee benefits expenses</b>		
Salaries and wages (refer note below)	2,059.44	-
	<u>2,059.44</u>	<u>-</u>

**Note:**

i) The Company has not recognised any expense with regards to provident fund during the year ended 31 March 2019 as the provisions of The Provident Fund Act, 1952 are not applicable to the Company as the Company has only two employees during the year.

ii) The provisions of the Payment of Gratuity Act, 1971 ('the Act') are not applicable to the Company as the number of employees are below the limit prescribed in the Act.

**20 Other expenses**

Surveillance fee	1,106.25	-
Directors sitting fees	1,062.00	236.00
Legal and professional	935.78	63.96
Printing and stationery	399.81	-
Acceptance fee	275.60	155.70
Auditor's remuneration (refer note below)	234.03	204.00
Repairs and maintenance	123.11	-
Listing fee	188.02	181.22
Travelling and conveyance	116.54	-
Bank charges	45.70	-
Stamps and franking charges	22.10	-
Miscellaneous expenses	25.93	20.44
	<u>4,534.87</u>	<u>861.32</u>

**(i) Payments to auditors**

As auditor

Statutory audit	200.00	200.00
Reimbursement of expenses	34.03	4.00
	<u>234.03</u>	<u>204.00</u>



**JANA HOLDINGS LIMITED**

Notes to financial statements for the year ended 31 March 2019 (continued)

**21 Earnings per share ('EPS')****Basic earnings per share**

The calculation of basic earnings per share has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

(Amount are in INR thousands)		
Earnings/(loss)	31 March 2019	31 March 2018
Net loss as per the statement of Profit and Loss	(4,297,586.69)	(387,744.02)
Shares		
Basic outstanding shares	1,992,114	1,992,114
Effect of shares issued during the year	-	-
Weighted average number of shares for computing basic EPS	1,992,114	1,992,114
Earnings/(loss) per share		
Basic (₹)	(2,157.30)	(194.64)
Diluted (₹) *	(2,157.30)	(194.64)

\* There are no dilutive shares issued by the Company as on 31 March 2019.



**JANA HOLDINGS LIMITED**
**Notes to financial statements for the year ended 31 March 2019 (continued)**
**22 Related parties**
**(i) Name of related parties and description of relationship:**

A Names of the related party where control exists	Nature of relationship
i. Mr. Ramesh Ramanathan	Non Executive Chairman and Director
ii. Mr. Raghunath Srinivasan	Director upto 30 August 2018
iii. Mr. Rajamani Muthuchamy	Managing Director & Chief Executive Officer w.e.f 1 December 2018
iv. Mrs. Saraswathy Athmanathan	Independent Director
v. Mr. Abraham Chacko	Independent Director
B Others - 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. Ms. Gayatri Nagaraj	Company Secretary w.e.f. 7 August 2018 till 3 December 2018
v. Ms. Jyoti Rao	Company Secretary w.e.f. 3 December 2018

(Amounts are in INR thousands)

Name of related party	Nature of transaction	Transaction value for the year ended 31 March 2019	Outstanding amount as at 31 March 2019	Transaction value for the year ended 31 March 2018	Outstanding amount as at 31 March 2018
<b>A. Related Entities</b>					
i. Jana Capital Limited	Dividend paid	-	-	10,761.03	327.36
ii. Jana Small Finance Bank	Professional services received	120.00	10.00	9.68	9.68
	Investment in equity shares (net of impairment loss)	2,949,999.27	18,830,419.76	1,500,000.00	18,788,475.80
	Compulsorily Convertible Preference Shares (49.9 crore number of CCPS converted into 36,06,534 number of equity shares)	-	-	4,990,000.00	-
	Dividend received	-	-	12,951,720.00	-
	Reimbursement of expense	3,863.77	1,379.45	6,334.55	-
iii. Janaadhar (India) Private Limited	Maintenance charges paid	23.99	-	-	-
<b>B. Key Management Personnel*</b>					
i. Mr. Rajamani Muthuchamy	Salary*	1,826.10	-	-	-
ii. Ms. Jyoti Rao	Salary*	133.33	-	-	-
iii. Ms. Gayatri Nagaraj	Salary*	100.00	-	-	-
<b>C. Directors</b>					
i. Saraswathy Athmanathan	Sitting fees (excluding GST)	450.00	-	100.00	-
ii. Abraham Chacko	Sitting fees (excluding GST)	450.00	-	100.00	-

\* Refer note 19 Employee benefits expenses



**JANA HOLDINGS LIMITED**

Notes to financial statements for the year ended 31 March 2019 (continued)

**23 Financial instruments-fair value and risk management**
**Accounting classification and fair values**

The following table shows the carrying amount and fair value of financial assets and financial liabilities:

**Fair value hierarchy**

This section explains the judgement and estimates made in determining fair value of the financial instruments that are:

a) recognised and measured at fair value and

b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair values, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

**Financial instruments measured at amortised cost for which fair values are disclosed**

The table below summarizes the carrying amounts and fair values of those financial assets and liabilities not presented at fair value compared to carrying amounts shown in the financial statement.

(Amounts are in INR thousands)					
	Level 1	Level 2	Level 3	Total fair values	Total carrying amount
<b>31 March 2019</b>					
<b>Financial assets</b>					
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
Other financial assets	-	-	1.00	1.00	1.00
Investment in associates	-	-	18,830,419.76	18,830,419.76	18,830,419.76
<b>Financial liabilities</b>					
Trade payables	-	-	1,389.45	1,389.45	1,389.45
Debt securities	-	-	11,564,457.87	11,564,457.87	11,241,091.12
Other financial liabilities	-	-	100.00	100.00	100.00
<b>31 March 2018</b>					
<b>Financial assets</b>					
Cash and cash equivalents	107,626.60	-	-	107,626.60	107,626.60
Bank balance other than cash and cash equivalents	327.36	-	-	327.36	327.36
Other financial assets	-	-	1.00	1.00	1.00
Investment in associates	-	-	24,409,999.74	24,409,999.74	18,788,475.80
<b>Financial liabilities</b>					
Trade payables	-	-	9.68	9.68	9.68
Debt securities	-	-	6,142,259.14	6,142,259.14	6,964,990.75
Other financial liabilities	-	-	854.00	854.00	854.00
<b>01 April 2017</b>					
<b>Financial assets</b>					
Cash and cash equivalents	1,012.82	-	-	1,012.82	1,012.82
Bank balance other than cash and cash equivalents	32,377.48	-	-	32,377.48	32,377.48
Other financial assets	-	-	1.00	1.00	1.00
Investment in associates	-	-	22,635,772.85	22,635,772.85	12,298,475.80
<b>Financial liabilities</b>					
Trade payables	-	-	-	-	-
Debt securities	-	-	-	-	-
Other financial liabilities	-	-	650.00	650.00	650.00



**JANA HOLDINGS LIMITED**

**Notes to financial statements for the year ended 31 March 2019 (continued)**

**23 Financial Instruments-fair value and risk management (continued)**

**Valuation Framework**

The Company measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

Level 1 : Inputs that are quoted at market prices (unadjusted) in active markets for identical assets and liabilities.

Level 2 : The fair value of financial instruments that are not traded in active markets is determined using valuation techniques which maximise the use of observable market data either directly or indirectly, such as quoted prices for similar assets and liabilities in active markets, for substantially the full term of the financial instruments but do not qualify as Level 1 inputs. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3 : If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3, i.e. Level 3 inputs incorporate market participants' assumptions about risk and the risk premium required by market participants in order to bear the risk. The Company develops Level 3 inputs based on the best information available in the circumstances.

**Financial Instruments valued at carrying value**

The respective carrying values of certain balance sheet financial instruments approximate their fair value. These financial instruments include cash and cash equivalents, bank balances other than cash and cash equivalents, trade payables and certain other financial assets and liabilities. Carrying values were assumed to approximate fair values for these financial instruments as they are short-term in nature and their recorded amounts approximate fair values or are receivables or payables on demand.

**Debt Securities**

Non-convertible debentures have been valued considering the present value of expected payments discounted using appropriate discounting rates.





**JANA HOLDINGS LIMITED**

Notes to financial statements for the year ended 31 March 2019 (continued)

**24 Financial Risk Management**

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 March 2019

(Amounts are in INR thousands)

Particulars	Asset group	Carrying amount	Allowance for impairment loss	Carrying amount net of impairment provision
Investments in Associate	Investments at amortized cost	21,771,677.15	(2,941,257.39)	18,830,419.76

31 March 2018

(Amounts are in INR thousands)

Particulars	Asset group	Carrying amount	Allowance for impairment loss	Carrying amount net of impairment provision
Investments in Associate	Investments at amortized cost	18,788,475.80	-	18,788,475.80

01 April 2017

(Amounts are in INR thousands)

Particulars	Asset group	Carrying amount	Allowance for impairment loss	Carrying amount net of impairment provision
Investments in Associate	Investments at amortized cost	12,298,475.80	-	12,298,475.80

Refer note 5 on Investment for details on allowances for impairment loss.





24 Financial Risk Management (Continued)

II Credit risk (Continued)

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

31 March 2019	(Amounts are in INR thousands)		
	Maximum exposure to credit risk	Fair value of the 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
Investments	18,830,419.76	-	18,830,419.76
Other financial assets	1.00	-	1.00
Total	18,876,231.39	-	18,876,231.39

31 March 2018	(Amounts are in INR thousands)		
	Maximum exposure to credit risk	Fair value of the collateral	Net Exposure
Financial asset			
Cash and cash equivalents	107,626.60	-	107,626.60
Bank balance other than cash and cash equivalents	327.36	-	327.36
Investments	18,788,475.80	-	18,788,475.80
Other financial assets	1.00	-	1.00
Total	18,896,430.76	-	18,896,430.76

01 April 2017	(Amounts are in INR thousands)		
	Maximum exposure to credit risk	Fair value of the collateral	Net Exposure
Financial asset			
Cash and cash equivalents	1,012.82	-	1,012.82
Bank balance other than cash and cash equivalents	32,377.48	-	32,377.48
Investments	12,298,475.80	-	12,298,475.80
Other financial assets	1.00	-	1.00
Total	12,331,867.10	-	12,331,867.10

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 45,810.63 thousands at 31 March 2019 (31 March 2018: INR 107,953.95 thousands; 1 April 2017: 33,390.29 thousands). The cash and cash equivalents are held with bank and financial institution counterparties with acceptable credit ratings.



**JANA HOLDINGS LIMITED**

Notes to financial statements for the year ended 31 March 2019 (continued)

**24 Financial Risk Management (Continued)**
**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 March 2019**

(Amounts are 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
<b>Financial liabilities</b>											
Trade payables	10	1,389.45	1,389.45	1,389.45	-	-	-	-	-	-	-
Debt securities	11	11,241,091.12	21,542,928.26	-	-	-	-	-	2,458,664.25	19,084,264.01	-
Other financial liabilities	12	100.00	100.00	100.00	-	-	-	-	-	-	-
<b>Financial assets</b>											
Cash and cash equivalents	3	45,483.27	45,483.27	45,483.27	-	-	-	-	-	-	-
Bank balance other than cash and cash equivalents	4	327.36	327.36	327.36	-	-	-	-	-	-	-
Investments	5	18,830,419.77	18,830,419.77	-	-	-	-	-	-	-	18,830,419.77
Other financial assets	6	1.00	1.00	-	-	-	-	-	-	1.00	-

**31 March 2018**

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
<b>Financial liabilities</b>											
Trade payables	10	9.68	9.68	9.68	-	-	-	-	-	-	-
Debt securities	11	6,964,990.75	15,971,357.23	-	-	-	-	-	-	-	15,971,357.23
Other financial liabilities	12	854.00	854.00	854.00	-	-	-	-	-	-	-
<b>Financial asset</b>											
Cash and cash equivalents	3	107,626.59	107,626.59	107,626.59	-	-	-	-	-	-	-
Bank balance other than cash and cash equivalents	4	327.36	327.36	327.36	-	-	-	-	-	-	-
Investments	5	18,788,475.80	18,788,475.80	-	-	-	-	-	-	-	18,788,475.80
Other financial assets	6	1.00	1.00	-	-	-	-	-	-	-	1.00



**Jans Holdings Limited**

Notes to financial statements for the year ended 31 March 2019 (continued)

**24 Financial Risk Management (Continued)**

**III Liquidity risk (Continued)**

01 April 2017

Particulars	Note no.	Contractual cash flows									
		Carrying Amount	Gross Nominal Outflow/Inflow	Up to 30/31 days	Over 1 month up to 2 Month	Over 2 months up to 3 months	Over 3 months & 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
<b>Financial liabilities</b>											
Trade payables	10	-	-	-	-	-	-	-	-	-	-
Debt securities	11	-	-	-	-	-	-	-	-	-	-
Other financial liabilities	12	650.00	650.00	650.00	-	-	-	-	-	-	-
<b>Financial asset</b>											
Cash and cash equivalents	3	1,012.82	1,012.82	1,012.82	-	-	-	-	-	-	-
Bank balance other than cash and cash equivalents	4	32,377.48	32,377.48	32,377.48	-	-	-	-	-	-	-
Investments	5	12,298,475.80	12,298,475.80	-	-	-	-	-	-	-	12,298,475.80
<b>Other financial assets</b>	<b>6</b>	<b>1.00</b>	<b>1.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.00</b>



**JANA HOLDINGS LIMITED**

Notes to financial statements for the year ended 31 March 2019 (continued)

**25 Change in liabilities arising from financing activities**

(Amounts are in INR thousands)

Particulars	01 April 2018	Cash flows	Changes in fair values	Exchange difference	Others*	31 March 2019
Debt securities	6,964,990.75	2,922,431.06	-	-	1,353,669.31	11,241,091.12
Total liabilities from financing activities	6,964,990.75	2,922,431.06	-	-	1,353,669.31	11,241,091.12

Particulars	01 April 2018	Cash flows	Changes in fair values	Exchange difference	Others*	31 March 2018
Debt securities	-	6,568,370.69	-	-	396,620.06	6,964,990.75
Total liabilities from financing activities	-	6,568,370.69	-	-	396,620.06	6,964,990.75

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

**26 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 Segments".

**27 Contingent liabilities and Commitments****a) Legal Claims**

There has been no legal claims against the Company as on 31 March 2019 (Previous Year: Nil).

**b) Penalties imposed by RBI**

There has been no penalties imposed by RBI for the year ended 31 March 2019 (Previous Year: Nil).

**c) Commitments**

The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. As at year end, the Company does not have any long term contracts (including derivative contracts) for which there were material foreseeable losses.



**JANA HOLDINGS LIMITED**

Notes to financial statements for the year ended 31 March 2019 (continued)

**28 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.

(Amounts are in INR thousands)

	Assets	31 March 2019			31 March 2018			01 April 2017		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
	<b>Financial assets</b>									
(a)	Cash and cash equivalents	45,483.27	-	45,483.27	107,626.59	-	107,626.59	1,012.82	-	1,012.82
(b)	Bank balance other than cash and cash equivalents	327.36	-	327.36	327.36	-	327.36	32,377.48	-	32,377.48
(c)	Investments	-	18,830,419.76	18,830,419.76	-	18,788,475.80	18,788,475.80	-	12,298,475.80	12,298,475.80
(d)	Other financial assets	-	1.00	1.00	-	1.00	1.00	-	1.00	1.00
	<b>Total financial assets</b>	<b>45,810.63</b>	<b>18,830,420.76</b>	<b>18,876,231.39</b>	<b>107,953.95</b>	<b>18,788,476.80</b>	<b>18,896,430.75</b>	<b>33,390.30</b>	<b>12,298,476.80</b>	<b>12,331,867.10</b>
	<b>Non-financial assets</b>									
(a)	Current tax assets (net)	-	73.19	73.19	-	-	-	-	-	-
(b)	Property, plant and equipment	-	120.23	120.23	-	-	-	-	-	-
(c)	Other intangible assets	-	19.49	19.49	-	-	-	-	-	-
	<b>Total non-financial assets</b>	<b>-</b>	<b>212.91</b>	<b>212.91</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total Assets</b>	<b>45,810.63</b>	<b>18,830,633.67</b>	<b>18,876,444.30</b>	<b>107,953.95</b>	<b>18,788,476.80</b>	<b>18,896,430.75</b>	<b>33,390.30</b>	<b>12,298,476.80</b>	<b>12,331,867.10</b>
	<b>Liabilities and Equity</b>									
	<b>Liabilities</b>									
	<b>Financial liabilities</b>									
(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	1,389.45	-	1,389.45	9.68	-	9.68	-	-	-
(b)	Debt securities	-	11,241,091.12	11,241,091.12	-	6,964,990.75	6,964,990.75	-	-	-
(c)	Other financial liabilities	-	-	-	854.00	-	854.00	650.00	-	650.00
	<b>Total financial liabilities</b>	<b>1,389.45</b>	<b>11,241,091.12</b>	<b>11,242,480.57</b>	<b>863.68</b>	<b>6,964,990.75</b>	<b>6,965,854.43</b>	<b>650.00</b>	<b>-</b>	<b>650.00</b>
	<b>Non-financial liabilities</b>									
(a)	Other non-financial liabilities	930.09	-	930.09	56.00	-	56.00	1.03	-	1.03
	<b>Total non-financial liabilities</b>	<b>930.09</b>	<b>-</b>	<b>930.09</b>	<b>56.00</b>	<b>-</b>	<b>56.00</b>	<b>1.03</b>	<b>-</b>	<b>1.03</b>
	<b>Equity</b>									
(a)	Equity share capital	-	19,921.14	19,921.14	-	19,921.14	19,921.14	-	19,921.14	19,921.14
(b)	Other equity	-	7,613,012.50	7,613,012.50	-	11,910,599.19	11,910,599.18	-	12,311,294.93	12,311,294.93
	<b>Total Equity</b>	<b>-</b>	<b>7,632,933.64</b>	<b>7,632,933.64</b>	<b>-</b>	<b>11,930,520.33</b>	<b>11,930,520.32</b>	<b>-</b>	<b>12,331,216.07</b>	<b>12,331,216.07</b>
	<b>Total Liabilities and Equity</b>	<b>2,319.54</b>	<b>18,874,024.76</b>	<b>18,876,344.30</b>	<b>919.68</b>	<b>18,895,511.08</b>	<b>18,896,430.75</b>	<b>651.03</b>	<b>12,331,216.07</b>	<b>12,331,867.10</b>



**JANA HOLDINGS LIMITED**

Notes to financial statements for the year ended 31 March 2019 (continued)

**29 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 2019, 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. In order to resolve the issue, the Company has evaluated various options and, given the multiple pros & cons, it is currently in the process of finalizing the preferred option. Necessary intimation, to the RBI, in this regard will be communicated shortly.

Regulatory capital consists of CET I capital, which comprises share capital, share premium, statutory reserve, retained earnings including current year profit/loss, deduction of intangible assets and other regulatory adjustments relating to items that are not included in equity but are treated differently for capital adequacy purposes. The other component of regulatory capital is other Tier 2 Capital Instruments, which comprise of sub-ordinated debt, impairment provision in respect of standard assets. Capital ratio is worked out as under:

(Amounts are in INR thousands)

Particulars	31 March 2019	31 March 2018	01 April 2017
Common Equity Tier I (CET I) capital	(4,588,637.82)	7,924,726.21	20,947,840.26
Other Tier 2 capital instruments	-	4,106,563.11	8,360,500.00
Total Capital	(4,588,637.82)	12,031,289.32	29,308,340.27
Risk weighted assets	53,884,812.46	60,919,186.28	122,487,979.06
CET I capital ratio	-8.52%	13.01%	17.10%
Total capital ratio	-8.52%	19.75%	23.93%





**JANA HOLDINGS LIMITED**

**Notes to financial statements for the year ended 31 March 2019 (continued)**

**30 First time adoption**

**Explanation of transition to Ind AS**

As stated in Note 1.3, these are the Company's first financial statements prepared in accordance with Ind AS 1, Preparation and Presentation of financial statements. The Company has prepared the opening balance sheet as per Ind AS as at 1 April 2017 (the transition date) by recognizing all assets and liabilities whose recognition is required by Ind AS, not recognizing items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required by Ind AS, and applying Ind AS in measurement of recognized assets and liabilities.

The accounting policies set out in Note 2 have been applied in preparing these financial statements for the year ended 31 March 2019 including the comparative information for the year ended 31 March 2018 and the opening Ind AS balance sheet on the date of transition i.e., 1 April 2017.

In preparing its Ind AS balance sheet as at 1 April 2017 and in preparing the comparative information for the year ended 31 March 2018, the Company has adjusted the amounts reported previously in financial statement prepared in accordance with Indian GAAP. This note explains the principal adjustments made by the Company in restating Indian GAAP financial statements and how the transition from Indian GAAP to Ind AS has affected Companies financial position, financial performance and cash flows.

**Optional exemptions availed and mandatory exception**

In preparing these financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

**A Optional exemptions availed**

**Deemed Cost for Investment in associate**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for its investments in associate as recognised in the financial statements as at the date of transition to Ind AS, measured as per Indian GAAP and use that as its deemed cost as at the date of transition. Accordingly, the Company has elected to measure its investments in associate at the Indian GAAP carrying value.

**B Mandatory Exceptions**

**1. Estimates**

As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the Indian GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under Indian GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS).

The Company's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the financial statements that were not required under Indian GAAP are listed below:

- Interest expenses measured using EIR model

**2. Classification and measurement of financial assets**

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition.



**JANA HOLDINGS LIMITED**

Notes to financial statements for the year ended 31 March 2019 (continued)

**30. First time adoption of Ind AS (Continued)**

Explanation of transition to Ind AS (Continued)

Reconciliation of assets and liabilities as at 1 April 2017 and as at 31 March 2018

At the date of transition 1 April 2017						(Amounts are in INR thousands)	
						31 March 2018	
Particulars	Note	Indian GAAP*	Effect of transition to Ind AS	Ind AS	Indian GAAP*	Effect of transition to Ind AS	Ind AS
<b>ASSETS</b>							
<b>Financial assets</b>							
Cash and cash equivalents		1,012.82	-	1,012.82	107,626.59	-	107,626.59
Bank balance other than cash and cash equivalents		32,377.48	-	32,377.48	327.36	-	327.36
Investments		12,298,475.80	-	12,298,475.80	18,788,475.80	-	18,788,475.80
Other financial assets		1.00	-	1.00	1.00	-	1.00
<b>Total financial assets</b>		<b>12,331,867.10</b>	<b>-</b>	<b>12,331,867.10</b>	<b>18,896,430.75</b>	<b>-</b>	<b>18,896,430.75</b>
<b>Non-financial assets</b>							
Current tax assets (net)		-	-	-	-	-	-
Property, plant and equipment		-	-	-	-	-	-
Intangible assets		-	-	-	-	-	-
<b>Total non-financial assets</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total assets</b>		<b>12,331,867.10</b>	<b>-</b>	<b>12,331,867.10</b>	<b>18,896,430.75</b>	<b>-</b>	<b>18,896,430.75</b>
<b>LIABILITIES AND EQUITY</b>							
<b>Liabilities</b>							
<b>Financial liabilities</b>							
<b>Payables</b>							
<b>Trade payables</b>							
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	-	9.68	-	9.68
Debt securities		-	-	-	6,994,283.94	(29,293.20)	6,964,990.75
Other financial liabilities		650.00	-	650.00	854.00	-	854.00
<b>Total financial liabilities</b>		<b>650.00</b>	<b>-</b>	<b>650.00</b>	<b>6,995,147.62</b>	<b>(29,293.20)</b>	<b>6,965,854.43</b>
<b>Non-financial liabilities</b>							
Other non-financial liabilities		1.04	-	1.04	56.00	-	56.00
<b>Total non-financial liabilities</b>		<b>1.04</b>	<b>-</b>	<b>1.04</b>	<b>56.00</b>	<b>-</b>	<b>56.00</b>
<b>EQUITY</b>							
Equity share capital		19,921.14	-	19,921.14	19,921.14	-	19,921.14
Other equity	1-2	12,311,294.92	-	12,311,294.92	11,881,305.98	29,293.20	11,910,599.18
<b>Total equity</b>		<b>12,331,216.06</b>	<b>-</b>	<b>12,331,216.06</b>	<b>11,901,227.12</b>	<b>29,293.20</b>	<b>11,930,520.32</b>
<b>Total liabilities and equity</b>		<b>12,331,867.10</b>	<b>-</b>	<b>12,331,867.10</b>	<b>18,896,430.74</b>	<b>-</b>	<b>18,896,430.75</b>

\* The Indian GAAP figures have been reclassified to conform to Ind AS presentation requirement for the purpose of this note.



**JANA HOLDINGS LIMITED**

Notes to financial statements for the year ended 31 March 2019 (continued)

**30. First time adoption of Ind AS (Continued)**
**Explanation of transition to Ind AS (Continued)**
**Reconciliation of total comprehensive income for the year ended 31 March 2018**

(Amounts are in INR thousands)				
For the year ended 31 March 2018				
Particulars	Note	Indian GAAP*	Adjustments on transition to Ind AS	Ind AS
<b>Revenue from operations</b>				
Interest income		-	-	-
Dividend income		12,951.72	-	12,951.72
<b>Total</b>		12,951.72	-	12,951.72
<b>Other income</b>		-	-	-
<b>Total income</b>		12,951.72	-	12,951.72
<b>Expenses</b>				
Finance costs	I	417,498.22	(17,663.79)	399,834.43
Impairment on financial instruments		-	-	-
Employee benefits expenses		-	-	-
Depreciation, amortisation and impairment		-	-	-
Other expenses	I	12,490.72	(11,629.41)	861.31
<b>Total expenses</b>		429,988.94	(29,293.20)	400,695.74
<b>Profit / (loss) before tax</b>		(417,037.22)	29,293.20	(387,744.02)
<b>Tax expense:</b>				
Current tax		-	-	-
Deferred tax		-	-	-
<b>Profit / (loss) for the year</b>		(417,037.22)	29,293.20	(387,744.02)
<b>Other comprehensive income</b>				
Items that will not be reclassified to profit or loss				
(i) Remeasurements of the defined benefit plans		-	-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-	-
<b>Subtotal (A)</b>		-	-	-
Items that will be reclassified to profit or loss (specify items and amounts)				
(i) Debt Instruments through Other Comprehensive income		-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-	-
<b>Subtotal (B)</b>		-	-	-
<b>Other comprehensive income (A + B)</b>		-	-	-
<b>Total comprehensive income for the year, net of tax</b>		(417,037.22)	29,293.20	(387,744.02)

\* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirement for the purpose of this note



**JANA HOLDINGS LIMITED**

Notes to financial statements for the year ended 31 March 2019 (continued)

**30. First time adoption of Ind AS (Continued)**
**Explanation of transition to Ind AS (Continued)**
**Notes to the reconciliations**
**A. Reconciliation of total equity as at 31 March 2018 and 1 April 2017:**

(Amounts are in INR thousands)

Particulars	Note	31 March 2018	1 April 2017
Equity under Indian GAAP attributable to the shareholders		11,901,227.12	12,331,216.06
Adjustment			
Impact on retained earning for EIR			
Impact in financial liabilities pursuant to application of effective interest rate method	1	29,293.20	
Sub-total		29,293.20	-
Net impact on retained earning		29,293.20	-
Equity under Ind AS attributable to the shareholders		11,930,520.32	12,331,216.06

**B. Reconciliation of total comprehensive income for the year ended 31 March 2018:**

Particulars	Note	31 March 2018
Profit after tax as per Indian GAAP		(417,037.22)
Ind AS adjustments:		
Impact in financial liabilities pursuant to application of effective interest rate method	1	29,293.20
Sub-total		29,293.20
Net Profit for the year as per Ind AS		(387,744.02)

**C. Impact of Ind AS adoption on the statement of cash flows for the year ended 31 March 2018**

Particulars	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities (refer note 1 & 2 below)	(6,489,270.35)	43,679.54	(6,445,590.82)
Net cash flow from investing activities	-	-	-
Net cash flow from financing activities (refer note 1 below)	6,563,834.01	(11,629.41)	6,552,204.60
Net increase/(decrease) in cash and cash equivalents	74,563.66	32,050.13	106,613.78
Cash and cash equivalents as at 1 April 2017	33,390.29	(32,377.47)	1,012.82
Cash and cash equivalents as at 31 March 2018	107,953.95	(327.34)	107,626.60

**Note:**
**1. Effective rate of interest on debt securities**

Ind AS 109, requires transaction costs directly attributable to the originations of borrowing to be charges to statement of profit and loss as interest expenses over the contractual terms of borrowings applying effective interest rate method. Accordingly, borrowing are required to be recorded, net of such transaction costs. Under previous GAAP, these transactions costs were shown as unamortized borrowing costs under non-current/ current assets

**2. Retained earnings**

Retained earnings as at 1 April 2017 has been adjusted consequent to the above Ind AS transition adjustments.



**JANA HOLDINGS LIMITED**

Notes to financial statements for the year ended 31 March 2019 (continued)

**31 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 2019	31 March 2018	01 April 2017
i)	CRAR (%)*	-8.52%	19.75%	23.93%
ii)	CRAR - Tier I Capital (%)	-8.52%	13.01%	17.10%
iii)	CRAR - Tier II Capital (%)	0.00%	6.74%	6.83%
iv)	Amount of Subordinated debt raised as Tier-II Capital	-	-	-
v)	Amount raised by issue of Perpetual Debt Instruments	-	-	-

\* Jana Holdings Limited ('JHL' or '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. 12381/16.13216/2016-17 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 2019, 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. In order to resolve the issue, the Company has evaluated various options and, given the multiple pros & cons, it is currently in the process of finalizing the preferred option. Necessary intimation, to the RBI, in this regard will be communicated shortly.

**b) Investments**

(Amounts are in INR thousands)

S.No	Particulars	31 March 2019	31 March 2018	01 April 2017
1	Value of Investments			
	(i) Gross Value of Investments			
	(a) In India	21,771,677.15	18,788,475.80	12,298,475.80
	(b) Outside India	-	-	-
	(ii) Provisions for Depreciation#			
	(a) In India	2,941,257.39	-	-
	(b) Outside India	-	-	-
	(iii) Net Value of Investments			
	(a) In India	18,830,419.76	18,788,475.80	12,298,475.80
	(b) Outside India	-	-	-
2	Movement of provisions held towards depreciation on investments			
	(i) Opening balance	-	-	-
	(ii) Add: Provisions made during the year#	2,941,257.39	-	-
	(iii) Less : Write-off / write-back of excess provisions during the year	-	-	-
	(iv) Closing balance#	2,941,257.39	-	-

# This relates to impairment loss. Refer note 5 on Investment for details on impairment allowance.





**JANA HOLDINGS LIMITED**

Notes to financial statements for the year ended 31 March 2019 (continued)

**31. 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****(i) Forward Rate Agreement/ Interest Rate Swap**

(Amounts are in INR thousands)				
S.No	Particulars	31 March 2019	31 March 2018	01 April 2017
(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 2019	31 March 2018	01 April 2017
(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"	-	-	-





**JANA HOLDINGS LIMITED**

Notes to financial statements for the year ended 31 March 2019 (continued)

**31. 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**

		(Amounts are in INR thousands)					
		31 March 2019		31 March 2018		01 March 2019	
S.No.	Particular	Currency Derivatives	Interest Rate Derivatives	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	-	-	-	-	-	-



**JANA HOLDINGS LIMITED**

Notes to financial statements for the year ended 31 March 2019 (continued)

31. 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) Maturity pattern of certain assets and liabilities as at 31 March 2019

31 March 2019	(Amounts are in INR thousands)							
	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
Liabilities								Total
Debt Securities	-	-	-	-	-	2,458,664.25	19,084,264.01	-
Assets								
Investments	-	-	-	-	-	-	-	18,330,419.77
								18,830,419.77
31 March 2018								
	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
Liabilities								Total
Borrowings	-	-	-	-	-	-	-	15,971,357.23
Assets								
Investments	-	-	-	-	-	-	-	18,788,475.80
								18,788,475.80
01 April 2017								
	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
Liabilities								Total
Borrowings	-	-	-	-	-	-	-	-
Assets								
Investments	-	-	-	-	-	-	-	12,298,475.80
								12,298,475.80

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



**JANA HOLDINGS LIMITED**
**Notes to financial statements for the year ended 31 March 2019 (continued)**
**31. 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 2019	31 March 2018	01 April 2017
<u>Direct Exposure</u>			
(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	-	-	-
<b>Total Exposure to Real Estate Sector</b>	-	-	-

**(ii) Exposure to Capital Market**

Particulars	31 March 2019	31 March 2018	01 April 2017
(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)	-	-	-
<b>Total Exposure to Capital Market</b>	-	-	-



**JANA HOLDINGS LIMITED**

Notes to financial statements for the year ended 31 March 2019 (continued)

**31. 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)**(a) 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)	18 March 2019	PP-MLD [ICRA]B+ (Negative) (Stable)	PP-MLD[ICRA]BB-
2	Redeemable Non-Convertible Debentures (Series I - J)	08 February 2019	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.

**(v) 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).

**(vi) 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**

SLNo.	Particulars	31 March 2019	31 March 2018	01 April 2017
(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.PB.CC NO.256/03.10.042/2011-12 Dated 02 March 2012**

(Amounts are in INR thousands)

Particulars	31 March 2019	31 March 2018	01 April 2017
<b>a. Persons involved</b>			
Customers	-	-	-
Collection Agency	-	-	-
Dealer	-	-	-
<b>Total</b>	-	-	-
<b>b. Type of Fraud</b>			
Misappropriation and criminal breach of trust	-	-	-
Fraudulent encashment/ manipulation of books of account	-	-	-
Cheating and forgery	-	-	-

32 The disclosure in the Ind AS financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2019.

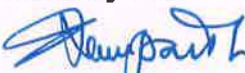
**33 Prior year comparatives**

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

For BSR &amp; Associates LLP

Chartered Accountants

ICAI Firm Registration No. 116231W/W - 100024




N Sampath Ganesh

Partner

Membership No. 042554

Mumbai  
30 May 2019

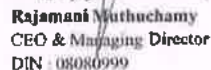
For and on behalf of the Board of Directors of Jana Holdings Limited



Ramesh Ramanathan

Director

DIN:00163276

Bangalore  
30 May 2019


Rajamani Muthuchamy

CEO &amp; Managing Director

DIN : 08080999



Jyoti Rao

Company Secretary

ACS : 53978



**JANA HOLDINGS LIMITED**

Notes to financial statements for the year ended 31 March 2019 (continued)

Annexure 1 forming part of the financial statements for the year ended 31 March 2019

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 2019		As at 31 March 2018		As at 1 April 2017	
	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
(a) Debentures						
Secured*	11,241,091.12	-	6,964,990.75	-	-	-
Unsecured	-	-	-	-	-	-
(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	-	-	-	-	-	-
	11,241,091.12	-	6,964,990.75	-	-	-

(ii) Break-up of (i)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):	As at 31 March 2019		As at 31 March 2018		As at 1 April 2017	
	Amount outstanding	Amount overdue	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 Convertible 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	(Amounts are in INR thousands)		
	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
(a) Secured	Amount outstanding	Amount outstanding	Amount outstanding
(b) Unsecured	-	-	-

(iv) Break up of leased assets and stock on hire and hypothecation loans counting towards AFC activities	(Amounts are in INR thousands)		
	As at 31 March 2019	As at 31 March 2018	As at 1 April 2017
(i) Lease assets including lease rentals under sundry debtors:	Amount outstanding	Amount outstanding	Amount outstanding
(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	-	-	-



**JANA HOLDINGS LIMITED**

Notes to financial statements for the year ended 31 March 2019 (continued)

 Annexure 1 forming part of the financial statements for the year ended 31 March 2019 (Continued)  
 Schedule to the Balance Sheet of the non-deposit taking Non-Banking Financial Company (Continued)

## (v) Break-up of investments :

Current investments	(Amounts are in INR thousands)		
	As at 31 March 2019 Amount outstanding	As at 31 March 2018 Amount outstanding	As at 1 April 2017 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	(Amounts are in INR thousands)		
	As at 31 March 2019 Amount outstanding	As at 31 March 2018 Amount outstanding	As at 1 April 2017 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	18,830,419.76	18,788,475.80	12,298,475.80
(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





**JANA HOLDINGS LIMITED**

Notes to financial statements for the year ended 31 March 2019 (continued)

Annexure 1 forming part of the financial statements for the year ended 31 March 2019 (Continued)

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

(Amounts are in INR thousands)

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

(Amounts are in INR thousands)

Category	As at 31 March 2018		
	Amount net of provisions		
	Secured	Unsecured	Total
1. Related parties	-	-	-
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	-	-	-
	-	-	-

(Amounts are in INR thousands)

Category	As at 1 April 2017		
	Amount net of provisions		
	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):

(Amounts are in INR thousands)

Category	As at 31 March 2019		As at 31 March 2018	
	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	18,830,419.76	18,830,419.77	18,783,475.80	24,409,999.74
2. Other than related parties	18,830,419.76	18,830,419.77	18,783,475.80	24,409,999.74

