

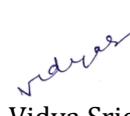
CORRIGENDUM TO THE NOTICE DATED 5TH OCTOBER 2020 FOR CALLING EXTRA-ORDINARY GENERAL MEETING OF THE COMPANY TO BE HELD ON 30TH OCTOBER 2020.

Notice is hereby given that, the scheduled time of the Extra-ordinary General Meeting (EGM) proposed to be held on 30th October 2020 which was scheduled at 12.30 PM IST is changed to **4.45 PM IST**. The notice dated 5th October 2020 issued by the Company is modified to this extent.

Accordingly, the members are hereby informed to attend the EGM on **Friday, the 30th October 2020 at 4.45 PM IST through Video Conferencing**.

Except for the change in timings mentioned in the notice calling EGM, all the information and contents set out in the notice alongwith the resolution to be considered thereat remains unchanged.

By the Order of the Board of Directors
of **Jana Holdings Limited**



Vidya Sridharan

Company Secretary (Mem. No. A44354)

Date: 7th October 2020

Place: Bangalore

NOTICE OF MEETING OF THE EQUITY SHAREHOLDERS OF
JANA HOLDINGS LIMITED

IN THE MATTER OF SECTIONS 233 OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF

JANA HOLDINGS LIMITED (TRANSFEROR COMPANY)

AND

JANA CAPITAL LIMITED (TRANSFeree COMPANY)

AND

THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

MEETING DETAILS

Day	Date	Time	Video conference facility
Friday	30 th October 2020	12.30 Noon	Via Microsoft teams platform

Sl. No.	Contents
1.	Notice of the Meeting of the Equity Shareholders of Jana Holdings Limited under the provisions of Sections 233 of the Companies Act, 2013 read with Rule 25 of Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
2.	Explanatory Statement under Sections 230(3) and 102 of the Companies Act, 2013 read with sub-rule(3) of rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.
3.	Scheme of Amalgamation of Jana Holdings Limited (Wholly Owned Subsidiary) with Jana Capital Limited (Holding Company) Annexure-A
4.	Declaration of Solvency in form CAA-10 in pursuance of clause (c) of sub-section (1) of section 233 along with the statement of Assets and Liabilities and the Independent Auditor's Report on the Statement of Assets and Liabilities as on July 31, 2020. Annexure B
5.	Pre and Post Amalgamation Shareholding Pattern of Transferor Company. Annexure-C
6.	Pre and Post Amalgamation Shareholding Pattern of Transferee Company. Annexure-D
7.	Copy of Audited Financial Statements of Jana Holdings Limited for financial year ended 31 st March 2020 Annexure-E

FORM NO CAA.2
IN THE MATTER OF SECTIONS 233 AND OTHER APPLICABLE PROVISIONS
OF THE COMPANIES ACT,2013
AND
IN THE MATTER OF
JANA HOLDINGS LIMITED
(TRANSFEROR)
AND
JANA CAPITAL LIMITED
(TRANSFeree)
AND
THEIR RESPECTIVE EQUITY SHAREHOLDERS

Jana Holdings Limited
U74900KA2016PLC086838
No.4/1 to 4/8, Meanee Avenue Road,
Old Tank Road, Ulsoor,
Bangalore Karnataka-560042 India,
Tel:080 42566100; Email Id: vidya@janaholdings.co.in

-----TRANSFEROR

NOTICE CONVENING THE EXTRA-ORDINARY MEETING OF EQUITY SHAREHOLDERS

To
The Members of Jana Holdings Limited

NOTICE is hereby given that the Extra-Ordinary General Meeting (EGM) of the Equity Shareholders of Jana Holdings Limited (transferor Company) will be held on **Friday, the 30th day of October 2020 at 12.30 Noon** through Video Conferencing to transact the following Business:

SPECIAL BUSINESS

Item No. 1: Approval of the scheme of amalgamation of Jana Holdings Limited (Transferor Company/ the wholly owned subsidiary of Transferee Company) with Jana Capital Limited (Transferee Company/holding company) through Fast Track Route of Amalgamation as provided under Section 233 of the Companies Act 2013.

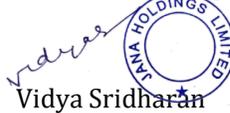
To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution by requisite majority:

“RESOLVED THAT pursuant to the provisions of Sections 233 of Companies Act, 2013 read with Rule 25 of the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016 and other applicable provisions, if any, of the Companies Act, 2013, the rules, circulars and notifications made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in

force) and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of the Hon'ble Regional Director, South-east Region, Ministry of Corporate Affairs, Hyderabad if and when applicable, and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the Hon'ble Regional Director, South-east Region, Ministry of Corporate Affairs, Hyderabad, if and when applicable or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any other person authorised by it to exercise its powers including the powers conferred by this Resolution), the proposed Scheme of Amalgamation of Jana Holdings Limited("Transferor Company") with Jana Capital Limited ("The Transferee Company") and their respective Shareholders and creditors as placed before this meeting be and is hereby approved.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the Scheme of Amalgamation embodied in the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, which may be required and/or imposed by the Hon'ble Regional Director, South-east Region, Ministry of Corporate Affairs, Hyderabad, if and when applicable while sanctioning the Scheme of Amalgamation embodied in the Scheme or by any authorities under law, or as may be required for the purpose of resolving any doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper."

For **Jana Holdings Limited**


Vidya Sridharan

Company Secretary

Mem. No. 44354

Place: Bengaluru

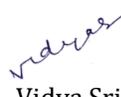
Dated this 5th October 2020

Notes:

1. In the light of MCA Circular dated 08th April, 2020 read with MCA circular 13th April, 2020 and 28th September 2020 the company is conducting EGM through Video Conference mode. The meeting shall be held via Microsoft teams platform. The link for joining the meeting will be shared separately.
2. The meeting room shall be opened 15 minutes before the scheduled time to ensure the conduct of the meeting smoothly.
3. In the light of MCA circulars and the meeting being held through video conference mode, the option to appoint Proxy is done away with.

4. For any technical assistance before or during the meeting please contact:
Name:- Vidya Sridharan
Phone: 9590848264
5. In accordance with the provisions of Sections 233 of the Companies Act, 2013, the Scheme shall be acted upon only if majority of persons representing 90% in value of the equity share capital of the Applicant Company agree to the Scheme.
6. The equity shareholders appearing in the records of the applicant Company as on 31st August, 2020 will be entitled to exercise their right to vote on the above meeting.
7. The Notice, together with the documents accompanying the same, is being sent to the equity shareholders to their email id registered with the company as mandated by the aforementioned circulars. The Notice will also be displayed on the website of the Applicant Company at <http://janaholdings.co.in/>.
8. A copy of the Explanatory Statement, under Section 233 and Section 102 of the Companies Act, 2013 read with Rule 25 of the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016, the Scheme and the other enclosures as indicated in the Index are enclosed.
9. Any document referred to in the accompanying Explanatory Statement shall be open for inspection by the equity shareholders at the registered office of the Applicant Company between 11.00 AM and 5.00 PM on all days (except Sundays and public holidays) upto one day prior to the date of the meeting.

For **Jana Holdings Limited**



Vidya Sridharan
Company Secretary
Mem. No. 44354

Place: Bengaluru

Dated this 5th October 2020

FORM NO CAA.2
IN THE MATTER OF SECTIONS 233 AND OTHER APPLICABLE PROVISIONS
OF THE COMPANIES ACT,2013
AND
IN THE MATTER OF
JANA HOLDINGS LIMITED
(TRANSFEROR)
AND
JANA CAPITAL LIMITED
(TRANSFeree)
AND
THEIR RESPECTIVE EQUITY SHAREHOLDERS

Jana Holdings Limited
U74900KA2016PLC086838
No.4/1 to 4/8, Meanee Avenue Road,
Old Tank Road, Ulsoor,
Bangalore Karnataka-560042 India,
Tel: 080 42566100 ; Email id: vidya@janaholdings.in

-----TRANSFEROR

EXPLANATORY STATEMENT IN TERMS OF SECTION 233 AND SECTION 102 OF THE COMPANIES ACT, 2013 READ WITH RULE 25 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016

Jana Capital Limited (hereinafter referred to as the “Transferee Company” as the context may admit) and Jana Holdings Limited (hereinafter referred to as the “Transferor Company” as the context may admit) intend to file an application with the Hon’ble, Regional Director, South East Bench seeking approval of the Scheme of Amalgamation (The Scheme) through Fast-track route in accordance with section 233 of the Companies Act, 2013.

The scheme was approved by the board of directors of the transferor and the transferee Companies on 24th August 2020. Both the companies, being Non-Banking Financial Companies had sought for the in-principle approval from the RBI and the same was granted vide letter dated 10/08/2020.

The Company has also served notices (CAA-9) along with the proposed Scheme with Registrar of Companies, Karnataka and Official Liquidator, Ministry Of Corporate Affairs by letter dated 25th August 2020 seeking their objections / suggestions to the said scheme as required under section 233(1)(a) of the Act and rules made thereunder. However, the company has not received any objections and suggestions to the proposed scheme from the said authorities till the date of this notice. As the debentures of the company are listed on the Bombay Stock Exchange (BSE), the company initiated steps for obtaining the in-principle approval to the scheme from the Stock Exchange. The amalgamation once approved in the meeting will be subject to approval of the Hon’ble Regional Director, South-east Region, Ministry of Corporate Affairs, Hyderabad.

This statement is being furnished as required under section 233 and Section 102 of the Companies Act, 2013 (the "Act") read with Rule 25 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (the "Rules").

1. Details of the companies:

1. Transferor Company : Jana Holdings Limited

Name	Jana Holdings Limited is a Public limited company incorporated under the Companies Act, 2013 having its registered office at Karnataka.
CIN	U74900KA2016PLC086838
PAN number	AADCJ6838R
Date of Incorporation	10-03-2016
Type of Company	Public Limited Company
Registered Office Address, Valid email id	No.4/1 to 4/8, Meanee Avenue Road, Old Tank Road, Ulsoor Bangalore-560042.India, email: info@janaholdings.in
Summary of Main object as per memorandum of association	<p>(a) <i>To carry on the business of a non-operating financial holding company promoted by Jana Capital Limited or any other financial entity in which Jana Capital Limited is a shareholder and has a significant influence and to invest in, buy, sell, transfer, deal in and dispose of any shares, stocks, debentures, bonds, certificates, money market instruments, including securities of any government or local authority whether perpetual or redeemable, in accordance with the Guidelines for Licensing of New Banks in the Private Sector issued by the Reserve Bank of India ("RBI") on February 22, 2013 and/or Guidelines/Instructions for Non-Operative Financial Holding Company issued by RBI from time to time.</i></p> <p>(b) <i>To set up companies/corporate bodies for the purpose of carrying on the business of banking, insurance, asset management, mutual fund, stock broking, infrastructure debt funding, housing finance, primary dealers, leasing, hire purchase, factoring, full-fledged money changers, alternative investment funding and other specialized activities pursuant to the Guidelines for Licensing of New Banks in the Private Sector issued by Reserve Bank of India on February 22, 2013 or otherwise in and / or outside India with the approval of the Regulators and/or the</i></p>

	<p><i>Authorities concerned.</i></p> <p><i>(c) To carry on the business of holding and Investment company and /or to invest in, acquire, hold, underwrite, sell or otherwise deal in shares, stocks, debentures, debenture stock, bonds, units, obligations and securities, whether directly or indirectly, issued or guaranteed by any financial services companies regulated by Reserve Bank of India or other financial sector regulators to the extent permissible under the applicable regulatory prescriptions and to act as holding company and to acquire any such shares, stock, debentures, debentures stocks or securities by original subscription, tender, purchase, or otherwise and subscribe to the same either conditionally, or otherwise and to guarantee the subscription thereof and exercise and enforce all rights and powers conferred by or incidental to the ownership thereof in accordance with the Guidelines for Licensing of New Banks in the Private Sector issued by Reserve Bank of India (RBI) on February 22, 2013 and/or Guidelines/ Instructions for Non-Operative Financial Holding Company issued by RBI from time to time.</i></p>
<p>Main Business carried on by the company</p>	<p>JHL is a wholly-owned subsidiary of Jana Capital Limited. JHL has received Certificate of Registration under Section 45-IA(5) as a Type I NBFC ND Non-Operative Financial Holding Company ("NOFHC") from the Reserve Bank of India on 27th January 2017 as per the guidelines for licensing of new banks in the private sector issued by the Reserve Bank of India. JHL holds its investment in Jana Small Finance Bank (formerly known as 'Janalakshmi Financial Services Limited').</p> <p>There is no other business carried on by the company.</p>
<p>Details of Change of name, registered office, and objects of the company during the last five years.</p>	<p>There is no change in the name of the Company since incorporation.</p> <p>The registered office of the Company was changed with effect from 15/11/2018 from MS Square, 34/1-1, Langford Road, Shantinagar, Bangalore- 560027 to No.4/1 to 4/8, Meanee Avenue Road, Old Tank Road, Ulsoor, Bangalore – 560042.</p> <p>There was no change in the objects of the Company since incorporation.</p>

Name of the stock exchange(s) where securities of the company are listed	The Company has listed its debentures in the Bombay Stock Exchange. The Company has not listed its Equity shares.
Authorized Capital	Authorised Share Capital of the Company is Rs. 50,00,00,000 (Rupees Fifty crores only) divided into 3,50,00,000 Equity shares Face value of Rs.10 each and 1,50,00,000 preference shares Face value of Rs. 10/- each. with effect from 22.05.2019.
Issued, subscribed and Paid up capital	23,80,944 Equity shares of face value of Rs. 10 each.
Names of the promoters and directors along with their addresses	<p>Promoters:</p> <p>The Promoters of the Company are:</p> <ol style="list-style-type: none"> Jana Capital Limited (The transferee Company) having registered office at No.4/1 to 4/8, Meanee Avenue Road, Old Tank Road, Ulsoor, Bangalore Karnataka 560042 India. Mr. Ramesh Ramanathan - Non-Executive Director and Chairman. <p>Directors name and address:</p> <ol style="list-style-type: none"> Mr. Ramesh Ramanathan. (Non-Executive Director and Chairman) #402, Lydhurst Apartment, 3/7 Walton Road Near UB City, Shanthi Nagar, Bangalore North, Bengaluru - 560001. Mr. Rajamani Muthuchamy (MD and CEO) 104, Total Environment Wings Apartment, Cambridge Layout, Ulsoor, Bangalore - 560008. Mr. Abraham Chacko (Independent Director) 2nd Floor, Purackal Court, Thevara Ferry Road, Ernakulam Cochin-682013. Mrs. Saraswathy Athmanathan (Independent Director) Flat No. 3, Block no. 3 Ananya Ashok Apartments, Bakthavatsalam Road, Abhiramapuram East, Mylapore, Chennai 600004.

2. Transferee Company: Jana Capital Limited

Name	Jana Capital Limited is a Public Limited Company incorporated under the Companies Act, 2013 having its registered office at Karnataka.
CIN	U67100KA2015PLC079488
PAN number	AADCJ6069Q
Date of Incorporation	26/03/2015
Type of Company	Public Limited Company
Registered Office Address, Valid email id	No.4/1 to 4/8, Meanee Avenue Road, Old Tank Road, Ulsoor, Bangalore Karnataka- 560042 India, email: info@janacapital.co.in
Main object	<p><i>a) To invest in, acquire, hold, underwrite, sell or otherwise deal in shares, stocks, debenture stocks, bonds, negotiable instruments, securities of any company, Government, Public Body or authority, Municipal and Local Bodies, whether in India or abroad.</i></p> <p><i>b) 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.</i></p> <p><i>c) To carry on the business of an investment Company and invest in the purchase of or upon the security of and to buy, sell or otherwise deal in shares, stocks, units, debentures, debenture stock bonds, mortgages, obligations and securities of any kind issued or guaranteed by any company, corporation or undertaking of whatever nature whether incorporated or otherwise; and wheresoever constituted or carrying on business of immovable property and rights directly or indirectly connected therewith and or bullion, including gold, silver and other precious metals and / or precious stones such as diamonds, rubies and / or any other asset.</i></p> <p><i>d) To carry on the business as an investment company and for that purpose to acquire and hold either in the name of the company or in that of any nominee shares, stocks, debentures, debenture stock, bonds, notes and to invest or to deposit or to hold funds in such articles (including gold, silver, jewellery, platinum, precious stones) and acquire purchase, sell or let on hire the same and materials, articles or things, obligations and securities issued or</i></p>

	<i>guaranteed by any company wherever incorporated or carrying on business and debentures, debentures stock bonds, notes, obligations and securities issued or guaranteed by any government, sovereign ruler, commissioner, public body or authority, supreme independent, municipal local or otherwise in any part of the world either at the company's office or any other places of safe custody</i>
Main Business carried on by the company	The Company is carrying on the business of an Investment Company. The Company received Certificate of Registration as a Non-Banking Financial Institution - Core Investment Company - Non-Deposit taking - Systemically Important (NBFC-CIC-ND-SI) from the Reserve Bank of India on 24 th March 2017 as required under section 45IA of the Reserve Bank of India Act, 1934.
Details of Change of name, registered office, and objects of the company during the last five years.	There is no change in name of the Company since incorporation. The registered office of the Company changed with effect from 15 th November 2018 from M S Square, No. 34/1-1, Langford Road, Shantinagar, Bangalore – 560027 to 4/8, Meanee Avenue Road, Old Tank Road, Ulsoor, Bangalore – 560042 There was no change in objects of the company since incorporation.
Name of the stock exchange(s) where securities of the company are listed	The Company has listed its debentures in the Bombay Stock Exchange. The Company has not listed its Equity shares.
Authorized Capital	Rs. 3,00,00,000 (Rupees three crores) divided into 30,00,000 (thirty lakhs) Equity shares face value of Rs. 10 each
Issued, subscribed and Paid up capital	Rs. 2,70,41,810 (Rupees two crores seventy lakhs forty one thousand eight hundred and ten) consisting of 27,04,181 Equity shares of face value of Rs. 10 each
Names of the promoters and directors along with their addresses	<u>Promoters of the company</u> is 1. Jana Urban Foundation –Jana Urban Foundation is a section 8 Company incorporated under the Companies Act 1956 having registered office at Pranava Lake View", No.4, No.4/1 to 4/8, Meanee Avenue Road, Old Tank Road, Ulsoor, Bangalore - 560042. 2. Mr. Ramesh Ramanathan – Non-Executive Director and Chairman.

<u>Directors</u>	
	<p>1. Mr. Ramesh Ramanathan (Non-executive Chairman and Director) #402, Lydhurst Apartment, 3/7 Walton Road Near UB City, Shanthi Nagar, Bangalore North Bengaluru 560001</p>
	<p>2. Mr. Rajamani Muthuchamy (MD and CEO) 104, Total Environment Wings Apartment, Cambridge Layout, Ulsoor Bangalore - 560008.</p>
	<p>3. Mr. Abraham Chacko (Independent Director) 2nd Floor, Purackal Court, Thevara Ferry Road, Ernakulam Cochin-682013.</p>
	<p>4. Mrs. Saraswathy Athmanathan (Independent Director) Flat No. 3, Block no. 3 Ananya Ashok Apartments, Bakthavatsalam Road, Abhirampuram East, Mylapore, Chennai 600004.</p>
	<p>5. Mr. S.V Ranganath(Independent Director) No.25, 8th Cross, 2nd Block, Jayanagar, Bangalore - 560 011</p>
	<p>6. Mr. Nirav Mehta (Director) B604, Akruti Vega, Saiwadi, OppTeliGali, Andheri East, Mumbai - 400 069.</p>
	<p>7. Mr. Anil Rai Gupta (Nominee Director) QRG Niwas, 1, Raj Narain Marg, Civil Lines, Delhi, India – 110054</p>
	<p>8. Mr. Puneet Bhatia (Nominee Director) 525A Magnolias, DLF Golf Course, DLF Phase 5, Gurgaon, Haryana -122009</p>

3. The fact and details of any relationship subsisting between such companies which are parties to such scheme of compromise or arrangement, including holding, subsidiary or of associate companies.

The scheme of amalgamation relates to the amalgamation of wholly owned subsidiary (the Transferor Company) with its holding company (Transferee Company).

Sl. No.	Name of the Party/ Company	Relationship
1	JANA HOLDINGS LIMITED	Wholly Owned Subsidiary (WOS)/ Transferor Company

2	JANA CAPITAL LIMITED	Holding Company/ Transferee Company
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4. The date of the Board meeting at which the scheme was approved by the Board of directors including the name of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote/ participate on such resolution;

The Board of Directors of the Transferor Company and the Transferee Company at their board meetings held on 24th August 2020 unanimously approved and adopted the proposed Scheme of Amalgamation respectively. The details of vote cast by the directors are as under:

Jana Holdings Limited - Transferor Company

Sl. No.	Name of the Director	Voted in Favour/Against
1.	MR. RAMESH RAMANATHAN	Favour
2.	MR. ABRAHAM CHACKO	Favour
3.	MRS. SARASWATHY ATHMANATHAN	Favour
4.	MR. RAJAMANI MUTHUCHAMY	Favour

Jana Holdings Limited - Transferee Company

Sl. No.	Name of the Director	Voted in Favour/Against
1.	MR. RAMESH RAMANATHAN	Favour
2.	MR. ABRAHAM CHACKO	Favour
3.	MRS. SARASWATHY ATHMANATHAN	Favour
4.	MR. RAJAMANI MUTHUCHAMY	Favour
5.	MR. S. V RANGANATH	Favour
6.	MR. NIRAV VINOD MEHTA	Favour
7.	MR. PUNEET BHATIA	Favour
8.	MR. ANIL RAI GUPTA	Not present in the meeting.

5. Disclosing details of the scheme of compromise or arrangement including:**a) Parties involved in such compromise or arrangement;**

The Transferor Company is wholly owned subsidiary company of the Transferee Company. The parties involved in the scheme of amalgamation are the shareholders, creditors including the debenture holders of both companies.

b) In case of amalgamation or merger, appointed date, effective date, share exchange ratio (if applicable) and other considerations, if any;

"Appointed Date" for the purpose of this Scheme and for Income Tax Act, 1961 means the open of business hours on 1st April 2019, or such other date as the Regional Director may direct or allow;

"Effective Date" means the last of the dates on which all the conditions and matters referred to in Clause 19 of the Scheme occur or have been fulfilled or waived in accordance with this Scheme.

"Share Exchange Ratio". Not applicable, as wholly owned subsidiary is merging with its holding company.

"Considerations". Since, the Transferor Company is a wholly owned subsidiary company of the Transferee Company, the shares of the Transferor Company held by the Transferee Company will stand cancelled and there shall be no issuance of shares or payment of any consideration by Transferee Company to the shareholders of the Transferor Company.

c) Summary of valuation report (if applicable) including basis of valuation and fairness opinion of the registered valuer, if any; and the declaration that the valuation reports is available for inspection at the registered office of the company;

Not applicable. The Company is not required to obtain valuation report as the amalgamation is pursuant to Section 233 of the Companies Act, 2020 involving amalgamation of Wholly owned subsidiary with the Holding Company.

d) Details of capital/debt restructuring, if any;

The debentures that are listed by the Company, being transferor Company will be transferred to the Holding Company (Transferee Company) pursuant to the scheme. The shares held by Jana Capital Limited in the Company will be cancelled. The Company will cease to exist after Amalgamation. All the Assets and Liabilities of the Company being the transferor Company will be transferred to the transferee Company and the Company will be dissolved without the process of winding up as envisaged in the Scheme of Amalgamation.

e) Rationale for the compromise or arrangement and benefits to the company;

By this Scheme, it is proposed to amalgamate the Transferor Company with the Transferee Company, for the purposes of efficient utilization of management expertise, unification of control, easy in operating of businesses, administrative convenience and for further development and growth of the business of the Transferee Company. The proposed amalgamation between the Transferor Company and the Transferee Company shall result in the following benefits:

- (i) The amalgamation will result in economies of scale, reduction in overheads, administrative, managerial and other expenditure and increase in operational rationalisation, organisational efficiency, and optimal utilisation of various resources.
- (ii) The managerial expertise of the Transferor Company will contribute to the strength of the Transferee Company. Consequently, the Transferee Company will offer a strong financial structure to all creditors including the creditors of the Transferor Company, facilitate resource mobilisation and achieve better cash flows.
- (iii) Duplication of administrative functions will be eliminated together with the multiple records - keeping resulting in reduced expenditure.
- (iv) This amalgamation will result in a significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by the Transferor Company and the Transferee Company.
- (v) The banks, creditors and institutions, if any, are not affected by the proposed amalgamation as their security is maintained.
- (vi) The amalgamation shall result in the combination of manpower of both the Transferor and Transferee companies and a single management structure for the Transferee Company.
- (vii) The combined managerial and technical expertise would enable the Transferee Company to develop a business model that would be competitive and cogent.

f) Benefits of the compromise or arrangement as perceived by the Board of directors to the company, members, creditors and others (as applicable)

Same as mentioned in Sl. No. 5 (e) above.

g) Amount due to unsecured creditors -

8.7.1 Amount due to unsecured creditors by Transferor Company:

As on 31.07.2020 Rs 960,98,66,600/- (Rupees Nine hundred and sixty crores Ninety eight lakhs sixty six thousand six hundred Only).

8.7.2 Amount due to unsecured creditors by Transferee Company:

As on 31.07.2020 Rs. 167,97,25,530/- (Rupees One hundred and sixty seven crores ninety seven lakhs twenty five thousand five hundred and thirty Only.)

9. Disclosure about the effect of the scheme of amalgamation on:

(a) key managerial personnel; (b) directors; (c) promoters; (d) non-promoter members; (e) depositors; (f) creditors; (g) debenture holders; (h) deposit trustee and debenture trustee; (i) employees of the company:

None of the aforesaid parties are impacted in any way post sanctioning of the Scheme and reference to the same has been made at the respective places in the Scheme of Amalgamation attached herewith.

10. Disclosure about the effect of the Scheme on the material interests of directors and key managerial personnel and debenture trustee.

The Scheme of amalgamation has no impact on the material interests of directors, Key Managerial Personnel of the Company and debenture trustee.

11. Investigation or proceedings, if any, pending against the company under the Act- NIL

12. Details of the availability of the following documents for obtaining extract from or for making or obtaining copies of or for inspection by the unsecured creditors, namely:

The following documents will be open for obtaining extract or for making or obtaining copies of or for inspection at the Registered Office of the Applicant Companies between 10:00 A.M. to 05:00 P.M. on any working day of the Applicant Companies except Saturday and Sunday upto the date of the meeting:

- a) Latest audited financial statements of the company including consolidated financial statements;
- b) Copy of proposed Scheme of Amalgamation;
- c) contracts or agreements material to the compromise or arrangement;
- d) The certificate issued by Auditor for the Companies to the effect that the accounting treatment, if any, proposed in the scheme of Amalgamation is in conformity with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013.

e) Such other information or documents as the Board or Management believes necessary and relevant for making decision for or against the scheme.

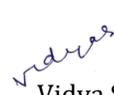
13. Details of approvals, sanctions or no-objection(s), if any, form regulatory or any other government authorities required, received or pending for the purpose scheme of compromise or arrangement.

The Company being a Non-Banking Financial Company registered with the RBI has received the In-principle approval of the RBI vide letter dated 10th August 2020.

The Copies of the Scheme of amalgamation has already submitted with the following regulatory and governmental authorities and sought their approval:

1. Registrar of Companies, Karnataka
2. Official Liquidator in respect of Transferor Companies, Bengaluru

For **Jana Holdings Limited**



Vidya Sridharan

Company Secretary

Mem. No. 44354

Place: Bengaluru

Dated this 5th October 2020

SCHEME OF AMALGAMATION

UNDER SECTION 233 OF THE COMPANIES ACT 2013

OF

JANA HOLDINGS LIMITED (THE "TRANSFEROR COMPANY")

Wholly Owned Subsidiary of Jana Capital Limited

WITH

JANA CAPITAL LIMITED (THE "TRANSFeree COMPANY")

GENERAL

A. Description of the Companies and background

- 1. JANA HOLDINGS LIMITED** (having CIN: U74900KA2016PLC086838) is a public limited company incorporated under the Companies Act, 2013 having its registered office in No.4/1 to 4/8, Meanee Avenue Road, Old Tank Road, Ulsoor, Bangalore, Karnataka 560042 India (hereinafter referred to as "**JHL**" or "**Transferor Company**"). JHL is a wholly-owned subsidiary of Jana Capital Limited. JHL has received Certificate of Registration under Section 45-IA(5) as a Type I NBFC ND Non-Operative Financial Holding Company ("**NOFHC**") from the Reserve Bank of India on 27th January 2017 as per the guidelines for licensing of new banks in the private sector issued by the Reserve Bank of India. JHL holds its investment in Jana Small Finance Bank (formerly known as 'Janalakshmi Financial Services Limited').

Main objects of JHL as per the memorandum of association:

- (a) To carry on the business of a non-operating financial holding company promoted by Jana Capital Limited or any other financial entity in which Jana Capital Limited is a shareholder and has a significant influence and to invest in, buy, sell, transfer, deal in and dispose of any shares, stocks, debentures, bonds, certificates, money market instruments, including securities of any government or local authority whether perpetual or redeemable, in accordance with the Guidelines for Licensing of New Banks in the Private Sector issued by the Reserve Bank of India ("RBI") on February 22, 2013 and/or Guidelines/ Instructions for Non-Operative Financial Holding Company issued by RBI from time to time.*
- (b) To set up companies/corporate bodies for the purpose of carrying on the business of banking, insurance, asset management, mutual fund, stock broking, infrastructure debt funding, housing finance, primary dealers, leasing, hire purchase, factoring, full-fledged money changers, alternative investment funding and other specialized activities pursuant to the Guidelines for Licensing of New Banks in the Private Sector issued by Reserve Bank of India on February 22, 2013 or otherwise in and / or outside India with the approval of the*

Regulators and/or the Authorities concerned.

(c) To carry on the business of holding and Investment company and /or to invest in, acquire, hold, underwrite, sell or otherwise deal in shares, stocks, debentures, debenture stock, bonds, units, obligations and securities, whether directly or indirectly, issued or guaranteed by any financial services companies regulated by Reserve Bank of India or other financial sector regulators to the extent permissible under the applicable regulatory prescriptions and to act as holding company and to acquire any such shares, stock, debentures, debentures stocks or securities by original subscription, tender, purchase, or otherwise and subscribe to the same either conditionally, or otherwise and to guarantee the subscription thereof and exercise and enforce all rights and powers conferred by or incidental to the ownership thereof in accordance with the Guidelines for Licensing of New Banks in the Private Sector issued by Reserve Bank of India (RBI) on February 22, 2013 and/or Guidelines/ Instructions for Non-Operative Financial Holding Company issued by RBI from time to time.

2. **JANA CAPITAL LIMITED**, (having CIN: U67100KA2015PLC079488) is a public limited company incorporated under the Companies Act, 2013 having its registered office in No.4/1 to 4/8, Meanee Avenue Road, Old Tank Road, Ulsoor, Bangalore, Karnataka 560042 India (hereinafter referred to as “JCL” or “**Transferee Company**”). JCL was incorporated on March 26, 2015 to carry on the business of an Investment Company The Company received Certificate of Registration on 2⁴th March 2017 from the Reserve Bank of India as a Non-Banking Financial Institution - Core Investment Company - Non-Deposit taking - Systemically Important (NBFC-CIC-ND-SI) under section 45IA of the Reserve Bank of India Act, 1934.

Main objects of JCL as per the memorandum of association:

- a) To invest in, acquire, hold, underwrite, sell or otherwise deal in shares, stocks, debenture stocks, bonds, negotiable instruments, securities of any company, Government, Public Body or authority, Municipal and Local Bodies, whether in India or abroad.*
- b) 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*
- c) To carry on the business of an investment Company and invest in the purchase of or upon the security of and to buy, sell or otherwise deal in shares, stocks, units, debentures, debenture stock bonds, mortgages, obligations and securities of any kind issued or guaranteed by any company, corporation or undertaking of whatever nature whether incorporated or otherwise; and wheresoever constituted or carrying on business of immovable property and rights directly or indirectly connected therewith and or bullion, including gold, silver and other precious metals and / or precious stones such as diamonds, rubies and / or any other asset.*
- d) To carry on the business as an investment company and for that purpose to acquire and hold either in the name of the company or in that of any nominee shares, stocks, debentures, debenture stock, bonds, notes and to invest or to deposit or to hold funds in such articles (including gold, silver, jewellery, platinum, precious stones) and acquire purchase, sell or*

let on hire the same and materials, articles or things, obligations and securities issued or guaranteed by any company wherever incorporated or carrying on business and debentures, debentures stock bonds, notes, obligations and securities issued or guaranteed by any government, sovereign ruler, commissioner, public body or authority, supreme independent, municipal local or otherwise in any part of the world either at the company's office of any other places of safe custody.

3. As the Transferor Company is the wholly-owned subsidiary of the Transferee Company, this Scheme provides for the amalgamation of the Transferor Company with the Transferee Company pursuant to Section 233 of the Act and other applicable provisions and rules made thereunder.

B. Rationale for the Scheme:

By this Scheme (as defined hereinafter), it is proposed to amalgamate the Transferor Company with the Transferee Company, for the purposes of efficient utilization of management expertise, unification of control, ease in operations saving of operational expenses, reduced compliance requirements and administrative convenience. The proposed amalgamation between the Transferor Company and the Transferee Company shall result in the following benefits:

OBJECTIVES IN GENERAL

- (i) The amalgamation will result in economies of scale, reduction in overheads, administrative, managerial and other expenditure and increase in operational rationalisation, organisational efficiency, and optimal utilisation of various resources.
- (ii) The managerial expertise of the Transferor Company will contribute to the strength of the Transferee Company. Consequently, the Transferee Company will offer a strong financial structure to all creditors including the creditors of the Transferor Company, facilitate resource mobilisation and achieve better cash flows. This would contribute substantially towards the enhancement of shareholders' value of the Transferee Company.
- (iii) Duplication of administrative functions will be eliminated together with the obligation to keep multiple record, thus resulting in reduced expenditure.
- (iv) This amalgamation will result in a significant reduction in the multiplicity of legal and regulatory compliances required at present to be carried out by the Transferor Company and the Transferee Company.
- (v) The banks, creditors and institutions, if any, are not affected by the proposed amalgamation as their security (if any) is maintained.
- (vi) The amalgamation shall result in the combination of manpower of both the Transferor and Transferee companies and a single management structure for the Transferee Company.

- (vii) The combined managerial and technical expertise would enable the Transferee Company to develop a business model that would be competitive and cogent.

OBJECTIVES SPECIFIC TO TRANSFEROR

- (i) JHL is a NOFHC and was created in January 2017 with an intention to obtain a Universal Bank License in terms of the RBI Guidelines for 'on tap' licensing of Universal Banks in the Private Sector dated August 1, 2016 and Registration for NOFHCs dated 7th April 2014 for the establishment of Small Finance Banks.
- (ii) The NOFHC does not have any operations except making investments in Jana Small Finance Bank, of funds that come from JCL which is the Core Investment Company as well as the Holding Company of JHL.
- (iii) On a review of the long-term strategy, it has been decided that the NOFHC will not set up any other financial services entity in future. We, therefore, do not have the necessity for a three-tier structure, as currently present.
- (iv) There will not be any change in the percentage of promoter holding in Jana Small Finance Bank because of this amalgamation. As a result of the amalgamation, the Transferee Company will directly hold the same shareholding as currently held by the Transferor Company in Jana Small Finance Bank.

C. Structure of the Scheme:

This Scheme is divided into the following parts:

- (i) **Part I** deals with definitions of the terms used in this Scheme of Amalgamation and sets out the share capital of the Transferor Company and the Transferee Company;
- (ii) **Part II** deals with the transfer and vesting of the Undertaking (as hereinafter defined) of the Transferor Company to and in the Transferee Company;
- (iii) **Part III** deals with the cancellation of equity shares held by the Transferee Company;
- (iv) **Part IV** deals with the accounting treatment for the amalgamation in the books of the Transferee Company and dividends;
- (v) **Part V** deals with the dissolution of the Transferor Company and the general terms and conditions applicable to this Scheme of Amalgamation and other matters consequential and integrally connected thereto.

- D.** The amalgamation of the Transferor Company with the Transferee Company, pursuant to and in accordance with this Scheme, shall take place with effect from the Appointed Date

and shall be in accordance with the relevant provisions of the Income Tax Act, 1961 including but not limited to Section 2(1B) and Section 47 thereof.

PART I

DEFINITIONS AND SHARE CAPITAL

1. DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meaning:

- 1.1. **"Act"** means the Companies Act, 2013, the rules and regulations made thereunder and will include any statutory re-enactment or amendment(s) thereto, from time to time;
- 1.2. **"Appointed Date"** for the purpose of this Scheme and for Income Tax Act, 1961 means the open of business hours on 1st April 2019, or such other date as the Regional Director may direct or allow;
- 1.3. **"Board of Directors" or "Board"** means the Board of Directors of the Transferor Company or the Transferee Company, as the case may be, and shall include a duly constituted committee thereof and authorized for the matters pertaining to the proposed amalgamation and this Scheme;
- 1.4. **"Effective Date"** means the last of the dates on which all the conditions and matters referred to in Clause 19 of the Scheme occur or have been fulfilled or waived in accordance with this Scheme. Any references in this Scheme to the date of **"coming into effect of this Scheme"** or **"effectiveness of this Scheme"** or **"Scheme taking effect"** shall mean the Effective Date;
- 1.5. **"Governmental Authority"** means any applicable Central, State or Local Government, legislative body, regulatory or administrative authority, agency or Commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction over the territory of India including but not limited to Registrar of Companies, Regional Director, Official Liquidator, Competition Commission of India and the Reserve Bank of India ;
- 1.6. **"Official Liquidator"** means the relevant Official Liquidator having jurisdiction over the Transferor Company;
- 1.7. **"Regional Director"** means Regional Director, Hyderabad i.e. the Regional Director of South East Region,.
- 1.8. **"Registrar of Companies"** means the Registrar of Companies, Bangalore.
- 1.9. **"Scheme"** means this Scheme of Amalgamation between the Transferor Company and the Transferee Company, as submitted to the Regional Director together with any

modification(s) approved or directed by the Regional Director.

- 1.10. **"Stock Exchange"** means the BSE Limited.
- 1.11. **"Transferee Company"** means **JANA CAPITAL LIMITED**, a public limited company incorporated under the Act having its registered office in Bengaluru, Karnataka.
- 1.12. **"Transferor Company"** means **JANA HOLDINGS LIMITED**, a public limited company incorporated under the Act having its registered office in Bengaluru, Karnataka.
- 1.13. **"Undertaking"** means the whole of the undertaking and entire business of the Transferor Company as a going concern, including (without limitation):
 - I. All the assets and properties (whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) of the Transferor Company, including but not limited to, plant and machinery, equipment, buildings and structures, offices, residential and other premises, sundry debtors, furniture, fixtures, office equipment, appliances, accessories, depots, deposits, all stocks, assets, investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units), and interests in its subsidiaries, cash balances or deposits with banks, loans, advances, disbursements, contingent rights or benefits, book debts, receivables, actionable claims, earnest moneys, advances or deposits paid by the Transferor Company, financial assets, leases (including lease rights), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under any guarantees, reversions, powers, municipal permissions, tenancies in relation to the office and/or residential properties for the employees or other persons, guest houses, godowns, warehouses, licenses, fixed and other assets, trade and service names and marks, patents, copyrights, and other intellectual property rights of any nature whatsoever, know how, good will, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights including, title, interests, other benefits (including tax benefits), easements, privileges, liberties, mortgages, hypothecations, pledges or other security interests created in favour of the Transferor Company and advantages of whatsoever nature and wheresoever situated in India or abroad, belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad;
 - II. All liabilities including, without being limited to, secured and unsecured debts (whether in Indian rupees or foreign currency), non-convertible debentures, sundry creditors, liabilities (including contingent liabilities), duties and obligations of the Transferor Company, of every kind, nature and description whatsoever and howsoever arising,

raised or incurred or utilized;

- III. All permanent employees engaged by the Transferor Company as on the Effective Date. All quotas, rights, entitlements, export/import incentives and benefits including advance licenses, bids, tenders (at any stage as it may be), letters of intent, expressions of interest, development rights (whatever vested or potential and whether under agreements or otherwise), subsidies, tenancies in relation to office, benefit of any deposits privileges, all other rights, receivables, powers and facilities of every kind, nature and telexes, facsimile connections and installations, utilities, electricity and other services, provisions and benefits of all including agreements, contracts and arrangements, technological licensing and all other interests in connection with or relating thereto;
- IV. All brand names, trademarks, trade names, patents and domain names, the intellectual property, registrations, industrial designs, trade secrets, know-how; data, formulations, technology, methodology, manufacturing procedures and techniques, test procedures, product registrations, applications and authorizations and other intellectual property and all other interests exclusively relating to the goods or services being dealt with by the Transferor Company;
- V. All intellectual property rights created, developed or invented by employees concentrated on the research, development or marketing of products (including process development or enhancement) in connection with the Transferor Company;
- VI. All benefits and privileges under letters of permission and letters, of approvals and the benefits related thereto, all tax credits, including CENVAT credits, refunds; reimbursements, claims, exemptions, benefits under service tax laws, value added tax, goods and service tax, purchase tax, sales tax or any other duty or tax or cess or imports under the Central or State law including sales tax deferrals, advance taxes, tax deducted at source, minimum alternate tax credit, right to carry forward and set-off unabsorbed losses, if any, and depreciation, deductions and benefits under the Income-tax Act, 1961,
- 1.2. All capitalized terms not defined but used in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, Reserve Bank of India, Act 1934, the Depositories Act, 1996 and other applicable laws, rules, regulations and byelaws, as the case may be, or any statutory amendment(s) or re-enactment thereof, for the time being in force.

2. SHARE CAPITAL

2.1. Transferor Company:

The authorized, issued, subscribed and paid-up share capital of the Transferor Company as on 31st March 2020 :

Particulars	Rs.
Authorized Share Capital:	
Authorised Share Capital of the Transferor Company is	50,00,00,000

Rs. 50,00,00,000 (Rupees Fifty crores only) divided into 3,50,00,000 Equity shares Face value of Rs.10 each and 1,50,00,000 preference shares Face value of Rs. 10/- each. with effect from 22.05.2019.	
Issued, Subscribed and Paid up Share	
Capital:	
23,80,944 Equity shares face value of Rs. 10 each	2,38,09,440

2.2. Transferee Company:

The authorized, issued, subscribed and paid-up share capital of the Transferee Company as on 31st March 2020.

Particulars	Rs.
Authorized Share Capital:	
30,00,000 Equity shares face value of Rs. 10 each	3,00,00,000
Issued, Subscribed and Paid up Share Capital:	
27,04,181 Equity shares face value of Rs. 10 each	2,70,41,810

Subsequent to the above balance sheet date till the approval of the Scheme by the Board of the Transferee Company there has been no change in the capital structure of Transferee Company.

3. DATE OF TAKING EFFECT AND OPERATIVE DATE

The Scheme set out herein in its present form or with any modifications approved or imposed or directed by the Registrar of Companies or the Official Liquidator or the Regional Director shall be effective from the Appointed Date but shall be operative from the Effective Date.

PART II

TRANSFER AND VESTING OF UNDERTAKING

4. TRANSFER OF UNDERTAKING

- 4.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date, the Undertaking, pursuant to the sanction of this Scheme by the Regional Director and in accordance with the provisions of Sections 233 and other applicable provisions, if any, of the Act, and rules framed thereunder, shall stand transferred to and be vested in or be deemed to have been transferred to and vested in the Transferee Company, as a going concern in accordance with Section 2(1B) and other applicable provisions of the Income Tax Act, 1961, without any further act, instrument, deed, matter or thing to be made, done or executed so as to become, as and from the Appointed Date, the Undertaking of the Transferee Company by virtue of and in the manner provided in this Scheme.

4.2 Subject to the provisions of this Scheme as specified hereinafter and with effect from the Appointed Date, the entire Undertaking(s) of the Transferor Company, including all the debts, non-convertible debentures, liabilities, losses, duties and obligations, including those arising on account of taxation laws and other allied laws of the Transferor Company of every description and also including, without limitation, all the movable and immovable properties and assets, tangible or intangible, (whether or not recorded in the books of account of the Transferor Company) of the Transferor Company comprising, amongst others, all freehold land, leasehold land, building, plants, motor vehicles, manufacturing facilities, laboratories, receivables, actionable claims, furniture and fixtures, computers, office equipment, electrical installations, generators, containers, telephones, telex, facsimile and other communication facilities and business licenses, permits, deposits, authorizations, approvals, insurance cover of every description, lease, tenancy rights, permissions, incentives, if any, and all other rights, patents, know-how, trademark, service mark, trade secret, brands, registrations, licenses including non -banking financial company licenses (if any), marketing authorizations and other intellectual property rights, proprietary rights, title, interest, contracts, no objection certificates, deeds, bonds, consents, approvals and rights and powers of every kind, nature and description whatsoever, privileges, liberties, easements, advantages and benefits, approvals, filings, dossiers, copyrights, industrial designs, trade secrets, know-how, data, formulations, technology, methodology, manufacturing procedures and techniques, test procedures, brand names, trade names and domain names, and all other interests in connection with or relating to and product registrations, applications and authorizations for product registrations, and all other interests shall, under the provisions of Sections 233 of the Act, and pursuant to the orders of the Regional Director sanctioning this Scheme and without further act, instrument or deed, but subject to the charges affecting the same as on the Effective Date, be transferred and/or deemed to be transferred to and vested in the Transferee Company, so as to become the properties, assets, rights, liabilities, business and Undertaking(s) of the Transferee Company.

4.3 **Transfer of Assets:**

4.3.1 Without prejudice to the generality of Clause 4.1 above, upon the coming into effect of this Scheme and with effect from the Appointed Date:

4.3.1.1 All the assets and properties comprised in the Undertaking of whatsoever nature and whosoever situated, shall, under the provisions of Sections 233 and all other applicable provisions, if any, of the Act, without any further act or deed, be and stand transferred to and vested in the Transferee Company or be deemed to be transferred to and vested in the Transferee Company as a going concern so as to become the assets and properties of the Transferee Company.

4.3.1.2 Without prejudice to the provisions of Clause 4.3.1.1 above, in respect of such of the assets and properties of the Undertaking as are movable in nature or incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and/or delivery, the same shall be so transferred by the Transferor Company and shall, upon such transfer, become the assets and properties of the Transferee Company as an integral part of the Undertaking,

without requiring any separate deed or instrument or conveyance for the same.

- 4.3.1.3 In respect of movables other than those dealt with in Clause 4.3.1.2 above including sundry debts, receivables, bills, credits, loans and advances of the Undertaking, if any, whether recoverable in cash or in kind or for value to be received, bank balances, investments, earnest money and deposits with any Governmental Authority or with any company or other person, the same shall on and from the Appointed Date stand transferred to and vested in the Transferee Company.
- 4.3.1.4 All interests of the Transferor Company in their respective subsidiaries as on the Appointed Date will become the interests and subsidiaries of the Transferee Company, if any.
- 4.3.1.5 All the licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges enjoyed or conferred upon or held or availed of by the Transferor Company and all rights and benefits that have accrued or which may accrue to the Transferor Company, whether before or after the Appointed Date, shall, under the provisions of Sections 233 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, cost or charge be and stand transferred to and vest in or be deemed to be transferred to and vested in and be available to the Transferee Company so as to become as and from the Appointed Date licenses, permits, quotas, approvals, permissions, registrations, incentives, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges of the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.
- 4.3.2 The Transferor Company shall, if so required, also give notice in such form as it may deem fit and proper to the debtors, that pursuant to the sanction of this Scheme by Regional Director under and in accordance with Sections 233 and all other applicable provisions, if any, of the Act, the said debtors should pay to the Transferee Company the debt, loan or advance or make the same on account of the Transferor Company and the right of the Transferor Company to recover or realize the same stands extinguished in favour of the Transferee Company, who shall continue to have the right to recover or realize such debts.
- 4.3.3 All assets and properties of the Transferor Company as on the Appointed Date, whether or not included in the books of the respective Transferor Company, and all assets and properties which are acquired by the Transferor Company on or after the Appointed Date but prior to the Effective Date, shall be deemed to be and shall become the assets and properties of the Transferee Company, and shall under the provisions of Sections 233 and all other applicable provisions, if any, of the Act, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in the

Transferee Company upon the coming into effect of this Scheme. Provided, however, that no onerous assets shall have been acquired by the Transferor Company after the Appointed Date without the consent of the Transferee Company as provided for in this Scheme.

4.4 **Transfer of Liabilities:**

- 4.4.1 Upon the coming into effect of this Scheme and with effect from the Appointed Date all liabilities relating to and comprised in the Undertaking including all secured and unsecured debts and non-convertible debentures (whether in Indian rupees or foreign currency), sundry creditors, liabilities (including contingent liabilities), duties and obligations and undertakings of the Transferor Company of every kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized for its business activities and operations (herein referred to as the "**Liabilities**"), shall, pursuant to the sanction of this Scheme by the Regional Director under and in accordance with the provisions of Section 233 and other applicable provisions, if any, of the Act, without any further act, instrument, deed, matter or thing, be transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, along with any charge, encumbrance, lien or security thereon, and the same shall be assumed by the Transferee Company to the extent they are outstanding as on the Effective Date so as to become as and from the Appointed Date the liabilities of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company, and the Transferee Company shall meet, discharge and satisfy the same and further it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such Liabilities have arisen in order to give effect to the provisions of this Clause. The Transferee Company undertakes that it shall, forthwith upon the scheme taking effect, do make and execute all acts, deed, matters and things as may be required under applicable laws, to re-create and perfect all charges, encumbrances, liens or security on the Undertaking with effect from the Effective Date and until such re-creation and perfection, such charges, encumbrances, liens or security shall be deemed to be in full force and effect.
- 4.4.2 All debts, liabilities, duties and obligations of the Undertaking as on the Appointed Date, whether or not provided in the books of the respective Transferor Company, and all debts and loans raised, and duties, liabilities and obligations incurred or which arise or accrue to the Transferor Company on or after the Appointed Date till the Effective Date, shall be deemed to be and shall become the debts, loans raised, duties, liabilities and obligations incurred by the Transferee Company by virtue of this Scheme. In respect of the outstanding non-convertible debentures issued by the Transferor Company, the Transferee Company undertakes that it shall, forthwith upon the Scheme taking effect, do make and execute all acts, deeds, matters and things as may be required under applicable laws, to evidence that the aforementioned non-convertible debentures shall, with effect from the Effective Date, be treated as the non-convertible debentures of the Transferee Company.

- 4.4.3 Where any such debts, loans raised, liabilities, duties and obligations of the Undertaking as on the Appointed Date have been discharged or satisfied by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge or satisfaction shall be deemed to be for and on account of the Transferee Company.
- 4.4.4 Loans, advances and other obligations (including any guarantees, letters of credit, letters of comfort or any other instrument or arrangement which may give rise to a contingent liability in whatever form), if any, due or which may at any time in future become due between the Transferor Company and the Transferee Company shall, *ipso facto*, stand discharged and come to an end and there shall be no liability in that behalf on any party and appropriate effect shall be given in the books of accounts and records of the Transferee Company. [It is hereby clarified that there will be no accrual of interest or other charges in respect of any inter-company loans, advances and other obligations, between the Transferor Company and the Transferee Company, with effect from the Appointed Date.

4.5 **Encumbrances**

- 4.5.1 The transfer and vesting of the assets comprised in the Undertaking to and in the Transferee Company under Clauses 4.1 and 4.3 of this Scheme shall be subject to the mortgages and charges, if any, affecting the same, as and to the extent hereinafter provided.
- 4.5.2 All the existing securities, mortgages, charges, encumbrances or liens (the "**Encumbrances**"), if any, as on the Appointed Date and created by the Transferor Company after the Appointed Date, over the assets comprised in the Undertaking or any part thereof transferred to the Transferee Company by virtue of this Scheme and in so far as such Encumbrances secure or relate to liabilities of the Transferor Company, the same shall, after the Effective Date, continue to relate and attach to such assets or any part thereof to which they are related or attached prior to the Effective Date and as are transferred to the Transferee Company, and such Encumbrances shall not relate or attach to any of the other assets of the Transferee Company.
- 4.5.3 The existing Encumbrances over the assets and properties of the Transferee Company or any part thereof which relate to the liabilities and obligations of the Transferee Company prior to the Effective Date shall continue to relate only to such assets and properties and shall not extend or attach to any of the assets and properties of the Transferor Company transferred to and vested in the Transferee Company by virtue of this Scheme.
- 4.5.4 Any reference in any security documents or arrangements (to which the Transferor Company are a party) to the Transferor Company and its assets and properties, shall be construed as a reference to the Transferee Company and the assets and properties of the Transferor Company transferred to the Transferee Company by virtue of this Scheme. Without prejudice to the foregoing provisions,

the Transferor Company and the Transferee Company may execute any instruments or documents or do all the acts and deeds as may be considered appropriate, including the filing of necessary particulars and/or modification(s) of charge(s), with the Registrar of Companies to give formal effect to the above provisions, if required.

4.5.5 Upon the coming into effect of this Scheme, the Transferee Company alone shall be liable to perform all obligations in respect of the Liabilities, which have been transferred to it in terms of the Scheme.

4.5.6 It is expressly provided that, no other term or condition of the Liabilities transferred to the Transferee Company is modified by virtue of this Scheme except to the extent that such amendment is required statutorily or by necessary implication.

4.5.7 The provisions of this Clause 4.5 shall operate in accordance with the terms of the Scheme, notwithstanding anything to the contrary contained in any instrument, deed or writing or the terms of sanction or issue or any security document; all of which instruments, deeds or writings shall be deemed to stand modified and/or superseded by the foregoing provisions.

4.6 Inter-se Transactions:

Without prejudice to the provisions of Clauses 4.1 to 4.5, upon coming into effect of the Scheme and with effect from the Appointed Date, all inter-se contracts solely between the Transferor Company and the Transferee Company shall stand cancelled and cease to operate, and appropriate effect shall be given to such cancellation and cessation in the books of accounts and records of the Transferee Company.

5. CONTRACTS, DEEDS, ETC.

5.1 Upon the coming into effect of this Scheme and subject to the provisions of this Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements, assurances and other instruments of whatsoever nature to which the Transferor Company are a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect by, for or against or in favour of, as the case may be, the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee or obligor thereto or thereunder.

5.2 Without prejudice to the other provisions of this Scheme and notwithstanding the fact that vesting of the Undertaking occurs by virtue of this Scheme itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required under any law or otherwise, take such actions and execute such deeds (including deeds of adherence), confirmations or other writings or arrangements with any party to any contract or arrangement to which the Transferor Company are a party or any writings as may be necessary in order to give formal effect to

the provisions of this Scheme. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorised to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company.

- 5.3 For the avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon the coming into effect of this Scheme, all consents, permissions, licenses, certificates, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company shall without any further act or deed, stand transferred to the Transferee Company, as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company.
- 5.4 Upon the coming into effect of the Scheme, all powers of attorney given, issued or executed by the Transferor Company in favour of any person shall cease to have effect without any further act, deed or instrument.

6. LEGAL PROCEEDINGS

- 6.1 On and from the Appointed Date, all suits, actions, claims and legal proceedings by or against the Transferor Company pending and/or arising on or before the Effective Date shall be continued and / or enforced as desired by the Transferee Company and on and from the Effective Date, shall be continued and / or enforced by or against the Transferee Company as effectually and in the same manner and to the same extent as if the same had been originally instituted and/or pending and/or arising by or against the Transferee Company. On and from the Effective Date, the Transferee Company shall have the right to initiate, defend, compromise or otherwise deal with any legal proceedings relating to the Undertaking, in the same manner and to the same extent as would or might have been initiated by the Transferor Company as the case may be, had the Scheme not been made; If any suit, appeal or other proceedings relating to the Undertaking, of whatever nature by or against the Transferor Company be pending, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or by anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made.

7. CONDUCT OF BUSINESS

- 7.1. With effect from the Appointed Date and up to and including the Effective Date:
- 7.1.1 The Transferor Company shall carry on and shall be deemed to have carried on all its business and activities as hitherto and shall hold and stand possessed of and shall be deemed to have held and stood possessed of the Undertaking on account of, and for the benefit of and in trust for, the Transferee Company.

7.1.2 All the profits or income accruing or arising to the Transferor Company, and all expenditure or losses arising or incurred (including all taxes, if any, paid or accruing in respect of any profits and income) by the Transferor Company shall, for all purposes, be treated and be deemed to be and accrue as the profits or income or as the case may be, expenditure or losses (including taxes) of the Transferee Company.

Any of the rights, powers, authorities and privileges attached or related or pertaining to and exercised by or available to the Transferor Company shall be deemed to have been exercised by the Transferor Company for and on behalf of and as agent for the Transferee Company. Similarly, any of the obligations, duties and commitments attached, related or pertaining to the Undertaking that have been undertaken or discharged by the Transferor Company shall be deemed to have been undertaken or discharged for and on behalf of and as agent for the Transferee Company.

7.2 With effect from the first of the date of filing of this Scheme with the Registrar of Companies and the Official Liquidator, and up to and including the Effective Date:

7.2.1 The Transferor Company shall preserve and carry on their business and activities with reasonable diligence and business prudence and shall not undertake any additional financial commitments of any nature whatsoever, borrow any amounts nor incur any other liabilities or expenditure, issue any additional guarantees, indemnities, letters of comfort or commitments either for itself or on behalf of its group companies or any third party or sell, transfer, alienate, charge, mortgage or encumber or deal with the Undertaking or any part thereof save and except in each case in the following circumstances:

7.2.1.1 if the same is in its ordinary course of business as carried on by it as on the date of filing this Scheme with the Registrar of Companies and the Official Liquidator Director; or

7.2.1.2 if the same is permitted by this Scheme; or

7.2.1.3 if consent of the Board of Directors of the Transferee Company has been obtained.

7.2.2 The Transferor Company shall not take, enter into, perform or undertake, as applicable (i) any material decision in relation to its business and operations other than decisions already taken prior to approval of the Scheme by the Board of Directors (ii) any agreement or transaction; and (iii) any new business, or discontinue any existing business or change the capacity of facilities; (iv) such other matters as the Transferee Company may notify from time to time save and except in each case in the following circumstances:

7.2.2.1 if the same is in its ordinary course of business as carried on by it as on the

date of filing this Scheme with the Registrar of Companies and the Official Liquidator; or

7.2.2.2 if the same is permitted by this Scheme; or

7.2.2.3 if consent of the Board of Directors of the Transferee Company has been obtained.

7.2.3 Notwithstanding Clauses 7.2.1 and 7.2.2 of this Scheme, with effect from the first of the date of filing of this Scheme with the Registrar of Companies and the Official Liquidator, and up to and including the Effective Date, the Transferor Company shall be permitted to refinance any existing debt (which has been obtained through the issue of non-convertible debentures or otherwise), without the prior consent of the Transferee Company.

7.3 Treatment of Taxes

7.3.1 Any tax liabilities under the Income-tax Act, 1961, Wealth Tax Act, 1957, Customs Act, 1962, Central Excise Act, 1944, Value Added Tax Act, 2002, Central Sales Tax Act, 1956, any other state sales tax / value added tax laws, goods and service Tax, service tax, luxury tax, stamp laws or other applicable laws/ regulations (hereinafter in this Clause referred to as "**Tax Laws**") dealing with taxes/ duties/ levies allocable or related to the business of the Transferor Company to the extent not provided for or covered by tax provision in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to Transferee Company.

7.3.2 All taxes (including income tax, wealth tax, sales tax, goods and service tax, excise duty, customs duty, service tax, luxury tax, VAT, etc.) paid or payable by the Transferor Company in respect of the operations and/or the profits of the business on and from the Appointed Date, shall be on account of the Transferee Company and, insofar as it relates to the tax payment (including without limitation income tax, credit for minimum alternate tax, wealth tax, sales tax, excise duty, customs duty, service tax, luxury tax, VAT, goods and service tax etc.), whether by way of deduction at source, advance tax or otherwise, howsoever, by the Transferor Company in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and shall, in all proceedings, be dealt with accordingly.

7.3.4 Any refund under the Tax Laws due to Transferor Company consequent to the assessments made on Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.

7.3.5 Without prejudice to the generality of the above, all benefits including under the income tax, sales tax, excise duty, customs duty, service tax, luxury tax, VAT, goods and service tax etc., to which the Transferor Company are entitled to in terms of

the applicable Tax Laws of the Union and State Governments, shall be available to and vest in the Transferee Company.

8. STAFF WORKMEN AND EMPLOYEES

8.1 Upon the coming into effect of this Scheme:

8.1.1 All the employees of the Transferor Company in service on the Effective Date shall, on and from the Effective Date, become the employees of the Transferee Company on the same terms and conditions on which they were engaged on the Effective Date without treating it as a break, discontinuance or interruption in service on the said date. Accordingly, the services of such employees for the purpose of the said Funds (as defined herein) or other statutory purposes and for all purposes will be reckoned from the date of their respective appointments with the Transferor Company.

8.1.2 With regard to provident fund and gratuity fund or any other special funds or schemes created or existing for the benefit of such employees of the Transferor Company (hereinafter referred to as the "said Funds"), upon the Scheme becoming effective, the Transferee Company shall stand substituted for the Transferor Company in relation to the obligations to make contributions to the said Funds in accordance with the provisions thereof in the respective trust deeds or other documents. It is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Transferor Company in relation to the said Funds shall become those of the Transferee Company. The dues of the employees of the Transferor Company relating to the said Funds shall be continued to be deposited therein accordingly. In the event that the Transferee Company does not have its own funds in respect of any of the above or if deemed appropriate by the Transferee Company, the Transferee Company may, subject to necessary approvals and permissions, maintain the existing funds separately and contribute thereto until such time that the Transferee Company creates its own funds, at which time the Funds and the investments and contributions pertaining to the Employees shall be transferred to the funds created by the Transferee Company.

8.1.3 It is clarified that, the Employees who become the employees of the Transferee Company by virtue of this Scheme, shall be entitled to the employment policies and shall be entitled to avail any schemes and benefits that may be applicable and available to any of the other employees of the Transferee Company (including the benefits of or under any employee stock option schemes applicable to or covering all or any of the other employees of the Transferee Company), unless otherwise determined by the Transferee Company.

8.1.4 Upon the coming into effect of this Scheme, the directors of the Transferor Company will not be entitled to any directorships in the Transferee Company by virtue of the provisions of this Scheme. It is clarified that this Scheme will not affect any directorship of a person who is already a director in the Transferee Company as of the Effective Date, if any.

8.1.5 Upon coming into effect of this Scheme, the key managerial personnel of the Transferor Company will be given key managerial positions in the Transferee Company.

9. SAVING OF CONCLUDED TRANSACTIONS

Subject to the terms of this Scheme, the transfer and vesting of the Undertaking of the Transferor Company under Clause 4 of this Scheme shall not affect any transactions or proceedings already concluded by the Transferor Company on or before the Appointed Date or concluded after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things made, done and executed by the Transferor Company as acts, deeds and things made, done and executed by or on behalf of the Transferee Company.

PART III

10. CANCELLATION OF SHARES

The entire issued, subscribed and paid-up share capital of the Transferor Company is held by the Transferee Company along with its nominees. Upon the Scheme becoming effective, no shares of the Transferee Company shall be allotted in lieu or exchange of its holding in the Transferor Company and all equity shares of the Transferor Company held by the Transferee Company and its nominees shall stand cancelled without any further act or deed.

10.1 Increase in authorized share capital of Transferee Company

10.2 Upon the Scheme coming into effect, the authorized share capital of the Transferor Company shall be added to that of the Transferee Company and in the Memorandum of Association it shall be automatically stand enhanced without any further act, instrument or deed on the part of the Transferee Company, including payment of stamp duty and fees payable to Registrar of Companies, by such amount and the Memorandum of Association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under sections 13, 14, 61, 64 of the Act or any other applicable provisions of the Act, would be required to be separately passed. For this purpose, the filing fees and stamp duty already paid by the Transferor Company on the authorized share capital shall be utilized and applied to the increased share capital of the Transferee Company, and shall be deemed to have been so paid by the Transferee Company on such combined authorized share capital and accordingly, the Transferee Company shall not be required to pay any fees / stamp duty on the authorized share capital so increased.

The capital clause being Clause V of the Memorandum of Association of the Transferee

Company shall on the Effective Date stand substituted to read as follows:

“The authorized capital of the Company is Rs. 53,00,00,000 (Rupees Fifty three Crores Only) divided into 3,80,00,000 (Three Crores Eighty Lakhs) equity shares of Rs. 10/- (Rupees Ten) each and 1,50,00,000 (One Crore Fifty Lakhs) preference shares of Rs. 10/- (Rupees Ten) each”

PART IV

ACCOUNTING TREATMENT AND DIVIDENDS

11. ACCOUNTING TREATMENT

The Transferee Company shall account for the merger in its books of accounts as per the applicable accounting principles in accordance with IND AS 8, Accounting Policies, Changes in Accounting Estimates and Errors, IND AS 103, Business Combinations and any such other standards as prescribed under the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as notified under Section 133 of the Act, as may be amended from time to time and relevant clarifications issued by Institute of Chartered Accountants of India.

12. DECLARATION OF DIVIDEND

12.1 During the period between the Appointed Date and up to and including the Effective Date, the Transferor Company shall not declare any dividend without the prior written consent of the Board of Directors of the Transferee Company.

12.2 For the avoidance of doubt, it is hereby declared that nothing in the Scheme shall prevent the Transferee Company from declaring and paying dividends, whether interim or final, to its equity shareholders for the purpose of dividend and the shareholders of the Transferor Company shall not be entitled to dividend, if any, declared by the Transferee Company prior to the Effective Date.

13. POWER TO GIVE EFFECT TO THIS PART

13.1. The Transferee Company shall enter into and/ or issue and/ or execute deeds, writings or confirmations or enter into any tripartite arrangements, confirmations or novations, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required. Further, the Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme.

13.2. Upon coming into effect of the Scheme, the Transferee Company and/or the Transferor Company shall, with reasonable dispatch apply for transition of all

licenses and statutory registrations of the Transferor Company including but not limited to product registrations (including applications and authorizations for product registrations), market authorizations, filings, dossiers (including experience and pre-qualification submissions), Industrial Licences, municipal permissions, approvals, consent, permits, quotas, registration with administrations of various States, incentives and subsidies.

PART V

DISSOLUTION OF TRANSFEROR COMPANY AND GENERAL TERMS AND CONDITIONS

14. DISSOLUTION OF TRANSFEROR COMPANY

On the coming into effect of this Scheme, the Transferor Company shall stand dissolved without winding-up, and the Board of Directors and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and stand dissolved.

15. VALIDITY OF EXISTING RESOLUTIONS, ETC.

Upon the coming into effect of this Scheme the resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then the said limits shall be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the aggregate of the said limits in the Transferee Company.

16. MODIFICATION OF SCHEME

- 16.1 Subject to approval of the Regional Director, the Transferor Company and the Transferee Company by their respective Board of Directors or any director/executives or any committee authorised in that behalf (hereinafter referred to as the "**Delegate**") may assent to, or make, from time to time, any modification(s) or addition(s) to this Scheme which Regional Director or any Governmental Authorities under law may deem fit to approve of or may impose and which the Board of Directors of the Transferor Company and the Transferee Company may in their discretion accept, or such modification(s) or addition(s) as the Board of Directors of the Transferor Company and the Transferee Company or as the case may be, their respective Delegate may deem fit, or required for the purpose of resolving any doubts or difficulties that may arise in carrying out this Scheme. The Transferor Company and the Transferee Company by their respective Boards of Directors or Delegates are authorized to do and execute all acts, deeds, matters and things necessary for bringing this Scheme into effect, or review the position relating to the satisfaction of the conditions of this Scheme and if necessary, waive any of such conditions (to the extent permissible under law) for bringing this Scheme into effect, and/or give such consents as may be required in terms of this Scheme. In the event that any conditions

are imposed by Regional Director or any Governmental Authorities, which the Board of Directors of the Transferor Company or the Transferee Company find unacceptable for any reason, then the Transferor Company and the Transferee Company shall be at liberty to withdraw the Scheme.

16.2 For the purpose of giving effect to this Scheme or to any modification(s) thereof or addition(s) thereto, the Delegates (acting jointly) of the Transferor Company and Transferee Company or their authorized representatives give all such directions as are necessary for settling or removing any question of doubt or difficulty that may arise under this Scheme or in regard to the meaning or interpretation of any provision of this Scheme or implementation thereof or in any matter whatsoever connected therewith (including any question or difficulty arising in connection with any deceased or insolvent shareholders or depositors, if any of the Transferor Company) or to review the position relating to the satisfaction of various conditions of this Scheme and, if necessary, to waive any such conditions (to the extent permissible in law) and such determination or directions or waiver, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme. For the avoidance of doubt, it is clarified that where this Scheme requires the approval of the Board of Directors of the Transferor Company or the Transferee Company to be obtained for any matter, the same may be given through their Delegates.

17. FILING OF APPLICATIONS

The Transferor Company and the Transferee Company shall make and file all applications and petitions under Sections 233 and other applicable provisions of the Act, before the respective Regional Director, Registrar of Companies and Official Liquidator having jurisdiction for sanction of this Scheme under the provisions of law, and shall apply for such approvals as may be required under law.

18. APPROVALS

The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to any Governmental Authority, if required, under any law for such consents and approvals which the Transferee Company may require for the transfer of the Undertaking from the Transferor Company to the Transferee Company and to carry on the business of the Transferor Company.

19. SCHEME CONDITIONAL UPON SANCTIONS, ETC.

19.1 This Scheme is conditional upon and subject to:

19.1.1 The Scheme being agreed to by the requisite majority of the respective classes of members and/or creditors of the Transferor Company and of the Transferee Company as required under the Act;

19.1.2 Approvals and sanctions including sanction of any Governmental Authority (including approval from the Stock Exchanges for replacement of the Transferor

Company as the issuer of non-convertible debentures presently issued by the Transferor Company) or contracting party as may be required by law or contract and identified by the Board of Directors of the Transferor Company or the Transferee Company, in respect of the Scheme being obtained;

19.1.3 Confirmation of Scheme by the Regional Director under section 233(3) of the Act.

19.1.4 Confirmation order of the Scheme issued by the Regional Director being filed with the Registrar.

20. SEVERABILITY

20.1. The provisions contained in this Scheme are inextricably inter-linked with the other provisions and the Scheme constitutes an integral whole. The Scheme would be given effect to only if it is approved in its entirety, unless specifically agreed otherwise by the respective Board of Directors of the Transferor Company and the Transferee Company.

20.2. If any part of this Scheme is found to be unworkable for any reason whatsoever, the same shall not, subject to the decision of the Transferor Company and the Transferee Company, affect the validity or implementation of the other parts and/or provisions of this Scheme.

21. COSTS, CHARGES, EXPENSES AND STAMP DUTY

All costs, charges and expenses (including any taxes and duties) incurred or payable by the Transferor Company and Transferee Company in relation to or in connection with this Scheme and incidental to the completion of the amalgamation of the Transferor Company with the Transferee Company in pursuance of this Scheme, including stamp duty on the orders of Regional Director, if any, and to the extent applicable and payable, shall be borne and paid by the Transferee Company.

FORM NO. CAA.10

[Pursuant to section 233(1) (c) and rule 25(2)]

Declaration of Solvency

1. (a) Corporate identity number (CIN) of the company : U74900KA2016PLC086838
2. (a) Name of the company : JANA HOLDINGS LIMITED
- (b) Address of the registered office of the company : Pranava Lake View ,4, 4/1 to 4/8, 1st Floor, Meanee Avenue Road, Old Tank Road, Ulsoor, Bengaluru 560042
- (c) E-mail ID of the company : info@janaholdings.in
3. (a) Whether the company is listed : Listed
4. Date of Board of Directors' resolution approving the scheme : 24th August 2020

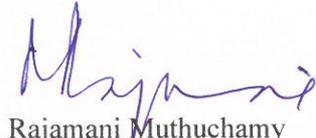
Declaration of Solvency

We, the directors of M/s Jana Holdings Limited do solemnly affirm and declare that we have made a full enquiry into the affairs of the company and have formed the opinion that the company is capable of meeting its liabilities as and when they fall due and that the company will not be rendered insolvent within a period of one year from the date of making this declaration.

We append an audited statement of company's assets and liabilities as at 31st July 2020 being the latest date of making this declaration.

We further declare that the company's audited annual accounts including the Balance Sheet have been filed up-to-date with the Registrar of Companies, Bangalore.

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

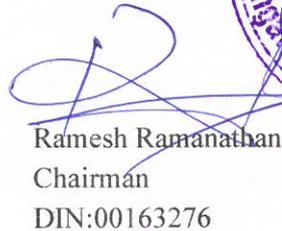


Rajamani Muthuchamy
Managing Director and CEO
DIN:08080999

Place: Bangalore

Date: 25.09.2020

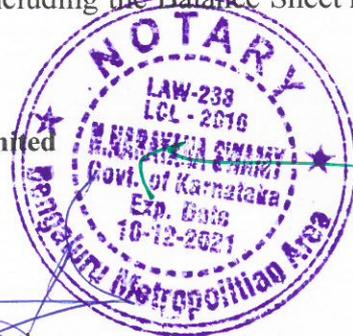




Ramesh Ramanathan
Chairman
DIN:00163276

Place: Bangalore

Date: 25.09.2020

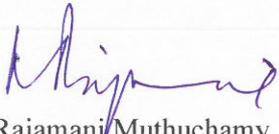


Verification

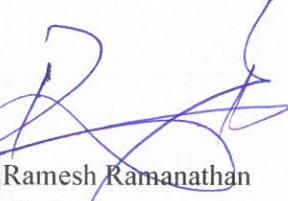
We solemnly declare that we have made a full enquiry into the affairs of the company including the assets and liabilities of this company and that having done so and having noted that the scheme of merger between M/s. Jana Holdings Limited, the transferor company, and M/s. Jana Capital Limited, the transferee company, is proposed to be placed before the shareholders and creditors of the company for approval as per the provisions of sub-section of (1) of section 233 of the Companies Act 2013. We make this solemn declaration believing the same to be true.

Verified this day the 25-09-2020

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


Rajamani Muthuchamy
Managing Director and CEO
DIN:08080999




Ramesh Ramanathan
Chairman
DIN:00163276

Solemnly affirmed and declared at _____ the _____ before me.
Commissioner of Oaths and Notary Public

Attachments:

- a) Copy of the Board resolution
- b) Statement of assets and liabilities
- c) Auditor's report on the statement of assets and liabilities



ATTESTED

N. NARAYANA SWAMY, B.A., LL.B.
ADVOCATE & NOTARY
No. 17, Srigantha Nilaya
Govindappa Layout Near Aruna Bar
R.M.V. II Stage, Nagashettihalli
BANGALORE-560 094

25 SEP 2020

NOTARY STAMP ARE
NOT SUPPLIED BY GOVT.
OF KARNATAKA WITH
EFFECT FROM 1-4-2003


NOTARY

Form No CAA.10
Pursuant to section 233(1)(c) and rule 25(2) of the Companies Act 2013
Declaration of Solvency
Annexure
Statement of Assets and Liabilities as at July 31, 2020
Name of the Company - Jana Holdings Limited

Assets			
(Amounts are in INR thousands)			
S.No	Particulars	Book Value	Estimated Realisable Value
1	Balance at Bank	24,730.22	24,730.22
2	Cash in hand	-	-
3	Marketable securities	-	-
4	Bills receivables	-	-
5	Other Receivables	1.69	1.69
6	Trade debtors	-	-
7	Loans & advances	-	-
8	Security Deposit	1.00	1.00
9	Prepaid Expenses	143.59	-
10	Current Tax Assets	33.44	33.44
11	Unpaid calls	-	-
12	Stock-in-trade	-	-
13	Work in progress	-	-
14	Freehold property	-	-
15	Leasehold property	-	-
16	Plant and machinery	-	-
17	Furniture, fittings, utensils, IT Assets etc.	283.08	283.08
18	Patents, trademarks, Softwares etc.	37.01	37.01
19	Investments other than marketable securities	2,03,00,420.67	2,03,00,420.67
20	Other property	-	-
Total		2,03,25,650.70	2,03,25,507.11

Liabilities		
Estimated to rank for payment		
(Amounts are in INR thousands)		
S.No	Particulars	Amount
1	Debt Securities-Secured on specific assets	43,28,768.09
2	Debt Securities-Secured by floating charge(s)	-
3	Estimated cost of liquidation and other expense including interest accruing until payment	-
4	Debt Securities (Unsecured)	96,09,866.59
5	Unsecured creditors (amounts estimated to rank for payment)	
(a)	Trade accounts	-
(b)	Bills payable	-
(c)	Accrued expense	150.00
(d)	Other liabilities	125.74
(e)	Provisions	139.60
(f)	Contingent liabilities	-
Total		1,39,39,050.03
Total Estimated Value of Assets		2,03,25,507.11
Total Liabilities		1,39,39,050.03
Estimated Surplus after paying debts in full		63,86,457.08

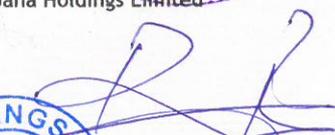
For and on behalf of the Board of Directors of Jana Holdings Limited

CIN:U74900KA2016PLC086838


Rajamani Muthuchamy
Managing Director and CEO
DIN:08080999

Place: Bangalore
Date: 25-09-2020




Ramesh Ramanathan
Chairman
DIN:00163276

Place: Bangalore
Date: 25-09-2020



ATTESTED

N. NARAYANA SWAMY, B.A., LL.B.
ADVOCATE & NOTARY
No. 17, Srigandha Nilaya
Govindappa Layout Near Aruna Bar
R.M.V. II Stage, Nagashettihalli
BANGALORE-560 094

25 SEP 2020

Annexure to Form CAA 10 - Declaration of Solvency

Statement of Assets and Liabilities as on 31 July 2020

Jana Holdings Limited

Sl. No.	Assets	Amount (in INR thousands)
1	Balance at Bank	24,730.22
2	Cash in hand	-
3	Marketable securities	-
4	Bills receivables	-
5	Other Receivables	1.69
6	Trade debtors	-
7	Loans & advances	-
8	Security Deposit	1.00
9	Prepaid Expenses	143.59
10	Current Tax Assets	33.44
11	Unpaid calls	-
12	Stock-in-trade	-
13	Work in progress	-
14	Freehold property	-
15	Leasehold property	-
16	Plant and machinery	-
17	Furniture, fittings, utensils, etc.	283.08
18	Patents, trademarks, etc.	37.01
19	Investments other than marketable securities	2,03,00,420.67
20	Other property	-
	Total (A)	2,03,25,650.70
Sl. No.	Liabilities	Amount (in INR thousands)
1	Debt Securities-Secured on specific assets	43,28,768.09
2	Debt Securities-Secured by floating charge(s)	-
3	Estimated cost of liquidation and other expense including interest accruing until payment of debts in full.	-
4	Debt Securities (Unsecured)	96,09,866.60
5	Unsecured creditors (amounts estimated to rank for payment)	-
	(a) Trade accounts	-
	(b) Bills payable	-
	(c) Accrued expense	150.00
	(d) Other liabilities	125.74
	(e) Provisions	139.60
	(f) Contingent liabilities	-
	Total (B)	1,39,39,050.03

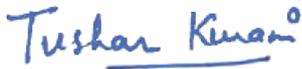
The book values are treated as minimum realizable value for the statement of assets & liabilities.

Total estimated value of assets (in thousands) (A)	2,03,25,650.70
Total liabilities (in thousands) (B)	1,39,39,050.03
Estimated surplus after paying debts in full (in thousands) (A)-(B)=(C)	63,86,600.67

As per our report of even date

For MSKC & Associates
(Formerly known as R.K. Kumar & Co.)
Chartered Accountants
ICAI Firm Registration No.:001595S

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



Tushar Kurnai
Partner
Membership No: 118580



Rajamani Muthuchamy
Managing Director and CEO
DIN:08080999



Ramesh Ramanathan
Chairman
DIN:00163276

Place: Mumbai
Date: September 17, 2020

Place: Bangalore
Date: September 17, 2020

Place: Bangalore
Date: September 17, 2020

To,
The Board of Directors,
Jana Holdings Limited

Independent Auditor's Report on the Statement of Assets and Liabilities as at July 31, 2020 for Jana Holdings Limited ('the Company').

1. This report is issued in accordance with the terms of our Engagement Letter of Jana Holdings Limited (the "Company"), dated August 15, 2020 (hereinafter referred to as the "Engagement Letter").
2. The accompanying Statement of Assets and Liabilities of the Company as on July 31, 2020 ('the Statement') is prepared by the Management, for the purpose of filing the declaration of solvency in Form No. CAA-10 with the Registrar in accordance with the provisions of Section 233(1)(c) of the Companies Act, 2013 ('the Act') read with Rule 25(2) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (herein referred as "regulations") which we have signed for identification purposes only.

Management's Responsibility

3. The preparation of the Statement is the responsibility of Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Management is responsible for ensuring that the Company complies with the requirements of the provisions of section 233(1)(c) of the Companies Act, 2013 ('the Act') read with Rule 25(2) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and provides all relevant information for the purpose of filing the declaration of solvency in Form No. CAA.10 with the Registrar.

Auditor's Responsibility

5. Pursuant to the engagement letter, it is our responsibility to obtain limited assurance based on the examination of the unaudited books and records maintained by the Company and report whether the statement is prepared as per the requirements of Section 233(1)(c) of the Companies Act, 2013 ('the Act') read with Rule 25(2) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and in agreement with the unaudited books and records as on July 31, 2020.
6. We have verified the following documents / information of the Company in relation to the Statement as on July 31, 2020:
 - i. Reconciliation to general ledger balances
 - ii. Workings / schedules / listings / registers for the various items of assets and liabilities
 - iii. Balance confirmations for bank balances, debentures and intercompany receivables and payable balances.
 - iv. Interest expense workings
 - v. For Investment in Associate we have relied upon the independent valuation report issued by the valuer.

7. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
8. We conducted our examination, on test check basis in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India (the "Guidance Note"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

10. Based on our examination and according to the information and explanation given to us, the Statement is in agreement with the unaudited books of account and other records of the Company and we report that nothing has come to our attention which makes us believe that the amounts in the Statement contains any material misstatement. Further, we have not performed an audit of the books of account as on July 31, 2020 and accordingly, we do not express an opinion thereon.

Other Matter

11. We have performed the audit of the financial statements for the year ended March 31, 2020 and issued a modified opinion vide our report dated July 27, 2020 with respect to regulatory breach of capital adequacy requirements, minimum net owned funds and leverage ratio threshold.

Restriction on Use

12. This report is addressed to the Board of Directors of the Company, pursuant to our obligations under the engagement letter for onward submission of this report to the Registrar in accordance with the regulations and should not be used by any other person or for any other purpose. MSKC & Associates (Formerly known as R.K. Kumar & Co.) shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment.
13. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For MSKC & Associates (Formerly known as R.K. Kumar & Co.)
Chartered Accountants
Firm Registration Number: 0015955

Tushar Kurani

Tushar Kurani
Partner
Membership Number: 118580
UDIN: 20118580AAAAFV9990

Mumbai
September 17, 2020

EXTRACTS OF THE RESOLUTION PASSED AT THE 35TH MEETING OF THE BOARD OF DIRECTORS OF JANA HOLDINGS LIMITED HELD ON MONDAY, 24TH DAY OF AUGUST 2020 AT 12.00 NOON THROUGH VIDEO CONFERENCING AT NO. 80, 5TH CROSS, 4TH MAIN, MARUTHI EXTENSION, BANGALORE – 560021 (DEEMED VENUE)

Item No. 7: Approval of the scheme of amalgamation of Jana Holdings Limited (Transferor Company) with Holding Company i.e. Jana Capital Limited (Transferee Company) under Section 233 of the Companies Act 2013.

RESOLVED THAT pursuant to Section 233 and other applicable provisions, if any, of the Companies Act 2013 read with rule 25 of the Companies (Compromise, Arrangements and Amalgamations) Rules 2016, clause 3(II)(w) of Memorandum of Association of the Company, and subject to the approval of members and creditors, sanction of Regional Director, South East Region, Ministry of Corporate Affairs (Central Government), Hyderabad or other competent authorities, and further subject to such terms and conditions and modification(s) as may be imposed, prescribed or suggested by the Regional Director, South Eastern Region, Ministry of Corporate Affairs or such other competent authority, as may be applicable, the consent of the Board of directors of the Company be and is hereby accorded for amalgamation of the Company (Transferor Company) with Jana Capital Limited (Transferee Company), as per draft scheme of amalgamation placed before the Board.

RESOLVED FURTHER THAT draft scheme of amalgamation for amalgamation of the Company (Transferor Company) with Jana Capital Limited (Transferee Company) as placed before the Board be and is hereby approved.

RESOLVED FURTHER THAT the consent of the Board be and is hereby accorded to Mr. Rajamani Muthuchamy, MD and CEO of the Company, to do the following acts in connection with the Amalgamation:

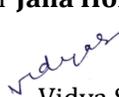
- i. To sign and submit the notice of the proposed scheme inviting suggestions or objections from the Registrar of Companies (ROC) and Official Liquidator (OL) and to liaise with the ROC and OL for seeking suggestions to the scheme.
- ii. To obtain and sign the Statement of Assets and Liabilities of the Company from the Statutory Auditors of the Company.
- iii. To sign and submit Declaration of Solvency along with its annexure on behalf of the board.
- iv. To appoint Practising Chartered Accountant for providing the certified list of shareholders and creditors of the Company and fix the fees as deemed appropriate.
- v. To obtain from Statutory Auditors a certificate of compliance of the scheme with the Accounting Standards under Section 133 of the Companies Act 2013.
- vi. To carry out modifications to the scheme as per the suggestions to be received from ROC and OL.
- vii. To convene the meetings of members and creditors for approval of the scheme.
- viii. To sign and issue the notice of meeting to be published as newspaper advertisement.
- ix. To submit the scheme with Regional Director, Registrar of Companies and Official Liquidator.
- x. To liaise with the statutory authorities or any person affected by the scheme for any matter connected with the merger.

- xi. To appoint consultants, professionals, authorised representative to represent the company before various regulatory authorities like Registrar of Companies, Regional Director & Official Liquidator and fix the fee as deemed appropriate.
- xii. To do all deeds, things, acts that are necessary to give effect to the amalgamation of the Company with the Jana Capital Limited, Holding Company.

RESOLVED FURTHER THAT Mr. Rajamani Muthuchamy, MD and CEO (DIN: 08080999), Mr. Ramesh Ramanathan, Director (DIN: 00163276), Ms. Vidya Sridharan (Mem. No. A44354), Company Secretary of the Company, be and are hereby jointly or severally authorized to do all such things, acts and deeds as may be necessary to give effect to the above resolutions.

//Certified True Copy//

For **Jana Holdings Limited**



Vidya Sridharan

Company Secretary (Mem. No. 44354)

ANNEXURE-D

1. PRE-AMALGAMATION SHAREHOLDING PATTERN OF TRANSFEROR COMPANY

PARTICULARS	AMOUNT (Rs.)
AUTHORISED CAPITAL	50,00,00,000
Rs. 50,00,00,000 (Rupees Fifty crores only) divided into 3,50,00,000 Equity shares Face value of Rs.10 each and 1,50,00,000 preference shares Face value of Rs. 10/- each. with effect from 22.05.2019.	
TOTAL	50,00,00,000
ISSUED, SUBSCRIBED AND PAID UP CAPITAL	
23,80,944 Equity shares face value of Rs. 10 each	2,38,09,440
TOTAL	2,38,09,440

The entire issued, subscribed and paid up equity share capital of the Transferor Company is held by following persons as follows:

Category Code	Category of shareholder	Number of Shareholders	Total number of shares	Percentage
(A)	Promoter & Promoter Group	-	-	-
(1)	Indian	-	-	-
(a)	Individuals/Hindu Undivided Family	1	10	0.00%
(b)	Central Government / State Government(s)	-	-	-
(c)	Bodies Corporate	1	23,80,884	100%
(d)	Financial Institutions / Banks	-	-	-
(e)	Any Other (specify)	-	-	-
(e)	Any Other (specify)	-	-	-
Sub Total (A) (1)		2	23,80,894	100%
(2)	Foreign	-	-	-
Sub Total (A) (2)-		-	-	-
Total Shareholding of Promoter and Promoter Group (A) = (A) (1)+ (A) (2)				
B	Public Shareholding	5	50	0.00%
Total	(A) + (B)	7	23,80,944	100%

2. POST AMALGAMATION SHAREHOLDING PATTERN OF TRANSFEROR COMPANY

Transferor Company is a wholly owned subsidiary of Transferee Company and the entire paid up share capital of Transferor Company is held by the Transferee Company and its nominees, Therefore the shares of Transferor Company held by Transferee Company will stand cancelled as a result of the proposed amalgamation and there shall be no issuance of shares or payment of any consideration by Transferee Company to the shareholders of Transferor Company.

For **Jana Holdings Limited**



Vidya Sridharan

Company Secretary

Mem. No. 44354

Place: Bengaluru

Dated this 5th October 2020

Annexure-D

1. PRE AMALGAMATION SHAREHOLDING PATTERN OF TRANSFEREE COMPANY

PARTICULARS	AMOUNT (Rs.)
AUTHORISED CAPITAL	3,00,00,000
30,00,000 Equity shares face value of Rs. 10 each.	
TOTAL	3,00,00,000
ISSUED, SUBSCRIBED AND PAID UP CAPITAL	
27,04,181 Equity shares face value of Rs. 10 each	2,70,41,810
TOTAL	2,70,41,810

The entire issued, subscribed and paid up equity share capital of transferee Company is held by following category of persons:

Category Code	Category of shareholder	Number of Shareholders	Total number of shares	Percentage
(A)	Promoter & Promoter Group	-	-	-
(1)	Indian	-	-	-
(a)	Individuals/Hindu Undivided Family	1	10	0.00%
(b)	Central Government / State Government(s)	-	-	-
(c)	Bodies Corporate	1	11,87,716	43.92%
(d)	Financial Institutions / Banks	-	-	-
(e)	Any Other (specify)	-	-	-
(e)	Any Other (specify)	-	-	-
Sub Total (A) (1)		2	11,87,726	43.92%
(2)	Foreign	3	13,16,804	48.70%
Sub Total (A) (2)-		3	13,16,804	48.70%
Total Shareholding of Promoter and Promoter Group (A) = (A) (1)+ (A) (2)				
B	Public Shareholding	6	1,99,660	7.38%
Total	(B) + (A)	11	27,04,181	100%

2. POST AMALGAMATION SHAREHOLDING PATTERN OF TRANSFEREE COMPANY

Since Transferor Company is a wholly owned subsidiary of Transferee Company and the entire paid up share capital of Transferor Company is held by the Transferee Company and its nominee, as a result of the proposed scheme of amalgamation, the shares of Transferor Company held by Transferee Company will stand cancelled and there shall be no issuance of shares or payment of

any consideration by Transferee Company to the shareholders of Transferor Company. Hence there will be no change in the shareholding pattern of the Transferee Company.

For Jana Holdings Limited



Vidya Sridharan
Company Secretary
Mem. No. 44354

Place: Bengaluru

Dated this 5th October 2020

INDEPENDENT AUDITOR'S REPORT

To the Members of Jana Holdings Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

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

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

Basis for Qualified Opinion

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

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

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

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

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

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

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

Emphasis of Matter

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

- i. We draw attention to Note 31 to the standalone financial statements which describes the extent to which the SARS-Cov-2 virus responsible for the COVID-19 Pandemic will impact the associate's financial statements. Consequentially, the impact on the carrying value of investment of associate in the books of the Company will depend on the future developments which the Company is unable to assess currently. Accordingly, no adjustments have been made to the standalone financial statements.
- ii. We draw attention to Note 32 of the audited standalone financial statements, which describes the merger of the Company with its holding Company, Jana Capital Limited.

Our opinion is not modified in respect of these matters.

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

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

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

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

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

Key Audit Matters

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

Impairment Assessment of Investment in Associate:

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

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

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

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

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

Other Matter

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

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

-
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- (d) Except for the matter described in the Basis of Qualified Opinion section above, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) The matter described in Basis of Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
- (f) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position as at 31 March 2020.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

MSKC & Associates (Formerly known as R K Kumar & Co)

Chartered Accountants

ICAI Firm Registration Number: 001595S

Tushar Kurani

Tushar Kurani

Partner

Membership No. 118580

UDIN: 20118580AAAAEE3528

Place: Mumbai

Date: 27, July 2020

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

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

- i. In respect of Property, plant and equipment:
 - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
 - (b) Property, plant and equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
 - (c) According to the information and explanations given to us, there are no immovable properties, and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- ii. The Company is a Non-Banking Financial Company ('NBFC') Non-Operating Financial Holding Company ('NOFHC'). Accordingly, it does not hold any physical inventories. Accordingly, the provisions stated in paragraph 3(ii) of the Order are not applicable to the Company.
- iii. The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships (LLP) or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provisions stated in paragraph 3 (iii) (a) to (c) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act. The Company has complied with Section 186(1) of the Act, in relation to investment made by the Company. The remaining provisions related to Section 186 of the Act do not apply to the Company as it is an NBFC.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act for the business activities carried out by the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.

-
- vii. In respect of statutory dues:
- (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax, goods and service tax, cess and any other statutory dues applicable to it. The Company did not have any dues on account of sales tax, provident fund, employees' state insurance and duty of customs.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of income tax, goods and service tax, cess and any other statutory dues which have not been deposited on account of any dispute.
- viii. In our opinion and according to the information and explanations given to us, the Company did not have any outstanding dues to debenture holders during the year. The Company does not have any loans or borrowings from any financial institution, banks, government during the year.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions stated in paragraph 3 (ix) of the Order are not applicable to the Company.
- x. During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into transactions with the related parties as stated in the provisions of the sections 177 and 188 of the Act. Accordingly, provisions stated in paragraph 3(xiii) of the Order are not applicable to the Company.

-
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (xiv) of the Order are not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is required to and has been registered under Section 45-IA of the Reserve Bank of India Act, 1934 as NBFC-ND-NOFHC.

MSKC & Associates (Formerly known as R K Kumar & Co)

Chartered Accountants

ICAI Firm Registration Number: 001595S

Tushar Kurani

Tushar Kurani

Partner

Membership No. 118580

UDIN: 20118580AAAAEE3528

Place: Mumbai

Date: 27, July 2020

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

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

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

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

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls With Reference to Standalone Financial Statements

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

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

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

Opinion

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

MSKC & Associates (Formerly known as R K Kumar & Co)
Chartered Accountants

ICAI Firm Registration Number: 0015955

Tushar Kurani

Tushar Kurani
Partner
Membership No. 118580
UDIN: 20118580AAAAEE3528

Place: Mumbai
Date: 27, July 2020

JANA HOLDINGS LIMITED
Standalone Balance Sheet as at 31 March 2020

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

Summary of significant accounting policies

See accompanying notes to the standalone financial statements

1-41

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

As per our report of even date

For MSKC & Associates

(Formerly known as R.K. Kumar & Co.)

Chartered Accountants

ICAI Firm Registration No.:0015955



Tushar Kurani

Partner

Membership No: 118580

Place: Mumbai

Date: 27 July 2020

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

CIN:U74900KA2016PLC086838



Rajamani Muthuchamy

Managing Director and CEO

DIN:08080999

Place: Bangalore

Date: 27 July 2020



Ramesh Ramanathan

Chairman

DIN:00163276

Place: Bangalore

Date: 27 July 2020



Gopalakrishnan S

Chief Financial officer

ICAI Membership No: 021783

Place: Bangalore

Date: 27 July 2020



Vidya Sridharan

Company Secretary

ICSI Membership No: A44354

Place: Bangalore

Date: 27 July 2020

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

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

Summary of significant accounting policies

See accompanying notes to the standalone financial state 1 - 41

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

As per our report of even date

For MSKC & Associates

(Formerly known as R.K. Kumar & Co.)

Chartered Accountants

ICAI Firm Registration No.:001595S



Tushar Kurani

Partner

Membership No: 118580

Place: Mumbai

Date: 27 July 2020

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

CIN:U74900KA2016PLC086838



Rajamani Muthuchamy
Managing Director and CEO
DIN:08080999

Place: Bangalore

Date: 27 July 2020



Ramesh Ramanathan
Chairman
DIN:00163276

Place: Bangalore

Date: 27 July 2020


Gopalakrishnan S
Chief Financial officer
ICAI Membership No: 021783

Place: Bangalore

Date: 27 July 2020


Vidya Sridharan
Company Secretary
ICSI Membership No: A44354

Place: Bangalore

Date: 27 July 2020

JANA HOLDINGS LIMITED

Statement of standalone cash flows for the year ended 31 March 2020

(Amount in INR thousands, unless otherwise stated)

	Year ended 31-Mar-20	Year ended 31-Mar-19
Cash flow from operating activities		
Loss after tax	(19,95,789.22)	(42,97,586.69)
Adjustments for:		
Depreciation and amortization expenses	123.68	15.48
Impairment on financial instruments	-	29,41,257.39
Provisions	139.60	
Finance cost	19,67,478.25	13,50,451.34
	-	-
adjustments	(28,047.69)	(5,862.49)
Changes in working capital		
(Decrease) / Increase in payables	(532.34)	1,379.77
Decrease/ (increase) in other financial assets	(140.87)	-
(Decrease) / Increase in other financial liabilities	230.00	(754.00)
(Decrease) / Increase in other non-financial liabilities	(777.65)	874.09
Decrease/ (increase) in other non financial assets	(152.01)	-
Cash from (used in) operations	(1,372.86)	1,499.86
Income tax paid / Current tax assets (net)	39.75	(73.19)
Net cash flows used in operating activities (A)	(29,380.80)	(4,435.81)
Cash flow from Investing activities		
Payment for property, plant and equipment and intangible assets	(360.73)	(155.20)
Investment in associate	(14,70,000.91)	(29,83,201.35)
Net cash flow used in investing activities (B)	(14,70,361.64)	(29,83,356.54)
Cash flow from Financing activities		
Proceeds from issuance of equity share capital	14,89,996.56	-
Proceeds from debt securities issued	-	29,25,649.04
Others	327.36	-
Share issue expenses	(5,570.00)	-
Net cash flow from financing activities (C)	14,84,753.92	29,25,649.04
Net increase in cash and cash equivalents (A+B+C)	(14,988.52)	(62,143.32)
Cash and cash equivalents at the beginning of the year	45,483.27	1,07,626.59
Cash and cash equivalents at the end of the year	30,494.75	45,483.27
Cash and cash equivalents comprise (Refer note 1)		
Balances with banks		
On current accounts	10,193.76	45,483.27
On deposits with Banks	20,300.98	-
Total cash and bank balances at end of the year	30,494.75	45,483.27

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

As per our report of even date

For **MSKC & Associates**
(Formerly known as R.K. Kumar & Co.)

Chartered Accountants
ICAI Firm Registration No.:0015955



Tushar Kurani
Partner
Membership No: 118580

Place: Mumbai
Date: 27 July 2020

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



Rajamani Muthuchamy
Managing Director and CEO
DIN:08080999

Place: Bangalore
Date: 27 July 2020



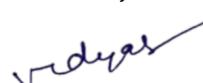
Gopalakrishnan S
Chief Financial officer
ICAI Membership No: 021783

Place: Bangalore
Date: 27 July 2020



Ramesh Ramanathan
Chairman
DIN:00163276

Place: Bangalore
Date: 27 July 2020



Vidya Sridharan
Company Secretary
ICSI Membership No: A44354

Place: Bangalore
Date: 27 July 2020

JANA HOLDINGS LIMITED

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

(Amount in INR thousands, unless otherwise stated)

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

(B) Other equity

01 April 2019 to 31 March 2020

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

01 April 2018 to 31 March 2019

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

The accompanying notes are an integral part of these financial statements

1 - 41

As per our report of even date

For MSKC & Associates

(Formerly known as R.K. Kumar & Co.)

Chartered Accountants

ICAI Firm Registration No.:0015955



Tushar Kurani

Partner

Membership No: 118580

Place: Mumbai

Date: 27 July 2020

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

CIN:U74900KA2016PLC086838



Rajamani Muthuchamy

Managing Director and CEO

DIN:08080999

Place: Bangalore

Date: 27 July 2020



Ramesh Ramanathan

Chairman

DIN:00163276

Place: Bangalore

Date: 27 July 2020



Gopalakrishnan S

Chief Financial officer

ICAI Membership No: 021783

Place: Bangalore

Date: 27 July 2020



Vidya Sridharan

Company Secretary

ICSI Membership No: A44354

Place: Bangalore

Date: 27 July 2020

JANA HOLDINGS LIMITED

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

1 Company Overview

1.1 Background

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

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

1.2 Statement of compliance

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

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

1.3 Basis of preparation

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. (As Amended from time to time)

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

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

1.4 Functional and Presentation currency

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

1.5 Basis of measurement

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

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

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

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

i. Fair value of financial instruments

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

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

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

2 Significant accounting policies

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

i. Revenue recognition

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

ii. Finance Cost

Interest expense on financial liabilities is recognized on an accrual basis using effective interest rate (EIR) method.

The EIR is the rate that discounts the estimated future cash flows through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial liability adjusted for upfront expenses. The interest expense is recognized on EIR method on a time proportion basis applied on the carrying amount for financial liability.

Arranger fees, stamp duty charges and other fees that are integral to the effective interest rate on a liability are included in the effective interest rate.

Other fees and expenses such are recognized as and when they are incurred.

iii. Financial assets and liabilities

a. Financial assets

Initial recognition and measurement

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

Financial assets at amortised cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest outstanding on the principal amount outstanding (SPPI).

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

Financial assets at fair value through other comprehensive income

A financial asset is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI.

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

Financial assets at fair value through profit or loss

(FVPL)

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

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

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

Classification and subsequent measurement

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

b. Financial Liabilities

Initial recognition and measurement

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

Subsequent measurement

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

c. De-recognition of financial assets and financial liabilities

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

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

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

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

d. Modifications of financial assets and financial liabilities

Financial assets

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

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

Financial liabilities

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

e. Offsetting financial assets and financial liabilities

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

f. Fair value measurement

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

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

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

iv. Employee Benefits

i. Short term employee benefits

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

v. Property, plant and equipment

Recognition and measurement

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

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

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

Subsequent costs

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

v. Property, plant and equipment (continued)

Depreciation

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

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

Particulars	Useful Life
Computers and Printers	3 Years

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

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

vi. Other intangible assets

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

Particulars	Useful Life
Computer Software	3 Years

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

vii. Impairment (non-financial asset)

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

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

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

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

viii. Foreign currency transactions

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

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

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

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

a. Onerous contracts

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

b. Contingencies related to claims, litigation, etc.

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

x. Income taxes

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

a. Current tax:

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

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

- a) has a legally enforceable right to set off the recognized amounts; and
- b) intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

b. Deferred tax

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

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

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

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

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

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

Deferred tax assets and liabilities are offset only if:

- a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

xi. Earnings per share

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

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

xii. Cash and cash equivalents

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

xiii. Statement of cash flows

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

xiv. Impairment of financial assets

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

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

- Financial assets that are not credit impaired - as the present value of all cash shortfalls that are possible within 12 months after the reporting date.
 - Financial assets with significant increase in credit risk but not credit impaired - as the present value of all cash shortfalls that result from all possible default events over the expected life of the financial asset.
 - Financial assets that are credit impaired - as the difference between the gross carrying amount and the present value of estimated cash flows
- Financial assets are fully provided for or written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof.

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

xv. Segment Reporting

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

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

xvi. Recent accounting pronouncement

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

Ind AS 116, Leases

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

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

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

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

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

Amendments to Ind AS 12 Income Taxes

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

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

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

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognize in Statement of profit and loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

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

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

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

JANA HOLDINGS LIMITED

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

(Rs. In thousands)

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

*** Note-1**

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

2 Investments

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

* Other basis of measurement such as cost may be explained as a footnote

***Basis of Measurement**

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

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

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

- (i) the Bank reported profit 30.13 crores, Networth of bank increased as compared to March 31, 2019 and significant increase in interest income from last year
(ii) the fair value of the Bank shares for the year ended March 31, 2020 has increased by Rs. 9.50 per share from Rs. 951.09 per share (March 31, 2019) to Rs. 960.59 per share (March 31, 2020).

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

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

Foot Notes

i. Details of investments 15,45,596.00

(Face Value per share - Rs.10)

In INR

Details of investments	As at March 31, 2020	As at March 31, 2019
Carrying value of Investment (A)	23,24,16,78,053.64	21,77,16,77,143.99
No. of Shares (B)	2,13,44,374.00	1,97,98,778.00
Book Value per share (C=A/B)	1,088.89	1,099.65
Fair Market Value per share (D)	960.59	951.09
Impairment loss per share (E=C-D)	128.30	148.56
Total Impairment loss per share	2,03,00,420.67	1,88,30,419.76

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

JANA HOLDINGS LIMITED

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

(Rs. In thousands)

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

Note:

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

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

JANA HOLDINGS LIMITED

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

(Rs. In thousands)

5 Property, Plant and Equipment-Tangible assets

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

6 Other - Intangible assets

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

JANA HOLDINGS LIMITED

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

(Rs. In thousands)

	<u>31-Mar-20</u>	<u>31-Mar-19</u>
7 Other Non-financial assets		
Prepaid expenses	149.51	-
Advance to suppliers	2.50	-
Total	<u><u>152.01</u></u>	<u><u>-</u></u>

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

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

9 Debt Securities

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

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

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

(Amounts are in INR thousands)

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

* The Company has issued rated, redeemable, non-convertible debentures on private placement basis which are listed on the wholesale debt market of Bombay Stock Exchange (BSE).

Series H and Series J1 to J5 Debentures are secured through first ranking exclusive pledge created over (a) the Pledged Shares of the Jana Small Finance Bank ("Target Company") by the Issuer under the Small Finance Bank Pledge Agreement, (b) the Parent Company Pledged Shares of Jana Capital Limited ("Parent Company") by Jana Urban Foundation under the Parent Pledge Agreement, and (c) Parent Company Shareholders' Undertaking, each in favour of the Debenture Trustee (acting for the benefit of the Debenture Holders) under or pursuant to the relevant Pledge Agreement.

In case of certain Non convertible debentures, redemption premium payable is linked to share price of the JSFB shares subject to a cap of 50% and floor of 16.5%. This constitutes an embedded derivative under Ind AS 109. To record this derivative in the books of account of the Company, the fair value of JSFB equity shares INR 951.09 per share has been determined by Management based on external valuation report issued during the year. This per share valuation is also consistent with the equity share issuance done by JSFB in November 2019.

10 Other Financial Liabilities

	31-Mar-20	31-Mar-19
Provision for professional fees	100.00	-
Audit fee payable	230.00	100.00
Total	330.00	100.00

11 Other Non - Financial Liabilities

	31-Mar-20	31-Mar-19
Statutory dues	152.45	930.09
Total	152.45	930.09

12 Other Non - Financial Liabilities

	31-Mar-20	31-Mar-19
Provision for Leave Encashment (Refer note-18 for details)	139.60	-
Total	139.60	-

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

(Rs. In thousands)

13 Equity Share capital

Authorized *

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

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

Issued, subscribed and paid up

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

(Rs. In thousands)

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

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

(b) **Rights, preferences and restrictions attached to shares**

The Company has only one class of equity shares being issued, subscribed and fully paid up having a par value of ₹ 10/- each. Each holder of equity share is entitled to one vote per share.

The Company declares and pays dividend on equity shares in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the assets of the Company. The distribution will be in proportion to the number of equity shares held by the equity shareholders.

The company has issued rights shares to its existing shareholders on October 30, 2019 being 388,830 shares at a premium (par value being Rs.10 per share and a premium of Rs.3,822 per share) amounting to Rs.1,48,99,96,560.

(c) **Shares held by holding company/ultimate holding company**

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

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

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

As per records of the NBFC, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

The Company has not issued bonus shares or shares for consideration other than cash during the five year period immediately preceding the reporting date.

JANA HOLDINGS LIMITED

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

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

Nature and purpose of reserves

- (a) **Securities Premium reserve**
Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with the provisions of the Companies Act, 2013.
- (b) **Statutory Reserve**
In terms of Section 45-IC of the RBI Act, NBFCs are required to create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year. The above requirement is to give intrinsic strength to the balance sheets of the 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 2020 as the Company has incurred losses.
- (c) **Retained Earnings**
Retained earnings are the profits/ (losses) that the Company has earned to date, less any dividends or other distributions paid to shareholders.
- (d) **Debenture redemption reserve**
The Entity being an NBFC is exempted from creation of Debenture Redemption Reserve for Debentures issued through Private Placement Avenue. Further the entity shall on or before the 30th day of April in each year, in respect of debentures issued, invest or deposit, as the case may be, a sum which shall not be less than fifteen per cent., of the amount of its debentures maturing during the year, ending on the 31st day of March of the next year in any one or more methods of investments or deposit. The applicable dates for such investment for each of its series of debentures is provided as

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

(e) Contingent Liabilities and commitments

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

15 Other Income

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

16 Finance Cost

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

* The amount pertains to Compensation Charges plus applicable taxes paid for delay in the fulfilment of conditions precedent and conditions subsequent contained in the transaction documents relating to an NCD series. These payments have been approved at the meeting of the Board of Directors held on September 23, 2019 and October 21, 2019.

17 Impairment on Financial Instruments

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

18 Employee Benefit Expenses

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

Note: 1

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

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

During the current financial year the Mr. Rajamani Muthuchamy and Ms. Vinutha being the employees of the company have carried forward their leave balances and accordingly a leave encashment provision to such effect has been provided.

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

20 Other Expenses

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

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

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

JANA HOLDINGS LIMITED

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

21 Earnings/ Loss per share

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

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

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

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

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

22 Leases

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

- As per Para 5 of INDAS 116, A lessee may elect not to apply the requirements in paragraphs 22-49 (Recognition and measurement criteria for lessees) to

(a) short-term leases; and

(b) leases for which the underlying asset is of low value (as described in paragraphs B3-B8).

- Further as per Para 6 of the said standard If a lessee elects not to apply the requirements in paragraphs 22-49 to either short-term leases or leases for which the underlying asset is of low value, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

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

23 Related Party Disclosures: 31 March 2020**A) Name of Related Parties and Relationship with related parties**

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

A) Names of the related party	Nature of Relationship
i. Jana Capital Limited	Holding Company
ii. Jana Small finance Bank (formerly known as Janalakshmi Financial Services Limited)	Associate Company
iii. Janaadhar (India) Private Limited	Group Company
iv. Jana Urban Foundation	Group Company
v. Mr. Ramesh Ramanathan	Non-Executive Chairman and Director
vi. Mr. Abraham Chacko	Independent Director
vii. Mrs. Saraswathy Athmanathan	Independent Director
viii Mr. Rajamani Muthuchamy	Managing Director and CEO
ix. Mr. Krishnan Iyer	KMP - Chief Financial Officer (w.e.f 9th December 2019 and upto 30th March 2020)
x. Mr. Gopalakrishnan S	KMP - Chief Financial Officer (w.e.f 30th March 2020)
xi. Ms. Jyoti Rao	KMP - Company Secretary (Upto 31st October 2019)
xii. Ms. Vidya Sridharan	KMP - Company Secretary (w.e.f 01st October 2019)

B) Related Parties - with whom transactions have taken place during the year	Nature of Relationship
i. Jana Capital Limited	Holding Company
ii. Jana Small finance Bank (formerly known as Janalakshmi Financial Services Limited)	Associate Company
iii. Janaadhar (India) Private Limited	Private company in which director or his relative is member or director
iv. Mr. Krishnan Iyer	KMP - Chief Financial Officer (w.e.f 9th December 2019 and upto 30th March 2020)
v. Mr. Gopalakrishnan S	KMP - Chief Financial Officer (w.e.f 30th March 2020)
vi. Ms. Jyoti Rao	KMP - Company Secretary (Upto 30th October 2019)
vii. Ms. Vidya Sridharan	KMP - Company Secretary (w.e.f 01st October 2019)

B) Nature of Transactions entered with related parties

(Amount in INR thousands)

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

24 Fair values of financial assets and financial liabilities

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

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

25 Fair value hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

No financial assets/liabilities have been valued using level 1 fair value measurements.

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

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

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

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

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

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

26 Financial risk management objectives and policies

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

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

I Market Risk

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

(a) Interest rate risk

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

(b) Foreign currency risk

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

II Credit risk

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

i) Credit risk management approach

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

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

31-Mar-20		(Amount in thousands)		
Particulars	Asset Group	Carrying Amount	Allowance for Impairment Loss	Carrying Amount and net of provision
Investments in Associate	Investments at amortized cost	2,03,00,420.67	-	2,03,00,420.67

31-Mar-19		(Amount in thousands)		
Particulars	Asset Group	Carrying Amount	Allowance for Impairment Loss	Carrying Amount and net of provision
Investments in Associate	Investments at amortized cost	2,17,71,677.15	29,41,257.39	1,88,30,419.77

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

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

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

Expected credit loss on other financial assets

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

Cash and cash equivalents and Bank balance

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

JANA HOLDINGS LIMITED

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

Note-26 continued

(Amount in INR thousands, unless otherwise stated)

III Liquidity risk

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

i. Liquidity risk management

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

ii. Maturity of financial liabilities

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

31-Mar-20

Amount in INR thousands

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

31-Mar-19

Amount in INR thousands

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

iii. Public Disclosure on Liquidity Risk

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

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

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

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

S.No	Name of the Party	Amount (in crores)	% of Total borrowings
1	TPG ASIA VI India Markets Pte. Ltd	468.20	35.45%
2	Government of Singapore	267.65	20.26%
3	Edelweiss Finance Limited	225.13	17.04%
4	Manipal Health Systems Private Limited	177.20	13.42%
5	Centrum Retail Services Limited	137.83	10.44%
6	Centrum Financial Services Limited	44.84	3.39%
Total		1,320.86	100.00%

(iv) Funding Concentration based on significant instrument/product

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

(v) Stock Ratios

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

(vi) Institutional Set-up for liquidity risk management

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

JANA HOLDINGS LIMITED

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

27 Capital management

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

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

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

(i) Gearing Ratio

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

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

(ii) Consolidated CAR

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

28 Change in liabilities arising from financing activities

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

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

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

29 Segment Reporting

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

30 Foreign Exchange Transaction

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

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

31 Disclosure on COVID-19

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

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

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

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

32 Disclosure on Merger with Parent Company

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

33 Capital to Risk Assets Ratio

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

34 Net Owned Fund

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

35 Breach of Leverage Ratio on a Standalone basis

The Company is a Non operating Financial Holding Company ('NOFHC') of Jana Small Finance Bank Limited ('JSFB' or 'the Bank') and has no operation of its own. As per the terms and conditions of the license issued to the Bank to commence small finance bank business under Section 22 of the Banking Regulation Act, 1949 vide letter DBR.NBD.(SFB-JFS) No. 12881/16.13216/2016-17 dated 28 April 2017 ('Licensing letter'), the Company is required to comply with the provisions of paragraph 2(H)(i) of the Guidelines for Licensing Of New Banks in the Private Sector dated 22 February 2013 which refers to compliance of regulatory threshold of leverage ratio on a standalone basis by the NOFHC as per RBI guidelines. For the year ended 31 March 2020, the Company had a leverage ratio of 1.85 vis-à-vis the regulatory threshold of 1.25 on a standalone basis. This is due to fact that Non-Convertible Debentures ('NCD') that have been issued by the Company has resulted in accumulated interest costs and the investments in equity of the bank has been impaired, which has resulted in breach of leverage ratio on a standalone basis. In order to resolve the issue, the Company has evaluated merger option with Jana Capital Limited (the holding Company and a Core Investment Company) and had filed an application with Reserve Bank of India ("RBI") on January 9 2020, for its in principle approval. The approval is presently awaited.

36 Maturity analysis of assets and liabilities

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

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

JANA HOLDINGS LIMITED

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

37 Asset Liability Management (ALM)

Amount in INR thousands

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

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

*represents adjustments on account of EIR/ECL

Maturity pattern of assets and liabilities as on 31 March 2019

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

*represents adjustments on account of EIR/ECL

38 Disclosure required in terms of the Revised Regulatory Framework for NBFC issued by RBI on 10 November 2014-

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

a) Capital

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

b) Investments

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

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

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

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

c) Derivatives

(Amounts are in INR thousands)

(i) Forward Rate Agreement/ Interest Rate Swap

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

(ii) Exchange Traded Interest Rate (IR) Derivatives

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

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

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

c) Derivatives (Continued)**(iii) Disclosures on Risk Exposure in Derivatives****(A) Quantitative Disclosures**

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

(B) Quantitative Disclosures

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

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

d) Exposures

(i) Exposure to Real Estate Sector

(Amounts are in INR thousands)

Category	31 March 2020	31 March 2019
<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	-	-
Total Exposure to Real Estate Sector	-	-

(ii) Exposure to Capital Market

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

JANA HOLDINGS LIMITED

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

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

(Amounts are in INR thousands)

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

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

Liabilities side :

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

(ii) Break-up of (i)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid:	As at 31 March 2020		As at 31 March 2019	
	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
(a) 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	As at 31 March 2020	As at 31 March 2019
	Amount outstanding	Amount outstanding
(a) Secured	-	-
(b) Unsecured	-	-
	-	-

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

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

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

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

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

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

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

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

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

JANA HOLDINGS LIMITED**Notes to financial statements for the year ended 31 March 2020 (continued)**

(Amounts are in INR thousands)

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

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

(e) Miscellaneous**(i) Registration obtained from other financial sector regulators**

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

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

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

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

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

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

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

(v) Revenue Recognition

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

(vi) Draw Down from Reserves

The Company has not made any draw down from reserves.

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

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

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

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

(f) Disclosure of Customer Complaints

(Amounts are in INR thousands)

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

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

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

41 Prior year comparatives

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

As per our report of even date
For **MSKC & Associates**
(Formerly known as R.K. Kumar & Co.)
Chartered Accountants
ICAI Firm Registration No.:0015955



Tushar Kurani
Partner
Membership No: 118580

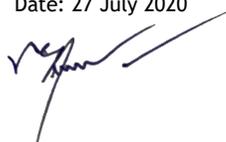
Place: Mumbai
Date: 27 July 2020

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



Rajamani Muthuchamy
Managing Director and CEO
DIN:08080999

Place: Bangalore
Date: 27 July 2020



Gopalakrishnan S
Chief Financial officer
ICAI Membership No: 021783

Place: Bangalore
Date: 27 July 2020



Ramesh Ramanathan
Chairman
DIN:00163276

Place: Bangalore
Date: 27 July 2020



Vidya Sridharan
Company Secretary
ICSI Membership No: A44354

Place: Bangalore
Date: 27 July 2020