

NOTICE

Notice is hereby given that the Fifteenth Annual General Meeting of the Members of Jana Small Finance Bank Limited, will be held at shorter notice on Thursday, 19th August 2021 at 11.00 a.m. at the Registered Office of the Bank situated at The Fairway Business Park, First Floor, # 10/1, 11/2 & 12/2B Off Domlur, Koramangala Inner Ring road, Next to EGL Business Park, Challaghatta, Bengaluru - 560071, and also through Video Conferencing / Other Audio Visual Means ("VC/OAVM") facility to transact the following business.

ORDINARY BUSINESS:

1. Approval and Adoption of Audited Financial Statements of the Bank for the year ended 31st March 2021 along with Auditors' Report and Directors' Report:

To receive, consider and adopt the Audited Balance Sheet as at 31st March 2021 and Profit and Loss Account of the Bank for the year ended 31st March 2021, together with Cash Flow Statement for the year ended 31st March 2021, Notes to Financial Statements, Directors' Report and Auditors' Report thereon and if thought fit, to pass the following resolution with or without modification, as an Ordinary Resolution.

"RESOLVED THAT the Bank do hereby adopt the Audited Balance Sheet as at 31st March 2021, the Profit & Loss Account for the year ended on that date along with Cash Flow Statement, Notes to Financial Statements, Directors' Report and Auditors' Report thereon for the year ending on that date."

2. Appointment of Mr. Ajay Kanwal as a director who retires by rotation:

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

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

3. Appointment of M/s. Brahmayya and Co.,(Firm registration no. 000515S) Chartered Accountants, and M/s. M. M. Nissim and Co. LLP (Firm registration no. 107122W/W100672), Chartered Accountants as Joint Statutory Auditors of the Bank and fix their remuneration.

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

"RESOLVED THAT Consent of the Members of the Company be and is hereby accorded to appoint M/s. Brahmayya and Co.,(Firm registration no. 000515S) Chartered Accountants, and M/s. M. M. Nissim and Co. LLP (Firm registration no. 107122W/W100672), Chartered Accountants, as Joint Statutory Auditors of the Bank for a continuous period of three (3) years from the conclusion of this AGM to the conclusion of AGM, to be held in the FY 2024-25 at the remuneration to be fixed by the Board of Directors and/or Mr. Ajay Kanwal,

paise ki kadar

Registered Office:

Jana Small Finance Bank Ltd.

The Fairway Business Park, # 10/1, 11/2 & 12/2B, Off Domlur,
Koramangala Inner Ring Road, Next to Embassy Golf Links,
Challaghatta, Bengaluru -560071.

CIN No. U65923KA2006PLC040028

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Managing Director & Chief Executive officer of the Company in consultation with the Auditors.

FURTHER RESOLVED THAT Mr. Ajay Kanwal, Managing Director and Chief Executive Officer, Mr. Ravi Duvvuru, Chief Compliance Officer, Chief Financial Officer and Ms. Lakshmi R.N. Company Secretary of the Bank be and are hereby severally authorized to do such acts, deeds and things as may be considered necessary to give effect to the above resolution”.

SPECIAL BUSINESS

4. Adoption of new Articles of Association :

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

“RESOLVED THAT pursuant to the provisions of Section 14 of the Companies Act, 2013 and the rules made thereunder, each as amended, and other applicable provisions, if any, and in order to align the Articles of Association with the requirements of the stock exchanges where the Equity Shares of the Bank are proposed to be listed and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the set of existing Articles of Association of the Bank, as placed before the shareholders of the Bank be and is hereby substituted with the new set of Articles of Association placed before the shareholders of the Bank and the same be approved and be adopted as new Articles of Association of the Bank, in total exclusion and substitution of the existing articles of association of the Bank.

RESOLVED FURTHER THAT the Mr. Ajay Kanwal, Managing Director and Chief Executive Officer be and is hereby severally authorised to do all such acts, deeds, matters and things as may be required to be done to give effect to the above resolution including filing of necessary forms with the Registrar of Companies, Karnataka at Bengaluru.”

5. Re-appointment of Mr. Ajay Kanwal as the Managing Director and Chief Executive Officer of the company and fix his remuneration for the FY 2021-22:

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

“RESOLVED THAT subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013 and Articles of Association of the Company and as per approval of the Reserve Bank of India, the consent of the Members of the Company be and is hereby, accorded to re-appoint of Mr. Ajay Kanwal (DIN : 07886434) as a Managing Director and Chief Executive Officer (“MD”) of the Company, for a period of three years with effect from 21st March 2021, on such terms and conditions.

RESOLVED FURTHER THAT subject to approval of the Reserve Bank of India, for the payment of remuneration to Mr. Ajay Kanwal, for the financial year 2021-22, on the terms and conditions approved by the Nomination and Remuneration Committee and the appointment be upon terms and conditions as stated in the Explanatory Statement annexed to this notice.

The brief terms of emoluments of Mr. Ajay Kanwal as Managing Director to be paid on approval of the Reserve Bank of India are as under:

Particulars	Proposed (Rs.)
PART-A:	
Fixed Pay (including perquisites): w.e.f April 1, 2021 up to 31 March 2022	
1. Salary	2,23,04,795
2. Dearness allowance	-
3. Retiral/Superannuation benefits:	
(a) Provident Fund	(a)26,76,575
(b) Gratuity	
(c) Pension	
(d)	
4. Leave Fare Concession/ Allowance	
5. Other fixed allowances, if any (please specify)*	2,18,58,700
<i>*Consolidated allowance, if any, to be given with details of heads it subsumes.</i>	
6.Perquisites:	(i)89,21,918
(i) Free Furnished House and its maintenance/House Rent Allowance	
(ii) Conveyance Allowance/Free use of bank's car for	
a) Official purposes	
b) Private purposes	
(iii) Driver(s)' salary	
(iv) Club Membership(s)	
(v) Reimbursement of medical expenses	
(vi) Any other perquisites (please specify)	
Total Fixed pay (including perquisites)	5,57,61,988
Cash Bonus	2,00,00,000
Restricted Stock units (RSUs)	1,45,00,000
Employee Stock Options (ESOPs)	8,59,38,625

RESOLVED FURTHER THAT the remuneration payable to Mr. Ajay Kanwal, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

RESOLVED FURTHER THAT Mr. Ramesh Ramanathan, Director, Mr. Ravi Duvvuru, Chief

Compliance Officer and Mrs. Lakshmi R N, Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required.”

6. Regularization of appointment of Mr. Subhash Chandra Khuntia, as a Director:

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 & 161 of the Companies act, 2013 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, read with Schedule IV to the Companies Act, 2013, and Articles of Association of the Bank, Mr. Subhash Chandra Khuntia, (DIN : 05344972) who was originally appointed as an Additional Director (Independent Director) on 28th July 2021 be and is hereby appointed as an Independent Director of the Bank for a term of upto five (5) years with effect from 28th July 2021 who is not liable to retire by rotation.

FURTHER RESOLVED THAT Mr. Subhash Chandra Khuntia (DIN: 05344972) be and is hereby appointed as a part time Chairman, subject to approval of the Reserve Bank of India, and for a period of three years effective from the date of the RBI approval.

FURTHER RESOLVED THAT Mr. Ajay Kanwal, Managing Director & Chief Executive Officer, Mr. Ravi Duvvuru, Chief Compliance Officer and Ms. Lakshmi R.N., Company Secretary of the Bank be and are hereby severally authorised for and on behalf of the Bank to do or cause to do all acts, matters, deeds and things and to execute all documents and to take all steps and do all things and give such directions as may be required, necessary, expedient or desirable for giving effect to the above resolutions and make all such filings as are required under the Companies Act, 2013.”

7. Approval for issue of securities (preferential Issue)

To consider and if thought fit to pass, with or without modification, the following resolution as Special Resolution:

“RESOLVED THAT in accordance with sections 42 and 62 and any other applicable the provisions, if any, of the Companies Act, 2013, applicable provisions of the Companies Act, 1956, and the rules made thereunder (including but not limited to any statutory modifications or re-enactment thereof, for the time being in force), the articles of association of the company, the Securities Subscription Agreement to be entered, the provisions of the Foreign Exchange Management Act, 1999 (“**FEMA**”) and regulations and rules made thereunder by the Reserve Bank of India (“**RBI**”), the guidelines and clarifications issued by the RBI, and any other statutory/regulatory authorities the shareholders hereby accord their consent to issue and allot and hereby issues and allots the following securities to Jana Holdings Limited in one or more tranches (upto five tranches)

- (i) 49,55,810 (Fortynine Lakh Fifty Five Thousand Eight Hundred and Ten Three) fully paid up Equity Shares having a face value of Rs. 10 (Rupees Ten only) per Equity Share, at a subscription price of Rs. 968.56 (Rupees Nine Hundred Sixtyeight and Fiftysix Paise) per Equity Share, aggregating to the subscription amount of Rs. 479,99,99,333.60 (Rupees Four Hundred Seventynine Crore Ninety Nine

Lakhs Ninety Nine Thousand Three Hundred Thirtythree and Sixty Paise only) to Jana Holdings Limited.

RESOLVED FURTHER THAT:

- (i) The Equity Shares issued and allotted to the Jana Holdings Limited shall be subject to the provisions of the memorandum of association and articles of association of the Company and subject to the Securities Subscription Agreement to be entered and shall rank pari passu with the existing equity shares of the Company, wherever applicable, in respect of all matters including dividend entitlements.
- (ii) The offer, issue and allotment of the Equity Shares shall be subject to applicable laws, guidelines, notifications, rules and regulations.

RESOLVED FURTHER THAT the names of investor be entered in the register of members of the Company as holders of its respective Equity Shares allotted to them, and that Ms. Lakshmi R.N, Company Secretary be authorized to initial the register of members so updated and amended and provide a certified extract of the updated register of members to the Investor.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers to any Committee of Directors of the Company to give effect to the aforesaid resolutions

RESOLVED FURTHER THAT for the purpose of giving effect to the aforementioned resolutions the Board of the Company and/or such person(s) as the Board may appoint be and is / are hereby authorised to do all acts, matters, deeds and things and to take all such steps and do all such things and give all such directions as the Board may consider necessary, expedient or desirable in order to give effect to the above resolutions and also to settle any questions or difficulties that may arise in such manner as the Board in its absolute discretion may deem fit and take all steps which are incidental and ancillary in this connection.

8. Approval for raising funds through issue of Debt instruments:

To consider and if thought fit to pass, with or without modification, the following resolution as a Special Resolution:

“RESOLVED THAT in terms of Section 42, Section 71 and other applicable provisions, if any, of the Companies Act, 2013 and Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and other relevant rules notified there under; and in accordance with (i) the provisions of SEBI (Issue & Listing of Debt Securities) Regulations, 2008; (ii) the Securities Contracts (Regulation) Act, 1956; (iii) the Memorandum and Articles of Association of the Company; and (iv) the Listing Agreement entered into by the Company with the Bombay Stock Exchange; and subject to consent of (i) the relevant stock exchange; (ii) all other concerned statutory and regulatory authorities (if and to the extent necessary); and (iii) such other approvals, permissions and sanctions as may be necessary, approval of the members of the Company be and is hereby accorded for borrowing/raising funds in INR / foreign currency by issue of debt instruments in domestic and/or overseas market, by issue of debt instruments (including bonds, non-convertible debentures, notes etc.), secured or unsecured, in one or more tranches (the **“Debentures”**) by way of private

placement or public issue or otherwise and as per the structure and within the limits permitted by RBI, MCA and other regulatory authorities from eligible investors of an amount not exceeding Rs. 500 Crore in FY 2021-22. The yield for all Debentures (which includes coupon and redemption premium, but excludes processing fees which is payable additionally) issued during FY 2021-22 will be decided by board of directors of the Company ("Board of Directors") for each tranche depending on financial market conditions.

RESOLVED FURTHER THAT Board of Directors be and is hereby authorised to do all such acts, deeds, things, matters, as may be necessary and expedient for giving effect to the above resolution."

By and Order of the Board
For Jana Small Finance Bank Limited



Place : Bangalore
Date : 13-Aug-2021

Lakshmi R.N.
Company Secretary

Note :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Bank.
2. The proxy in order to be valid shall be lodged at the registered office address of the Bank not less than 48 hours before the meeting.
3. Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013, is annexed to the Notice convening the Annual General Meeting.
4. In the case of corporate member, it is requested to send a certified copy of the Board Resolution authorising the representative to attend and vote on its behalf at the meeting.
5. The documents referred to in the Resolutions can be inspected at the Registered Office of the Bank in Bengaluru during 11 am to 5 pm on all working days of the Bank.
6. Pursuant to General Circular No. 20/2020 dated 5th May 2020, issued by Ministry of Corporate Affairs, the meeting can be attended through video conferencing. The link is <https://bluejeans.com/250425806>

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 4:

In order to undertake the proposed public issue, the Bank will be required to ensure that the articles of association of the Bank (the "**Articles of Association**") conform to the requirements prescribed by relevant stock exchanges prior to filing of the draft red herring prospectus with the Securities and Exchange Board of India and the relevant stock exchanges. The Bank therefore proposes to adopt an amended set of Articles of Association that shall conform to the requirements and directions provided by the stock exchanges and contain such other articles as required by a public limited company under applicable laws (including the Companies Act, 2013).

Copy of the existing Articles of Association and the proposed revised Articles of Association will be made available for inspection at the registered office of the Bank during the working hours of the Bank on any working day up to the date of the extra-ordinary general meeting.

Pursuant to the provisions of Section 14 of the Companies Act, 2013, as applicable, any amendment in Article of Association requires approval of the members of the Bank by way of a special resolution. The Board recommends the resolution for approval of the members of the Bank. The Reserve Bank of India has given the approval to new set of Articles of Association.

None of the directors or key managerial personnel of the Bank or the relatives of the aforementioned persons are interested in the said resolution.

The Board recommends the resolution set out at Resolution No.4 of the accompanying Notice for your approval as special resolution.

Item no. 5 :

The Nomination and Remuneration Committee of the Board of Directors of the company vide their resolution dated 16th February 2021, have recommended the re- appointment of Mr. Ajay Kanwal as Managing Director of the Company for a period of three years wef 21st March 2021, subject to the approval of the Board of Directors, Shareholders and the Reserve Bank of India.

The Board of Directors of the Company vide their resolution dated 16th February 2021, have approved the appointment of Mr. Ajay Kanwal as Managing Director of the Company for a period of three years wef 21st March 2021, subject to the approval of the Shareholders and the Reserve Bank of India.

The Reserve Bank of India accorded its approval through its letter dated 5th March 2021 for the reappointment of Mr. Ajay Kanwal as a Managing Director and Chief Executive Officer for a period of three years wef 21st March 2021. The regular also informed that a decision regarding his remuneration would be conveyed in due course.

The Brief Profile of Mr. Ajay Kanwal is as under:

Mr. Ajay Kanwal is a senior consumer and commercial banker with 27 years' experience across Asia. He has held various leadership positions throughout his banking career and has a proven track record of planning and executing strategy to deliver P&L in a multicultural and volatile emerging market environment. Ajay has played a significant role in launching several strategic growth initiatives while building and managing diverse teams across geographies.

None of the directors or key managerial personnel of the Bank are in any way, concerned or interested, financially or otherwise, in the resolution No. 5 set out at in the notice.

Item no. 6 :

The Board of Directors had approved the appointment of Mr. Subhash Chandra Khuntia as an additional director (Independent Director) on 28th July 2021 by circulation. This is pursuant to provision of Section 149, 150, 152 and 161 of the Companies Act, 2013. Hence, he will hold office up to the date of the ensuing General Meeting.

The Bank has received consent in writing to act as Director in Form DIR 2 and intimation in Form

DIR 8 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of section 164 of the Companies Act, 2013.

The Board considers that his association would be of immense benefit to the Bank and it is desirable to avail his services as a Director. Accordingly, the Board recommends the resolution No.6, in relation to appointment of Mr. Khuntia, for the approval by the shareholders of the Bank.

The Brief Profile of Mr. Subhash Chandra Khuntia is as under:

Dr. Subhash C. Khuntia has had a career in Civil service spanning over 36 years as a member of the Indian Administrative Service. His latest assignment was as Chairman, Insurance Regulatory and Development Authority of India. He has been Chief Secretary, Government of Karnataka and before that he worked as Secretary (School Education and Literacy), Government of India in the Ministry of Human Resource Development.

In Government of Karnataka, he has served in various capacities in the Departments of Revenue, Personnel, Urban Development, Rural Development and as Principal Secretary, Public Works, Ports and Inland Waterways Department and as Secretary, Finance Department. In Government of India, he has served in Ministry of Finance, Ministry of Human Resource Development and Ministry of Petroleum & Natural Gas. He also served as Government nominee Director on the Boards of Indian Oil Corporation, ONGC and Hindustan Petroleum Corporation, and several PSUs of Karnataka State Government. He has been Chairman of the Boards of Bangalore International Airport Limited and Institute of Insurance and Risk Management.

Dr. Khuntia is an alumnus of Indian Institute of Technology, Kanpur from where he did his post-graduation in Computer Science and Physics. He is also an alumnus of London School of Economics from where he did his M.Sc. He has a Ph.D. in Economics and is also a Law Graduate.

None of the directors or key managerial personnel of the Bank are in any way, concerned or interested, financially or otherwise, in the resolution No. 6 set out at in the notice.

Item no. 7:

The resolution at item no. 6 is to issue and allot equity shares of the Bank ("Equity Shares") to the Investor for a consideration aggregating upto Rs. 480 cr (Rupees Four Hundred and Eighty Crore). Information in relation to the issuance and allotment of the Equity Shares to the **Investors** is set out below:

- a. The objects of the issue are as follows: Banking business purposes.
- b. The total number of securities proposed to be issued by way of preferential allotment are 49,55,810 (Fortynine Lakh Fifty Five Thousand Eight Hundred and Ten) Equity Shares each of a nominal value of Rs. 10 each.
- c. The price or price band at/ within the allotment is proposed is

Security	Price
Equity Shares	Rs. 968.56/- per Equity Share
- d. The price of the Equity Shares to be issued and allotted to the **Investor** has been arrived at by a registered valuer and the report in this regard has been provided.

- e. The relevant date with which the price has been arrived at is: as per terms of Rule 13 (h) (ii) of the Companies (Share Capital and Debenture) Rules, 2014.
- f. The allotment is proposed to be made to the following class/ classes of persons: Domestic investors (Promoter).
- g. None of the promoters, directors or key managerial personnel are subscribing to the offer: Jana Holdings Limited is a promoter who is investing in the issue.
- h. The allotment is proposed to be completed on or before 30th November 2021.
- i. The names of the proposed allottees and the percentages of post preferential offer capital that may be held by them are set out below.

Equity Shares

Sr.no	Names of the Proposed allottees	% of holding
1	Jana Holdings Limited	47.23%

- j. There shall be no change in control of the Bank consequent to the preferential offer.
- k. The pre issue (current) and post issue shareholding pattern of the Company is as follows.

Equity Shares

Sr. No	Category	Pre Issue		Post Issue	
		No of shares held	% of share holding	No of shares held	% of shareholding
A	Promoters' holding:				
1	Indian:				
	Individual	-	-	-	-
	Bodied Corporate	213,44,374	42.08%	263,00,184	47.23%
	Sub Total	213,44,374	42.08%	263,00,184	47.23%
2	Foreign Promoters	-	-	-	-
	Sub Total (A)	213,44,374	42.08%	263,00,184	47.23%
B	Non-Promoters' holding				
1	Institutional Investors	1,92,34,095	37.92%	1,92,34,095	34.54%
2	Non Institution:				
	Private Corporate Bodies	97,00,812	19.12%	97,00,812	17.42%
	Directors and	-	-	-	-

Relatives				
Indian Public	4,45,156	0.88%	4,45,156	0.80%
Others (Including NRIs)	2,820	0.00%	2,820	0.01%
Sub Total (B)	293,82,883	57.92%	293,82,883	52.77%
GRAND TOTAL	507,27,257	100.00%	556,83,067	100%

Compulsorily Convertible Preference Shares

Sr. No	Category	Pre Issue		Post Issue*	
		No of shares held	% of share holding	No of shares held	% of shareholding
A	Promoters' holding:				
1	Indian:				
	Individual	-	-	-	-
	Bodied Corporate	-	-	-	-
	Sub Total	-	-	-	-
2	Foreign Promoters	-	-	-	-
	Sub Total (A)	-	-	-	-
B	Non-Promoters' holding				
1	Institutional Investors	-	-	-	-
2	Non Institution:				
	Private Corporate Bodies	-	-	-	-
	Directors and Relatives	-	-	-	-
	Indian Public	15,00,00,000	100.00%	15,00,00,000	100.00%
	Others (Including NRIs)	-	-	-	-
	Sub Total (B)	15,00,00,000	100.00%	15,00,00,000	100.00%
	GRAND TOTAL	15,00,00,000	100.00%	15,00,00,000	100.00%

The Board recommends the Resolutions at item no. 7 of the Notice for the approval of the shareholders.

None of the Directors is concerned or interested in these Resolutions.

**Item no. 8 :**

As per the provisions of Section 42 of the Companies Act, 2013 read with Rules 14 of the Chapter III of the Companies Act, 2013 the company is hereby seeking your approval for borrowing/raising funds in INR / foreign currency by issue of debt instruments in domestic and/or overseas market, by issue of debt instruments, including bonds, non-convertible debentures, notes etc., by way of private placement or public issue or otherwise amounting to Rs. 500 Crores for the FY – 2021-22. The Board recommends these resolutions for the approval of the members as Special Resolutions.

None of the directors or key managerial personnel of the Bank, except to the extent of their shareholding, are in any way, concerned or interested, financially or otherwise, in the resolution set out at in the notice.

**By and Order of the Board
For Jana Small Finance Bank Limited**



**Lakshmi R.N.
Company Secretary**

**Place : Bangalore
Date : 13-Aug-2021**

