

NOTICE OF 6TH ANNUAL GENERAL MEETING

Notice is hereby given that the Sixth Annual General Meeting of Jana Capital Limited will be held on October 5th, 2021, Tuesday at 11.30 AM IST through video conferencing ("VC") at the Registered office of the Company at 2nd Floor, No. 80, 5th Cross, 4th Main, Maruthi Extension, Bangalore - 560021 (Deemed Venue) at Shorter notice, to transact the following businesses:

ORDINARY BUSINESS

1. To consider and adopt the standalone and consolidated financial statements of the Company for the financial year ended 31st March 2021, together with the Board's Report and Auditors' Reports thereon.
2. To appoint Mr. Rajamani Muthuchamy (DIN: 08080999) who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for reappointment.
3. To appoint Mr. Puneet Bhatia (DIN: 00143973) who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS


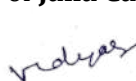
4. Ratification of related party transaction.

To pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 ("Act") and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 as amended from time to time, contract entered into by the Company with related party as detailed in the explanatory statement annexed to the notice be and is hereby ratified and approved.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorised to do all such acts, deeds, matters and things and to execute all such agreements, documents, instruments, applications etc. as may be required, with power to settle all questions, difficulties or doubts that may arise in regard to the aforesaid Resolution as it may in its sole discretion deem fit and to delegate all or any of its powers herein conferred to any of the Directors and/or officers of the Company, to give effect to this Resolution.

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



Vidya Sridharan

Company Secretary (Mem. No. A44354)

Date: 30/9/2021

Place: Bangalore

Notes:

1. *Considering the present Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated January 13, 2021 permitted convening the Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 ('the Act'), the AGM of the Company is being held through VC. The meeting shall be held through Microsoft teams and link for joining the meeting will be shared separately.*
2. *For any technical assistance before or during the meeting, the following person may be contacted:-
Name:- Vidya Sridharan
Phone: 9590848264*
3. *Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.*
4. *Since the AGM will be held through VC, the route map of the venue of the Meeting is not annexed hereto.*
5. *In terms of the provisions of Section 152 of the Act, Mr. Rajamani Muthuchamy and Mr. Puneet Bhatia, retire by rotation at the ensuing Annual General Meeting. Nomination and Remuneration Committee and the Board of Directors of the Company have recommended their appointment. Mr. Rajamani Muthuchamy and Mr. Puneet Bhatia are interested in the Ordinary Resolution set out at Item No. 2 and 3 of the Notice with regard to their appointment. None of the Directors or Key Managerial Personnel are concerned or interested in this resolution except the appointees.*
6. *Notice of the AGM along with the Annual Report for 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report for 2020-21 will also be available on the Company's website <https://www.janacapital.co.in/>.*
7. *The Company has been maintaining the statutory registers at its registered office at 2nd Floor, No. 80, 5th Cross, 4th Main, Maruthi Extension, Bangalore - 560021. In accordance with the MCA Circulars, the said registers will be made accessible for inspection through electronic mode and shall remain open and be accessible to any member during the continuance of the meeting.*

EXPLANATORY STATEMENT

The Explanatory Statement, as required under section 102 of the companies Act, 2013 are as follows:

Item No. 4. Ratification of related party transaction.

On September 15, 2021, the Company executed a Rental Agreement with Vidya Sridharan and her Relative, who are Related Parties as defined under Section 2 (76) of the Companies Act, 2013. The Company being a Core Investment Company having no business except investment in Jana Small Finance Bank Limited, through its Wholly Owned Subsidiary Company, and since the Company does not have any turnover, obviously the transaction entered with related party exceeds 10% of the Annual Turnover of the Company as per the Last Audited Financial Statement of the Company. The details of the said transaction is given below:-


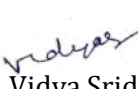
a) Name of the related party	Vidya Sridharan, Company Secretary and her relative
b) Name of the director or key managerial personnel who is related, if any	Vidya Sridharan, Company Secretary (KMP).
c) Nature of relationship	Transaction with KMP and Relative
d) Nature of transaction	Renting of premises for the purpose of use as Registered Office of the Company.
e) Material terms, monetary value and particulars of the contract or arrangements;	Rent per month does not exceed Rs. 6,000/-
f) Duration of contract	11 months and renewal from time to time on the basis of mutual consent among the parties.
g) Any other information relevant or important for the members to take a decision on the proposed resolution.	The Audit Committee and the Board of Directors have ratified the transaction at the meeting held on September 23, 2021 and recommended the same for the approval of the members.

The transactions as mentioned above is not in the Ordinary course of business. Accordingly, the Audit Committee & the Board of Directors of the Company have considered the contract entered with the related party and ratified the same at their respective meetings held on September 23, 2021 and have also decided to seek ratification and approval of Shareholders pursuant to Section 188 of the Act, read with the Companies (Meetings of Board and its Powers) Rules, 2014.

Vidya Sridharan, Company Secretary being a related party to the contract is interested in Resolution at Item no. 4. None of the Directors or other Key Managerial Personnel are in any way concerned or interested in the Resolution at **Item no. 4** of the Notice.

The Board of Directors of the Company recommends the Resolution as set out at Item No. 4 in the accompanying Notice for ratification and approval of the members.

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


Vidya Sridharan

Company Secretary (Mem. No. A44354)

Date: 28/09/2021

Place: Bangalore



JANA CAPITAL LIMITED
SIXTH ANNUAL REPORT
FY 2020-21

CORPORATE INFORMATION

Board of Directors:

Mr. Ramesh Ramanathan	-	Non-Executive Chairman and Director
Mr. Rajamani Muthuchamy	-	MD and CEO
Mr. S. V Ranganath	-	Independent Director
Mrs. Saraswathy Athmanathan	-	Independent Director
Mr. Abraham Chacko	-	Independent Director
Mr. Puneet Bhatia	-	Director
Mr. Nirav Vinod Mehta	-	Director
Mr. Anil Rai Gupta	-	Director

Statutory Auditors

MSKC & Associates

Secretarial Auditors

JKS & Co., Company Secretaries

Registered Office

Regd off: 2nd Floor, No. 80, 5th Cross,
4th Main, Maruthi Extension,
Bangalore-560021
Website: <https://www.janacapital.co.in/>
CIN: U67100KA2015PLC079488
Tel No. 080-42566100

Bankers

HDFC Bank Limited, Federal Bank Limited.

Key Managerial Personnel

Mr. Rajamani Muthuchamy, MD and CEO
Mr. Gopalakrishnan Seshadri, Chief Financial Officer
Mrs. Vidya Sridharan, Company Secretary

Registrar and Share transfer agent

KFin Technologies Pvt. Ltd.
Selenium Tower B, Plot 31 & 32,
Financial District, Nanakramguda, Serilingampally Mandal,
Hyderabad - 500 032, Telangana.
Email: einward.ris@kfintech.com; web: <https://www.kfintech.com>

Debenture Trustees

Catalyst Trusteeship Limited.
Address : Office No. 604, 6th floor, Windsor, C.S.T. Road, Kalina, Santacruz (East),
Mumbai 400098

To

The Members of

Jana Capital Limited

Your Directors are pleased to present the 6th Annual Report on the business and state of affairs of the Company together with the audited financial statement of the Company for the financial year ended March 31, 2021.

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

Amount in Thousands

Particulars	Standalone	
	Year ended 31.3.2021	Year ended 31.3.2020
Revenue from Operations	-	-
Other Income	153.59	-
Total Revenue	153.59	-
Total Expenditure	26,00,806.54	21,05,969.68
Profit/(Loss) before Taxation	(26,00,652.95)	(21,05,969.68)
Tax expenses	-	-
Profit/(Loss) after Taxation	(26,00,652.95)	(21,05,969.68)
Surplus/(deficit) carried to the Balance Sheet	(26,00,652.95)	(21,05,969.68)

Particulars	Consolidated	
	Year ended 31.3.2021	Year ended 31.3.2020
Revenue from Operations	-	-
Other Income	1,534.16	337.35
Total Revenue	1,534.16	337.35
Total Expenditure	26,02,187.12	21,00,746.43
Profit/(Loss) before Taxation	(26,02,187.12)	(21,00,746.43)
Share of Profit/(loss) of the associate accounted for using equity method	(4,09,307.64)	(16,96,615.53)
Tax expenses	-	-
Profit/(Loss) after Taxation	(30,10,023.60)	(37,97,024.61)
Surplus/(deficit) carried to the Balance Sheet	(30,10,023.60)	(37,97,024.61)

2. General information about the Financial Performance of the Company

The Company is a Core Investment Company (CIC) and wholly owned holding Company of Jana Holdings Limited (JHL). The Company does not have any other operations except holding the Investments in JHL. The Company is a registered with the RBI as NBFC-CIC-ND-SI.

During the year under review, the total expenditure was Rs. 26,008.07 lakhs as against 21,059.70 lakhs for the financial year ended 31st March 2020. The increase in the total expenses is mainly on account of interest accruals on the NCD borrowing. The finance cost was Rs. 2644.88 lakhs during the year under review, as against Rs. 993.56 lakhs during the FY 2019-20, this was mainly on account of interest accrued on NCD issued to the amounting of Rs. 150 crores on October 30th, 2020.

3. Dividend

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

4. Amount proposed to be carried to reserves

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

5. State of Company's Affairs:

a. Share Capital

The Authorised share capital of the Company as on 31st March 2021 was Rs. 3,00,00,000/- (Rupees three crores) divided into 30,00,000 (thirty lakhs) Equity shares of Rs. 10/- each.

The Issued, subscribed and paid up share capital of the Company as on 31st March 2021 Rs. 2,70,41,810 (Rupees two crores seventy lakhs forty one thousand eight hundred and ten) divided into 27,04,181 Equity shares of Rs. 10 each.

During the year under review, there was no change in the Authorised, Issued, Subscribed and Paid up capital of the Company.

b. Debentures

The Company did not issue any debentures during the financial year 2020-21.

c. Change in Directors & Key Managerial Personnel

Mr. Gaurav Trehan who was nominated by Caladium Investment Pte. Ltd resigned from the Board on 20th May 2020 on account of withdrawal of his nomination by Caladium Investment Pte. Ltd. Apart from this there was no change in the Directors and KMPs during the year under review. The Board is compliant with the applicable provisions of the Companies Act, 2013, ("Act") and the rules framed thereunder, guideline(s) issued by the Reserve Bank of India and other applicable laws.

Policy on Appointment of Directors and Senior Management Personnel

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

Board of Directors

The constitution of the Board of Directors of the Company as on 31st March 2021 was as follows:

Sl. No.	Name of the Director	Category
1.	Mr. Ramesh Ramanathan	Chairman and Non-Executive Director
2.	Mr. Rajamani Muthuchamy	MD and CEO

3.	Mr. Sakalespur Visweswaraiya Ranganath	Independent Director
4.	Mr. Abraham Chacko	Independent Director
5.	Mrs. Saraswathy Athmanathan	Independent Director
6.	Mr. Nirav Vinod Mehta	Director nominated by North Haven Private Equity Asia Platinum Pte Ltd
7.	Mr. Anil Rai Gupta	Director nominated by QRG Enterprises Limited
8.	Mr. Puneet Bhatia	Director nominated by TPG Asia VI SF Pte Ltd

Declarations from the Directors

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

Director(s) retiring by rotation

In accordance with the provisions of the Companies Act, 2013 read along with the applicable Companies (Appointment and Qualification of Directors) Rules, 2014, the following Directors retire by rotation and being eligible offer themselves for re-appointment:

1. Mr. Rajamani Muthuchamy, MD and CEO
2. Mr. Puneet Bhatia, Director

Key Managerial Personnel

During the year under review there was no change in the Key Managerial Personnel. Mr. Rajamani Muthuchamy, MD and CEO, Mr. Gopalakrishnan. S, CFO and Mrs. Vidya Sridharan, Company Secretary are Key Managerial Personnel of the Company in terms of Section 203 of the Act.

d. Board Evaluation

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

e. Subsidiaries / Joint Venture / Associate Companies

Jana Holdings Limited continues to be the Wholly owned subsidiary Company in accordance with the provisions of the Act. Statement containing salient features of the financial statement of Subsidiary Company in form AOC-1 is attached as **Annexure-1**.

Brief contribution and performance of Jana Holdings Limited (JHL) is as follows:

The total expenditure was Rs. 23,281.86 lakhs for the financial year ended 31st March 2021 as against 19,961.26 lakhs for the financial year ended 31st March 2020. The reduction in the total expenditure was on account of no impairment of shares held in its Associate Company viz. Jana Small Finance Bank Limited. The finance cost of JHL increased from Rs. 19,804.58 lakhs (FY 2019-20) to Rs. 23,281.86 lakhs (FY 2020-21), which was mainly due to the interest accruals for the non-convertible debentures issued by the Company. JHL has further invested in the shares of Jana Small Finance Bank, Associate Company.

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

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

g. Compliance Monitoring System.

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

h. Amalgamation

The Board of Directors had approved to adopt the Fast track method of amalgamation of the Jana Holdings Limited (JHL) wholly owned subsidiary Company with the Company. JHL had submitted necessary documents on January 9, 2020 for sought by the RBI vide their letter dated October 2019 and had applied for the in-principle approval. The Companies received the in-principle approval from the RBI on 10th August 2020 for the amalgamation. 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. Subsequent to the receipt of the In-principle approval from the RBI the Board of Directors of the transferor and the Transferee Company met on 24th August 2020, approved the Scheme of Amalgamation of the Company (Wholly Owned subsidiary) with Jana Capital Limited (Holding Company). The Company held the Extra-Ordinary General Meeting of the Shareholders on 30th October 2020 for the approval of the Scheme. The Company submitted necessary application with the Regional Director, South-east Region, Ministry of Corporate Affairs, Hyderabad on 6th November 2020 for obtaining approval of Amalgamation under Section 233 of the Companies Act, 2013. However, said application was rejected by the Regional Director on March 26th, 2021 since Jana Holdings Limited had obtained the creditors consent to the extent of 82.78% as against 90% required under section 233 of the Companies Act, 2013.

i. Credit Rating:

During the year under review, the Company obtained the credit rating from India Ratings for the NCDs issued by the Company to the tune of Rs. 150 Crores. IND B+/ Stable was the credit rating assigned by India Rating on October 8th, 2020.

6. Particulars of Deposits:

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

7. Extracts of the Annual Return:

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

8. Particulars of contracts or arrangements with related parties:

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

9. Particulars of Loans, Guarantees and Investments:

During the year under review, there were no investments made by the Company. The provisions of Section 186 of the Companies Act pertaining to granting of loans to any persons or body corporate and giving of guarantees or providing security in connection with the loan to any other body corporate or persons are not applicable to the Company, since the Company is a Non-Banking Financial Company, registered with Reserve Bank of India.

10. Internal Financial Control Systems:

Pursuant to Section 134(5)(e) your Company has a proper and adequate system of Internal Financial Control, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Company has appointed Ramesh Ashwin & Karanth, Chartered Accountants as Internal Auditor who conducted the Internal Audit of the Company for the Financial Year 2020-21. The Internal Auditor appointed as aforesaid monitors and evaluates the efficacy and adequacy of internal financial control system in the Company, its compliance with operating systems, accounting procedures and policies of the

Company. Based on the internal audit report, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions, if any, are presented to the Audit Committee of the Board. During the year under review, such controls were tested by the Internal Auditors of the Company and no material weaknesses in the design or operations were observed.

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

A. Conservation of Energy:

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

B. Technology Absorption:

Your Company being Core Investment Company does not have any operation except for holding investment in Jana Holdings Limited (JHL). As such the Company have updated technology to work effectively as far as the extent and scope for which the Company is concerned.

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

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

D. Foreign exchange earnings and Outgo:

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

12. Risk Management:

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

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

13. Nomination and Remuneration policy.

Disclosure of remuneration & particulars of employees:

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

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

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

14. Corporate Social Responsibility (CSR)

The CSR committee was formed as per the provisions of Section 135 of the Companies Act, 2013.

The composition of CSR committee was as under:

1. Mr. Ramesh Ramanathan (Chairperson)
2. Mr. S. V. Ranganathan (Member)
3. Mr. Rajamani Muthuchamy (Member)

Section 135(9) of the Companies Amendment Act, 2020 notified on 28th September 2020 effective from 22nd January 2021 provides that, if the amount to be spent by a company under Section 135(5) for CSR activity, does not exceed fifty lakh rupees, then the Company is not required to constitute the Corporate Social Responsibility Committee and the functions of such Committee provided under this section shall be discharged by the Board. Accordingly, the CSR committee was dissolved by the Board on March 4th, 2021. The CSR policy formulated by the Company pursuant to Section 135 of the Companies Act, 2013 has been placed on the website (<https://www.janacapital.co.in>) of the Company.

During the year under review, the Company was not required to spend any amount towards CSR expenditure.

15. Whistle Blower / Vigil Mechanism:

The Company as part of the 'vigil mechanism' has in place a 'Whistle Blower Policy' to deal with instances of fraud and mismanagement, if any. The Whistle Blower Policy has been placed on the website (<https://www.janacapital.co.in>) of the Company. Audit Committee oversees the vigil mechanism of the Company and provides adequate safeguard against victimization of employees. The Vigil mechanism provides direct access to the Chairperson of the Audit Committee in exceptional circumstances. During the year under review, there were no whistle blowers.

16. Management Discussions and Analysis

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

17. Maintenance of cost records.

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

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

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

19. Secretarial Standards:

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

20. Meetings of the Board of Directors and Committees.

The Board is required to meet at periodical intervals and the gap between two Board meetings does not exceed 120 days as required under the Companies Act, 2013. However, the mandatory requirement of holding meetings of the Board of Directors of the companies within the intervals provided in section 173 of the Companies Act, 2013 (i.e 120 days) was extended by a period of 60 days for the first two quarters of the year i.e., until 30th September 2020 by the Ministry of Corporate Affairs vide General Circular 11/2020 dated March 24, 2020 in order to support and enable Companies to focus on taking necessary measures to address the unprecedented outbreak of the pandemic caused by COVID-19. Accordingly, as a onetime relaxation the gap between two consecutive meetings of the Board was extended to 180 days for the first two quarters, instead of 120 days as required in the Companies Act, 2013. During the financial year 2020-21, the Company held the following meetings of the Board of Directors as per Section 173 of Companies Act, 2013 as mentioned below:

Date of Board meeting	No. of Directors eligible to attend the meeting	No. of Directors attended the meeting
July 28 th , 2020	8	7
August 24 th , 2020	8	7
November 10 th , 2020	8	7
March 4 th , 2021	8	7
March 24 th , 2021	8	6

During the year under review, the Company dissolved the CSR committee at the Board meeting held on March 4th, 2021, as per Section 135(9) of the Companies Amendment Act, 2020 notified on 28th September 2020 effective from 22nd January 2021 as the amount to be spent by a company under Section 135(5) for CSR activity did not exceed fifty lakh rupees and the functions of such Committee provided under this section shall be discharged by the Board.

The Company has also constituted mandatory committees as required to under the Companies Act, 2013 viz., Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee and Committees as required under the Master Directions of the Reserve Bank of India such as Risk Management Committee and Asset and

Liability Management Committee. The details of meeting of committees constituted under the Companies Act, 2013 such as Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee are provided below:

Date of Audit committee	No. of Members eligible to attend the meeting	No. of Members attended the meeting
July 27, 2020	5	5
August 24, 2020	5	5
November 10, 2020	5	5

Date of Risk management Committee	No. of Members eligible to attend the meeting	No. of Members attended the meeting
July 28, 2020	5	5
March 4, 2021	5	5

Date of Nomination and Remuneration Committee	No. of Members eligible to attend the meeting	No. of Members attended the meeting
November 10, 2020	4	4

Date of CSR Committee	No. of Members eligible to attend the meeting	No. of Members attended the meeting
November 10, 2020	3	3

21. Meeting of Independent Directors:

The Company held Independent Directors meeting on March 31, 2021.

22. Statutory Auditors

In accordance with the provisions of Section 139 of the Companies Act, 2013 and the Rules framed thereunder, MSKC & Associates (formerly R.K Kumar & Co.) were appointed as the Statutory Auditors of the Company to hold office from the conclusion of the 5th Annual General Meeting until the 10th Annual General Meeting for the purpose of conducting the Statutory Audit upto the FY 2024-25.

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

23. Qualification made by the Statutory Auditor's Report in standalone financial statement.

There were no qualification or adverse remark made by the Statutory Auditors in the standalone financial statement.

24. Qualification made by the Statutory Auditor's Report in Consolidated financial statement.

The qualification made by the Statutory Auditors in the consolidated financial statement is on account of Jana Holdings Limited and the same has been addressed by the subsidiary Company in its Board's report.

25. Internal Auditors

In terms of provisions of Section 138 of the Companies Act, 2013 and other applicable laws, M/s Ramesh Ashwin & Karanth, Chartered Accountants, Firm Registration No. 010680S were appointed as the Internal Auditors of the Company for the FY 2020-21. The Internal Audit reports were reviewed by the Audit Committee.

26. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed JKS and Co., Company Secretaries, Bangalore to conduct the secretarial audit for the financial year ended March 31, 2021. The Report of the Secretarial Auditor is provided as **Annexure 6** to this Report. There were no qualifications made by the Secretarial Auditor for the financial year ended 31st March 2021.

27. Change in nature of business

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

The Company having listed the debentures on a private placement basis on November 13, 2019 was considered as the listed company as per section 2(52) of the Companies Act, 2013. MCA notification dated February 19, 2021 which amended the Companies (Specification of definitions details) Second Amendment Rules, 2021 excluded the Company from the definition of listed Company with effect from April 1, 2021. Accordingly, the Company having listed the debentures on a private placement basis is not considered as Listed Company, pursuant to the said amendment.

28. Material changes after the closure of financial year.

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

29. Material adverse orders, if any

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

30. Directors responsibility statement

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

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

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

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

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

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

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

31. One Time Settlement

There was no instance of onetime settlement with any Bank or Financial Institution, and hence, no disclosure is required under rule 8(5)(xii) of the Companies (Accounts) Rules, 2014.

32. Pending proceedings under Insolvency And Bankruptcy Code, 2016

There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016, initiated by or against the Company.

Acknowledgement

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

For and on behalf of board of directors of

Jana Capital Limited



Rajamani Muthuchamy
MD & CEO (DIN: 08080999)



Ramesh Ramanathan
Chairman (DIN: 00163276)

Place: Bangalore
Date: September 23, 2021

Place: Bangalore
Date: September 23rd, 2021

Form AOC-1

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

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

Part-A


Sl. No	Particulars	Name of Subsidiary (Amount in Rupees thousand)
1	Name of the Subsidiary Company	Jana Holdings Limited
2	Reporting period for the Subsidiary concerned, if different from the holding company's reporting period	NA
3	Reporting currency and Exchange rate as on the last date of the relevant FY in case of foreign subsidiaries	NA
4	Share Capital	23,809.44
5	Reserves & Surplus	47,70,956.32
6	Total Assets	2,03,12,136.26
7	Total Liabilities	2,03,12,136.26
8	Investments	2,03,00,420.67
9	Turnover	-
10	Profit/(Loss) before taxation	(23,26,805.22)
11	Provision for taxation	-
12	Profit/(Loss) after taxation	(23,26,805.22)
13	Proposed Dividend	-
14	% of shareholding	100%

Notes:

- Names of subsidiaries which are yet to commence operations:- Nil
- Names of subsidiaries which have been liquidated or sold during the year-Nil

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


Rajamani Muthuchamy
MD & CEO (DIN: 08080999)


Ramesh Ramanathan
Chairman (DIN: 00163276)

Place: Bangalore
Date: September 23, 2021

Place: Bangalore
Date: September 23, 2021

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

	Name of Joint Ventures/Associates	
1	Latest audited Balance Sheet Date	NOT APPLICABLE
2	Shares of Associate held by the company on the year end	
	Amount of Investment in Associates/ Joint Venture	
	Extent of Holding %	
3	Description of how there is significant influence	
4	Reason why the associate is not consolidated	
5	Net worth attributable to Shareholding as per latest audited Balance Sheet	
6	Profit / Loss for the year	
i	Considered in Consolidation	
ii	Not Considered in Consolidation	

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

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


Rajamani Muthuchamy
MD & CEO (DIN: 08080999)


Ramesh Ramanathan
Chairman (DIN: 00163276)

Place: Bangalore
Date: September 23, 2021

Place: Bangalore
Date: September 23, 2021

FORM NO. AOC -2

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

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

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

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

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

	Particulars	Details	Details
1	Names(s) of the related party & nature of relationship	Jana Small Finance Bank Ltd.	Janaadhar (India) Private Ltd
2	Nature of contracts /arrangements /transaction	Availing of services	Leasing of property
3	Duration of the tracts/arrangements/transaction	3 years from the effective date	54 months from 12 th November 2018
4	Salient terms of the contracts or arrangements or transaction including the value, if any	As detailed in service provider agreement dated 2 nd March 2018 Rs. 5000 per month	As per the Sub lease agreement Rs. 4388 per month with annual increase as per agreement.
5	Date of approval by the Board	20 th March 2018	17 th Sept 2018
6	Amount paid as advances, if any	Nil	Nil

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


Rajamani Muthuchamy
MD & CEO (DIN: 08080999)


Ramesh Ramanathan
Chairman (DIN: 00163276)

Place: Bangalore
Date: September 23, 2021

Place: Bangalore
Date: September 23, 2021

Annexure 3

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

(i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	1:0.90
(ii) There percentage increase in the remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, during the financial year;	Remuneration to MD and CEO was increased Re. 1/- per month to Rs. 55,000/- per month. There was no increment given to the CFO as he did not complete period of one year in the organisation. Remuneration to the Company Secretary was increased by 10%.
(iii) the percentage increase in the median remuneration of employees in the financial year;	Apart from the KMPs the Company has one employee. Increment of Rs. 15% was provided for the said employee.
(iv) the number of permanent employees on the rolls of company;	The number of permanent employees on the rolls of the Company are 4 including 3 KMPs.
(v) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Nil

For and on behalf of board of directors of

Jana Capital Limited



Rajamani Muthuchamy
MD & CEO (DIN: 08080999)



Ramesh Ramanathan
Chairman (DIN: 00163276)

Place: Bangalore
Date: September 23, 2021

Place: Bangalore
Date: September 23, 2021

Annexure 4

Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2020-21

1	A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs	The CSR Policy of the Company is the guiding document to optimally allocate, manage and supervise prescribed CSR funds of the Company. The document spells out the Company's CSR mission of contributing towards social and economic development of the community, and the strategy to work towards its mission statement. The company has adopted seven development areas that are in line with Schedule VII, and further defines the nature of CSR initiatives to be undertaken. The policy document highlights the role of the CSR committee members too. The CSR Policy of the Company is line with Section 135 of the Companies Act, 2013, CSR Rules and Schedule VII of the Companies Act, 2013.
2	Composition of CSR committee	The CSR committee comprises of the following Directors: 1. Mr. Ramesh Ramanathan (Chairperson) 2. Mr. S. V Ranganath (Member) 3. Mr. Rajamani Muthuchamy (Member) The Committee was dissolved w.e.f March 4, 2021, as detailed in point 14 of Board's Report.
3	Average net profit of the Company for last three financial years	Nil
4	Prescribed CSR expenditure (two percent of the amount mentioned in item 3 above)	Nil
Details of CSR spent during the financial year		
5	Total amount to be spent for the financial year	Nil
6	Amount unspent, if any	Nil
	Manner in which the amount spent during the financial year	Not applicable
7	Reasons for unspent CSR expenditure	Not applicable.


Sl. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs 1. Local area or others 2. Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (in Rs.)	Amount spent on the projects or programs Sub-heads (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period (in Rs.)	Amount spent: Direct or through implementing Agency (give details of implementing Agency)
Not applicable							

RESPONSIBILITY STATEMENT

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

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


Rajamani Muthuchamy
MD & CEO (DIN: 08080999)


Ramesh Kamanathan
Chairman (DIN: 00163276)

Place: Bangalore
Date: September 23, 2021

Place: Bangalore
Date: September 23, 2021

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**a) About the Economy**

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

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

b) Industry structure and developments.

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

c) Opportunities and Threats.

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

d) Segment-wise or product-wise performance.

The Company is Core Investment Company (CIC) having investment in its Wholly owned subsidiary Company and has classified this as its business segment and accordingly there are no separate reportable segments. Since the Company does not have any other operations on its own or any product on its own, product-wise performance is not applicable for the Company.

e) Outlook

As mentioned above, the Company being a NOFHC does not have any other operations except holding the investment in Jana Small Finance Bank Limited ("Bank"), Associate Company. There has been a significant improvement in the performance of the Bank during the Financial Year 2020-21 when compared to the previous years as envisaged in the Audited Financial Statements of the Bank. Your Directors hope that such progressive improvement in the Associate entity will help the Company to maintain investment value.

f) Internal control systems and their adequacy.

Your Company has an efficient Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Company has appointed the Internal Auditors of the Company for the Financial Year 2019-20. The Internal Auditor appointed as aforesaid monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting

procedures and policies of the Company. Based on the internal audit report, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions, if any, are presented to the Audit Committee of the Board. The Company has right amount of resources having specialized knowledge in their respective fields which helps the Company keep abreast of the developments in the constantly changing environment.

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

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

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

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


For and on behalf of board of directors of

Jana Capital Limited



Rajamani Muthuchamy
MD & CEO (DIN: 08080999)

Place: Bangalore
Date: September 23, 2021



Ramesh Ramanathan
Chairman (DIN: 00163276)

Place: Bangalore
Date: September 23, 2021



JKS & Co.

Company Secretaries

E-003, Victoria Haven Patel Ram Reddy Road

Domlur 1st Stage Bangalore-560071

GSTIN/UIN: 29AALFJ1836A1ZI

Secretarial Audit Report

To,
The Members
Jana Capital Limited,
No.4/1 to 4/8, Meanee Avenue Road,
Old Tank Road, Ulsoor,
Bengaluru - 560042

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the further viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **JKS & Co.**

Company Secretaries

Karthick V.

Partner

Membership No. ACS - 11910

C.P. No. - 4680

Firm Unique No. P2015KR040800

PR - 1143/2021



Place : Bengaluru
Date : September 16th 2021
UDIN : **A011910C000956150**



JKS & Co.

Company Secretaries

E-003, Victoria Haven Patel Ram Reddy Road

Domlur 1st Stage Bangalore-560071

GSTIN/UIN: 29AALFJ1836A1Z1

Form No. MR-3

Secretarial Audit Report

for the financial year ended March 31, 2021

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

To,

The Members

Jana Capital Limited,

No.4/1 to 4/8, Meenae Avenue Road,

Old Tank Road, Ulsoor,

Bengaluru - 560042

We have conducted the secretarial audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Jana Capital Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in the manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and SEBI warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2021, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the 'Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;





JKS & Co.

Company Secretaries

E-003, Victoria Haven Patel Ram Reddy Road
Domlur 1st Stage Bangalore-560071

GSTIN/UIN: 29AALFJ1836A1Z1

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. [the Company being an exclusively debt-listed Company, this Regulation is not applicable];
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 [the Company being an exclusively debt-listed Company, this Regulation is not applicable];
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 [the Company being an exclusively debt-listed Company, this Regulation is not applicable];
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 [Not Applicable to the Company during the audit period];
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients [Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the audit period];
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 [Not Applicable as the Company has not delisted / proposed to delist its equity shares from any stock exchange during the audit period]; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 [the Company being an exclusively debt-listed Company, this Regulation is not applicable];
- (vi) Other laws specifically applicable to the Company are:
 - a) Reserve Bank of India Act, 1934;
 - b) Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007
 - c) Master Directions - The Core Investment Companies (Reserve Bank) Directions, 2016





JKS & Co.

Company Secretaries

E-003, Victoria Haven Patel Ram Reddy Road

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GSTIN/UIN: 29AALFJ1836A1Z1

- d) Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions 2016 and Modifications thereof;
- e) Monitoring of Frauds in NBFCs (Reserve Bank) Directions 2016

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

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

And report that during the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards mentioned above.

We further report that

Due to COVID -19 pandemic situation, consequent lockdown and restricted physical movement/ prevailing 'work-from-home' policy, we were not able to physically verify few documents and registers during our Audit and in such cases we have carried out the audit based on electronic documents/soft copies provided to us.

The compliance of applicable Financial Laws, like direct and indirect tax laws, have not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

Subject to the report as stated above, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act.

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

As represented by the Company, all decisions at the Meetings of the Board of Directors and Board Committees are carried out unanimously or with requisite majority as recorded in the Minutes of the respective meetings as the case may be and no dissenting views were recorded.

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





JKS & Co.

Company Secretaries

E-003, Victoria Haven Patel Ram Reddy Road

Domlur 1st Stage Bangalore-560071

GSTIN/UIN: 29AALFJ1836A1ZI

We further report that during the audit period, :

1. The Company has passed a resolution in extra-ordinary general meeting on 30th October, 2020, approving the scheme of amalgamation with Jana Holdings Limited, the wholly owned subsidiary of the Company, under Section 233 of the Companies Act 2013; Subsequently, the Company's application for merger, with the office of Regional Director, MCA was rejected.
2. In the Annual general meeting held on 15th December, 2020 the Company has
 - a. appointed Mr. Rajamani Muthuchamy as Managing Director and CEO for a term of 5 years w.e.f. 14th February, 2020;
 - b. altered its Articles of Association
3. In the extra-ordinary general meeting held on 29th March, 2021, the Company has further altered its Articles of Association
4. The Company has obtained certificate of membership from CIBIL under Section 15 of Credit Information Companies (Regulation) Act, 2005

For **JKS & Co.**

Company Secretaries

Karthick



Karthick V.

Partner

Membership No. ACS - 11910

C.P. No. - 4680

Firm Unique No. P2015KR040800

PR - 1143/2021

Place : Bengaluru

Date : September 16th 2021

UDIN : **A011910C000956150**

INDEPENDENT AUDITOR'S REPORT

To the Members of Jana Capital Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Jana Capital Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2021, 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, 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 2021, and loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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 the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 28 in the standalone financial statements, which indicates that the Company incurred a net loss of INR 260 crores during the year ended 31 March 2021, and has accumulated losses amounting to INR 936 crores, as of that date, which has substantially eroded its net worth. These conditions indicate that a material uncertainty exists that may cast significant doubt on Company's ability to continue as a going concern. However, as stated in the note, the Company is in the process of raising additional funds as necessary to operate as a going concern. Accordingly, the financial statements have been prepared under going concern assumption.

Our opinion is not modified in respect of this matter.

Emphasis of Matter

We draw attention to Note 26 to the standalone financial statements which describes the extent to which the COVID-19 Pandemic will impact the subsidiary's financial statements. Consequentially, the impact on the carrying value of investment in subsidiary in the books of the Company will depend on the future developments,

Our opinion is not modified in respect of this matter.

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 year. 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.

Impairment Assessment of Investment in Subsidiary

Refer Note 2 to the standalone financial statement with respect to the disclosures of Investment in Subsidiary.

The investment in the subsidiary is recorded at cost and is tested for impairment annually. On 31 March 2021, Investment in subsidiary amounts to Rs. 1,379 crores (Previous year 31 March 2020: Rs.1,379 crores) against which provision of Rs. 900 crores (Previous year 31 March 2020: 667 crores) was made towards impairment in the books of account.

The annual impairment testing of value of investment in the associate is considered to be a key audit matter due to the materiality of investment for the Company and the fact that process and methodology for assessing and determining the recoverable amount of investment based on complex assumptions, that by their nature imply the use of management's judgement, in particular with reference to identification of impairment indicators.

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 of Investment in subsidiary.
- ii. Evaluated the appropriateness of the assumptions considered and key inputs used in the assessment of impairment.
- iii. Verified completeness, arithmetical accuracy and validity of the data used in the impairment assessment.
- iv. Assessed the accuracy of the impairment loss and evaluated the adequacy of the financial statement disclosures.

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 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 will 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.

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 standalone¹ 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore, the key audit matters. We describe these matters in our 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.

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 "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) 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 Material Uncertainty Related to Going Concern section of our report, in our opinion, may have an adverse effect on the functioning of the Company.
 - (f) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2021 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 2021.
 - 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 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: 0015955

Tushar Kurani

Tushar Kurani
Partner
Membership No. 118580

UDIN: 21118580AAAADV8489
Place: Mumbai
Date: 24 June 2021

ANNEXURE A TO INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF JANA CAPITAL LIMITED FOR THE YEAR ENDED 31 MARCH 2021

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

- i. In respect of Property, plant and equipment:
 - (a) According to the information and explanations given to us and on the basis of our examination of our records of the Company, the Company does not have Property, plant and equipment. Therefore, the provisions of Clause 3 (i) (a) and (b) of the Order are not applicable to the Company.
 - (b) 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 Non-Banking Financial Company (NBFC) - Non-Deposit taking - Systematically Important- Core Investment Company (NBFC-ND-SI- CIC). 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 (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-SI-CIC.

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: 21118580AAAADV8489
Place: Mumbai
Date: 24 June 2021

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF JANA CAPITAL 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 Capital Limited ("the Company") as of 31 March 2021 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, 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 2021, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

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

Tushar Kurani

Tushar Kurani
Partner
Membership No. 118580
UDIN: 21118580AAAADV8489
Place: Mumbai
Date: 24 June 2021

JANA CAPITAL LIMITED
Standalone Balance Sheet as at 31 March 2021

(Amounts are in INR thousands)

Particulars	Note	As at 31-Mar-21	As at 31-Mar-20
ASSETS			
(1) Financial Assets			
(a) Cash and Cash Equivalent	1(i)	337.67	7,549.76
(b) Bank Balance other than (a) above	1(ii)	7.44	3.39
(c) Investments	2	47,94,765.78	71,21,570.98
(d) Other Financial Assets	3	209.04	19.00
(2) Non- Financial Assets			
(a) Current Tax Assets	4	12.01	-
(b) Other Non Financial Assets	5	273.96	177.25
Total Assets		47,95,605.90	71,29,320.38
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial Liabilities			
(a) Payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	6	1,854.86	263.23
(b) Debt Securities	7	18,60,282.23	15,95,794.01
(c) Other financial liabilities	8	533.75	300.00
(2) Non-Financial Liabilities			
(a) Other non-financial liabilities	9	649.88	25.01
(3) EQUITY			
(a) Equity Share capital	10	27,041.81	27,041.81
(b) Other Equity	11	29,05,243.37	55,05,896.32
Total Liabilities and Equity		47,95,605.90	71,29,320.38

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements 1-37

As per our report of even date

For MSKC & Associates

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

Chartered Accountants

Firm Registration No.: 0015955

Tushar Kurani

Tushar Kurani

Partner

Membership No: 118580

Place: Mumbai

Date: 24 June 2021

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

CIN:U67100KA2015PLC079488

Rajamani Muthuchamy

Rajamani Muthuchamy

Managing Director and CEO

DIN:08080999

Place: Bangalore

Date: 24 June 2021

Ramesh Ramanathan

Ramesh Ramanathan

Chairman

DIN:00163276

Place: Bangalore

Date: 24 June 2021

Gopalakrishnan S

Gopalakrishnan S

Chief Financial officer

ICAI Membership No: 021783

Place: Bangalore

Date: 24 June 2021

Vidya Sridharan

Vidya Sridharan

Company Secretary

ICSI Membership No: A44354

Place: Bangalore

Date: 24 June 2021

JANA CAPITAL LIMITED

Standalone Statement of Profit and Loss for the year ended 31 March 2021

		(Amounts are in INR thousands)	
Particulars	Note	For the year ended 31-March-2021	For the year ended 31-March-2020
Revenue from Operations			
(i) Interest Income		-	-
(I) Total Revenue from Operations		-	-
(II) Other Income	12	153.59	-
(III) Total Income (I+II)		153.59	-
Expenses			
(i) Finance Costs	13	2,64,488.22	99,356.01
(ii) Employee Benefits Expenses	14	2,154.16	377.93
(iii) Impairment on financial instruments	15	23,26,805.21	20,01,349.82
(iv) CSR Expenditure	16	-	285.00
(v) Others expenses	17	7,358.95	4,600.92
(IV) Total Expenses (IV)		26,00,806.54	21,05,969.68
(V) Loss before tax (III-IV)		(26,00,652.95)	(21,05,969.68)
(VI) Tax Expense:			
(1) Current Tax		-	-
(2) Deferred Tax		-	-
(VII) Loss for the year (VII-VIII)		(26,00,652.95)	(21,05,969.68)
(VIII) Other Comprehensive Income			
(A) (i) Items that will not be reclassified to profit or loss (Specify items and amounts)		-	-
(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 (specify items and amounts)		-	-
(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+VII)		(26,00,652.95)	(21,05,969.68)
(X) Earnings per equity share (for continuing operations)	18		
Basic (Rs.)		(961.72)	(778.78)
Diluted (Rs.)		(961.72)	(778.78)

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements

1-37

As per our report of even date

For MSKC & Associates

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

Chartered Accountants

Firm Registration No.: 0015955



Tushar Kurani

Partner

Membership No: 118580

Place: Mumbai

Date: 24 June 2021

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

CIN:U67100KA2015PLC079488



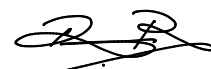
Rajamani Muthuchamy

Managing Director and CEO

DIN:08080999

Place: Bangalore

Date: 24 June 2021




Ramesh Ramanathan

Chairman

DIN:00163276

Place: Bangalore

Date: 24 June 2021



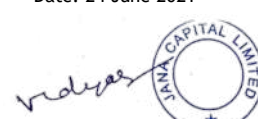
Gopalakrishnan S

Chief Financial officer

ICAI Membership No: 021783

Place: Bangalore

Date: 24 June 2021



Vidya Sridharan

Company Secretary

ICSI Membership No: A44354

Place: Bangalore

Date: 24 June 2021

JANA CAPITAL LIMITED

Statement of Standalone cash flows for the year ended 31 March 2021

(Amounts are in INR thousands)

	Year ended 31-Mar-21	Year ended 31-Mar-20
Cash flow from operating activities		
Profit / Loss before tax	(26,00,652.95)	(21,05,969.68)
Adjustments for:		
Impairment on financial instruments	23,26,805.21	20,01,349.82
Finance cost	2,64,488.22	99,356.01
Operating Loss before working capital changes and adjustments	(9,359.52)	(5,263.85)
Changes in working capital		
(Decrease) / Increase in payables	1,591.64	257.83
(Decrease) / Increase in other financial liabilities	233.75	(171.98)
(Decrease) / Increase in other non-financial liabilities	624.86	24.01
Decrease/ (Increase) in other bank balances	(4.06)	(3.39)
Decrease/ (Increase) in other financial assets	(190.04)	-
Decrease/ (Increase) in other Non financial assets	(96.70)	(177.25)
Cash used in operations before tax	(7,200.08)	(5,334.63)
Income tax paid / Current tax assets (net)	(12.01)	-
Net cash flows from (used in) operating activities (A)	(7,212.09)	(5,334.63)
Cash flow from Investing activities		
Purchase of investment at amortised cost	-	(14,89,996.56)
Net cash flow from / (Used in) investing activities (B)	-	(14,89,996.56)
Cash flow from Financing activities		
Dividend (paid) / received including taxes thereon	-	-
Net Proceeds from Debt securities issued	-	14,96,438.00
Net cash flow from financing activities (C)	-	14,96,438.00
Net increase in cash and cash equivalents (A+B+C)	(7,212.09)	1,106.81
Cash and cash equivalents at the beginning of the year	7,549.76	6,442.95
Cash and cash equivalents at the end of the year	337.67	7,549.76
Cash and cash equivalents comprise (Refer note 1)		
Balances with banks		
On current accounts	337.67	7,549.76
Total cash and bank balances at end of the year	337.67	7,549.76

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

1-37

As per our report of even date

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



Tushar Kurani
Partner
Membership No: 118580

Place: Mumbai
Date: 24 June 2021

For and on behalf of the Board of Directors of Jana Capital Limited
CIN:U67100KA2015PLC079488



Rajamani Muthuchamy
Managing Director and CEO
DIN:08080999

Place: Bangalore
Date: 24 June 2021



Ramesh Ramanathan
Chairman
DIN:00163276

Place: Bangalore
Date: 24 June 2021



Gopalakrishnan S
Chief Financial officer
ICAI Membership No: 021783

Place: Bangalore
Date: 24 June 2021



Vidya Sridharan
Company Secretary
ICSI Membership No: A44354

Place: Bangalore
Date: 24 June 2021

JANA CAPITAL LIMITED
Statement of Standalone changes in equity for the year ended 31 March 2021

(Amounts are in INR thousands)

	As at 31-Mar-21		As at 31-Mar-20	
	No. of shares	Amount	No. of shares	Amount
(A) Equity share capital*				
Equity shares of Rs.10 each issued, subscribed and fully paid				
Opening	27,04,181	27,041.81	27,04,181	27,041.81
Add: Issued during the year	-	-	-	-
Closing	27,04,181	27,041.81	27,04,181	27,041.81

(B) Other equity
01 April 2020 to 31 March 2021

Particulars				Total
	Securities Premium	Statutory Reserve	Retained Earnings	
Balance at the beginning of the reporting period	1,22,54,702.28	8,940.77	(67,57,746.73)	55,05,896.32
Net Loss for the current year	-	-	(26,00,652.95)	(26,00,652.95)
Balance at the end of the reporting period	1,22,54,702.28	8,940.77	(93,58,399.68)	29,05,243.37

01 April 2019 to 31 March 2020

Particulars				Total
	Securities Premium	Statutory Reserve	Retained Earnings	
Balance at the beginning of the reporting period	1,22,54,702.28	8,940.77	(46,51,777.05)	76,11,866.00
Net Loss for the current year	-	-	(21,05,969.68)	(21,05,969.68)
Balance at the end of the reporting period	1,22,54,702.28	8,940.77	(67,57,746.73)	55,05,896.32

The accompanying notes are an integral part of these financial statements

1-37

As per our report of even date

For MSKC & Associates

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

Chartered Accountants

Firm Registration No.: 0015955

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

CIN:U67100KA2015PLC079488



Tushar Kurani

Partner

Membership No: 118580

Place: Mumbai

Date: 24 June 2021



Rajamani Muthuchamy

Managing Director and CEO

DIN:08080999

Place: Bangalore

Date: 24 June 2021



Ramesh Ramanathan

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Place: Bangalore

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Gopalakrishnan S

Chief Financial officer

ICAI Membership No: 021783

Place: Bangalore

Date: 24 June 2021



Vidya Sridharan

Company Secretary

ICSI Membership No: A44354

Place: Bangalore

Date: 24 June 2021

JANA CAPITAL LIMITED

Notes to the financial statements for the year ended 31 March 2021

1 Company Overview

1.1 Reporting Entity

The Company was incorporated on March 26, 2015 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 debentures, stocks, securities of any Government, Local, Authority, Bonds and Certificates. The Company received a certificate of registration dated 24 March 2017 from the Reserve Bank of India as a Non-Banking Financial Institution - Non-Deposit taking - Systemically Important Core Investment Company ("NBFC-CIC-ND-SI") under section 45IA of the Reserve Bank of India Act, 1934.

The company holds 100% investments in its wholly owned subsidiary company - Jana Holdings Limited ('the Company'). The wholly owned subsidiary company holds 42.08% of Equity shares in Jana Small Finance Bank being the Associate company.

The Board in their meetings held on October 21, 2019, and December 9, 2019, approved Fast track method for merging its wholly-owned subsidiary, Jana Holdings Limited with the Company. The Company submitted the necessary documents to Jana Holdings Limited for submission to the RBI as required by them vide their letter dated October 2019. Jana Holdings Limited submitted the requisite documents to the RBI on January 9, 2020. As per the existing guidelines, the RBI has dispensed with the requirement of having a Non-Operating Financial Holding Company (NOFHC) for setting up of Small Finance Banks as well as Universal Banks. Further, such a merger of the subsidiary with Holding Company will simplify the compliances to be reported to various Regulatory Authorities, besides resulting in lower operating costs. The Company is eligible to adopt Fast track method for the merger as envisaged under Section 233 of the Companies Act, 2013 as it involves the merger of the wholly-owned subsidiary with the Holding Company. The company obtained an in principle approval from RBI dated 10-August-2020 for the said merger.

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

The Company also served notices (CAA-9) along with the proposed Scheme on the 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 did not receive any objections and suggestions to the proposed scheme from the said authorities within the stipulated timeline. As the debentures of the company are listed on the Bombay Stock Exchange (BSE), the company initiated steps for obtaining the approval from the Stock Exchange.

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

Regional Director, Ministry of Company Affairs, Hyderabad vide letter dated 26th March 2021 has rejected the application filed on 6th November 2020 for the merger of JHL with JCL, since JHL had obtained consent from the creditors only to the extent of 82.78% in value as against the minimum threshold of consent from 90% of the creditors in value as required under Section 233 of the Companies Act, 2013 and, thus, the provisions of Section 233(1)(d) could not be fully complied with. The Board of Directors considered the aforesaid rejection order and have resolved to file the fresh merger application subject to the approval of the Scheme by the Board of Directors, Shareholders, Creditors and such other authorities as may be required. The Company submits that it is on the verge of raising funds and paying the creditor. Thus, It is expected to obtain NOC from the said creditor very soon and approach the Regional Director, Ministry of Corporate Affairs, Hyderabad, for approval of the merger. The Company is confident of getting the merger done within the second quarter of this Financial Year. Post the merger, the resultant entity, which is a CIC, is not required to maintain Net Owned Funds.

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.

1.3 Basis of preparation

The financial statements for the year ended 31 March 2021 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.

JANA CAPITAL LIMITED

Notes to the financial statements for the year ended 31 March 2021

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.

2 Significant accounting policies

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

i. Revenue recognition

Dividend is recognised when the right to receive the dividend is established.

ii. 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.

JANA CAPITAL LIMITED

Notes to the financial statements for the year ended 31 March 2021

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.

iii. 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.

JANA CAPITAL LIMITED

Notes to the financial statements for the year ended 31 March 2021

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.

iv. 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.

v. 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.

vi. 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.

vii. 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.

JANA CAPITAL LIMITED

Notes to the financial statements for the year ended 31 March 2021

viii. 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 subsidiary 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.

ix. 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 CODM include items that are directly attributable to a segment as well as those that can be allocated on a reasonable basis.

x. Recent Indian Accounting Standards (IndAs)

Ind AS 116 Amendment

Ind AS 116, Leases: Practical expedient which permits lessees not to account for COVID-19 related rent concessions as a lease modification. However, with respect to IndAs 116, in case a lessee has not yet approved the financial statements for issue before the issuance of the amendments, then the same may be applied for annual reporting periods beginning on or after 1 April 2019. This amendment had no impact on financial statement.

Standards (including amendments) issued but not yet effective

There are no new standards including amendments issued but not yet effective.

JANA CAPITAL LIMITED
Notes forming part of the Financial Statements for the year ended 31st March, 2021

(Amounts are in INR thousands)

1 Cash and Cash Equivalents

		31-Mar-21	31-Mar-20
Cash on hand			
Balances with banks in current accounts		337.67	7,549.76
Total	(I)	337.67	7,549.76

Bank Balance other than cash and cash equivalent

Others		7.44	3.39
Total other bank balances	(II)	7.44	3.39
Total Cash and bank balances	(I+II)	345.11	7,553.15

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Cash and cash equivalents

Balances with banks:			
On current accounts		337.67	7,549.76
Cash on hand		-	-
Sub Total		337.67	7,549.76
Less: Bank overdrafts		-	-
Total		337.67	7,549.76

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

(Amounts are in INR thousands)

2 Investments

Particulars	As at 31 March 2021			As at 31 March 2020		
	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	4	5	6
Equity instruments	-	-	-	-	-	-
Jana Holdings Limited (Subsidiary)* Unquoted (fully paid-up of Rs. 10/- each)	1,37,88,972.36	-	-	1,37,88,972.36	-	-
Total - Gross (A)	1,37,88,972.36	-	-	1,37,88,972.36	-	-
(i) Investments outside India	-	-	-	-	-	-
(ii) Investments in India	1,37,88,972.36	-	-	1,37,88,972.36	-	-
Total (B)	1,37,88,972.36	-	-	1,37,88,972.36	-	-
Less: Allowance for Impairment loss (C))#	89,94,206.59	-	-	66,67,401.38	-	-
Total - Net D= (A)-(C)	47,94,765.78	-	-	71,21,570.98	-	-

*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 12 of Ind AS 36, there is an objective evidence of Impairment based on the observable data with respect to investment made by the company in Jana Holdings Limited (JHL) based on the below mentioned factors:

i. The Company has invested in Jana Holdings Limited (JHL) [Wholly owned subsidiary] which is registered as Non Banking Financial Company - Non Operating Financial Holding Company ('NOFHC') and JHL holds investments only in Jana Small Finance Bank (JSFB) ("the Bank").

ii. The company has invested in additional equity shares during the financial year 2019-2020 on 30th October 2019 being (No of Shares: 3,88,830 at Rs. 3,832 per share (Face Value: Rs.10/- per share and Share Premium is Rs.3,822/- per share).

iii. The fair value per share of JSFB has increased from Rs.951.09 to 960.09 as at 31 March 2020. Considering the increase in fair value per share JHL has not recorded any further impairment loss during the financial year 2019-2020 for the investments made in JSFB.

iv. JHL has reported loss of Rs 2,326,805.22 thousands due to high debt burden as result of which there is a decline in net worth of JHL as compared to 31 March 2020.

v. The fair value per share of JHL shares during the year ended 31 March 2021 has declined from INR 2,991.07 per share to Rs. 2,013.87 per share (based on valuation of equity shares by independent valuer using Book value method of valuation). In light of the above indicators, the Company has estimated the recoverable amount of the investment in JHL as Rs. 2,013.87 per share being less than its carrying amount i.e. Rs. 2,991.07 per share.

The carrying amount has been reduced to its recoverable amount and the reduction which is an impairment loss has been recognized in the statement of profit and loss for the year ended 31 March 2021 as detailed below.

In INR

Details of investments	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Carrying value of Investment (A)	13,78,89,72,357	13,78,89,72,357	12,29,89,75,797
No. of Shares (B)	23,80,944	23,80,944	19,92,114
Book Value per share (C=A/B)	5,791.39	5,791.39	6,173.83
Fair Market Value per share (D)	2,013.81	2,991.07	3,831.57
Impairment loss per share (E=C-D)	3,777.58	2,800.32	2,342.26
Total Impairment loss	2,32,68,05,209	2,00,13,49,821	4,66,60,51,558

Particulars	Number of shares		Fair Value per share		Amount (in thousands)	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
Investments in Equity Instruments Jana Holdings Limited (Wholly owned subsidiary)* Unquoted (fully paid-up of Rs. 10/- each)	23,80,944	23,80,944	2,013.81	2,991.07	47,94,765.78	71,21,570.98

JANA CAPITAL LIMITED**Notes forming part of the Financial Statements for the year ended 31st March, 2021**

(Amounts are in INR thousands)

3 Other financial assets	31-Mar-21	31-Mar-20
Other Receivables	40.04	-
Security Deposits	169.00	19.00
Total	209.04	19.00

JANA CAPITAL LIMITED**Notes forming part of the Financial Statements for the year ended 31st March, 2021**

(Amounts are in INR thousands)

4 Current Tax Assets	31-Mar-21	31-Mar-20
TDS receivable	12.01	-
	12.01	-

5 Other Non-financial assets	31-Mar-21	31-Mar-20
Prepaid Expenses	273.96	177.25
	273.96	177.25

6 Trade Payables

	31-Mar-21	31-Mar-20
(a) Total outstanding dues of micro enterprises and small enterprises	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises *(Note-1)	1,854.86	263.23
	1,854.86	263.23

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.

Note-1

Above includes liabilities towards its related parties listed as under: Refer Note-18 on the detailed disclosure of related party transactions during the financial year and its comparatives

Name of the Party	Amount Outstanding as at 31 March 2021	Amount Outstanding as at 31 March 2020
(i) Jana Holdings Limited	-	139.17
(ii) Jana Small Finance Bank (Formerly known as Janalakshmi Financial Services Limited)	-	5.40
(iii) Janaadhar (India) Private Limited	-	5.18
Total	-	149.75

7 Debt Securities

Particulars	As at March 31, 2021				As at March 31, 2020			
	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	18,60,282.23	-	-	18,60,282.23	15,95,794.01	-	-	15,95,794.01
Total (A)	18,60,282.23	-	-	18,60,282.23	15,95,794.01	-	-	15,95,794.01
Debt securities in India	-	-	-	-	-	-	-	-
Debt securities outside India	18,60,282.23	-	-	18,60,282.23	15,95,794.01	-	-	15,95,794.01
Total (B)	18,60,282.23	-	-	18,60,282.23	15,95,794.01	-	-	15,95,794.01

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

(Amounts are in INR thousands)

Name of the Subscriber	No. of Debentures*	Face Value	Balance as at 31 March 2021	Balance as at 31 March 2020	Issue Date	Maturity Date	XIRR
TPG ASIA VI India Markets Pte. Ltd	1,500	1,000.00	18,60,282.23	15,95,794.01	30-Oct-19	31-May-23	16.50%
Total			18,60,282.23	15,95,794.01			

* 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).

The debentures are unsecured in nature with the maturity date being 31 May 2023. The amount raised by issue of non-convertible debentures (1500 NCD) amounts to Rs. 150 Crores. The debentures are amortized using Effective interest rate method.

The Redemption premium payable on NCD's are 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.

8 Other Financial Liabilities

	31-Mar-21	31-Mar-20
Audit Fee Payable	325.00	200.00
Provision for Professional fees	70.00	100.00
Provision for Sitting Fees	138.75	-
Total	533.75	300.00

9 Other Non - Financial Liabilities

	31-Mar-21	31-Mar-20
Statutory dues	649.88	25.01
Total	649.88	25.01

10 Equity Share capital**Authorized**

Equity Share Capital (As at 31 March 2021-Rs.30,000,000 (3,000,000 Equity shares at par value of Rs.10 each), As at 31 March 2020 : Rs.30,000,000 (3,000,000 Equity shares at par value of Rs.10 each)

Total

	31-Mar-21	31-Mar-20
	30,000.00	30,000.00
	<u>30,000.00</u>	<u>30,000.00</u>

Issued, subscribed and paid up

Equity Share Capital (As at 31 March 2021-Rs.27,041,810 (2,704,181 Equity shares at par value of Rs.10 each), (As at 31 March 2020 : Rs.27,041,810 (2,704,181 Equity shares at par value of Rs.10 each)

Total

	27,041.81	27,041.81
	<u>27,041.81</u>	<u>27,041.81</u>

(Amounts are in INR thousands)

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

31-Mar-21

31-Mar-20

	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	27,04,181	27,041.81	27,04,181	27,041.81
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	<u>27,04,181</u>	<u>27,041.81</u>	<u>27,04,181</u>	<u>27,041.81</u>

(b) Rights, preferences and restrictions attached to shares

Terms/ rights attached to equity shares:

The Company has only one class of equity shares having a par value of ₹ 10/- each. Each holder of equity share is entitled to one vote per share.

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

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

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

Name of the shareholder

31-Mar-21

31-Mar-20

	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Equity Shares				
Jana Urban Foundation	11,87,746.00	43.92%	11,87,686.00	43.92%
TPG Asia VI SF Pte Ltd	5,40,574.00	19.99%	5,40,574.00	19.99%
Caladium Investment Pte. Ltd	5,40,574.00	19.99%	5,40,574.00	19.99%
North Haven Private Equity Asia Platinum Pte Ltd	2,35,656.00	8.71%	2,35,656.00	8.71%
QRG Enterprises Ltd	1,72,025.00	6.36%	1,72,025.00	6.36%

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

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

11 <u>Other Equity</u>	31-Mar-21	31-Mar-20
(a) Securities Premium Account		
Opening balance	1,22,54,702.28	1,22,54,702.28
Add : Securities premium credited on share issue	-	-
Less : Premium utilized for various reasons	-	-
Closing balance	1,22,54,702.28	1,22,54,702.28
(b) Statutory Reserve		
Opening balance	8,940.77	8,940.77
Add: Transferred during the year	-	-
Less: Utilization on account of / Transfer to	-	-
Closing balance	8,940.77	8,940.77
(c) Retained Earning and Surplus/(deficit) in the Statement of Profit and Loss		
Opening balance	(67,57,746.73)	(46,51,777.05)
Add: Net Profit/(Net Loss) for the current year	(26,00,652.95)	(21,05,969.68)
Transfer from reserves	-	-
Less: Proposed dividends	-	-
Interim dividends	-	-
Closing balance	(93,58,399.68)	(67,57,746.73)
Total Reserves and surplus	29,05,243.37	55,05,896.32

Nature and purpose of reserves**(a) Securities Premium reserve**

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

(b) Statutory Reserve

In terms of Section 45-IC of the RBI Act, NBFCs are required to create a reserve fund and transfer therein a sum not less than twenty per cent of its net profit every year. The above requirement is to give intrinsic strength to the balance sheets of the NFBCs. This reserve could be used for purposes as stipulated by the Reserve Bank of India from time to time. However, no transfer has been made to reserves for the financial year ended 31 March 2021 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) Contingent Liabilities and commitments**i Contingent Liabilities**

Claims against the NBFC not acknowledged as debt
Guarantees excluding financial guarantees
Other money for which the NBFC is contingently Liable
Total

31-Mar-21	31-Mar-20
-	-
-	-
-	-
-	-

ii Commitments - Note-1

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

-	-
-	-
-	-
-	-

iii Penalties imposed by RBI

There has been no penalties imposed by RBI for the year ended 31 March 2021 (Previous Year: Nil).

***Note-1**

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

(Amounts are in INR thousands)

12 Other Income

Particulars	For the year ended 31-March-2021	For the year ended 31-March-2020
Interest from Fixed Deposits	153.59	-
Total	153.59	-

13 Finance Cost

Particulars	For the year ended 31-March-2021	For the year ended 31-March-2020
Interest on debt securities	2,64,488.22	99,356.01
Total	2,64,488.22	99,356.01

14 Employee Benefit Expenses

Particulars	For the year ended 31-March-2021	For the year ended 31-March-2020
Salaries and wages	2,154.16	377.93
Total	2,154.16	377.93

15 Impairment on Financial Instruments

Particulars	For the year ended 31-March-2021	For the year ended 31-March-2020
Investments in Equity Shares of Wholly Owned Subsidiary (Jana Holdings Limited)	23,26,805.21	20,01,349.82
Total	23,26,805.21	20,01,349.82

16 CSR Expenditure

A) Gross Amount Required to be spent during the year

The amount to be contributed for the FY 2020-2021 towards CSR expenditure in accordance with Section 135 of the Companies Act 2013 is as under:

Particulars	31-Mar-18	31-Mar-19	31-Mar-20
Net Profit Before Tax (A)	10,294.42	-1,990.00	-21,05,969.68
Average Net Profit Before Tax (B)			-6,99,221.75
Amount to be Set Aside for CSR (2% of Average Net profit before tax) (C)			-

B) Amount Spent during the year on:

Particulars	31-Mar-21			31-Mar-20		
	In Cash	Yet to be paid in Cash	Total	In Cash	Yet to be paid in Cash	Total
(i) Construction / Acquisition of any asset		-	-	285.00	-	285.00
(ii) On purposes other than (i) above* (Note-1)	-	-	-	-	-	-
Total	-	-	-	285.00	-	285.00

The Company has contributed towards CSR expenditure in accordance with Section 135 of the Companies Act 2013 for the FY 2019-2020. The contribution has been made to Vidyanikethan - A Society for Education and Social development, Regd. Under Society Registration No 93/88-89 having their office at Jaraganahalli, J.P Nagar 6th Phase, Bangalore - 560 078. The contribution has been made towards performing the following activities:

- **1. Plastering work, Waterproofing and painting:** The roof of the building had developed leakage due to which the rooms have started cracks and there is leakage during the rainy season where the children reside which is creating hardship and quite risky for Children. Plastering and waterproofing the roof top and the inner rooms was carried out, thus leakage was avoided. Two doors of toilets were replaced. Water pipes were changed to enable free flow of water.

- **2. Replacement of water tank:** Present water tank installed in the roof has developed leakage and hence the water is not flowing downwards. Hence, there was a need for replacing the water tank and entire water connection from the roof top.

However considering the limits for the FY 2020-2021 the entity is not mandated to contribute towards CSR expenses as per the computation above and hence no contribution has been made towards CSR expenses.

17 Other Expenses

	For the year ended 31- March-2021	For the year ended 31- March-2020
a) Rent, taxes and energy costs	70.68	64.69
Printing and stationery	7.64	10.24
Director's fees, allowances and expenses	826.00	413.00
Auditor's fees and expenses	840.00	625.00
Legal and Professional charges	5,127.83	3,270.23
Subscription Fees	43.27	7.85
Insurance	257.81	65.62
Bank Charges	2.73	0.05
Filing Fee	48.15	83.83
Travelling expenses	-	5.30
Internal Audit	59.00	50.00
Other expenditure	75.84	5.11
Total	7,358.95	4,600.92

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

	For the year ended 31- March-2021	For the year ended 31- March-2020
b) As auditor:		
As Statutory Auditor	804.00	350.00
For other services	36.00	275.00
Total	840.00	625.00

JANA CAPITAL LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2021

18 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:

	(Amounts are in INR thousands)	
	31-Mar-21	31-Mar-20
Net Loss as per the statement of Profit and Loss	(26,00,652.95)	(21,05,969.68)
Less: preference dividend after-tax (Refer Note 14(f))	-	-
Loss attributable to equity holders after preference dividend	(26,00,652.95)	(21,05,969.68)
Add: Interest on convertible preference shares	-	-
Loss attributable to equity holders adjusted for the effect of dilution	(26,00,652.95)	(21,05,969.68)
Weighted average number of equity shares for basic EPS*	27,04,181.00	27,04,181.00
Effect of dilution:	-	-
Rights Shares Issued	-	-
Weighted average number of equity shares adjusted for the effect of dilution	27,04,181.00	27,04,181.00
Basic loss per share (INR)	(961.72)	(778.78)
Diluted loss per share (INR)	(961.72)	(778.78)

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

19 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. 5,703 per month only, thereby the said payments has been recognised as an expense in the statement of profit and loss for the financial year 2020-2021. This is in line with the treatment adopted by the entity for the previous financial year 2019-2020.

JANA CAPITAL LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2021

20 Related Party Disclosures: 31 March 2021**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 parties	Nature of Relationship
i. Jana Holdings Limited	Wholly Owned Subsidiary
ii. Jana Small finance Bank (formerly known as Janalakshmi Financial Services Limited)	Group 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. Nirav Mehta	Non-Executive Director
vii. Mr. Puneet Bhatia	Non-Executive Director
viii. Mr. Anil Rai Gupta	Non-Executive Director
ix. Mr. Gaurav Trehan	Non-Executive Director (upto 20-May-2020)
x. Mr. S V Ranganath	Independent Director
xi. Mr. Abraham Chacko	Independent Director (w.e.f 14 Feb 2020)
xii. Ms. Saraswathy Athmanathan	Independent Director (w.e.f 14 Feb 2020)
xiii. Mr. Rajamani Muthuchamy	Managing Director and CEO (w.e.f 14 Feb 2020)
xiv. Mr. Krishnan Iyer	KMP - Chief Financial Officer (w.e.f 9th December 2019 and upto 30th March 2020)
xv. Mr. Gopalakrishnan S	KMP - Chief Financial Officer (w.e.f 01st March 2020)
xvi. 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 Holdings Limited	Wholly Owned Subsidiary
ii. Jana Small Finance Bank (formerly known as Janalakshmi Financial Services Limited)	Group Company
iii. Janaadhar (India) Private Limited	Group Company
iv. Mr. Abraham Chacko	Independent Director
v. Ms. Saraswathy Athmanathan	Independent Director
vi. Mr. S.V Ranganath	Independent Director
vii. Mr. Rajamani Muthuchamy	Managing Director and CEO
viii. Mr. Gopalakrishnan S	KMP - Chief Financial Officer
ix. Ms. Vidya Sridharan	KMP - Company Secretary

JANA CAPITAL LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2021

B) Nature of Transactions entered with related parties

(Amount in INR thousands)

Name of Related Party	Nature of Transaction	Transaction Value for the FY 2020-2021	Amount Outstanding as at 31 March 2021	Transaction Value for the FY 2019-2020	Amount Outstanding as at 31 March 2020
A) Related Entities					
i) Jana Holdings Limited (JHL)	Amount invested in shares of JHL (No of Shares: 388830, Share price is 3832, Face Value: 10/- and Share Premium is Rs.3822)	-	-	(14,89,996.56)	-
	Investment in equity shares (net of impairment loss)	-	47,94,765.78	-	71,21,570.98
	Payment made to JHL for expenses incurred on behalf of JCL	(1,260.68)	-	-	-
	Amount received from JHL for transactions entered on behalf of JHL	619.92	32.40	-	-
	Insurance Expenses paid by JCL on behalf of JHL	-	-	(161.83)	161.83
	Salary Expenses paid by JCL on behalf of JHL on Oct-2019	-	-	(57.45)	-
	Repayment of October-2019 Salary Expenses to JCL which was paid earlier on behalf of JHL	-	-	57.45	-
	Payment of Salary by JHL on behalf of JCL The same has been repaid subsequently by JCL	-	-	-	(136.00)
	Payment of CSR Expenses by JHL on behalf of JCL for the FY 2019-2020. The same has been repaid subsequently by JCL.	-	-	-	(165.00)
ii) Jana Small Finance Bank (formerly known as Janalakshmi Financial Services Limited)	Amount paid towards professional services	(55.61)	-	(68.26)	(5.40)
	Professional fees paid by JHL on behalf of JCL	(10.80)	-	-	-
	Fixed deposits placed with Jana Bank	5,000.00	-	-	-
	Fixed deposits withdrawn with Jana Bank	(5,000.00)	-	-	-
	Amount paid towards statutory payments	-	-	(262.38)	-
iii. Janaadhar (India) Private Limited	Rental expenses paid by JHL on behalf of JCL	(10.36)	-	-	-
	Rental Expenses paid from May-2020 to March-2021	(65.48)	-	(56.95)	(5.18)
B) Key Management Personnel					
i) Mr. Krishnan Iyer	Salary paid	-	-	(100.81)	-
ii) Mr. Gopalakrishnan S	Salary paid by JHL on behalf of JCL	(89.80)	-	(99.80)	-
	Salary paid	(877.40)	-	-	-
ii) Ms. Vidya Sridharan	Salary paid	(287.80)	-	(118.15)	-
	Salary paid on behalf of JHL - Oct-2019	-	-	(57.45)	-
	Repayment of Salary by JHL paid on behalf of JHL-Oct-2019	-	-	57.45	-
	Salary paid by JHL on behalf of JCL	(24.80)	-	(24.80)	-
C) Directors					
i. Mr.S.V Ranganath	Payment of Sitting fees	(185.00)	-	(315.00)	-
	Sitting Fees payable	-	(46.25)	-	-
ii. Ms. Saraswathy Athmanathan	Payment of Sitting fees	(138.75)	-	-	-
	Sitting Fees payable	-	(46.25)	-	-
iii. Mr. Abraham Chacko	Payment of Sitting fees	(185.00)	-	-	-
	Sitting Fees payable	-	(46.25)	-	-
iv Mr. Rajamani Muthuchamy	Salary Expenses paid	(323.94)	-	(0.00)	-
	Salary expenses paid by JHL on behalf of JCL	(0.00)	-	(0.00)	-

JANA CAPITAL LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2021

21 Fair values of financial assets and financial liabilities

The fair value of other financial assets, cash and cash equivalents, investments, other payables, and other financial liabilities approximate the carrying amounts because of the nature of these financial instruments and their recorded amounts approximate fair values or are receivables or payables on demand.

The Debt securities has been amortized using the EIR method of measurement of financial liabilities.

22 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).

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, 2021

(Amount are in INR thousands)					
Particulars	Level 1	Level 2	Level 3	Total Fair Value	Total Carrying Amount
Financial Assets					
Cash and cash equivalents	337.67	-	-	337.67	337.67
Bank balance other than cash and cash equivalents	7.44	-	-	7.44	7.44
Investment	-	-	47,94,765.78	47,94,765.78	47,94,765.78
Other Financial Assets	-	-	209.04	209.04	209.04
Financial Liabilities					
Payables	-	-	1,854.86	1,854.86	1,854.86
Debt securities	-	-	18,60,282.23	18,60,282.23	18,60,282.23
Other financial liabilities	-	-	533.75	533.75	533.75

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

(Amount are in INR thousands)					
Particulars	Level 1	Level 2	Level 3	Total Fair Value	Total Carrying Amount
Financial Assets					
Cash and cash equivalents	7,549.76	-	-	7,549.76	7,549.76
Bank balance other than cash and cash equivalents	3.39	-	-	3.39	3.39
Investment	-	-	71,21,570.98	71,21,570.98	71,21,570.98
Other Financial Assets	-	-	19.00	19.00	19.00
Financial Liabilities					
Payables	-	-	263.23	263.23	263.23
Debt securities	-	-	15,95,794.01	15,95,794.01	15,95,794.01
Other financial liabilities	-	-	300.00	300.00	300.00

The carrying amount of cash and cash equivalents, other financial assets, other payables, other financial liabilities 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.

JANA CAPITAL LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2021

23 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 its wholly owner subsidiary 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 a 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 wholly owned subsidiary & 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 the performance of its investments in wholly owned subsidiary.

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

31-Mar-21

(Amount in thousands)

Particulars	Asset Group	Carrying Amount	Allowance for Impairment Loss	Carrying Amount and net of provision
Investments in Wholly Owned Subsidiary	Investments at amortized cost	71,21,570.98	23,26,805.21	47,94,765.77

31-Mar-20

(Amount in thousands)

Particulars	Asset Group	Carrying Amount	Allowance for Impairment Loss	Carrying Amount and net of provision
Investments in Wholly Owned Subsidiary	Investments at amortized cost	91,22,920.80	20,01,349.82	71,21,570.98

JANA CAPITAL LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2021

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

31-Mar-21 (Amount in thousands)			
Particulars	Maximum Exposure to Credit risk	Fair Value of Collateral	Net Exposure
Financial Asset			
Cash and cash equivalents	337.67	-	337.67
Bank balance other than cash and cash equivalents	7.44	-	7.44
Investment in Wholly owned Subsidiary	47,94,765.78	-	47,94,765.78
Other Financial Assets	209.04	-	209.04
Total	47,95,319.94	-	47,95,319.94

31-Mar-20 (Amount in thousands)			
Particulars	Maximum Exposure to Credit risk	Fair Value of Collateral	Net Exposure
Financial Asset			
Cash and cash equivalents	7,549.76	-	7,549.76
Bank balance other than cash and cash equivalents	3.39	-	3.39
Investment in Wholly owned Subsidiary	71,21,570.98	-	71,21,570.98
Other Financial Assets	19.00	-	19.00
Total	71,29,143.12	-	71,29,143.12

Expected credit loss on other financial assets

Other financial assets represents security deposits and prepaid insurance. 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. Prepaid insurance shall be amortized over the period of insurance.

Cash and cash equivalents and Bank balance

The Company holds cash and cash equivalents and bank balance of INR 337.67 thousands at 31 March 2021 (31 March 2020: INR 7,549.76 thousands). The cash and cash equivalents are held with bank and financial institution counterparties with acceptable credit ratings.

Other bank balances represents amount held towards Debenture subscription account amounting to INR 7.44 thousands as at 31 March 2021, (31 March 2020-INR 3.39 thousands).

JANA CAPITAL LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2021

Note-23 continued

III Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises from mismatches in the timing of amounts of cash flows, which is inherent to the nature of Company's operations. Liquidity risk could lead to situations where the Company needs to raise funds and/or assets need to be liquidated under unfavourable 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-21

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	6	1,854.86	1,854.86	-	-	1,854.86	-	-	-	-	-
Debt securities	7	18,60,282.23	18,60,282.23	-	-	-	-	-	18,60,282.23	-	-
Other financial liabilities	8	533.75	533.75	138.75	70.00	325.00	-	-	-	-	-
Total		18,62,670.84	18,62,670.84	138.75	70.00	2,179.86	-	-	18,60,282.23	-	-
Financial assets											
Cash and cash equivalents	1(i)	337.67	337.67	337.67	-	-	-	-	-	-	-
Bank balance other than cash and cash equivalents	1(ii)	7.44	7.44	-	-	-	-	-	7.44	-	-
Investments	2	47,94,765.78	47,94,765.78	-	-	-	-	-	18,60,282.23	-	29,34,483.55
Other financial assets	3	209.04	209.04	32.40	-	7.64	-	-	150.00	19.00	-
Total		47,95,319.94	47,95,319.94	370.07	-	7.64	-	-	18,60,439.67	19.00	29,34,483.55

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	6	263.23	263.23	-	-	263.23	-	-	-	-	-
Debt securities	7	15,95,794.01	15,95,794.01	-	-	-	-	-	-	15,95,794.01	-
Other financial liabilities	8	300.00	300.00	100.00	-	-	200.00	-	-	-	-
Total		15,96,357.24	15,96,357.24	100.00	-	263.23	200.00	-	-	15,95,794.01	-
Financial assets											
Cash and cash equivalents	1(i)	7,549.76	7,549.76	7,549.76	-	-	-	-	-	-	-
Bank balance other than cash and cash equivalents	1(ii)	3.39	3.39	-	-	-	-	-	-	3.39	-
Investments	2	71,21,570.98	71,21,570.98	-	-	-	-	-	-	15,95,794.01	55,25,776.97
Other financial assets	3	19.00	19.00	-	-	-	-	-	-	-	19.00
Total		71,29,143.12	71,29,143.12	7,549.76	-	-	-	-	-	15,95,797.39	55,25,795.97

JANA CAPITAL LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2021

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.in crores)	% of Total deposits	% of Total Liabilities
1	1	186.03	NA	38.79%

(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 (Rs.in crores)	% of Total borrowings
1	TPG ASIA VI India Markets Pte. Ltd	186.03	100.00%
Total		186.03	100.00%

(iv) Funding Concentration based on significant instrument/product

S.No	Name of the instrument/product	Amount (Rs.in crores)	% of Total Liabilities
1	Non Convertible Debentures	186.03	38.79%

(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	0.06%
6	Other short term liabilities, if any as a % of total assets	0.06%

(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.

24 Segment Reporting

The Company is a NBFC-ND-SI-CIC and has classified this as its business segment and accordingly there are no separate reportable segments in accordance with Ind AS 108 "Operating Segment"

25 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	-

JANA CAPITAL LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2021

26 Disclosure on COVID-19

Consequent to the outbreak of COVID-19 pandemic, the Indian government has announced a lockdown in March 2020. Subsequently, the lockdown has been lifted by the government, but regional lockdowns continue to be implemented in areas with a significant number of COVID-19 cases.

The company being a Core Investment Company (CIC) does not perform any operations and its primarily into the business to invest, buy, sell, transfer, deal in and dispose of any shares, stocks, debentures, whether perpetual or redeemable debentures, stocks, securities of any Government, Local, Authority, Bonds and Certificates. The company holds 100% investments in its wholly owned subsidiary company - Jana Holdings Limited ('the Company'). The wholly owned subsidiary company holds 42.08% of Equity shares in Jana Small Finance Bank being the Associate company.. The company has issued NCD which is the primary debt incurred and the funds realizable from its Investment in subsidiary company (Jana Holdings Limited) shall be utilized to repay the debts. The extent to which the COVID-19 pandemic will impact the Bank's results will depend on future developments. This shall invariably affect the investment valuation of the wholly owned subsidiary (JHL) and in turn the company.

The impact of COVID-19, including changes in customer behaviour and pandemic fears, as well as restrictions on business and individual activities, has led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The slowdown during the year led to a decrease in loan originations and in collection efficiency of the Bank. This may lead to a rise in the number of customer defaults and consequently an increase in provisions thereagainst.

The extent to which the COVID-19 pandemic, including the current "second wave" that has significantly increased the number of cases in India, will continue to impact the Bank's operations and financial results will depend on ongoing and future developments, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Bank.

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).

Apart from the Investment in wholly owned subsidiary (JHL) the company is not impacted in valuing and realizing the assets and liabilities as at March 31, 2021 due to COVID-19 pandemic.

27 Disclosure on Proposed Merger with Wholly Owned Subsidiary

The Board in their meetings held on October 21, 2019, and December 9, 2019, approved Fast track method for merging its wholly-owned subsidiary, Jana Holdings Limited, with the Company. The Company submitted the necessary documents to Jana Holdings Limited for submission to the RBI as required by them vide their letter dated October 2019. Jana Holdings Limited submitted the requisite documents to the RBI on January 9, 2020. As per the existing guidelines, the RBI has dispensed with the requirement of having a Non-Operating Financial Holding Company (NOFHC) for setting up of Small Finance Banks as well as Universal Banks. Further, such a merger of the 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 involves the merger of the wholly-owned subsidiary with the Holding Company. The company obtained an in principle approval from RBI dated 10-August-2020 for the said merger.

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

The Company has also served notices (CAA-9) along with the proposed Scheme on the 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 did not receive any objections and suggestions to the proposed scheme from the said authorities within the stipulated timeline. As the debentures of the company are listed on the Bombay Stock Exchange (BSE), the company initiated steps for obtaining the approval from the Stock Exchange.

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

Regional Director, Ministry of Company Affairs, Hyderabad vide their letter dated 26th March 2021 rejected the application filed on 6th November 2020 for the merger of JHL with JCL, since JHL had obtained consent from the creditors only to the extent of 82.78% in value as against the minimum threshold of consent from 90% of the creditors in value as required under Section 233 of the Companies Act, 2013 and, thus, the provisions of Section 233(1)(d) could not be fully complied with. The Board of Directors considered the aforesaid rejection order and have resolved to file the fresh merger application subject to the approval of the Scheme by the Board of Directors, Shareholders, Creditors and such other authorities as may be required. The Company submits that it is on the verge of raising funds and paying the creditor. Thus, It is expected to obtain NOC from the said creditor very soon and approach the Regional Director, Ministry of Corporate Affairs, Hyderabad, for approval of the merger. The Company is confident of getting the merger done within the second quarter of this Financial Year. Post the merger, the resultant entity, which is a CIC, is not required to maintain Net Owned Funds.

28 Going Concern Basis of Accounting

The Company incurred a net loss of INR 260 crores during the year ended March 31, 2021 and has accumulated losses amounting to INR 936 crores, as of March 31, 2021 which has substantially eroded the net worth. Above events, indicate that a material uncertainty exists that may cast significant doubt on Company's ability to continue as a going concern. However, the Company had undertaken actions to raise further debt and equity as necessary to maintain sufficient liquidity, as a going concern. Accordingly, the financial statements have been prepared under going concern assumption.

29 Listing requirement for equity shares of Group Company

As per Small Finance Bank Licensing Guidelines by the RBI, equity shares of the Bank are required to be listed on a stock exchange in India within three years from the date of commencement of banking business i.e., March 27, 2021. The Bank has filed draft red herring prospectus (DRHP) with Securities Exchange Board of India (SEBI) on March 31, 2021.

JANA CAPITAL LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2021

(Amounts are in INR thousands)

30 Asset Liability Management (ALM)

Maturity pattern of assets and liabilities as on 31 March 2021

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	Total
Financial assets									
Cash and Cash Equivalent	337.67	-	-	-	-	-	-	-	337.67
Bank Balance other than above	-	-	-	-	-	7.44	-	-	7.44
Investments	-	-	-	-	-	18,60,282.23	-	29,34,483.55	47,94,765.78
Other Financial Assets	32.40	-	7.64	-	-	150.00	19.00	-	209.04
Total	370.07	-	7.64	-	-	18,60,439.67	19.00	29,34,483.55	47,95,319.93
Financial liabilities									
Payables	-	-	1,854.86	-	-	-	-	-	1,854.86
Debt Securities	-	-	-	-	-	18,60,282.23	-	-	18,60,282.23
Other financial liabilities	138.75	70.00	325.00	-	-	-	-	-	533.75
Total	138.75	70.00	2,179.86	-	-	18,60,282.23	-	-	18,62,670.84

Maturity pattern of assets and 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	Total
Financial assets									
Cash and Cash Equivalent	7,549.76	-	-	-	-	-	-	-	7,549.76
Bank Balance other than above	-	-	-	-	-	-	3.39	-	3.39
Investments	-	-	-	-	-	-	15,95,794.01	55,25,776.97	71,21,570.98
Other Financial Assets	-	-	-	-	-	-	-	19.00	19.00
Total	7,549.76	-	-	-	-	-	15,95,797.39	55,25,795.97	71,29,143.12
Financial liabilities									
Payables	-	-	263.23	-	-	-	-	-	263.23
Debt Securities	-	-	-	-	-	-	15,95,794.01	-	15,95,794.01
Other financial liabilities	100.00	-	-	200.00	-	-	-	-	300.00
Total	100.00	-	263.23	200.00	-	-	15,95,794.01	-	15,96,357.24

JANA CAPITAL LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2021

31 Capital Management

The Reserve Bank of India (RBI) sets and monitors capital adequacy requirements for the Company from time to time. The Core Investment Companies (Reserve Bank) Directions, 2016, stipulate that the Adjusted Net Worth of a CIC-ND-SI shall at no point in time be less than 30% its risk weighted assets on balance sheet and risk adjusted value of off-balance sheet items as on date of the last audited balance as at the end of the financial year. (Refer Note-1 for the computation)

The Core Investment Companies (Reserve Bank) Directions, 2016, further stipulate that the outside liabilities of a CIC-ND-SI shall at no point of time exceed 2.5 times its Adjusted Net Worth as on date of the last audited balance as at the end of the financial year. (Refer Note-2 for the computation)

The Company has complied with minimum stipulated capital requirements the basis of which has been disclosed as under:

Note-1:
A) Computation of Capital Adequacy Ratio (CAR)

(Amounts are in INR thousands)		
Particulars	31-Mar-21	31-Mar-20
Adjusted Net Worth (A)	29,32,285.18	55,32,938.13
Risk Weighted Assets (B)	47,95,260.78	71,21,767.23
Capital Adequacy Ratio (C) = A/B	61.15%	77.69%

B) Computation of Adjusted Net Worth

(Amounts are in INR thousands)		
Particulars	31-Mar-21	31-Mar-20
Paid Up Equity Capital	27,041.81	27,041.81
Other Equity	29,05,243.37	55,05,896.32
Adjusted Net Worth	29,32,285.18	55,32,938.13

C) Computation of Risk Weighted Assets

(Amounts are in INR thousands)					
Particulars	Risk Weight	31-Mar-21		31-Mar-20	
		Asset Value	Risk Asset Value	Asset Value	Risk Asset Value
Assets					
Cash and Cash Equivalents	0%	337.67	-	7,549.76	-
Bank balance (other than (a) above)	0%	7.44	-	3.39	-
Investments	100%	47,94,765.78	47,94,765.78	71,21,570.98	71,21,570.98
Other assets	100%	495.00	495.00	196.25	196.25
Total		47,95,605.90	47,95,260.78	71,29,320.38	71,21,767.23

Note-2:
A) Outside Liabilities

(Amounts are in INR thousands)		
Particulars	31-Mar-21	31-Mar-20
Other Payables	1,854.86	263.23
Debt Securities	18,60,282.23	15,95,794.01
Other financial liabilities	533.75	300.00
Total Outside Liabilities	18,62,670.84	15,96,357.24

B) Outside Liabilities to Adjusted Net Worth

(Amounts are in INR thousands)		
Particulars	31-Mar-21	31-Mar-20
Outside Liabilities	18,62,670.84	15,96,357.24
Adjusted Net Worth	29,32,285.18	55,32,938.13
Ratio of Outside Liabilities to Adjusted Net Worth	63.52%	28.85%

JANA CAPITAL LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2021

32 Maturity analysis of assets and liabilities (Based on RBI guidelines)

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 2021			31 March 2020		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
	Financial assets						
(a)	Cash and cash equivalents	337.67	-	337.67	7,549.76	-	7,549.76
(b)	Bank balance other than cash and cash equivalents	-	7.44	7.44	-	3.39	3.39
(c)	Investments	-	47,94,765.78	47,94,765.78	-	71,21,570.98	71,21,570.98
(d)	Other financial assets	40.04	169.00	209.04	-	19.00	19.00
	Total Financial assets	377.72	47,94,942.22	47,95,319.93	7,549.76	71,21,593.37	71,29,143.13
	Non-Financial assets						
(a)	Current Tax Assets	12.01	-	12.01	-	-	-
(b)	Other non-financial assets	273.96	-	273.96	177.25	-	177.25
	Total Non-financial assets	285.96	-	285.97	177.25	-	177.25
	Total Assets	663.68	47,94,942.22	47,95,605.90	7,727.01	71,21,593.37	71,29,320.39
	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	1,854.86	-	1,854.86	263.23	-	263.23
(b)	Debt Securities	-	18,60,282.23	18,60,282.23	-	15,95,794.01	15,95,794.01
(c)	Other financial liabilities	533.75	-	533.75	300.00	-	300.00
	Total Financial liabilities	2,388.61	18,60,282.23	18,62,670.84	563.23	15,95,794.01	15,96,357.25
	Non-Financial liabilities						
(a)	Other non-financial liabilities	649.88	-	649.88	25.01	-	25.01
	Total Non-financial liabilities	649.88	-	649.88	25.01	-	25.01
	Equity						
(a)	Equity share capital	-	27,041.81	27,041.81	-	27,041.81	27,041.81
(b)	Other equity	-	29,05,243.37	29,05,243.37	-	55,05,896.32	55,05,896.32
	Total Equity	-	29,32,285.18	29,32,285.18	-	55,32,938.13	55,32,938.13
	Total Liabilities and Equity	3,038.49	47,92,567.41	47,95,605.90	588.24	71,28,732.13	71,29,320.39
	Difference	-2,374.80	2,374.81	-0.00	7,138.77	-7,138.77	-0.00

JANA CAPITAL LIMITED
Notes forming part of the Financial Statements for the year ended 31st March, 2021
33 Schedule to the Balance Sheet of the non-deposit taking Core Investment Non-Banking Financial Company

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

a) Exposures
(i) Exposure to Real Estate Sector

(Amounts are in INR thousands)

Category	31 March 2021	31 March 2020
Direct Exposure		
(i) Residential Mortgages - Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	-	-
(ii) Commercial Real Estate - Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits	-	-
(iii) Investments in Mortgage Backed Securities(MBS) and other securitised exposures	-	-
a. Residential	-	-
b. Commercial Real Estate	-	-
Total Exposure to Real Estate Sector	-	-

(ii) Exposure to Capital Market

Particulars	31 March 2021	31 March 2020
(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 CAPITAL LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2021

Note-33 continued

Disclosure of details as required by RBI/DNBR/2016-17/39 i.e Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016 dated August 25, 2016 (Updated as on June 07, 2018)

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

(Amounts are in INR thousands)

Particulars		31-Mar-21		31-Mar-20	
Liabilities side		Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
(1)	Loans and advances availed by the non-banking financial company				
(a)	Non Convertible Debentures:#		-		-
	Secured	-	-	-	-
	Unsecured*	18,60,282.23	-	15,95,794.01	-
(b)	Deferred Credits	-	-	-	-
(c)	Term Loans	-	-	-	-
(d)	Inter-corporate loans and borrowing	-	-	-	-
(e)	Commercial Paper	-	-	-	-
(f)	Public Deposits	-	-	-	-
(g)	Other Loans (specify nature)	-	-	-	-
(2)	Break-up of (1)(f) above (Outstanding public deposits inclusive of				
(a)	In the form of Unsecured debentures	-	-		
(b)	In the form of partly secured debentures i.e. debentures	-	-		
(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		31-Mar-21	31-Mar-20
(3)	Break-up of Loans and Advances including bills receivables [other than		
(a)	Secured	-	-
(b)	Unsecured	-	-
(4)	Break up of Leased Assets and stock on hire and other assets counting		
(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 asset financing activities		
(a)	Loans where assets have been repossessed	-	-
(b)	Loans other than (a) above	-	-
(5)	Break-up of Investments		
	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 (Bank Deposits)	-	-

JANA CAPITAL LIMITED

Notes forming part of the Financial Statements for the year ended 31st March, 2021

Note-33 continued

Long Term investments			
1	Quoted		
	(i)	Share	
		(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	47,94,765.78
		(b) Preference	-
	(ii)	Debentures and Bonds	-
	(iii)	Units of mutual funds	-
	(iv)	Government Securities	-
	(v)	Others Bank deposits	7.44
			3.39
(6) Borrower group-wise classification of assets financed as in (3) and (4) above :			
Category		Amount net of provisions	
		Secured	Unsecured
			Total
1	Related Parties **		
	(a)	Subsidiaries	-
	(b)	Companies in the same group	-
	(c)	Other related parties	-
2		Other than related parties	-
		Total	
(7) Investor group-wise classification of all investments (current and long term) in shares and securities			
Category		Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1	Related Parties **		
	(a)	Subsidiaries	47,94,765.78
	(b)	Companies in the same group	-
	(c)	Other related parties	-
2		Other than related parties	-
		Total	
(8) Other information			
Particulars		31-Mar-21	31-Mar-20
(i)	Gross Non-Performing Assets		
	(a)	Related parties	-
	(b)	Other than related parties	-
(ii)	Net Non-Performing Assets		
	(a)	Related parties	-
	(b)	Other than related parties	-
(iii)	Assets acquired in satisfaction of debt		-

(Amount are in INR thousands)

34 Investments

Particulars	31-Mar-21	31-Mar-20
(1) Value of Investments		
i) Gross value of investments		
- In India	71,21,570.98	1,37,88,972.36
- Outside India	-	-
(ii) Provisions for depreciation on investments		
- in India	23,26,805.21	20,01,349.82
- Outside India	-	-
(iii) Net value of investments		
- In India	47,94,765.78	1,17,87,622.54
- Outside India	-	-
2) Movement of provisions held towards depreciation on investments		
i) Opening balance	66,67,401.38	46,66,051.56
ii) Add: Provision made during the year	23,26,805.21	20,01,349.82
iii) Less: Write-off /write back of excess provision during the year	-	-
iv) Closing balance	89,94,206.59	66,67,401.38

35 Ratings assigned by credit rating agencies and migration of ratings during the year

Instrument	Name of Rating Agency	Date of Rating	Rating	Previous Rating
Redeemable Non-Convertible Debentures	India Ratings and Research	14-Oct-20	IND B+ / Stable	IND B+ / Stable

36 Disclosure of frauds as per Master Direction - Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016. circular no. RBI/DNBS/2016-17/49 Master Direction DNBS. PPD.01/66.15.001/2016-17 dated 29 September 2016

There were no instances of reportable fraud for the year ended 31 March 2021 and 31 March 2020.

37 Prior year comparatives

Previous years figures have been re-grouped/re-classified wherever necessary to correspond with the current year classification/disclosures.

As per our report of even date

For MSKC & Associates

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

Chartered Accountants

Firm Registration No.: 0015955



Tushar Kurani

Partner

Membership No: 118580

Place: Mumbai

Date: 24 June 2021

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

CIN:U67100KA2015PLC079488



Rajamani Muthuchamy

Managing Director and CEO

DIN:08080999

Place: Bangalore

Date: 24 June 2021



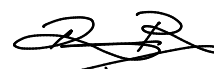
Gopalakrishnan S

Chief Financial officer

ICAI Membership No: 021783

Place: Bangalore

Date: 24 June 2021



Ramesh Ramanathan

Chairman

DIN:00163276

Place: Bangalore

Date: 24 June 2021



Vidya Sridharan

Company Secretary

ICSI Membership No: A44354

Place: Bangalore

Date: 24 June 2021



& Associates

Chartered Accountants

602, Floor 6, Raheja Titanium
Western Express Highway, Geetanjali Railway Colony
Ram Nagar, Goregaon (E) Mumbai 400063, INDIA
Tel: +91 22 6831 1600

INDEPENDENT AUDITOR'S REPORT

To the Members of Jana Capital Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying consolidated financial statements of Jana Capital Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), its associate, which comprise the Consolidated Balance Sheet as at 31 March, 2021, and the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group and its associate, as at 31 March 2021, consolidated loss, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Qualified Opinion

- i. Jana Holdings Limited ('subsidiary') is a Non operating Financial Holding Company ('NOFHC') of Jana Small Finance Bank Limited ('JSFB' or 'the Bank'). As per RBI guidelines, the subsidiary shall maintain minimum capital adequacy ratio ('CAR') at a consolidated level based on the prudential guidelines on Capital Adequacy and Market Discipline - New Capital Adequacy Framework (NCAF) issued under Basel II framework and Guidelines on Implementation of Basel III Capital Regulations of India, when implemented. For the year ended 31 March 2021, the subsidiary is not meeting with the regulatory minimum CAR on a consolidated basis. Capital adequacy computed on a consolidated basis as on 31 March 2021, is -5.20 %, which is below the regulatory minimum of 15%. The consequential impact of such non-compliances on the consolidated financial statements is presently unascertainable. (Refer Note 31 to the consolidated financial statements).
- ii. The terms and conditions of the Certificate of registration issued to the subsidiary by the RBI vide letter no. N-02.00275 dated 27 January 2017, requires subsidiary 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 subsidiary as on 31 March 2021, is in a deficit of Rs. 1,50,26,204 thousand, which is below the regulatory minimum of Rs. 20,000 thousand. The consequential impact of such non-compliance on the consolidated financial statements is presently unascertainable. (Refer note 32 to the audited consolidated financial statements).

- iii. As per RBI guidelines, the subsidiary being a NOFHC may have a leverage of up to 1.25 times of its paid up equity capital and free reserves. For the year ended 31 March 2021, the subsidiary had a leverage ratio of 3.24 which is above the regulatory threshold of 1.25 on a standalone basis. The consequential impact of such non-compliances on the consolidated financial statements is presently unascertainable. (Refer Note 33 to the audited consolidated financial statements).

These matters were also qualified in our report on the consolidated financial statements for the year ended 31 March 2020.

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

Material Uncertainty Related to Going Concern

We draw attention to Note 34 in the consolidated financial statements, which indicates that the group incurred a net loss of INR 30,10,023.60 thousands during the year ended 31 March 2021 and has accumulated losses amounting to INR 2,81,70,448.93 thousands, as of that date, which has fully eroded its net worth and further the group has fixed term borrowings approaching maturity with prospects of repayment currently being evaluated by the management. Further, the group is in breach of certain regulatory financial parameters as of 31 March 2021 as stated in the Basis of Qualified Opinion section above. These conditions indicate that a material uncertainty exists that may cast significant doubt on group's ability to continue as a going concern. However, as stated in the note, the group is in the process of raising additional funds as necessary to operate as a going concern. Further, the Company has considered appropriateness of going concern based on key changes in the Associate, such as return to profitability and maintenance of adequate liquidity surplus on an ongoing basis. Accordingly, the financial statements have been prepared under going concern assumption.

Our opinion is not modified in respect of this matter.

Emphasis of Matter

We draw attention to Note 29 to the consolidated financial statements which describes the extent to which the COVID-19 Pandemic will impact the associate's financial statements. Consequentially, the impact on the carrying value of investment in associate in the books of the Company will depend on the future developments.

Our opinion is not qualified in respect of this matter.

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

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

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

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

Key Audit Matter

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

Impairment Assessment of Investment in Associate:

Refer Note 2 to the Consolidated Financial Statement with respect to the disclosures of Investment in Associate.

The investment in the associate is accounted under equity method and is tested for impairment annually. On March 31, 2021, carrying value of Investment in associate amounted to INR 13,25,395.76 thousands (Previous year March 31, 2020: 18,92,078.49 thousands).

The annual impairment testing of carrying value of investment in the associate is considered to be a key audit matter due to the materiality of investment for the company and 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.

Our key audit procedures included:

- i. Verified the design, implementation and operating effectiveness of key internal controls over approval, recording and monitoring of Impairment in Investments.
- ii. Reviewed the management's impairment assessment and assessed the reasonableness of judgements and assumptions used in such impairment assessment.
- iii. Assessed the accuracy of the impairment loss and evaluated the adequacy of the financial statement disclosures.

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

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

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

The respective Board of Directors of the Company included in the Group and of its associate are responsible for overseeing the financial reporting process of the Group and of its associate.

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

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a. We have sought and, except for the possible effect of the matter described in the Basis for Qualified Opinion above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b. Except for the effects of the matter described in the Basis for Qualified Opinion section above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. Except for the effects of the matter described in Basis for Qualified Opinion section above, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014.
 - e. The matter described in Basis of Qualified Opinion and Material Uncertainty Related to Going Concern section of our report, in our opinion, may have an adverse effect on the functioning of the Group.
 - f. On the basis of the written representations received from the directors of the Holding Company as on 31 March, 2021 taken on record by the Board of Directors of the Holding Company, Subsidiary Company and the reports of the statutory auditors of its associate Company, none of the directors of the Group companies, its associate company is disqualified as on 31 March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - g. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
 - h. With respect to the adequacy of internal financial controls with reference to financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
 - i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associate. Refer Note 14(d) to the consolidated financial statements.
 - ii. The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts.



& Associates

Chartered Accountants

Jana Capital Limited
Independent Auditor's Report
For the year ended March 31, 2021
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- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary and associate companies incorporated in India.
2. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Group and its associate to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

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

Pankaj S Bhauwala
Partner
Membership No: 233552
UDIN: 21233552AAAAAE2958

Place: Bengaluru
Date: September 23, 2021



& Associates

Chartered Accountants

602, Floor 6, Raheja Titanium
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Tel: +91 22 6831 1600

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

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of Jana Capital Limited on the consolidated Financial Statements for the year ended 31 March 2021]

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2021, we have audited the internal financial controls with reference to consolidated financial statements of Jana Capital Limited (hereinafter referred to as "the Holding Company") and its subsidiary company and its associate company as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

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

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

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

Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary Company and its associate company, which are companies incorporated in India, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March 2021, based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

Chartered Accountants

ICAI Firm Registration Number: 001595S



Pankaj S Bhauwala

Partner

Membership No: 233552

UDIN: 21233552AAAAAE2958

Place: Bengaluru

Date: September 23, 2021

JANA CAPITAL LIMITED
Consolidated Balance Sheet as at 31 March 2021

(Amounts are in INR thousands)

Particulars	Note	As at 31-Mar-21	As at 31-Mar-20
ASSETS			
(1) Financial Assets			
(a) Cash and Cash Equivalent	1(i)	9,930.02	38,044.50
(b) Bank Balance other than (a) above	1(ii)	7.44	3.39
(c) Investments	2	13,25,395.76	18,92,078.49
(d) Other Financial Assets	3	1,819.73	21.70
(2) Non- Financial Assets			
(a) Current Tax Assets	4	148.31	33.44
(b) Property, Plant and Equipment	5	184.33	332.66
(c) Other Intangible assets	6	22.87	44.11
(d) Other Non Financial Assets	7	443.01	329.27
(e) Goodwill on consolidation		17,985.00	17,985.00
Total Assets		13,55,936.47	19,48,872.56
LIABILITIES AND EQUITY			
LIABILITIES			
(1) Financial Liabilities			
(a) Payables			
(i) Trade Payables			
(a) total outstanding dues of micro enterprises and small enterprises		-	-
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	8(i)	1,854.86	124.05
(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	8(ii)	32.40	857.11
(b) Debt Securities	9	1,73,76,316.59	1,48,04,363.37
(c) Other financial liabilities	10	943.75	630.00
(2) Non-Financial Liabilities			
(a) Other non-financial liabilities	11	1,024.86	177.46
(b) Provisions	12	518.76	139.60
(3) EQUITY			
(a) Equity Share capital	13	27,041.81	27,041.81
(b) Other Equity	14	-1,60,51,796.56	-1,28,84,460.85
Total Liabilities and Equity		13,55,936.47	19,48,872.56

Summary of significant accounting policies

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

As per our report of even date

For MSKC & Associates

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

Chartered Accountants

Firm Registration No.: 0015955

Pankaj S Bhauwala

Partner

Membership No: 233552

Place: Bangalore

Date: 23 Sept 2021

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


CIN:U67100KA2015PLC079488



Rajamani Muthuchamy
Managing Director and CEO
DIN:08080999

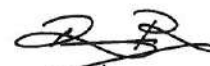
Place: Bangalore

Date: 23 Sept 2021


Gopalakrishnan S
Chief Financial officer
ICAI Membership No: 021783

Place: Bangalore

Date: 23 Sept 2021



Ramesh Ramanathan
Chairman
DIN:00163276

Place: Bangalore

Date: 23 Sept 2021


Vidya Sridharan
Company Secretary
ICSI Membership No: A44354

Place: Bangalore

Date: 23 Sept 2021

(Amounts are in INR thousands)

Particulars	Note	For the year ended 31-March-2021	For the year ended 31-March-2020
Revenue from Operations			
(i) Interest Income		-	-
(I) Total Revenue from Operations		-	-
(II) Other Income	15	1,534.16	337.35
(III) Total Income (I+II)		<u>1,534.16</u>	<u>337.35</u>
Expenses			
(i) Finance Costs	16	25,71,953.22	20,79,814.25
(ii) Employee Benefits Expenses	17	12,634.44	9,066.59
(iii) Impairment on financial instruments	18	-	-
(iv) Depreciation and amortization	19	169.57	123.68
(v) CSR Expenditure	20	-	285.00
(vi) Others expenses	21	17,429.89	11,456.90
(IV) Total Expenses (IV)		<u>26,02,187.12</u>	<u>21,00,746.43</u>
(V) Loss before exceptional items, tax and share of loss of Associate (III -IV)		(26,00,652.96)	(21,00,409.08)
(VI) Exceptional items		-	-
(VII) Loss before tax and share of loss of Associate (V-VI)		(26,00,652.95)	(21,00,409.08)
(VIII) Share of Profit/(loss) of the associate accounted for using equity method		(4,09,370.64)	(16,96,615.53)
(IX) Tax Expense:			
(1) Current Tax		-	-
(2) Deferred Tax		-	-
(X) Loss for the year (VII-VIII-IX)		<u>(30,10,023.60)</u>	<u>(37,97,024.61)</u>
(XI) Other Comprehensive Income			
(A) (i) Items that will not be reclassified to profit or loss (Specify items and amounts)		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Subtotal (A)		<u>-</u>	<u>-</u>
(B) (i) Items that will be reclassified to profit or loss (specify items and amounts)		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Subtotal (B)		<u>-</u>	<u>-</u>
Other Comprehensive Income (A + B)		<u>-</u>	<u>-</u>
(XII) Total Comprehensive Loss for the period (VII+VII)		<u>(30,10,023.60)</u>	<u>(37,97,024.61)</u>
(XIII) Earnings per equity share (for continuing operations)	18		
Basic (Rs.)		(1,113.10)	(1,404.13)
Diluted (Rs.)		(1,113.10)	(1,404.13)

Summary of significant accounting policies

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

As per our report of even date

For MSKC & Associates

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

Chartered Accountants

Firm Registration No.: 0015955

Pankaj S Bhauwala

Partner

Membership No: 233552

Place: Bangalore

Date: 23 Sept 2021

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

CIN:U67100KA2015PLC079488

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Rajamani Muthuchamy

Managing Director and CEO

DIN:08080999

Place: Bangalore

Date: 23 Sept 2021

Gopalakrishnan S

Chief Financial officer

ICAI Membership No: 021783

Place: Bangalore

Date: 23 Sept 2021

Ramesh Ramanathan

Chairman

DIN:00163276

Place: Bangalore

Date: 23 Sept 2021

Vidya Sridharan

Company Secretary

ICSI Membership No: A44354

Place: Bangalore

Date: 23 Sept 2021



JANA CAPITAL LIMITED

Statement of Consolidated cash flows for the year ended 31 March 2021

	(Amounts are in INR thousands)	
	Year ended 31-Mar-21	Year ended 31-Mar-20
Cash flow from operating activities		
Profit / Loss before tax	(30,10,023.60)	(37,97,024.61)
Adjustments for:		
Depreciation and amortization expenses	169.57	123.68
Impairment on financial instruments	-	-
Share of Profit/(loss) of the associate accounted for using equity method	4,09,370.64	16,96,615.53
Provisions	379.16	139.60
Finance cost	25,71,953.22	20,66,834.25
Operating Loss before working capital changes and adjustments	(28,151.01)	(33,311.54)
Changes in working capital		
(Decrease) / Increase in payables	906.10	(274.51)
(Decrease) / Increase in other financial liabilities	313.75	58.02
(Decrease) / Increase in other non-financial liabilities	847.39	(753.64)
Decrease/ (Increase) in other bank balances	(4.06)	(3.39)
Decrease/ (Increase) in other financial assets	(1,798.04)	(140.87)
Decrease/ (Increase) in other Non financial assets	(113.74)	(329.26)
Cash used in operations before tax	(27,999.60)	(34,755.19)
Income tax paid / Current tax assets (net)	(114.87)	39.75
Net cash flows from (used in) operating activities (A)	(28,114.48)	(34,715.44)
Cash flow from Investing activities		
Payment for property, plant and equipment and intangible assets	-	(360.73)
Investment in associate	-	(14,70,000.91)
Net cash flow from / (Used in) investing activities (B)	-	(14,70,361.64)
Cash flow from Financing activities		
Dividend (paid) / received including taxes thereon	-	-
Net Proceeds from Debt securities issued	-	14,96,438.00
Others	-	327.36
Share Issue Expenses	-	(5,570.00)
Net cash flow from financing activities (C)	-	14,91,195.36
Net increase in cash and cash equivalents (A+B+C)	(28,114.48)	(13,881.72)
Cash and cash equivalents at the beginning of the year	38,044.50	51,926.22
Cash and cash equivalents at the end of the year	9,930.02	38,044.50
Cash and cash equivalents comprise (Refer note 1)		
Balances with banks		
On current accounts	1,702.01	17,743.52
On Deposits with Banks	8,228.01	20,300.98
Total cash and bank balances at end of the year	9,930.02	38,044.50

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

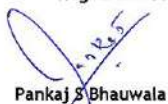
As per our report of even date

For MSKC & Associates

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

Chartered Accountants

Firm Registration No.: 0015955


Pankaj S. Bhauwala
Partner

Membership No: 233552

Place: Bangalore

Date: 23 Sept 2021

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


CIN:U67100KA2015PLC079488


Rajamani Muthuchamy
Managing Director and CEO
DIN:08080999

Place: Bangalore

Date: 23 Sept 2021


Gopalakrishnan S
Chief Financial officer
ICAI Membership No: 021783
Place: Bangalore
Date: 23 Sept 2021


Ramesh Ramanathan
Chairman
DIN:00163276

Place: Bangalore

Date: 23 Sept 2021


Vidya Sridharan
Company Secretary
ICSI Membership No: A44354
Place: Bangalore
Date: 23 Sept 2021



(A) Equity share capital*	As at 31-Mar-21		As at 31-Mar-20	
	No. of shares	Amount	No. of shares	Amount
Equity shares of Rs.10 each issued, subscribed and fully paid				
Opening	27,04,181	27,041.81	27,04,181	27,041.81
Add: Issued during the year	-	-	-	-
Closing	27,04,181	27,041.81	27,04,181	27,041.81

(B) Other equity

01 April 2020 to 31 March 2021

Particulars	Securities Premium	Statutory Reserve	Retained Earnings	Other comprehensive income	Total
Balance at the beginning of the reporting period	1,22,54,702.28	39,279.92	(2,51,60,425.33)	(18,017.72)	(1,28,84,460.85)
Net Loss for the current year	-	-	(30,10,023.60)	(1,57,312.11)	(31,67,335.70)
Balance at the end of the reporting period	1,22,54,702.28	39,279.92	(2,81,70,448.93)	(1,75,329.83)	(1,60,51,796.56)

01 April 2019 to 31 March 2020

Particulars	Securities Premium	Statutory Reserve	Retained Earnings	Other comprehensive income	Total
Balance at the beginning of the reporting period	1,22,54,702.28	39,279.92	(2,13,63,400.72)	-	(90,69,418.52)
Net Loss for the current year	-	-	(37,97,024.61)	(18,017.72)	(38,15,042.33)
Balance at the end of the reporting period	1,22,54,702.28	39,279.92	(2,51,60,425.33)	(18,017.72)	(1,28,84,460.85)

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

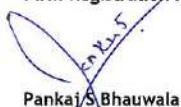
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Chartered Accountants

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Pankaj S. Bhauwala

Partner

Membership No: 233552

Place: Bangalore

Date: 23 Sept 2021

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

CIN:U67100KA2015PLC079488



Rajamani Muthuchamy

Managing Director and CEO

DIN:08080999

Place: Bangalore

Date: 23 Sept 2021



Ramesh Ramanathan

Chairman

DIN:00163276

Place: Bangalore

Date: 23 Sept 2021



Gopalakrishnan S

Chief Financial officer

ICAI Membership No: 021783

Place: Bangalore

Date: 23 Sept 2021



Vidya Sridharan

Company Secretary

ICSI Membership No: A44354

Place: Bangalore

Date: 23 Sept 2021



JANA CAPITAL LIMITED

Notes to the Consolidated financial statements for the year ended 31 March 2021

(Amounts are in INR thousands)

1 Company Overview

1.1 Reporting Entity

The Company was incorporated on March 26, 2015 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 debentures, stocks, securities of any Government, Local, Authority, Bonds and Certificates. The Company received a certificate of registration dated 24 March 2017 from the Reserve Bank of India as a Non-Banking Financial Institution - Non-Deposit taking - Systemically Important Core Investment Company ("NBFC-CIC-ND-SI") under section 45IA of the Reserve Bank of India Act, 1934.

The company holds 100% investments in its wholly owned subsidiary company - Jana Holdings Limited ('the Company'). The wholly owned subsidiary company holds 42.08% of Equity shares in Jana Small Finance Bank being the Associate company.

The Board in their meetings held on October 21, 2019, and December 9, 2019, approved Fast track method for merging its wholly-owned subsidiary, Jana Holdings Limited with the Company. The Company submitted the necessary documents to Jana Holdings Limited for submission to the RBI as required by them vide their letter dated October 2019. Jana Holdings Limited submitted the requisite documents to the RBI on January 9, 2020. As per the existing guidelines, the RBI has dispensed with the requirement of having a Non-Operating Financial Holding Company (NOFHC) for setting up of Small Finance Banks as well as Universal Banks. Further, such a merger of the subsidiary with Holding Company will simplify the compliances to be reported to various Regulatory Authorities, besides resulting in lower operating costs. The Company is eligible to adopt Fast track method for the merger as envisaged under Section 233 of the Companies Act, 2013 as it involves the merger of the wholly-owned subsidiary with the Holding Company. The company obtained an in principle approval from RBI dated 10-August-2020 for the said merger.

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

The Company also served notices (CAA-9) along with the proposed Scheme on the 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 did not receive any objections and suggestions to the proposed scheme from the said authorities within the stipulated timeline. As the debentures of the company are listed on the Bombay Stock Exchange (BSE), the company initiated steps for obtaining the approval from the Stock Exchange.

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

Regional Director, Ministry of Company Affairs, Hyderabad vide their letter dated 26th March 2021 rejected the application filed on 6th November 2020 for the merger of JHL with JCL, since JHL had obtained consent from the creditors only to the extent of 82.78% in value as against the minimum threshold of consent from 90% of the creditors in value as required under Section 233 of the Companies Act, 2013 and, thus, the provisions of Section 233(1)(d) could not be fully complied with. The Board of Directors considered the aforesaid rejection order and have resolved to file the fresh merger application subject to the approval of the Scheme by the Board of Directors, Shareholders, Creditors and such other authorities as may be required. The Company submits that it is on the verge of raising funds and paying the creditor. Thus, it is expected to obtain NOC from the said creditor very soon and approach the Regional Director, Ministry of Corporate Affairs, Hyderabad, for approval of the merger. The Company is confident of getting the merger done in this Financial Year. Post the merger, the resultant entity, which is a CIC, is not required to maintain Net Owned Funds.

1.2 Statement of compliance

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

1.3 Basis of preparation

The consolidated financial statements for the year ended 31 March 2021 have been prepared by the Company in accordance with Indian Accounting Standards ("Ind AS") notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016, as amended from time to time, in this regard.

1.4 Principles of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary together referred to as ("Group") and Associates as at and for the year ended 31 March 2021. The Company consolidates a subsidiary when it controls it. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Company has less than a majority of the voting or similar rights of an investee, the Company considers all relevant facts and circumstances in assessing whether it has power over an investee.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Company gains control until the date the Company ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Company's accounting policies.

JANA CAPITAL LIMITED

Notes to the Consolidated financial statements for the year ended 31 March 2021

(Amounts are in INR thousands)

The financial statements of all entities used for the purpose of consolidation are same reporting date as that of the parent company, i.e., year ended on March 31, 2021.

1.5 Consolidation procedure:

- i. Combine like items of assets, liabilities, equity, income, and expenses of the parent with those of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- ii. Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.
- iii. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of OCI are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiary to bring their accounting policies in line with the Company's accounting policies. All intra-group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction.

The financial statements of the following subsidiary company have been consolidated as per Ind AS 110 - Consolidated Financial Statements. Below mentioned subsidiary has been incorporated in India

Name of Subsidiary	Proportion of Ownership Interest (%)	
	31 March 2021	31 March 2020
Jana Holdings Limited	100%	100%

1.6 Functional and Presentation currency

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

1.7 Basis of measurement

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

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

The preparation of 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.

2 Significant accounting policies

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

i. Revenue recognition

Dividend is recognised when the right to receive the dividend is established.

ii. Financial assets and liabilities

a. Financial assets

Initial recognition and measurement

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

Financial assets at amortised cost

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

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

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

Financial assets at fair value through other comprehensive income

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

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

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

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

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

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

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

Classification and subsequent measurement

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

b. Financial Liabilities

Initial recognition and measurement

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

Subsequent measurement

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

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.

JANA CAPITAL LIMITED

Notes to the Consolidated financial statements for the year ended 31 March 2021

(Amounts are in INR thousands)

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.

iii. 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.

iv. 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.

v. **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.

vi. **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.

vii. **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.

viii. **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 subsidiary 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.

ix. **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 CODM include items that are directly attributable to a segment as well as those that can be allocated on a reasonable basis.

x. **Recent Indian Accounting Standards (IndAs)**

Ind AS 116 Amendment

Ind AS 116, Leases: Practical expedient which permits lessees not to account for COVID-19 related rent concessions as a lease modification. However, with respect to IndAs 116, in case a lessee has not yet approved the financial statements for issue before the issuance of the amendments, then the same may be applied for annual reporting periods beginning on or after 1 April 2019. This amendment had no impact on financial statement.

Standards (including amendments) issued but not yet effective

There are no new standards including amendments issued but not yet effective.

JANA CAPITAL LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2021

(Amounts are in INR thousands)

		31-Mar-21	31-Mar-20
1 Cash and Cash Equivalents			
Cash on hand			
Balances with banks in current accounts (of the nature of cash and cash equivalents)		1,702.01	17,743.52
Others (Fixed Deposits with Banks) - *(Refer Note-1 below)		8,228.01	20,300.98
Total	(I)	9,930.02	38,044.50
Bank Balance other than cash and cash equivalent			
Others		7.44	3.39
Total other bank balances	(II)	7.44	3.39
Total Cash and bank balances	(I+II)	9,937.45	38,047.90

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Cash and cash equivalents
Balances with banks:

On current accounts	9,930.02	38,044.50
Cash on hand	-	-
Sub Total	9,930.02	38,044.50
Less: Bank overdrafts	-	-
Total	9,930.02	38,044.50

*** 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 3 deposits each of INR 25 Lakhs amounting to INR 75 Lakhs maturing on 02 June 2021.

(Amounts are in INR thousands)

2 Investments

Particulars	As at 31 March 2021			As at 31 March 2020		
	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	4	5	6
Equity instruments	-	-	-	-	-	-
Jana Holdings Limited (Subsidiary) Unquoted (fully paid-up of Rs. 10/- each)	18,92,078.49	-	-	21,36,710.83	-	-
Investment made during the year	-	-	-	14,70,000.91	-	-
Share in the profit/(loss) of associates	-4,09,370.64	-	-	-16,96,615.53	-	-
Share in Other comprehensive Income	-1,57,312.11	-	-	-18,017.72	-	-
Dividend from Jana small finance bank	-	-	-	-	-	-
Total - Gross (A)	13,25,395.74	-	-	18,92,078.49	-	-
(i) Investments outside India	-	-	-	-	-	-
(ii) Investments in India	13,25,395.74	-	-	18,92,078.49	-	-
Total (B)	13,25,395.74	-	-	18,92,078.49	-	-
Less: Allowance for Impairment loss (C)	-	-	-	-	-	-
Total - Net D= (A)-(C)	13,25,395.76	-	-	18,92,078.49	-	-

JANA CAPITAL LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2021

(Amounts are in INR thousands)

3 Other financial assets	31-Mar-21	31-Mar-20
(I) Security Deposits	1,778.00	20.00
(II) Others Receivables		
Considered good -Unsecured from related parties		
*(Refer Note below)	-	-
Considered good -Unsecured other than related parties	41.73	1.70
Total Other receivables	41.73	1.70
Total	1,819.73	21.70

JANA CAPITAL LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2021

(Amounts are in INR thousands)

4 Current Tax Assets

TDS receivable

31-Mar-21	31-Mar-20
148.31	33.44
148.31	33.44

JANA CAPITAL LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2021

5 Property, Plant and Equipment-Tangible assets (Amounts are in INR thousands)

	Gross block		Depreciation		Net block	
	As at 01-Apr-20	Additions/ Adjustments	Deductions/ Adjustments	Up to 31-Mar-21	As at 01-Apr-20	As at 31-Mar-20
Owne d assets						
Computers and Printers	452.22	-	-	452.22	119.55	184.33
Total	452.22	-	-	452.22	119.55	332.66
					184.33	332.66

6 Other - Intangible assets (Rs. In thousands)

	Gross block		Amortization		Net block	
	As at 01-Apr-20	Additions/ Adjustments	Deductions/ Adjustments	Up to 31-Mar-21	As at 01-Apr-20	As at 31-Mar-20
Computer Software						
Total	63.72	-	-	63.72	19.61	22.87
	63.72	-	-	63.72	19.61	44.11
					22.87	44.11

JANA CAPITAL LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2021

7 Other Non-financial assets	31-Mar-21	31-Mar-20
Prepaid Expenses	410.61	326.77
Advance to suppliers	-	2.50
Other advances	32.40	-
Total	443.01	329.27

JANA CAPITAL LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2021

(Amounts are in INR thousands)

8 Payables
(I) Trade Payables

	31-Mar-21	31-Mar-20
(a) Total outstanding dues of micro enterprises and small enterprises	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises *(Note-1)	1,854.86	124.05
	1,854.86	124.05

(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	32.40	857.11
Total Other payables	32.40	857.11

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.

Note-1

Above includes liabilities towards its related parties listed as under: Refer Note-24 on the detailed disclosure of related party transactions during the financial year and its comparatives

Name of the Party	Amount Outstanding as at 31 March 2021	Amount Outstanding as at 31 March 2020
(i) Jana Small Finance Bank (Formerly known as Janalakshmi Financial Services Limited)	-	5.40
(ii) Janaadhar (India) Private Limited	-	5.18
Total	-	10.58

(Amounts are in INR thousands)

9 Debt Securities

Particulars	As at March 31, 2021				As at March 31, 2020				
	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	1,73,76,316.59	-	-	1,73,76,316.59	1,48,04,363.37	-	-	1,48,04,363.37	
Total (A)	1,73,76,316.59	-	-	1,73,76,316.59	1,48,04,363.37	-	-	1,48,04,363.37	
Debt securities in India	69,41,291.81	-	-	69,41,291.81	58,50,092.88	-	-	58,50,092.88	
Debt securities outside India	1,04,35,024.78	-	-	1,04,35,024.78	89,54,270.50	-	-	89,54,270.50	
Total (B)	1,73,76,316.59	-	-	1,73,76,316.59	1,48,04,363.37	-	-	1,48,04,363.37	
Particulars					31-Mar-21				31-Mar-20
Debt securities in India (Secured)					48,75,089.39				40,78,062.82
Debt securities in India (Unsecured)					20,66,202.42				17,72,030.06
Debt securities outside India (Secured)					-				-
Debt securities outside India (Unsecured)					1,04,35,024.78				89,54,270.50
Total					1,73,76,316.59				1,48,04,363.37

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

Name of the Subscriber	No. of Debentures*	Series Name	Face Value	Balance as at 31 March 2021	Balance as at 31 March 2020	Issue Date	Maturity Date	XIRR
TPG ASIA VI India Markets Pte. Ltd	1,500	-	1,000.00	18,60,282.23	15,95,794.01	30-Oct-19	31-May-23	16.50%
Manipal Health Systems Private Limited	1,450	Series I	1,000.00	20,66,202.42	17,72,030.06	30-Nov-18	30-Nov-23	16.60%
TPG ASIA VI India Markets Pte. Ltd (400 NCD) & Government of Singapore (100 NCD)	500	Series A	1,000.00	8,53,284.11	7,32,206.76	28-Sep-17	27-May-23	16.54%
TPG ASIA VI India Markets Pte. Ltd	600	Series B	1,000.00	10,23,940.93	8,78,648.11	28-Sep-17	27-May-23	16.54%
Government of Singapore	600	Series C	1,000.00	10,23,940.93	8,78,648.20	28-Sep-17	27-May-23	16.54%
TPG ASIA VI India Markets Pte. Ltd (800 NCD) & Government of Singapore (200 NCD)	1,000	Series D	1,000.00	17,06,568.22	14,64,413.52	28-Sep-17	27-May-23	16.54%
TPG ASIA VI India Markets Pte. Ltd (400 NCD) & Government of Singapore (100 NCD)	500	Series E	1,000.00	8,53,284.11	7,32,206.76	28-Sep-17	27-May-23	16.54%
TPG ASIA VI India Markets Pte. Ltd	1,000	Series F	1,000.00	17,01,488.67	14,60,302.26	06-Oct-17	27-May-23	16.52%
TPG ASIA VI India Markets Pte. Ltd	830	Series G	1,000.00	14,12,235.60	12,12,050.88	06-Oct-17	27-May-23	16.52%
ECL Finance Limited	1,550	Series H	1,000.00	27,11,331.92	22,51,339.95	27-Mar-18	26-May-23	20.43%

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2021

Centrum Financial Services Limited (280 NCD) & Centrum Retail Services Limited (220 NCD)		500	Series J1	1,000.00	7,01,104.84	5,91,587.69	21-Dec-18	21-Dec-21	18.51%
Centrum Retail Services Limited	400	Series J2	1,000.00	5,59,610.17	4,72,525.31	27-Dec-18	27-Dec-21	18.43%	
Centrum Retail Services Limited	400	Series J3	1,000.00	5,57,546.49	4,70,790.68	04-Jan-19	04-Jan-22	18.43%	
Centrum Financial Services Limited (100 NCD) & Centrum Retail Services Limited (50 NCD)	150	Series J4	1,000.00	2,07,906.25	1,75,642.06	17-Jan-19	17-Jan-22	18.37%	
Centrum Retail Services Limited	100	Series J5	1,000.00	1,37,589.72	1,16,177.13	01-Feb-19	01-Feb-22	18.43%	

* 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.

Total

31-Mar-21	31-Mar-20
665.00	430.00
140.00	200.00
138.75	-
943.75	630.00
31-Mar-21	31-Mar-20
1,024.86	177.46
1,024.86	177.46
518.76	139.60
518.76	139.60

JANA CAPITAL LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2021

(Amounts are in INR thousands)

13 Equity Share capital
Authorized

Equity Share Capital (As at 31 March 2021-Rs.30,000,000 (3,000,000 Equity shares at par value of Rs.10 each), As at 31 March 2020 : Rs.30,000,000 (3,000,000 Equity shares at par value of Rs.10 each)

31-Mar-21 31-Mar-20

30,000.00 30,000.00

Total

30,000.00 30,000.00

Issued, subscribed and paid up

Equity Share Capital (As at 31 March 2021-Rs.27,041,810 (2,704,181 Equity shares at par value of Rs.10 each), (As at 31 March 2020 : Rs.27,041,810 (2,704,181 Equity shares at par value of Rs.10 each)

27,041.81 27,041.81

Total

27,041.81 27,041.81

(Amounts are in INR thousands)

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

31-Mar-21

31-Mar-20

	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	27,04,181	27,041.81	27,04,181	27,041.81
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	27,04,181	27,041.81	27,04,181	27,041.81

(b) Rights, preferences and restrictions attached to shares

Terms/ rights attached to equity shares:

The Company has only one class of equity shares having a par value of ₹ 10/- each. Each holder of equity share is entitled to one vote per share.

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

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

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

Name of the shareholder	31-Mar-21		31-Mar-20	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Equity Shares				
Jana Urban Foundation	11,87,746	43.92%	11,87,686	43.92%
TPG Asia VI SF Pte Ltd	5,40,574	19.99%	5,40,574	19.99%
Caladium Investment Pte. Ltd	5,40,574	19.99%	5,40,574	19.99%
North Haven Private Equity Asia Platinum Pte Ltd	2,35,656	8.71%	2,35,656	8.71%
QRG Enterprises Ltd	1,72,025	6.36%	1,72,025	6.36%

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

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

(Amounts are in INR thousands)

14 Other Equity	31-Mar-21	31-Mar-20
(a) Securities Premium Account		
Opening balance	1,22,54,702.28	1,22,54,702.28
Add : Securities premium credited on share issue	-	-
Less : Premium utilized for various reasons	-	-
Closing balance	<u>1,22,54,702.28</u>	<u>1,22,54,702.28</u>
(b) Statutory Reserve		
Opening balance	39,279.92	39,279.92
Add: Transferred during the year	-	-
Less: Utilization on account of / Transfer to	-	-
Closing balance	<u>39,279.92</u>	<u>39,279.92</u>
(c) Retained Earning and Surplus/(deficit) in the Statement of Profit and Loss		
Opening balance	(2,51,60,425.33)	(2,13,63,400.72)
Add: Net Profit/(Net Loss) for the current year	(30,10,023.60)	(37,97,024.61)
Transfer from reserves	-	-
Less: Proposed dividends	-	-
Interim dividends	-	-
Closing balance	<u>(2,81,70,448.93)</u>	<u>(2,51,60,425.33)</u>
(d) Other Comprehensive Income		
Opening balance	(18,017.72)	-
Add: Net Profit/(Net Loss) for the current year	(1,57,312.11)	(18,017.72)
Closing balance	<u>(1,75,329.83)</u>	<u>(18,017.72)</u>
Total Reserves and surplus	<u>-1,60,51,796.55</u>	<u>-1,28,84,460.85</u>

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 2021 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) **Contingent Liabilities and commitments**
- | | 31-Mar-21 | 31-Mar-20 |
|---|-----------|-----------|
| i Contingent Liabilities | | |
| Claims against the NBFC not acknowledged as debt | - | - |
| Guarantees excluding financial guarantees | - | - |
| Other money for which the NBFC is contingently Liable | - | - |
| Total | <u>-</u> | <u>-</u> |
| ii Commitments - Note-1 | | |
| 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 | <u>-</u> | <u>-</u> |
| iii Penalties imposed by RBI | | |
| There has been no penalties imposed by RBI for the year ended 31 March 2021 (Previous Year: Nil). | | |

***Note-1**

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

15 Other Income

Particulars	For the year ended 31-March-2021	For the year ended 31-March-2020
Interest from Fixed Deposits	1,534.16	334.42
Interest on Income tax refund		2.93
Total	1,534.16	337.35

16 Finance Cost

Particulars	For the year ended 31-March-2021	For the year ended 31-March-2020
Interest on debt securities	25,71,953.22	20,66,834.25
Other Finance cost charges*	-	12,980.00
Total	25,71,953.22	20,79,814.25

* 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 Employee Benefit Expenses

Particulars	For the year ended 31-March-2021	For the year ended 31-March-2020
Salaries and wages	12,255.28	8,926.98
Provision for Leave Encashment (Refer Note-1 below)	379.16	139.60
Total	12,634.44	9,066.59

Note:1

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

As per the company policy only 10 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.

18 Impairment on Financial Instruments

Particulars	For the year ended 31-March-2021	For the year ended 31-March-2020
Impairment on Financial Instruments	-	-
Total	-	-

19 Depreciation and amortization expense

Particulars	For the year ended 31-March-2021	For the year ended 31-March-2020
on tangible assets (Refer note 5)	148.33	105.82
on intangible assets (Refer note 6)	21.24	17.86
Total Depreciation and amortization expense	169.57	123.68

20 CSR Expenditure

A) Gross Amount Required to be spent during the year

The amount to be contributed for the FY 2020-2021 towards CSR expenditure in accordance with Section 135 of the Companies Act 2013 is as under:

Particulars	31-Mar-18	31-Mar-19	31-Mar-20
Net Profit Before Tax (A)	10,294.42	-1,990.00	-21,05,969.68
Average Net Profit Before Tax (B)			-6,99,221.75
Amount to be Set Aside for CSR (2% of Average Net profit before tax) (C)			-

(Amounts are in INR thousands)

B) Amount Spent during the year on:

Particulars	31-Mar-21			31-Mar-20		
	In Cash	Yet to be paid in Cash	Total	In Cash	Yet to be paid in Cash	Total
(i) Construction / Acquisition of any asset	-	-	-	285.00	-	285.00
(ii) On purposes other than (i) above* (Note-1)	-	-	-	-	-	-
Total	-	-	-	285.00	-	285.00

The Company has contributed towards CSR expenditure in accordance with Section 135 of the Companies Act 2013 for the FY 2019-2020. The contribution has been made to Vidyanikethan - A Society for Education and Social development, Regd. Under Society Registration No 93/88-89 having their office at Jaraganahalli, J.P Nagar 6th Phase, Bangalore - 560 078. The contribution has been made towards performing the following activities:

- **1. Plastering work, Waterproofing and painting:** The roof of the building had developed leakage due to which the rooms have started cracks and there is leakage during the rainy season where the children reside which is creating hardship and quite risky for Children. Plastering and waterproofing the roof top and the inner rooms was carried out, thus leakage was avoided. Two doors of toilets were replaced. Water pipes were changed to enable free flow of water.

- **2. Replacement of water tank:** Present water tank installed in the roof has developed leakage and hence the water is not flowing downwards. Hence, there was a need for replacing the water tank and entire water connection from the roof top.

However considering the limits for the FY 2020-2021 the entity is not mandated to contribute towards CSR expenses as per the computation above and hence no contribution has been made towards CSR expenses.

21 Other Expenses

	For the year ended 31- March-2021	For the year ended 31- March-2020
a) Rent, taxes and energy costs	345.32	508.34
Repairs and maintenance	15.53	10.79
Communication Costs	40.37	28.87
Printing and stationery	44.37	33.96
Advertisement and publicity	67.68	39.43
Director's fees, allowances and expenses	1,357.00	1,121.00
Auditor's fees and expenses	1,344.00	925.00
Legal and Professional charges	10,943.37	7,372.93
Subscription Fees	43.27	7.85
Insurance	469.04	114.83
Bank Charges	5.34	0.68
Filing Fee	48.15	83.83
Stamps and Franking Charges	16.00	1.56
Surveillance Fee	2,386.55	970.55
Travelling expenses	63.00	73.21
Internal Audit	160.60	130.00
Other expenditure	80.30	34.07
Total	17,429.89	11,456.90

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

	For the year ended 31- March-2021	For the year ended 31- March-2020
b) As auditor:		
As Statutory Auditor	1,272.00	475.00
For other services	72.00	450.00
Total	1,344.00	925.00

JANA CAPITAL LIMITED
Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2021

22 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:

	(Amounts are in INR thousands)	
	31-Mar-21	31-Mar-20
Net Loss as per the statement of Profit and Loss	(30,10,023.60)	(37,97,024.61)
Less: preference dividend after-tax (Refer Note 14(f))	-	-
Loss attributable to equity holders after preference dividend	(30,10,023.60)	(37,97,024.61)
Add: interest on convertible preference shares	-	-
Loss attributable to equity holders adjusted for the effect of dilution	(30,10,023.60)	(37,97,024.61)
Weighted average number of equity shares for basic EPS*	27,04,181.00	27,04,181.00
Effect of dilution:		
Rights Shares Issued	-	-
Weighted average number of equity shares adjusted for the effect of dilution	27,04,181.00	27,04,181.00
Basic loss per share (INR)	(1,113.10)	(1,404.13)
Diluted loss per share (INR)	(1,113.10)	(1,404.13)

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

23 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 83-88).

- 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. 5,703 per month only, thereby the said payments has been recognised as an expense in the statement of profit and loss for the financial year 2020-2021. This is in line with the treatment adopted by the entity for the previous financial year 2019-2020.

JANA CAPITAL LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2021

24 Related Party Disclosures: 31 March 2021

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 parties	Nature of Relationship
i. Jana Holdings Limited	Wholly Owned Subsidiary
ii. Jana Small Finance Bank (formerly known as Janalakshmi Financial Services Limited)	Group 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. Nirav Mehta	Non-Executive Director
vii. Mr. Puneet Bhatia	Non-Executive Director
viii. Mr. Anil Rai Gupta	Non-Executive Director
ix. Mr. Gaurav Triethan	Non-Executive Director (upto 20-May-2020)
x. Mr. S V Ranganath	Independent Director
xi. Mr. Abraham Chacko	Independent Director (w.e.f 14 Feb 2020)
xii. Ms. Saraswathy Athmanathan	Independent Director (w.e.f 14 Feb 2020)
xiii. Mr. Rajamani Muthuchamy	Managing Director and CEO (w.e.f 14 Feb 2020)
xiv. Mr. Krishnan Iyer	KMP - Chief Financial Officer (w.e.f 9th December 2019 and upto 30th March 2020)
xv. Mr. Gopalakrishnan S	KMP - Chief Financial Officer (w.e.f 01st March 2020)
xvi. Ms. Jyoti Rao	KMP - Company Secretary (Upto 31st October 2019)
xvii. Ms. Vidya Sridharan	KMP - Company Secretary (w.e.f 01st October 2019)

B) Related Parties with whom transactions have taken place during the year

B) Related Parties with whom transactions have taken place during the year	Nature of Relationship
i. Jana Holdings Limited	Wholly Owned Subsidiary
ii. Jana Small Finance Bank (formerly known as Janalakshmi Financial Services Limited)	Group Company
iii. Janaadhar (India) Private Limited	Group Company
iv. Mr. Abraham Chacko	Independent Director
v. Ms. Saraswathy Athmanathan	Independent Director
vi. Mr. S.V Ranganath	Independent Director
vii. Mr. Rajamani Muthuchamy	Managing Director and CEO
viii. Mr. Gopalakrishnan S	KMP - Chief Financial Officer
ix. Ms. Vidya Sridharan	KMP - Company Secretary

JANA CAPITAL LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2021

B) Nature of Transactions entered with related parties

(Amount in INR thousands)

Name of Related Party	Nature of Transaction	Transaction Value for the FY 2020-2021	Amount Outstanding as at 31 March 2021	Transaction Value for the FY 2019-2020	Amount Outstanding as at 31 March 2020
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
	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)	-
	Amount payable to JCL	-	32.40	-	-
	Expenses paid by JHL on behalf of JCL	(958.38)	-	-	136.00
	Receipt by JHL from JCL on account of Expenses paid on behalf of JCL	802.59	-	-	-
	CSR expenses paid to Vidyaniketan by JHL on behalf of JCL	-	-	-	165.00
	Amount invested in shares of JHL (No of Shares: 388830, Share price is 3832, Face Value: 10/- and Share Premium is Rs.3822)	-	-	(14,89,996.56)	-
	Investment in equity shares (net of impairment loss)	-	13,25,395.76	-	18,92,078.49
	Payment made to JHL for expenses incurred on behalf of JCL	(1,260.68)	-	-	-
i) Jana Holdings Limited (JHL)	Amount received from JHL for transactions entered on behalf of JHL	619.92	32.40	-	-
	Insurance Expenses paid by JCL on behalf of JHL	-	-	(161.83)	161.83
	Salary Expenses paid by JCL on behalf of JHL on Oct-2019	-	-	(57.45)	-
	Repayment of October-2019 Salary Expenses to JCL which was paid earlier on behalf of JHL	-	-	57.45	-
	Payment of Salary by JHL on behalf of JCL. The same has been repaid subsequently by JCL	-	-	-	(136.00)
	Payment of CSR Expenses by JHL on behalf of JCL for the FY 2019-2020. The same has been repaid subsequently by JCL.	-	-	-	(165.00)
	Investment in equity shares (net of impairment loss)	-	2,03,00,420.67	(14,70,000.90)	2,03,00,420.67
	Fixed deposits placed with Jana Bank	5,000.00	-	(20,000.00)	-
	Fixed Deposits balances	-	7,500.00	20,000.00	20,000.00
	Withdrawal of Fixed Deposit with Interest	13,341.65	-	-	-
ii) Jana Small Finance Bank (formerly known as Janalakshmi Financial Services Limited)	Fixed deposits withdrawn with Jana Bank	(5,000.00)	-	-	-
	Bank Current Account Balance	-	-	-	0.19
	Interest accrued on fixed deposit placed	-	728.01	300.98	300.98
	Amount paid towards professional services	(204.64)	-	(187.06)	(27.00)
	Reimbursement of expense	-	-	(2,755.61)	-
	Professional fees paid by JHL on behalf of JCL	(10.80)	-	-	-
	Liability booked towards TDS, GST & stamp paper expenses payable	-	-	(1,095.77)	(600.00)
	Amount paid towards statutory payments	-	-	(262.38)	-

JANA CAPITAL LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2021

iii. Janaadhar (India) Private Limited	Rent and Maintenance charges paid	(81.01)	-	(56.95)	(5.18)
	Parental and Group Employee Insurance Reimbursement	(192.34)	-	-	-
	Rental expenses paid by JHL on behalf of JCL	(10.36)	-	-	-
	Rental Expenses paid from May-2020 to March-2021	(65.48)	-	(56.95)	(5.18)
B) Key Management Personnel					
i) Mr. Krishnan Iyer	Salary paid	-	-	(497.63)	-
ii) Mr. Gopalakrishnan S	Salary paid	(1,934.41)	-	(99.80)	-
	Reimbursement of expense	(2.74)	-	-	-
iii) Ms. Vidya Sridharan	Salary paid	(1,152.72)	-	(534.30)	-
	Reimbursement of expense	(86.01)	-	(3.04)	-
iv) Ms. Jyoti Rao	Salary	(231.93)	-	-	-
	Reimbursement of expense	(20.53)	-	-	-
C) Directors					
i. Mr.S.V Ranganath	Payment of Sitting fees	(185.00)	-	(315.00)	-
	Sitting Fees payable	-	(46.25)	-	-
ii. Ms. Saraswathy Athmanathan	Payment of Sitting fees	(323.75)	-	(225.00)	-
	Sitting Fees payable	-	(46.25)	-	-
	Reimbursement of expense	-	-	(1.90)	-
iii. Mr. Abraham Chacko	Payment of Sitting fees	(416.25)	-	(270.00)	(45.00)
	Sitting Fees payable	-	(46.25)	-	-
	Reimbursement of expense	-	-	(14.99)	-
iv) Mr. Rajamani Muthuchamy	Salary Expenses paid	(5,726.29)	-	(4,549.84)	-
	Car EMI Expenses paid to JSFB on behalf of Mr. Rajamani Muthuchamy	-	-	(852.52)	-
	Reimbursement of expense	(10.64)	-	(42.41)	-

25 Fair values of financial assets and financial liabilities

The fair value of other financial assets, cash and cash equivalents, investments, other payables, and other financial liabilities approximate the carrying amounts because of the nature of these financial instruments and their recorded amounts approximate fair values or are receivables or payables on demand.

The Debt securities has been amortized using the EIR method of measurement of financial liabilities.

26 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).

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, 2021					
Particulars	Level 1	Level 2	Level 3	Total Fair Value	Total Carrying Amount
(Amount are in INR thousands)					
Financial Assets					
Cash and cash equivalents	9,930.02	-	-	9,930.02	9,930.02
Bank balance other than cash and cash equivalents	7.44	-	-	7.44	7.44
Investment	-	-	13,25,395.76	13,25,395.76	13,25,395.76
Other Financial Assets	-	-	1,819.73	1,819.73	1,819.73
Financial Liabilities					
Payables	-	-	1,854.86	1,854.86	1,854.86
Debt securities	-	-	1,73,76,316.59	1,73,76,316.59	1,73,76,316.59
Other financial liabilities	-	-	943.75	943.75	943.75

JANA CAPITAL LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2021

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

Particulars	(Amount are in INR thousands)			
	Level 1	Level 2	Level 3	Total Fair Value
Financial Assets				Total Carrying Amount
Cash and cash equivalents	38,044.50	-	-	38,044.50
Bank balance other than cash and cash equivalents	3.39	-	-	3.39
Investment	-	-	18,92,078.49	18,92,078.49
Other Financial Assets	-	-	21.70	21.70
Financial Liabilities				
Payables	-	-	124.05	124.05
Debt securities	-	-	1,48,04,363.37	1,48,04,363.37
Other financial liabilities	-	-	630.00	630.00

The carrying amount of cash and cash equivalents, other financial assets, other financial liabilities 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.

JANA CAPITAL LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2021

27 Segment Reporting

The Company is a NBFC-ND-SI-CIC and has classified this as its business segment and accordingly there are no separate reportable segments in accordance with Ind AS 108 "Operating Segment"

28 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	-

29 Disclosure on COVID-19

Consequent to the outbreak of COVID-19 pandemic, the Indian government has announced a lockdown in March 2020. Subsequently, the lockdown has been lifted by the government, but regional lockdowns continue to be implemented in areas with a significant number of COVID-19 cases. The group does not perform any operations other than holding investment in the Bank. 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 carrying value of investment in the Bank. Consequent to the outbreak of COVID-19 pandemic, the Indian government has announced a lockdown in March 2020. Subsequently, the lockdown has been lifted by the government, but regional lockdowns continue to be implemented in areas with a significant number of COVID-19 cases. The impact of COVID-19, including changes in customer behaviour and pandemic fears, as well as restrictions on business and individual activities, has led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activities. The slowdown during the year led to a decrease in loan originations and in collection efficiency. This may lead to a rise in the number of customer defaults and consequently an increase in provisions thereagainst. The extent to which the COVID-19 pandemic, including the current "second wave" that has significantly increased the number of cases in India, will continue to impact the Bank's operations and financial results will depend on ongoing and future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Bank.

30 Disclosure on Proposed Merger with Wholly Owned Subsidiary

The Board in their meetings held on October 21, 2019, and December 9, 2019, approved Fast track method for merging its wholly-owned subsidiary, Jana Holdings Limited, with the Company. The Company submitted the necessary documents to Jana Holdings Limited for submission to the RBI as required by them vide their letter dated October 2019. Jana Holdings Limited submitted the requisite documents to the RBI on January 9, 2020. As per the existing guidelines, the RBI has dispensed with the requirement of having a Non-Operating Financial Holding Company (NOFHC) for setting up of Small Finance Banks as well as Universal Banks. Further, such a merger of the 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 involves the merger of the wholly-owned subsidiary with the Holding Company. The company obtained an in principle approval from RBI dated 10-August-2020 for the said merger.

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

The Company has also served notices (CAA-9) along with the proposed Scheme on the 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 did not receive any objections and suggestions to the proposed scheme from the said authorities within the stipulated timeline. As the debentures of the company are listed on the Bombay Stock Exchange (BSE), the company initiated steps for obtaining the approval from the Stock Exchange.

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

Regional Director, Ministry of Company Affairs, Hyderabad vide their letter dated 26th March 2021 rejected the application filed on 6th November 2020 for the merger of JHL with JCL, since JHL had obtained consent from the creditors only to the extent of 82.78% in value as against the minimum threshold of consent from 90% of the creditors in value as required under Section 233 of the Companies Act, 2013 and, thus, the provisions of Section 233(1)(d) could not be fully complied with. The Board of Directors considered the aforesaid rejection order and have resolved to file the fresh merger application subject to the approval of the Scheme by the Board of Directors, Shareholders, Creditors and such other authorities as may be required. The Company submits that it is on the verge of raising funds and paying the creditor. Thus, it is expected to obtain NOC from the said creditor very soon and approach the Regional Director, Ministry of Corporate Affairs, Hyderabad, for approval of the merger. The Company is confident of getting the merger done in this Financial Year. Post the merger, the resultant entity, which is a CIC, is not required to maintain Net Owned Funds.

31 Capital to Risk Assets Ratio

Jana Holdings Limited (Subsidiary) 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 RBI guidelines, Subsidiary shall maintain minimum capital adequacy ratio ('CAR') at a consolidated level based on the prudential guidelines on Capital Adequacy and Market Discipline - New Capital Adequacy Framework (NCAF) Issued under Basel II framework and Guidelines on Implementation of Basel III Capital Regulations of India, when implemented. For the year ended 31 March 2021, the Subsidiary's 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 Subsidiary and invested as equity in bank, which are not considered as capital on a consolidated basis. In order to resolve the issue, the Subsidiary has evaluated merger option with Jana Capital Limited (the holding Company and a Core Investment Company) and filed an application with Reserve Bank of India ("RBI") on January 9 2020, for its in-principle approval which was granted by the RBI vide their letter dated 10th August 2020. The company intends to initiate the merger process again in the current year.

JANA CAPITAL LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31st March, 2021

32 Net Owned Fund

The Subsidiary 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 Subsidiary 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 subsidiary has shortfall of the prescribed minimum net owned fund as of March 31, 2021. The main reason for shortfall is on account of accumulated losses which consists of cost of borrowings. In order to resolve the issue, the subsidiary has evaluated merger option with Jana Capital Limited (the holding Company and a Core Investment Company) and filed an application with the Reserve Bank of India ("RBI") on January 9 2020, for its in-principle approval which was granted by the RBI vide letter dated 10th August 2020. The subsidiary intends to initiate the merger process again in the current year.

33 Breach of Leverage Ratio on a Standalone basis

The Subsidiary 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 RBI guidelines, the subsidiary had a leverage ratio of 3.24 which is above the regulatory threshold of 1.25 on a standalone basis. For the year ended 31 March 2021, the subsidiary had a leverage ratio of 3.24 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 subsidiary 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 subsidiary had 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 which was granted by the RBI vide letter dated 10th August 2020. The Subsidiary intends to initiate the merger process again in the current year.

34 Going Concern Basis of Accounting

The Group incurred a net loss of INR 30,10,023.60 thousands during the year ended March 31, 2021 and has accumulated losses amounting to INR 2,81,70,448.93 thousands, as of March 31, 2021 which has fully eroded the net worth and further the Group has fixed term borrowings to the extent of INR 216 crores maturing within next 12 months for which management currently evaluating options to raise funds required for repayment. Further, the entity is in breach of regulatory requirements such as consolidated capital adequacy ratio, net owned fund and leverage ratios. (Refer note 31, 32 and 33 for detailed explanations regarding regulatory breaches). Above events, indicate that a material uncertainty exists that may cast significant doubt on Group's ability to continue as a going concern. However, the group had undertaken actions to raise further debt and equity as necessary to maintain sufficient liquidity, as a going concern. Further, considered appropriateness of going concern based on key changes in the Associate, such as return to profitability and maintenance of adequate liquidity surplus on an ongoing basis. Accordingly, the financial statements have been prepared under going concern assumption.

35 Listing requirement for equity shares of Group Company

As per Small Finance Bank Licensing Guidelines by the RBI, equity shares of the Bank are required to be listed on a stock exchange in India within three years from the date of commencement of banking business i.e., March 27, 2021. The Bank has filed draft red herring prospectus (DRHP) with Securities Exchange Board of India (SEBI) on March 31, 2021.

36 Prior year comparatives

Previous years figures have been re-grouped/re-classified wherever necessary to correspond with the current year classification/disclosures.


As per our report of even date

For MSKC & Associates

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

Chartered Accountants

ICAI Firm Registration No.:0015955



Pankaj S Bhauwala

Partner

Membership No: 233552

Place: Bangalore

Date: 23 Sept 2021

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

CIN:U74900KA2016PLC086838



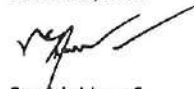
Rajamani Muthuchamy

Managing Director and CEO

DIN:08080999

Place: Bangalore

Date: 23 Sept 2021



Gopalakrishnan S

Chief Financial officer

ICAI Membership No: 021783

Place: Bangalore

Date: 23 Sept 2021



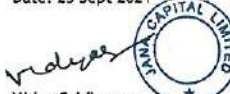
Ramesh Ramanathan

Chairman

DIN:00163276

Place: Bangalore

Date: 23 Sept 2021



Vidya Sridharan

Company Secretary

ICSI Membership No: A44354

Place: Bangalore

Date: 23 Sept 2021

