

To,
The Board of Directors Jana Capital Limited

Auditor's Report on maintenance of asset cover including compliance with covenants with respect to listed non-convertible debentures issued by M/s Jana Capital Limited for the Quarter and Half year ended March 31, 2024

1. This Report is issued in accordance with the terms of our agreement with **M/s Jana Capital Limited** ("the Company").
2. We **M/s. RAO AND EMMAR.**, Statutory Auditors of **M/s. Jana Capital Limited**. (CIN: U67100KA2015PLC079488) ("the Company") having its registered office at Plot No. at 2nd Floor, No. 80, 5th cross , 4th Main , Maruthi Extension Bengaluru 560021 India have examined audited books of account and other relevant records maintained by the Company with respect to the issue Report on maintenance of asset cover including compliance with covenants with respect to listed non-convertible Debentures ("NCDs"), for an amount aggregating to ₹ 77 crores (ISIN: INE028U08024) , ₹ 787 crores (ISIN: INE028U08032) and ₹546 crores (ISIN: INE028U08040).
3. The accompanying statement (Annexure-A) on value of security placed for listed Non-Convertible Debentures (NCD's) issued by Jana Capital Limited ("the Company") which were outstanding as at March 31, 2024 ("the Statement"), is prepared by the Company for the purpose of submission to Catalyst Trusteeship Limited ("the Debenture Trustee"), as per terms of our agreement, we are required to issue report on the maintenance of asset cover as per the terms of the offer document/ Information memorandum and/ or Debenture Trust Deed (the "asset cover"), including compliance with all financial covenants, in respect of NCD's issued by the Company for the half-year ended March 31, 2024, in accordance with terms of regulation 56(1)(d) of the Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, as amended from time to time(hereinafter referred as the "SEBI Regulation").

Management's Responsibility:

4. Preparation of accompanying statement (Annexure-A) is the responsibility of the Management of the Company including the preparation and maintenance of accounting and other relevant supporting records and documents in accordance with the applicable generally accepted accounting principles. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

5. The Management is also responsible for ensuring that the Company complies with the requirements of the Companies Act' 2013, Securities and Exchange Board of India Act, 1992 ("the SEBI") and all other relevant circulars, guidelines and regulations applicable to the Company that it provides complete and accurate information as required therein.

Auditor's Responsibility:

6. Our responsibility is only to provide reasonable assurance in the form of an opinion based on our examination of audited books of account and other relevant records that, the Company has complied with asset cover ratio including compliance with all financial covenants, in respect of NCD's issued by the Company.
7. We conducted our examination of information provided in accompanying statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion:

9. Based on the examination as above, and the information and explanations provided to us, in our opinion the Company has complied with the requirements of SEBI regulations in relation to maintenance of the asset cover, and related to the financial covenants, following are the compliances:
 - i. As per the Debenture Trust Deed ('DTD'), Exposure to a single borrower shall, at all times, not exceed such percentage of the gross loan portfolio of the Target Company for the previous Financial Year, as may be set / approved by the board of directors of the Target Company. We noted that the exposure single borrower as on March 31, 2024 is 0.4% which is within the limit.
 - ii. As per the Debenture Trust Deed ('DTD'), the operating profit of the target Company (before provisioning and the profit before tax of the target Company shall meet the threshold as may be set/approved by the board of directors of the target Company, for the year ended March 31, 2024. We have noted that the operating profit of the target company before provisioning (PPOP) and the profit before tax is Rs. 1193 crores which is more the threshold set by the board for the year ended March 31, 2024.
 - iii. As per the Debenture Trust Deed ('DTD'), The Company and JHL shall ensure that the Net Interest Margin of the Target Company shall, at all times for each Financial Year, be at least such percentage as may be set / approved by the board of directors of the Target Company, we have noted that the Net Interest Margin of the Target Company is 8.0%, which is more than the limit for the year ended March 31, 2024.

- iv. As per the Debenture Trust Deed ('DTD'), The ratio of unsecured loans to secured loans as part of the gross loan portfolio shall not exceed the threshold(s) as may be set / approved by the board of directors of the Target Company, for each Financial Year, however the ratio of unsecured loans to secured loans as part of the gross loan portfolio is 40% as on March 31, 2024, which is within the percentage set by the board.
- v. As per the Debenture Trust Deed ('DTD'), Gross non-performing assets on new disbursements shall not exceed such percentage of the gross loan portfolio of the Target Company, as may be set / approved by the board of directors of the Target Company, for each Financial Year, we have noted that Gross non-performing assets on new disbursements has exceeded such percentage of the gross loan portfolio of the Target Company, which is 2.0% as on March 31, 2024, which is within the percentage set by the board.
- vi. As per the Debenture Trust Deed ('DTD'), total debt to net-worth ratio of Jana Small Finance Bank Limited ("the target Company") in any financial year, should not exceed such ratio as may be set/approved by the board of directors of the target Company, however the actual debt to net worth ratio of the target Company is 1.5 times as on March 31, 2024, which is within the ratio as set by the board of target Company.
- vii. As per the Debenture Trust Deed ('DTD'), the Target Company shall, on a continuous basis, be at least such target percentage of its risk weighted assets (RWA), as may be set / approved by the board of directors of the Target Company, or such other percentage as may be prescribed by the RBI for the half-year ending March 31, 2024. We noted that the risk weighted assets of target Company is 20.3% as on March 31, 2024 which is within in compliance with prescribed limit.

Restriction on Use:

10. This report has been issued at the request of the Company solely with reference to the asset security coverage and compliance covenants with respect to Unsecured Rated Listed Redeemable Non-Convertible Debentures ("NCDs"). It should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

For **RAO AND EMMAR**
Chartered Accountants
Firm Registration No: 003084S

B J PRAVEEN
Partner
Membership No: 215713
UDIN: 24215713BKAKBX8862

Place: Bengaluru
Date: May 17, 2024

Certificate for asset cover by issuer of Debt Securities - Jana Capital Limited as on March 31, 2024 as per SEBI circular SEBI/HO/MRSD/MRSD_CRADT/CIR/P/2022/67 dated May 19, 2022

Amount are in INR thousands unless specified

Column A	Column B	Column C	Column D	Column E	Column F	Column G	Column H	Column I	Column J	Column K	Column L	Column M	Column N	Column O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari-Passu Charge	Pari-Passu Charge	Pari-Passu Charge	Assets not offered as security	Elimination (amount in negative)	Total (C to H)	Related to only those items covered in this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with paripassu charge)	Other assets on which there is pari- Passu charge (excluding items covered in column F)		debt amount considered more than once (due to exclusive plus pari passu charge)	Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value(=K+L+M+N)	
		Book Value	Book Value	Yes / No	Book Value	Book Value				Related to Column F				
Assets														
Property, Plant and Equipment		-	-	No	-	-	-	-	-	-	-	-	-	-
Capital Work-in-Progress		-	-	No	-	-	-	-	-	-	-	-	-	-
Right of Use Assets		-	-	No	-	-	-	-	-	-	-	-	-	-
Goodwill		-	-	No	-	-	-	-	-	-	-	-	-	-
Intangible Assets		-	-	No	-	-	-	-	-	-	-	-	-	-
Intangible Assets under Development		-	-	No	-	-	-	-	-	-	-	-	-	-
Investments	Investment in Jana Holdings Limited	-	-	No	-	-	43,61,112.77	-	43,61,112.77	-	-	-	-	-
Loans		-	-	No	-	-	-	-	-	-	-	-	-	-
Inventories		-	-	No	-	-	-	-	-	-	-	-	-	-
Trade Receivables		-	-	No	-	-	-	-	-	-	-	-	-	-
Cash and Cash Equivalents		-	-	No	-	-	12,973.11	-	12,973.11	-	-	-	-	-
Bank Balances other than Cash and Cash Equivalents		-	-	No	-	-	7.44	-	7.44	-	-	-	-	-
Others		-	-	No	-	-	1,17,095.05	-	1,17,095.05	-	-	-	-	-
Total		-	-		-	-	44,91,188.38	-	44,91,188.37	-	-	-	-	-
Liabilities														
Debt securities to which this certificate pertains		-	-	No	-	-	-	-	-	-	-	-	-	-
Other debt sharing pari-passu charge with above debt		-	-	No	-	-	-	-	-	-	-	-	-	-
Other Debt		-	-	No	-	-	-	-	-	-	-	-	-	-
Subordinated debt		-	-	No	-	-	-	-	-	-	-	-	-	-
Borrowings		-	-	No	-	-	1,84,47,987.13	-	1,84,47,987.13	-	-	-	-	-
Bank		-	-	No	-	-	-	-	-	-	-	-	-	-
Debt Securities		-	-	No	-	-	-	-	-	-	-	-	-	-
Others		-	-	No	-	-	-	-	-	-	-	-	-	-
Trade payables		-	-	No	-	-	-	-	-	-	-	-	-	-
Lease Liabilities		-	-	No	-	-	-	-	-	-	-	-	-	-
Provisions		-	-	No	-	-	-	-	-	-	-	-	-	-
Others		-	-	No	-	-	616.63	-	616.63	-	-	-	-	-
Total		-	-		-	-	1,84,48,603.77	-	1,84,48,603.77	-	-	-	-	-
Cover on Book Value		-	-		-	-	0.24		0.24					
Cover on Market Value		-	-		-	-	0.24		0.24					

Place : Bengaluru
Date : 17-May-2024

For JANA CAPITAL LIMITED


 Rajamathi Muluchamy
 Managing Director and CEO
 DIN:08080999